

1. Blaug, M., *Economic Theory in Retrospect*, Heinemann, London, 1968.
2. TANU, *The Arusha Declaration and TANU's Policy on Socialism and Self-Reliance*, Dar es Salaam, 1967.
3. United Republic of TANZANIA, *Second Five Year Plan for Economic and Social Development; 1st July 1969-30th June 1974, Volume I (1969) & Volume III (1970)* Dar es Salaam.
4. Ellis, F., "Agricultural Pricing Policy in Tanzania 1970-1979: Implications for Agricultural Output, Rural Incomes, and Crop Marketing Costs", University of Dar es Salaam, E.R.B. Paper 80.4, 1980. Valentine, T.R., "Wage Policy in Tanzania Since Independence: Trends and Perceptions" in ILO, 1981. Valentine T.R. "Wage Adjustments, Progressive Tax Rates, and Accelerated Inflation: Issues of Equity in the Wage Sector of Tanzania", *African Studies Review*, Vol. 26, No. 1, 1983.
5. Ellis, F., "Agricultural Pricing Policy in Tanzania", *World Development*, Vol. 10, No. 4, April 1982.
6. Valentine, T.R., 1981, op.cit.
7. Ellis, F., 1980 and 1982, op. cit.
8. Ellis, F., 1982, op. cit.
9. World Bank, *Tanzania: Agricultural Sector Report*, Washington D.C., September 27, 1982.
10. Collier, P. et al., *Labour and Poverty in Rural Tanzania: Ujamaa and Rural Development in the United Republic of Tanzania*, Clarendon Press, Oxford, 1986.
11. Ibid.
12. Ndulu, B.J., "Unequal Regional Distribution of Economic Opportunities in Tanzania and Affirmative Policy Efforts Towards Equalization", University of Dar es Salaam, E.R.B. Paper 82.8. 1982.
13. Ibid.
14. Ibid.
15. Kleemeier, L., "Tanzania's Policy Towards Foreign Assistance in Rural Development", *TAAMULI*, Vol. 12, December, 1982.
16. Ibid.
17. Ibid.
18. World Bank, *Tanzania Economic Memorandum*, 1980.
19. ILO, *Basic Needs in Danger: A Basic Needs Oriented Development Strategy for Tanzania*, Addis Ababa, 1982.
20. Samoff, J., "Education in Tanzania: Class Formation and Reproduction", *The Journal of Modern African Studies*, Vol. 17, 1979.
21. Malekela, G., "Access to Secondary Education in Sub-Saharan Africa: The Tanzania Experiment", Ph.D. Thesis, University of Chicago, August 1983.

REFLECTIONS ON THE IMPLEMENTATION OF UJAMAA VIJIJINI POLICY IN TANZANIA — 1967 TO 1986

A.M. Sendaro

Introduction

The Arusha Declaration was the most important political landmark from the late 1960s to date. Today, the Arusha Declaration is twenty years old. Twenty years is not a very long time. Socio-economic systems exist, sometimes, for centuries before they can even create their own identity, separate from the previous systems. Twenty years is a period covered by one long prognostic plan (20 year perspective). The life period of the Arusha Declaration, therefore, may not be an optimal period for assessing socio-economic development, especially in a country like Tanzania with severe resource constraints and a hostile international environment.

This period of twenty years, however, is long enough for a pause in which to ask some fundamental questions and to determine the direction in which the vessel of state is moving. Particularly given the rapid changes in the modern world, twenty years is an ideal period for assessing the successes and failures, so far, of the Arusha Declaration.

The Policy Background

At the inception of the Arusha Declaration in 1967, Tanzania was just a member of the group of twenty-five poorest countries of the Third World, a position which it still maintains today. Within Tanzania itself, the rural sector was worse off than the urban sector. Given the history of under-development it was inevitable that the rural sector which produced the wealth of the country had to be the least developed and the most exploited, so that the rural masses were submerged into permanent poverty, ignorance and disease. King Birendra, in his 1981 speech in the UN, described the rural poor thus:

...and his number runs into millions — suffers from poor nutrition. He is vulnerable to disease. His average life span is short. He lives in huts where squalor surrounds him. He does not get his meals regularly but when he does he is haunted with the fear of where his next meal will come from. He is clad in rags, if at all. He walks without shoes ...¹

Different people have described the problem of rural development in different ways but there is a general agreement that the rural sector in Tanzania is dominated by the peasant economy,² which is characterised by backwardness in production. The peasants rely on primitive methods of production. The level of the productive forces is extremely low and production relations are based on the individualised smallholder system.

Some argue that in order to free the peasant from poverty, ignorance and disease, there is a great need to transform the peasant economy by dismantling it and creating a base for a modern economy in which the forces of production attain full development. Others argue that there is no need for transforming the peasant economy. Leave the peasant to operate in his traditional framework with simple tools but give him technical assistance (extension services).³

*Lecturer, Institute of Development Studies, University of Dar es Salaam.

Those who see the need for total transformation of the peasant economy differ on the methodology to be adopted. One group believes that the best way is capitalist transformation, that is, the creation of fully developed capitalist production relations.⁴ Then there are those who share the official commitment to socialist transformation of the rural sector based on producer co-operatives. This is the expectation of the Party as reflected in the Arusha Declaration and subsequent party policy papers.

The Policy

The Arusha Declaration was the framework for policy formulation after 1967. In this Declaration the Party defined rural development as the steady eradication of poverty, ignorance and disease. In order to achieve this development, it was imperative to transform the rural sector along socialist lines. Socialist agricultural transformation is the only basis of a meaningful rural development.

The Arusha Declaration spelled out the broad framework for developing the rural sector. This was followed by the policy paper on socialism and rural development which analysed and further articulated the rural question. Again, in this paper, socialist agriculture was put as top priority in solving the rural question.

The strategy directed by this policy paper was the establishment of socialist rural communities (Ujamaa vijijini) based on a voluntary and democratic participation of the rural people themselves. Persuasion and not force was to be the key to success.

Government Paper No. 4 of 1967

The Arusha Declaration was a Party document. It embodied the Party's policy directives on the rural sector. Besides that, there was a policy paper "Socialism and Rural Development", written by J.K. Nyerere, the then President of the United Republic of Tanzania. In fact, the latter was a Presidential directive on the implementation of the policy.

After the Presidential directive the government prepared an action plan embodied in Government Paper No. 4 of 1967. This paper was important since it unfolded an interpretation of the Arusha Declaration policy and the methodology of implementation by its major implementing agency — the government. This action paper correctly identified the rural problem as one of a very low level of development of the productive forces and, further, identified the traditional relations of production (the peasant economy) as the major hindrance to real rural development:

... the organisation of agriculture based on subsistence production and on smallholders does not provide sufficient incentive to the farmers due to high marketing costs... This coupled with lack of know-how also inhibits the efficient use of land...

The problem of Tanzania's agriculture is one of organising the vast majority of traditional peasant farmers with small and/or scattered holdings using crude and outdated implements into productive agents...

The action paper described the strategy to be used. It was very clear on the necessity of applying co-operative principles:

It is in the application of cooperative principles that solutions to the problem of rural development can be found... There is no other type of organisation which is so suited to the problems and concept of rural development... and changes in attitudes so essential for bringing about the required structural change are likely to take much longer than if co-operatives are effectively organised, *emphasising production*...

The action paper clearly recognised that producer co-operatives were the most appropriate instruments for solving the rural problem. Uncertain, however, was what kind of co-operatives were to be created. The paper did not make any reference to socialist producer co-operatives or to the strategy to achieve the envisaged socialist transformation of the rural sector as directed by the President of Tanzania. Instead, the government intended to establish co-operatives based on private ownership of the means of production:

The cooperative movement, however, must not insist on joint ownership of farming and tools etc. The initiative for joint farming and/or ownership, if at all necessary, must come from the individual/community itself. Individual farmers can be helped and provided with simple tools, technical assistance, inputs, credit etc...

As can be observed, the action plan contradicted itself. In its earlier part the policy paper identified smallholders, individual peasants working in isolation and using crude tools, as the problem of rural development. But in its later part, the paper advocated the development of the private peasants who should use simple tools which means crude tools.

An inherent contradiction in the action paper is the question of producer co-operatives. In its analysis of the problem of rural development, the paper was unequivocal about the usefulness of the producer co-operatives, but at the operational level the policy action paper displayed clear unwillingness to establish producer co-operatives.

Presidential Circular Notice 1969

Probably in reaction to the 1967 action plan and the 1967 Government Paper No. 4, the President issued a circular notice, the 1969 Presidential Notice No. 1. This circular came out with the more forceful and categorical statement that all government agencies must work to implement the policy of Ujamaa Vijijini. The circular said:

The policy of Ujamaa Vijijini is the basis for implementing socialism and democracy in Tanzania ...

Communal farming and working together should be the basis of development in the rural communities...

The circular, therefore, put heavy emphasis on the socialist transformation strategy, contrary to Government Paper No. 4 which actually played down the role of socialist rural communities. The question that one can pose right here is why the two documents contradicted each other although they were both government documents. It seems that there was a serious disagreement on approach between the policy makers and the policy executors.

The Presidential circular did not end here. The circular forcefully specified that the building of Ujamaa villages was the final objective. The circular said:

That is to say, that now the Government must put emphasis on the building of the Ujamaa Villages. We must adjust our Government organs and TANU towards the building of Ujamaa.

Of course, this point has to be seen within the context of the earlier points on the establishment of socialist rural communities based on co-operative ownership of

resources. In other words, these Ujamaa villages constitute the institutional framework for socialist ownership of productive resources.

Again, the directive was contrary to the Government Paper No. 4 which doubted the necessity of co-operative ownership of farming tools. These contradictions inherent in the policy documents at the level of policy formulation reproduced themselves at the execution level. And this explains in part why certain things that were strongly insisted upon by the policy makers were not implemented. A clear example is the socialist producer co-operatives which were never established.

This is the genesis of the policy of Ujamaa Vijijini. Eventually, two options for action emerged out of it. The first option was to use producer co-operatives to transform the forces of production and the production relations. This was the option of the policy makers as indicated in the President's directive of 1969. The second option was the private smallholder working with simple tools which was the option as indicated in Government Paper No. 4. of 1967.

The argument here is that the second option did not originate from the policy makers for the President had strongly rebuffed it in his circular letter No. 1 of 1969. The central question now is: what was the source of the second option? The answer to this question can only be speculative, backed by logical inference.

Beginning from 1961, international capital showed an interest in the rural sector, mainly, of course, to ensure a continuous supply of raw materials for export to the industrialised countries. Thus, in 1961, the World Bank recommended the establishment of the Agricultural Credit Agency (ACA) to put credits at the disposal of smallholder peasants, focusing on the 'progressive farmer'. In 1964, the National Development Credit Agency (NDCA) was formed to replace the ACA. The former was not basically different from the latter, except for the fact that now the NDCA had to channel its credits through the co-operation to the progressive private peasants. Consequently, by 1971, the NDCA had given credit to only one Ujamaa village out of 4464 Ujamaa villages already existing at that time. This credit bias against Ujamaa villages led to the formation of the Tanzania Rural Development Bank (TRDB) to replace the former NDCA. The purpose of the TRDB was to abandon the progressive farmer credit approach and, instead, focus on Ujamaa villages. But the dilemma was that the TRDB wholly depended on international capital for credit funds. "Approximately 90% of TRDB funds came from International Development Association (IDA)".¹⁰ Other sources included USA, West Germany, Sweden, Norway and Denmark. By 1979/80, TRDB had made available Tshs. 207.9 million (55.6%) as credit to Ujamaa villages in the rural sector. Thus, despite the formation of TRDB, international capital was the source of rural credit, just as in the days of ACA and NDCA.

For obvious reasons, therefore, the policy executors had to go by the second option, i.e. that of focusing on the smallholder peasant instead of implementing the policy makers' option of building Ujamaa village producer co-operatives. This explains why no producer co-operatives were created despite the policy rhetoric.

There were, however, a few Ujamaa villages which went ahead, alone, with the first option. On their own, without or with little back-up and support of the policy executors, these Ujamaa villages forged ahead and established producer co-operative economic projects. There has been no official census showing the actual number or the percentage of these villages. We can, however, cite a few of them to serve as examples. Table 1 presents some of these villages.

Table 1: First option Ujamaa villages with co-operation activities.

Region	Village	Activity	Approx. Value	Reference Year
Iringa	Kitowo	Communal farm	Tsh. 403,000.00	1983/84
		Co-operative shop	A Tsh. 130,000.00	1983/84
		Co-operative shop	B Tsh. 100,000.00	1983/84
		Two flour mills	Tsh. 68,000.00	1983/84
		Dairy cattle	Tsh. 270,000.00	1983/84
	Total	Tsh. 871,000.00		
Iringa	Lulanzi	Dairy cattle	Tsh. 710,000.00	1983/84
		Piggery	Tsh. 39,000.00	1983/84
		Communal farm	Tsh. 149,000.00	1983/84
		Co-operative shop	Tsh. 150,000.00	1983/84
		Flour mill	Tsh. 40,000.00	1983/84
		Small industries	Tsh. 300,000.00	1983/84
	Total	Tsh. 1,388,000.00		
Ruvuma	Ilela	Communal farm	Tsh. 1,200,000.00	1984/85
		Co-operative shop	Tsh. 500,000.00	1984/85
		Black smith	Tsh. 350,000.00	1984/85
		Wood mill	Tsh. 910,000.00	1984/85
		Flour mill	Tsh. 83,000.00	1984/85
	Total	Tsh. 3,043,000.00		
Morogoro	Matetereka	Communal farm	Tsh. 623,700.00	1984/85
		Small industries	Tsh. 46,000.00	1984/85
		Dairy cattle	Tsh. 44,865.00	1984/85
		Flour mill	Tsh. 152,715.00	1984/85
		Co-operative shop	Tsh. 164,470.00	1984/85
	Total	Tsh. 1,031,750.00		

Source: Collected from the villages.

There are several points to bear in mind here. Firstly, the table is not representative. It shows only four out of over 8000 Ujamaa villages, or 0.05%. This figure does not represent all the villages which went ahead with the first option. There were numerous other similar villages in each region, approximately 10% in total. Secondly, the co-operative activities shown in the table do not include other assets such as village tractors, ox-ploughs, lorries, buses, animal drawn carts etc. which are communally owned. Thirdly, the values shown in the table are rough indicators of assets as expressed in financial terms. These values should not be regarded as absolute. They indicate a small part of the value of all the assets. For example, Isansa Ujamaa Village in Mbeya region communally owned assets valued over Tsh. 10 million in 1985. Bereko Ujamaa village owned over 8000 litres of petrol, in 1978, to run the different activities and this quantity was about the same as that of government petrol held at the district engineers reservoir for government activities in the whole district. Magamba Kwalukonge village (Tanga) had four tractors, one lorry and one bus. It had a cash flow of Tsh. 9.7 million with a net profit of Tsh. 1.7 million.¹¹ Muongozo village (Urambo - Tabora) depends on co-operative farming. It owned a lorry and a tractor valued at over Tsh. 1 million in total. This shows that these Ujamaa villages co-operatively own and control more assets at much more value than that which appears in the table.

Impact on Development

But more important is the impact of all this on the development of the people. We will examine a few developmental aspects of the people in these villages.

1. Patterns of production and distribution. It can be clearly observed in these villages that there has been a change in production relations. The communal ownership of assets motivates all concerned: the villages undertake up to 90% of the economic activities on a co-operative basis.

The transformed production relations have started the development of the productive forces. People in these villages have adopted more advanced techniques of production as compared to the other villages. Tractors, ox-ploughs, animal drawn carts, lorries, fertilisers, insecticides, improved seeds etc. are widely used in these villages though some still have a low productivity.

In most cases, the distribution of income takes the form of wages paid to the members by the village co-operative government. Magamba Kwalukonge pays its members between Tsh. 300/- and 900/- per month, depending on the work done. Isansa village in Mbeya also pays its members on a monthly basis. There is always enough capital put aside to run the projects. But welfare funds are used in different cost items. For example, Muongozo village government payed Tsh. 150,000/- in 1986 as development levy for its members. The monthly income has been a mechanism for checking the migration of the youths into towns. Since these economic activities are run on a co-operative basis, each village has devised a method of distribution according to work done. In this way, all members get their fair share.

2. Political development. The political development of the people in these villages has fairly improved, compared to other traditional villages. The members have acquired some skills in planning and management. There is a considerable improvement in democratic decision making. The political relationship between these villages and the government has also taken a new form. Government bureaucrats can not just go into these villages and give bureaucratic and technocratic orders. These villages are political powers by themselves because of the economic power they have.

3. Problems. Despite all these achievements, these villages face many problems. They lack technical knowledge to run the different activities. Lulanzi village has over ten projects, Magamba Kwalukonge has about fifteen projects. All these projects need a lot of management skills which are lacking in all cases.

Also, there are difficulties in getting the required inputs. Sometimes fertilisers and insecticides are not available at the appropriate time and place. One good thing, however, is that most of the resources and materials needed in these projects are locally obtainable. The blacksmith project at Ilela, for example, uses scrap iron found locally. The blacksmith smelts the scrap iron and manufactures knives, hoes and pangas which are sold in and outside the village.

The key to success in these villages seems to have been the quality of village leadership. In most cases the leaders are fairly committed to socialist production methods. The leadership is not of a kulak type since kulaks would not be happy to see any socialist development. Nothing takes place in the villages where leadership is in the hands of the kulaks. This, therefore, means that it is important to raise the level

We would like to conclude this paper by making some observations. Firstly, those villages which have taken off on the first option — producer co-operatives — should be left to continue without bureaucratic interference. To return to the second option — smallholder private production in line with the objectives of international capital — would amount to a downfall of these villages. Let international capital leave these villages alone.

Secondly, socialist education is necessary for the villagers and especially the village leaders. The village leaders need socialist education in order to manage these socialist activities.

Thirdly, the relationship between these villages and higher levels of political authority should be on a democratic basis. Commandism will kill the initiative of the people in these villages. Imposition of change from above will not bring any development to these villages. Let the villages develop themselves.

FOOTNOTES

1. King Birendra's speech to the UN in 1984.
2. See, among others, G. Hyden, *Beyond Ujamaa in Tanzania*, University of California Press, 1980; M.F. Lofchie, "Agrarian Crisis and Economic Liberalisation in Tanzania", *The Journal of Modern African Studies*, 16-3, London, 1978.
3. This is the view maintained by international capital.
4. Hyden, op. cit., and others.
5. Government Paper No. 4 of 1967.
6. Ibid.
7. Ibid.
8. Presidential Notice No. 1 of 1969.
9. Ibid.
10. I. Shao, *The Impact of Financial Institutions and Credit in the Rural Sector: the case of Tanzania* (Mimeo), IDS, University of DSM, 1985.
11. Daily News, 6th December, 1985.

THE LABOUR SHORTAGE PROBLEM IN THE SISAL INDUSTRY IN TANZANIA AFTER THE ARUSHA DECLARATION

C.M. Lwoga*

Introduction

Commercial agriculture generally witnessed an acute labour shortage in the post-independence period in Tanzania. The problem became even more serious in the period after the 1967 Arusha Declaration. Among the agricultural commercial industries which were hit by the problem is the sisal industry.

This paper argues that the labour problem was inherent in the plantation system. During the colonial period, migrant labour flow to the plantation sector was maintained through economic and political pressure. The post-independence state undermined the colonial labour supply mechanisms, without establishing alternative means of labour supply. The problem was enhanced by the Arusha Declaration, for example, through its ideological attack on the migrant labour system and the intensification of cash crop production in rural areas, including former labour reserves.

The Sisal Industry and Labour Supply before the Arusha Declaration

During the entire colonial period the sisal industry drew its labour supply from labour reserves. These were areas which for various economic and political reasons could not produce marketable agricultural products.¹ A dependence relationship developed between the labour reserves and the sisal industry. This relationship was maintained throughout the colonial period through economic, political/administrative and ideological pressure. The political/administrative pressure was external to the labour reserves and was part of the economic and ideological pressure. For example, the colonial state not only created labour reserves but also coerced peasants into wage labour through taxation (tax defaulters) and conscription (compulsory labour supply).² Also, touts and recruiting agents flocked into the labour reserves and put pressure on peasants to 'volunteer' for wage labour on plantations.

Part of the economic and ideological pressure became internal to the labour reserves. The pressure was applied to adolescent male youths through the reproduction of households (the dowry system).

After independence, the source of political/administrative, economic and ideological pressure eroded and the dependence relationship between the sisal industry and labour reserves was broken. The erosion increased after the Arusha Declaration. For instance, in the rural areas the Arusha Declaration led to changes in organisational structures of peasant production through various communal forms, culminating in the 1974 - 1976 villagisation programme. The village governments in varying degrees controlled labour outmigration. Although the move did not end labour migration it contributed to the reduction of migrant labour supply.