

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

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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.

The sisal industry's labour force was migrant, and for almost the entire colonial period did not satisfy demand.

The post-independence government inherited the colonial economic structure in which sisal was the major export crop. The government decided, in 1964, to end labour recruitment from outside and within the country.³ One reason for the decision to stop labour recruitment was to develop the labour reserves through cash crop production.⁴ At that time, the labour situation in the sisal industry was relatively good. A temporary labour abundance had developed as a result of stabilisation of the labour force. Stabilisation of the labour force on sisal plantations was one of the outcomes of the workers' struggle against employers and the colonial state. The opposition by the sisal industry workers to employers and the colonial state in the last years of colonial rule culminated in the formation of trade unions in plantations which were among the most militant in the trade union movement.

Stabilisation resulted in the use of a relatively small labour force with high productivity. However, the settling of the reduced labour force on plantations was not in itself a guarantee for *reproduction of the sisal labour force*. The plantation system in Tanzania is not a closed system (where workers are born, brought up, work and die). Therefore, it was still necessary to recruit labour from time to time.

Perhaps the post-independence government had expected that job seekers from all over the country would look for jobs in the sisal industry because they would be attracted by wages, as was the case with other kinds of employment. But the nature of the jobs in the sisal industry made it the last place where agricultural job seekers would go. It seems that the post-independence government had not realised that the labour reserves had been created precisely because of the failure to obtain voluntary labour for the plantations. It is also possible that the decision to stop labour recruitment for the plantations was taken because employers in the sisal industry were, mostly, private individuals and companies of European origin. This point is further discussed below. This last possibility is made probable by the government's authorisation of labour recruitment in the former labour reserves after the Arusha Declaration and by the concomitant nationalisations.

Another important event which took place in 1964 and which was later to affect labour supply to the sisal industry was the dissolution of the Tanganyika Federation of Labour (TFL). The plantation workers' unions were affiliated to the TFL. Sisal workers (through the TFL) were in the forefront of the opposition to the post-independence state. It is noteworthy that, with the dissolution of the TFL, workers lost their autonomy to negotiate directly with employers. Workers in the sisal industry saw a steady decline of working and living conditions. They had no alternative but to 'vote with their feet' as individual workers, as conditions became more intolerable.

In the mid 1960s the labour shortage problem in the plantation sector re-appeared, and was not confined to the sisal industry.⁵ In the sisal industry, labour lost through desertion, retirement, illness and death could not be easily replaced.

The Labour Shortage Problem after the Arusha Declaration

1. **The end of the sisal industry's monopoly on the migrant labour market.** With the nationalisation of many of the sisal estates in 1967, the Tanzanian state became the major employer of migrant labour in the sisal industry. The workers in the nationalised estates came under the regulations of the Standing Committee on Parastatal Organisations (SCOPO). This meant that they had to receive wage increases

whenever the minimum wage rates in the country were raised, and the increases were not linked with productivity. What is important here is not the non-linking of increases in wages with productivity, but the fact that SCOPO was required to fix wages and salaries for parastatal organisations according to the National Wage Policy (increases should not exceed 5% of previous year's bill).⁶ Furthermore, a national wage policy seeks to restrain wages and encourage accumulation of domestic capital.

Further control on wage increases in order to maintain a high level of accumulation of domestic capital was effected with the establishment of the Permanent Labour Tribunal in 1967. One of the means through which such control was to be effected was for the PLT to develop payment by result schemes.⁸ This is of interest to us as it relates to the tying of wages in the sisal industry to tasks, as discussed in this paper.

The Arusha Declaration, which was supposed to put the country on a 'socialist' path, did not bring about any structural changes in the management of the sisal industry. Sisal labourers had no say in the conditions of existence on the sisal plantations. It is notable, for example, that the TANU Guidelines of 1971 (it was preceded by the Presidential Circular No. 1 of 1970 on workers' participation) stressed, among other things, the importance of workers' involvement in decision making. But there was no basis for workers such as sisal cutters or weeders to participate in decision making. The 'grafting' of the new management system ('socialist') on the prevailing social relations of production was unsuccessful. Furthermore, despite 'socialist' rhetoric, manual labour, especially agricultural labour, was still accorded the lowest status and the lowest wage rates, making agricultural wage labour unattractive to job seekers.

With the decline in sisal price on the world market which began in the early 1960s, working and living conditions on sisal plantations deteriorated further.

At the time of the Arusha Declaration (1967) a sisal cutter's job (the most difficult and the highest paid of field manual jobs) consisted of cutting 110 bundles (of 30 leaves each) per day at a wage rate of sh. 205 per month (0.07 cents per bundle).

Even after the Arusha Declaration, the sisal industry still relied on the system of cheap labour the logic of which is profit maximisation. Before the Arusha Declaration, the government had waged a war against the migrant labour system, especially on sisal plantations. This may be explained as 'class struggle' being identified (or confused) with the colour of the antagonists. As has already been mentioned, employers of migrant labour in the sisal industry were of European and Asian origin. After nationalisation, the State became the largest employer of migrant labour in the sisal industry. The State claimed to represent the interests of 'all Tanzanians'. For the wielders of state power, exploitation in the public sector did not exist. In the name of 'development' and unity the rights of the workers were curtailed.

Another point concerns the retention of the piecework system after the Arusha Declaration. The system was a continuation of the colonial card (kipande) system of 30 tasks which took a minimum of 42 days to complete.¹⁰ The card system was abolished in 1963 when card wages were converted into monthly wages. This meant an intensification of the labour process. In order for the workers to earn the monthly wages, the tasks had to be completed within 26 days (excluding Sundays and public holidays). This meant working longer hours. Also, the term 'monthly wages' is in fact meaningless as wages were and still are linked with completed tasks.

By looking at the most recent period, it can be seen how the system worked. In 1980 and part of 1981, wages for sisal cutters were sh. 380 (raised from sh. 240 in August 1979). The wages were increased to sh. 480 in May 1981 when the minimum

wage rate in urban areas was increased to sh. 600 p.m. (the Tanzania Sisal Authority and other employers in the sisal industry paid between sh. 500–630 in order to attract sisal cutters). The wages were paid in two instalments, in the middle and at the end of the month. The amount payable was dependent on the number of days in which tasks had been completed. The task size remained 110 bundles per day.

As working conditions deteriorated, so did discipline among the workers. Both the parastatal and private sectors tolerated absenteeism for fear of losing workers, as it became increasingly difficult to recruit new workers. Labour shortage once again became a pressing problem. The raising of wages for sisal cutters in 1979 was specifically aimed at attracting new labour and retaining the old hands, as well as 'motivating the low income workers to work hard and increase production'.¹¹ The sisal cutting section of the industry was the section most affected by the shortage of labour.

The Tanzania Sisal Authority, the Party and the Government all saw the labour shortage problem as one of attitude of mind, as is clearly shown in the suggested impracticable solutions.¹²

It is interesting to compare the appeal to the attitude of mind in the post-Arusha Declaration period with the use of extra market mechanisms during the colonial period. In both cases the results are the same, namely, the persistence of labour shortage in the sisal industry. During the colonial period migrant labour was reproduced in the labour reserves. These areas still reproduced migrant labour even after the Arusha Declaration, but the quality of the migrant labour force as regards 'class consciousness' had improved greatly. In addition, the structure of the labour market had changed after independence and throughout the 1960s, as a result of the expanding import-substitution industrialisation, the construction industry in the urban areas, various development projects (agricultural and infrastructural networks) and the intensification of cash crop production by smallholder peasants.

The labour market was regulated by the so-called market forces, and the strong relationship between the labour reserves and the sisal industry changed in favour of the labour market as a whole. The less attractive sectors of the market ended up with labour shortage and the sisal industry's monopoly on the migrant labour market was broken.

2. The labour shortage problem in the 1970s and 1980s. Low wages alone cannot adequately explain the labour shortage problem in the sisal industry. There are a number of related factors, some of which have already been pointed out above, and others will be discussed below.

The plantation system (large scale capitalist farming) in countries with an ambivalent ideological orientation like Tanzania is inherently contradictory. Profit maximisation in the labour intensive production techniques is only possible through intensification of the labour process. As to the latter, extensive land use means displacement of the population in the alienated land. This creates more contradictions between capital and the state on the one hand and the population on the other. As capital cannot hire the dispossessed peasants at the full cost of reproduction of the labour force (this would defeat the logic of cheap labour), and since the dispossessed peasants would be a liability to the state, land alienation is ruled out. Also, extensive land use would demand a large labour force, which, as has already been pointed out, would have to be coerced by the state to work on plantations.

Economic and social change which has been taking place in the former labour reserves has opened alternative opportunities for earning cash income within the labour reserves. These opportunities have not brought labour migration to a

halt. It is not possible to reduce the rate of migration. It is not possible to reduce the extent to which labour migration has been reduced, but the change from long term to seasonal migration and a change in the destinations of the migrant labour has been documented.¹³

The reduction in labour migration was also enhanced by government policy on rural development as mentioned above. At the ideological level, labour migration has been attacked and stigmatised, by referring to the hated colonial 'manamba' system. Schools which were scarce and in some areas non-existent during the colonial period have spread to all areas and are within reach of every child. This means that all children can get the minimum education required for the lowest paid jobs in offices in urban areas (although a labour flow to the big cities has been contrary to policy makers' expectations).

Decentralisation of decision making in 1972, making the regional authorities the highest decision makers responsible for the development of the districts within the region, enabled labour reserves to receive the attention required for their development. The villagisation programme brought decision making to the lowest level, the village, with authority resting with the village government. This has had the effect of villages in the former labour reserves resisting organised recruiting of labour for plantations. This resistance has sometimes led to disagreement between the Central Government and the lower levels of decision making (districts and villages).¹⁴

The result is a partial destruction of mechanisms which for many years had sustained labour flow to the plantations, and also a change in destinations of migrant labour. The new destinations attract migrant labourers most of whom are young adults (18–29 years old), the age group which is missing in the sisal industry.¹⁵ Even the Amboni Limited's incentive scheme (see below) has not been able to attract a large number of young migrants (they made up only 10% of the sisal cutters in 1981). There was a slight increase in number of permanent sisal cutters (6.7%) immediately after the introduction of the incentive scheme. Many of them were deserters from other estates.

Sisal production goes on, despite the acute labour shortage problem, partly because of the use of casual labour. Casual labour is now an important and permanent feature of wage labour in the sisal industry, as is shown in table 1.

Table 1: The use of casual labour in the sisal industry by groups 1969–1981 in percentage of total labour force (Selected years)

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Year	TSA	Amboni	Ralli	Lugongo	K.Jee	Others	Whole Industry
1969	30.4	68.1	40.1	18.3	6.8	77.3	32.0
1975	80.9	69.4	0.0	50.2	4.4	71.9	76.3
1977	80.5	53.4	2.7	59.8	0.3	56.7	67.9
1978	84.0	56.4	5.9	75.6	7.4	83.7	74.9
1979	78.9	48.7	56.3	72.2	4.5	26.5	68.1
1980	81.7	51.5	48.7	75.8	0.7	55.8	72.6
1981	82.6	65.7	N.A.	85.9	0.0	1.4	76.6

N.A. – Not Available

K.JEE – Karimjee Jivanjee estates

S.A. – Research and Planning, TSA, Tanga.

The use of a casual labour force larger than the permanent labour force is a result of the following factors.

- Casual labour is the cheapest on the labour market. Wage rates for casual labour are much lower than for permanent workers. The employers do not incur costs for housing the casual labour force. Also, casual labour does not enjoy retirement, leave or sick benefits which employers have to pay for the permanent workers. Casual labour has been extensively used in the sisal industry even after the stabilisation of the labour force.
- At present, with fewer migrants seeking wage labour in the sisal industry and more preferring seasonal employment, casual labour is the only labour which is available in relatively large numbers, although supply does not always satisfy demand.
- Nature of work. Sisal production goes on throughout the year. Other plantation crops need large numbers of workers seasonally for particular tasks, such as planting, weeding or harvesting; hence, their demand for extra labour is sometimes satisfied if demand coincides with the slack period in the farming cycle in labour supply areas.

But casual labour is not reliable and its availability is not always assured. Several factors affect supply of casual labour. For example, slack periods in the supply area and availability/non-availability of other kinds of employment. It is common for casual labour in the sisal industry to work for only two or three days at a time.

By 1980, sisal cutting was being done by ageing labourers (30–57 years old), the majority of whom had joined the industry during the colonial days. They lived on the estates and had in varying degrees severed their link with the rural areas where they came from (including Mozambique, Zambia, Rwanda and Burundi).

Whereas the TSA appealed to the government for assistance in recruiting labour, the largest privately owned sisal group, the Amboni Limited, sought an economic solution to the problem of labour shortage and management; however, the solution may be temporary, as far as labour recruitment is concerned. On November 1, 1981, the Amboni launched a comprehensive scheme of wage rates and incentives, after negotiating 'successfully' with JUWATA (the national organisation of Tanzanian workers, the same organisation as TFL but with a new Kiswahili name) for a wage scheme outside the national wage structure, with higher tasks, as shown in Table 2.

Table 2: Amboni Limited's Wage Rates, November 1981

Size of task (bundles)	Wage rate (sh.)	Additional Pay 1 sh.	Wages per month (sh.)	Wage rate per Bundle (sh. cts.)
110	500	200	700	0 .244
120	545	225	770	0 .246
130	590	260	850	0 .251
140	635	305	940	0 .258
150	680	360	1040	0 .266
160	725	425	1150	0 .276
170 ^x	770	500	1270	0 .287
180 ^x	815	585	1400	0 .229

¹ additional pay is conditional on turning out for work every day (26 days a month)

² column added by author

^x new tasks introduced on 1 October, 1982

The scheme which was initially proposed for a six month trial has been retained as a permanent feature of sisal cutting on the Group's estates. In this scheme profit maximisation is realised by lengthening the working day. Undoubtedly, with attractive incentives further maximisation of output is possible by squeezing more producing capacity from the workers. But there is a limit to which more productivity is possible because of a limit to the stress on the workers and the sacrifices they have to make (rest, leisure and other requirements necessary for their lives). However, what is important for the scheme's success is the daily turn out of the sisal cutters, which means that a relatively smaller labour force is required to maintain the existing levels of production.

On all estates workers put in longer hours but many fail to complete their tasks. Absenteeism is high (although it is relatively low on Amboni Ltd. estates), especially after the pay day in the middle and at the end of the month. These are the only times when workers have the means to purchase their requirements, including recreation. The rate of desertion has always been high, as is shown in table 3. Labour shortage features prominently in the period covered by this study as a major cause of loss of production in the sisal industry, as is shown in table 4.

Table 3: Desertion of labour in the sisal industry 1966 – 1981 (permanent and casual labourers) in percentage of total labour force by groups (Selected years)

Year	TSA	Amboni	Ralli	Lugongo	K.Jee	Others	Whole Industry
1966	—	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
1969	26.1	4.5	3.3	19.5	24.9	13.2	17.0
1975	60.8	11.1	20.6	20.9	22.7	12.6	17.0
1977	19.8	11.3	25.0	30.7	11.0	10.5	18.6
1978	34.8	1.6	28.6	21.5	21.4	26.2	35.5
1979	23.7	17.1	19.4	26.9	26.0	26.3	22.5
1980	56.4	3.2	18.1	9.3	26.2	26.9	41.9
1981	24.3	0.6	N.A.	31.3	23.6	17.8	37.6

N.A. – Not Available K.JEE – Karimjee Jivanjee estates

Source: Prepared from Annual Returns, Directorate of Research and Planning, TSA, Tanga.

Table 4 Major causes of loss of production in the sisal industry 1966 – 1981 in percentage (Selected years)

Year	Machine breakdown	Labour shortage	Other causes ^x	Total
1966	13.3	28.0	68.8	100
1969	6.1	4.7	89.2	100
1975	8.2	7.8	84.0	100
1977	22.1	54.9	23.0	100
1978	19.7	66.4	13.9	100
1979	13.7	77.1	9.2	100
1980	18.1	72.8	9.1	100
1981	29.7	52.1	18.2	100

^x Other causes include fire, quota restrictions (especially in 1969), bad weather, poor leaf, transport problems and water shortage.

Source: Prepared from Annual Returns, Directorate of Research and Planning,

The government's position as regards labour supply to plantations

The State can only intervene at the level of circulation in the reproduction and circulation of labour cycle. Neither employers nor the State are involved in the reproduction of the migrant labour force. Employers in the various sectors (including smallholder peasants) and the State itself (intensification of cash crop production in labour supply areas) compete for migrant labour. The State intervenes at the level of circulation of labour on behalf of employers (excluding smallholder peasants). This is done in various ways, for example, through direct recruiting by the Labour Division of the Ministry of Labour and Manpower Development or through various regulations designed to flush out labour from the rural areas or from amongst the unemployed in urban areas (cf. the Human Resources Deployment Act of 1985 and the re-introduction of taxation in the name of 'development levy').

Government policy as regard labour supply from the former labour reserves after the Arusha Declaration has, at best, been ambivalent. This can only be properly understood by an analysis of the shift in ideological stance and the functioning of the Tanzanian economy, a task outside the scope of this paper. However, an important factor is that 'Socialist' rhetoric has been in contradiction with the capitalist relations of production which prevail in the plantation sector.

The government changed its position from opposing labour migration to encouraging it in the late 1960s when the problem of labour shortage became pressing in the plantation sector. Pressure was applied on the government by the managers of plantation (both parastatal and private, including large scale tobacco growers in Iringa District) for permission to recruit labour in the former labour reserves. In fact, the government itself became a recruiter (through the Labour Division) of migrant labour for the various employers in the country.¹⁶ Furthermore, in 1978, the Minister for Labour and Social Welfare was given permission by the National Assembly to authorise recruitment of labour from 'anywhere in the country'. In reality this turned out to be recruitment in the former labour reserves. Also, in 1979, the government, in a bid to get away from its earlier opposition to recruitment of labour in the former labour reserves, rationalised its recruitment of sisal cutters by arguing that sisal cutting was not different from any other kind of employment, such as working in a textile factory.¹⁷ Before that, the then Tanzania Sisal Corporation had to ask for permission from the Prime Minister's Office to recruit sisal cutters from the traditional source, i.e. the former labour reserves.

Early 1980, Central Government's opposition to recruitment of labour in the former labour reserves had completely died down. Notable also is the fact that the national political campaign against large-scale use of wage labour in agriculture was struck a blow by the then President Nyerere, in 1981. Nyerere, at that time, said that large scale farmers were welcome in Tanzania, "provided they did not encroach on village land", but he also said that the government did not deny the large-scale farmers the right to employ wage labour, "provided the labourers were adults".¹⁸

Despite government efforts to encourage migrant labour flow to plantations, the sisal industry has failed to attract labour, although the former labour reserves are still reproducing migrant labour.

As has already been pointed out, for the labour reserves, wage labour is a necessary complement to subsistence production. Attempts to forcibly prevent labour

migrants from leaving their villages through fines (imposed by village governments) and refusal by Regional authorities to allow recruiting by plantation officials have not been successful.¹⁹

Why labour is no longer attracted to the sisal industry

The precarious labour situation in the sisal industry is reflected by the following data collected from Kibaranga Sisal Estate in 1981 (it was then the largest parastatal owned estate). The majority of the field labourers comprised in the sample were aged between 38 and 57 years (72.7%); another 25% were aged between 31 and 37 years. The wide gap of 13 years between the age of 18 at which labourers begin earning adult wages and 31 years, the youngest age seen among the labourers at Kibaranga, suggests that the industry has been unable to recruit young men in the crucial section of sisal cutting. The age distribution is also reflected in the length of service of the sample: 36.4% of the labourers had worked in the sisal industry for a period of one to twelve years, 34.1% had worked for 12 – 24 years and 29.5% had been working in the sisal industry for 25 – 33 years. It was further noted that the majority of the labourers (63.6%) came from the former labour reserves of Iringa, Kigoma, Mbeya and Mtwara Regions in Tanzania, and from Rwanda and Burundi.

It has been pointed out above that labour migration still takes place in the former labour reserves, and that it is predominantly seasonal. However, research carried out by the author in Ludewa District, a former major labour supplier to the sisal industry, in 1981 and 1983, confirmed the change of destination and duration of wage labour by the migrants. For example, many of the labour migrants in the sample villages who had migrated before 1967 remained in wage employment for 3 – 9 years. Most of them went to the sisal industry. Among those who migrated between 1967 and 1980, 68% had been absent from the villages for only a few months, and none of these had gone to the sisal industry; 32% had been in wage employment for 1 – 3 years, but only 7% of the latter group went to sisal estates. None of those who migrated between 1975 and 1981 went to the sisal industry. The migrants returning from the sisal industry went elsewhere (Songea District was the most popular destination) when they needed cash.

One of the factors which make sisal industry unattractive to labour migrants and which also causes desertion is poor living and working conditions on the plantations, especially those in the public sector. The camps in which the labourers live were built during the colonial period. They are very small (they were then built for bachelors) and are in very poor condition (especially their sanitation). The labourers lack food and other basic necessities. The labourer and his family are responsible for providing their own food. With the food prices going up all the time, it is impossible for the labourers to get adequate meals, let alone balanced or nutritious enough for the type of work they are doing. The Sisal Estate Companies (public sector) get food supplies from the World Food Programme through the TSA for the labourers. But many labourers cannot afford the price of the foodstuffs. Each labourer is allocated 45 kg. of corn per month at the price of sh. 4.35 per kg. He also receives 2 litres of cooking oil at sh. 60 per litre and 2 kg. fish at sh. 36 per kg. Since many of the labourers fail to complete their daily tasks they are unable to earn the full monthly wages of sh. 650. Hence, these foodstuffs (especially cooking oil and fish) are beyond their reach.

Sometimes, workers fail to complete tasks for reasons beyond their control, for example, when it rains or when machinery (such as tractors) breaks down.

deliveries to the factory can be interrupted by breakdown of lorries or by heavy rain which render some field roads unpassable. In such situations, the affected workers are regarded as having been idle, so they are not paid. In other words, they are regarded as mere extensions of the machines they operate, although the permanent workers, at least, are supposed to be dependent on the minimum monthly wages for their subsistence.

Field operations, especially sisal cutting, have become more difficult because many of the sisal estates have been left unattended for a long time. The decorticators are very old and breakdowns are frequent. As a result, it is not unusual for factory hands to work for 16 hours or even two days to complete one task.

The Sisal Estate Companies fail to keep their promises of bonus payment to newly recruited labourers. Bonus payment is required to be made to those who exceed their daily tasks or turn out for work regularly or on Sunday or public holidays. These payments are not being made because of the financial problems facing the companies.

Furthermore, there are no future prospects for sisal labourers. For example, there is no annual increment in the wage rate because the wages are tied to tasks completed. Thus, a newcomer may earn the same wages as an old hand who has been working for many years. That is, there is no seniority in sisal labour. Only the strong can earn the full wages, and these remain the same for several years (until the national minimum wage rate is increased). When sisal labourers reach retirement they become poorer and depend on the little money they get from the National Provident Fund to which they are forced to contribute during the period of employment. In some cases, the cost of claiming the money from the NPF reduces the payment to a negligible amount of money.

During research at Kingolwira Sisal Estate, in May 1986, we were informed by the Estate's management that ex-sisal labourers who now lived in the neighbouring villages were better off materially than the sisal labourers. The ex-labourers were engaged in various economic activities, including farming and charcoal making (a charcoal maker can earn up to sh. 1200 at a time). This induced sisal labourers to desert, and it also increased the rate of absenteeism. Those who could not desert because they could not find a place to live in the villages turned out for work daily, but many did the minimum work possible. This was because the management had imposed the daily turn out as a condition for those labourers living in camps owned by the estate company. The condition mostly affected the old and those who had come to work from distant areas.

In short, the failure of the sisal industry to attract labour is a result of the maintenance of the cheap labour system. The plantation labourers are required to supplement their wages with production of subsistence crops. To this end, the labourers are allocated plots by the Sisal Estate Companies and sometimes the plots are prepared for planting with the help of tractors supplied by the companies, at no cost to the labourers. Because many of the labourers fail to earn the full monthly wages, subsistence crop production often takes precedence over wage labour. As for their counterpart in the former labour reserves, wage labour is available on better terms in other places than in the sisal industry.

Effects of the Arusha Declaration on the Sisal industry

It is true that the public sector of the sisal industry has fared worse than the private sector. But nationalisation, one of the results of the Arusha Declaration, per se cannot be said to have been the cause of decline of sisal production in the public sector. There are three reasons for saying this.

Firstly, both the public and the private sector of the industry have been affected by declining sisal prices on the world market. For example, in sisal production rotational planting is very crucial. Under average conditions, one tenth of the area of the estate should be replanted each year. Failure to plant in one year will reduce production by one fifth over a four year period.²² With the decline in sisal price on the world market, both the public and private sectors failed to maintain rotational planting. The public sector's rotational planting declined from 7534 ha. in 1975 to only 1476 ha. in 1984. The private sector's rotational planting declined from 7592 ha. to only 1427 ha. over the same period. Amboni Ltd. had the largest share (1127 ha., from 2346 ha. in 1975) among the private sector estates. Some of the major estates, e.g. Karimjee and Ralli, reduced rotational planting considerably or stopped it altogether.²³ This is indicative of the fact that the future of sisal production was uncertain.

Secondly, the decline in sisal price adversely affected some of the private producers who then decided to quit the industry. Some of the abandoned estates were, unwisely, taken over by the public sector.²⁴

Thirdly, a good number of private investors who have shown interest in acquiring the estates which are being de-nationalised have directed their attention to estates which are located in high rainfall areas. The reason for this is that it allows them to diversify into other crops.²⁵ In other words, there is no certainty of the long term profitability of sisal.

Also, as has already been pointed out, the labour shortage problem is affecting all sectors of the sisal industry. It is difficult to envisage how the problem can be solved within the existing structure of production without the State's open coercion, as was the case in the colonial period. Therefore, de-nationalisation alone will not revive the industry if the collapsed prices continue to decline.

We would like to emphasise that the Arusha Declaration only changed the ownership and the management personnel of the nationalised sector of the sisal industry. It did not usher in socialist transformation, i.e. it did not overthrow the economic structure (social relations of production) inherited from the colonial state. Nationalisation only enabled the State to control the economy for the so-called 'national interests'. Contradictions emerged between political rhetoric and the practical reality of the capital accumulation process inherent in the plantation system. These contradictions were compounded by the falling price on the world market.

In the period immediately after nationalisation, the public sector of the industry was well managed and was doing quite well. The Amboni Ltd. (the pace-setter in the sisal industry) management has pointed out to us that at that time the public sector of the industry was competing successfully with the private sector in sisal production.²⁶ But over the years the public sector deteriorated from a self-supporting commercial enterprise into an institution dependent on government subsidies, just like any other government department. It was a result of contradictions between and within the public sector of the industry itself (between estates' management and the top management of the nationalised sector as a whole), political leadership and the

government which led to frequent changes in management of the industry. Thus, poor management, frequent administrative organisational changes (four changes in a period of 18 years), lack of facilities, failure to diversify the sources of labour supply, and so on, have had a negative impact on the sisal industry and have enhanced the decline in the public sector.

Conclusion

This paper has attempted to explain the persistence of the labour shortage in the sisal industry in the period after the Arusha Declaration

It has been argued that the labour shortage problem has historical roots dating back to the establishment of the plantation system during the colonial period. The Arusha Declaration intensified the erosion of labour supply to the sisal industry. No structural changes were effected in the management of the sisal industry after the Arusha Declaration (living and working conditions, including wage rates tied to tasks, low status accorded to sisal labourers and referral to the labourers by their number). Neither the Presidential Circular No. 1 of 1970 on workers' participation nor the TANU Guidelines of 1971 restored the workers' rights to negotiate their conditions of existence on the sisal estates, rights which were initially lost with the dissolution of the TFL. This contributed to the exacerbation of the problem.²⁷

Despite government intervention in the procurement of labour for the sisal industry, especially after the nationalisation of part of the industry, labour is still in short supply. The sisal industry has increasingly become unattractive to the labour migrants roaming the countryside, who are now looking for better wage employment with smallholder peasants.

The relations of production in the plantation sector whose mainstay is the cheap labour system, has become counter-productive in the long run, after the direct state coercion in the procurement of labour had stopped. Peasants' resistance against the cheap labour system is demonstrated by the refusal to work on plantations (indirect state coercion notwithstanding).

Footnotes

1. For details on the creation of labour reserves in Tanzania, see, for example, Iliffe, J., "Wage labour and urbanisation", in Kaniki, M.H.V. (ed.), *Tanganyika under German Rule*, London, Longman, 1979, p. 296; Lumley, E., *Forgotten Mandate*, London, C.Hurst & Co. 1976, pp. 25 - 27, 68 - 69; Cliffe, L., "Rural Class Formation in East Africa", in *Journal of Peasant Studies*, Vol. 4, No. 2, Jan. 1977, pp. 195 - 224; Lwoga, C.M.F., "Integration of Labour Reserves into Cash Crop Production", M.A. dissertation, University of Dar es Salaam, 1977.
2. For a detailed account of the use of force in procurement of labour, see, for example, Iliffe, op. cit.; Arrighi, G. & Saul, J., *Essays on the Political Economy of Africa*, Monthly Review Press, 1973, p. 184; Report of Assessor of Mines during the German colonial rule, in File No. CO 691/166/42191/5, Public Record Office, London; for an explanation how different tribes were suitable or unsuitable for plantation labour and why others did not join the migrant labour system, see Major G. St. Orde Browne's Report, London, His Majesty's Stationery Office, 1926; see also, Shivji, I.G. "Development of Wage Labour and Labour Law in Tanzania: circa 1920 - 1964", Ph.D. thesis, University of Dar es Salaam, 1982.
3. Annual Report, Department of Labour, Dar es Salaam, 1966.
4. Ibid.
5. Tanzania National Archives, File No. 576/L.1/9.
6. Chachage, S.L.C., "The Development of Urban Capitalism in Tanzania (with an example of Arusha Town)", M.A. dissertation, University of Dar es Salaam, 1983, p. 58.
7. Ibid.
8. Idem, p. 51.
9. Employment and Earnings in Tanganyika, Central Statistical Bureau, Dar es Salaam, 1966; Lawrence, P., "Plantation Sisal: The Inherited Mode of Production", in Cliffe, L. et al., *Rural Co-operation in Tanzania*, Dar es Salaam, TPH, 1975, p. 107.
10. A bonus of sh. 6 was to be paid if the card was completed within 42 days; Sir Barclay Nihill, Papers on the Joint Council of the Sisal Industry in Tanganyika, Mss. Afr. s. 1174, Rhodes House, Oxford.
11. *The Daily News*, Dar es Salaam, 4 August 1979, p. 1 (emphasis added).
12. The suggestions include, "politicising and mobilising the masses on the importance of sisal in the national economy", use of prison inmates and a suggestion that all the people should take turns in cutting sisal, Editorial, *The Sunday News*, Dar es Salaam, 4 October 1981, p. 4; *The Daily News*, Dar es Salaam, 3 June 1985, p.5.
13. See, for example, Sabot, R.H., *Economic Development and Urban Migration: Tanzania 1900 - 1971*, Oxford, Clarendon Press, OUP 1979, p. 43; Lwoga, C.M.F., "Labour Migration and Rural Development in a Former Labour Reserve in Tanzania", Ph.D. dissertation, University of Cambridge, 1985.
14. See, for instance, Lwoga, op. cit., pp. 176 - 180.
15. Idem, pp. 180 - 191.
16. During our research in 1981 the Office of the Labour Division at Njombe (caters for Njombe, Ludewa and Makete Districts) was recruiting labour for Mtibwa Sugar Estates, Lugongo Sisal Estate and a private employer in Songea District who needed lumberjacks.
17. *The Daily News*, DSM, 25 June 1979, p. 1.
18. *The Daily News*, DSM 6 June 1981, p.3.
19. Lwoga, op. cit., pp. 179 - 180.
20. Idem, pp. 190 - 191.
21. Interview with the Manager of Kingolwira/Pangawe Sisal Estate Company, Morogoro, 29 May 1986.
22. *A Handbook for Sisal Planters*, Mlingano, Tanganyika Sisal Growers' Association, 1965.
23. Directorate of Research and Planning, TSA, Tanga.
24. Interview with the General Manager TSA, Tanga, 19 May 1986.
25. Ibid.

26. Interview with Mr. J. Lwali, Personnel Manager, Amboni Ltd., Tanga, 19 May 1986.
27. It is interesting to note that the Government (through the Registrar of Societies) has been prompt in registering commercial associations, e.g. taxi drivers' associations, builders associations, bus and daladala (private owned buses operating in the city of Dar es Salaam) owners' associations. But autonomous associations formed by peasants or workers have been either outrightly refused registration (e.g. traditional religious associations) or have been thwarted by a myriad of technical hurdles (e.g. tenants associations).

IN TANZANIA

*J.P. Msangi**

Introduction

It is useful to elaborate on the three key words in this topic before detailing what is happening in Tanzania with regard to resource planning and management.

It is not easy to find one definition which describes the word resource because the definition changes over time and space. It is dependent on the society, its needs and wants, the society's ability to interpret the environment, its ability to utilise the physical environment which, in its turn, all depends on the time and requirements of that society. Therefore, a definition of a resource is a culturally defined abstract concept which hinges upon man's perception of the means of attaining certain socially valued goals by manipulating selected elements of the biophysical environment. This manipulation varies depending on the biophysical nature, the scientific and technological capacity and the inventiveness of the group in question, the social pressures to achieve desired aims, society's assessment of economic feasibility and the nature of the laws and administrative – institutional arrangement into which the managing group is organised to guide policy and to focus action. Using the above explanation, a possible definition could be: "a resource is an attribute of the environment appraised by man to be of value over time within constraints imposed by his social, political, economic and institutional framework".

Planning, on the other hand, can be defined as attempts to arrange a sequence of doing something (i.e. using resources) ahead of time. History has shown that man generally uses resources to satisfy his immediate needs. First he uses those resources which are required by the metabolism of his body; secondly, depending on his culture and technology, he uses some non-renewable resources like minerals and wood; and finally, he uses some resources which he leaves unaltered like viewing scenery or using water for recreation.

Because culture plays a very strong role in resource utilisation, it is worthwhile to consider the process through which decisions affecting resource utilisation are made. The first stage is that of perception, that is the ability to recognise the existence of resources and their potentials. The second stage is that of transformation of the perception of the source material into cognition of resource, the ability to understand or appreciate the value of resources and, hence, determine possible uses. Here resources become potentially useful and here cultural appraisal takes place. Even in the most sophisticated societies, resources cognition is never complete. There are many constraints involved, such as the cost of research to obtain additional information, lack of sufficient technical knowledge and human fallibility. So man chooses to utilise those parts of the resources which he has recognised and appreciated. The last stage is the implementation of the decision to use the resource, which is mainly governed by the technology available as compared to the nature of laws and administrative machinery established by the society.

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