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THE ARUSHA DECLARATION AND DEVELOPMENTALISM

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Chapter I

An International Conference on the Arusha Declaration is an occasion for a serious examination of the lessons to be drawn from successes and failures of the *social practice* of attempts to realise an anti-capitalist and socialist community in Tanzania¹ and Africa in general. The post-1967 period, on the main, belongs to an epoch riddled with crises. After the 1950s and 1960s' economic boom which promised miracles of social and economic growth for the 'developing' countries, the world, starting from the 1970s, entered a period of general crisis. It has become increasingly clear that the states have failed to come out with programmes and policies to overcome it.

Successful socialist revolutions in some parts of the world, the victory of national liberation struggles and the beginning of struggles for economic self-reliance (and, hence, the defeat of imperialism in large parts of the world and minor injuries at home) have led imperialism to counter-attacking with great force. As a result of this, national independence victories and socialist attempts in Third World countries have not led to socialist transformations of the capitalist relations but, rather, to more capitalist expansion (underdevelopment).

Capitalism, it seems, has benefited from socialist and national liberation revolutions. Increasingly, it has become really difficult to conceptualise (and act upon a conception of) the possibility to construct a socialist community. A correct understanding of social processes is needed if this difficulty is to be overcome. As will become apparent in this paper, socialist ideologies have become a form of ideology for capitalist development carried out by the *state*.

This paper commences with some remarks on the socio-economic crisis in Tanzania. The remarks serve to lay the groundwork for a discussion on socialist policies and developmentalism - the main focus in this paper.

Chapter II

The socio-economic crisis in Tanzania began around 1973. Consequently, most Tanzanians began to suffer a real loss of income. Officially, while among the wage/salary earners the average nominal wage/salary per month increased from T.Shs. 340/- to T.Shs. 723/- between 1969 and 1980, real wage/salary per month fell from T.Shs. 340/- to T.Shs. 189/- in the same period.² Estimations have shown that while the minimum wage was at T.Shs. 480/- in 1980/81, the minimum budget for *food only* in an average household of four persons per month at 1980 official price level stood at more than T.Shs. 600/-. The majority of the wage earners, in this year, earned up to T.Shs. 750/-. Officially, inflation rose at the rate of 26 per cent annually in the five years preceding 1982.³

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As far as the peasants are concerned, the 1978 ILO Report documented that the bourten terms of trade for the peasants fell by 22.5 per cent between 1964 and 1973 and the terms for the rural capitalists fell by 19.1 per cent.⁴ Other findings revealed that this decline in the terms of trade for agricultural products was 23.2 per cent between 1969/70 and 1978/79.⁵ Beside this loss in real incomes there was a gap in the balance of payments for the country, low utilisation of industrial capacity, shortage of essential consumer goods, food shortage and a fall in the production of export crops.⁶

It is the low industrial capacity utilisation which resulted in the shortage of the essential consumer goods. There were very few industries which operated at above 50 per cent of optimum, by 1982. There were some which operated at less than 20 per cent, and the average capacity utilisation was at about 35 per cent. While manufacturing accounted for 10.4 per cent of the GDP in 1977, its contribution fell to 5.8 per cent of a smaller GDP, by 1981.⁷ In this period Tanzania should have been quite capable of supplying most if not all of its manufactured consumer goods, because import substitution industrialisation (ISI) was more or less completed by the early 1970s. Records show that there was a rapid decline in consumer goods importation in the 1970s: from 30.3 per cent of the total imports in 1967 to 11.2 per cent in 1979.⁸ (see table). A Twenty Year Plan for heavy industrialisation was under preparation by 1972; and its implementation was to begin in 1975, only to be suspended as a result of the crisis.

Capacity underutilisation was attributed to inputs shortages, inadequate transport facilities and lack of spare parts due to shortage of foreign currency which, in its turn, was a result of the balance of payments crisis. The balance of payments crisis was caused by the fall in the volume of exports. The volume of exports fell by one-third between 1973 and 1980, i.e. from an index of 137 to 87,⁹ as a result of which export earnings had a purchasing power of only 57 per cent in 1980.⁹ While, officially, the tendency was to attribute the causes of this problem to the terms of trade in the world market, the fact is that, generally, the terms of trade in the world market in relation to Tanzania over this period were more or less constant. Export unit value in this period increased at an average of 11.1 per cent annually while the import unit value increased at an average of 15.7 per cent annually.¹⁰

Most revealing is the composition of the imports in the total import bill over these years. The figures reveal that there was a tendency for the share of capital goods to increase throughout the 1967-79 period. These consisted of machinery and equipment. Intermediary goods, in which spare parts and fuel were included, tended to remain constant and the share of food and consumer goods tended to decline. While the government alleged that oil consumed 60 per cent of the *export earnings* which was current given that export volume had declined, the fact is, it accounted for 7.7 per cent of the *total import bill* in 1967 against 15 per cent in 1979.¹¹

Composition of Imports, Selected years 1967-1979, Millions of T.Shs.

	1967	(%)	1972	(%)	1979	(%)
Capital Goods	385	(20.2)	730	(21.4)	4,171	(37.2)
Transport Equipment	135	(7.1)	194	(5.7)	1,752	(15.6)
Intermediary goods	662	(34.7)	1,320	(38.8)	3,752	(32.5)
Consumer goods	578	(30.3)	828	(24.3)	1,254	(11.2)
Food	150	(7.9)	332	(9.7)	391	(3.5)
TOTAL	1,910	(100.2)	3,404	(100.0)	11,212	(100.0)

Source: E.E. Hanak, "The Tanzanian Balance of Payments Crisis: Causes, Consequences, and Lessons for Survival Strategy," University of Dar es Salaam, 1981, Table 5.

Broadly speaking, the economic picture presented by the decade after the Arusha Declaration showed a tendency for agricultural production to fall in general, coupled with a rise in investment rates in non-agricultural branches of the economy and a fall in capacity utilisation in industries. The manufacturing sector grew at a rate of 7.5 per cent annually between 1965 and 1975. In terms of contribution to the GDP, the percentage share of agriculture declined from 56 per cent to 42 per cent between 1961 and 1975 and that of manufacturing went up from around 4 per cent to 11 per cent in the same period, and fell to 5.8 per cent, in 1980, of a smaller GDP. In terms of value added in manufacturing, it went up from T.Shs. 446/- million between 1965 and 1974 (at 1966 prices) with a fast growth in large scale manufacturing enterprises.¹² An observation was made that, throughout this period, there was a very high rate of value added, of more than 13 per cent annually. There were exceptionally high rates in 1966 (30 per cent) and 1969 (20.4 per cent). These appeared to be "deviations from that trend, in a relatively small economy such as Tanzania's they could as well arise from some new large factories coming 'on stream' in those particular years".¹³ In fact, the 1970s were marked by high investment and capital formation rates.

These growth rates in value added, capital formation and investment in manufacturing were made possible in the period, despite the beginning of the crisis, because of the actions of the National Price Commission which was introduced, in 1973, to artificially raise the *rates of profits* in non-agricultural production and to regulate non-agricultural prices. These actions were necessitated, among other aspects, by: "the need to preserve and promote competitive position of local products; the need to allow local firms to maintain efficiency and expand their businesses; the need to generate finance for development programmes and recurrent expenditure".¹⁴

Thus, the rates of growth in value added, capital formation and investment were due to the pricing mechanism, whereby manufacturers could afford to produce less and the government allow arbitrary price increases while, at the same time, keeping the wages and prices of raw materials low so as to compensate for losses and ensure accumulation. The situation in Tanzania, it has been noted in relation to the parastatals, is regrettable because, besides the subsidisations when productivity fell, "most of (the) parastatals are in monopolistic situation in their subsectors. And the Price Commissioner is not known to have refused a request of price increase which has

This mercantilist form of accumulation also applied to private enterprises. Minister for Planning, Professor Kighoma Malima, explained to the National Assembly, in 1984, that "Frequent price increases are ... caused by under-utilization of industrial capacity ..." caused by raw material shortages, wage increases and devaluation of the currency. He further informed the Assembly: "High increases in commodity prices were also a reflection of a decline in efficiency and diligence in the productive sector, which had led to decreased production". The government sanctioned price increases as a "last resort after thorough scrutiny of manufacturers and other producers".¹⁶

In essence, these aspects of the crisis were an expression of the expansion of capitalist relations in the country after 1967. This expansion is reflected, among other things, in the process of urbanisation, differentiation among the small producers, numerical expansion of the wage earners and general expansion of the non-agricultural activities (manufacturing, construction, etc.) because of the higher rates of profit in non-agricultural activities.¹⁷ Besides the state being the largest owner of capital as a result of the 1967 nationalisation and foreign capital participation through it, by the 1970s there existed private local monopolies and big capitalists, some in partnership with foreign capital. Among the local monopolies and big capitalists were: Industrial Management Service (IMS) famous as K.J. Group, the J.V Group, Sachak Group, Karimjee Jivanjee Group, House of Manji, Amboni Group, Mansoor Daya, Chandaria Group etc.¹⁰

After it was observed that the private sector's share in the GDP had dropped to 74 per cent in 1974 from 86 per cent 14 years earlier and that it had risen to 78.8 per cent by 1978, President Nyerere acknowledged that the private sector has a role to play in *national development*. He went on to say that it had grown considerably after the Arusha Declaration and its "growth was deliberately sanctioned by the government. The capitalist sector is there ... we are still a dual economy. What has been lacking is proper methodology to co-ordinate the activities of the sector".¹⁹ The growth in this sector was partly assisted by the politicians and the bureaucrats. The commission which investigated the conduct of leaders in relation to the 1967 leadership code noted, in 1984, that politicians and bureaucrats were able to evade the leadership requirements by utilising finances through various loopholes for building capitalism. It was observed that the leaders had been establishing companies under provision 212 of the Law of Tanzania which allowed people or groups of private individuals to establish businesses in the country. It was pointed out that, while there were 880 private business companies in 1978, this number had risen to 16007 by 1984. The leaders had also facilitated capitalist expansion by providing tenders to ex-leaders in private business, for the benefit of both parties.²⁰

Chapter III

Given the above observations, the question that arises is: How were such capitalist transformations possible under circumstances of a declared socialist policy? It is difficult if not impossible to answer that question when merely examining the post-1967 policies without their political and social antecedents within which the state played a central role. In 1967, for example, with the promulgation of the Arusha Declaration, the workers were required to sacrifice and raise productivity and thereby contribute to development. By this time, after the nationalisations, the government controlled more than half of the wage bill. It was held that the workers

gained at the expense of the peasants and the general urban bias. This view received even more support after Turner of the International Labour Organisation produced a report on wages, incomes and price policy.²¹ The main contention in this report was that the workers had managed to get wage increases at the expense of the peasants and that general employment opportunities had fallen as a result of wage increases, although the profits of the enterprises had also increased during the period. Turner recommended measures which were to be taken in order to restrict wage increases. This report and its recommendations were accepted by the government as being in close accord with the principles of the Arusha Declaration.²²

The acceptance of the recommendations culminated in the establishment of the Permanent Labour Tribunal (PLT) in 1967, as a means to increase the government's control over employment and wage-bill, and also to close the gap between the incomes of workers and peasants. The PLT was to implement the policy of wage restraint: it was to arbitrate in all matters related to wages, and no wage increase could take place in enterprises without its final decision. One of its functions was also to "maintain high levels of domestic capital accumulation in the view of increasing the rate of economic growth and providing greater employment opportunities".²³ To maintain the high rates of capital formation, wage increases had to be restrained. The PLT was not to allow an increase of more than 5 per cent annually. Between 1968 and 1971 the average wage increased altogether by only 8 per cent, and the minimum wage was raised only once, in 1969, from T.Shs. 150/- per month to T.Shs. 170/-.²⁴

In December of the same year (1967), the Ministry of Commerce and Industries issued a manual with the intention of giving follow-up to the "Arusha Declaration which says that we shall continue to welcome private investments in those areas not reserved for the government". Private capital was welcomed for investment in 20 major groups of industries. In these industries, companies could be formed with "100 per cent private shares or with minority shares by national organizations".²⁵ Around the same time, another manual was issued. This manual spelled out that investment ownership patterns in the country fell under public ownership: partnership between the government and co-operatives and local and foreign investors and privately owned industries by both local and foreign investors. The terms of protection of foreign industries operated under the 1963 Investment and Protection Act and, according to this manual, companies and shareholders were protected in accordance with the principles of English Commercial Law.

In the 1970s, the financial institutions promoting development for the non-agricultural branches of the economy were: (1) Tanganyika Development Finance Company Ltd., (2) Industrial Promotion Services (T) Ltd., (3) the Commonwealth Development Corporation, (4) Small Industries Development Organization (SIDO) and (5) Tanzania Investment Bank. For the rural areas, there was the Tanzania Rural Development Bank only.²⁶

A *Manual for Investors* of 1980 which was issued for the same purpose as the 1967 manual acknowledged that investment rates in Tanzania had been quite high throughout the 1970s — about 20 per cent. In the section dealing with incentives for investors and promotion of private investments (specifically foreign) it was stated that, besides the country being politically stable and pursuing consistent policies, "labour relations are good and labour costs low" (besides the availability of raw materials).

A national wages policy seeks to restrain wages and encourage the accumulation of domestic capital to expand local industry and create more jobs.

The regulation of wages and Terms of Employment Ordinance prescribes minimum wages.

The Standing Committee on Parastatal Organizations (SCOPO) fixes wages and salaries for parastatal organizations.

According to the National Wages Policy, the increase in wages and fringe benefits for a year should not exceed 5 per cent of the previous year's bill.²⁷

What is noted here, is the centrality of the state in the various developments which have taken place. The state, under capitalism, constitutes a section of the material ruling class. It is part of the group of people under whom power is concentrated. The foundation of the bourgeois state is its externality in relation to the civil society, which enables it to impose itself socially and politically upon this society by establishing norms, regulations and sanctions while at the same time remaining part and parcel of the material relations. That is, it exists as "a public power distinct from the mass of the people".²⁸ This foundation rests on: (1) the fact that production and circulation of commodities does not automatically reproduce labour power as the most important commodity under capitalism, which is external to it. Hence, the centrality of the state in the process of divorcing the producer from the means of production and the continuous process of instituting policies, laws, norms, sanctions, etc. relevant to this; (2) the fact that labour power is not reproduced as a capitalist commodity, and, hence, its value being determined not only by the social necessity of labour, but also by its value as a means of subsistence necessary for its maintenance. Means of subsistence are obtainable in circulation and not in production and, hence, the struggles between the workers and capitalists. And (3) the fact that there is competition between capitals as the fundamental logic of existence of capital.²⁹

This means that, under capitalism, the bourgeoisie is compelled to entrust political rule to its *ideological* and *political representatives* if these relations are to be reproduced. This aspect complicates matters in the sense that in the hands of the representatives, automatically, the first task of the state becomes its own maintenance and reproduction as an institution. Given this, it becomes necessary, in some instances, for the state machinery to completely dominate the civil society and strip it of its independent powers. This means that there is always room for conflict of interests between the state and the bourgeoisie or some of its fractions, depending on the general requirements of the reproduction of the system as a whole. This conflict becomes even more obvious when the ideas of the representatives do not coincide with the ideas of the dominant class, and the bureaucracy seems to have an autonomous power independent of that class.³⁰ The conflicts between the bourgeoisie and the state are, on the whole, non-antagonistic because bourgeoisie under capitalism is protected by the juridical framework which also protects exchange of commodities — including labour power itself —, and also represses any rebellion by the working masses. More important is the fact that there is a fundamental unity between the state and the bourgeoisie, in the sense that the state has to defend the reproduction of the whole system because it also lives on the surplus produced by the working people and is also threatened by them, like the bourgeoisie. The fact that individual members of the state can express ideas which seem to contradict capitalism or even express quasi-socialist ideologies does not transform the state into an anti-bourgeois or a socialist state. Fundamental is the juridical framework which protects commodity production and property.

Very briefly, the state — before and after the Arusha Declaration — has mainly legislated against the working people and protected the interests of capitalist production while, at the same time, being compelled to struggle against certain sections of capital, depending on the historical conjuncture and the particular forms of resistance it had to pacify.

With the triumph of the nationalists in the 1958/59 elections, differences between the nationalists and the working people began to come to the fore. These differences resulted in intense struggles at the eve of independence and after. The state waged its struggles under the banner of development of the country and the welfare of the peasants. While fighting the workers, from the very early days (1960) the state placed all questions about poverty, the sufferings of the people, universal brotherhood, education, economic development and reconciliation and welfare of all social groups within the context of African socialism.³¹

The nationalists proclaimed that they embodied the essence of equality, education, development and science and were waging a war against ignorance, disease and poverty. The struggles against this trio of enemies — poverty, disease and ignorance — in essence summed up the assumptions of modernisation/development underlying the general thinking of the educated in general. There was no divergence from colonial thinking, in these respects, at all. In the post World War II period, the then state of Tanganyika had found the justification of its existence in its alleged centrality to the process of development. This was the time when development of the colonies began to occupy a special place in world literature, and development/growth was considered synonymous with capital formation and industrialisation. The advanced capitalist countries were headed towards the so-called post-industrial stage which favoured the industrialisation of the colonies. The day of 'modernisation theories' had dawned. These theories argued that the development of the Third World countries would only be possible through further integration into the world market, which, in turn, would result in the injection of capital, technology and values. Such a process would close the gap between the poor and the rich, and the agrarian and industrial societies. The Third World countries were to follow the same stages in their development as the western societies. In these theories, Third World social formations were characterised as either modern or traditional. Traditional economy was to be transformed to modern economy, and the barriers to economic development lay in the traditional economy. Emphasis was put on the role of the state and individuals (politicians, entrepreneurs, modernising agents, etc.).³²

The nationalists who were to take over power, after independence, were trained in this tradition. Their main concern was development of the country through a state government involvement in the economy and the protection and creation of a modern economy typically within the modernisation fashion. According to the modernisation views, injection of capital and technology was meant to reduce the gap between rich and poor, industrial and agrarian. More fundamental, however, is the fact that socialism — world wide — was increasingly becoming a politically demobilised development strategy, and was in general being transformed into an elitist ideological guideline to scientific and technological development; hence, it stood in defence of the role of the state and individuals — such as the educated, bureaucrats, cadres, etc.

In fact, "poverty and ignorance are always linked in English and other European languages in which ignorance is taken to mean lack of knowledge and proper culture", while poverty can be a fact and a reality:

However, the myth that poverty somehow results from ignorance is an elitist, ethnocentric interpretation of an international problem, the roots of which lie not in reality but in prevalent middle-class attitudes originating in the North. The attitudes are espoused by professionals educated in European traditions.³³

What was being institutionalised after independence were democratic African socialist ideas which were essentially modernist. The aim and most important task was to modernise the 'primitive agricultural sector' while, at the same time, building a base for the modern economy by acceleration of industrial investments.³⁴

Such a conception did not encourage any self-activity of the common working people, the illiterate, the 'uncivilised', etc. which would run counter to development goals. It would not accept the view that transformation of society is possible through social struggles or conflicts, because development in the modernist sense required unity, and the urgent question was that of settling accounts with backwardness and "resistance to change". In short, society had to be rescued from conflicts characteristic of the western societies if development was to be attained.

In 1960, Nyerere began to express the undesirability of democracy in the western sense in Africa — a democracy in which one party was in the government and another in the opposition. He pointed out that it was wrong to have organised opposition in Africa, because it was contrary to the basic attitudes of Africans and people would not understand at all.³⁵ The establishment of a one-party state was desirable because there was no need for any *artificial distinction between politicians and civil servants*.³⁶ "... the African's mental conception of 'Government' was personal — not institutional. When the word 'Government' was mentioned, the African thought of the chief, he did not, as does the Briton, think of a grand building in which a debate was taking place".³⁷

By 1959, the alliance between the workers (Tanganyika Federation of Labour) and the nationalists — TANU — had begun to crumble. By 1962, with the establishment of the Republic, the Presidency was made into an all-powerful institution, in which ultimate power and responsibility are vested. Writing to the *Observer* on 3rd June, 1962, Nyerere pointed out that checks and balances were brakes on change — i.e. development — something which Tanganyika did not need at all, because lack of capital resources and trained manpower and the unpredictable climatic conditions were already effective brakes on change. Tanganyika needed powerful accelerators to "overcome the inertia bred of poverty and the resistance inherent in all places". Accordingly, there was no need for "neutral administrators", and hence the proposal of "giving the President power to appoint, promote, dismiss and exercise disciplinary control over civil servants and police while the judge will have complete security of tenure once appointed, the man who appoints them will be the President".

Apart from the development plans, the steps which were taken by the government between 1961 and 1966 were the following: Africanisation of the civil service and the army; introduction of the Preventive Detention Act (1962), an act which allowed the government to detain without trial elements deemed politically dangerous; intervention in matters related to co-operative movements by attempts to centralise and/or create them from above; intervention in trade union matters (1962) by the removal of some personalities; outlawing strikes (1962) and controlling the trade union. The trade union was finally curbed in 1964, when it was changed into the National Union of Workers (NUTA) which was an affiliate of the Party, with its top officials appointed by the government and the finances controlled by the Ministry of

Labour. From 1963, new political boundaries (regions and districts) were created and the new heads were politicians; and the bill for the creation of a one party state was passed in 1965. In sum: this was the period in which the state was being strengthened and turned into a monolithic organ.

The 1967 Declaration was, in essence, a continuation of these policies.³⁸ Besides the nationalisation of the major means of production, the following took place: a rapid intervention in the co-operative movement, and finally its abolition, in 1975³⁹; the abolition of local governments and extension of government control to local levels by 'decentralization', from 1972⁴⁰; forcible villagisation of the peasants in 1974/75 and introduction of village governments; and quashing workers' struggles in their attempt to control the means of production which belonged to the capitalists or were bureaucratic, between 1970 and 1974.

Right after the Arusha Declaration, the politicians viewed the masses of the people as ignorant, primitive, superstitious, lazy, resistant to change and backward — the very language which was used by the Europeans during the colonial period against Africans.⁴¹ In essence, the ideas of development represented the interests of capitalism, as can be observed from the way ordinary people were viewed and the goals of development themselves were formulated. Thus, in the process of bringing about development, the state was defeating the working masses by concentrating power in the state; this was done because of the belief in the role of individuals, but, at the same time, it stripped off the independence of civil society.⁴² The outcome of all these moves was to leave the working people defenceless vis-a-vis the state and capital in general. Within this process, it can be argued, the dominant ideology has been the theoretical expression in the process of disarming the masses, given the emphasis on the state, and, hence, the socio-economic crisis.

It has been argued above that the Arusha Declaration which committed Tanzania to the building of a socialist egalitarian society did not fundamentally alter the 'modernization' outlook of the early 1960s, despite its noble aims. This was/is reflected in the relationship between the bureaucracy and the peasants. Some studies have pointed out the problems related to its implementation. It has been observed that the officials kept a deep distrust of the people, based on the inherent prejudice that the peasants are lazy, ignorant, etc.⁴³ For example, during the villagisation of the peasants in 1974/75, sometimes it was easier for a road to be constructed to an area because one already existed, than because of fertility of the area, and the decision was taken without any consultation with the peasants.⁴⁴ Villagisation as a process was an enforced movement of the peasants aimed at settling the peasants into 'modern' settlements, "i.e. settlements with houses placed together, in straight lines, along the roads, and with fields outside the nucleated villages, organized in block farms... each block... with only one type of crop, and readily accessible for control by the agricultural extension officer..."⁴⁵ The incompetence of the officials (besides their complete lack of knowledge of conditions in which they had to work) was revealed in their

attitudes towards ordinary villagers as ignorant, unskilled, subordinate people to whom it was useless to listen. The government officials were never properly concerned with the human factor and they never understood their role in this new development as one of advisers to — and co-operators with — the villagers.⁴⁶

Clearly, development as an idea is not free of class interests. The so-called solutions for the problems in Tanzania or Africa in general in terms of creation of a New International Economic Order, 'heavy industrialization', technology transfer, application of Marxism—Leninism as if it were a spanner, assistance from socialist countries, liberalisation of the economies, are basically technocratic and economistic. They are developmentalist and they entail the patronisation of the working people by a caste of people, such as bureaucrats, those with 'scientific ideology', modernizing agents, 'good politicians', good planners, 'cadres', etc. This is an idealistic approach which entails a hegemony of ideas and objects in the life of people — their material world and relations between them. It is an approach which takes productive forces/economic forces as the motive force of history and which embraces an elitist point of view advocating the dictatorship of the intelligentsia.

The trick in most debates about development has been to relegate to the background the question of the conditions of social struggles for self-defence, self-emancipation and self-determination of the people and, hence, the people's own weaknesses and strength. There has been a refusal to bow to the fact that it is people who make their own history in the transformation of circumstances and themselves. In other words, it is a refusal to accept that it is possible to have control of processes from below. It is only when things have gone wrong that an appeal for support is made to people whose capacity as history makers is systematically denied. Even debates about democracy in Africa have fundamentally concentrated on the issue of parties — as if parties are the history makers — and ignored this aspect of people making their own history, i.e. the possibility of civil politics by ordinary people. The underlying reason for all this is the fact that developmentalism has been the 'religion' of capitalism since the second World War; and central to all developmentalist/modernisation perspectives is the role of the state and individuals and the repudiation of peoples' experiences. Socialism or capitalism are viewed in terms of strategies or alternative roads for development and not as historically determined processes and, therefore, the necessity for social struggles is denied.

To accept that people make their own history means to acknowledge the centrality of social struggles in processes. This entails examining and theorising on processes from the point of view of how people continually struggle and resist all forms of arbitrariness and hierarchisation, and taking into account the whole question of the liberation of the civil society from the oppression of the state and capital in general. An outlook which views the majority of people as unscientific, backward, ignorant of their own interests and superstitious, even if socialistic, is fundamentally oppressive, arrogant and authoritarian and, therefore, reinforces hierarchisation. It is all reminiscent of Eurocentrism and the "civilizing mission" in general which viewed colonised/oppressed masses in the same manner. It is an elitism which

stands as direct successor in the old lineage: Benthamism, Coleridgean 'clerisy', Fabianism, and Leavisism of the more arrogant variety. Once again, the intellectuals — a chosen band of these have been given the task of enlightening the people — (it is) marked by ... very heavy emphasis upon the ineluctable weight of ideological modes of domination which destroys every space for the initiative or creativity of the mass of the people — a domination from which only the enlightened minority of intellectuals can struggle free.

Thus, it turns out that the socio-economic crisis in Tanzania and Africa in general is not due to failure to modernise the countries or the unscientific nature of the policies pursued, it is an expression of the rapid capitalist development as a result of the defeat of the working people who are unable to defend themselves against Mr. Capital or the state. Poverty, inflation, worsening conditions of living standards, etc. is an expression of the rates of accumulation, unchecked by the fact that the working people have been stripped of those *autonomous* organisations which would make them defend themselves against all forms of arbitrariness and struggle for better conditions.⁴⁸ As a result of the opposition against people's autonomous mass organisations, trade unions, co-operatives etc., and the strengthening of the state in the name of development, most socialist ideologies have become weapons against the civil society and, hence, have unconsciously championed capitalist expansion.

Footnotes

1. Refers to the mainland part of Tanzania only, unless otherwise indicated.
2. Calculated from: United Republic of Tanzania, *Economic Survey 1977–78 & 1981*, Govt. Printer, Dar es Salaam.
3. Ibid. See also J.M. Kulaba, *Housing, Socialism and National Development in Tanzania*, Rotterdam, 1981.
4. ILO, *Towards Self-Reliance in Tanzania*, Addis Ababa, 1978, pp. 188–90.
5. Calculation by Frank Ellis in “Agricultural Pricing Policy in Tanzania 1970–1979; Implications for Agricultural Output, Rural Incomes and Crop Marketing Costs”, ERB, University of Dar es Salaam, 1980 (mimeo) Table 7. The terms of trade still are unfavourable, up to now.
6. For these aspects see J.K. Nyerere, *Five Years of CCM Government*, Dar es Salaam, 1982, and ILO, *Tanzania Basic Needs in Danger*, Addis Ababa, 1982. The shortages have currently been artificially done away with. The actual implications of these moves are yet to be seen, for the prices for *all* goods are extremely high compared to the incomes.
7. ILO, 1978, op. cit.; ILO, 1982, op. cit.
8. E.E. Hanak, “The Tanzanian Balance of Payments Crisis: Causes, Consequences, and Lessons for Survival Strategy”, M.A. Dissertation, University of Dar es Salaam, 1981, Table 5. Introducing the Second Five Years Plan for Social and Economic Development (p. xiii), Nyerere pointed out: “We shall continue to expand simple manufacturing, the processing of primary commodities and the provision of basic construction materials; but we have reached the stage where we think seriously about the next and more difficult phase of industrialization ... capital goods which are used only in the production of other things ... such a move is essential for long term growth.”
9. ILO, 1982, op. cit., pp. 16–15–19.
10. Ibid. See also Hanak, op. cit.
11. Hanak, op. cit., Table 6. Due to the price increases of oil, the import bill for oil import increased by 330 per cent between 1973 and 1979 and there was a slight decline in its volume. The Government named oil as one of the major causes of the crisis by pointing out that Tanzania spent 60 per cent of the export earnings on oil importation. This is true in so far as one takes the export earnings as the criteria; but the picture is radically different when one examines the *import bill* for oil in relation to the *total import bill* which takes into account all the imports regardless of whether they are financed by Tanzania or through aid, grant, etc.
12. ILO, 1978, op. cit., pp. 84–5.
13. Ibid.
14. Idem, p. 178.
15. *Daily News*, 22/7/1983.
16. *Daily News*, 29/10/1984. *The Sunday News* (7/10/1984) reported that, while in Mtwara, President Nyerere told the peasants that “higher prices for clothes were unavoidable as most of the textile mills were producing under capacity and that costs of running them had to be met from the same shortfall in production”.
17. I cannot go into details here on these aspects. For details see C.S.L. Chachage, “The Development of Urban Capitalism in Tanzania (With an example of Arusha Town)”, M.A. Dissertation, University of Dar es Salaam, 1983, and C.S.L. Chachage, “Socialist Ideology and the Reality of Tanzania”, Ph.D. Thesis, Glasgow University, 1986.
18. For this information, generally, see Chachage, 1983 and 1986, op. cit.; also J. Shao, “Some features of Tanzanian Manufacturing Industry”, M.A. Dissertation, University of Dar es Salaam, 1978.
19. *Daily News*, 5/3/1983.
20. *Uhuru*, 31/7/1984.
21. The interim Turner Report was circulated from 1966. Republic of Tanzania, *Turner Report*, Government Printer, Dar es Salaam, 1967.
22. Issa Shivji, *Class Struggles in Tanzania*, TPH, Dar es Salaam, 1976, p. 78.
23. See Permanent Labour Tribunal Act of 1967, (No. 47 of 1967).
24. ILO, 1982, op. cit., p. 267.
25. C. Pratt, *The Critical Phase in Tanzania 1945–1968*, OUP, London, 1976.
26. See C.S.L. Chachage, 1986, op. cit., p. 427 for more details.
27. TISCO, *A Manual for Investors*, Dar es Salaam, 1980, p. 30.
28. V.I. Lenin, *Collected Works*, Vol. I, Progress Publishers, Moscow, 1972, p. 396. “There is coercive power in every human society, and there was one in the tribal system and in the family, but there was no state.” “An essential feature of the state”, says Engels, “... is public power distinct from the mass of the people.”
29. This important point is raised by Aboo T. Ameerudy, Bruno Lutier and Ramon G. Torada, “Labour Power and the State”, in *Capital and Class*, Vol. 6, Autumn 1978, London. This article is quite an important contribution to the discussion on the state.
30. K. Marx & F. Engels, “The German Ideology”, *Collected Works* Vol. 5, Lawrence & Wishort, London, 1976, p. 60.
31. By the 1940s, the educated Africans in Tanzania had already systematised what they considered to be African civilisation, which took certain aspects from African societies (social and political structures) and some from European civilisation (technology and economic organisation). The antecedents of this civilisation are to be found in the nature of contradiction of the interwar period and the attempts by the colonialists to incorporate the elements of the people to be ‘civilised’ in the civilising mission, which was in crisis by then. It is this African civilisation, as a variant on the modernisation outlook which was to develop into African Socialism in the early 1960s. For details about all this, see Chachage, 1986, op. cit.
32. For a summary of these theories and contributors to these theories see M. Blomstrom & B. Hettne, *Development Theory in Transition*, Zed Press, London, 1984, Chapter I.
33. See A. Funglesang, “The Myth of Peoples’ Ignorance”, in *Development Dialogue*, 1984: 1–2, p. 45.
34. Those were the aspects which dominated in the pre–1967 policy programmes and plans.
35. Interview on African Democracy to BBC General Overseas and North America Services, Nov. 1960, quoted by J. Listowel, *The Making of Tanganyika*, Chatto and Windus, London, 1965, p. 408.
36. J.K. Nyerere, *Freedom and Unity*, OUP, London, 1976, pp. 103–6.
37. Idem, p. 105, emphasis added.
38. J.K. Nyerere, *Freedom and Development*, OUP, Nairobi, 1973, pp. 270–76. Nyerere pointed out here that Socialist moves started from the early 1960s. 1967 was simply a reaffirmation of a principle which was already there.
39. Now re-introduced from *above*.
40. Now re-introduced from *above*.
41. See below. Professor P.B. Vitta (in *Dominance: The Influence of Circumstances on Science in Tanzania*: DUP, Dar es Salaam, an Inaugural Lecture, p. 6) asserted: “In Tanzania, rural peasants, who (like their counterparts anywhere) are not the most scientific segment of the population, form the vast majority, rural farming is the hub of our economy ... So whatever erroneous notions Tanzanian peasants have about nature or the environment will be picked up and amplified by peasants’ large function and by the dominance of their occupation ... In industrialized countries, on the other hand, the situation is the drastically different one of the least scientific segment of the population also being least important to the economy.”
42. For details of these aspects, generally, see *Eastern African Law Review*, Vol. 11–14, 1978–81, University of Dar es Salaam.
43. See J. Boesen et al., *Ujamaa — Socialism from Above*, SIAS, Uppsala, 1977.
44. A. Coulson, *Tanzania: A political Economy*, Clarendon Press, Oxford, 1982, pp. 253–4.
45. J. Boesen, *Tanzania: From Ujamaa to Villagization*, Institute for Development Research, Copenhagen, Paper A 76–7, p. 13.
46. Boesen et al., op. cit., p. 155.
47. E.P. Thompson, *Poverty of Theory*, Merlin Press, London, 1978, p. 377.
48. Even accountability as an issue, should be viewed as accountability to the people and *not* to the state. That is only possible where people have *effective control* of the above and processes in general.