

## **The Third World and Problems of Development: A Case Study of Tanzania after the Arusha Declaration**

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### **Abstract**

*The Arusha Declaration was a path-way aimed at finding lasting peace in Africa as a panacea to attaining the much needed growth and development after years of protracted wars in different parts of the continent. Unfortunately, having a meaningful and significant development in Africa has been a herculean task. This is true because practically, all political parties in Africa which led their countries to juridical independence had no economic or political programme for the post-colonial era. The paper argues that since it is a known fact that the colonial State was designed to serve colonial interests, there is no doubt that if after independence the colonial structures remain unchanged, it will continue to serve those interests no matter who is in power. This in part accounts for some of the problems of political integration and economic development. There have been attempts however by some leaders to solve their problems of development through the formulation of policies and philosophies. One of such leaders is Julius. K. Nyerere of Tanzania. It is on this premise that this paper examines the Third World and problems of development with a focus on Tanzania after the Arusha Declaration. The study relies on sources of information from mostly secondary sources of data.*

**Keywords:** Africa, Arusha Colonial State, Declaration, Development, Growth, Post-Colonial

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### **Introduction**

National planning is one of the three symbols of most post independent African countries. Every African country or Third World country had adopted a national economic plan alongside, national flag and a national anthem. About two decades later, national economic plans in Africa had become endangered species. On the other hand, a new strategy of planning in Africa was emerging in countries like Nigeria- national political planning. Nigeria now is embarking on what is perhaps the most elaborate national political plan that post-colonial Africa has ever attempted. Why now and not in 1960 or immediately after independence?. This in my own opinion is a belated development and it is characteristic of the problems of development in Third World. This inability to evoke a truly revolutionary spirit at the early stages of independence by some African leaders arose from what Franz Fanon (1979) referred to as the “result of intellectual laziness of the

national middle class, its spiritual penury and of the profoundly cosmopolitan mould that its mind was set in...”<sup>1</sup>

Practically, all political parties in Africa which led their countries to juridical independence had no economic or political programme for the post-colonial era. Since the colonial state was designed to serve colonial interests, if after independence the colonial structures remain unchanged, it will continue to serve those interests no matter who is in power. This in part accounts for some of our problems of political integration and economic development. There have been attempts however by some leaders to solve their problems of development through the formulation of policies and philosophies. One of such leaders is Julius. K. Nyerere of Tanzania.

### **J. K. Nyerere and the Arusha Declaration**

In 1961 Tanzania gained her independence from Britain. It is a sparsely populated country and one of the world’s twenty-five poorest nations. By 1967, there was a realization that Tanzania was moving along a familiar post-colonial path where benefits of Africanisation and whatever development had occurred were enjoyed only by a small privileged group (civil servants, political leaders, and business men). The result of this development together with the realization of neo-colonial designs set the “tone and tempo of the events following the Arusha Declaration”<sup>2</sup>. The Declaration marked a significant watershed in the development of Tanzania.

Unlike most African leaders, President Nyerere’s luck was his vision and foresight at early political planning. Within six months of independence, he wrote a paper titled “Ujamaa- the basis of African socialism” in which he argued that African notion of family-hood and traditional relationship were essentially socialist”<sup>3</sup>. It was not a socialism based on class, still less on class struggle, but on

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<sup>1</sup> Fanon, Frantz, *The wretched of the Earth* (U.S.A: Penguin Paris, 1979), 129.

<sup>2</sup> Justiman Rweyemah, *Underdevelopment and Industrialization in Tanzania: A Case Study of Perverse Capitalist Industrial Development* (Nairobi: Oxford University Press, 1973), 58.

<sup>3</sup> The Declaration chartered out a development course (internal development) for Tanzania “socialism and self-reliance”. Socialism in this context was defined to mean the absence of exploitation, people (worker and peasants) ownership of the means of production and exchange (people, land, good policies and good leadership) and the establishment of a genuine political democracy.

the sort of co-operative sharing to be found in many rural societies. It has now become the basis of Tanzania's economic and political philosophy.

In January 1967, Tanzania's ruling party, Tanganyika National Union (TANU) set out its policy on socialism and self-reliance in a resolution that has come to be called, the Arusha Declaration. This was followed by the nationalization of commanding heights of Tanzania's underdeveloped economy and by a series of papers setting out Nyerere's ideas on rural development, education, etc. Much of it is old. Nothing was revolutionary.

The emphasis on countryside and self-help was distinct, if not original. How has it worked? The paper aims at critically reviewing the period after the Arusha Declaration, pointing out its successes and failures and what lessons Nigeria in particular and Africa in general, can learn from Tanzania.

### **Ujamaa or Co-operative Village Communities**

Nyerere's first concern like most post-independence third world leaders is the poverty and the future of his 15 million hungry people. People are thinly spread in Tanzania. If the two are brought together, the scarce resource can be harnessed for the benefit of the people. Economically, it is easier to bring a clinic, school, clean water, and electricity to 250 families living in one village than when they are living in isolated homesteads. Productivity in agriculture is also bound to increase in the countryside as life settles down and new techniques are taught, pesticides and fertilizers become available.

Politically, the advantage was that Ujamaa communities were expected to provide more effective rallying points for critical action by an increasingly radicalized and organized peasantry and hence the greater likelihood of a "real rather than a theoretical check upon the petty bourgeoisie of party bureaucracy at local and national levels by the mass population in the interest of socialist development"<sup>4</sup>. This thought formed the economic and political basis of Tanzania's policy for grouping people together in villages. People in a village can live and work co-operatively in a socialist manner. This is why they are called Ujamaa (family hood or co-operative village communities) villages.

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<sup>4</sup> John Grimond, *The Economist*, (March 11, 1978, survey 1 – 26 survey), 8.

Ujamaa philosophy is neither new to Tanzania nor to Africa<sup>5</sup>. It is a reawakening of the basic and fundamental economic principles with which Africans identified themselves in their spirit of communalism. As Nyerere noted:

When a society is organized that it cares about its individuals, then provided he is willing to work, no individual within that society should worry about what will happen to him tomorrow if he does hoard wealth today. Society itself should look after him or his widow or his orphan. This is exactly what traditional African society succeeded in doing in the past...nobody starved either of food or of human dignity because he lacked personal wealth as he could depend on the wealth possessed by the community of which he was a member. That was socialism. That is socialism<sup>6</sup>.

The policy of grouping people together in *ujamaa* villages however got off to a pace start. Tanzanians had been living on small farms on their own for as long as there had been settled agriculture in that part of Africa. When in 1967, peasants were all invited to cast centuries of inherited wisdom to the winds and move to *ujamaa* villages, Tanzanians naturally resisted. In principles, it is maintained that no one can be forced into an *ujamaa* village. However, most Tanzanians have unquestionably been moved forcefully. There are cases of people rounded up without notice and dumped on a village site without time to prepare shelter for themselves<sup>7</sup>.

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<sup>5</sup> Abdulrahman Muhammed Babu, *The Babu Essay and Alternative Policy for Africa* (New African Magazine, August 1980), 55-56. Professor Babu maintains that the policy of ujama'a did not very much depart from the earlier policy of village settlement programme which was introduced by the British colonialists as far back as 1922 and later picked by the World Bank in 1959. The policy argued that rapid transformation of rural areas was likely with "systematic programmes of planned settlement of empty of thinly populated areas suitable for agricultural development. World Bank took over the project in 1959 and invested \$350,000 per village as initial capital for economic and social infrastructure and mechanical implements. Under the new scheme (ujamaa) the villages now have to raise the capital themselves".

<sup>6</sup> Julius Nyerere, *Ujamaa: Essays on Socialism* (Dar es-Salam: OUP, 1968), 3-4

<sup>7</sup> Initially, migration to these villages was voluntary, but only 2 million people responded. Then in 1973, the party ordered everyone in the country side to move to the villages. Those who balked saw their huts bulldozed or ignited. Those who stubbornly remained on their lands became easy prey for lions while those who tried to organize resistance, were jailed. New African Magazine, April, 1978, 21.

Each *ujamaa* village is supposed to have a minimum of 250 families. They are intended to be socialist organizations created by the people and governed by those who live and work in them. It is said that all should have some communal element; a co-operative shop, volunteer village militia which combats crime, a village owned dispensary or clinic to combat disease, a village owned furniture shop, poultry, and tinsmith etc, to combat unemployment. The village co-operatives sell milk, soft drinks and detergents while the profits from the village enterprises fund a school and day care centre. Although each family has a private *shamba* (plot) on which to grow its own food, its members are encouraged to work in the communal enterprises. Instead of pay, they receive “points” which qualifies them to a share of the profits from the village communal projects<sup>8</sup>. Through such villages, Nyerere hopes to prove that socialism can re-organize and modernize his country.

Nyerere’s efforts at re-grouping his people in *ujamaia* villages have been relatively successful. By 1978, about 13 million out of 16 million Tanzanians were living in 8000 *ujamaa* villages. One may even venture to say that the policy of *ujamaasation* is about ninety percent (90%) successful. This in its own is a giant leap forward in the process of the development of rural Tanzania. Thus, inspite of the constraints imposed by small economic size anchored on narrow resource base, the success of *ujamaasation* marks the evolution of a different socio-economic pattern in Tanzania which might well come with time.

While the programme has succeeded in moving nearly 90% of the rural population, it has been argued that no significant social or economic transformation took place. The villages are made of thatch and mud and the roads are no more than dusty alleys. Again, whereas prior to this massive movement, Tanzania was self-sufficient in food, from 1973, it supplements its local production with imported food. Similarly, lack of capital and markets still remain in spite of the massive foreign borrowing and Foreign Aid. The programme has not improved the situation. If anything, Tanzania is tied more firmly to the capitalist world than before<sup>9</sup>.

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<sup>8</sup> Those who refuse to become part of the extended family system were ostracized and denied important services like medical care, permits to travel or change jobs.

<sup>9</sup> The Babu Essay — *New African*, August, 1980, 56.

## **Ujamaa and Agriculture**

Agriculture is the mainstay of Tanzanian economy. Since independence, agriculture has been developed to where it provides more than half of Tanzania's GDP; 4/5 of its foreign exchanges and employment<sup>10</sup>. The major crops grown are sisal (of which Tanzania is still world's leading producer), cotton, coffee, tobacco, tea, sugar, cashew nuts and cloves. The main aim of Tanzania's agricultural policy was to get more food and more money for other needs by way of increased production of agricultural crops. Much emphasis however has been on cash crop production at the expense of food crop production. This has presented series of problems for the leadership in Tanzania. In the absence of large scale food production, it would be self-deceiving for Tanzanians to pretend that they will attain self-sufficiency in agriculture. Tanzanian agricultural organization after the Arusha Declaration was to be predominantly that of co operative living and working for the good of all. This meant that most of the farming would be done by the people who live in a community and work as a community<sup>11</sup>. They would live and farm together; market together and undertake the provision of local services and small requirements as a community. The government on its part would continuously explain and encourage people to work collectively and farmers have to see the advantage for themselves living and working together if they are to entrust their entire future to this organized way of life.

The initial plan was to use oxen-plough or oxen-cart and donkeys to replace the *Jembes* (hoes – which were considered too primitive for Tanzanian needs) for greater production in the Ujamaa villages<sup>12</sup>. This is because such types of ploughs are easier and cheaper to obtain and maintain than the tractor (tractors will only be used on highly organized state farms). From there, the revolution will be effected all over the country before moving to the use of modern machinery like tractors. This rural agricultural policy however failed to gear Tanzania's economy to self-sustaining and self-generating growth. Cash crop production was characterized by booms and slumps. The growth of the economy was generally constrained by low productivity in the rural sector – a sector that comprised of about 95% of the population and about 90% of the labour force. There are many reasons for this.

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<sup>10</sup>*New African Magazine*, March, 1979, 55

<sup>11</sup> Julius Nyerere, *Ujamaa: Essays on Socialism*, 3-4

<sup>12</sup> Julius Nyerere, *Ujamaa: Essays on Socialism*, 3-4

- (i). First and foremost, the success of rural agricultural production in Tanzania under the new scheme very much depend on the willingness of the farmers to cooperate and an understanding of the different kind of life which can evolve while working together.
- (ii). Added to this is the fact that most lands in East Africa is marginal, so relatively large areas are needed to support each family, certainly as long as traditional farming methods using jembes are used.
- (iii). In some areas, local land shortage makes it impossible to move towards co-operative living and working through the opening of entirely new community farms. For example, in Kilimanjaro area, every piece of land is already intensively cultivated with barely enough open spaces left for public purposes like schools and community centres. Besides, the areas are almost always farmed on the basis of individual plots with each farmer living on his own plot and not in the village with his neighbors. This meant that socialist progress in these areas will be difficult to achieve, for when vacant land is available, there is only one way to create a community farm, that is, by individual farmers coming together and joining their pieces of land working them in common.
- (iv). The hazards of weather also often frustrate the best – laid agricultural pastures. Too often, agriculture is a gamble with the rains. When the rains come, there is an abundant harvest and when they do not the country is often forced to import food as in 1973-74 and in 1977.
- (v). Outdated jembes and ploughs are still used with the result that the best parts of land goes waste. Agricultural machines used in some parts are too complicated for the illiterate farmers. Where such machines are operated by trained agricultural officers, if the machine went bad, it finds its way to the nearest shed for either lack of spare parts or trained mechanical engineer to repair them.
- (vi). Pests are another problem. Too often due to lack of proper storage facilities, grain is destroyed by pests.
- (vii). Agricultural inspectors in the rural areas also constitute themselves into an army of policemen such that farmers generally felt that they were being pushed around. Everywhere new rules, regulations and taxes seemed to require this, prohibit that or take a few shillings yearly from the farmer's

pockets<sup>13</sup>. All these created uncertainty for farmers and reduced their incentives to grow enough surpluses to keep their incomes up.

- (viii). Upheavals created by the forced relocation also affected farm output. Between 1967 and 1973, farm output slowed down by 2.7% less than the rate of population increase for the same period. Similarly, market production of major cereal crops fell each year from 1970-1974. Throughout the 1970's export crop volume fell by 40% collapse in quantity and quality of Tanzania's main exports which meant a decline in foreign exchange earnings, balance of payment worsened. Imported consumer goods like clothes, soap, sugar, kerosene, cooking, oil, etc. virtually disappeared particularly in the rural areas. With nothing in shops, farmers became uninterested in growing large surpluses for official market<sup>14</sup>. Lack of consumer goods has encouraged well-organized smuggling. Huge quantities of Tanzanian coffee, tea, cotton and cattle clandestinely find their ways to free markets in neighbouring Kenya.

Collective cultivation in Ujamaa villages and state farms were also failures. Concentrating people in villages along roads – which was what, was done means reducing total area of land under cultivation and intensifying cultivation of the area that was farmed which lead to reduced yield and falling fertility. Private capitalist farming responsible for much of the cash crop production in the 1950's and 1960's was discouraged by the ruling party, Chama cha Mapinduzi (C.C.M)<sup>15</sup>.

- (xi). Crop marketing institution and pricing were also part of the problem of low agricultural productivity. State marketing system which replaced co-operatives in 1976 brought only mismanagement and corruption as farmers soon abandoned official channels and turned to singling crops selling them at parallel markets. For example, farmers only received 70% of official “producer price” for Greenfield tea after the 1986 reforms and payment was

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<sup>13</sup> Andrew Coulson, ‘Agricultural Policies in Mainland Tanzania’ *Review of African Political Economist*, no. 10 (1977): 75.

<sup>14</sup> *Africa Events Magazine*, Vol.6. No.12 Dec. 1990, 22.

<sup>15</sup> A recent study by Sender John and Smith Sheila – poverty, class and gender in rural (mentioned in *Africa Events*, Dec. 1990) however revealed that the bulk of the so-called “peasant” crops like cotton are grown by quite a large number of labour hiring as wage employment offered by large farmers. This provided vital source of income for the forest families (over 50% of Tanzanian farmers) who have limited access to land.



often late. After deductions made for fertilizer, levies were also collected by district and village council leaders. So the question of “real prices” can only be assessed after such institutional deductions are taken into consideration. Difficulties in marketing even assumed enormous dimensions when co-operative unions were re-introduced in the early 1980s. These and some of the problems mentioned above show that Tanzania has still a long way to go in terms of increased production of agricultural productions for food and exports (and therefore balance of payments).

### **Provision of Social Amenities in the Ujamaa Villages**

Rural development does not just mean rise in cash incomes for the peasants, but the provision of schools, clinics, water supplies and a high degree of political participation. In the field of education, a new policy, education for self-reliance was introduced. The main objective of this new educational policy was adult literacy and education for children with emphasis on production farming and technical training with schools growing their own crops, making bricks, furniture, raising animals and making clothes. According to Nyerere the inherited colonial education system was elitist, designed only to meet the interests and need of a very small proportion of those who enter the school system. It induces among those who succeed a feeling of superiority and leaves the majority of others the feeling of inferiority and thus cannot produce the egalitarian society which Nyerere envisaged. Therefore, it becomes imperative to design an educational policy that is more relevant to Tanzanian needs. If the new education policy is intended to foster the social goals of living together and working together for the common good, it must emphasize co-operative endeavour, not individual advancement, it must stress concepts of equality and responsibility to give service which goes with any special ability, be it in carpentry, in animal husbandry, or in academic pursuits<sup>16</sup>. To this end;

All schools especially secondary schools and other forms of higher education must contribute to their own upkeep, they must be economic community as well as social and educational community. Each school should have as an integral part of it a farm or workshop which provides the food eaten by the community and makes some contribution to the total national income<sup>17</sup>.

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<sup>16</sup> Julius Nyerere, *Ujamaa: Essays on Socialism*, 52.

<sup>17</sup> Julius Nyerere, *Ujamaa: Essays on Socialism*, 64.

Post-secondary school students were in addition expected to spend part of their vacations in organizations relevant to their disciplines and such work will earn them credits which will count for their final examination results. As a result of the overhauling of Tanzanian educational system through the policy of education for self-reliance, Tanzanian schools are probably better than all in Africa. In 1961, there were 40,000 pupils in primary school. This number more than doubled to 825,000 in 1967. Again while at independence only 45% of school age population was enrolled in schools, by 1973 it rose to about 50% and universal primary education was her target by 1989. Also by 1972, out of about 7.5 million adults 5 million were provided literacy classes as a result of campaign for mass literacy.

Rural health has lagged behind rural education. This notwithstanding, the number of health centres almost quadrupled between 1967 and 1976 but only to 152 Health Centres in a country of 16 million and 363,000 Sq miles. This meagre provision reflects the poverty of the country and not the predominance of the towns. Mass education campaigns to promote preventive medicine and basic hygiene coupled with vaccination and inoculation against diseases have helped to raise life expectancy from 40 years in 1967 to 47 in 1978. Infant mortality also dropped from 161 per thousand in 1967 to about 151, in 1978.

Nothing combats disease more effectively than clean water. In 1978, only about 3million rural peasants have pipe borne water and about 10 million do not. They still drink dirty water and often walking long distances (average of 4miles) to get it.

As regards the provision of consumer goods, the collapse in the 1970s up to the mid-1980s greatly affected the supply of consumer goods especially to the rural areas. Clothes, exercise books, drugs, soap, kerosene and cooking oil virtually disappeared particularly in the rural areas. In 1984, one may have to travel up to 150km to get a bar of soap. The poorest, with no privileged access to the system of state distribution and limited access to parallel markets suffered most. When Mwinyi took over as President in 1986, he embarked on Economic Recovery Programme. The most striking and welcome feature of this programme is the dramatic increase in the availability of consumer goods such that by 1990, one can get about six varieties of bar soap in a village market.

Besides the supply of the basic material goods, what about non-material goods like political freedom? Truly regulated socialist states have often deprived people

of their inalienable rights. Restricted are liberties of speech, association and freedom to listen and read. It becomes very difficult to distinguish between human beings and plants. Tanzania especially under Nyerere as observed by John Grimond was more like a British public school run by an idealistic Headmaster who lays down firm rules in the best interest of everyone as judged by him and thinks nothing of putting one in detention if they break them. For example, in 1978, over 300 (1/5) students of Dares-Salam University were expelled by Nyerere because they demonstrated against pay increase for MP's and party officials.

Of recent, the call for political pluralism by a number of interest groups has been on the increase such that early in 1990, Nyerere initiated a debate on whether Tanzania will be a single or multi-party system. It is even argued that if Mwinyi is not ready to unleash democratic practices during his second term in office he may be bogged down by politics of succession and intrigues which threaten to politicise the region and ethnicity in Tanzania's body politics.

This notwithstanding, TANU leadership in Tanzania has been able to fashion one of the world's most egalitarian societies. This success was achieved by way of imposing a strict leadership code on TANU leaders which barred them (as well as civil servants) from holding any shares in companies, draw more than one salary, own rent producing property or riding around in posh cars. Nyerere's life style is also one of the simplest of any Head of State. He was paid \$6000 annually and lives in a modest three bedroom beach house near Dares-Salam. The income between the lowest and highest paid worker in Tanzania has also been drastically reduced. For example, at independence, the income ratio between the highest and the lowest paid worker was 50: 1 after direct tax was deducted. In 1967, it was 9:1. Tanzania also has the least tribal cleavages and the only country where government can communicate to people through a single language (Swahili) which everybody understands. Tanzania is also probably one of the least corrupt countries in Africa (even through it is more corrupt now than before the Arusha Declaration).

## **Industry**

Nyerere's concern for development of rural areas had been at the expense of industry and commerce. He was conscious of this as he puts it "to be realistic, we must stop dreaming of developing Tanzania through the establishment of large

modern industry. For such things, we have neither the money nor, the skilled man power required to make them efficient and economical”<sup>18</sup>.

The basic industrial strategy after the Arusha Declaration includes the construction of a pulp and paper mill at Mufindi and the development of Iron and steel following the discovery of iron ore at Chunya and Liganga. There were also attempts to promote the large scale medium sized projects by the National Development Corporation (NDC) while smaller industries were handled by District Development corporations (DDC) as well as private investors and co-operatives. In the 1976-1980 budget plan for example, industry got the largest share capital investment of 27% most of which went to the establishment of heavy industries especially those which can process Tanzania own raw materials.

Inefficient as the industrial sector was, it experienced resurgence after the Arusha Declaration. For example, the value of industrial production trebled in the decade since the Arusha Declaration and by 1979, industry accounted for the about 10% of national income instead of 8% in 1966. The number of people earning their living in this sector also increased 2½ times by 1979. This figure in some way explains one’s curiosity about Tanzania. Its real rate of growth of GDP has not been at all bad even though it has declined from an average of 6.4% per year between 1964 and 1967, and to 4.8% between 1969 and 1975.

Transport and communication sector is also of great importance to the efficient performance of other sectors of a country’s economy. Since 1970, this sector has contributed 10% of the total GDP. Although the demand is far from being met, the overall performance of the sector has significantly contributed to national development since the Arusha Declaration.

In spite of all these improvements, the general performance of the industrial sector is considered as far below average. Nyerere himself in his speech to mark the anniversary of the Arusha Declaration, January 1977 remarked thus; “almost all our industrial plants are running well below capacity sometimes less than 50% of what could be produced with existing machinery is actually being manufactured and put on to the market”.

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<sup>18</sup> Julius, K. Nyerere (1968) *Ujumaa: Essays on Socialism*, p. 96.

He pointed out reasons for the low performance and insufficient surplus being generated due to high cost of management and administration coupled with poor industrial discipline. As result, the role of private enterprise was restated. Thus in august 1977, butchers shops in Dares-Salam were de- nationalized and returned to private ownership. Some petrol stations were also put back to private hands and a number of foreign companies Brooke Bond Liebig in meat trade, Mitchellcotts in pyrethrum estates were invited to return to pick up their former tasks.

For those who see this as a reversal of Tanzanians socialist orientation and the encouragement of capitalist growth, Tanzanians have a ready answer: self-reliance and more production will put them on the road to greater freedom as a nation and as individuals and not a return to the neo-colonial fold. For according to Nyerere few “if any of the industries would have started if Tanzania had relied on foreign investment... even if there had been an increase in foreign private investment and a consequent growth in the monetary value of Tanzania’s industrial production, it is quite certain that the new factories would not have been directed at making goods needed by Tanzania’s primary producers”<sup>19</sup>.

Nationalization has not been a success. There was not a lot to nationalize at the outset. The real cost of the policy has been chronic inefficiency in both trade and in the growth of an army of bureaucrats manning the plethora of state corporations – popularly known in Tanzania as parastatals. Not only did nationalization discourage foreign capital, but also wastes the country’s scarce development capital in paying for compensation. Similarly, nationalization and state ownership do not imply a movement towards socialism since the character of the state itself does not necessarily undergo any qualitative change. In particular, state ownership may (and it did in Tanzania) lead to the creation of a wealthy bureaucratic class which would exploit the masses under the pretext of guardians of public property. Closely related to state ownership is the nature of the means of production. The ownership of the means of production does not necessarily guarantee workers control which is the real meaning of socialism on economic level. Thus frequently, workers in organisatons feel they are working for them and not for themselves<sup>20</sup>.

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<sup>19</sup> Julius Nyerere, *Ujumaa: Essays on Socialism*, 97.

<sup>20</sup> Michaela Von Freyhold, ‘the postcolonial state and its Tanzanian version’, *Review of African Political Economy*, no. 8, (1977), 75. Experience of the past 20 years show that politicians and bureaucrats, persons who were at the helms of the state enterprises are the once known to be

### **Foreign Aid and Self-Reliance**

The most quoted reference to aid that occurs in the Arusha Declaration reads: “independence means self-reliance”. Independence cannot be real if a nation depends upon gifts and loans from another for its development<sup>21</sup>. However, over the years since independence and even more since Arusha, Tanzania had found it to be quite exceptionally difficult to do without Foreign Aid. This realization might have led Nyerere to provide further explanation on the Aid issue that Declaration does not say that Tanzania refuses outside Aid or that there is something wrong in receiving it. The Declaration says “we are not saying that we will not accept from other countries for our development”. This is not what we are saying. The Declaration says the only group of people we rely upon is ourselves; we will not organize our country and our life in such a way that there will be no development unless we get foreign money.

Over the period 1961-972, Tanzania received foreign aid to the tune of 1430,000,000 apart from costs relating to the TANZAM railway or borrowing as a Member of the East African community. In 1973, the ranges of Aid flows to Tanzania were as follows;

**A Table showing the Range of Aid Flow to Tanzania**

Source	Shs (mill)
World Bank. (IDA, UNDO)	180
CANADA	160.3
W. Germany	140
USA	85
Denmark	74.7
Netherland	40
Finland	26
Japan	24
Norway	8
China (excluding – Tanzam)	17
Eastern Europe (Including USSR)	8
Miscellaneous other	15
Total	785.6

Source: New Africa, March, 1979, P. 67.

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calling for privatization, that is, former corrupt managers of state enterprises are now emerging as entrepreneur.

<sup>21</sup> Julius Nyerere, *Ujumaa: Essays on Socialism*, 32.

In the years between 1970 and 1977, six western countries – Canada, W. Germany, Holland and three Scandinavian countries – Sweden, Norway and Denmark played an important role in providing Aid for Tanzania. Canada gave her \$40 million for Agriculture and water supply; West Germany DM 82.5 million in loans, DM 185 million in grants and 217 experts while Dutch Aid was \$ 64, 18 million. Sweden gave skis 270 million in bilateral bid, Norway gave K. 136,649,000 and Denmark provided K 90 million with 63 experts.<sup>38</sup> Tanzania was also one of the eleven countries that received more than \$ 10 million aid from Japan between 1973 and 1977. Towards the end of the 1978, an IMF mission visiting Tanzania offered a credit of \$200 mill, one of the largest IMF credits ever offered to a poor country.

Technical experts were also required to assist in the implementation of the Aid programmers. In the mid 1970s there were some 5000 expatriates in Tanzania under the various Aid schemes and by 1980 an additional 2000 – 3500 foreign experts was expected to be observed. Most of them were Indians Chinese and Pakistanis because they did not come, expecting high standards that western experts demand so they are more suited to Tanzanian finances.

No doubt, these and other Aid inputs are – or can be claimed to be – assisting development. Yet the more one looks at the Aid picture, the less certain such a preposition appears to be. The poorer the recipient, whatever its policies, the more likely that Aid inputs, in fact, simply help to keep the economy afloat and do little to make it either more self-reliant or spark off any of the development that will generate more resources to enable it to take care of its own problems. Tanzania, it would seem is an excellent example of just this dilemma.

## **Conclusion**

The path to social and economic development in the rural areas has been complex for all Third World countries that have adopted a socialist strategy and Tanzania is no exception. The task is perhaps more difficult in Tanzania because of the low level of human and material resources. The important point to be noted in the case of Tanzania is that even though economically it is a poor country but its political ideology is able to liberate it or just enabled it to keep its head above water. There is no doubt that the kind of socialist thinking and praxis evolved in Tanzania with their emphasis on rural development and elimination of marked income and of other differences are significant and find few parallels in Africa. Even though

there are a few areas which have either been incorrectly diagnosed or have been ignored, they have been made in pursuit of a clear goal, the transformation of Tanzania from an imperialist adventure play ground into a modern state.

A concern for the wellbeing of all rather than a pride in material goods for their own sake - is the ethic that Nyerere chose for Tanzania. So the material shortcoming of post Arusha years may seem less disappointing if the wellbeing of all is improved. On the balance, it has, even if the “improved living standards of majority of Tanzania became from better distribution of what is produced more than an increase in the amount of production”.<sup>40</sup> Although rightly, there had been bad failures, Tanzania has been moderately successful judged in its own light and much more than moderately successful judged by those of other African countries with richer resources than Tanzania e.g. Zambia which has similar strategy for development.

There are many revolutionary councils ruling African states today, but with no attempt like Nyerere at destroying existing structure and values in order to create a better and different African world. Any revolution preached or carried out in Africa now, must involve and be seen to display a sincere revolution in human values. It is this spiritual change that majority of advocates of African revolution have not given a sincere and significant emphasis. Here, lies my contention in the introductory part of this paper that the on – going political engineering in Nigeria should have come much earlier than now.

In Nigeria, there is a lot we can learn from the attempt by Tanzania to develop her rural areas. About 80% of our population are peasants located in the rural areas. The government cannot provide the necessary social amenities to every village due to limited resources, largely caused by corruption. Thus, we can study Tanzania policy of co-operative village communities and see what aspect of it we can implement in order to bring social services using the limited resources we have to our peasants living in scattered hamlets and villages of varying sizes all over the country. This is the more so that the present regime has given more autonomy and responsibility for the provision of the basic social amenities to our local governments. As in Tanzania, in Nigeria it will also be economically cheaper to bring clinic school, clean water, electricity, banks to 250 families living in one village than when they are living in isolated hamlets. Agencies like the defunct (DFRRI) can provide water, roads, and electricity National



Orientation Agency (NOA) and Agency for Mass Literacy can mobilise and encourage people to cluster together in bigger villages, clinics can be established by rural health schemes, while banks (like Community Bank, People's Bank) can easily extend their branches to the rural areas. Our educational system should also be overhauled in such a way that it reflects our cultures as well as our political and developmental needs.

As regards the strategy (socialism and self - reliance) Tanzania adopted for development, her experience is typical of all neo – colonial states the so – called Third World “Whatever, social adjustment these countries may introduce at home, the basis of their economics is still premised on the capitalist law of development in which one part of any deal appropriates the surplus generated from the other's labour. Generally, factors which undermine and obstruct rapid development of production in the Third World are lack of capital, the lopsided arrangement which siphons off our surplus and perpetuates our dependence on metropolitan countries, disparity and antagonism between urban and rural sectors brought about by uneven development and the ravages brought about by natural calamities due to our lack of effective control of our environment. For Tanzania and other Third World countries, the only solution out of this dilemma is to develop a new mode of economic development which has the capacity to delink us from international capitalist economy. Local capitalists will then have an important role to play in this process, but these will have to be patriotic elements and not those who send their money to Europe.