

# Agricultural Development Versus Environmental Conservation in Tanzania:

## The Case of Tobacco Production

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### Introduction

The Arusha Declaration of 1967 was a major turning point in Tanzania's social, political, and economic endeavours. It laid the foundation for socialist development with emphasis on self-reliance, agriculture, and the importance of the peasant farmer. The aim was to develop an efficient, socialist agricultural sector based on the production of food crops both for national consumption and export; as well as cash crops both for export and internal use. Tanzania's development strategy since 1967 has thus put emphasis on increased agricultural production by small-holder farmers in the villages. The government has also emphasized on the increased production of crops with export potential, tobacco being one of them. Since the Second Five Year Development Plan tobacco was chosen as one of the priority crops whose production needed expansion because it was one of the country's foreign exchange earner.

About 84% of the tobacco produced is exported, and only 16% is consumed locally. Since the Arusha Declaration there was a constant and rapid upward trend in the production of tobacco, until recently when the trend seem to have been reversed.

Nevertheless, the number of small tobacco producers has increased significantly during the last twenty years.

Tobacco production is based on heavy exploitation of the natural forest resource. The question is: has the increase in tobacco production balanced with the protection and conservation of the forests and the environment in general?

This paper looks into the development trend of tobacco production since the Arusha Declaration and its implication on the environment. Much of the discussion will focus on flue-cured tobacco which accounts for 80% of the total tobacco production in the country.

### History of Tobacco Production in Tanzania

Tobacco (Virginia type) was first introduced in the country in the 1930s. However, it was not until the late 1950s that African farmers started producing the crop on a commercial basis. Among the first tobacco producing areas included Tabora, Iringa, Chunya, and Ruvuma. Today tobacco has spread over large parts of central and western Tanzania, and in the Southern highlands. These areas coincide roughly with the "miombo" (*brachystegia - julbernardia* spp.) woodland belt stretching from Tabora to Mbeya, Iringa and Ruvuma regions. Not only is the climate (semi-dry with one long dry season 5-7 months and an average annual rainfall of 800-1000mm) and soils (sandy and infertile) favourable for the crop, but the huge forests also provide free firewood for curing tobacco.

Tanzania produces both flue-cured and fire-cured tobacco. Flue-cured tobacco is produced in Tabora, Kahama, and Nzega districts in Tabora region; Mpanda district in Rukwa region; Mufindi and Njombe districts in Iringa region and Chunya district in Mbeya region. Fire-cured tobacco accounts for 20% of Tanzania's tobacco production, 98% of which comes from Ruvuma region.

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Other producing areas of this type are Biharamulo and Kibondo districts in West Lake and Kigoma regions, respectively. Small quantities of the air-cured burley tobacco are produced in Morogoro and Handeni areas, but production is still on an experimental stage.

### Production Systems

In Tanzania tobacco is produced by large scale and small-holder farmers, the latter producing more than 50% of the crop. Prior to 1967, however, it was mainly produced on large estates owned by Europeans in Tabora and Iringa regions. In Iringa, for example, the largest supply of tobacco came from plantation owned by Greeks and some Asian farmers until about 1964. Although their number has declined significantly, there are still some Greek and Asian farmers in the area whose farms account for about 95% of the region's crop (Nindi, 1981).

Small-holder African farmers started producing commercial tobacco in the late 1950s in Tabora. In 1962, year after independence, peasant tobacco farming spread to other areas, mainly in Iringa and Chunya. Since then, small scale flue-cured tobacco production developed under relatively high intensity of extension and supervision compared to the production of other crops.

During the early stages of African tobacco growing, settlement schemes, bringing together small and medium-sized African farmers were established on pre-existing estates, and on newly opened land. Among the earlier schemes were Tumbi and Urambo in Tabora Region which started in the mid 1950s (Boesen and Mohele, 1979). These were followed by Kiwete and Nduli schemes in Iringa in 1962, and Lupa Tingatinga, Luwalaje, and Matwiga in Chunya in 1964 (Kasaka 1974, Boesen and Mohele 1979). These schemes were designed to enable peasant farmers with little or no capital to progress from subsistence cultivators to self-reliant, efficient and prosperous farmers through the provision of technical assistance and financial credit for mechanised operations, fertilizers, and other equipment. These served as incentives to the African tobacco growers who rapidly increased in the number in the early 1960s. By 1964/65, Tumbi and Urambo settlement schemes had about 3,000 registered tobacco growers (Boesen and Mohele 1979).

Since the mid 1960s the government encouraged the expansion of tobacco production in order to fill in the gap in the world market created by sanctions against Rhodesia (Now Zimbabwe) after its unilateral declaration of independence (UDI) in 1965. After the Arusha Declaration, in a move to expand tobacco production, the government sponsored new settlement schemes in Tabora. By 1970, therefore, tobacco production had spread out to the whole area around Tabora town. New schemes were established at Usoke, Ulyankulu, and Kaliua, and these further increased the number of tobacco growers. The crop also spread out in Chunya as a result of a deliberate government policy to make this area one of the principal producers of tobacco in the country.

Further moves by the government to increase the number of small-holder tobacco growers began in 1971 with the start of tobacco complexes. These were part of the World Bank sponsored programme to expand tobacco production in the country under communal production. The project covered Chunya, Tabora and Mpanda districts, and was intended to settle 150,000 farmers in Ujamaa villages by 1976. Each complex was to have 10 Ujamaa villages, each with 100 farmers. The move came as a result of proposals during the Second Five Year Development Plan to expand small-holder tobacco production on a co-operative basis—either in Ujamaa villages or in tobacco village complexes.

In Tabora Region, four new complexes were started at Igagala and Uyowa in Urambo District, and Kitunda and Mibona in Tabora region/district? In Iringa, the settlement schemes were turned into Ujamaa villages with communal production in 1972. According to Nindi (1981), such a reorganisation was effected by the Regional Development Committee which decided that tobacco growing should be restricted to three groups of farmers:

1. Large estate farmers, mainly Greek settlers cultivating not less than 50 acres.
2. Medium-scale African farmers cultivating not less than 20 acres.
3. Other African farmers who were to cultivate and process the crop communally rather than co-operatively in Ujamaa villages.

Since then, small-scale production has been limited to Ujamaa villages, and their output has remained small compared to that of the large and medium-scale estates found entirely in Iringa District.

In Chunya, the situation was a bit different. More farmers had joined the settlement schemes to grow tobacco prior to 1972. However, following Operation Chunya in May 1972 aimed at settling people in Ujamaa villages where tobacco would be produced communally, many farmers left the area after selling their crop. Others concentrated on food crops only.

With the villagization programme in 1973/74, a large number of people were moved into complexes which now reached the size they were planned to have. Large concentrated Ujamaa villages were also established. Since the organizational structure of the complexes was more or less similar to that of Ujamaa villages, the government decided to convert some of the existing complexes and old settlement schemes into Ujamaa villages. Agricultural production was to be carried out on large blocks of individual plots around the village. Production in the remaining complexes was also re-organised along similar lines.

Following the villagization programme, the regional authorities in Tabora decided that all villages should be tobacco villages, and that all households in the area must grow tobacco. Thus by 1976/77, the proportion of tobacco growers in relation to the estimated total number of households had increased to over 50 per cent (Table 1)

Table 1

The proportion of tobacco growers in the total number of households in tobacco areas of Tabora Region

	1964/65	1973/74	1976/77
No. of Households	27,000	41,000	44,000
No. of tobacco growers	3,000	13,600	22,900
Tobacco growers as % of households	11%	33%	52%

Source: Boesen, (page 7)

Overall, the number of small-holder peasant tobacco producers in Tanzania increased significantly since the Arusha Declaration. Available statistics show that during the first decade of the Arusha Declaration, the number of tobacco farmers increased from 13,000 in 1966/67 to 47,700 in 1975/76 (Kanga 1977; Nindi 1981). In Tabora Region alone, the number of families growing tobacco increased rapidly from 6,070 in 1969/70 to 26,880 in 1977/78 (TAT, 1978).

#### Tobacco Production Since the Arusha Declaration

Tobacco production did not receive much attention during the First Five Year Development Plan - 1964-1969. The production of flue-cured tobacco increased by only 6% from 1,723 tons in 1964 to 6,785 tons by 1968/69; while that of fire-cured tobacco increased by 316 tons in 1964 to 2,145 tons in 1967/68 (Ministry of Agriculture, 1970).

Following the Arusha Declaration and Second Five Year Development Plan, however, production increased very significantly. The area under tobacco increased from 22,899 hectares in 1972/73 to 32,300 hectares in 1977/78 (Table 2).

Table 2

#### Area Under Tobacco 1972/73 - 1977/78 (Hectares)

Year/Type	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78
Flue-cured	16264	20024	20444	19863	22456	24556
Fire-cured	6615	7077	7318	7031	9200	7598
Burley	20	21	56	134	130	146
Total	22899	27122	27818	27028	31786	32300

Source: Ministry of Agriculture (1979) page 26

In Tabora Region, the area under tobacco increased from about 5,540 hectares in 1969/70 to 11,110 hectares in 1975/76 (Temu, 1980). In 1984, the area under tobacco was estimated at 10,510 hectares. In Iringa there was a slight decline in tobacco hectareage from 3,638 hectares in 1972/73 to about 3,200 hectares in 1973/74 season (Nindi, 1981) following the reorganisation of production systems. On the average, however, the cultivable area increased significantly.

Table 2 shows there was a slight decline in tobacco hectareage in 1975/76. This may be explained by the fact that due to the movement of people into ujamaa villages in many areas which started in 1974 a number of prospective tobacco growers did not grow the crop. However, production picked up again in 1976/77 so that by 1985 about 42,000 hectares of tobacco were cultivated in Mbeya, Rukwa, Iringa and Tabora regions.

The increase in the area under tobacco resulted into a rapid increase in tobacco production. Available statistics indicate that tobacco production increased by more than 50% from 7.2 thousand tons in 1967/68 to 19.1 thousand tons in 1976/77 (Table 3). Flue-cured tobacco output more than doubled during the first decade of the

Arusha Declaration, with Tabora producing more than half of the total output (Table 4). The rapid increase in tobacco production may be attributed to more effective extension services provided to farmers, and the mobilization of farmers to increase production.

Table 3

#### Annual Tobacco Production by T.A.T. Purchases 1967/68 - 1982/83 (in '000 tons')

Year	Flue-cured	Fire-cured	Total
1967/68	5.1	2.1	7.2
1968/69	8.2	3.5	11.7
1969/70	8.9	2.1	11.0
1970/71	8.8	3.2	12.0
1971/72	10.6	3.6	14.2
1972/73	10.8	2.2	13.0
1973/74	10.3	3.6	13.9
1974/75	15.2	2.9	18.2
1975/76	11.9	2.3	14.2
1976/77	14.2	4.9	19.1
1977/78	14.7	3.6	18.3
1978/79	14.4	2.7	17.1
1979/80	13.0	4.2	17.2
1980/81	13.0	3.7	16.7
1981/82	12.2	4.0	16.2
1982/83	9.6	4.0	13.6

Note: \* The figures have been rounded up to the nearest decimal point.

Source: Adapted from Barie (1979); United Republic of Tanzania, (1985) page 52.

Table 4  
Production of Tobacco (Regionwise) by TAT Purchases 1972/73 - 1982/83  
(Ton of wet leaf)

Region/Type	1972/73	73/74	74/75	75/76	76/77	77/78	78/79	79/80	80/81	81/82	82/83
Flue-cured (Total)	10558	10784	15277	11930	14548	14451	14403	13005	12972	12164	9596
Tabora	6780	7210	10281	7673	9169	-	9140	7330	7916	7876	5222
Iringa	2910	3081	4346	3434	4148	-	3719	3350	2404	1766	2053
Mbeya	877	493	333	500	838	-	971	1639	1813	1675	1569
Rukwa	-	-	303	278	319	-	561	672	831	843	752
Kigoma	-	-	13	38	69	-	-	-	-	-	-
Lindi	-	-	1	3	5	-	12	14	8	4	-
Fire-cured (Total)	2504	1855	2985	2259	4546	2653	2654	4195	3670	4030	3987
Ruvuma	-	-	2980	2259	4522	2614	2615	4135	3616	3990	3926
West Lake	-	-	2	-	19	39	39	60	54	40	61
Kigoma	-	-	3	-	5	-	-	-	-	-	-
Bunley (Total) (aircured)	7	-	12	23	50	33	30	34	33	40	52
Tanga	-	-	11	21	39	33	19	22	28	29	34
Morogoro	-	-	1	2	9	-	11	12	5	11	4
Others	-	-	-	-	2	-	-	-	-	-	14
Total (All types)	13069	12639	18274	14212	19144	17137	17087	17234	16675	16234	13635

Source: Ministry of Agriculture (1979) p. 25. Also adapted from United Republic of Tanzania (1985) p. 53.

The second decade after the Arusha Declaration, however, has been characterized by a decline in tobacco production, with total output falling from a maximum of 19.1 thousand tons in 1976/77 to 13.6 thousand tons in 1982/83. This decline has been attributed to a number of factors, including the lack of agronomic research to produce technical packages for the farmer, curing problem caused by the lack of fuelwood and inadequate curing barns, poor crop husbandry, and inefficient handling and marketing by TAT (Ministry of Agriculture, 1982).

To reverse this downward trend, the Ministry of Agriculture has recommended the following proposals:

- 1) Tobacco producing areas should plant woodlots to replace the depleted natural woodlands.
- 2) Research be carried out to analyse the soils and develop the right tobacco varieties, agronomic packages, farming systems, and curing techniques using better methods that minimize dependence on woodfuel.
- 3) Kilimo, through its extension services, should mount a training programme in collaboration with the respective co-operative societies, unions, and TAT to minimize discrepancies in grading and handling procedures between producers and buyers.
- 4) Handling facilities be expanded to minimize losses.

#### Environmental Implications of Tobacco Production: The Problem of Deforestation

As mentioned earlier, tobacco production is based on heavy exploitation of the 'miombo' woodlands. The crop is normally planted on a new cleared and burnt area for at most two consecutive seasons, after which the farmer shifts to another area to avoid the risk of root-knot nematode (*meloidogyne* spp.) attack. Clearing of farms requires the uprooting of trees or cutting of trees, leaving only stumps.

This system of shifting cultivation has had serious effects on the woodlands in that large expenses have been cleared to open up new land for cultivation. In addition since the only fuel that is most abundant and cheaply available for curing tobacco (both flue and fire-cured) in the country is wood, large areas of the woodlands are felled to meet the fuelwood demand. It is estimated that one hectare of woodland (50-60m<sup>3</sup> of solid wood) is needed for every hectare of tobacco or 450kg of cured leaf (Temu, 1979). The increase in tobacco production since 1967, therefore, has meant an overexploitation of the woodlands to meet the demand of new land for cultivation and for fuelwood. When 42,000 hectares were earmarked for tobacco cultivation in Tabora, Mbeya, Rukwa and Iringa in 1985, for example about 42,000 hectares of woodland (2,100,000m<sup>3</sup> of solid wood) were to be required to cure tobacco. At this rate the future supply of fuelwood is clearly in jeopardy.

The problem of woodland depletion due to tobacco production has been exacerbated by the villagization programme of 1973/74 which involved the establishment of concentrated villages. In the tobacco growing areas many new villages were placed in the middle of virgin forest which had to be cleared for building a house, growing tobacco, and for fuelwood. This in turn meant depletion of the surrounding woodlands and thus massive deforestation.

Shifting cultivation and the excessive demand of fuelwood for tobacco curing has already resulted into high rate of deforestation, increased distance to sources of fuelwood, and high prices of fuelwood. Deforestation in the tobacco growing areas is a prelude to environmental degradation in the form of soil erosion and desertification. Tabora region has been one of the most affected, with a deforestation rate of 2% per annum (Temu and Mbwana, 1984). The region has been ranked third among regions affected by deforestation. As a result of the high rate of deforestation, availability of

fuelwood has become a major constraint to the expansion of tobacco production in the region.

Until about the late 1960s, there was little concern over the supply of fuelwood in Tabora region. With the expansion of tobacco production, however, problems of fuelwood availability have become widespread. Firewood is becoming more and more difficult to find as its continued use is pushing its source further and further away from the households. The assembling together of a large number of people into villages has even increased further the distance between the tobacco growing areas and the source of fuelwood. In some areas tobacco growing has thus been abandoned due to lack of fuelwood.

Similar problems are being experienced in other tobacco producing areas. In Ruvuma, for example, the increasing distance to the source of fuelwood – especially for those living in the centre of the villages – has been identified as one of the major constraints of expansion of tobacco production (Barie, 1979). The situation in Iringa is even worse as there is already an acute shortage of fuelwood in some tobacco growing areas, forcing farmers to buy fuelwood from eucalyptus plantations. By 1980, fuelwood was selling at shs. 10/ per m<sup>3</sup> stacked wood (Temu, 1980). With the current rate of inflation, the prices may have more than doubled by now.

As Boesen and Mohele (1979) pointed out, the growing depletion of the woodlands and the resulting ecological disasters of soil erosion, diminished rainfall, and desertification in large parts of the country is a much graver problem than the increasing prices and costs of transporting fuelwood for tobacco curing. By destroying the woodlands, land and is also being destroyed. In some areas, what used to be potential areas for agricultural production has already, been turned to marginal land by soil erosion. There is also evidence that rainfall patterns have changed in many areas where the problem of deforestation is acute. What all this means is that if the trend goes on unchecked, eventually small holder farmers will be forced out of production as fuelwood becomes more scarce, and new land to support shifting cultivation becomes unavailable.

#### Conservation Efforts by the Government

It is obvious from the above that it is crucial to conserve the woodlands if the production of tobacco is to be sustained.

Woodland conservation would require intensive management with special reference to sustained fuelwood production for the growing tobacco industry. Experience, however, indicates that intensive management of miombo woodlands for fuelwood, particularly on public lands, has not been a major concern of the Forest Division in the country. Conservation efforts have often been directed to forest reserves, particularly in catchment areas, which serve three distinctive objectives: water conservation and watershed management, biological and gene-pool conservation, and forest (timber) production. Forests outside the reserve areas have been neglected over the years causing significant deforestation and creating fuelwood scarcity. It is only about a decade ago that a forest management plan for such areas was initiated, with village tree planting (afforestation) being a major component of the plan.

The village afforestation programme is meant to provide enough fuelwood to the rapidly growing population as well as to maintain a sound environmental condition for sustained agricultural production. Village tree planting gained momentum nationwide in the 1970s, with a total of about 3,300 hectares having been planted in 1975 (Ministry of Agriculture, 1982). By 1981, about 12050 hectares of woodlots had been established nationwide.

Despite this national tree planting programme, there has not been any explicit policy regarding woodland conservation and afforestation in tobacco growing areas. Woodlands in these areas have continued to be depleted. There has been very limited success with the afforestation programme in these areas as elsewhere in the country. The main reason has been the lack of effective participation by farmers in tree planting. Since the tree planting season coincides with the food and tobacco growing season, farmers are not willing to reallocate their time and endanger their food and cash crop production. The lack of awareness among the villagers on the importance of planting trees for fuelwood and the lack of adequate funding has also contributed to the poor results.

In 1980 a national afforestation campaign through mass media (with such slogans as 'Misu ni mai') was launched as a measure to solve the fuelwood crisis. In 1982 there was a proposal to incorporate the programme into the overall agricultural or rural development programme. The proposal aimed at expanding the afforestation programme, especially in tobacco growing areas. The proposal required farmers to plant two hectares of woodlots for every hectare of tobacco so as to catch up with the fuelwood demand.

One of the major weaknesses of this agricultural policy was that it did not incorporate in its aspects of woodland management for sustained fuelwood production. Major emphasis was laid on the afforestation programme, with the hope that once the woodlots had been established woodlands would be given time to regenerate. Natural growth of miombo woodlands is estimated to take some 75 years. The rate of natural growth does not therefore match the rate of consumption since the woodlands will continue to supply woodfuel for the tobacco industry as the woodlots take time to mature. Thus careful planning and management of this resource is needed.

#### Conclusion and Recommendation

It is evident from the foregoing that efforts to maximize income and foreign exchange from tobacco have masked the importance of sustainable rural development. Increased tobacco production has simultaneously meant the depletion of miombo woodlands. Emphasis has been placed on the expansion of tobacco production without due attention to the consequences on the environment resulting from shifting cultivation and the high demand for fuelwood. As a result, large-scale deforestation has occurred and environmental degradation in the form of soil erosion, and desertification is becoming widespread in all tobacco growing areas. Thus, the balance between development and the environment has deteriorated due to the expansion of tobacco production.

The imbalance has been largely created by lack of a clear-cut policy on the management of miombo woodlands for fuelwood. Efforts to plant trees in order to meet the fuelwood demand both for domestic use and tobacco curing are only a recent phenomena, and yet the rate of tree planting does not match the rate of consumption. Moreover, the tree planting programme has been implemented in isolation from the overall agricultural development programme; hence the limited success of the programme. It was only recently that a policy proposal to integrate the two was made. Therefore, while tobacco production, and hence agricultural development, has received great attention from the government since 1967, there has not been equal emphasis on the protection and conservation of the environment.

Since independence, government policy on agriculture has emphasised the increased production of export cash crops, tobacco being one of them. However, further expansion of tobacco production under the current rate of forest clearing may

prevent proper development of the miombo woodland resource management, and this will have disastrous effects on the agricultural development being sought.

In order to achieve a balance between agricultural development and environmental conservation, therefore, the following measures are recommended:

- 1) Increased afforestation efforts. As pointed out in the national agricultural policy, development of village woodlots must be part and parcel of any agricultural development programme. Tree-planting should be compulsory in all villages.
- 2) Provision of alternative sources of energy for curing tobacco. There is need to explore the possibility of using coal, from Ilima coal mine, for tobacco curing.
- 3) There is need for more careful planning and management of fuelwood reserves in the woodlands, coupled with a better utilization of woodfuel through use of energy saving barns. This would require a formulation and implementation of a fuelwood policy which takes into consideration aspects of cutting, utilization, regeneration, and woodland maintenance to protect the woodlands from unplanned exploitation.
- 4) An agricultural development strategy which includes a sustainable tobacco sector is required, with planning and rational management of the woodlands and fuelwood plantations being an essential part of it. The incorporation of tree planting into the overall agricultural development programmes is a step forward towards achieving this.

If these measures are adopted, it is hoped that in the long run, a healthy ecological balance between the woodlands, the microclimate, the soils and agricultural production will be achieved and maintained.

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## The Political Economy of Privatisation of Public Enterprises in Nigeria

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### Introduction

In any country, whether developed or developing, the involvement of the government in the planning and execution of economic policies is inevitable. Government involvement in the less developed countries of Africa becomes even more important given the absence of a viable indigenous entrepreneurial class, and the threat posed to their entire economic and political structures by neocolonialism.<sup>1</sup> Shortly after independence it became clear to most African countries that neither the public services they inherited nor the few scattered private enterprises, controlled or supported by alien investors, could produce goods and services that would satisfy the aspiration of the newly independent but impatient people. Besides, the desire of most African governments to control the strategic areas of their economy has made them adopt policies that play down the orthodox laissez faire economic doctrine which essentially restricts governments to their traditional role of maintaining law and order.

The trend was the same in Nigeria after independence, where development planning process has been characterised by heavy government spending. The philosophy has been that in the absence of a high cadre of national entrepreneurs needed to propel economic development, the public sector had to be used as an effective instrument of intervention in the economy. The dimension of this intervention was in the development of infrastructure and social overheads that would in turn directly and indirectly encourage private investment and ownership of some enterprises.

However, there was nothing original in the Nigerian government policy of encouraging and inducing the private sector through public spending. The colonial administration had left a legacy of economic leadership compatible with the imperial policy of encouraging the private sector by giving incentives to alien investors in the country. The colonial government had also embarked upon "heavy" government spending aimed specifically at providing some infrastructures which nurtured capitalism.<sup>2</sup> Thus, at independence there were two sectors of the economy competing with each other. First, there was the public sector dominated by the government and its agencies, including the ownership of social services oriented corporations. Second, there was the private sector dominated by private corporate or individual economic activity. It is the public sector, particularly the public enterprises, which the Federal Military Government (FMG) intends to sell to private interest. The aim of this paper then is to discuss this privatisation policy of the Nigerian government. But first let us examine some underlying concepts.

#### Definitional Problem: Privatisation or Commercialisation

There seems to be some confusion in the usage of the terms "privatisation" and "commercialisation." In the confused debate on the issue of disinvestment, commentators use the two words interchangeably as if they mean the same thing.

By privatisation, we mean a policy of widespread or partial sale of publicly owned assets to local private interests. In order not to make the meaning of local private

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