THE PARADOX OF THE ARUSHA DECLARATION.

M. Baregu*

Introduction

The Arusha Declaration (hereafter called the AD) is sub—titled Tanu's Policy on Socialism and Self reliance. It is therefore built upon two analytically and presumably politically distinct pillars. One pillar is that of constructing socialism. The second is that of self reliance. In practice, of course, these two objectives are inevitably intertwined and indeed mutually re—inforcing but we contend that the extent to which these goals are clearly delineated will determine the extent of their achievement. Certainly, in evaluating outcomes the clarity of objectives is crucial. This is important lest we assess the AD on goals which were never intended. It should also be pointed out at the outset that at the time the AD was proclaimed it was stressed that it was a declaration of intent. The translation of intent into concrete policy actions and the implementation of those actions again depends on the clarity of goals. Clarity should therefore be conceived at least at three levels. One is the conceptual level, the second is the policy level and the third is the implementation level. The argument of this paper is that the clarity of the AD is wanting at all these levels.

This paper sets out, first, to examine the conceptualisation of socialism and self reliance which was espoused by the AD. Secondly, in order to demonstrate the policy and implementational weakness empirical data will be presented to show that at least in two of its indicators, i.e. aid and trade, self reliance has not been achieved. Indeed, the data show that aid dependence has increased over the period under examination. Thirdly, the paper will attempt to explain this apparent paradox in which a policy of self reliance has led to increased dependence. In this exercise we shall try to determine if the failure to achieve self reliance can be traced to the conceptual, policy or implementation level or, perhaps, to more than one level. Finally the paper will draw conclusions, point to some implications and suggest possible policy options for Tanzania if the goals of self reliance, political autonomy and self determination are to be pursued and effectively accomplished. We suggest some necessary conditions for making self reliance viable.

Senior Lecturer, Dept. of Political Science and Public Administration, University of Dar es Salaam.

The AD on Self Reliance

A number of papers presented at the conference have focused on the problems of socialist construction or the transition to socialism. This paper focuses specifically on the goal of self reliance. One is immediately confronted with serious conceptual problems relating to the definition of the concept of self reliance. In no part of the declaration is the notion clearly defined. One searches the document in vain to find a concise statement of what self reliance is or what it entails. It therefore lends itself to a range of definitions and interpretations, some of which may be conflictual.

Self reliance is the exclusive concern of Part III of the AD. In the introductory remarks the Declaration makes a general statement to the effect that Tanzanians (and Africans in general) have been oppressed, exploited and disregarded a great deal due to their weakness. It then proceeds to call for a 'revolution' to deal with these problems. Although this statement suggests that economic, political and military weaknesses explain the plight of Africans it does not attempt to explain the source of these weaknesses. Instead, it presents us with a circular argument which may be re—stated as follows. We have been oppressed etc. because we are weak and we are weak because we have been oppressed, etc. Not only does the AD stop at the level of identifying symptoms, it also confuses them with the disease.

To be sure: the African condition may have been correctly described, but this does not move us forward one iota in explaining, let alone confronting, this condition. The Declaration insists that there is a need to strengthen ourselves, but since it does not address the source of the 'disease' this injunction remains at best an aspiration and at worst a utopian dream. This is particularly true since the AD fails to identify the historical source of our many weaknesses: European imperialism. This is why the AD is equivocal on whether foreign aid capital is, in essence, a help or a hindrance to development.

The AD takes the position that African's weaknesses emanate from internal sources. Thus, it virtually leaves the concrete historical question of imperialism out or the conceptual equation. It does not deal with the issue of Tanzania's position and role as a dominated and exploited country in the capitalist world economy. Moreover, and related to this omission, the AD fails to specify the forms of self reliance, at what levels and in what phases they are to be accomplished and how much self reliance is desirable or necessary. Is self reliance to be accomplished at the level of the individual? How about family, village, district, region or nation? In brief: at one level the AD failed to diagnose the problem facing Tanzania (and Africa). It merely described a number of symptoms which wrongly formed a basis for a number of prescriptions. Some of these were worked out in detail; others were not. At any rate, like bad physicians, the architects of the AD set out to treat symptoms leaving the disease unaffected. Now let us analyse the full implications of this course of action. It means that the disease continues to eat away at the patient, particularly since the suppression of symptoms creates the illusion of improvement, Eventualy, the patient could die if the correct diagnosis and treatment are not found.3 That is how the present condition of Tanzania and Africa in general should be understood.

On Aid, Loans, Foreign Investments and Trade

It is now a stylised fact that in 1967 Tanzania depended on foreign aid for nearly 26 percent of its developement budget. Today, this proportion stands at nearly 70 per cent. How and why has this situation come about? This question is particularly urgent since this development has occurred while the country has supposedly been pursuing a policy of self reliance. As stated before, we shall endeavour to find the answer at the three levels of conceptualisation, policy formulation and policy implementation.

At the conceptual level the AD was critical of the country's dependence on external aid to finance its development. It explicitly rejected loans, grants and foreign investments as a means of development financing. On aid, for example, the AD is quite forthright:

Independence means self—reliance. Independence can not be real if a Nation depends upon gifts and loans from another for its development. Even if there was a Nation or Nations prepared to give us all the money we need for our development, it would be improper for us to accept such assistance without asking ourselves how this would affect our independence and our very survival as a nation.

On loans the AD states:

When we borrow money from other countries it is the Tanzanian who pays it back. And we have already stated, Tanzanians are poor people. To burden the people with big loans, the repayment of which will be beyond their means, is not to help them but to make them suffer. It is even worse when the loans they are asked to repay have not benefitted the majority of the people but have only benefitted a small minority.

As to foreign capital, the AD draws attention to the fact that the period before 1966 was characterised by a policy of encouraging direct and joint participation of foreign investment in Tanzania. In this context a whole range of incentives were offered to potential investors in an effort to stimulate capital inflows. Apart from the fact that the anticipated floods of foreign capital did not occur, the AD raises the question of national control of industry which it postulates as an essential condition for building socialism. The AD states:

...even if we were to convince foreign investors and foreign firms to undertake all the projects and programmes of economic development that we need, is that what we actually want?....The policy of inviting a chain of capitalists to come and establish industries in our country might succeed in giving us all the industries we need, but it would also succeed in preventing the establishment of socialism unless we believe that without first building capilism we can not build socialism.

On the question of foreign trade the AD is less explicit. Only implicitly does it discuss the question of agricultural exports and foreign exchange earnings. It expresses concern over the relationship between urban and rural dwellers. It asserts that while rural dwellers earned all the foreign exchange, the urban dwellers consumed it, in better amenities, in the towns. The reasoning here was rather diffuse in so far as the AD failed to link urban industries commodity production with the provision of consumer and producer goods for the agricultural sector. Further, the AD did not consider the agricultural primary commodity export economy as problematic. Instead, it was suggested that agricultural exports and food production should go hand in hand because '...by increasing our production of these things (we) can get more food and more money for every Tanzanian'.

1

Before we present empirical data on trends in the basic areas of aid, loans, investments and trade, let us first summarize the problems posed by the conceptualisation of self reliance in the AD. According to the AD, the problem with aid is not that it would not be forthcoming but that it would 'affect our independence'. We, on the other hand, contend that aid dependence does more than 'affect our independence'. Its magnitude and flow are unpredictable and ad hoc. Thus, aid tends to undermine long term sustained, coherent and comprehensive planning. This ultimately works against efficient resource allocation and utilisation. Aid also has a diversionary effect. It diverts attention from the mobilisation of domestic resources.

The question of loans is conceived only in terms of its distributive effects. This paper contends, however, that a more serious consideration is the extent to which loans contribute to increasing the stock of social wealth. This depends on the manner of deployment of the loans and how they contribute to increasing the capacity of society for expanded reproduction. This does not make the social distribution of benefits irrelevant but loans must *first increase social wealth*. The experience of most third world countries in the last twenty years shows that loans have generated a debt spiral and not a growth in the stock of social wealth. Tanzania is no exception.

The following two tables summarise Tanzania's external debt picture in 1970 and 1984, respectively.

Table 1: Total External Public and Private Debt (1970-1984)

| Total longterm debt disbursed and outstanding | | | d | Total inte on long—i in million | Total long—term debt service as percentage of: | | | | |
|---|--------------|--------------|--------------|---------------------------------------|--|------|------|------|---------|
| Mill. | \$ | As % o | f GNP | o manky za ogo. Akido Leningo o | | GN | P | | Exports |
| 1970 265 | 1984 2654 | 1970 20.7 | 1984 69.6 | 1970 | 1984 | 1970 | 1984 | 1970 | 1984 |

Source: IBRD, World Development Report, 1986.

Table 2: External Public Debt and Debt Service Ratios (1970-1984)

| External public debt outstanding and disbursed | | | ursed | Interest pa on external million \$ | Debt Service as % of: | | | | |
|--|-------|---------|-------|--|-----------------------|------|------|------|---------|
| Millio | on \$ | As % of | GNP | | | GNI | 2 | E | Exports |
| 1970 | 1984 | 1970 | 1984 | 1970 | 1984 | 1970 | 1984 | 1970 | 1984 |
| 250 | 2594 | 19.5 | 68.0 | 6 | 30 | 1.2 | 1.9 | 4.9 | |

Source: IRPD World D.

The problem of *foreign investment* is perceived to lie not in its magnitude or rate of flow but in its negative impact on socialist construction. The implicit assumption is that imported capital from the capitalist countries would lead to the development of capitalism in Tanzania. We seriously question this assumption because capitalism is not simply the aggregation of privately owned enterprises but a historically concrete mode of production. The debate on the historical possibility of peripheral capitalism is instructive.

Table 3 shows the rate of flow of external capital.

Table 3: Flow of Public and Publicly Guaranteed External Capital

| Gross inflow (mil. \$) | | | of principal mil. \$) | net inflow (mil. \$) | |
|------------------------|------|------|--------------------------|--------------------------|------|
| 1970 | 1984 | 1970 | 1984 | 1970 | 1984 |
| 50 | 160 | 10 | 41 | 40 | 119 |

Source: IBRD, World Development Report, 1986.

Finally, the question of trade assumes the continuation of existing agricultural commodities and existing productive forces. We contend that the problem is one of developing productive forces, diversifying agricultural products and developing a strong manufactured exports base. On the whole, the agrarian question remains unaddressed. It is for that reason that the AD has been described as a 'narodnik' programme. Let us now examine the empirical evidence in aid and trade, to support our contentions.

AID INTENSIFIES DEPENDENCE UNDER THE AD

Available evidence suggests that the absolute amount of aid grew tremendously between 1961 and 1980. External resources generally grew, from contributing 26 per cent of the development budget to 62 per cent in 1980. How can we explain this apparent paradox in which a policy of self reliance has intensified dependence on foreign resources? One answer which is suggested by our earlier discussion is that the question of aid dependence was never really quite resolved. One thing is certain: the AD was ambivalent and equivocal when it qualified its rejection of aid in the following terms: 'Gifts which start off or stimulate our own efforts are useful gifts.' The issue, then, is not the effect of aid per se but the kind(s) of aid.

According to Kahama et al. ¹², in 1967/68 foreign aid stood at U.S. \$ 10 m. This amount was equivalent to 5 percent of imports, 4.7 percent of exports, 8 percent of gross investment and nearly 24 percent of the development budget. By 1979, Tanzania was a recipient of US \$ 460.9 million in foreign financing. Of this amount over 30 percent was received in grants while nearly 70 percent was received in loans. During the period 1975/9, 73 per cent of the aid funds was bilateral. It was obtained mainly from Western donor sources. Table 4 summarises the major donors by percentage of contributions.

| Country | Per | centage of Total Aid |
|--------------|-------|----------------------|
| Sweden | | 15 |
| Netherlands- | | 10 |
| W. GErmany | | 7.5 |
| Japan | | 7.4 |
| Norway | | 6.3 |
| Britain | | 6.0 |
| US | | 5.7 |
| Canada | | 5.3 |
| Denmark | | 4.9 |
| | Total | 68.1 |

The remaining nearly 30 per cent of the aid was obtained from multilateral sources, with the IBRD/IDA accounting for 60 per cent of it. Most of the bilateral aid, i.e. 89 per cent, represented grants while 70 per cent of all aid was in grants. Table 5 presents a summary of aid flows.

Table 5: Official Development Assistance (ODA): Receipts Net Disbursement of ODA from all sources

| 1978 | 1979 | (million'\$) 1980 | 1981 | 1982 | 1983 | 1984 | Per capita (\$) 1984 | As percentage of GNP 1984 |
|------|------|----------------------|------|------|------|------|----------------------------|---------------------------------|
| 424 | 588 | 678 | 702 | 683 | 621 | 559 | 26.0 | 14.7 |

It will be seen from the above that, until 1981, aid to Tanzania increased tremendously. Although there was no high donor concentration in terms of a single country it is quite clear that most of the aid was obtained from Western sources. In particular, the Nordic countries dominated the scene, with Sweden, Norway and Denmark supplying 26.2 percent of the total in-flow. Since 1982, aid flow has declined significantly. Between 1981 and 1984, it fell by nearly 20%. Donor countries like Britain, US and W. Germany reduced their assistance in absolute terms while the Nordic countries may have raised the nominal sums but have maintained the same level in real terms. Another feature of the 1980s is that most donor countries have expressed disillusionment with the effectiveness of aid in achieving intended objectives. They have pointed out that aid has not reached the grass roots and has benefited only urban dwellers; that projects have tended to die or be discontinued as soon as aid is withdrawn and that there has emerged a certain phenomenon described, even by the Nordic countries, as the 'aid syndrome' which means the tendency for aid recipients to continue to rely on foreign assistance. The latest thinking, therefore, is to forcefully wean the aid dependent countries. They must be made to depend on financial markets. This goal is being pursued through direct and indirect support for the policies of the IBRD/IMF and through the use of coercive diplomacy. It is no secret, for example, that during the recent protracted negotiations between Tanzania and the IMF most donor countries made it clear to Tanzania that future aid disbursements would be contingent on an agreement being reached with the IMF.

resources other than the IMF/World Bank loans.

Two questions must be posed and answered at this stage. One question is why Tanzania, while proclaiming a policy of self reliance, has drifted into deeper aid dependence. The second question is why this 'change of heart' has occurred on the part of the aid donors in the 1980s.

Part of the answer to the first question has been suggested earlier on. The Arusha Declaration was equivocal and ambivalent about the role of aid in its development strategy. The fact that in the wake of the AD no concerted effort was made to provide a comprehensive plan for domestic resource mobilisation is further proof that the AD implicitly anticipated growing aid flow. It will be remembered that the discussion on the adoption of a basic industry strategy has flowed and ebbed over the period, with the forces against it being more dominant. But to suggest simply that the objectives of the AD with respect to self reliance were not defined is to beg the question, why they were so ill defined. A large part of this question remains contested. We wish to suggest that aid dependence is a function of the parasitic nature of the petty bourgeoisie. This parasitism drives it away from production for the home market in general and from industrialisation in particular. And in order to survive as inferior partners in the neo-colonial pact they are forced to subsist on aid.

The answer to the second question is, of course, connected with the first one. A number of reasons can be advanced to explain why there was a sudden rise in aid flow in the wake of the AD and why, more recently, this flow has ebbed. First, let us explain the fise. The AD, being (at least rhetorically) a strategy for self reliance, attracted a lot of attention. In Western circles there were mixed responses, particularly in the period immediately following the nationalisation exercise. Some believed that the AD was the first step towards a socialist (read communist) government in Tanzania and, going by the domino theory, this could presage the spread of communism in Africa. The Nordic countries, by and large, however, argued that the AD was an attempt by an African country to pursue equitable development and that it was not a first step towards communism. At any rate, they contended that, even if it was a first step towards communism, it was more meaningful to have a presence and, hence, a good chance to 'tame' the revolution. That was the thinking behind the Tanzanian-Scandinavian honeymoon. Its fundamental objective was to steer the country away from scientific socialism. This objective was, of course, wrapped up in sentiments of philanthropy, and the fact that the Scandinavian countries had not had a direct colonial presence in Africa mitigated suspicions of neo-colonial intentions. It should be remembered that, in the 1970s, a number of European-including the Scandinavian—countries, had social democratic regimes. These regimes claimed to present a third alternative between the two extremes of capitalism and communism and to create a more just and equitable world system. It is, thus, no wonder that Swedish aid grew under Olof Palme and German aid under Willy Brand. 13 The apogee of this relationship was the formation of the socialist international of which Nyerere became a member. In brief, through an alliance of petty bourgeois nationalism and social democratic internationalism the country was served with an illusion of social progress under a mythical ideology of ujamaa. That brings us to explaining why aid has petered out since 1981.

If the objective of aid was to hi-jack a perceived revolution, and if the diversionary effect has been realised, why should the donors continue to pay? In other words: one explanation of the decline in aid flow is that it is no longer necessary to

those political forces that have sought fundamental change in Tanzania have either been isolated or simply suppressed. The debate on the basic industry strategy is highly instructive. Another reason why the aid pool has dried up is simply because of the rise of the right wing in the OECD countries. Kohl in Germany, Thatcher in the UK, and Reagan in the US are notable cases. Even in the Scandinavian countries where social democratic governments are still in power there is a growing cynicism about aid spending and the 'philanthropic' aid lobby is on the defensive. Towards the end of this paper we shall comment upon the impact of the world recession on aid flow. Briefly stated, however, our position is that whereas the recession might be a significant factor in explaining trade and investment trends, it is not so significant in explaining aid flow.

The Agrarian Crisis Intensifies

One of the fundamental positive postulates of the AD relates to agriculture. In rejecting (wrongly) the path of industrialisation in favour of agriculture the AD argues that agriculture is (1) the basis of economic development and (2) essential for self reliance. On the basis of this, therefore, one would expect a significant pre-occupation with agriculture both at the level of the composition of the agricultural product and at the level of developing the productive forces in agriculture. Unfortunately, none of these problems have been addressed in the last twenty years. The underlying objective of the AD was to improve the production of existing crops with inputs but without liquidating the hand hoe, for example. It will be recalled that before the AD and, indeed, during the colonial era research attention in agriculture was exclusively directed to export crops. In the last twenty years agricultural policy has continued to be dominated by export crop production. Food production remains at the margin of

To be sure, there has been a persistent tension between export crops and food crops in Tanzania's agricultural policy. The growers have tended to favour food production while the government favours exports. On the whole, food has lost out in this struggle. The Government's argument is that export crops earn foreign exchange which in turn enhances the goal of self reliance by financing imports. Food crops, however, lead to food self-sufficiency. How is this contradiction resolved by the AD? Ambivalently, of course: '... because the main aim of development is to get more food and more money for our other needs, our purpose must be to increase production of both these agricultural crops'. Now, apart from the fact that investment in agriculture has been a consistently small part of gross national investment, the distribution of investment between food and export crops has been heavily skewed towards the latter (see also table 6). From 1969 to 1974, for example, 340m shillings was invested in export crops while food production only received 89m. Moreover, whatever net increase has occurred in agricultural output has, by and large, been a result of extending acreage rather than increasing output per acre. Ujamaa villages and the villagisation programme in general have not resulted in productivity increases. Even in the often quoted 'capitalist' agriculture of Ismani maize yields declined from twenty bags per acre in the 1950s to six bags in the 1970s. Campaigns of 'Siasa ni Kilimo', 'Kilimo cha Kufa na Kupona' etc., have not led to any significant results. The major problem has been one of transforming agricultural production and particularly the liquidation of the hand hoe. In those areas where new crops (for

example tea) have been introduced or where existing export crops have improved, there have been significant levels of foreign participation.

Table 6 shows agricultural investment as a percentage of total annual spending in the 1970s.

| Table 6: | Agricult | | ending as | Percenta | age of ' | Fotal | |
|----------|----------|---------|-----------|----------|----------|--------------|---------|
| 1973/74 | 1974/75 | 1975/76 | 1976/77 | 1977/78 | 1978/79 | 1979/80 | 1980/81 |
| 11.8 | 15.5 | 5.0 | 11.6 | 9.3 | 7.0 | 10.6 | 9.0 |

Declining and Unstable Export Earnings

As a result of the continued emphasis on the production of agricultural export commodities, Tanzania's trade pattern has not changed substantially. While the composition of imports has changed somewhat to reflect import substitution industrialisation, the composition of exports remains largely unchanged. Imports are dominated by industrial supplies (30%), fuels (20.3%), machinery (23%) and spare parts for machinery. Exports are still agricultural, dominated by the so-called 'big six' (cotton, coffee, tea, tobacco, sisal and cashew nuts).

Apart from the absence of diversification in the sources of imports and the destination and composition of exports, the problem of declining export earnings persists. The failure to move away from the traditional colonial crops has meant that Tanzania, like all other peripheral economies with a high agricultural export dependency, remains a price taker. We can not influence prices upwards in any of the export commodities because our share of the world market is very small. Yet, because of the low earnings and high import demand we are forced to maximise on quantity sold and not on influencing price formation in the markets. The optimal strategy, therefore, has been to negotiate price-quota agreements at declining returns in each successive round of negotiations. Such agreements have in some cases led to the starvation of the home market to meet quotas at prices below cost of production. Sugar is one such example.

In 1966, the total value of exports stood at £78 m. The shares of the main commodities were as shown in Table 7:

Table 7: Values and Shares of Export Commodities (1966)

| Commodity | Value | Percentage of Total |
|------------|-------|---------------------|
| Coffee | 15.1 | 19.3 |
| Tea | 2.2 | 2.8 |
| Tobacco | .8 | 1.0 |
| Cotton | 17.4 | 22.3 |
| Sisal | 11.7 | 14.6 |
| Pyrethgrum | 1.4 | 1.7 |
| Cashews | 5.0 | 6.4 |

Together, these commodities accounted for nearly 68.1 per cent of total export earnings which totalled \$527.5 million in 1966. Table 8 summarises the shares of each of the major agricultural exports in 1980.

Table 8: Values and Shares of Export Commodities (1980)

| Commodity | To some | Value | Percentage of Tota | 1 |
|-----------|---------|----------|--------------------|----------|
| Coffee | 73 | 138.6 | 26.2 | Table 6: |
| Tea | | 22.4 | 4.2 | |
| Tobacco | | 15.3 | 701 APARDE 2.8 | |
| Cotton | | 52.0 | 9.8 | 1973/74 |
| Sisal | | t.e 30.3 | 1 0.2 5.7 | 8.11 |

Agricultural exports in general accounted for 70.1% while manufactures accounted for 21.9% of export earnings. It should be noted that the values are shown in nominal (current) terms. In real terms, as may be affirmed from long term trends in primary commodity prices, the values are lower, per unit of exports.

From the foregoing discussion it would seem that self reliance in agriculture has not been achieved. Again, this is paradoxical because agriculture was explicitly identified as the leading sector. On the contrary, the evidence shows that agriculture was starved of investment and that the composition of agricultural exports has not been changed. Meanwhile, it is noted that earnings on exports per unit have continued to decline. The upshot has been that neither self reliance in imports (on the basis of forex earnings) nor self reliance in food has been achieved. Our balance of payments problem reflects both of these problems. Tanzania's external debt rose from shs. 747.2 million in 1967 to shs. 1351.5 million in 1972. and stood at around 2.59 bil. in 1984. This confirms the decline in foreign aid flow, negative terms of trade and declining real export earnings.

because of the low earnings and himport demand we are quantity sold and not on in **ano do do at at akW** the strategy, therefore, has been to origin price quota agr

We argued at the beginning of this paper that self reliance was misconceived and ill defined in the AD. We also suggested that this was neither a mere accident nor a function of ignorance. We postulated that the misconception of aid was a result of the convergence of interest between petty bourgeois nationalism and social democratic internationalism. This pact resulted in increased aid flow in the 1970s. We found, however, that this honeymoon was short lived owing to the crisis in the capitalist world economy. This crisis has ushered in reactionary governments in the capitalist countries. The result has been drastically reduced aid flow and a growing preponderance of commercial borrowing. Hence, the mounting external debt. We shall not dwell on what should have been done here. Suffice it to say that petty bourgeois politics could not have borne better results.

Below, we advance some suggestions which could get us out of the clutches of persistent poverty. We suggest that a policy of self reliance must embody a strong element of de-linking or disengagement from the capitalist world economy. This is the ultimate 'rational choice'. Trends in aid are on the decline and so are trends in demand for our traditional agricultural exports. Policies of increasing output to compensate for loss of earnings, particularly when not accompanied by productivity

role and position. We stand on the threshold of a new division of labour. We can either take steps to put in place new forms of production emphasising the home market or wait and be marginalised further. The choice, therefore, is to jump or be pushed!

There are a number of models for de-linking or semi-autarchic models of development from which we can learn. Cuba, North Korea, Albania etc., are but a few. The point to note is that de-linking is a necessary but not sufficient condition for establishing an inward looking, internally integrated and self-sustaining economy. De-linking must be guided by a clear ideological orientation and a comprehensive programme of domestic resource mobilisation. External resources when necessary must complement internal resources.

FOOTNOTES

- 1. There are at least four emerging analytical strands concerning the Arusha Declaration. They are: (1) the Protracted Transitionists (stay the course), (2) the Disillusioned Arushaists (implementational breakdowns), (3) the Right Rejectionists (Antisocialism) and (4) the Left Rejectionists (for Scientific socialism).
- A number of writers have pointed to this weakness. See, among others, L. Kleemeir, 'Tanzania's policy toward foreign assistance in rural development', in Taamuli, Vol. 12, Dec. 1982. She argues that the AD never defined a foreign assistance strategy at the level of conceptualisation, implementation and political will. She stresses the point that Tanzania's aid negotiators and planners appear more concerned to get as much assistance as possible with little concern about the rationality of the projects.

In the field of medicine pathologists claim that nearly 80% of patients die from a disease other than that diagnosed.

The Arusha Declaration and Tanu's Policy on Socialism and Self-reliance, Dar es Salaam, TANU, 1967, p. 9.

Idem, p. 10.

See Ministry of Commerce and Industries, Investment Handbook, 1964.

- Arusha Declaration, op.cit., pp. 10-11. This point is further elaborated, though not developed, in J.K. Nyerere, 'Ujamaa, the rational Choice' in Freedom and Socialism, Dar es Salaam, OUP, 1968. He argues that the choice of socialism was not merely an ideal. It was dictated by the imperatives of economic autonomy and political self-determination. Capitalism in Tanzania, it was felt, would compromise these goals since it could not be in the hands of indigenous 'captains of industry' a la Schumpeter. See: J. Schumpeter, Capitalism, Socialism and Democracy, 5th ed. London, University Books, 1977.
- Arusha Declaration, op.cit., p. 12. Arusha Declaration, op.cit., p. 14.

10. This debate features, among others, B. Warren, Imperialism: Pioneer of Capitalism, London, Verso, 1980, and S. Amin, Accumulation on a World Scale, New York, Monthly Rev., 1970. Warren argues that imperialism is the pioneer of capitalism, whereas Amin denies this possibility and argues that peripheral countries must adopt strategies of de-linking from the capitalist world economy.

Arusha Declaration, op.cit., p. 9.

G. Kahama et al., The Challenge for Tanzania's Economy, Dar es Salaam, TPH, 1986.

13. The Carter administration in the US with its human rights orientation and growth with redistribution thinking a la Chenery at the World Bank also contributed to this conducive aid environment. Tanzania and the US, for example, re-instated the Peace Corps programme in 1979.

Nyirabu, 1978.

World Development Report, World Bank, 1986.

For a discussion of the marginalisation phenomenon, see: M.L. Baregu, Long-term social costs and other limits to primary commodity production in Africa. Forthcoming in the Proceedings of the 9th SAUSSC, Dar es Salaam, June 2-6, 1986.

These models are discussed in considerable detail in M.L. Baregu, 'Reversing the Partition of Africa, Imperatives of de-linking from the Capitalist World Economy', in

Mawazo, Dec., 1984.

TANZANIA AND THE LIBERATION PROCESS OF **SOUTHERN AFRICA**

H. Campbell*

Introduction

When the Arusha Declaration was announced to the Tanzanian people in 1967 the third principal objective was 'to cooperate with all political parties engaged in the liberation of all Africa'. This statement was an expression of a commitment by the Tanzanian state and society to give meaning to the spirit of the Organisation of African Unity that stood for the complete elimination of colonial rule in Africa. In 1967, when this expression of solidarity was proclaimed, the full dimensions of the processes of armed struggles, war and destabilisation were not yet clear. A political leadership which gained its independence through constitutional means believed that the West could be persuaded by moral arguments to see that white rule in Africa should give way to more national forms of Africanisation of the region. This conception, which was clearly spelled out in the Lusaka Manifesto of 1969, showed that the Tanzanian state was seeking methods of legitimation in the period when Euro-American capital was demonstrating in the Congo and in Rhodesia that they wanted a new lease of life in Africa.

But if the State supported liberation for purposes of its own evolution and legitimation, the call for liberation support from among the workers and peasants issued from the depths of the African villages in Tanzania which wanted to create a new society. The workers and peasants were part of the social forces in Africa with a long tradition of opposition to European capitalism, which took the form of anti-slavery struggle, armed struggles, independent churches, welfare associations, cash crop hold-ups, worker protests and other forms of uprisings and mass resistance. But the lack of crystallisation of the popular forces led to an all class alliance to carry forward the historical task of claiming constitutional independence. Summing up the past twenty year period, it is now possible to discern two main trends in liberation support in Tanzania:

(a) The one which emanated from the state in its search for legitimation and

(b) the one emanating from the workers and peasants which sought a transcendence of capitalism and external domination of the African continent. As an expression of nationalism the Arusha Declaration combined these two conceptions into the all class politics of the period of decolonisation.

Senior Lecturer, Dept. of Political Science and Public Administration, University of Dar es Salaam.