THE POLITICAL ECONOMY OF URBANIZATION IN TANZANIA

by

ALAN RICHARD LEONARD BRAIN
B.A. (Hons.), University of Essex, 1969
M.A., University of British Columbia, 1972

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
DOCTOR OF PHILOSOPHY

in

THE FACULTY OF GRADUATE STUDIES
(Department of Anthropology and Sociology)

We accept this thesis as conforming
to the required standard

THE UNIVERSITY OF BRITISH COLUMBIA
April, 1979

© Alan Richard Leonard Brain, 1979
In presenting this thesis in partial fulfilment of the requirements for an advanced degree at the University of British Columbia, I agree that the Library shall make it freely available for reference and study. I further agree that permission for extensive copying of this thesis for scholarly purposes may be granted by the Head of my Department or by his representatives. It is understood that copying or publication of this thesis for financial gain shall not be allowed without my written permission.

Department of **Anthropology and Sociology**

The University of British Columbia  
2075 Wesbrook Place  
Vancouver, Canada  
V6T 1W5  

Date **15th October, 1979**.
Abstract

A theory of contemporary urbanization in Tanzania is elaborated. The underlying explanatory mechanism for this is an analysis of the generation and allocation of economic surplus. It is argued that the towns are a result of, and in some senses a physical expression of, the interaction of the economic substructure and the social superstructure. Their historical origins are shown to be largely the result of economic and political forces emanating from abroad. Towns were a key part of the colonial economy that was set up, being the places where the main commercial and administrative functions were concentrated.

The principal directly productive sectors of the contemporary economy are described and analyzed, and agriculture shown to be the main productive base on which all else rests. The structure of the economy is such that it is primarily geared to exporting agricultural raw materials and importing manufactured goods. The state sector has expanded since Independence and now encompasses most medium and large-scale economic activity. An analysis of the way it allocates surplus shows that the effect of its expenditure in many different fields is to greatly concentrate economic surplus in urban areas. The state invests and spends very unevenly, and since the state sector is so large, this causes very uneven development. The overall effect of government policies is to ensure that most growth takes place in the urban-located sectors of the economy. Economic growth in rural areas has been much more limited.

In establishing a particular sort of economy, colonialism created an entirely new social structure. The post-colonial modification of this is analyzed, and it is shown that the balance of class forces results in a
following of policies that continue dependence on the international capitalist system and ensure that the economic structure does not change radically. The inherited urban framework, and the type of economy that such towns presume, has not been seriously questioned. The towns do not contain enough directly productive activities to maintain their physical infrastructure and social structures, and they rely for this on appropriation from agriculture and, to some extent, on financing from abroad. Surplus concentration in urban areas leads to migration from the rural areas because of the income opportunities such concentration creates.

The towns are very inegalitarian in their physical lay-out and, in the provision of housing in particular, state expenditure on "modern" facilities ensures that a large proportion of urban residents are left to their own devices to live in inadequate, and often illegal, accommodation. Government urban policies consume a large amount of the surplus that the economy generates, and necessitate dependence on foreign finance and planners. This, and the fact that the most politically powerful classes benefit from the privileged urban facilities, ensures that there is no restructuring of the economy that would be sufficient to change the present direction of urbanization. It is argued that probably only economic restructuring on the scale (though not the type) of the introduction of colonialism itself could alter the lines along which urban growth is occurring. The balance of political forces from different classes would seem to ensure that this will not happen, and therefore one can expect Tanzania's urban population to grow, for the foreseeable future, at a rate that represents at least a doubling per decade.
### Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of Tables</td>
<td>vi</td>
</tr>
<tr>
<td>List of Figures</td>
<td>vii</td>
</tr>
<tr>
<td>Acknowledgement</td>
<td>viii</td>
</tr>
<tr>
<td><strong>CHAPTER ONE: INTRODUCTION</strong></td>
<td></td>
</tr>
<tr>
<td>Summary</td>
<td>1</td>
</tr>
<tr>
<td><strong>CHAPTER TWO: ECONOMIC HISTORY</strong></td>
<td></td>
</tr>
<tr>
<td>The Interior and the Coast, upto 1800</td>
<td>29</td>
</tr>
<tr>
<td>1800-1885, The Advent of German Colonialism</td>
<td>32</td>
</tr>
<tr>
<td>German Colonialism: 1885–First World War</td>
<td>37</td>
</tr>
<tr>
<td>British Administration: 1919–1961</td>
<td>50</td>
</tr>
<tr>
<td>Summary</td>
<td>75</td>
</tr>
<tr>
<td><strong>CHAPTER THREE: THE STRUCTURE OF THE ECONOMY</strong></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>84</td>
</tr>
<tr>
<td>Industry</td>
<td>98</td>
</tr>
<tr>
<td>The Structure of the Economy</td>
<td>111</td>
</tr>
<tr>
<td>State Sector Revenue and Expenditure</td>
<td>121</td>
</tr>
<tr>
<td>Summary</td>
<td>141</td>
</tr>
<tr>
<td><strong>CHAPTER FOUR: THE SOCIAL STRUCTURE</strong></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>144</td>
</tr>
<tr>
<td>Ethnic Components of the Population</td>
<td>145</td>
</tr>
<tr>
<td>The Development of the Social Structure: 19th century to Independence</td>
<td>153</td>
</tr>
<tr>
<td>Social Structure</td>
<td>163</td>
</tr>
<tr>
<td>Agricultural Wage Labourers</td>
<td>170</td>
</tr>
<tr>
<td>Peasants and Pastoralists</td>
<td>173</td>
</tr>
<tr>
<td>Urban Petty Producers, Traders, and Suppliers of Services</td>
<td>195</td>
</tr>
<tr>
<td>Urban Workers</td>
<td>206</td>
</tr>
<tr>
<td>The &quot;Middle Classes&quot;</td>
<td>216</td>
</tr>
<tr>
<td>Medium-Sized Capitalists</td>
<td>224</td>
</tr>
<tr>
<td>The Bureaucratic or State &quot;Bourgeoisie&quot;</td>
<td>231</td>
</tr>
<tr>
<td>The International Bourgeoisie and its Representatives</td>
<td>242</td>
</tr>
<tr>
<td>Summary</td>
<td>247</td>
</tr>
<tr>
<td><strong>CHAPTER FIVE: THE URBAN STRUCTURE</strong></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>250</td>
</tr>
<tr>
<td>Features of the Urban Structure</td>
<td>251</td>
</tr>
<tr>
<td>The History and Function of Urbanization in Peripheral Capitalist Economies</td>
<td>258</td>
</tr>
<tr>
<td>The Physical Structure of Tanzanian Towns</td>
<td>270</td>
</tr>
<tr>
<td>Towns and Uneven Development</td>
<td>285</td>
</tr>
</tbody>
</table>
### List of Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Value of Export Products, 1903 and 1911 (in rupees)</td>
<td>41</td>
</tr>
<tr>
<td>II</td>
<td>Simplified Breakdown of GDP, 1967 and 1973</td>
<td>78</td>
</tr>
<tr>
<td>III</td>
<td>Breakdown of Monetary GDP by Industrial Divisions, 1965 and 1975</td>
<td>80</td>
</tr>
<tr>
<td>IV</td>
<td>Value of Marketed Quantities (in Millions of Shs.), 1973</td>
<td>88</td>
</tr>
<tr>
<td>VI</td>
<td>No. of Establishments and Employment in Main Industries, 1972</td>
<td>101</td>
</tr>
<tr>
<td>VII</td>
<td>Total Imports in 1967 and 1973, M.Sh.s.</td>
<td>112</td>
</tr>
<tr>
<td>VIII</td>
<td>Value of Exports in M.Sh.s., 1967, 1972, and 1973</td>
<td>113</td>
</tr>
<tr>
<td>IX</td>
<td>Growth of Imports and Exports, 1965-1975</td>
<td>115</td>
</tr>
<tr>
<td>X</td>
<td>Government Finances (M.Sh.s.) 1974/75 and 1975/76</td>
<td>122</td>
</tr>
<tr>
<td>XI</td>
<td>Central Government Expenditure by Purpose, 1973</td>
<td>125</td>
</tr>
<tr>
<td>XII</td>
<td>Parastatal Enterprises Expenditure, 1973</td>
<td>129</td>
</tr>
<tr>
<td>XIII</td>
<td>Employment by Major Divisions, 1972</td>
<td>209</td>
</tr>
<tr>
<td>XIV</td>
<td>Settlements in Tanzania, 1967</td>
<td>251</td>
</tr>
<tr>
<td>XV</td>
<td>Populations of main towns, 1967</td>
<td>252</td>
</tr>
<tr>
<td>XVII</td>
<td>Percentage of People Living in Townships in Tanzania, 1967</td>
<td>256</td>
</tr>
<tr>
<td>XVIII</td>
<td>Per capita Investments by Regions (1967 Population)</td>
<td>287</td>
</tr>
<tr>
<td>XIX</td>
<td>Average Male Wages, 1972</td>
<td>289</td>
</tr>
<tr>
<td>XX</td>
<td>GDP per capita, in Shs., 1967</td>
<td>292</td>
</tr>
<tr>
<td>XXI</td>
<td>Main Items of Government Investment in Housing, Iringa Region, 1969-1974</td>
<td>314</td>
</tr>
</tbody>
</table>
# List of Figures

<table>
<thead>
<tr>
<th>Fig.</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tanzania: Urban Centres and Main Transportation Routes</td>
<td>ix</td>
</tr>
<tr>
<td>2</td>
<td>Dodoma</td>
<td>272</td>
</tr>
<tr>
<td>3</td>
<td>Tabora</td>
<td>273</td>
</tr>
<tr>
<td>4</td>
<td>Housing</td>
<td>310</td>
</tr>
</tbody>
</table>
Acknowledgement

My main intellectual debts are to a number of people associated with the University of Dar es Salaam between 1973 and 1976. Those who are in print are acknowledged at various points in the footnotes; those who are not had best remain nameless. I am particularly grateful to Andrew Coulson and Roger van Zwanenberg for their encouragement, and for help that they probably hardly knew they had given on a number of occasions. My especial thanks are due to both Dave Macdonald and Ken Salmon for lengthy spells of accommodation, generously given. An enormous number of people in a great variety of occupations in Tanzania very kindly went out of their way to provide me with all sorts of help and information. I hope in the event, unlikely in most cases, that any of them read these pages they will understand that absolutely none of it is to be taken as criticism reflecting on them personally.

In Vancouver, my thanks to Anna Wong for the lengthy task of typing this thesis; to Dr. Graham Johnson for long-distance encouragement while I was away, and for his labours in securing funding for me at a critical time; and finally, but by no means least, to my supervisor Dr. Blanca Muratorio, who was enormously patient with me, who painstakingly read various drafts of this, and whose knowledgeable and perspicacity greatly improved it.
CHAPTER ONE: INTRODUCTION

In the most recent full Census, that of 1967, Tanzania's total population was 12.3 million. Of this total, 5.4 million were below 15 years of age, and 1.1 million above 50 years of age — so about half the population are of an age where they are either only marginally productive, or wholly dependent on others who are productive. According to the United Nations, Tanzania is among the world's 25 poorest nations. Average annual per capital income in 1975 was about U.S.$90 (634 Tanzanian Shillings). Life expectancy at birth is about 40 years, and infant mortality is approximately 160 per 1,000 live births. The great majority of the population are peasants living in the rural areas.

Of the 12.3 million in 1967 only about 6.7% lived in urban areas, and about a third of these lived in the one centre of Dar es Salaam. Total population is growing at 2.7% a year, and urban population at nearly 7%. Most urban population growth is the result of migration from the rural areas. In the ten years since the 1967 Census the number of people living in towns has approximately doubled, and about 10% of the population is now urban. The towns are thus growing very fast — on average at a rate that doubles per decade, and for some towns at a rate that at least trebles. Institutional arrangements are unable to cope with in-migration on this scale, and most of the new migrants end up in sprawling, and illegal, squatter settlements.

In this thesis I want to explicate a theory of urbanization in Tanzania, and hopefully make a contribution to the understanding of the political economy of urbanization generally in peripheral capitalist economies. The theoretical framework is largely an historical materialist
one and takes its perspective from the line of P. Sweezy (1946), P. Baran (1957), A. G. Frank (1969), A. Emmanuel (1972), and S. Amin (1974). Although they will be explicitly referred to only rarely, it will be clear to those who are familiar with their work that their thinking underlies a lot of what is written in these pages. In simplified form, the argument of this thesis is that Tanzania's urban structure is largely a result of the interaction of the economic substructure and the social (including political and ideological) superstructure. Successive chapters roughly follow an order of delineating first the economic structure, then the social structure, then the urban structure. Although this tends to draw a somewhat economically determinist picture of how these relate to each other, I also try to show at various points how there are reciprocal effects feeding back in the other direction: how, for example, the inherited towns tend to predispose those with effective political power to certain ideological positions, and how this in turn constrains the economic structure to develop in specific ways.

As will become evident, the contemporary socio-economic structure is very much an historical creation. It, and the urban centres it has produced, can only be fully understood by thoroughly situating them in historical perspective. Although the towns we are dealing with are all essentially a product of colonialism and of the last 100 years, the origins of that colonialism too must be understood to appreciate why the towns were set up as they were, what the functions were that they performed, and why they grew as they did. By a thoroughly grounded understanding of the main lines of the process of history over the last few centuries, one can see the more contemporary post-Independence period in Tanzania, not
as some new beginning, but merely as part of and as a continuation of broader historical developments. These are by no means always evident to the participants, but their effects both structure and limit much of the contemporary situation. Thus I hope to show that the current process of urbanization is the culmination of a long period of economic and social developments that the present government is quite fundamentally a part of. This explains both many of the specific urban policies it pursues and many of the policies that, while not appearing explicitly oriented to urban planning, in fact are affecting, planning, and determining urbanization. It is particularly these latter that make almost futile some occasional overt attempts to change features of the urban situation that are seen as undesirable. Such new initiatives - to "eradicate" squatting, or "ban" indigenous house construction, or "repatriate" urban migrants - may slightly modify temporarily in some areas what is happening anyway; but the momentum of urbanization - of the *type* of urbanization - is such that it cannot be stopped or significantly changed in the absence of a complete restructuring of the economy - on a scale that there is no evidence, in the political balance of existing social forces, to suppose is about to happen in the foreseeable future.

What I am trying to do primarily is present a *coherent account* of the process of urbanization in Tanzania - an account, that is, that coheres both with respect to all the various *directly* urban features and policies (some of which may often seem to conflict) and with respect to other broader economic and social developments, the effects of which on the urban structure may appear at first only indirect or tenuous.

Some of the things I will attempt to describe and explain are what the towns physically look like, what their function is, what their relationship
to the rural areas is, what kind of growth they are undergoing, the effect of the State on their development, why urban migration is occurring, how most economic growth has benefited the urban areas (or more precisely, the urban-located sectors of the economy), how the present urban structure works to the benefit of the most privileged in the society, how the development of "modern" urban facilities has an essentially class basis, and what the function of foreign finance and "aid" is in all this. Most specifically, I will throughout be looking at the generation and allocation of economic surplus in the economy as the underlying mechanism for explaining much of the above. I will try to demonstrate that the overall operation of the economy is such as to greatly concentrate the allocation (but not necessarily generation) of economic surplus into the urban areas. It is this, I will maintain, that is at the heart of the urbanization process in Tanzania.

This first chapter has a threefold purpose. Firstly, to make explicit and comprehensible the theoretical framework of the thesis and to define certain important terms that are used. Secondly, to sketch in some of the basic historical background of certain developments that may at first seem tangential to urbanization in Tanzania, but which will, as the thesis unfolds, come to be seen as fundamentally affecting this urbanization. And thirdly, to explain the overall aim and direction of the thesis - and what each subsequent chapter will attempt to do. I will proceed by defining and discussing certain terms.

Any society must be producing goods and services in order to be able to subsist, materially. In everyday terminology - it has got to make a
living. Some of these goods and services may be being acquired from the livings of some other society (and where this is the case it has important consequences) but generally it is assumed that the society is largely producing itself the material wherewithal to exist. Since a society exists in time, part of the total output of its economy in any one period of time must be held back from being consumed in order to ensure sufficient output for the next period of time. If for example a society lives entirely by producing and eating wheat, some of the harvest must be held back as seeds for next year's planting. The grain that is eaten and the grain that is planted in any one year is obviously necessary to ensure the continued reproduction of this little economy. Any grain produced beyond this necessary amount can be called "economic surplus". The economies of far more complex societies reproduce by the same sort of mechanism. Virtually every society that has ever existed has produced some surplus - some difference between the total output produced and the cost of producing it.

Baran made the fruitful distinction between "actual" economic surplus and "potential" economic surplus. Actual surplus is what is in fact left over, the Keynesian equivalent of "savings". Potential economic surplus has to do with what could be available as savings, but is not. Either because it is wasted by inefficiency, or excess or luxury consumption, or because the productive capacity is not fully utilized - i.e. factories, the land, the work-force are not fully employed. Those who follow Baran in using the concept economic surplus do not always strictly keep to the above distinction, and when they use the word they mean either one element, or the other, or both compounded. This, admittedly
somewhat loose, use will also be followed here - but an awareness of the distinction is always implied.

The distinction is an analytically powerful one, because it enables one to see irrationalities in any given socio-economic structure. Just as the philosophers of the Enlightenment compared society as it existed with what, on the basis of logical argument, seemed reasonable, and criticized the former on the basis of the latter, so Baran did the same. Adam Smith criticized the economy on the grounds of its divergence from a theoretical "free market", and Baran resurrected the tradition in contemporary economics (though from a different standpoint) and tried to show how what was differed from what could be. The mainstream of economics in the West took, and still takes, structures of exploitation and privilege as just a "given". The concept of "savings" for example takes the social structure of a society for granted. "Surplus" on the other hand allows one to pick out misuses and irrationalities in the allocation of total output in class structured societies.

Conventional wisdom in development economics has it that one of the main things holding back the development of the underdeveloped economies is capital shortage. These countries do not have enough capital to invest to make them developed, and that is why they are underdeveloped. The critique of this from the perspective I am arguing is that this is not so. They became underdeveloped in structure precisely because so much surplus was extracted from them, from the 16th century on, by the now developed industrial western societies. More important, their actual and potential surplus over socially necessary
cost of economic reproduction is quite considerable, but is either not produced when it could be, or is largely wastefully expended or appropriated by others.

Tanzania for example has completely unutilized coal, iron, and phosphate deposits, and greatly underutilized land, labour, and fishing, forest, and hydroelectric potential. The neo-colonial economic structure set up within the last hundred years prevents these productive forces being used as they could. Like many other African countries too, a considerable amount of the surplus that is generated is not re-invested in expanding productive capacity, but is dissipated in a number of essentially unproductive ways: through high consumption levels by a certain stratum of the society (especially of expensive imports); through inefficient and un-cost-conscious management; through both public and private investment in "prestige" projects and unnecessarily luxurious housing; through remittances abroad of expatriates' salaries and remunerations; through debt service on foreign loans; through military expenditure (there are for political reasons two completely separate armies); through profit outflows through foreign companies; and through unequal exchange in trading with industrial economies. This is a formidable list. Green and Seidman estimate that only three of the above, "profits, interest, and personal remittances exported from Africa, total as much as one quarter of the continent's gross annual income." Hughes estimates that African economies are perfectly capable of raising their capital formation to 25% of Gross Domestic Product by tapping some of these "hidden sources" of surplus at present unproductively used. This is a far higher percentage than the developed capitalist
economies reinvest annually - with the exception of Japan, the fastest growing capitalist economy until recently.\textsuperscript{7}

To take an example of what has been done (as opposed to just arguments about what could be done), the People's Republic of China inherited a disasterously crippled, war-ravaged economy less than thirty years ago. A lot of industrial plant, capital, and 'know-how' was transferred out to Hong Kong and Taiwan. The only outside capital received has been from the Soviet Union. This aid was abruptly terminated in 1960, with only half the projects completed. Yet by the end of 1964 all debts to the Soviet Union had been fully repaid\textsuperscript{8}, and by the end of the 1960's "the problem of food, shelter, and clothing, at a minimum, but adequate, per capita level had been solved. That in itself is no mean achievement. There has been a large increase in the per capita availability of mass consumer goods such as bicycles and radios. The improvement in health services and educational facilities has also significantly contributed to the betterment of general living standards."\textsuperscript{9} The comparison with India, the only other Asian country of comparable size, which received its independence at about the same time, and which has since considerably "benefited" from foreign aid - is, to say the least, instructive.

One can only conclude from the Chinese example that shortage of capital was not the problem, and that their economic achievement was in the final analysis paid for out of their own pockets. This vindicates Baran, who argued before the Chinese achievement was evident, that capital shortage is not in fact the problem in blocking the underdeveloped world's growth - that actual economic surplus may be short, but that there is a large enough potential economic surplus to create high rates of growth.
He based his conclusions on the economic performance of the Soviet Union, which drew only on its own internal resources, and argued that Soviet rates of growth of industrial production were greater than have been ever achieved by any capitalist country. Others have agreed with these figures, and Barratt Brown for example has stated that for the East European countries, their "rate of development is impressively faster than that in almost all the capitalist underdeveloped countries."

We have said that any society must be producing goods and services to go on existing. We have also said that virtually all societies have produced more than is minimally necessary to reproduce the society as it is, and that economic growth occurs when this surplus is invested in such a way that a further and bigger surplus is produced in the future. A further assumption of the materialist approach is that there must be some sort of social organization (in the general sense) in order to go about producing these goods and services. The way this economic activity is socially organized in the society is called the "mode of production". What it looks like will be determined by two things: the forces of production, and the social relations of production.

The forces of production are all those material and non-material elements that are both immediately necessary for producing commodities (type of land, skills of labour, raw materials, and knowledge of techniques with which to combine and utilize them), and that produce those parts of the social, political, and ideological order that maintain the mode of production. Thus, as will become apparent, Tanzania's political party, police, newspapers and schools are also usually forces of production.
The "social relations of production" are the types of relationships that constitute people being organized together in order to produce, including what is generally known as the division of labour. Historically, these types of social relationships have varied considerably. They may for example be kin relationships, master-slave relationships, lord and peasant relationships, or capitalist-wage labourer relationships. Even within these types there are variations.

The way people combine together to produce, and the materials and knowledge they use to do this, result in the means to reproduce this mode of production - and a surplus. Any society is importantly influenced by what surplus is generated from, how it is generated, the form it takes, who controls it, and what happens to it. Surplus can be invested, consumed, wasted, or appropriated by others. The distinctive way surplus is used in any particular mode of production can tell us important things about the society. When surplus generated by the labour of one group is controlled by and used for the purposes of another group, this is defined as "exploitation". Types of exploitation, or modes of surplus appropriation, can vary. One type of exploitation or another is the basis of class societies, and the type defines the kind of dominant and subordinate classes in the society. In probably all societies on earth some degree of exploitation exists - but it is the type and degree that is crucial. There is a large difference between a Chinese peasant whose commune has to hand over 6% of its crop to the state, and an Ethiopian peasant who had before 1974 to hand over more than half of what he produced to his landlord - or between a Canadian
logger making over $7 an hour and a South Korean woman textile worker making only seven cents an hour. 12

In the developed capitalist societies the importance of non-capitalist economic relations is slight - with probably the single important exception of the family. In the underdeveloped world however, pre-capitalist social relations of production are still very important. This point is the substance of Laclau's criticism of Frank's work - that the latter defines capitalism too loosely in characterizing Latin America as wholly capitalist; in fact, "semi-feudal conditions are still widely characteristic of the Latin American countryside." 13 The same sort of point can be made for Africa - the economies of each country are actually a combination of different modes of production - but with the capitalist mode dominant and the other modes subservient to and distorted by the capitalist mode. The pastoral nomadic mode, for example, has been hemmed in and restricted in its development ever since the beginning of the colonial era. These people are amongst the very poorest in East Africa now, but their labour produces beef that sells in the towns for about one seventh price it does in Canada. In the dry season a whole goat can be bought, live, for less than two dollars.

In agriculture, some products - notably sisal - are produced by the capitalist mode, on extensive plantations using a lot of wage labour and often with its own little internal railroad system. Many other products however - cotton is an example - are produced mainly by peasant households using only family labour. Though the product is being produced for the capitalist world market, its mode of production cannot be said to be capitalist. The method of surplus appropriation here - the ways these peasants are exploited - lies in the way prices are structured. The
"term of trade" between what a peasant produces and what he wants to buy are to his disadvantage - and moving even more so. This legal manipulation of prices is in fact one of the main sources of state revenue - the state lives in part off the difference between what it pays for peasant produce, and what it sells this for abroad.

A further, and very important, aspect of peasant production is that it subsidizes wage labour. Those in minimum (and below) wage employment in the towns, and those employed in petty commerce and petty commodity production in the "informal" sector in the towns, have extensive economic ties with rural kin. These provide a means of social security when times are hard, but even when times are good, produce is continually coming in to the urban household from rural kin. Maize flour, rice, onions, fruit, the odd chicken, help many an urban household to subsist. Wages do not therefore have to be enough to cover the cost of the total of wage goods necessary to support the urban household. The beneficiaries of such labour are thus exploiting the labour of both the wage earner and his rural kin. It is the ways subservient modes of production are articulated with the dominant capitalist mode that accounts for much of the exploited and depressed states of the former.  

In a fully developed capitalist society all factors of production become freed of non-economic obstacles to their utilization by the mode of production. In particular, land and labour power become commodities, to be bought and sold, as economically rational - the labourer to try and maximize his wages, and the capitalist (or increasingly now, the capitalist firm or corporation) to maximize his (or its) profit. Though capitalist
production relations are dominant in the underdeveloped world, there are still pre-capitalist relations that are by no means unimportant to the overall productive structure, and which moreover are not likely to be "modernized" out of existence. These "traditional" ways of life remain, articulated with and subservient to the dominant capitalist mode.

Of fundamental importance in understanding the underdeveloped countries - or any main aspect of them (in our case, urbanization in Tanzania) - is a grasp of their relationship with the developed capitalist countries. This is true both of the past and of the present. Their contemporary economic structures are the direct result of European, and later American, influence. Underdevelopment as it is currently understood is in fact a development of the history of capitalism in the world over the last 500 years. This began when certain European monarchies, in their struggle to maintain dominance over strong, sometimes rebellious, feudal lords, enlisted the help of a growing trading class of merchants, bankers, and shippers - in order to gain an alternative source of wealth for the struggle. These merchant-capitalist-monarchies began to compete with one another for monopoly control of the most lucrative trading areas. Overseas trading forts and ports were established, but for several of the richest areas, Europe had nothing that they lacked that could be exchanged for the spices, tea, gold, silver, ivory that Europeans wanted. Europe did not have economic superiority at this stage. What she did have however was superior military technology - in particular, her ships and guns. And it was with these that European states established their trading positions over the next few centuries, and eventually turned it, by the seventeenth
century, into increasingly decisive economic superiority. Amongst other things, capital accumulation and technological innovations towards the end of the eighteenth century helped lead to the industrial revolution in Britain, and by the nineteenth century it had become "the workshop of the world". The development of capitalism took a new turn. Whereas the point of merchant capitalism was to buy cheap and sell dear, the technological advances of the industrial revolution raised productivity and lowered costs and enabled the industrial capitalist to sell relatively cheaply too - or at least, more cheaply than those who did not produce by these methods. This gave an effective world-wide industrial monopoly to Britain, and this was reflected in the realm of ideology by her industrialists advocating "free trade". Old mercantilist tariffs appeared irrational, and British capitalists knew they were in a strong enough position to maximize profits when there were no tariff barriers against them. For a relatively brief historical period, free trade was accepted. This period, however, probably definitively set the mould of the world division of labour, which has continued, without major modifications, to this day. "Free trade" in the nineteenth century ensured that Africa, Latin America, and Asia (with the notable exception of Japan) would not have independent, industrially-based, economic power. This largely remains the case.

This effective monopoly position meant Britain could dominate the world solely by economic means. For the middle half of the nineteenth century, non-economic (i.e. military) methods of control were in general not necessary. This relatively peaceful interlude came to an end when British economic world hegemony began to be challenged by the increasing industrial strength of Germany, France, and the United States in the last quarter of the nineteenth century. It coincided with a movement within
each industrial capitalist country for the concentration or combination of capitals into combines, trusts, cartels and monopolies, to increase economic power. These developments resulted in a revival of aggressive foreign policy, and a remarkably sudden carving up of the remainder of the non-capitalist world by the competing industrial capitalist countries. The hasty European "scramble for Africa" started it, and the total partition of the world was more or less completed by the end of the century. Nearly all Tanzania's towns are a direct product of the colonial era, and the colonial economy, that started at this time.

The term "imperialism", as it is used in this thesis, refers to the economic foreign policies of the leading industrialized countries, following the mid-nineteenth century "lull", and continuing up to the present day. It thus has some specific features that distinguish it from earlier imperialisms - but they also of course have many things in common. It is in particular associated with the monopoly stage of capitalism. This move towards combinations of capitalists within an industry that occurred from about the 1880's to the First World War had a number of consequences. In the first place, a much bigger firm usually means costs are reduced. Furthermore, monopolies (or "oligopolies", as they should strictly be called), no longer being in a situation of "perfect competition", do not usually have to engage in price competition. They compete, but not along price lines. In the absence of competitors who will undersell, profit can be maximized by pushing up price and restricting output. Reduced costs, restricted output, and increased profits are integral elements in the explanation of contemporary imperialism.

Imperialism may be defined as an aggressive foreign policy designed
to: 1) corner valuable sources of raw material in the world, 2) extend the scope of protected markets, and, 3) ensure profitable investment outlets for exported capital, if possible under privileged condition. Ensuring access to raw materials that are strategic to industry is almost always self-evidently an important aspect of the foreign policy of industrial capitalist societies. It should be made clear, however, that a military component is not a necessary feature of any particular imperialist country's foreign policy - either because other means work equally well, or because of the umbrella of some other imperialist country's military in the background.

Because, as already explained, the monopoly structure of production in the major industrial economies restricts output to maximize profit, there are almost always underutilized forces of production. Both the work force and industrial plant are less than fully employed. In 1970, for example, U.S. utilization of manufacturing capacity was only 72%, according to Sweezy. There is thus continuous pressure to increase profits by utilizing this idle productive capacity - not to produce goods for the home market (because to sell an increased quantity would necessitate reducing price) - but to sell the goods abroad. All developed capitalist economies are crucially dependent on industrial exporting. Imperialist countries have varied, however, in the extent to which they depend on this, or on the third element of imperialism: investing abroad. For Britain, direct investment in production abroad is even more important than exporting goods (this is also true of the U.S., the Netherlands, and Canada); other countries, like Germany, France, Italy, and Japan, have relied more on exporting goods (cars, cameras, etc.) - though overseas
investment by Germany and Japan has increased considerably in recent years.

Lenin argued that export of capital rather than export of goods was the crucial feature of modern imperialism. Others since him who have followed a historical materialist approach (such as Baran, and Sweezy) have held that while not necessarily more important, it is perhaps equally so. Declining costs means there is a tendency for surplus in the hands of capitalist corporations to rise, and this finds its outlet in investment abroad. Far from this solving the problem of excess surplus however, empirical studies seem to indicate fairly decisively that the more capital you export, the more you get back in profits, interest, remittances, etc. Bodheimer cites twelve separate studies that show that foreign investment by industrial nations in underdeveloped areas leads to a net outflow of capital from the latter.\(^{18}\) In other words foreign investment is not a solution as an outlet for domestically produced surplus, since it leads to a net import of capital. Frank calculates that for Latin America something like twice as much comes back to the U.S. as goes out from it. Emmanuel challenges the view that capital export is an essential feature of imperialism at all.\(^{19}\) He argues that Lenin's mistake lay in identifying the foreign assets of England, France, and Germany between 1870 and 1914, with the export of capital. In fact:

Foreign investment can be increased by the ploughing back of profits without there being any need for further export of capital. It can even increase simultaneously with the net import of capital towards the holding country...It is then convenient, and frequently done, to include all the interest and dividends earned abroad in the national income, whether it is reimported or not, and to balance the accounts by showing the interest and dividends that are reinvested on the spot as a net export of capital.
By very carefully examining the figures for the period in question, the main period of imperialist expansion, particularly in Africa, he concludes that British, French, and probably German foreign assets grew and they imported capital - though there may have been a small net export of capital in the first half of the nineteenth century. In his view, investment is not therefore the essence of imperialism - trade is. This view is partially confirmed by Barratt-Brown who holds that "between 1875 and 1914 there was, in effect, no capital export overall", but he maintains that this gross picture conceals important switches in the areas in which capital was placed. There may have been no net capital export from Britain, but a crucial development taking place was income from previously built up assets in some areas, India in particular, being switched into investment in this period into other areas, especially South America and the Dominions. Placing capital in strategic overseas areas in order to dominate them economically was indeed then a feature of imperialism in this period - even if the capital was not generated in the metropolitan country.

What was the situation in Africa in this period with regard to this? In many ways most of the partition of the African continent was of a preemptive or anticipatory nature - what Sweezy has called "the principle of protective annexation". In East Africa, the British became interested in the area that is now Uganda because the French appeared to be approaching it from the North through Sudan. The British acquired British East Africa (later called Kenya) because they were building a railway through it from the coast to Uganda. And the Germans thus took the adjacent area and called it German East Africa - which later became mainland Tanzania.
Although a colonial cash-crop economy was set up in the first few decades in each instance, major European interest and capital, until about the Second World War, was concentrated in the two key areas of Southern Africa and Egypt (though the Congo, the Maghreb, and Nigeria were, in a minor key, also important). In the case of German East Africa, there was almost certainly a capital inflow in the thirty years 1885-1914. Germany then lost the colony as the result of her defeat in the First World War, and though the British benefited from these investments for the next thirty years, a very limited amount of British capital went into the territory until after 1945.

The period following the Second World War saw an important new development in the world capitalist system. American, British, Dutch, etc., companies began to find that profit margins from domestic operations started to shrink somewhat, as earnings abroad started to rise. Lower wage costs overseas, and less competition, led to a rapid increase in direct foreign investments in operations in other areas of the world — and the consequent development of what is now known as the multinational corporation. What multinational corporations want, say Baran and Sweezy, "is monopolistic control over foreign sources of supply and foreign markets, enabling them to buy and sell on specially privileged terms, to shift orders from one subsidiary to another, to favour this country or that depending on which has the most advantageous tax, labour, and other policies."22 As we shall see when we look at Tanzania's industrial development in Chapter 3, the entry of these corporations has been precisely of this order, and in pursuing these interests they have had a significant effect in structuring Tanzanian industry.
In Africa there was, and still is in Rhodesia, a particular danger to metropolitan-based companies involved in trans-national operations. They operated during the 1950's under the protection of direct colonial rule, and during this period there were two very serious rebellions against that rule on the African continent - one in Algeria, and one in Kenya. Both were very costly for the respective metropoles, France and Britain, to contain. And in both cases there was a divergence of view among "white" interests as to how to cope with this situation. Metropolitan-based capitalists saw that their very freedom to operate as they wanted in Africa was threatened; moreover it was costing their governments millions of francs and pounds to cope with this. They reasoned that if colonial rule was formally ended, and political power granted to indigenous peoples of moderate views (i.e. views favourably disposed to foreign capital's interests) then extended scope for their future operations would be ensured. They saw that the political and social arrangements of colonial rule were hindering, or at least threatening to hinder, the development of the economy (the increased development and exploitation of natural resources, of agriculture, of industry, of labour).

However, there was another problem to contend with. White settler capital - i.e. that physically based in Algeria and Kenya in the form of, for example, farms, and controlled by Europeans who considered themselves permanent settlers - wanted to solve the problem by what might be termed the North American/South African solution. That is, they saw that colonial rule needed to be ended in order to ensure future development, but they wanted independence based on permanent white rule. Full political and
civil rights to non-whites would not do, since it would undermine their privileged position. They wanted an "Algerie Francaise", or, what amounted to the same thing in Kenya, political rule by "civilized" people. Leys puts the situation this way:

The settlers on the mixed farms probably owned no more than about 15–20% of the foreign assets invested in Kenya by 1958. Once the Emergency had called into question the continuation of the whole colonial economy and the security of foreign investments generally, it was not surprising that the newer commercial and industrial interests, and even the ranches and plantation companies, found themselves willing if necessary to abandon the settlers, who had hitherto been allowed to speak for all foreign interests, and to seek an alliance with African leaders prepared to accept the private-enterprise system and allow them to stay in business.23

In most countries the interests of metropolitan-based, often multinational, capital were stronger than the settlers, and won out. Not, however, without a considerable struggle in some instances - a most bitter one in the Algerian case, with domestic repercussions for France - and not without a certain element of indecent haste, or even panic (eg. the Belgian Congo), on the part of the metropolitan governments to grant independence to their colonies. All this happened a few years either side of 1960, and was necessary for the home countries in order "to steal a march on their own settlers who were threatening nearly everywhere to secede and form White States."24 The settlers were not numerous enough for this to be true of Tanganyika, but independence was granted to the country in 1961 largely because this had become the general policy of metropolitan governments with regard to their African colonies.

Discounting areas with extremely small populations (eg. Spanish Sahara, Rio Muni, Djibouti) there were only two types of exceptions to the above - the Portuguese colonies, and Rhodesia - and subsequent
developments in both cases confirm the correctness of the reasoning of imperialist interests in the 1950's. In the case of Guine-Bissau, Mozambique, and Angola, colonial rule was continued on through the 1960's and into the 1970's, giving rise, as a reaction, to nationalist movements very different in character from the "moderate" African political parties that were elsewhere in Africa granted independence. Military struggle against colonialism in these three territories resulted in enormous financial strain in Portugal, social and political schisms, and eventual sudden collapse of the colonial policy. The three independent governments that finally emerged appear to be basically antagonistic to imperialist interests, though strategic considerations are necessitating medium-term compromise with foreign capital in some instances. In Rhodesia, neither the granting of political independence to an amenable indigenous government, nor the continuation of colonial rule, occurred - but precisely what the metropolitan governments had been trying to avoid: that is, an attempt at the North American/South African solution, through the declaration of independence based on white settler rule. British imperialist interests have suffered in two ways - luxury consumer goods and expensive agricultural machinery are now being manufactured in Rhodesia instead of being bought from Britain, and total foreign investment has dropped to one-fifth of the pre-1965 U.D.I. level.\textsuperscript{25} The situation is potentially very unstable however, and probably the most likely final outcome will be an African government with a political orientation somewhat similar to that of those now in control of the ex-Portuguese colonies.

Investment by the imperialist countries in the underdeveloped
countries used to be primarily in various sorts of raw materials, agricultural and mineral, and to a lesser extent in utilities like railways. The bulk of new foreign investment in Africa, Asia, and Latin America is now in industry - though raw material production remains very important. "Over two-thirds of U.S. investment stock in Argentina, Brazil, and Mexico is now in manufacturing industry, compared with about one-third at the end of the Second World War. A half of U.K. investment stock in India is now in manufacturing industry, and, indeed, over a third of all U.K. investment stock in developing countries is in manufacturing industry," according to Barratt-Brown. 26

Multinationals in the last decade or so have been entering into new forms of joint enterprise with local private or state capital. In Tanzania a common form is a basically multinational factory of some sort, but with a 51% government ownership. This majority share-holding rarely involves very much in the way of decision-making power however. The multinational is given a "management contract", which means that it supplies expatriate managers, accountants, technicians, engineers - for a fee that may be set at the equivalent of 20% of gross yearly turnover. The thing to notice about this is that this is not a percentage of profit. Moreover, all management and accounting decisions are in foreign hands. An objective opportunity does exist therefore to manipulate such decisions so that the accounts show no profits when the operations are in fact profitable. As has been said of multinational operations generally, on a world-wide scale, "skilled obfuscation is now an essential accounting tool ... and prices, in the economic sense, do not exist here - they are strictly a matter of relative power." 27
Another aspect of contemporary imperialism that many foreign aid projects often turn out to favour private interests in the aid-giving country more than they benefit the aid-receiving country. Aside from its political effects, which can often be considerable, aid projects provide "points of entry" for large corporations into third world countries, help build an infrastructure which maintains and strengthens neo-colonial economies and the advantages foreign interests derive from that, and by the aid donor country favouring its own nationals in contract-awarding for projects, gives unfair advantages over local competitors who might have been capable of carrying the work out themselves. Clearly not every single aid project should be seen as an imperialist plot. But it is remarkable how many disadvantages many of them eventually turn out to have. In Tanzania, Canada has a very good reputation as an aid donor (in his last book President Nyerere specifically praised Canadian aid). But if one looks at particular Canadian aid projects in Tanzania, disadvantageous aspects often become apparent.

For example, until recently Dar es Salaam, the capital, was more or less adequately supplied with bread from several small indigenous bakeries that were fairly labour-intensive and used local material—wood and charcoal—as fuel for the ovens. The Canadian International Development agency (CIDA) offered to finance a $2 million automatic bread factory with a soft loan. The bread produced is undoubtedly of a higher quality—but some critics claim that this is the only favourable thing that can be said about the project. 90% of the plant had to be imported, and the terms of the loan tied it to a particular Canadian manufacturer. Capital
investment per job created was in the order of $40,000, as opposed to less than $2,000 per job for the bakeries already operating. An expatriate manager had to be employed, and several Tanzanian graduates sent to Canada for a bakery technician course. Local bakery production had to be cut, and all output in the bread factory went through one oven (rendering the city's bread supply very vulnerable to any possible technical breakdown). All spare parts had to come from Canada, and the ovens were oil-fired (which meant increasing import bills). The clincher was that the factory needed to use 50% hard wheat. Only soft wheat grows in Tanzania - so the hard wheat has to be imported from Canada.29

As we shall be seeing, aid has become increasingly important in Tanzania, especially over the last ten years. The country's biggest creditor has become the World Bank. Barratt-Brown quotes a World Bank report that "recommends to the governments of underdeveloped countries that they provide tax concessions and other investment incentives and remove balance of payments restrictions and other barriers to the free entry of private capital."30 And, one might add, the free exit of capital too, of course. For the fact is, British, French, and American public foreign aid "almost exactly balances" with direct investment income for each country.31 In a sense then, this aid is simply equivalent to the reinvesting of profits. It is an interesting speculative exercise to imagine what would be the case now if China had since 1949 been receiving the full panoply of help from the World Bank, the IMF, USAID, CIDA, CUSO - and so on. Would the People's Republic have been better off and solved its basic economic problems far more easily? Or if not, what other sorts of things might have happened instead?
Summary

We have been discussing some of the theoretical and historical framework within which this thesis has been written and within which it is to be understood. We have also defined the particular senses in which certain terms are used, and discussed at some length two of them, economic surplus and imperialism. In addition the main outlines have been sketched of imperialist intervention and policy towards the African continent over the last hundred years. It is within this set of circumstances that towns in Tanzania arose and have developed. They cannot be understood without reference to the external economic orientation that colonialism and neo-colonialism have produced since 1885. This external orientation has determined both their function and much of their actual physical structure. Urban growth continues largely along the lines imposed by German imperialist interests in the three decades prior to the First World War. Currently, both the towns, and the type of economic development of which they are an integral part, are significantly moulded still by economic and political forces emanating from the dominant industrial economies. These impulses from the centres of the world capitalist system are, as we shall see, producing dependent economic, social, and urban developments.

The remaining chapters of the thesis deal with the following: Chapter Two discusses the main elements of Tanzania's economic history that have affected urbanization. It explains how the towns originated and what their function was. It deals with some of the post-Independence developments, and outlines some of economic events of the last ten years that are relevant to understanding certain things in subsequent chapters.

Chapter Three describes and analyzes the structure of the economy. In particular it focuses on the main ways in which economic surplus is
generated and allocated. Agriculture is shown to be the main productive base of the economy. The much more limited, urban-located manufacturing sector is also discussed. The structure of the economy is described as being one that basically a) feeds itself, b) grows agricultural raw materials for export, and c) with the foreign exchange so earned, imports manufactured goods. Since the State sector accounts for most medium and large economic activity, its revenues and expenditures are analyzed, and the conclusion reached that its effect is to greatly concentrate economic surplus in the urban areas. It is also shown that there is a large and growing gap between its revenue and expenditure - which is largely bridged by foreign financing. This amounts to surplus coming back in forms that are structured by outside interests.

Chapter Four discusses how the contemporary social structure developed and defines the two main analytic concepts that are used, class and stratum. Discussion follows of the various classes and strata that make up the social structure, and it is shown which ones make up the populations of the urban areas, and what their relationships are to those of the rural areas. Government policies towards certain groups are also dealt with, as elements affecting urban migration and the rise and fall of certain urban classes. The key role of the state in all this is also discussed.

Chapter Five deals with the urban structure - what it looks like, how the towns have grown, where the surplus comes from to support this growth. The colonial determination of the physical lay-out is emphasized, and the effects this has pointed out. It is also shown that colonial investment priorities produced a certain uneven pattern of wealth, and that post-Independence policies have largely followed this. Urban migration is
discussed, and the expansion in urban housing that this causes. Institutional arrangements for producing housing are shown to be inadequate to deal with the urban in-flow, with the result that squatting becomes inevitable. There follows some description and discussion of the features of squatting. Government policies towards squatters are also detailed.

Chapter Six is the conclusion, and deals with the general urban policies of the government. It is shown that its policies both consume a large amount of surplus that the economy generates, and necessitate dependence or foreign finance and foreign planners. It is shown that the class position of those with political power is such that they benefit from the continuation of colonial-type towns, and that this blocks any possible restructuring of the economy on a scale that would be significant enough to change the present process of urbanization in Tanzania.
CHAPTER TWO: ECONOMIC HISTORY

The Interior and the Coast, up to 1800

Relatively little is known about the interior of Tanzania prior to about 1500. Even for the next three centuries, up till 1800, detailed historical knowledge exists only for a few areas — for example, the very north-west corner, the Pare mountains in the north-east, and the Ufipa plateau in the south-west. Nevertheless it is possible to sketch at least the broad outlines of the economic substructure of the interior prior to the nineteenth century with a reasonable degree of confidence. The great majority of people lived by cereal cultivation; substantial minorities lived either by livestock-keeping or banana cultivation; and a much smaller minority by hunting and gathering. In addition, within these four main types of production relatively small numbers were able to live by two other means: from trade, and from political or military tribute.

Banana cultivation was possible only in the wetter areas, for example the slopes of Kilimanjaro and the western shores of Lake Victoria, but it did allow settled agriculture. Most cereal cultivators however had to practice shifting, slash-and-burn, agriculture. Pastoralists were most commonly in the drier areas that were marginal to agriculture. Hunters and gatherers were in the interstices of the other three — and very much on the retreat. It should be made clear that these four categories were not necessarily mutually exclusive: some banana cultivators also kept two or three cows each; some maize cultivators supplemented their diet with available game; and so on. Doubtless purely local trade
was not uncommon - a band of hunters exchanging some skins for some food grains for example; but evidence also exists for a certain amount of long-distance trade in just a few commodities: salt and copper (which occurred in quantity in limited localities), iron objects such as spear-heads and hoes, and possibly specialized pottery.

Political organization ranged through most of those basic ones familiar to anthropologists: from the stateless hunters to well-established, though rarely contiguous, states. State organization necessarily implies the existence of surplus-consuming people in the society (rulers, administrators, priests) and until 1800 at least, more usually occurred in higher areas, where greater rainfall meant more productive agriculture was possible. This in turn meant more surplus, and increased the possibility/likelihood of minorities organizing in such a way that they could live off it. The size and nature of these states though was such that none contained settlements that were larger than extended and fortified village communities. Nothing that could be called towns or cities existed, then, prior to the nineteenth century.

The above applies to the interior of what is now Tanzania. The situation on the coast was quite different. For at least a thousand years there have been ports on the East Coast of Africa, involved in the dense network of Indian Ocean trade linking Africa, Arabia, India, Indonesia, and China. The harbour-towns of the Tanzanian coast (of which there were up to a dozen - though not all prospering at the same time) had, however, limited trading contact with the adjacent interior. This was partly because access to the East African interior was easier further south, in what is now Mozambique, and partly because
the most important African item in the Indian Ocean trade, gold, was also located further south, in what is now Rhodesia. The ports of the Tanzanian coast and coastal islands thus serviced ships that were passing North-South, with the monsoons, round the Indian Ocean rim, bringing in cloth, pottery, and other imports (mainly of a luxury standard), and taking out African gold and ivory, and later also slaves and mangrove-poles (used for building, in relatively treeless Arabia).

The two centuries between 1300 and 1500 was the period of greatest prosperity for these ports, the most important of which were evidently, from the archeological and written record, very rich city-states. Their economic activities were however severely disrupted after 1498 when the Portuguese first arrived after having rounded the Cape. On the coast between what is now Mozambique and Somalia "they counted thirty-seven Swahili ports, some of whose wealth amazed them."¹ These they duly looted and plundered - and then set about trying to control and monopolize the Rhodesian gold trade and the trade in other products in the Indian Ocean. They were not successful in this, and only succeeded in completely disrupting and undermining the trading network. With the economic base on which these towns lived broken - or at least severely diminished - they necessarily went into economic and social decline. Some of those farther north, on the Kenyan and Somali coasts, managed to stay free from Portuguese control, but the Tanzanian ones did not. Only seven years after they had stormed, occupied, and established a military garrison at the richest of the Tanzanian ports, Kilwa, the Portuguese decided to withdraw. It had become worthless.

Portuguese occupation of and intervention on parts of the coast
lingered on for about two centuries, but by roughly 1700 they were confined to Mozambique. There followed for the next century or so a gradual revival of coastal fortunes, particularly in those ports under the rule of Arabs from Oman - who had in fact been invited in to help oust the Portuguese. Then at around the end of the eighteenth century there was a collapse in the supply of ivory from the hitherto established route to the East and Central African interior, Mozambique. This happened to come at a time when there was a simultaneous enormous increase in demand for ivory in Europe and North America. This set an entirely new economic stage. It now became commercially attractive for the coastal trading towns of Tanzania to extend their trade routes directly westwards - into the unknown, but doubtless elephantine, interior.

1800-1885, the advent of German colonialism

From roughly 1800 onwards, therefore, systematic contact began to develop for the first time between the coast and far inland. Long-distance trading networks in the interior certainly existed before this time, but they did not in any systematic way extend to the coast, and the products in which they dealt were different from the ones the coastal towns were interested in. The biggest indigenously developed trade network was that controlled by the Nyamwezi people extending from central to western Tanzania, and dealing with iron, salt, and copper. This route the coastal towns started to trade along too; but what they were interested in was ivory, and then to an increasing extent as the nineteenth century progressed - slaves.

The slave trade from the East African coast certainly existed before this, and in the eighteenth century probably most slaves ended up as
domestic slaves in the Middle East, or as sugar plantation slaves on such Indian Ocean islands as Mauritius and Reunion. But probably no very large numbers came from the Tanzanian interior until the nine-
teenth century. As the century progressed the Omani Arab rulers of the main coastal towns became increasingly more interested in developing the wealth of their African domains, and in 1840 the Sultan of Oman in fact moved his full-time residence to the Tanzanian off-shore island of Zanzibar. There he extended the already existing slave-run cocoa and palm-oil plantations and, even more importantly, started clove planta-
tions — also worked by slaves. By careful development of this latter crop, it established within a few decades a virtually world monopoly of marketed cloves. Cloves thus rapidly became — and still remain now well over a century later — Zanzibar's most important export product.

The island's demand for slaves thus increased enormously; and while by mid-century British naval anti-slaving patrols cut down (though did not, because of smuggling, eliminate) the export of slaves to Arabia and other overseas markets, the supplying of slaves from the mainland to Zanzibar remained legal and flourished until the final quarter of the nineteenth century. Ivory and slaves were thus the economic stimulus which induced the coastal Arab traders to penetrate deep into the hinter-
land, and even reach by mid-century the upper waters of the Congo — halfway across the African continent.

The facility with which the increasing number of Arab caravans were able to travel into the interior after 1840 was helped by prior, purely African, events in the 1830's. An off-shoot of the Zulu, the Ngoni, nomadic and living by raiding and cattle, had in the course of a decade
or so swept up from southern Africa into the heartland of what is now Tanzania. They "left a wake of destruction behind this long swath, and before they settled down they had also contributed much to the chaos and instability that characterized East Africa at mid-century." The Ngoni greatly disrupted economic and political developments in central and parts of southern Tanzania, and Arab slaving caravans arriving shortly afterwards were able to take advantage of this - and so in turn cause further disruption.

Financial backing - which for even one caravan needed to be considerable - for these trading/slaving expeditions was provided by Indian merchants and financiers that the Omani sultan had purposefully welcomed to Zanzibar. Indian merchants had been active on the coast for centuries, but the sultan's policy of utilizing larger-scale Indian capital to extend his trading networks meant that the number of Indians in Zanzibar rose from about 400 in 1835 to about 5,000 in the 1860's, and their "great financial houses extended massive credits in the form of trade goods to private Arab merchants who wanted to lead caravans far inland to trade for ivory and slaves." Several of the fifteen major towns dealt with in this thesis find their origins in this period. Three of the four coastal ones - Tanga, Dar es Salaam, and Lindi - were essentially entrepôts for Zanzibar trade networks; and two towns of the interior, Tabora and Ujiji, originated as Arab up-country trading posts. The other ten provincial towns are developments of the European colonial era. Several of the approximately twenty smaller urban centres (usually with populations of less than 5,000 each) that will not be dealt with in detail in this thesis -
Bagamoyo, Pangani, Mpwapwa are examples - originated in the economic conditions of this mid-nineteenth century period, but stagnated or declined subsequently because they were not essential parts of the colonial economy that was set up by the Germans and the British within the last century. The five provincial towns mentioned above whose origins pre-date German colonialism remain important precisely because they were transformed by colonialism. In a sense they were just sites on which the Germans chose to build provincial towns. As we shall see in Chapter 5, in their present urban ecology a very limited amount remains of their original pre-colonial structure.

The effects of the forceful intrusion of the Ngoni from the south, and the Arabs from the coast, were considerable. The indigenous momentum of agricultural, trading and political development was severely affected. For many ethnic groupings the choice was either to reorganize, consolidate political alliances, adopt Ngoni war tactics, buy firearms from the Arabs (which usually involved having to raid some other group for slaves to exchange for the firearms) - or, alternatively, go under. Many went under. Entire villages were dispersed, massacred, or enslaved, and in the south of Tanzania particularly there was a severe decline in population.

During this chaotic period - which lasted at least half a century - the number of people able to live by such activities as destructive slave raiding, exacting tribute by military threat, "taxing" caravans that passed by, and outright banditry - considerably increased. For many people, perhaps most, this was a time of less food, increased insecurity, suffering and loss. Some peoples however achieved by political consolidation
new strength. The states of the Nyamwezi and the Hehe, for example, were creations of this period, and it was these political groupings that the Germans had to contend with in the closing years of the century as they tried to impose colonial rule over their new territory.

One people who were eventually able to gain advantage from their initial adversity were those of the Ufipa plateau in the south-west. They were invaded and defeated by the Ngoni, but a decade later started to organize and adapt to the new set of circumstances:

... by this time many Arab and Nyamwezi traders passed through Ufipa on their way to Zambia and Katanga. A few Arabs settled at the court of the chief and he now began to equip his own followers with guns obtained in exchange for ivory and prisoners of war. During the long reign of Kapuufi (c. 1860-1891) ... a period of peace and prosperity ... The Fipa mined and smelted iron with which they made tools both for their own use and for export to the people of the Rukwa valley who sold them cloth woven from local cotton ... The Fipa were famous for their grain and they produced enough to sell to their southern neighbours, the Lungu, in exchange for slaves which were sold in turn for imports from the coast. The surplus from such industry and trade enabled Kapuufi to maintain not only a personal bodyguard and military governors on his borders, but also a body of administrators.4

This clear example of a state, and a thriving and prosperous one at that, is not however typical of how most people experienced this time, and its prosperity is moreover very obviously integrated with the generalized raiding of other communities in order to take large numbers of slaves. Perhaps something in the order of one million slaves were exported from the mainland during the nineteenth century, and by its very nature slave "trade" is not compatible with peaceful development and prosperity for all. In particular, out-of-date European firearms were flooding into the interior in order to facilitate this "trade". By
the 1880's, 100,000 firearms a year were going up country - to be exchanged for slaves, to enable more slaves to be captured, and so on. Thus when Germany embarked on formal colonial occupation of her portion of East Africa, what it found was very far from any sort of stable, "traditional", situation.

The increased commercial and political activities of the Zanzibar-centred economic interests in the interior was partly initiated by, and partly in turn spurred, European interest in the area. This interest was at first pursued by explorers, geographers, and a few Christian missionaries - but commerce very quickly followed and became predominant. This was particularly the case after the opening of the Suez Canal 1869 which, although built to shorten the distance by sea between Europe and India and the Orient, also facilitated increased access to the East African coast. There were a significant number of British, French, American, and German trading concerns on Zanzibar at this time, who owed their position to being able to supply manufactured goods such as cotton cloth, glass beads, brass wire, and of course - firearms. By the 1870's German Hanseatic merchants, who had first arrived in the 1830's, controlled 25% of Zanzibar's trade.

**German colonialism: 1885 - First World War**

Germany was unifying and rapidly industrializing at this time, and beginning to challenge British economic supremacy in certain areas. German industrialists began to want to ensure access to sources of strategic raw materials in the world, and imperialist rivalry among European powers quickly centred on Africa. The commercial company, the Deutsche Ostafrikanische Gesellschaft, which in the second half of the
1880's in fact set about colonizing Tanzania, complained in its manifesto of 1884:

"The German nation finds itself without a voice in the partition of the World which has been proceeding since the 15th century. Every other civilized nation of Europe possesses in other parts of the World territories on which they are able to impose their language and culture ... To remedy this deplorable state of affairs, a society has been founded in Berlin which will resolutely and energetically undertake the execution of colonial projects."

The German state was at first inclined not to formally acquire colonies, but industrial interests manoeuvred to change this position. The company was granted an imperial charter in 1885, and its "resolute and energetic" activities in the next five years on the Tanzanian coast generated such violent indigenous opposition that by 1891 the German government was forced to take over formally. African opposition continued as the Germans attempted to extend a colonial administration and economy throughout the territory. Between 1888 and 1906 there were eleven recorded revolts, involving many major battles, and culminating in the final and biggest, the millenarian Maji-Maji Uprising of 1905-6. Thereafter the resistance was either minor or of a passive nature.

The colonial economy that was established consisted broadly of two main types of production - the growing of cash crops by individual peasants, and by plantations worked by wage or forced labour. Initially the Germans seem to have wanted to establish a predominantly plantation economy to produce rubber, sisal, cotton, coffee, and so on. But as things worked out, individual peasant production in fact became at least as important, if not more so, than plantations. Production of tropical raw materials for the German market was enforced either directly or indirectly by
colonial legislation. Directly, by alienating land to set up plantations or estates; by "minimum acreage" laws forcing peasant households to grow so much, say, cotton; and by various forms of forced labour (even slavery was not legally abolished until 1919). And indirectly, principally by means of the introduction of a universal "hut tax", to be paid in cash. Obviously the only way Africans could acquire such cash was either by growing the cash-crops that the Germans wanted; or by taking wage jobs in the colonial economy - the great majority of which were either as labourers on the estates, or as workers in the tertiary sector: on the railways, in the ports; or as employees of the colonial state or its functionaries: as soldiers, policemen, clerks, and house-servants.

The three crops - cotton, coffee, and sisal - that have for the last half century dominated, and continue to dominate, the Tanzanian export economy had their present areas and organization of production determined during the German era. Cotton got a false start first as a plantation crop in southern Tanzania, and it was the conditions of labour it imposed and the disruption of the local economy it caused that was one of the major factors behind the Maji-Maji revolt. This was eventually repressed with a ferocious scorched-earth policy resulting in subsequent serious famine for several years, and the area of the revolt has always since remained one of the most backward in the country. Cotton was first introduced to the area which is now the centre of its production, south of Lake Victoria, by a white settler in the early 1900's who organized a share cropping scheme to engage the labour of the local Sukuma people. Within a few years, and with a certain amount of government prodding, the peasants began to cultivate cotton entirely by themselves - and it became, and
remains, entirely grown by peasant households alongside their own food crops.

Commercial production of coffee started on Kilimanjaro among the Chagga people, and in the area west of Lake Victoria among the Haya – both in the 1890's. The former grow the better quality Arabica variety, and the latter Robusta. In both cases local chiefs adapted the local land-tenure system along quasi-feudal lines such that they were able to monopolize the bulk of the profits. Over the course of a few decades the resentment this aroused eventually – and not without conflict – caused a change to individualized peasant production. Some of the richer ones do nevertheless employ labour during the picking season, and may seen as the equivalent of "Kulaks". These two areas remain the most important coffee areas, although there are several others now, and it is in addition not exclusively a peasant-produced crop, being grown also on white-settler estates.

Sisal (known as "henequen" in Yucatan in Mexico) also has its origins in Tanzania in the 1890's. This is not a crop that is easily suitable for peasant production since because of its weight and bulk at harvesting it has to be processed ("decorticated") more or less on the spot before it can be economically transported any distance. The processing equipment entails capital outlay, and it is essentially for this reason that sisal is almost exclusively a plantation crop (although there is a small amount of peasant production on the fringers of estates, and thus able to use the estates' decorticating factories.) Sisal thus was, and still is, largely produced by a capitalist mode of production – estates of great size, involving considerable capital outlay, and each
employing hundreds and sometimes thousands of wage labourers. Most are also situated near main railway lines - for ease of transportation of the sisal to the coastal ports.

The main export product of the German period was actually rubber - produced, again on estates, principally in the north-east corner of the country. After the British took over the colony, after the First World War, rubber production lost its importance - British industry already had more abundant and cheaper sources, in Malaya and Ceylon. However in 1910 there were 250 rubber plantations, 54 sisal plantations, and 17 coffee plantations. Some of these were owned by German settlers in the country, and some by companies based back in Germany. By the time the First World War started, there were over 750 European estates in German East Africa.6

The accompanying table of exports from the country in two different years of the German period gives some idea of the growth, and changes in composition, of the colonial economy. It contains the six leading exports in each of the two years, and figures refer to their estimated value in rupees. (Trying to convert to contemporary U.S. dollar value would be difficult. The rupee figures nevertheless serve perfectly well in showing the relative value of each export.)

Table I: Value of export products, 1903 and 1911 (in rupees)

<table>
<thead>
<tr>
<th></th>
<th>1903</th>
<th>1911</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rubber</td>
<td>52,400</td>
<td></td>
</tr>
<tr>
<td>Ivory</td>
<td>44,900</td>
<td>Rubber 239,050</td>
</tr>
<tr>
<td>Copra</td>
<td>27,870</td>
<td>Sisal 226,600</td>
</tr>
<tr>
<td>Livestock</td>
<td>14,130</td>
<td>Hides 151,750</td>
</tr>
<tr>
<td>Sesame</td>
<td>13,960</td>
<td>Copra 92,250</td>
</tr>
<tr>
<td>Coffee</td>
<td>12,850</td>
<td>Cotton 66,600</td>
</tr>
</tbody>
</table>

Half a century earlier the leading exports, through Zanzibar, would
have been slaves and ivory, probably followed by copra. By the beginning of the 20th century, the slave trade had ceased (though not necessarily the status of slave), and ivory was beginning to decline in importance (the figure for 1911 is 24,300 rupees). Copra, produced from both plantation and peasant-owned coconut trees, remained important. If one were to make a general statement about all these export figures, it would be that the German colonial economy was diverting to an ever increasing extent Tanzanian land and labour into the production of raw materials needed by an industrial society. Thus German industry needed rubber, and cotton, and leather (the cattle were from pastoralists, peasants, and white settler ranches). The copra, the sesame (1911 figure: 20,200 rupees), and groundnuts (1911 figure: 24,500 rupees) were used in the production of soap and/or cooking oil - mainly for the German urban working classes. The German navy in increasingly intense imperialist rivalry with the British navy in the years leading up to 1914 needed the sisal as a source of naval cordage that they could control - even though it was a relatively high-cost industry at first. (Incidentally, the British navy switched to sisal cordage in the Second World War when its supply of manilla hemp was cut off by the Japanese in South-East Asia.) And of course coffee (along with tea) was becoming, and remains, the most widely consumed beverage (ie. mass consumer good) in industrialized societies.

Of central importance in establishing the colonial economy, and the production of the desired crops, was the infrastructure of transportation, commerce, and administration. Until the German road building and railway construction programmes, transportation was severely limited. It was good, and of very varied form, on the coast. It existed in small boats
on the great lakes of Victoria, Tanganyika, and Nyasa - but there was plenty of room for improvement. Other inland waterways were not navigable or not important over any significant distances. Horses, apart from in a few isolated tsetse-free areas, died of sleeping sickness within a year. So apart from the large bodies of water around the boundaries of the country, the only means of transporting goods inland was head porterage.

The Germans using more or less pressed labour set up telegraph lines, put steam boats on the great lakes, constructed narrow but good (some are still serviceable) roads, and - most importantly of all from an economic point of view - built railways. Until the single-line Chinese-built Tanzania-Zambia Railway (TAZARA) was built in the 1970's, the country's railway system was essentially what the German colonial administration had determined it would be in the 1890's and 1900's. This was a line from Tanga on the coast to Moshi just below Kilimanjaro; and a much longer line going east-west right across the country from Dar es Salaam to Ujiji, or to be precise a new port settlement nearby, Kigoma, on Lake Tanganyika; and a branch going up from that one to Lake Victoria (which they did not have time to complete before the War - the British finished it when they took over the colony afterwards). With other means of transportation so limited, this inherited railway system has naturally had a very significant influence in structuring a great deal of the country's subsequent economic development.

The location of the railways was determined solely by German considerations. Their function was twofold: to link up areas that were to produce raw materials for Germany's industrializing economy with the
coastal ports, Tanga and Dar es Salaam; and to facilitate the rapid movement of troops to defend the colony's borders if necessary. (During the War this did in fact become necessary: for reasons of geography the German administration knew the British would attack from Kenya either at Tanga or in the gap between the mountains east of Moshi; With the railway they could move all their troops to either of the two areas within 24 hours). The railways were thus essentially externally oriented. They were not located to link up main areas of population, or built to potential industrial areas (such as the south, with its iron and coal), or in any way really designed to expand the domestic market. Internal, self-sustaining development was thus never their purpose, yet since then "development" has to a very considerable extent run along the lines - both literal and metaphorical - that the German colonials laid out.

The internal market, or any potential development of it, was largely ignored - except to the extent that it was necessary to encourage peasant cash-crop production and an adequate supply of wage-labour for the plantations and the tertiary sector of the economy. Indian and Arab traders were encouraged to go into the interior and set up shop - to buy the cash-crops from the peasants and to make available to them cheap manufactured goods on which to spend their money - cotton cloth, soap, paraffin, metal cooking pots, etc. Colonial laws placed restrictions on Africans being able to trade - limiting the amount of credit wholesalers were allowed to give them, for example - and retail trade came to be dominated by Indians ("Asians" as they are now known in Tanzania). By the time Independence from the British was achieved in 1961, Asians also controlled much of the import/export trade, the wholesale sector, and a number of
financial services institutions.

In the approximately twenty years (1885-1906) it took the Germans to "pacify" the whole country, they found it necessary to set up military posts at various strategic points. Sometimes these forts were at the site of already established settlements - the trading one at Tabora for example, and sometimes where there was no settlement, and merely a defensible position in relation to the surrounding countryside - for example, Iringa. By the time pacification was complete, these military posts were the administrative capitals of the various districts in which they were situated. Sometimes missions were attracted to the safety of them - and always traders were. As the threat of uprising subsided, the commercial function came to dominate. More than half of the fifteen major towns grew up in this way. The others were not military posts as such, but became administrative centres, and commercial functions here too came to dominate the economic life of the towns.

What those towns were most decidedly not was industrial towns. Apart from some petty commodity production, industry was small to non-existent in them. Their raison d'être was the administrative and commercial function they performed in relation to the surrounding countryside. In them were located the institutions for policing, taxing, and generally administering the rural areas - and the institutions for collecting in and buying the cash crops of the countryside; for providing cheap goods for peasants to purchase (salt, knives, blankets, for example); and for providing more expensive goods and more sophisticated entertainments if there were white-settler farmers in that particular vicinity. Thus Moshi was (and still is for that matter) very evidently a coffee-town, Mwanza a
cotton-town - and so on.

The colonial economy influenced the rural areas in many ways. In most areas of the country peasants did not live in villages - but in scattered individualized homesteads. This was sometimes for ecological reasons - for example, a result of shifting cultivation; partly in some areas because people had dispersed into the hills in the face of the Ngoni and the Arab slave raiders; and partly also because such dispersal was in some areas the safest reaction to the fighting involved in the initial German military campaigns - and because staying in the bush in the back of beyond improved one's chances of avoiding the colonial but tax or some compulsory labour project. Some Tanzanians reacted to the Germans by active resistance, some by avoidance and non-compliance as much as possible, some by doing just what was required of them and keeping their noses clean, and some by seizing new opportunities with both hands in order to advance their own personal or group positions. In areas into which cash crops injected new wealth, it often did so unevenly, and resulted in social differentiation - sometimes widening existing rural class differences, sometimes creating entirely new ones.

Some saw education as the key to adapting to the new colonial circumstances, and took to it with alacrity (the Chagga, for example). In this they were considerably aided by the activities of Christian missions. The missionaries very largely failed on the coast, because of the overwhelming, and long-standing, Muslim environment. In some up-country areas they were much more successful however, and made significant contributions to the education of some of those among whom they proselytized.
By around 1910 there were more than 150 mission centres, giving in their schools primary education to around 30,000 pupils. (There were in addition at this time approximately 6,000 children in government-run elementary schools). 9

What German colonialism did in Tanzania, in really an extraordinarily short space of time - less than thirty years - was introduce an export cash-crop economy, by peasant and plantation production, into the countryside. Before the German period there had been the production of export crops on the coast - for example, Swahili peasants and Arab-owned slave plantations producing copra for the Indian Ocean trade - but this had been only on the coast. The "products" coming from the interior - slaves and ivory - were more plundered than produced; and their supply would necessarily exhaust in time. Rubber, sisal, arabica coffee, were entirely new commodities, produced in entirely new areas, for an entirely new market. Such export crop production brought the rural population into the sphere of influence of the commercial economy of the towns - the new, colonial towns, that had been set up essentially for that purpose. (Many, as I have said, were initially military posts - but the reason for "pacifying" the countryside was precisely to get it to grow colonial export crops).

These developments were not the result of internal social and economic forces - they were the result of an impulse coming from social and economic forces located quite elsewhere - in Europe. Industrial capitalism in Germany, needing an ensured source of supply of certain tropical raw materials, produced in its new colony an essentially capitalist rural economy, urban only to the extent that the infra-structure necessary to "service" this rural economy - ports, police,
crop marketing, etc. - tended to cluster at common points, which became towns. By 1914, probably less than 2% of the total population of the territory lived in towns. Of the other 98%, probably somewhat less than half, at this time, were directly involved in export crop production on plantations and peasant small-holdings, and probably more than half were still as yet marginal to the colonial economy, continuing to pursue their subsistence food crop cultivation, or their nomadic pastoralism - and selling only the cows, food, and temporary labour, necessary to pay their cash taxes to the colonial authorities.

The previous chapter defined imperialism as being generally an aggressive foreign policy by industrial nations designed to: 1) corner valuable sources of raw materials, 2) extend the scope of protected markets, and 3) ensure profitable investment outlets for exported capital. Disagreements about whether all those features are necessary ones of imperialism were also discussed. The specific case of German East Africa is interesting in this regard. It certainly involved an aggressive foreign policy on the part of Germany, and from the evidence of its actions in East Africa its intention was certainly to ensure sources of tropical raw materials. However, although the colony obviously did constitute a protected market, it was not at all a large one, and there is very little evidence that the metropolitan government annexed the colony in order to enlarge the market for German manufactured goods. It is possible that this was a long-term aim - but there seems to be little evidence to substantiate this. From annexation to the First World War there is little doubt that on balance capital flowed from Germany to the colony; the cost of the military campaign, the setting up of an administrative system, and the building of the railway, would all ensure this. Whether the intention
of German colonialism in East Africa was to ensure profitable investment outlets for exported capital, is however arguable. It may or it may not have been. The German era was abruptly cut short by the War. Had it been allowed to continue it is possible that, after the costs of establishing the initial infrastructure, German capital placed in the colony would be profitable; however it is also possible that it would have continued to be a rather high-cost, but at least guaranteed, way of getting raw material supplies. The answer either way is not important to the central arguments of this thesis - although my feeling tends to be that the latter was the case, and that therefore the rationale for German imperialism in East Africa was to establish sources of supply of tropical materials that could be directly controlled - whatever the cost.

The European conflict of 1914-18 spilled over into the colonies, and British and German East Africa engaged in extensive military conflict with each other - mainly using African troops. There was widespread destruction of property and lives over the period in what is now Tanzania, and economic and other development either stopped or was redirected into the war effort. The British-led troops eventually got the upper hand in the military campaigns, but the German-led ones were still not completely defeated when Armistice was declared in Europe. After the war Germany was stripped of her colonial possessions and the League of Nations granted Britain a mandate to administer the territory on behalf of the League. An exception was the two districts Ruanda and Urundi in the north-west, which in recognition of Belgian military help from the then Belgian Congo in the campaign against the Germans in East Africa, were granted to the Belgians to administer. Zanzibar, which had requested and received British Protectorate status in 1890 as an insurance against
the threat of German annexation at the time, continued in that status. Its 19th century importance in relation to the mainland had disappeared with the building of German ports and rail-heads on the mainland coast. The mainland (now Tanganyika rather than Deutsche Ostafrika) and Zanzibar had by now very limited economic links with each other.

British Administration: 1919-1961

Partly because Britain only had a mandate to administer the territory rather than having formal colonial possession of it, and partly because Britain already possessed two colonies, Kenya and Uganda, on its northern border, that necessitated attention, development and reconstruction in Tanganyika were slow. It was not until the late 1920's that things began to pick up again and get back to something like their 1914 level. Then the Depression hit, and economic development slowed down or stopped for much of the 1930's. Production of raw materials in Tanganyika (as in other colonies) was profitable to either the white settlers, or the colonial government, or metropolitan-based owners of colonially-placed capital, mainly because of the low wages paid to estate workers and transport workers, and the low prices paid to peasants for their produce. During the Depression world prices for tropical raw materials fell. To maintain profitability for the owners of capital and the colonial state, the level of production stayed the same, and peasants and estate workers merely received less money for the same work. In 1936 unskilled workers on sisal plantations were paid 8 - 12 shillings a month. These were migrant labourers - often "target" workers, working for as long as was necessary to save, say 100 shs. to pay taxes and a bride-price, for example. They were thus not usually life-time workers wholly dependent on wages to exist. They retained the security of the rural community
from which they came - and on which they could fall back when necessary. Thus although the Depression certainly increased exploitation and hardship, the ability to rely more on subsistence production at least kept workers from starving. The very large peasant sector backing up, as it were, the capitalist sector, thus enabled the colonial economy to absorb the shocks of the world capitalist system, upon which it was becoming increasingly dependent.

To a very large extent the British merely continued the colonial economy the Germans had structured, with some minor modifications and additions. They completed the rail link to Lake Victoria, for example, and added a couple of small extensions - such as one to link up the Tanga-Moshi line with the central Dar es Salaam-Kigoma one. Rubber production, as already mentioned, lost its importance - and a few more cash crops were introduced. The most important of these were tea and tobacco. Even today though, the three main export crops - cotton, coffee, and sisal - are ones that were introduced as such in the German era. Tea and tobacco production, while not insignificant, were each worth in value in 1973 less than one-fifth that of coffee production.

One important novel development that occurred during the British era was that marketing cooperatives were organized by African farmers in some areas where there were cash crops. As already mentioned, most trade in the regions was in Asian hands. This was in part due to their own undoubted commercial skill, but it was also encouraged by laws regulating and restricting Africans as traders. For example, wholesalers (who were exclusively Asian, or for more sophisticated products - mechanical ones for example - European) were not allowed to give African traders more than 600/- Shs. credit. This obviously restricted Africans
to fairly small-scale trade. This is born out by the fact that at the time of Independence in 1961 nearly three-quarters (34,000 out of 48,000) of licensed traders were African — and yet they handled less than one-third of total business. So since Africans were kept to small-scale trading, most buying of cash-crops from peasant farmers was by Asian traders. The farmers thus had no control over the marketing of their crops — nor of course the profit that was made out of it. In the late 1920's some African coffee farmers near Arusha organized themselves together to obtain better prices for their coffee. In the 1930's the idea spread, and cooperative marketing in certain regions and for certain crops — coffee and cotton in particular — became very important. It is also interesting to note that some of the first generation of politicians who pressed for Independence in the late 1950's grew out of the cooperative movement.

The degree of capitalist development in Tanganyika during British rule was undoubtedly held back by its proximity to Kenya, a formal British colony. Thus British capital that might, for various reasons, be attracted to East Africa was more likely to be placed in Kenya, with its generally higher level of development of productive forces, and with (because of its colonial status) its apparently more secure legal safeguards. This became somewhat less true after the Second World War when a political decision was made in Britain to make a very large investment (i.e. of public, not private, capital) in groundnut (peanut) production in Tanganyika, in response to the shortage of edible oils (for cooking oil, margarine, etc.) on the capitalist world market. This then was exactly the same sort of policy the Germans had followed — utilizing African land and labour to produce for export a raw material needed in the European
metropolis. Millions of pounds sterling were invested in building an entirely new port facility, and town to go with it, and in clearing and planting with expensive machinery large tracts of land in central and southern Tanzania. As it turned out the whole project was a disaster. Preliminary feasibility studies proved to be quite inaccurate in their assessments of what could be done, and the whole fiasco was abandoned after a few years. In the interior very little evidence remains of it, apart from some abandoned buildings and rusting machinery, but the new port, Mtwara, became the main town in southern Tanzania - exporting, ironically now, not groundnuts, but cashew nuts – another product altogether, since it is not used for making edible oil, but largely for confectionery purposes.

Another development of the British era that was of great significance was the system of banking. Money supply was controlled by the East African Currency Board, which was based in London, and currency issue had to be 100% backed by sterling reserves, contributed from the country's export earnings. This at least ensured a stable currency, but locked up (from a Tanzanian point of view) a not inconsiderable amount of the country's surplus unproductively in London. In addition the commercial banks in Tanganyika were branches of British ones - Barclays, Standard, and National and Grindlays. Taking the year 1948 as an example, local lending by these banks for that year totalled 36 million shillings, and much of the loans went to plantation agriculture and credits for the import-export trade. However, local deposits for the same year were 359 million shillings. In other words, something like nine-tenths of the money that was deposited in Tanganyika was not re-loaned out locally, but transferred to London to be invested by the banks there. This of course amounted to an export of capital from the colony to the metropolis. Both
the Currency Board regulations and the operations of the commercial banks, therefore, prevented anything like all the surplus generated by the Tanganyikan economy being reinvested in that economy. This one fact alone makes the relative backwardness of the colonial economy not altogether surprising.

The British colonial administration on the whole took for granted the colonial economic structure they had inherited from the Germans - with only minor changes: the same railways, the same towns, the same export crops. However the more than forty years of British rule were not stamped with the same dynamism - the same "resolution and energy" - that had characterized the less than thirty years of German rule. Capitalism transformed Tanganyika far less than it did, say, Kenya or Rhodesia. Alientation of land for white settlers, for example, was on a far smaller scale than in those two colonies; and what settlers there were never dominated the colonial administration - or threatened to secede. Moreover class differentiation among the Africans themselves in Tanganyika was nothing like as great as it was in the non-settler British African colonies like Uganda, Ghana, and Nigeria. In general the level of development of the productive forces stayed very low - the colony may have produced an increasing amount of cotton for example, but it was all tilled and picked by hand-hoes and hand-labour on small peasant plots, and all exported abroad to be spun into thread and woven into cloth. By the end of the 1950's there were only a very limited number of industries, principally either those processing the agricultural products - cotton-ginning, coffee-pulping, sisal decortication, etc. - or those producing mainly semi-luxuries like toilet preparations and processed foods for the small well-to-do classes: the colonial officers, the white settlers,
and the Asian commercial stratum. Most African peasants remained too poor to want to buy products like shampoo or baby powder or canned orange juice.

During the 1950's there was political organization and agitation among Tanganyikan Africans pressing for Independence. However it is fair to say that Independence was not granted in 1961 because of any irresistible internal social and political pressure - but because at that time that had become the general policy of the colonial powers in Africa. To be sure, this policy had been decided upon because of pressure in particular colonies - but Tanganyika was not one of them. Specifically, the experience of the French in Algeria and the British in Kenya had convinced the metropolitan governments that formal colonial rule would no longer be viable in the long-run. Moreover, as they had learned from their experiences of granting independence in South and South-East Asia after World War II, formal colonial rule was no longer necessary. Ceylon's tea and rubber, for example, had continued to go to Britain after its independence, and British investments there continued to look completely safe. There was thus no reason why the same should not be true for the African colonies. There was therefore general shedding of formal colonial responsibilities by the British, the French, and the Belgians, in the few years either side of 1960. Tanganyika just happened to be an instance of this. By granting Independence Britain reasoned that it would protect its investments there, and ensure the continued flow of tropical goods.

Independence: 1961-1966

Colonial economic institutions had become so embedded in and so
affected the society, that any significant economic restructuring was not only not easy - it was also difficult to even imagine. What was Ceylon to do with all its tea estates after its independence other than to go on plucking the tea-leaves from them? What was Tanganyika to do with all its sisal estates other than to do the same? It was not simply a matter of what to do with them - these colonial economic enterprises had become institutionalized in the fabric of the economy and the society: migrant workers had become dependent on the cash wages the estates provided, the railways dependent on the freight charges it received from sisal, the harbours and dock-workers dependent on the revenue received from handling the sisal, the government dependent on the export-tax it levied on the sisal, etc. The sisal estates, and the coffee trees, and the cotton co-ops, and the tobacco farms were there - not to go on using them was, as I say, unimaginable.

The primary-product, export-oriented, economic substructure, with its social and political superstructure, that had been set up and running by colonial intervention, no longer needed formal metropolitan rule for it to continue - it had its own momentum. Colonialism was not, as has sometimes since been claimed by historians, merely a seventy-year "interlude". The productive units, the transportation system, the urban settlements, the administrative structure, that were inherited by Tanganyikans at Independence had little in common with anything that existed in the area prior to the advent of colonialism. What they were given political independence over did not in any way resemble what they had had in the past before the Europeans arrived.

In nearly all the most important sectors of the economy, there were no significant structural changes in the first six years of independence.
This was true of agriculture (which accounted for over half of G.D.P.), of commerce, of transportation, and of financial institutions and services. A precise breakdown of the contribution of the various sectors of the economy to G.D.P. are made in the next chapter. Suffice it to say for the moment that at Independence these four sectors accounted for over three-quarters of G.D.P. The next most important sector, public administration, changed not so much it is overall structure, but that to the extent that the supply of educated manpower allowed, there was an "Africanization" of its personnel. The sector of the economy that did change a lot between 1961 and 1966 was manufacturing industry.

At Independence there was a very limited amount of industry and nearly all of it was, as already stated, first-stage (eg. cotton-ginning) processing of agricultural products prior to their being exported, and - to a lesser extent - some manufacturing of "semi-luxuries" for the well-to-do. Virtually all those industries were either foreign - (usually British) owned, or owned by Asians in Tanganyika. All producer goods and nearly all consumer goods had to be imported - and of course paid for out of export crop earnings. After Independence foreign capital was explicitly encouraged, and industrial development was left to whatever foreign private initiative would determine it to be, apart from there being an agreement among the three East African countries Tanganyika, Kenya, and Uganda to allocate certain industries to each of them to avoid plant duplication. Thus Tanzania was allocated, for example, the right to any future tyre factory and radio factory there might be in East Africa. This had the obvious advantage of guaranteeing a larger three-country market for a prospective foreign investor in such an industry. (The agreement however
began to break down in the 1970's, and both Tanzania and Kenya now have tyre-manufacturing plants for example).

Whereas under colonial rule non-British foreign capital was either at a disadvantage or specifically prohibited, under independent rule foreign capital of any nationality was welcome. Thus there was an opportunity for manufacturers from various industrialized countries to break into new markets by setting up plants in East Africa. This was also a spur to traditional suppliers, whether British or not, to establish manufacturing plants within the area to retain their markets. For example, the share of the Tanganyikan market in transistor radios of Phillips of Holland halved in the first few years of Independence. The share of the same market of radios made in Japan rose in a few years from a negligible amount to in 1964 68%! Philips had been in the 1950's the traditional supplier of imported radios, and its answer to this Japanese threat was to establish a radio-assembly plant in Arusha, on the condition that it was granted 50% tariff protection against imported fully-assembled radios. All components were imported duty-free, and the factory was, and is, only really a Tanzanian "industry" to the extent that Tanzanian labour (which is of course cheaper than Dutch labour anyway) is used to assemble the imported components. Such an overall arrangement, which has been repeated in Tanzania in many other industries, ensures that the foreign company, in return for establishing the plant, gets exemption from import duty on components, can control the price of (and therefore profits made on) components, gets control of virtually the whole market, and is able to sell the final product at a high price that is still, because of the tariff, below that of competitors' retail prices of imported products.

Rweyemamu's study of industries in Tanzania includes a table that
matches the dates of the establishment by the government of tariffs on various imported products with the establishment of new factories manufacturing those products, in ten cases between 1961 and 1966. He concludes:

"There can be little doubt that import substitution that has taken place in Tanzania has been conditional on granting the industrialists adequate tariff protection ... The initiative originates with the potential investors, who submit a request for a tariff increase ... supported by an accompanying investment proposal and a set of cost estimates."13

There was thus a considerable amount of industrial growth in the years 1961 to 1966, and of course most of it was located in the towns, and in particular Dar es Salaam. New plants were set up producing textiles, beer, paint, cigarettes, shoes, matches, petroleum products, radios, sisal twine, wheat flour, pyrethrum extract, cement, and plywood.

While Tanganyika had been a large producer of cotton for half a century, before its independence there was not a single textile mill. In the 1960's five such plants were established. Most of all these new industries were foreign-owned, and many of them branch-plants of multinational corporations. British-American Tobacco, Shell, British Portland Cement, Metal Box, Philips, Brooke Bond, Bata (the Canadian shoe company) were some of the more well-known names. The majority were heavily dependent on imported inputs, especially machinery; together they were too few, too small, and too unrelated to each other to have been able to support much in the way of new capital goods industries. By 1966, 75% of industrial employment in Tanzania was in consumer goods industries, 16% in building materials industries, and 8% in producers' supplies (fuel,
metal containers, paints). Machine-producing industries were virtually non-existent.

Although in comparison to what had existed before, the first six years of independence saw the establishment of many new industries, not as much new foreign capital came as had been anticipated and hoped for; and in particular not as much came in as was being attracted to neighbouring Kenya which, for the historical reasons already outlined, had a better developed, and therefore to foreign investors more attractive, infrastructure and market. This relative, though not absolute, lack of response by private capital to Tanzania was one of the reasons, among three or four others, which induced the country to change its policies in 1967 and rely less on foreign private investment and more - as things turned out - on foreign aid.

Early in 1964 the British granted Independence to Zanzibar, and although the majority of the population was African (many of them descendents of the clove-plantation slaves), power was left in the hands of the small Arab ruling-class (descendents of the slave traders and owners). This arrangement lasted one month, before a revolt toppled the Arab rulers, and an African-dominated political party took power. At about the same time on mainland Tanganyika an Army mutiny threatened civilian rule, and was only put down by British troops called back in to the country by the independent government. In April 1964 the two African governments decided to unite the two countries into the United Republic of Tanganyika and Zanzibar, soon afterwards to be called Tanzania. Zanzibar retained, and retains, internal government, and the mainland deals with most external affairs. Partly because of the Army mutiny, and partly because it was thought Zanzibar might exert a "communist" influence on the mainland,
there was a large flight of capital out of the country in 1964, through the British-owned commercial banks. It has been estimated to have been in the order of 290 million shillings, and since gross capital formation for that year was 603 million shillings, it was obviously of very serious dimensions. Since the government did not control the banks, it had no control over such capital flight, and thus no real control over surplus. This was noted, and was another reason for the 1967 changes.

The commercial sector, including many of the means of distribution, remained predominantly controlled by Asians in Tanzania. Some of these were Tanzanian, some held British passports, and some held Indian passports. Most agricultural products being exported out, and most foreign produced goods being imported in, passed at least once through Asian hands. In addition they owned many of the smaller industries, and a considerable number of the sisal estates. This largely commercial bourgeoisie, being ethnically and racially distinct, was very visible in its economic activities. A further reason for the 1967 changes was to act against their growing power in the economy, and to prevent a structurally similar African class from forming in its place.

In agriculture government policy was to increase production of export crops. Some, such as cotton, coffee, and pyrethrum, doubled in production over the 1960's and overall, cultivated acreage expanded 25%. In the main, however, this involved an expansion using the same agricultural techniques. There was little improvement in productive methods, and labour productivity remained at its same low level. Agriculture thus grew - but did not develop.

The exception was sisal. Since the 1930's Tanzania had been the
world's leading producer of sisal - and it was the backbone of the economy. In the middle of the 1920's it had become the country's leading export, and remained so for nearly half a century. Ten years before Independence, during the Korean War commodities "boom", sisal accounted for nearly 60% of the value of all the country's exports. Its price then was 3,360/- Shs. per ton (f.o.b.). The price fell substantially during the 1950's, then rose again over the years 1962-64 to an average of 2,160/- Shs. per ton. Its price fell suddenly in 1965 to 1,507/- Shs., and continued to just below 1,000/- Shs. in 1970, and 520/- Shs. by 1973. The value of sisal export earnings to the country fell from 434 million Shs. in 1964 to only 187 million Shs. in 1968, by which time its share of total exports had fallen from 30% to 12%.

This decline in the export that had dominated the economy for so long constituted a serious economic problem. Sisal estate owners cut back production and employment, and government revenue from export levies fell. The government attempted to borrow money from the commercial banks until such time as sisal prices, hopefully, rose, and it received limited cooperation from them. Again it was evident that it did not have full control over the uses to which surplus was put.

All the above were the underlying factors behind the changes in policy from 1967 onwards. The precipitating cause was a demonstration by university students against the introduction of military National Service, which they saw as threatening to interrupt their prospective careers. They were dismissed, and in an air of mounting political crisis the Arusha Declaration was announced.

The Arusha Declaration and After: 1967-1976

The Arusha Declaration, and the various government policy changes
that followed it, have achieved an almost mythical status in Africa and among progressives outside the continent. This document is what, more than anything else, has given Tanzania the reputation for being "socialist." Without doubt it was an attempt to wrench the direction of economic and social development towards a restructuring along socialist and classless lines. Its overall strategy seemed to be to cut off the state from any possible present or future private capitalist influence, and for the state to mobilize economic surplus for socialist development. This strategy was comprised of a series of measures stretching over about four years, the main ones of which we briefly describe here.

First, there were extensive nationalizations in almost all the main sectors of the economy. In the financial sector the government nationalized the commercial banks and insurance companies, and created a National Bank of Commerce (N.B.C.) and a National Insurance Company (N.I.C.) in their place. The British banks tried to sabotage this by withdrawing personnel at once, but N.B.C. weathered this and in just over three years earned sufficient to pay for full compensation (which says something both about the success of the nationalization, and about the size of the profits these foreign banks must have been making previously in Tanzania). As the President of the country, Julius Nyerere, wrote in a recent publication:

"... (N.B.C.'s) total net profits retained in Tanzania from 1967-1976 amounted to 557.3 million shillings (i.e. approximately $78 million). This is after paying full compensation to the private Banks out of which the N.B.C. was formed, and therefore gives some indication of money which would probably have gone out of Tanzania during this period from this source alone".16
In Agriculture, the government took a majority share-holding of 60% of the estates in the key sisal industry. At Independence the government had in fact assumed ownership of all land. Land-users were granted rights of occupancy, but not the legal right to sell or rent. In practice, this had been largely ignored where land was scarce, and there were rentals and sales in spite of the law. The issue with sisal estates, though, was that owners were beginning to neglect the upkeep of the estates and the plants because of the continuing fall in the world price of sisal. The government felt it could not afford to let this asset waste, just because it happened to be unprofitable at that moment. Most other non-sisal commercial estates were left in private hands, but some European-owned wheat farms and coffee farms have since been bought out.

In industry, the government acquired a 51% majority shareholding in seven major industrial firms - the brewery, the shoe company, the cement plant, etc. These were thereafter run by management contracts held by the original company (and more will be said about this later). The electricity company was nationalized; and eight import-export firms were nationalized. Together with a system of import licencing, this allowed the country to cut down on the amount of luxury consumer goods imports, and correspondingly increase the importation of agricultural and industrial machinery - producer goods. In 1970 the wholesale trade sector was taken over fully by the state, and a parastatal trading organization set up to run it. This also dealt in a very limited way with retail trade, but most of the retail sector was left in private, mainly Asian, hands. In 1971 all buildings valued at 100,000/- Shs. or more which earned rent were nationalized. This applied almost exclusively
to urban real estate owned by Asians.

The Arusha Declaration stated that far too great a proportion of development so far since Independence had been concentrated in the urban areas, and that henceforth emphasis would be on rural development - largely through the strategy of Ujamaa (which will be explained in Chapter 4). There were in addition some important programmatic educational reforms, intended to "decolonize" the inherited educational system; and a very clear statement that henceforth the country would be self-reliant in its development and not rely on foreign capital and foreign aid.

Finally there were a series of measures designed to halt, and where possible cut back, the expansion of indigenous capitalist classes and to exclude them from political power. Just after Independence the original colonial hut tax, or poll tax, had been abolished, and a personal income tax introduced. This was now made steeply progressive and, in addition, many of the highest pre-tax salaries were reduced. This was done directly, through cuts in the colonially-inherited structure of salaries for government employees, and indirectly, through what was known as the Leadership Code. This forbade any high civil servant, or Party or Government Leader, (defined as earning more than 14,000/- Shs. per annum) from holding shares in any company, holding directorships in any privately owned enterprise, earning more than one salary, owning a farm that employed labour, or owning houses for rent.

Clearly many of these measures were not without international repercussions, particularly since the various nationalizations affected foreign-owned private capital in the country even more than indigenously-
owned private capital. Even with full compensation, many owners of foreign capital of course objected, and some tried to retaliate in various ways — by attempting to get their own governments to bring pressure to bear, for example. Britain in fact suspended aid for a number of years afterwards, over disagreements on compensation details. Tanzania, however, had always been far less important to British capital than many other areas of Africa. South Africa, Zambia, Kenya, Ghana, Nigeria — to name some of the main ones — had all been much larger areas of British foreign investment and much more important sources of supply of raw materials than Tanzania had been. No nationality of foreign capital other than British was of significant enough size to warrant sanctions by their home government — indeed many of these governments saw, quite rightly, that the new situation increased investment opportunities for non-British capital. Dutch, Canadian, and Scandinavian government aid immediately more than made good for any difficulties the country might have experienced as a result of the withdrawal of British aid. And it was Dutch banking personnel, for example, who filled as a stop-gap measure, the top managerial positions of the commercial banking system when the British banks immediately withdrew their staff.

The very marginality of Tanzania to the world capitalist economic system worked to protect the country against sanctions of any important effect at this time. None of its products were of vital strategic importance, and none not fairly easily obtainable elsewhere. In general this has often worked against the country, but in this particular instance it did not. At the time of the Arusha Declaration, of its
three main exports, sisal, cotton and coffee; sisal was in low demand due to competition from synthetics and its price was falling, and Tanzania's cotton production constituted about a half of one percent, and its coffee just over one percent, of the world's production of these respective commodities. This relative peripheralness meant the country was not of any decisive importance to Western capitalism as a whole, and created a certain amount of strategic elbow-room, which it has been able to take advantage of over the past ten years.

It has used this room to manoeuvre to formulate some seemingly attractive socialist policies - not the least of which was its firmly stated intention of being self-reliant and not depending on foreign aid. This impressed many aid-giving countries, ranging from liberal Canada, through social democratic Sweden, to socialist China. In comparison to many of its corrupt and reactionary African neighbours, Tanzania appeared very progressive and, to the extent that there is a moral element in aid-giving, very worthy of aid. Increased amounts of loans and grants were thus offered - and for the most part accepted. The result has been the ironical one that by five years after the declaration of non-dependence on aid, the total volume of aid had quadrupled, and by ten years after it aid had increased eight-fold. In the words of the President of the country: "...we have sought for, and welcome, a great increase in foreign assistance in recent years. It is now a high percentage of our development budget - in the current financial year (1976-77) it is likely to constitute something like 59% of the total."¹⁷

As we shall see in the next chapter, to a large extent - though not exclusively - this aid has gone into infrastructure rather than directly productive activity. Two of the biggest and most "visible" aid projects,
both of which were more or less completed by 1975, have been the Chinese-financed and built Tanzania-Zambia railway, and the roughly parallel American-financed and built Tanzania-Zambia road. These were the first really major additions to the country's transportation system since German times, and for the south of the country at least, they have changed the parameters within which development can take place. The south-west has considerable iron and coal deposits, and it is not impossible that in some decades it could become the industrial heartland of the country. For the moment one of the main effects of the new road and railway has been to greatly increase the population of the town Mbeya, through which both pass.

1973 to 1975 were years of considerable crisis for the country. In 1973 and the following year the rains did not come in their usual amount, and for the same years agricultural production of marketed food grains fell very sharply. Drought was certainly a major factor contributing to this although, contrary to the government's claim, probably not the only one. The rural policy of getting peasants to live in permanent villages rather than shifting homesteads was, because of the way it was being implemented, causing disruptions in the system of production. This disruption was enormously increased from about the end of 1973 until into the second half of 1974 when more or less compulsory resettlement of something like five million peasants took place. The immediate effect of this resettlement was to cause peasants to retreat into subsistence production, and there were widespread shortages of marketed food stuffs at this time. According to the central bank, the Bank of Tanzania, over one billion shillings' worth of grain imports had to be made in both 1974 and 1975 - this in food in which the country is usually self-sufficient.
This was doubly critical in that it coincided with both a world boom in oil prices, and a major recession among the advanced capitalist economies. Tanzania imports all her petroleum, and the oil import bill shot up several hundred percent in less than two years. The world recession meant a sharp cutback in imports by the industrial countries, a general fall in commodity prices, and an increase in the price of manufactured goods. It has been estimated by one economist that these factors together for Tanzania cut "effective national purchasing power ... by at least 10% between Christmas 1973 and June 1974." By 1976 domestic food grain production had got back to approximate self-sufficiency, thanks to a mass campaign by the government to get people to grow food, and the industrialized countries were pulling out of their recession - or at least the worst of it - thanks in part to an enormous expansion of imports by the oil-exporting countries.

The general situation in agriculture ten years after the Arusha Declaration can roughly be summarized as follows: Whereas in the mid-1960's less than 20% of the rural population lived in villages, by the second half of the 1970's approximately 75% did. There has been a large increase in inputs and investment by the Government in the rural areas, but this does not at the moment appear to have had much effect in increasing marketed output. The country's foodbase in grains remains precarious. Those export crops - such as cotton, and cashew nuts - that were concentrated in areas that underwent forced villagization around 1974 have suffered considerably in output; those peasant-produced export crops, such as coffee, that are grown in areas where forced villagization was avoided, have not suffered, and some have increased production. The
experience with nationalized estates have been varied: some have had problems and lowered production; others, such as sugar, have greatly increased output, although, at least in the case of sugar itself, the result has been a very high-cost product.

Industrial growth slowed down considerably by the mid-1970's, in comparison to the high (up to 15% per annum) growth rates of the first decade or so of independence. This may be partly because some of the limits of relatively easy import-substitution industrialization have been reached, and partly because of in-plant problems such as low productivity and inefficient management. Lack of an industrial strategy integrated with the supposed emphasis on rural development of the last ten years has been called the "missing link" of the Arusha Declaration. It seems likely that actual industrial growth for the rest of the 1970's will continue to be centred on import substitution and the processing of agricultural raw materials prior to export. It is also likely that this will mean increased partnership with foreign capital - supplied either by aid lending or by multinationals.

It is unclear at the moment what effect the recent (1977) breakup of the East African Community will have on industrial growth. This was an organization created by the three newly - independent governments of Kenya, Tanzania, and Uganda in the 1960's with the purpose of:
1) jointly running various common services - such as railways, harbours, air transport, and post and tele-communications; and 2) creating a Common Market to allow the free movement of goods across the borders of the three countries unhindered by customs duties. The fact that Tanzania considered the first of these two aims the main one, that Kenya was more interested in the second, and that Uganda has had its own very considerable economic
troubles, eventually led to the break-up of the Community. Tanzania may experience a small amount of new industrialization in products that were previously imported from Kenya – but of course the market is not now as large.

The biggest change since the Arusha Declaration has been in the very large, and continuing, growth of the government sector, and the decline of the indigenous private capitalist sector of the economy. The Asian commercial bourgeoisie, in particular, has been severely restricted, and many of the better-off Asians either have left, or are planning to leave, the country. No significant African private capitalist class has risen to take its place. Essentially its function has been taken over by the growing state bureaucracy. As Nyerere himself observes: "Since 1967, Government has been the fastest growing sector of the economy. In 1967 it accounted for 10.9 percent of the National Income; in 1975 it was 16 percent!" – and of course this is a larger percentage of a greater G.D.P.

The first (1964-69) and Second (1969-74) Five Year Plans projected growth rates of 6.7% and 6.5% per annum, respectively. In fact the real growth rate (ie. at constant, not current, prices) was well below that – about 4.5% per annum. From 1966 to 1970 average annual growth rate was 4.9%, while during the period 1971 to 1975 it dropped to 3.4% per annum. Since population is increasing at an estimated 2.8% per annum, per capita income (in 1975 approximately $90 p.a.) is increasing at a very slow rate.

I do not have exact figures for inflation rates in the 1960's – but they appear to have been at the most 5% a year. In the 1970's the inflation rate shot up dramatically, particularly for the 1973-75 period. According to Bank of Tanzania figures, the Retail Price Index increased from base: 100 in 1970 to 299 by March 1976 – that is, virtually 200%
inflation in five years. The National Consumer Price Index increased by only about 100% in the same period (base 1970: 100 – June 1976: 200.3)\textsuperscript{23}, because it also includes items like rents, which are government-controlled for many employees, and electricity, which only increased in price just over 50% for the period. The item whose price increased the most was the most essential – food. From base: 100, 1970 the retail price of food had increased to 314 by March 1976. Food prices are controlled by the Government and the biggest single set of price rises was on October 30th, 1974. The Government-controlled newspaper *The Daily News* the next day announced details: rice increased from 2/- Shs. a kilo to 5/- Shs.; maize-flour up from 1/40 Sh. to 2/- Shs.; wheat-flour 2/40 Shs. to 4/55 Shs; sugar from 3/- Shs. to 6/- Shs; a loaf of bread from 1/10 Sh. to 1/90 Sh.; etc. Food prices thus roughly doubled at this time.

Partly to compensate for this, and partly to stimulate agricultural production the government-controlled prices to producers were increased at the same time. The new crop prices were maize 80 cents a kilo (up from 50 cents); paddy 80 cents (up from 65 cents) wheat 1/- Sh. (up from 77 cents); cotton 1/75 Sh. (up from 1/- Sh); tobacco 7/- Shs. (up from 5/85 Shs.); etc. There are two things to notice from this. One, is that producer prices rose in general around 50%; and two, is the wide discrepancy between some of these prices and some of the retail prices – for example, wheat 1/Sh. a kilo, and wheat-flour 4/55 Sh.; paddy 80 cents a kilo, and rice 5/- Shs. a kilo. Paddy, of course, loses about one-third of its weight when hulled, but even so it is clear that the processing and distribution costs are several times greater than the production costs. Either the system is very high cost or peasants are not getting high enough prices – or both. Minimum wages in 1974 were also increased
from 240/- Shs. a month to 340/- Shs. It is clear from all these figures that workers' wages and peasants' incomes in general did not anything like keep up with inflation, and during the 1973-75 period at least, there was a fall in real income for most people.

Because of the necessity of grain imports in this period and because of the increased price of oil, Tanzania's trade deficit increased alarmingly. In the 1960's the trade balance was generally in surplus, the best year being 1964, when a surplus of 358 million shillings was recorded. In 1968 there was a deficit of 117 million shillings, and then in 1969 it was back to a 46 million shilling surplus. From 1970 onwards Tanzania has had a foreign trade deficit every year. The trade gap was in 1970 - 477 M. Shs., 1971 - 737 M. Shs., 1972 - 565 M. Shs., 1973 - 898 M. Shs., 1974 - 2,516 M. Shs., and 1975 - 2,930 M. Shs. The already-mentioned improvement in domestic food grain production in 1976 decreased that year's deficit to about 1,000 M. Shs. (I do not have the exact figure; but the deficit for the first six months of that year was 550 M. Shs.)

Foreign exchange reserves were virtually exhausted by 1974 by this enormous, and unprecedented, trade gap, and Tanzania was forced to borrow large sums from the International Monetary Fund to cover it, and to impose severe import controls. Even excluding those credits, dependence on foreign financing has been increasing - mostly, but not exclusively, in the form of "aid" (if one includes World Bank lending as aid. The nature of this foreign financing will be analyzed in the next chapter.) Quoting from the most recently available report of the central bank, The Bank of Tanzania:
During the decade 1966-75 the inflow of foreign capital has been rising significantly to finance the development plans. The net inflow of capital which was between 130-170 million Shillings (per year) during 1967-69 rose rapidly to 991 million Shs. by 1973. It then declined to 729 million Shs. in 1974, but has resumed the upward trend and in 1975 it was 843 million Shs. Repayments on direct external loans rose steadily from 25 million Shs. in 1967, to 53 million Shs. in 1975. So far the burden is not heavy, as the major part of the repayments are to commence in the later years of the 1970's. A large part of Government borrowing is still subject to grace periods.

Let us summarize the progress made in the most recent period of economic history - the decade since the Arusha Declaration. The main points are the following. The transportation system has had some large additions and undoubted improvements. There has been some progress in some industries, and some in certain agricultural products. Inputs into the rural areas have certainly increased, and have slightly changed, though quite definitely not reversed, the rural-urban imbalance. There have also been advances in areas such as health and education, which gives indirect economic benefits. Finally there have been several achievements which we can group under the heading of the Government gaining much more effective control over economic surpluses. There are thus less luxury imports. Higher taxation has mobilized the savings of the well-to-do. Nationalizations in industry and agriculture have put large sectors of the economy under central control; and the nationalization of the financial infrastructure has considerably cut down surplus loss through foreign banks.

On the other hand there have also been less satisfactory developments. Some agricultural products have declined in output, and the overall position of agriculture is far from strong. Some industries have had severe production problems, and several industrial plants are running at less than
50% capacity. There has been an excessive growth of a largely non-productive bureaucracy, and some gross inefficiencies in many public institutions; both of these factors mean wastage of economic surplus. There has been very slow growth of per capita income, and some very serious inflation. A large, and now seemingly permanent, trade deficit has meant, and probably will continue to mean, increased dependence on the financial institutions of control of the world capitalist system. Borrowing will probably increase, and so will debt burdens by the end of the decade. Lastly, development expenditure has increased many-fold its dependence on foreign finance compared with ten years ago. To quote from the Arusha Declaration itself:

How can we depend upon foreign governments and companies for the major part of our development without giving to those governments and countries a greater part of our freedom to act as we please? The truth is we cannot.

Summary

This chapter has dealt with the main elements of Tanzania's economic history that are relevant to understanding how the contemporary urban situation came into being. Prior to the 19th century all urban settlements were trading towns on the coast; there were none in the interior. During the 19th century trade networks were extended inland from the coast, in search of ivory and slaves, and a few of the inland trading ports that were thus established became present-day towns.

During the colonial period only those towns that were transformed by colonialism for its own purposes remained important. Colonialism was the result of economic processes developing in Europe - in this particular case, industrialization in Germany and its consequent need for agricultural
materials. By various means African land and labour was diverted to produce these - either on plantations or peasant small holdings. Colonial marketing arrangements, railways, and ports determined the lines along which development could take place. Many towns originated in the German forts that were set up to "pacify" various areas. These towns were not industrial - only administrative and commercial in function. Many of the provincial ones became virtually one-crop towns. The British colonial period saw only minor modifications - a couple more export crops, a couple of rail extensions, and one new town.

By Independence colonial economic enterprises and infrastructure had become deeply embedded in the society. There has been considerable post-Independent industrial expansion (starting from an extremely low base) - largely because the formerly colonially protected markets were opened up to non-British multinational corporations. Most of this has been either import substitution or agricultural crop processing, and has been largely based in the towns. The Arusha Declaration nationalized import-export trade, wholesale trade, financial institutions, 60% of sisal estates, and several large industrial concerns. Its proclaimed policy was: "Socialism and Self-Reliance". The Leadership Code also cut off private indigenous capitalists from access to formal political power. The Declaration was detrimental to the interests of some British foreign capital, but has had the net effect of increasing the penetration of foreign capital of other nationalities - both as private investment and as "aid". 1973-75 were years of considerable crisis: food shortages, high inflation, a large trade deficit, and internal "terms of trade" turning sharply to the disadvantage of the peasantry. Some of these features have continued into the second half of the 1970's.
CHAPTER THREE

THE STRUCTURE OF THE ECONOMY

Tanzania's towns had their origins, as we have seen in the last chapter, in specific economic developments of the past. The economy (or more accurately, economies) of the area worked in particular ways at particular times to either necessitate or facilitate the growth of urban settlements. The productive base of the whole territory has always been, and still remains, overwhelmingly a rural one; and the rise and fall of towns in the past can only be understood in the context of changing economic conditions in their hinterlands. Towns like Kilwa that were built on the inland gold trade, rapidly declined when that trade was disrupted— and indeed most of Kilwa is now no more than overgrown stone ruins. Towns like Bagamoyo that thrived on the slave trade, reverted to being once again not much more than fishing villages— albeit ones with some interesting and seemingly incongruous historical buildings still intact. One can state with some certainty that only those towns that were chosen to perform functions in the colonial economy have remained as important urban centres, and that they have so remained only because their functions were so changed.

In the decade and a half of the post-colonial period most of the important towns have at least doubled in population, and this consistent pattern has, as in the past, been the social result of economic causes. In this chapter I want to look in some detail at how the economy is presently operating, as a prerequisite to understanding why urbanization in Tanzania is occurring as it is. I will look at the different sectors
of the economy and the proportionate importance of each; and at the ways in which surplus is generated and where it is distributed in the economy. Since the Government is continually extending the domain of the state sector and of control over the private sector, I will try to analyze Government revenue and expenditure, to show how it too works to concentrate surplus in such a way as to contribute to urbanization. The whole of this chapter, then, is an analysis of the generation and allocation of economic surplus.

Most people in Tanzania—probably over 85%—live by agriculture. If one includes the relatively small amounts of hunting and fishing and forestry, in with agriculture, then primary agricultural production produces about half of total Gross Domestic Product. In 1967 it was 52%, and in 1973 it was 48.5% so one can see that its relative importance is decreasing slightly over time. In simplified terms, the structure of the economy in these two years is represented in Table II.

### TABLE II. Simplified Breakdown of GDP, 1967 and 1973

<table>
<thead>
<tr>
<th></th>
<th>1967</th>
<th>1973</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agriculture</strong> (including hunting, etc.)</td>
<td>52%</td>
<td>48.5%</td>
</tr>
<tr>
<td><strong>Manufacturing</strong> (including handicrafts and mining)</td>
<td>8%</td>
<td>8.5%</td>
</tr>
<tr>
<td><strong>Infrastructure</strong> (including transport, commerce, utilities, construction, administration and other services)</td>
<td>40%</td>
<td>43%</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

These calculations include both monetary and non-monetary production. Non-monetary subsistence agriculture is about 21% of total GDP, and non-monetized construction (which consists overwhelmingly of owner-occupied
dwellings in the rural areas) is about 7% of GDP. Agriculture for 1973 thus consisted of subsistence production 21% of total GDP, and marketed or monetized production 27.5% (=48.5%). Of Manufacturing's 8.5% of GDP, less than 1% is mining; a considerable proportion (probably more than half) of manufacturing is either primary processing of agricultural raw materials prior to export (eg. tobacco curing, tea-leaf processing) or more complex processing of agricultural products (eg. spinning, weaving, and tailoring, of cotton into clothes). Of Infrastructure's 43%, 12% is made up of physical or material contributions (electricity, water, buildings), and 31% of non-material services (wholesale and retail commerce, hotels, transportation, storage, communications, finance, insurance, public administration, and other services). Considerable more than half of the services are directly concerned with handling the products of agriculture—moving them, storing them, insuring them, selling them, etc. Thus both Manufacturing and Infrastructure in Table II are closely connected with agricultural production.

Using figures from a different source (which have some slight, though not significant, discrepancies with the above figures), we can see over a ten-year period the changes in the contribution of various sectors of the monetized economy. (Note these percentages are of monetary GDP only; they do not include the subsistence contribution here).
TABLE III: Breakdown of Monetary GDP by Industrial Divisions, 1965 and 1975

<table>
<thead>
<tr>
<th>Industry</th>
<th>1965 Percentage</th>
<th>1975 Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture (including hunting, etc.)</td>
<td>44.6%</td>
<td>37.9%</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>2.9%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Manufacturing and Handicrafts</td>
<td>8.1%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Construction</td>
<td>3.4%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Electricity and Water Supply</td>
<td>1.0%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade, Restaurants, Hotels</td>
<td>12.3%</td>
<td>11.3%</td>
</tr>
<tr>
<td>Transport, Storage and Communications</td>
<td>6.9%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Finance, Insurance, Real Estate and</td>
<td>10.8%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Business Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Administration and Other Services</td>
<td>11.4%</td>
<td>16.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Some of the most important points to note from Table III are:

1) the large rise (by almost half) in public administration (caused by the nationalizations, and the general growth of the government bureaucracy); 2) the large growth in transport (the Tanzania-Zambia Railway being the biggest single contribution here); 3) the fairly substantial increase in manufacturing; 4) the very big drop in mining's contribution (due to the country's one diamond mine nearing exhaustion); and 5) the not inconsiderable decrease in the relative importance of agriculture.

The Bank of Tanzania has this to say about this last point:

The decline in the contribution to GDP of the agricultural sector, which provides livelihood for the larger part of the nation's population and is also the principal source of export earnings...is a matter for real concern, for it implies a widening of the disparity in the economic conditions between the rural and the urban sectors to the disadvantage of the former.

Implicit in the reasoning of this statement is of course an assumption that the other eight sectors of the monetized economy (ie. all except agriculture) are located in urban areas. This is not absolutely correct,
but is largely so. Mining is outside the main urban areas (although the main mine has a semi-urban settlement around it); some Water Supply is in the rural areas; as is some Retail Trade, some Transport and Storage, and some Public Administration. As a proportion of GDP these rural-based, non-agricultural economic activities are probably only between 10% and 15%—so the Bank's assertion largely holds true.

Most growth is thus in urban-based economic activities in the secondary and tertiary sectors; moreover, it has been disproportionately located in Dar es Salaam, which one town accounts for nearly 20% of total national income. An economist writing in 1967 stated that: "growth in these (secondary and tertiary) sectors has been very fast in Dar es Salaam. It is possible that outside the capital there has been no growth in GDP at constant prices per inhabitant" since Independence. This sort of situation was of course one of the specific things the Arusha Declaration was designed to correct. Although there have certainly been increased amounts of Government investment and effort in the rural areas in the last ten years, it will be one of the central arguments of this thesis that this has not significantly changed the overall rural-urban imbalance of the economy, and that surplus is still being disproportionately concentrated in the towns and that it is precisely this that explains the country's continuing urban growth.

Although, as I am arguing, it has been the impact of European capitalism within the last one hundred years that has largely structured the Tanzanian economy to what it is now, this territory has actually been one of the non-European areas of the world least transformed by that capitalist expansion. Virtually all of Latin America and the Caribbean,
of the various parts of Asia including the Middle East, and of North, West, and South Africa—have all had far longer contact with, and transformation by, (predominantly) European commercial and industrial capitalism. Most of these areas have had contact going back several hundred years. East Africa's contact with European capitalism (apart from on the coast) goes back about ninety years—and since "pacification" was not completed until well into the first decade of this century, for many areas effective contact has only been seventy years old. Even within East Africa, the transformation of Tanganyika in comparison to Kenya was of a rather halting nature—partly due to its mandated, rather than formal colonial, status.

The contemporary result of all this is a picture of very uneven development in various parts of the country—with a large variety of different modes of production stretching from modernized, complex technology, industrial plants of multinational corporations—to a few peoples still living by simple hunting and gathering. In general one can say that the urban areas are much more developed than the rural (certainly their average per capita income is appreciably higher), but even within the urban areas there is a variety of modes of production. One can buy a pair of shoes, for example, that have been produced by machinery made in Canada by the world's biggest shoe company—or one can buy a pair of shoes from a man who sits on the open sidewalk and who makes a few pairs a day from tanned hides, cotton thread, iron tacks, and with about half a dozen simple tools. Again in the rural areas, an agricultural product, such as tea, can be produced on large, beautifully manicured estates owned by one of the world's largest tea companies (Brooke Bond—
Leibig) employing African wage labourers and European expatriate managers—or tea can be produced from a few bushes, owned by a peasant farmer, and scattered among his acre or so of subsistence food crops.

The overall economy is thus constituted of mixed types of production—of huge capital-intensive sugar plantations, of medium-sized white-settler coffee farms, of African capitalist wheat farms, of small peasant cotton plots, of pure subsistence homesteads, of state-owned industry, of small capitalist workshops employing half a dozen, of cooperative carpentry businesses, of self-employed food sellers—and so on. Even those seemingly least capitalist are, however, articulated with and subservient to the general capitalist framework. The most isolated, non-cash-crop-producing peasants still want to be able to buy matches, cotton cloth, soap—and do this by acting as a supply area of migrant labour to distant plantations. Backward Kigoma region in the west, for example, has long acted as a labour pool for the sisal plantations of the east. And in the towns the man who spends a few shillings on rice and vegetables in the morning, and cooks them and sells them on the street at midday—does so to the factory workers needing a meal during their lunch break.

As we have seen, the overall economy is largely based on agriculture: for the 1973 GDP about half (48.5%) is agriculture itself; probably more than half of manufacturing's 8.5% of GDP is processing of agricultural products or making manufactured goods from agriculture's raw materials; and considerably more than half of the 31% of the GDP of non-material services (commerce, transportation, storage, administration, etc.) has to do with the production and handling of agricultural produce. In rough
and ready terms (I am not able to calculate the exact percentage from the figures available) probably only less than one-quarter of national income produced is not in some way connected with agriculture. As this thesis will be arguing, towns were set up to "service" agriculture—and although since Independence the towns have had areas of economic growth unconnected with agriculture (electricity supply, bus services, education, manufacturing, government, etc.)—it is their relationship to agriculture that is still their main function. The nature of this function, as we shall see, was such that it concentrated economic surplus in the towns. Their raison d'être has not been easy to change—nor indeed has there been much attempt to do so.

We will now proceed by describing and analyzing in more detail the main directly productive sectors of the economy outlined in Table II, and showing how they are connected with urban growth. We start with the most important.

**AGRICULTURE**

Overwhelmingly, the productive base of the economy is one of food crops, almost none of which are exported, and export crops, almost none of which are food crops as such. (That is to say, tea and coffee are consumed, but their nutritional value is zero). Some of the export crops (eg. cotton) are now also utilized internally—though this has been a relatively recent development. The staple foods are: plantain bananas in the very wettest areas; rice in some well-watered or well-irrigated areas; maize through most of the country; and sorghum and millet in areas too dry for maize. These are all predominantly subsistence staples—
eaten by the same families that grow them. Appreciable (though minor) amounts of maize and rice are also marketed—to be consumed largely in the towns; and much smaller amounts of plantains and sorghum are also so marketed. There are in addition three other staples: wheat, which is almost wholly marketed, and consumed in the towns; cassava, which although of extremely limited nutritional value apart from calories, is grown fairly widely as a supplementary staple or as a stand-by for when the rains fail; and lastly, and most importantly, beans, which are consumed widely throughout the country, and are probably the single most important source of protein. Beans are both a subsistence and a cash crop.

The other foods that go with these staples are, depending on the area, various fruits—especially oranges, mangoes, pawpaw (papaya), and sweet bananas; various vegetables, especially tomatoes, onions, and a type of green, leafy vegetable called locally "mchicha". Meat from cattle, goats, and chickens is consumed, although among the majority of the people, in limited amount; and fairly small amounts of eggs and milk. Groundnuts are grown widely, and cashew nuts on the coast. Vegetable oil for cooking is derived largely from cotton seed and coconuts. Lastly, sugar-cane is grown wherever it is wet enough, and its demand is probably increasing faster than that of any other food. The bulk of marketed output of all these food crops is produced by peasants—with the exceptions of wheat and sugar, the most part of both of which is grown on commercial farms or estates.

For most of these food crops statistical information appear to be almost non-existent. This is not true of wheat and sugar, for the
obvious reason just referred to, and is not true of the marketed output of the other main food grains. For virtually all the other main food crops, because they are produced by, and to a large extent consumed by, hundreds of thousands of peasant households, there is little reliable quantitative information on output. Even for what is easily the most important food-crop, maize, the only reliable figures are on what is officially marketed; yet this may be as little as one-tenth of total marketed maize, and total marketed maize is only some fraction of total produced maize. "In most areas it is possible for a farmer who has maize surplus to his own food needs to sell this privately for a price far above the official price paid by the cooperatives. It is generally true to say that the maize sold to the cooperatives is that part of the marketed crop which cannot be disposed of privately".4

Up until 1970 the country was self-sufficient in maize and other grains, and about 100,000 tons of maize a year was officially marketed (eg. 1967 figure 104,000 tons). In 1971 there was a large drop in marketed output to 44,000 tons. In 1972 the figure was back up to 106,000 tons. The 1973 figure I do not have, but 1974 marketed output was less than 25,000 tons. This was the period of serious economic crisis referred to in the previous chapter. From being self-sufficient in maize, Tanzania now had to import 136,000 tons of it in 1972; 29,000 tons in 1973; and 211,000 tons in 1974 (buffer stocks account for the fact that low production does not always exactly coincide with high imports). In 1975 nearly 93,000 tons were marketed, in response to the Government's campaign to emphasize food growing (the campaign was called: Agriculture as a Matter of Life and Death—which, considering there were widespread
rumours at the time of starvation in some areas, was not any particular exaggeration). It is hoped that something like self-sufficiency in food grains can be permanently established. This may be possible for maize now, but the situation of the second most important grain, paddy, is none too encouraging. Marketed output declined from nearly 69,000 tons in 1971, to 59,000 tons in 1972,\textsuperscript{10} to (1973 figure not available) 25,000 tons in 1974, to only 12,000 tons in 1975—the same year that maize production shot back up again, and wheat production almost doubled (from 14,000 to 26,000 tons).\textsuperscript{11} The official reason for this was "insufficiency of rainfall"—though there must be some doubt about the adequacy of this explanation.

A final word on food-crops should be said about sugar. 90\% of its production in Tanzania is from large estates—and two-thirds of the estate production from just two estates. The estates are owned by the state, by Asian private capital, and by Dutch foreign capital. Because of the necessity of processing sugar-cane within 48 hours of cutting it, before the sugar inverts, peasant production of sugar as a cash-crop is limited by the need for proximity to the refineries of the big estates. Sugar output has been growing fairly steadily, (1969, 92,000 tons; 1971, 96,000 tons; 1973, 107,000 tons),\textsuperscript{12} but unfortunately the rate of demand for sugar has been growing even faster. The deficit between sugar production and sugar consumption first appeared in 1970, and has varied between about 30,000 tons and 50,000 tons each year since then.\textsuperscript{13} Government policy is to expand the estates to attain self-sufficiency, and then go on and eventually export sugar. Although production is rather high-cost at the moment, this goal is a feasible one.
All the above discussion on agricultural crops is about those grown to be eaten as food in Tanzania. If one looks at Table IV, listing by value marketed output of crops for the most recent year for which I was able to obtain figures, it is at once apparent that those crops that are


<table>
<thead>
<tr>
<th>Rank</th>
<th>Crop</th>
<th>Value (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Coffee</td>
<td>327.0</td>
</tr>
<tr>
<td>2</td>
<td>Sisal</td>
<td>295.3</td>
</tr>
<tr>
<td>3</td>
<td>Cotton</td>
<td>226.8</td>
</tr>
<tr>
<td>4</td>
<td>Cashewnuts</td>
<td>124.4</td>
</tr>
<tr>
<td>5</td>
<td>Tea</td>
<td>67.4</td>
</tr>
<tr>
<td>6</td>
<td>Tobacco</td>
<td>65.3</td>
</tr>
<tr>
<td>7</td>
<td>Sugarcane</td>
<td>42.0</td>
</tr>
<tr>
<td>8</td>
<td>Pyrethrum</td>
<td>13.014</td>
</tr>
</tbody>
</table>

the most valuable commercially are not the country's food crops—they are the export non-food crops that were introduced by colonialism. The only exceptions here to this are cashewnuts and sugarcane. Cashews are though of very minor importance as a food crop in the country, and the great bulk of production is grown for export. Sugar-cane is the only basic Tanzanian food-crop, that is grown as such and not for export, that appears here. In some respects this year, 1973, was an exceptional one in that it was a year of low maize production; in a normal, good maize year, the value of its marketed output would probably appear either just above or just below pyrethrum in this table. As already noted, only a small proportion of the total production of maize gets officially marketed, and if subsistence production is included then it is undoubtedly in real economic terms one of the most valuable crops. This table nevertheless shows that commercial, monetized agriculture is massively dominated by export crop production. Agriculture is the most important sector of the economy, and its whole
commercial orientation is to producing products that are needed elsewhere.

As mentioned in the previous chapter, the coffee grown in Tanzania is of two quite different varieties: Robusta, which largely goes into making instant coffee in Europe and North America; and the better quality Arabica, which is used for ground coffee. West Germany buys about 35% of Tanzania's coffee, the U.S.A. 25%, and Sweden 10%. Other European countries, Japan, and Canada, take the rest. About half of the country's coffee is grown on estates, owned either by white-settler farmers or increasingly now the state, and about half is grown by peasant farmers. Some of the richer of these latter employ non-family labour, especially in the picking season, and are thus small capitalist farmers. Yields on estates are much higher than on small holdings, but there are an increasing number of the latter, and in the future they are likely to produce most of the total output. Production fluctuates a little from year to year, but has been growing at an average of 5.5% per annum for the last decade. The price obtained abroad by the Coffee Board has increased spectacularly over the last few years—for example in 1976 "an average price of 904/- Shs. per 50 kilo bag, compared with... an average price of 372/- Shs." the previous year. Even before this one particularly big rise, Tanzania's earnings from coffee had increased (because of higher production and prices combined) from in 1965 172 million shillings, to in 1975 to 483 million Shillings. The coffee areas are the richest rural areas in the country, although per capita income in all the main urban areas is still higher. Coffee areas were not affected by the drought and forced villagization in the first half of the 1970's, and the future of the crop looks extremely bright.
Continuing down the list of marketed crops in Table IV: We have seen some details on what used to be the country's main export, sisal, in the previous chapter. Tanzania is still the world's leading producer of sisal, although the industry is generally a declining one, due to competition from the cheaper synthetic, polypropylene. Nearly all the sisal is grown on the estates, because processing by machinery, and using large amounts of water, is necessary to extract the 3-4% of sisal fibre from the cut leaf. Most of the sisal goes to Europe-Belgium and Britain being the two biggest importers. World sisal prices rallied somewhat in the mid-1970's, and Tanzania's earnings from sisal was in 1975 302 million Shs., compared to 286 million Shs. in 1965—in spite of steadily declining production. (Earnings were only 145-160 million Shs. for each year from 1968 to 1972). It is likely to remain an important crop—though this partly depends on how successfully its other end-uses can be diversified (ie. other than as agricultural binder-twine).

Over 90% of the country's cotton is grown in the area directly south of Lake Victoria. It is exclusively a peasant-produced crop, with the typical small holding in the area sowing half the land with cotton and half with foodcrops. All activities associated with producing it are done by hand-planting, weeding, spraying, picking, sorting, etc. Most of the cotton lint now goes to Hong Kong, the Peoples' Republic of China, and Singapore—though Europe and Japan were big importers of it a decade or so ago. The cotton seed is crushed for its oil, and most of this is used within Tanzania for cooking purposes. Cotton output had been growing steadily at an average annual rate of 3% from Independence to 1972. It then declined disastrously from 428,000 bales in 1972, to only 234,000
bales in 1975. The official reason for this was "unfavorable weather conditions, damage by pests, and low standards of husbandry despite a considerable expansion in acreage", and "concentration on food production in the main cotton-growing areas". What this explanation leaves out are two important factors. The first and most dramatic one was that within a few months in 1974 the total populations of many cotton-growing districts were moved into new "villages". Peasants' reaction to this disruption was to revert back into subsistence production--historically, a not unusual peasant reaction to economic insecurity. The result was that the next cotton harvest was the lowest since Independence. The other important factor was that despite an increase in the selling price of cotton abroad from an average 4/- Shs. a kilo in the 1960's to 7/50 Shs. a kilo in 1973 (for Grade A cotton), the price paid by the Cotton Authority to peasant farmers in the same period rose from only 1/10 Sh. to 1/13 Sh. In 1975 after the disastrous harvest, the producer price for Grade A was raised to 1/50 Sh.--but this was still below the international price change and, even more significantly for peasants, still very far from compensating for the rate of inflation in the first half of the 1970's.

Because of the rises in the external prices of coffee and cotton, the Coffee Board and the Cotton Authority were both in the 1970's concentrating a large amount of surplus in their hands and not passing it on to peasant producers. The Sisal Authority, on the other hand, was running at a loss--and since these three crops are the three main sources of export earnings, it could be said that coffee- and cotton-growing peasants were subsidizing (or indirectly being exploited by) the largely
state-owned sisal-estate sector.

Coffee, sisal, and cotton have for many decades dominated both Tanzania's monetized agriculture—the most important single sector of the economy—and dominated Tanzania's exports. Sisal was the most valuable of these from the inter-war years until the mid-1960's. Coffee is now the main export crop—and it seems likely to remain so, at least into the 1980's. The other significant crops can be dealt with more briefly.

Cashewnuts are grown exclusively on the coast and in the south-east corner of the country. The trees have to grow for some years before they produce nuts. Virtually the only attention that is required is simply the harvesting of the fallen nuts from the ground. Cashew production is entirely by peasants. The exported value of cashewnuts more than doubled over the 1965-1975 period, even in spite of a sudden 30% drop in production in 1975, when peasants were villagized in locations that were often too far away from their trees for them to be able to attend to them. Three-quarters of cashew production goes to India for processing, and much of it is then re-exported to North America.22

Tea is mainly an estate crop, although peasant small holder production is now 15% of the total, and rising at a faster rate than estate expansion of tea acreage. It is suitable for peasants in that almost all cultivation operations have to be done by hand, but they are limited by having to get the plucked tea leaves to a factory for processing within 24 hours. Most peasant production is thus near estates. Overall production has almost doubled in the last decade from 7,158 tons in 1967 to 13,733 tons in 1975, and it looks likely to go on rising. Most of the
tea is exported to Britain—though Canada takes 15% of it. 23

Tobacco, grown on both white-settler farms and on peasant small holdings has increased almost eight-fold in production since Independence—most of this increase being in the peasant sector. Prices to producers have, however, remained about the same the whole time—until a 20% producer price rise in 1976. Britain, Belgium, and the Netherlands import between them more than 80% of Tanzania’s tobacco production. 24

Pyrethrum looks like a large daisy, and the dried out powdered petals are used as an insecticide. It is produced by both white-settler farms and by peasants. Producer prices have remained fairly steady over the past decade, and production has fluctuated around an average of about 3,500 tons. As can be seen from Table IV pyrethrum is the least important of the main cash crops.

Mention should also be made of livestock, which in total account for 10% of monetized agricultural income (ie. crops account for 90%). Livestock tends to dominate in the poorer, drier districts, where because of low rainfall, cultivation is not very productive. About half the country is unsuitable for livestock because of the presence of tse-tse fly, but in the other half animals are often a very important part of the subsistence sector. Tanzania has (1965 figures) approximately 10 million cattle, 4 million goats, 3 million sheep, and 15 million poultry. 25 Cattle are the most important of these, and they are produced by nomadic pastoralism, both stall-feeding and systematic grazing by peasants, and on modern (largely state-owned) ranches. About one million cattle hides are marketed each year, and there is very considerable un-
developed potential in Tanzania's livestock. At the moment export earnings from this sector are more than offset by the large dairy import bill of 73 million shillings (largely milk powder).  

Neither forestry nor fishing make a very large contribution to the monetized primary sector of the economy—although both are significant in the subsistence sector, and both have considerable potential for expansion. The main forest products are cut lumber, building poles (used in nearly all rural housing), and charcoal (the main cooking fuel in all areas, both urban and rural). Although logs and lumber are exported, the country is a net importer of forest produce—by quite a wide margin. Fishing is important near large water bodies, although its marketing is severely limited by the rapidity with which fish goes bad in tropical climates—and by the lack of refrigeration. The Indian Ocean, Lake Victoria, and Lake Tanganyika are the source of more than three-quarters of all fish caught.

As we have seen, agriculture is the biggest single sector of the economy, contributing about half of GDP, and several other important sectors of the economy are directly connected with and dependent upon agriculture. The general policy on agriculture since the Arusha Declaration has been to either nationalize or cooperativize present and future development, according to the suitability of different crops. The emphasis in sugar and sisal, for example, has been large state-owned estates; and in tobacco and cotton the recommended policy has been cooperative village production. Attempting to cooperativize peasant production has had important consequences for the rural social structure, and these will be examined in the next chapter. We will here restrict our attention to
economic consequences.

There has been a large government investment effort in agriculture over the last ten years. Both internally generated economic surplus and aid solicited from abroad has been made available for rural development on an increasing scale. Feeder roads have been built, rural health centres set up, schoolrooms constructed, piped water made available, extension services extended, fertilizer use encouraged, credit made available, etc. In 1967, the year of the Arusha Declaration, 45 million shillings was spent on agricultural development. By 1976 about 400 million shillings a year was being spent on it. As Nyerere has pointed out though: "However, the truth is that the agricultural results have been very disappointing." 27

Tobacco, tea, sugar, and coffee have been the only significant crops that have increased production steadily over the decade. Others have either fluctuated at around the same level, or have declined. This is true both for export crops and for food crops. Particularly critical is that domestic food production remains unreliable. Food output has hardly kept pace with population increase, food reserves are low, and any new year can bring a food deficit and the consequent necessity of making large imports to cover it.

There seem to be four broad reasons for this general picture of sluggish agricultural growth. First, and most simply, in some years the rains have indeed not come in their usual amount, and this naturally affects the size of the harvest. However, there is a tendency for "drought" to be the official, stand-by explanation whenever there is any production decline, particularly if the main reason is politically
awkward to admit. Low rainfall certainly accounted for some of the
disastrously low figures for some crops in the 1973-75 period, but
it does not account for all of it, nor for the general agricultural
stagnancy (apart from in a few crops) over the last decade or so.

Secondly, the rate of inflation of consumer goods has been, at
least in the 1970's, considerably higher than the rate at which official
producer prices have been raised. Peasants grow cash crops in order to
buy consumer goods. Compared with ten years ago, the same amount of
cash crops buys now considerably less goods. Crop prices were hiked
about an average of 50% in 1974, as we saw in the last chapter, and
some of them were raised again in 1976 from about 20% (tobacco) to
50% (maize).28 As we also saw in the last chapter, the Retail Price
Index went up 200% in the first half of the 1970's. There has thus
been a decline in the "terms of trade" between the agriculture sector
and the sectors that account for other goods. Peasant investment has
tended to become less remunerative, and production has thus stagnated.

Thirdly, there has been serious trouble with the cooperative move­
ment. Up until very recently (1976) marketing through cooperatives was
legally obligatory for most peasant-produced crops (both food and export
ones). The coop movement, which started in about 1930's, was considerably
expanded in the 1960's. It also--to be frank--became riddled with
corruption. Since peasants had no legal alternative as to the channel
through which they marketed their crops, they suffered considerable
exploitation from corrupt officials. "The farmers complain, for instance,
about low prices, heavy marketing expenses incurred by the cooperatives,
corrupt and inefficient employees and committee men, dishonesty in weight
and measure, and political threats when they air their views." Faced with such a prospect it is hardly surprising that peasants have felt little inclined to increase their production efforts. (Some coops, it should be mentioned, were relatively efficient—the coffee coops, for example. And coffee is one of those crops whose output has steadily risen). In 1976, the Government finally responded to the situation, and in one sweep dissolved all the coop societies and unions. State buying agencies now purchase directly from the peasants, or from their villages. Whether this new marketing structure will be more conducive to increased production is something that is not yet apparent from the information available.

Fourthly, government policy implementation has not always have consistent, effective, or productive. This is most obvious in the case of the forced villagizations of 1974. Up till that time, policy was to politicize peasants and convince them that living and producing communally would improve their lives. Then living together suddenly became mandatory (and sanctioned by State force when necessary), and the idea of communal production was dropped. The sudden and sharp declines in harvests of certain crops—most obviously cotton and cashewnuts—can be directly attributed to the 1974 upheavals.

Several other areas of government policy or its implementation have hampered agricultural production. Food crop production, at least, has suffered from the fact that most research into, and extension work on, better seeds, correct planting, etc., has been in export crops—and until very recently food production was largely left to take care of itself. Much government investment in rural development has in addition
not proved to be very productive in directly changing cultivation methods and/or increasing harvests. Loans have often been very poorly supervised, and the money often wasted. The non-peasant private sector has been harassed and occasionally threatened in political speeches, but no clear Government line laid down about what is and is not legitimate for private enterprise. Capitalist farmers have thus been very hesitant about committing themselves to future investment. The Government appears to have realized that this insecurity was counterproductive (particularly as there is no effective alternative to capitalist farming in some areas at the moment), and in 1975 announced that no further nationalizations or expropriations of private farms would take place as long as they remained productive. Lastly (and this is to some extent tied to the point on inflation), rural policy was formulated in a sort of vacuum: it was not tied to a specific industrial strategy to produce cheap industrial inputs for agricultural production, or cheap manufactured goods for peasant consumption. Cash in itself is no good to peasants. What encourages them to increase cash crop production is a range of reasonably priced goods for them to spend cash on. The economy has largely had to import such manufactured goods—and has thus had little control over their price. Inflation has been imported along with them. In the absence of the right sort of industrialization, specifically linked to rural policy, agricultural development was bound to be hampered.

**INDUSTRY**

We are describing and analyzing the main directly productive sectors of the economy in order to understand the generation and allocation of
economic surplus - and in order, from this, to understand the economic causes behind the growth of urban areas. We have dealt with the first such sector in Table II, Agriculture; we now deal with the second.

Industry, including mining, contributes—as we have seen—about 8.5% of total GDP; or if the subsistence sector of the economy is left out, 10.2% of monetary GDP (see Table III). There has been considerable industrial expansion since Independence, and output has more than tripled. It should be remembered though that this is from a very low pre-Independence base. Nevertheless it is one of the most significant growth sectors of the economy, and although the rate of growth has slowed down somewhat in the 1970's, it is likely to continue. The great majority of industrial plants are located in the towns. Virtually all industrial expansion is either by the state sector, or by foreign capital, or—most typically—by an alliance between the two. Some details of this, and of the types of industries, were given in the previous chapter. Table V shows how production has grown in some of the main industries in the last decade.

**TABLE V. Production in selected industries, in 1967, 1971 and 1975**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Unit</th>
<th>1967</th>
<th>1971</th>
<th>1975</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textiles</td>
<td>'000 sq. metres</td>
<td>14,497</td>
<td>67,008</td>
<td>84,344</td>
</tr>
<tr>
<td>Beer</td>
<td>'000 litres</td>
<td>23,275</td>
<td>53,915</td>
<td>59,015</td>
</tr>
<tr>
<td>Cigarettes</td>
<td>'000,000</td>
<td>2,044</td>
<td>2,923</td>
<td>3,511</td>
</tr>
<tr>
<td>Cement</td>
<td>metric tons</td>
<td>146,910</td>
<td>179,313</td>
<td>266,000</td>
</tr>
<tr>
<td>Petroleum</td>
<td>metric tons</td>
<td>642,150</td>
<td>716,524</td>
<td>669,000</td>
</tr>
<tr>
<td>Iron Sheets</td>
<td>metric tons</td>
<td>13,265</td>
<td>21,869</td>
<td>25,617</td>
</tr>
<tr>
<td>Blankets</td>
<td>'000 sq. metres</td>
<td>3,584</td>
<td>4,077</td>
<td>4,309</td>
</tr>
<tr>
<td>Sisal ropes</td>
<td>metric tons</td>
<td>15,126</td>
<td>23,138</td>
<td>31,294</td>
</tr>
<tr>
<td>Canned meat</td>
<td>metric tons</td>
<td>9,673</td>
<td>8,362</td>
<td>5,056</td>
</tr>
<tr>
<td>Batteries</td>
<td>'000</td>
<td>-------</td>
<td>24,012</td>
<td>50,301</td>
</tr>
<tr>
<td>Shoes</td>
<td>'000 pairs</td>
<td>-------</td>
<td>1,600</td>
<td>2,700</td>
</tr>
<tr>
<td>Fertilizer</td>
<td>metric tons</td>
<td>-------</td>
<td>-------</td>
<td>75,45730</td>
</tr>
</tbody>
</table>

In 1967 total industrial employment was just over 90,000. Of these
61,865 worked in establishments of ten or more people, and the balance in establishments of less than ten. Table V refers to output from the larger industries only, and most of these products can only be produced in such plants. Obviously the level of technology required is such that petroleum cannot be refined, or batteries manufactured, in small workshops. The former is done in one large refinery, from which the five main distributors—Shell, Texaco, etc.—all draw their stocks. The latter, batteries for transistor radios, are manufactured in a modern plant set up by Matsushita, of Japan (and marketed under the brand-name "National"). Some manufactured products can however be produced in both large modern factories or in small workshops. Shoes have already been mentioned earlier in the chapter. Clothes are produced both in the large textile mills, and in small tailoring establishments of 2 or 3 workers. In 1972 industrial employment in establishments of ten or more was 67,107. The figure for employment in smaller establishments for that year is not available, but if we assume the ratio of employment in large and small establishments is about 2:1, as it was in 1967, then we arrive at a total industrial employment figure for 1972 of about 100,000.

In 1972 there were 525 industrial establishments in the country employing ten or more (this includes electricity and mining production). Table VI shows those industries with the most number of establishments and employing the most number of workers.
TABLE VI. Numbers of Establishments and Employment in Main Industries, 1972

<table>
<thead>
<tr>
<th>Industry</th>
<th>No. of Establishments</th>
<th>No. of Person Engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Products</td>
<td>140</td>
<td>20,695</td>
</tr>
<tr>
<td>Textiles and Clothes</td>
<td>84</td>
<td>18,309</td>
</tr>
<tr>
<td>Wood Products &amp; Furniture</td>
<td>84</td>
<td>4,187</td>
</tr>
<tr>
<td>Printing and Publishing</td>
<td>32</td>
<td>1,556</td>
</tr>
<tr>
<td>Industrial Chemicals &amp; Chemical Products</td>
<td>29</td>
<td>2,408</td>
</tr>
<tr>
<td>Metal Products</td>
<td>19</td>
<td>1,929</td>
</tr>
<tr>
<td>Electricity</td>
<td>19</td>
<td>1,908</td>
</tr>
<tr>
<td>Transport Equipment</td>
<td>15</td>
<td>1,301</td>
</tr>
</tbody>
</table>

Of the 525 establishments employing 10 or more, which employ in total 67,107, Table VI comprises 422 of the establishments and 52,283 of the workers. All other types of industry have less establishments and/or employ less workers. It should be apparent that for a total population of 15 million people, this is a very limited range of industries, employing a relatively limited number of people. Indeed more than half of all industrial employment (if we exclude the small workshops employing less than ten) is in food and textiles (including clothes)—ie. 39,004 out of 67,107.

The great majority of these industries and of this employment are of course in the urban areas. There are 15 major provincial towns in Tanzania, but the bulk of industry is concentrated in only six of them—and indeed almost half of it is in one of them—the capital, Dar es Salaam. This "primate" city has 177 industrial establishments (out of 525 in the whole country) and the average size of its plants is bigger. Thus it has 36 out of the 88 in the whole country employing 50-99 workers; 41 out of the 112 employing 100-499 workers; and 11 out of the 19 employing 500 or more. Dar es Salaam thus had in 1972 31,195
out of Tanzania's 67,107 in industrial employment (ie. excluding small workshops).

Most of the rest of industrial employment and plant is in and around five other towns: Arusha, Moshi, Morogoro, Mwanza and Tanga. Indeed, of the 497 manufacturing establishments (ie. excluding mines and those producing electricity) only 68 are not in and around these five towns and Dar es Salaam. The other nine towns thus have a very limited amount of industry of any size, and total industrial employment between them of less than 5,000. They are not therefore industrial towns. They exist, as this thesis is arguing, by virtue of the function they perform in relation to Tanzania's colonially structured agricultural economy. The industry of the six towns which do have an appreciable amount is of fairly recent origin--the bulk of it in the last two decades--and their present economic function is only a modified form of their original colonial function.

As industries were set up, the "optimum" location was naturally chosen for each. This tended to be where communications and transport were best, where there was an already existing labour supply, and where the biggest consumer market was located. These locations were of course the biggest of the colonial towns--and once industries started locating in them, all these reasons began reinforcing themselves. Nearly half of manufacturing is now located in Dar es Salaam, and for any new industrial plant being established in Tanzania, that city is generally the most advantageous place to site it.

Industrial policy has been largely that of a) import substitution, and b) processing agricultural products. Many consumer goods, and some intermediate goods, that were previously imported are now manufactured
in Tanzania. Several of these have already been mentioned: radios, batteries, books, beer, soap, cosmetics, matches, shoes, razor blades, canned foods—are examples of consumer goods; petroleum products, industrial paints, cement, fertilizer, corrugated iron sheets, oxygen, plywood, tyres—are examples of intermediate goods, ones that go to the further production of other goods. Agricultural crop processing has now in some instances progressed beyond just primary processing (sisal decorticating, coffee pulping, tobacco curing, cotton ginning), into full processing that turns out consumer goods—sisal mats, instant coffee, cigarettes, and cotton cloth. The production of this last item, textiles, has probably been the most successful industry established since Independence. From no textile mills 15 years ago, there are now eight, with a ninth due to be built soon. Prior to this, all Tanzanian raw cotton had to be shipped abroad, then some of it imported back in as cotton cloth. Most cotton is still exported raw, but domestic demand is now largely met by Tanzanian mills, and some cloth is exported. The mills are either fully owned by the state, usually built with foreign aid and technical assistance, or part owned by the state and part by foreign capital. All the machinery for the mills is of course imported, as there are virtually no machine-producing industries in Tanzania—and hardly any other type of capital goods industry.

Import substitution as an industrialization strategy has been adopted by many underdeveloped countries, and has several obvious attractions. The fact that it means manufacturing goods that were previously imported usually also means a saving of foreign exchange—and the fact that these goods were imported and sold in the past proves
that there is an existing demand. It is usually hoped that in time the
industrialization will spread from consumer goods into capital goods.

With the right sort of accommodation with foreign capital, the
initial phase of setting up plants inside the country to turn out
consumer goods, is relatively easy—witness the rapid expansion in
manufacturing in Tanzania in the 1960's. There is no evidence yet
though that it is carrying over into capital goods production—and the
multinational branch-plants that have been set up tend to be very capital-
intensive, to operate with large excess capacity, and to produce a high-
price finished article. Without suggesting this is necessarily typical,
examples have been found in both Kenya and Nigeria of local plants whose
operations cost more in foreign exchange (i.e. in buying inputs) than
the cost of the imported goods they were substituting for. 36

Many of these new industrial plants are run by what are called
"management contracts"—that is to say a foreign company is contracted
to manage the enterprise, since it is assumed that Tanzanians do not
have sufficient managerial know-how themselves yet to be able to do
this. Whether the plant is 51% or 100% state owned, such a management
contract takes crucial managerial, financial, and technical decisions
away from the state. Decisions on pricing, output, type of technology
are thus made by foreigners—often by the head-office of a multinational
corporation based elsewhere. The fee for these contracts in Tanzania
may be as much as 20% of gross turnover—which is to say there is no
particular incentive for the management to show a profit. Through
transfer pricing, profits can in fact be made, and yet not appear as
such—and this does not affect the fee. As a probable example, the shoe
company in one particular year when gross output was 7.8 million shillings, reported in its accounts 2.5 million shillings as "other costs"—with no further explanation. Almost certainly much of this was profits disguised as another item in order to minimize taxation.37 The state's rationale for majority shareholding is thus not always sound. In the President's statement: "In all large or important activities, foreign capital shall operate in this country as a minority partner, and therefore under public control"38—with management contracts the "therefore" does not necessarily follow.

Import substitution industrialization based on existing demand tends to lead to a set of small, relatively sophisticated, ad hoc industries, quite unrelated to each other, and not integrated with any future industrialization steps. The structure of demand is taken as "given", and as an absolute limiting factor, rather than as an historical creation dependent upon a particular class structure: on the Western-influenced consumer tastes of the well-to-do, and on the limited purchasing power of the mass of the peasantry as a result of the very low return to their labour. Books, bottled beer, shampoo, instant coffee, canned orange juice, may seem like very basic mass demand consumer goods by Canadian standards, but for the mass of the rural and most of the urban population in Tanzania, these are luxury goods. A Tanzanian economist has estimated that about 200,000 households can afford to buy these types of goods—less than one household in ten. He points out that this means that the benefits of industrial development are, at the moment at least, very unevenly shared.39

An industrial strategy of agricultural crop processing and import substitution is essentially one of letting either preexisting or external
factors determine what industries there should be. The main agricultural crops (sisal, coffee, tobacco, etc.) are precisely those that were decided on by the former colonial authorities; and the state setting up industries on the basis of the investment proposals of multinational corporations' and aid agencies' assessment of effective demand is an unusual road to socialism. Most crucially, this type of industrialization is largely unrelated to agricultural transformation—either in terms of industry setting planned raw material requirements that agriculture could then be organized to supply, or in terms of supplying a broad range of very cheap goods that would stimulate peasant monetary production.  

Most industrial plants in Tanzania exhibit a high degree of dependence on foreign technology—usually from the West. This often has several rather undesirable features. Usually the plant has been designed for high-labour-cost economies, and so is capital intensive. This does not take advantage of the fact that Tanzania has low labour costs, and it means more expensive imported machinery—more often than not of a complexity that necessitates foreign expertise to maintain it. It is interesting that one of the textile mills uses Chinese technology which is labour-intensive. "This combines various processes, some of which would be found in a modern textile factory in Europe today, but others of which would be regarded as distinctly old-fashioned. As a result its employment per unit of output is greater than that of the other mills. On the other hand the quality of its output is comparable, and—remarkably—its profit in its first seven years of operation far exceeded that of the other mills".  

Much of the Western technology however does not take into account
the specific configuration of factor costs particular to Tanzania—not the least of which is connected with the shortage of indigenous mechanics and mechanical engineers. A breakdown that might be repairable on the spot in Canada, sometimes in Tanzania necessitates air-freighting a replacement part from Europe. As the Minister of Finance and Planning said in a 1976 speech: "Where complex untried technology has been selected with little capacity of our own to cope with it, enormous difficulties have been experienced. The Tanga Fertilizer Factory, the Nyanza Salt Mines, and the Diamond Cutting Factory, are good examples."

This use of technology designed specifically for different conditions, often means plant is built that is "size inappropriate". The result is chronic underutilization of capacity. Time and again one comes across reference to this: "a major problem in the industrial sector is underutilization of existing capacity", "underutilization of existing capacities affected the metal industries, fertilizer plant, food and vegetable oil manufacturing, petroleum refinery, pyrethrum extract, engineering, and others;" "almost all our industrial plants are running well below capacity; something less than 50% of what could be produced with existing machinery is actually being manufactured and put on the market. Even the Tanzania Breweries was only using 68% of its capacity in 1975; Tegry Plastics ran at 46% capacity; and the Mara Milk Plant at less than 30% capacity."

This underutilization is not wholly, it is true, caused by inappropriate plant. There are also often serious in-plant management and labour problems, and flow of inputs and distribution of output by the infrastructure that supports industry is far from smooth. In Dar
es Salaam in the mid-1970's, for example, there were frequent interruptions in the supply of electricity and water, both of which are essential in most industrial processes. Sometimes because of organizational problems the flow of essential raw materials has been delayed: this has been true of the Fertilizer Plant, almost all of the raw materials of which are imported; and of the Meat Canning plant, which in spite of strong internal and export demand has fluctuated in output between 9,673 tonnes in 1967, down to 2,044 tonnes in 1973, up to 5,056 tonnes in 1975. The supply of spare parts is often irregular or inadequately planned for ahead of time; and there have been some severe industrial disputes—which will be referred to in the next chapter. The result of all these problems is that the value of output per worker in industrial enterprises actually declined between 1967 and 1974, from an average of 18,870 shillings to 16,540 shillings. Considering the rate of inflation over this period, referred to in the previous chapter, the decline in real terms is obviously considerably greater.

The general industrialization strategy of a State alliance with foreign capital has led to an overall, if fluctuating, rise in industrial output—as witnessed by the figures in Table V. Private indigenous capital (apart from some Asian capital) has tended not to go into manufacturing, but into commerce, real estate, agriculture and road transport. The type of industrial structure that has arisen since Independence has comprised a set of fairly small, unrelated industrial plants, highly dependent on foreign technology and expertise, and generating a relatively small amount of employment (see Table VI). One Tanzanian economist has characterized what has happened as "perverse capitalist growth"—which
he defines as the establishment of a productive structure that: a) is biased against the capital goods industries; b) utilizes relatively capital intensive techniques of production; c) has limited linkage effects, especially with the traditional sector; d) favours luxury consumer goods; and e) sets up uncompetitive oligopolistic structures. In any case industrial progress, although it is continuing, is beset by many problems, such that the Bank of Tanzania reviewing the situation in 1976 passed the judgement that "the performance by the industrial sector remained basically unsatisfactory."

A final word should be said about mining. During the German colonial period mining was unimportant. In the 1920's under the British administration gold became a relatively important export, accounting by 1940 for 89% of the value of mineral production. In that same year a fairly large diamond deposit was discovered, and after the War, as the gold mines became exhausted, the diamond mine came to dominate mineral production. All the diamonds are exported initially to Britain, most are then sawn and polished in Holland, and some are returned to Tanzania for this to be done in a relatively new diamond cutting workshop. Diamonds account for over 80% of the value of the country's mineral production, but the mine is nearing exhaustion. The Government has cut back on its production to prolong its life. Other significant minerals, though far less important, are salt, mica, gemstones, and limestone for cement. Because of the cutback in diamond production, mineral exports have been falling in the 1970's—from 182 million Shs. in 1973, to 173 million Shs. in 1974, to 149 million Shs. in 1975. Salt and limestone are the two most important indigenously consumed minerals, and the latter likely to
become increasingly so in the future. Also possibly significant for the future is a feasibility study and promise of aid by the Peoples' Republic of China to develop the extensive iron and coal deposits in the south-west of the country. In 1972 there were 9 mining establishments in Tanzania (of ten or more workers), employing between them a total of 2,712. It is likely that in addition a similar number are employed throughout the country in small-scale quarrying operations for material to be used in construction.

Agriculture, Hunting, Forestry and Fishing—and Manufacturing and Mining—these are the main productive sectors of the economy. A few other sectors are also productive, but will not be dealt with here. Construction, Electricity generation, and Water supply, together accounted for 4.4% of GDP in 1965, and 5.5% in 1975. They are thus not insignificant, and they are growing. The numbers employed in each of these will be given in the following chapter on the social structure. One other "sector", which includes parts of nearly all the above, will also be dealt with in more detail in that chapter: this is the urban "informal sector"—which supplies food, beer, water, building materials, houses, fuel, and many varied non-material services. I will not be dealing in detail here with the "formal" non-material, services sectors of the economy—namely Wholesale and Retail Trade, Restaurants and Hotels; Transport, Storage, and Communications; Finance, Insurance, Real Estate, and Business Services; and Public Administration and Other Services—though these will be mentioned at various points when relevant.

We have looked at the main directly productive sectors of the economy—and seen where surplus is largely generated. We turn now to
how the economy is structured - and how it works. We will look at both how it is integrated with the wider world economy, and in what direction it seems to be developing.

THE STRUCTURE OF THE ECONOMY

Apart from some relatively recent modifications, the structure of the Tanzanian economy is a classic colonial one. That is to say, it grows its own food, and produces raw materials needed in industrial societies; the raw materials are exported, and with the foreign exchange so earned manufactured goods are imported. The only significant modification to this economic equation since Independence has been that because some manufacturing has been set up in the territory, the type of imports have changed from being predominantly consumer goods to predominantly producer goods (particularly machinery and transport equipment). There was also a temporary change between 1973 and 1975 when large food imports were made, but it would be literally quite impossible for the economic equation to work for any extended period if that were happening. Let us substantiate the claim that Tanzania is largely a primary-products-exporting/manufactured-goods-importing type of economy, by looking at data on the main imports and exports in Table VII.
TABLE VII. Total Imports in 1967 and 1973, in Millions of Shillings

<table>
<thead>
<tr>
<th>Division</th>
<th>1967</th>
<th>1973</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>177</td>
<td>274</td>
</tr>
<tr>
<td>Mineral Fuels &amp; Lubricants</td>
<td>142</td>
<td>395</td>
</tr>
<tr>
<td>Chemicals &amp; Fertilizers</td>
<td>110</td>
<td>387</td>
</tr>
<tr>
<td>Manufactured Goods,</td>
<td>525</td>
<td>1,001</td>
</tr>
<tr>
<td>of which: Wood &amp; Paper</td>
<td>44</td>
<td>100</td>
</tr>
<tr>
<td>Textile Yarn &amp; Fabrics</td>
<td>157</td>
<td>254</td>
</tr>
<tr>
<td>Iron &amp; Steel Manufactures</td>
<td>139</td>
<td>332</td>
</tr>
<tr>
<td>Other Metal Manufactures</td>
<td>105</td>
<td>163</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>80</td>
<td>152</td>
</tr>
<tr>
<td>Machinery and Transport Equipment</td>
<td>474</td>
<td>1,022</td>
</tr>
<tr>
<td>of which: Transport</td>
<td>211</td>
<td>398</td>
</tr>
<tr>
<td>Machinery</td>
<td>263</td>
<td>624</td>
</tr>
<tr>
<td>Miscellaneous Manufactures</td>
<td>102</td>
<td>262</td>
</tr>
<tr>
<td>Miscellaneous Other</td>
<td>95</td>
<td>105</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,625</td>
<td>3,47950</td>
</tr>
</tbody>
</table>

Of the 1973 total imports of 3,479 million shillings, manufactured goods constitute at least 2,285 M.Sh. (i.e. Manufactured goods 1,001 M. Shs.; Transport and Machinery 1,002 M. Shs.; Miscellaneous Manufactures 262 M. Shs.). This is two-thirds of total imports. However, in addition some of the other imports are also in fact manufactured: this is true of lubricants, which are blends of various refined chemicals; of fertilizers, which are blends of other chemicals; and of some of the food imports, such as beverages and cooking oil. So we can confidently say that considerably more than two-thirds of imports are manufactured. Even keeping to the divisions in the table above the percentage breakdown of imports for 1973 is: Manufactured goods 66%; Petroleum products 12%; Chemicals 11%; Food 8%; and Other 3%. (It should be mentioned, by the way, that the large food imports, which started in 1973, did not show up in the figures until 1974. 1973 is therefore a "typical" year). Of the three leading types of imported manufactured goods--machinery, transport
equipment, and Iron and Steel Manufactures—one can see that each approximately doubled between 1967 and 1973. None of the categories of imports in Table VII in fact declined in value over the period.

**TABLE VIII. Value of Exports in Millions of Shs., 1967, 1972, 1973**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Coffee</td>
<td>237</td>
<td>383</td>
<td>495</td>
<td>+29%</td>
</tr>
<tr>
<td>Cotton</td>
<td>251</td>
<td>336</td>
<td>333</td>
<td>-1%</td>
</tr>
<tr>
<td>Cloves</td>
<td>90</td>
<td>240</td>
<td>233</td>
<td>-3%</td>
</tr>
<tr>
<td>Sisal</td>
<td>201</td>
<td>149</td>
<td>222</td>
<td>+53%</td>
</tr>
<tr>
<td>Diamonds</td>
<td>223</td>
<td>123</td>
<td>165</td>
<td>+33%</td>
</tr>
<tr>
<td>Cashewnuts</td>
<td>92</td>
<td>150</td>
<td>142</td>
<td>-7%</td>
</tr>
<tr>
<td>Petroleum Products</td>
<td>133</td>
<td>215</td>
<td>87</td>
<td>-60%</td>
</tr>
<tr>
<td>Tobacco</td>
<td>34</td>
<td>49</td>
<td>56</td>
<td>+13%</td>
</tr>
<tr>
<td>Tea</td>
<td>43</td>
<td>53</td>
<td>54</td>
<td>+1%</td>
</tr>
<tr>
<td>Meat and meat preparations</td>
<td>48</td>
<td>42</td>
<td>18</td>
<td>-57%</td>
</tr>
</tbody>
</table>

We turn now to examine the breakdown of exports, as set out in Table VIII. I have included cloves in this table, to give some idea of their export value. As already mentioned, the cloves are exclusively from Zanzibar—and most of the revenue earned from them goes directly to Zanzibar. Coffee, Cotton, and Sisal remain mainland Tanzania's three main exports. The petroleum exports are in fact re-exports to landlocked African countries: Zambia, Ruanda, Burundi, and eastern Zaire. It should be noted that the export value of agricultural crops in Table VIII differ from the marketed value of agricultural crops for the same year given in Table IV. This is because the Marketing Boards hold back buffer stocks when world prices are low and sell part of them when world prices are high. The difference between the 327 M. Shs. of coffee bought from farmers in 1973 and the 495 M. Shs. earned from coffee exports that year, is the most obvious example here.
The exports are of course largely of unroasted coffee, raw cotton, sisal fibre, uncut diamonds, unprocessed cashewnuts, etc. In general the amount of processing performed has been only that necessary for transportation. Thus tea and tobacco have to be processed soon after harvesting, or they become worthless; and sisal is processed because less than 5% by weight of the harvested leaves is the desired fibre. If we exclude the re-exported items, petroleum products, it is not until the tenth item in the 1973 figures that we encounter what we might call a manufactured good. This is "Meat and meat preparations", which is largely canned meat. Obviously, meat has to be preserved in some way before it will stand anything but very short transportation. As was noted in the section on Industry, the canned meat factory has been having some very serious production problems; this also shows in its falling export figures here.

From the above tables we can see fairly clearly that well over two-thirds of imports are manufactured goods, and more than 95% of exports are raw materials. Tanzania is thus, as I have said, largely a primary-products-exporting/manufactured-goods-importing type of economy. Both imports and exports have been rising over the last decade and more, but while the unit values of imports have been rising steadily, the unit values of exports have been subject to severe price fluctuations. In the above table we can see the total export earnings of particular items changing from between minus 60% to plus 53% in one year. Unit value sometimes fluctuates even more. Thus the price obtained for sisal in 1972 was 946 Shs. per tonne, and in 1973 1,954 Shs. per tonne—a rise of over 100%. Probably the most spectacular such change in recent times was the export price of cloves which in 1968 was 5,090 Shs. per tonne,
and in 1969 20,704 Shs. per ton—a rise of just over 300%. The fact
that the tonnage of particular crops, and their unit prices earned when
sold abroad, both fluctuate so much from year to year means that income
and revenue in various parts of the Tanzanian economy also vary a great
deal from year to year. This fairly large margin of unpredictability
obviously makes the task of economic planning extremely difficult—and
at the worst times almost impossible.

Both exports and imports have risen in value over the past decade,
though at different rates. Between 1965 and 1975 exports grew at an
average annual compound rate of about 4%, while the same rate for
imports was 14.5%. The result has been a foreign trade deficit that
appeared about 1970, and that has been increasing since. The growth of
imports and exports can be seen in Table IX, in millions of shillings.

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>Imports</th>
<th>Trade Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>1,359</td>
<td>1,077</td>
<td>78</td>
</tr>
<tr>
<td>1966</td>
<td>1,797</td>
<td>1,367</td>
<td>203</td>
</tr>
<tr>
<td>1967</td>
<td>1,716</td>
<td>1,361</td>
<td>176</td>
</tr>
<tr>
<td>1968</td>
<td>1,628</td>
<td>1,532</td>
<td>-117</td>
</tr>
<tr>
<td>1969</td>
<td>1,652</td>
<td>1,419</td>
<td>46</td>
</tr>
<tr>
<td>1970</td>
<td>1,649</td>
<td>1,939</td>
<td>-477</td>
</tr>
<tr>
<td>1971</td>
<td>1,792</td>
<td>2,414</td>
<td>-737</td>
</tr>
<tr>
<td>1972</td>
<td>2,179</td>
<td>2,546</td>
<td>-565</td>
</tr>
<tr>
<td>1973</td>
<td>2,411</td>
<td>3,140</td>
<td>-898</td>
</tr>
<tr>
<td>1974</td>
<td>2,643</td>
<td>4,958</td>
<td>-2,516</td>
</tr>
<tr>
<td>1975</td>
<td>2,589</td>
<td>5,288</td>
<td>-2,930</td>
</tr>
</tbody>
</table>

It should be noted first that because the figures above come from
different sources, Trade Balance does not always exactly equal the
difference between Imports and Exports in each year. For our purposes,
which is to grasp the general picture, these differences are not important.
They have to do with the fact that the first and second column deal with
Tanzania's trade outside the three East African countries while the third column deals with all external trade; and that one or two minor discrepancies are based on the fact that the mainland's and Zanzibar's trade reports were separate prior to 1968; and that one column includes diamond exports on the basis of insured value and the other on the basis of actual sales.

The overall position Table IX shows is not a particularly healthy one, economically. Even allowing for the fact that 1974 and 1975 were exceptionally bad years, for reasons already dealt with, imports are still rising faster than exports. In the worst year, 1975, the trade deficit was even greater than total export earnings. In very simple terms, the country was at that point spending more than twice as much as it was earning. The trade deficit was cut back in 1976 to around the 1,000 M. Shs. mark—an improvement over the previous two years, but still greater than had ever been recorded prior to that.

The general situation thus tends to remain one of an only somewhat modified colonial economy: the country attempts to feed itself, to produce for export almost exclusively raw materials, and to import manufactured goods. Since Independence the type of manufactured imports has shifted from being predominantly consumer goods to being predominantly producer goods, but the total import bill has been rising at a much faster rate than the increase in the value of exports, and this has given rise, in the 1970's, to a large—and for the time being seemingly ineradicable—trade deficit. This in turn has inevitably meant increased dependence on external sources of finance and borrowing to keep the economy going.
Because Tanzania's inherited economy is one whose development was determined by the needs of an external colonial authority, it has a peculiar structure. This is that there is a very large divergence between the structure of production and the structure of domestic needs. This is most particularly true of the most important sector of the economy—agriculture. As we have seen, the most important agricultural crops in terms of money value are overwhelmingly export crops—grown not for Tanzanian consumption, but to earn foreign exchange. In spite of widespread nutritional deficiencies among large sectors of the population, productive activity is predominantly geared to producing non-food export crops. In a sense, this productive activity is an integral part of the world capitalist economic system that just happens to be located in Tanzania, rather than something that developed out of indigenous economic needs and demands. This set of foreign demands nevertheless has become the main determinant of the uses to which domestic resources (land, labour, investment, etc.) are put.

This is certainly true of agriculture. Since Independence it has become somewhat less true of the next most important productive activity in the economy, industry. In agriculture what is produced diverges to a large degree from both what is demanded and what is needed, domestically. In industry, because of the policy of import substitution, what its produced is much closer to what is demanded. Whether effective demand very closely mirrors the structure of needs, however, is something that is arguable. In the other productive sectors of the economy: foreign demand is obvious the main determinant of production in mining, but in electricity and water supply, and in construction, production more closely follows
domestic demand. It should not be forgotten in the above that of directly productive activities in the economy agriculture accounted, in 1975, for 37.9% of monetary GDP, and manufacturing, mining, construction, electricity and water supply between them accounted for only 15.7% of GDP (ie. the service sector of the economy is 46.4% of monetary GDP).

This general structure has not changed significantly even though there has been a large expansion of the state sector in various areas of the economy--especially those having large establishments (plantations, factories, public utilities, etc.). Whereas in 1966 about one-fifth of large and medium-scale economic activity was in the public sector, by 1972 this proportion had increased to three-quarters. By 1973 70.7% of total national capital stock was in the public sector, and 64% of all wage employment. Correspondingly, the private sector's share of new capital formation fell from 40.6% in 1966 to 18.6% in 1973. This seemingly steady reduction in the role of large-scale private business masks the fact that there are different elements within the private sector. While private indigenous capital--especially that owned by Asians--was on the decline, foreign capital--particularly that of multinational corporations--was on the increase. The decline of the former was greater than the growth of the latter up to 1973 (which was why the private sector overall was declining) but the reverse was true from then on, and with foreign capital dominating, the private sector's share of new capital formation climbed back up steeply from 18.6% in 1973 to 31.2% in 1975.

On the whole this expansion of the state sector since the Arusha Declaration has been only in larger-scale economic activity. Small-scale
business has been left to itself most of the time, though subject to occasional harassment. For example, when the Pan-African Congress met in Dar es Salaam in 1974—a gathering of African delegates and those of African descent from all over the world—the street-hawkers were cleared off the city's streets for the duration, presumably because they were in some way unseemly.

Private taxis are periodically inveighed against and banned. The rationale for this is that they are "capitalist", and therefore undesirable. These cars are known as "thummi-thummi", and they ply main city streets on a fairly set route picking up as many passengers as possible on the way, and dropping them off at the points they want. They are undoubtedly very profitable. Dar es Salaam's city bus service is by everybody's admission, even the President's, extremely bad. When the private sector taxis are banned, the public sector buses are totally incapable of providing an equivalent service in their place, and the end result is a decrease in the transportation services available to the general public. The ban on taxis is usually only effective for a few weeks at a time.

A final example of state harassment of small-scale business is what was known as "Operation Maduka" in 1976. As we saw in the previous chapter, after the Arusha Declaration the state took over wholesale and import-export trade, but largely left retail trade in private (mainly Asian) hands. The Swahili word for shops is "maduka". In 1976 Tanzania's political party, TANU, launched a campaign to open "People's Shops"—essentially, cooperative retail stores. This rapidly degenerated into a campaign by various authorities to compete in seeing how many private
shops they could close down. The President eventually had to intervene to stop this. He made a speech saying there was "a tendency by some leaders to hastily implement Party directives without proper preparations thus causing the people to suffer unnecessarily... (such as causing them) to go without essential items like sugar, salt, kerosine, soap, and match boxes." He said leaders did this "simply because they want publicity on the radio and in the newspapers." The government-controlled newspaper editorialized at the same time:

The purpose of Operation Maduka is not merely to close private shops. To close a private shop does not in any way constitute a step towards socialism. In fact it may constitute a denial of service to the people... The purpose of Operation Maduka is to start People's shops where they do not exist, and to phase out private shops replacing them with People's shops where such private shops do exist. There is a process which pays attention and gives priority to the actual launching of People's shops, and not one which merely emphasizes the closure of private shops.

Since then very few private shops have been closed, and the retail sector remains largely private.

As I think is reasonably clear from the above examples, there is some very confused thinking on occasion in Tanzania about what socialism (the country's officially proclaimed ideology) is. There is a strong tendency to reason along the lines: Private equals Capitalist equals Bad; Public and Cooperative equals Socialist equals Good. The increasing growth of the public sector is seen as proof of socialism. In fact it is not necessarily any such thing. Some of the most capitalist of economies in the world have, and had right from the beginning, large state sectors. This is true for example of both Japan and Germany from the beginnings of their industrialization, and is true now of countries as different as, say, Brazil and Canada. State ownership is thus not by any means the same
thing as socialism. In Tanzania much state ownership is either
elements of the world capitalist economic system (such as sisal
estates) that were nationalized, or new industrial enterprises set up
in partnership with multinationals. The most telling point against
either of these being considered socialist is that relations of
production have not changed. The sisal estates are still worked by
wage-labourers as they were before, and the branch-plants of multi­
nationals operate in much the same way as they do anywhere in the world.
State participation in these latter may in effect be no more than a
front for increased exploitation. All these things being so, it seems
to me the description that most accurately reflects what has been
happening in Tanzania's economy in the decade or so since the Arusha
Declaration is "state capitalism". The fact that there have undoubtedly
been increased expenditures on welfare items such as health and educa­
tion does not invalidate this description. Social services are still
way below the level of those in indisputably capitalist countries like
West Germany or Britain.

The economy remains largely a raw-materials-exporting/ manufactured-
goods - importing one-- that is, one essentially still colonial in
structure. The two main developments since Independence have been a
change in the type of manufactured import from consumer to producer goods
(because of industrial development) and an increase in the State's share
of the economy.

STATE SECTOR REVENUE AND EXPENDITURE

With, as we have seen, the public sector accounting for about 70%
of the total national stock, and more than 75% of large and medium-
scale economic activity, it is obvious that an analysis of state
sector revenue and expenditure is a crucial part of understanding the
generation and allocation of surplus in the economy. It will become
apparent from this analysis that state expenditure has the effect of
disproportionately allocating economic surplus to the urban areas —
and to a very striking degree. Here we start to get to the heart of
why contemporary urbanization is occurring.

Internally generated government revenue (ie. excluding that from
foreign loans) has increased over the last decade from less than a
quarter to more than a half of Tanzania's monetary GDP. In 1966/67
government revenue equalled 22.9%, and in 1975/76 56.6% of monetary
Gross Domestic Product. The Government's revenue and expenditure,
in simplified terms, appears in Table X.

<table>
<thead>
<tr>
<th>TABLE X. Government Finances (Millions of Shillings)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
</tr>
<tr>
<td>Expenditure</td>
</tr>
<tr>
<td>of which, Recurrent Expenditure</td>
</tr>
<tr>
<td>Development Expenditure</td>
</tr>
<tr>
<td>Total Financing Requirements</td>
</tr>
</tbody>
</table>

Thus in the mid-1970's we can say that Revenue was about 4 billion
Shs., Expenditure about 6 billion Shs., and Borrowing about 2 billion
Shs. The Government budget has grown enormously during this decade, as
can be seen from the fact that only as recently as 1970/71 the comparable
figures were only: Revenue 1.7 B. Shs., Expenditure 2.4 B. Shs., Borrowing
All three items—revenue, expenditure, and borrowing—have thus increased considerably.

The rise in revenue has mainly been due to very large increases in taxation. According to the Bank of Tanzania, "total tax revenue increased from 690 M. Shs. at the end of 1966/67 to reach an estimated amount of 3,567 M. Shs. during 1975/76—showing an annual growth rate of about 20%. As a proportion of monetary GDP the tax ratio rose from 15% to reach 31% (over this period)". In the mid-1970's the sources of government revenue were approximately as follows:

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customs and Excise Duties</td>
<td>20%</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>30%</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>35%</td>
</tr>
<tr>
<td>Other</td>
<td>15%</td>
</tr>
</tbody>
</table>

In the 1960's Customs and Excise Duties were the biggest source of revenue. However the Government has discovered that, contrary to the conventional economic wisdom that significantly increased revenue cannot be generated from a poor country by stepping up taxes, increased taxation can bring in much more revenue. From 1970 to 1976, revenue from higher income taxes tripled, and from increased sales taxes revenue increased more than eight times (196 M. Shs. to 1,593 M. Shs.).

Government expenditure is broken down into two components: Recurrent Expenditure, and Development Expenditure. The former is running costs (the greater part of which is wages and salaries) and the latter is investment of one sort or another. In the decade 1966 to 1975 inclusive, recurrent expenditure increased at an annual compound rate of 11%; and development expenditure at a rate of 22% p.a. (this is in real terms, not current prices). Since the growth of government expenditure is greatly in excess
of both the growth of GDP and the growth of revenue, there has been an increase in reliance on foreign financing. On the whole this reliance has been in the development expenditure, not the recurrent. Recurrent expenditure is largely paid for out of internally generated revenue—although it is notable that foreign finance in recurrent expenditure has increased from 12 M. Shs. in 1969, to 284 M. Shs. in 1972, to 469 M. Shs. in 1975. This last figure is about 12% of recurrent expenditure for that year, so while the foreign funding is growing here, domestic funding still contributes most.

The foreign money that goes into the recurrent budget, it should be made clear, is grants—that is, it is not repayable. The larger amount of foreign money that goes into the development budget is largely, though not exclusively, loans—that is, it is repayable. While there has been an increase in foreign grants (the figures in the previous paragraph) they are still a minor part of the recurrent budget—and if for some reason they were suddenly cut off it would not cause major dislocation. Very much the reverse is true of the foreign loans going to the development budget. According to the Bank of Tanzania:

> Between 1966 and 1969 local sources accounted for about 68% of the entire development finance...Although during the Second Five Year Plan period (1969-74) domestic resources accounted for about 61% of development finance, the trend in recent years seems to indicate that external resources will assume more importance than domestic resources. During 1973, 1974, and 1975 domestic resources accounted for 58%, 51% and 39% of the entire development finance.

Thus very much more than half of all development expenditure is now dependent on foreign money. In one sentence, the Government's budget is currently operating like this: the revenue the government obtains (nearly 90% domestically) covers recurrent expenditure, with a little bit left
over; development expenditure is met by foreign financing (60%), domestic borrowing from the central bank and the commercial bank (30%), and the bit left over from the recurrent budget (10%). Therefore if for some reason foreign funding of the development budget were suddenly cut off, Tanzania would experience major economic disruption. Most of the projects currently put into operation by the Ministries of Agriculture, Education, Health, Natural Resources, Commerce and Industry, and Works, Water and Power, are foreign financed. Between the Arusha Declaration's 1967 statement of intent of non-reliance on foreign capital, and 1972 (ie. before the 1973-75 crisis), external borrowing increased at a rate of 57% per annum. Since this money is going into the budgets of such crucial ministries as the above, any sudden cessation of it, for whatever imaginable political reason, would clearly have enormous consequences for the economy. Far from the country's development becoming more "self-reliant", as the government's ideology claims, the evidence of the funding of development expenditure above would seem to indicate quite the reverse.

The public sector of the economy is composed of two main elements: the economic activities of the central government, and those of the para-statal (ie. para-state) organizations (the nationalized estates, industries, utilities, marketing organizations, etc.). The public sector also includes less important elements, such as local government expenditure, but these will not be dealt with here. For the most recent year for which I have breakdown figures, 1973, total central government expenditure was 4,575 M. Shs., and total parastatal expenditure was 6,003 M. Shs. It will be useful for our purposes to see the main uses to which these monies were put—since together they represent the greater part of the overall economy's
domestic allocation of surplus (i.e. this does not cover most of the surplus going abroad—by means of profits, transfer pricing, remittances, unequal exchange, etc.).

**TABLE XI. Central Government Expenditure by Purpose, 1973 (in M. Shs.)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Administration</td>
<td>790</td>
</tr>
<tr>
<td>Agriculture (including Fishing &amp; Forestry)</td>
<td>543</td>
</tr>
<tr>
<td>Education</td>
<td>541</td>
</tr>
<tr>
<td>Electricity &amp; Water Supply</td>
<td>516</td>
</tr>
<tr>
<td>Defence</td>
<td>392</td>
</tr>
<tr>
<td>Public Debt</td>
<td>380</td>
</tr>
<tr>
<td>Roads &amp; Bridges</td>
<td>280</td>
</tr>
<tr>
<td>Health</td>
<td>266</td>
</tr>
<tr>
<td>Public Order &amp; Safety</td>
<td>232</td>
</tr>
<tr>
<td>Transportation &amp; Communications</td>
<td>22970</td>
</tr>
</tbody>
</table>

The column of figures in Table XI add up to 4,167 M. Shs. The balance of 408 M. to make up the total 4,575 M. Shs. is comprised of eleven additional items (External Affairs, Welfare Services, Sanitary Services, Pensions, etc.) all of which are less than 80 M. Shs. each. The ten items in Table XI have, for the sake of clarity, thus been extracted from a more complex table of source and placed in rank order.

If one looks down the list of items of Government Expenditure, it becomes quite clear that the money is spent mainly on services and infrastructure. The only item of expenditure on directly productive activities is that on Agriculture. Government investment in this area has increased enormously over the last decade—especially in providing seeds, fertilizer, credit, water, extension advice, etc., to peasants. But as we have already seen earlier in this chapter, the results have been, in the President's words, "very disappointing": apart from a few crops, agricultural growth has been sluggish to non-existent.

Easily the biggest item of government expenditure is on itself—
that is to say, General Administration. Moreover if one includes the related activities the central bank categorizes together as "Public Administration and Other Services", this is (see Table III) the second biggest item in GDP, after agriculture, and the one that is growing fastest. This fact will be especially relevant in the next chapter, when we are looking at the social and political consequences of the growth of the bureaucracy.

If we go item by item through government expenditure in Table XI, we can see that it is very heavily urban-biased. Although there is administration in the rural areas, the overwhelming bulk of government employees and buildings and services are located in urban areas (as the previous chapter showed, some towns were set up precisely to be administrative centres). Agricultural expenditure here is mainly in the rural areas, of course—although the distribution of seeds, fertilizer and credit is in fact centred in urban areas. Education facilities exist in both rural and urban areas, but secondary and higher education is predominantly located in the towns. Indeed Dar es Salaam and Moshi between them have one quarter of all secondary schools in the country.71 As regards to Electricity and Water Supply, there has been a large expansion in the provision of clean water in rural areas over the last decade, but all the major projects have to do with supplying the large towns, particularly Dar es Salaam. Water engineers and other personnel connected with water supply largely live and are based in the towns—and travel out to surrounding rural areas as necessary, to maintain pumps, check wells, etc. Electricity supply is nearly all to urban areas—rural electrification is almost non-existent. Hydro-electric dams, it is true, are not located in the towns themselves, nor are the transmission lines
from them to the substations; but these obviously cannot be regarded as part of the rural economy.

The same point is true of Defence expenditure. Most large military installations are located on the outskirts of some of the bigger towns. To decrease visibility some are far away from urban areas—but again these can hardly be considered as belonging to the rural economy. The payments made on Public Debt are both for foreign creditors and Tanzania's own central and commercial banks. In either case none of this goes to the rural areas; all financial institutions (apart from some very small branches of the commercial bank) are in the towns. Roads and Bridges are in both urban and rural areas. Most roads in fact link towns, and so of necessity pass through the country-side. The equipment and crews and depots of the ministry that deals with roads, Comworks, are mainly located in the towns. Most paved roads (apart from one from Dar es Salaam to Zambia and one from Dar es Salaam to Kenya) are those within town boundaries.

Health expenditure is both in urban and rural areas. Although the number of Rural Health Centres increased from 42 in 1967 to 152 in 1976, specialized health facilities and big hospitals are still restricted to towns. Public Order and Safety expenditure is in both urban and rural areas, but the main police centres and facilities are based in the towns. Transport and Communication are also both urban and rural, although buses tend to link towns (which is not to say they do not service rural areas en route), and postal and telephone communications are largely restricted to the towns.

An exact percentage cannot be obtained from the figures available,
but it is reasonably clear from the discussion of the preceding paragraphs that considerably more than half (maybe even as much as three-quarters) of government expenditure is placed in the urban areas. This imbalance becomes even more striking when one considers that 90% of the population live in the rural areas. Agriculture produces more than twice (38%) the contribution to GDP of all other directly productive sectors of the economy together (16%). Most surplus thus arises from rural productive activities. The public sector is about two-thirds of the monetized economy, and this is largely made up of government economic activity and parastatal economic activity. Most government expenditure is in the towns. The effect of the operation of the government is thus to concentrate the allocation of the surplus it disposes of in the urban areas.

The same, as we shall now see, is largely true of parastatal activities. Table XII breaks down parastatal receipts and expenditure for 1973.

TABLE XII. Parastatal Enterprises Expenditure, 1973 (in M. Shs.).

<table>
<thead>
<tr>
<th>Activity</th>
<th>Expenditure</th>
<th>Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commerce</td>
<td>3,289</td>
<td>3,343</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,600</td>
<td>1,564</td>
</tr>
<tr>
<td>Finance</td>
<td>273</td>
<td>414</td>
</tr>
<tr>
<td>Electricity</td>
<td>271</td>
<td>117</td>
</tr>
<tr>
<td>Agriculture</td>
<td>125</td>
<td>137</td>
</tr>
<tr>
<td>Transport</td>
<td>160</td>
<td>128</td>
</tr>
<tr>
<td>Construction</td>
<td>130</td>
<td>93</td>
</tr>
<tr>
<td>Mining</td>
<td>93</td>
<td>164</td>
</tr>
<tr>
<td>Real Estate &amp; Other Services</td>
<td>62</td>
<td>72</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>6,003</strong></td>
<td><strong>6,032</strong></td>
</tr>
</tbody>
</table>

The biggest item in the Table, in fact more than half of the total, is commerce. Its figures actually breakdown in a ratio of about 1:2 into
"Marketing Boards" and "Other Commerce". (ie. Marketing Boards Expenses 1,187 M. Shs., Receipts 1,195 M. Shs.; Other Commerce Expenses 2,101 M. Shs., Receipts 2,148 M. Shs.) The Marketing Boards are the state-controlled crop authorities—the individual ones buying cotton, coffee, sisal, tea, tobacco, etc. Other Commerce is the state-controlled wholesale trade and import-export trade. Obviously most of the Marketing Boards' expenses is money paid to farmers in return for crops, but most of the Other Commerce is located in the towns (eg. import warehouses, wholesale warehouses). By no means all the money the Marketing Boards pay out goes to farmers—handling, storage, transportation, insurance, etc. of crops are functions whose employees and equipment are largely town-based. The commercial function of each provincial town in relation to the main crop or crops of its surrounding countryside is still very evident.

Parastatal Manufacturing is almost wholly located in urban areas; as is Finance too. Electricity is, as mentioned above in relation to Government Expenditure, nearly all for the towns. Agriculture is of course mainly rural, and Transport mainly urban in its employees' and equipment's location. Parastatal Construction is mainly urban. Mining is peri-urban (certainly not part of the rural economy). And Real Estate is mainly nationalized housing in the towns.

One of the most striking things about Table XII is how little profit the parastatal sector makes overall. Since almost all its enterprises are monopolies, this is all the more surprising. Finance (especially the commercial bank, NBC) is very profitable, and so is mining (largely because of the nationalized diamond mine). All other items make only small
profits—or losses. In the case of Electricity this is understandable because two-thirds of its expenditure figure here is new investment—largely on the Kidatu hydro-electric project—which will not pay its way for several years yet. This is not true of other items, however. Manufacturing's investment is only about 10% of its expenditure figure above, and Commerce's only 1%. Some of the problems of Tanzania's industries have already been dealt with, and underutilization of capacity must be one of the main reasons for the non-profitability of parastatal industry at the moment. That the parastatal sector's monopoly of the nation's commerce (apart from retail trade) makes, overall, virtually no profit is little short of amazing. As we shall see in the next chapter, a whole class arose in the social structure under colonialism precisely in the area of commerce. A large number of the Asian commercial bourgeoisie became very rich indeed from their activities in import-export and in wholesaling. Although the claim cannot be substantiated with hard data, gross inefficiencies (some testimony about which will follow in a few pages) are probably the main cause of this current low profitability in Commerce. Inefficient allocation of surplus is of course one way of absorbing it—by wasting it.

The way the colonial economy operated made for very uneven development throughout the country. Natural resources, including rainfall, was certainly one reason for this, but the development of colonial communications—especially the railways and ports—had a decisive effect in stimulating some areas, and dooming others to marginality. The sharpest difference was between the wealth of the main towns and that of the rural areas. This difference has remained since Independence, and the pattern
of government investment has been one of the things contributing to this. Thus in the First Five-Year Plan (1964-69) Central Government investment ranged from 940 Shs. per capita in Dar es Salaam to 40 Shs. per capita in Dodoma Region. This investment generally followed the pattern of wealth in the country—and thus reinforced it. In the Second Five-Year Plan (1969-74) an attempt was made to distribute growth to other towns than just Dar es Salaam. But per capita government investment was still highly unequal: about 890 Shs. per person in Dar es Salaam, 830 Shs. in Tanga, 640 Shs. in Arusha—down to less than 100 Shs. per person in Ruvuma, Dodoma, and Singida Regions. Thus it was deliberately planned that Dar es Salaam should between 1969 and 1974 get 33% of all new industrial projects and 24% of all new industrial employment, that Tanga should get 10% of the new industrial projects and 19% of the new employment, etc.

The policies of both the colonial and post-colonial governments have thus tended to concentrate surplus in the towns, to produce higher average per capita incomes in the urban than the rural areas, and to contribute to increasing urbanization.

Data from the most recently available census, that taken in 1967, show that per capita income ranged from a mean of 4,152 Shs. per annum in Dar es Salaam to less than 200/- per annum per capita in Kasulu District and Handeni District. These figures are arrived at by taking the GDP of each area and dividing by the number of inhabitants in it. The capital city has far and away the highest average income—because the next highest are Tanga, with 1,186 Shs., and Arusha with 934 Shs.

Tanzania is composed of eighteen Regions and sixty-two Districts. Districts are thus sub-divisions of Regions. If, for each Region, one
compares the regional average income with that of the district in which the main town is situated, the latter is consistently higher—reflecting the fact that town incomes are higher than rural incomes in the same region. Thus Arusha Region's average per capita income is 534 Shs., and Arusha District's (containing Arusha Town) 934 Shs.; Kigoma Region's 267 Shs. and the district containing Kigoma town 495 Shs.; Mtwara Region's 299 Shs., and the district containing the town of Mtwara 512 Shs.; Mwanza Region's 406 Shs., and the district containing Mwanza town 673 Shs.; etc. Central Government and parastatal investment remain highly unequal per capita; in the towns and the countryside, and since this is the major part of all new investment, respective average incomes reflect that inequality.

The main thrust of state sector investment has been in physical and social infrastructure rather than in directly productive activities, and in the urban areas rather than the rural areas. This tendency is well exemplified by the details of the Third Five-Year Plan which were first announced in December 1974. In fact the Plan had to be delayed two years in its launching because of the serious economic crisis—but the intention at that time was to put 11% of all development expenditure over the whole five-year period into building a brand new, purely administrative, capital city in the centre of the country. By the end of the Plan period (now 1981) it is unlikely that so great a proportion will have been so spent—but the initial published intention to do so does exemplify the sort of investment priorities the Government has. We will examine this particular example in more detail in Chapter 6.

Although most productive activity is rural (i.e. agriculture), the
placement of state sector investment has meant most growth is in urban-based secondary and tertiary economic activities. The secondary sector is still fairly small (about 10% of monetary GDP), but the services sector of the economy has now risen to almost half of monetary GDP. Expenditure on a new capital city reinforces this trend. This is, however, perfectly consistent government policy—since colonial times the towns have had primarily a "service" function (administration and commerce). This inherited urban framework has been little questioned. To do so seriously in fact would probably throw into doubt the whole neo-colonial, export-crop-oriented, structure of the economy. A coffee-town and its coffee-growing hinterland are inextricably linked. Question the operation of one and you must question the operation of the other.

The predominance of state sector expenditure in non-productive activities is one of the main reasons why GDP is growing so slowly. And the fact that it is growing slowly means that the increasingly ambitious Government budgets have to be financed increasingly with external funds. According to the central bank, the Bank of Tanzania, from 1965 to 1970 domestic savings and investment ratios were nearly the same, varying between 15% and 18% of GDP. In other words the economy as a whole used external savings for domestic capital formation only marginally...In 1970 this position changed...The average ratio of investment to GDP since 1970...being 24%. The savings ratio for the same period has declined from 18% to 9%...The decline in the savings ratio is partly a result of the shortfall in agricultural production.79

In the last ten years the inflow of foreign capital has been increasing steadily. A large part of it is still subject to grace periods before
repayments have to commence. At the moment debt repayments are within reasonable bounds, but by 1980 they will start getting very heavy. What the economic, and possibly political, consequences of this will be are only a matter of guesswork at the present time. Certainly, though, dependence on foreign capital has increased alarmingly over the past decade--and the biggest single source of this has been the World Bank Group (ie. I.D.A. and I.B.R.D.). A German economist who has done a study of the matter says:

By the time of the Arusha Declaration, Tanzania's debt to the World Bank amounted to about 71 million Shs., and the total external public debt stood at 803 M. Shs. By December 1972 debts to the World Bank amounted to 521 M. Shs. and the total external public debt had risen to 2,460 M. Shs. By June 1975 loans and credits to Tanzania held by the World Bank Group amounted to 2,016 M. Shs., plus an additional 711 M. which was Tanzania's share of loans to the East African Community... The World Bank now holds 30% of Tanzania's national debt and expects to increase this share to 36% within the next five years.80

It is interesting to note what this World Bank money went into. Very little went into industry, and most of it went to increasing export crop production and infrastructure--that is, in entrenching Tanzania's position in the world capitalist division of labour. (The Bank leaves industrial investment to the priorities of multinational corporations and some bi­lateral aid donors--eg. the Canadian bread factory). It is worth quoting at some length from this study of the activities of Tanzania's largest creditor:
Of the total funds approved by IDA and IBRD for Tanzania by June 1975, 2% had been pledged to industrial manufacturing (if one excludes simple processing of agricultural exports from this category), 36% to economic infrastructure (roads and power), 12% to social infrastructure, mainly schools and a "site and service" scheme. The largest proportion, almost 40% went to agriculture—and the rest was a loan to offset balance of payments problems. Of the funds allocated to Agriculture, two-thirds went to export crop production, about one-sixth to livestock development, and the rest to sugar and some unspecified activities. Up to that date there had not been a single project on maize, rice, or beans.

The tendency of the World Bank to concentrate on agricultural export crop production has not been offset by other donors or by internally financed projects. Government and parastatals invested between 1965 and 1975 964 M. Shs. into direct agricultural production. Of these 45% went to export crops, and most of the remainder was spent on sugar (18%) and beef and dairy (26%). Only 1% went to staple foodstuffs, and another 1% to wheat.

Tanzania's difficulties in meeting its food requirements are a result of this investment pattern...According to the expansion plans suggested...(for) 1975 to 1980 on agriculture...only 6% are to be allocated to food staples and wheat, 27% to traditional export crops, and another 21% to sugar which is now also an export product. About the same amount is planned for livestock development, and the remainder for programmes which support these projects. The overall result of these investments will be to keep Tanzania dependent on the world market, and handicapped by an unreliable internal food base.81

Agriculture is the main productive base of the economy. The country feeds itself (precariously), and exports non-food crops. These crops get from the fields to their international destination via (till recently) cooperative marketing societies, via state buying agencies, through simple processing establishments (often located in the provincial towns), by road and rail to the warehouses of the three port towns, and then by ship abroad. At each step along the way a certain amount of value, or economic surplus, is extracted (by means of differential pricing or fees) to pay for the costs at each stage of handling, packing, storing, transporting, insuring, etc.,
the particular crop. Most of these service activities are located in the towns. The towns do not live principally off the directly productive activity contained within them (e.g. manufacturing), but by their, as it were, "servicing charge" on the crops—on the (complexly structured) difference between the price obtained for the crops by the agricultural producers, and the price obtained by the state agencies internationally. Nine of the fifteen main towns have a very limited amount of industrial plant, and those six that do have a significant amount obtained the greater part of it only within the last two decades. The historical colonial function of the towns was to service the colonial agricultural economy—and this function has been only slightly modified since Independence. The operation of the state, and how it handles and allocates the surplus it has control over, is the crucial element in understanding this economic structure.

Most marketed crops (apart from purely locally consumed produce like fresh fruit and vegetables) are legally required to be marketed through specific channels at state-determined prices. As we have seen already there are often quite large differences in the prices the Marketing Boards pay to producers, and the prices the Marketing Boards obtain abroad. When the price of a commodity is particularly high—as that of coffee is at the moment—the specific Board for that crop accumulates very large amounts of money. The reality of what is happening comes out most clearly in border areas. Cattle, sisal, and cloves are regularly smuggled into Kenya, where private entrepreneurs offer significantly higher prices than the Tanzania state buying agencies. Indeed, Zanzibar has even gone so far as to impose the death penalty on anyone caught
smuggling cloves. Clearly, a lot of money must be at stake here.

We have already seen evidence in the previous chapter that producer prices lagged far behind inflation in the 1970's. Even Nyerere has admitted this—"Government has been too slow to change the prices offered to farmers, so that at times they were not recompensed for their effort on food crops, or for the increased costs of production following inflation." This exploited position of peasant and agricultural wage-labour producers is not, however, simply a product of exceptional times—it is a structural feature of the Tanzanian economy. The contemporary state, as did most of the pre-colonial state organizations in the territory, lives off "tribute"—in this case tribute from the producers of cotton, tea, coffee, tobacco, etc.

What happens to the surplus the state sector has appropriated by means of taxes, export levies, and differential pricing? Most of it becomes expenditure by the central government and parastatals. Most of the expenditure of the former that is made from revenue is, as we have seen, on its recurrent budget—most of which is wages and salaries of government employees. A smaller amount of government revenue goes into the development budget, the emphasis of which has been on infrastructure (roads, water, schools, electricity supply, etc.). Even the central bank states that most of this is not directly productive, and that "it should be possible to devote more of the nation's energies than in the past towards stepping up the rates of growth of GDP and standards of living of the masses." Some of the surplus the parastatals collect is spent on development, but most appears to be absorbed in running costs.

Although it is difficult to assess its exact extent, an appreciable
amount of surplus absorbed by the state sector is almost certainly wasted. Cost accounting is very lax, and large amounts of money are lost by carelessness, inefficiency, and out-right theft. The President complains that "the money we allocate for development is treated very casually"—Ministries regularly issue cheques in excess of their budgetary allowance, public institutions "often seem to worry very little about repaying the debts they incur" and bank loans are inadequately supervised, and thus often lost. The newspaper regularly publishes accounts of government officials being tried and/or sacked for embezzlement and corruption—eg. "Dozens of people have been arrested and charged with embezzling 40 M. Shs. ($5 M.) in government funds during the first 10 months of this year, the Interior Minister Ali Mwindi said Monday. During the same period 38 persons were sentenced to prison for stealing public funds he added." And these are only some of those who are caught. The Minister for Finance and Planning complains that:

The Auditor General has been dissatisfied with the handling of Government accounts over several years now. The most serious problems have stemmed from the late presentation of Government accounts, the inaccuracy of such statements, the loss of statements, the lack of reconciliation between government accounts and Central Bank accounts, and the failure to adhere to Government regulations regarding loans and imprests.

In March 1976 it was announced that the Controller and Auditor General had still not given certificates of correctness for as far back as any of the 1973-74 accounts of Government Ministries and regional directorates.

Unauthorized expenditure rose from 130M. Shs. in his last report to 348 M. in this period, of which 199 M. represents expenditure wholly unvouched for... The figure for unaccounted stores stands at 5.5 M. Shs. (one million above the 1972-73 figure)...safari
imprests and personal advances outstanding leapt to 69.7 M. Shs. as compared to 9.8 M. Shs. in 1972-73... (This) makes grim and sorry reading. Instead of an improvement there seems to have been a gala borrowing spree at the expense of the people of Tanzania.  

A large amount of the surplus that the state sector obtains, directly or indirectly, from the productive base of agriculture is thus being dissipated at the moment—either legitimately, as in the case of the half-a-billion-dollar new capital city, or illegitimately, as in the case of the examples above. This drain of surplus from the rural areas, and large-scale wasting of it, is one of the fundamental reasons behind the present agricultural stagnation. Peasants are opting out of commercial production into subsistence production. This tendency for some peasants to switch out of cash crop production is prima facie evidence that the way that sector of production is articulated with other sectors of the economy is not leaving it enough surplus to reproduce itself.  

The state, whose main institutions and functionaries are located in the towns, is appropriating a large amount of this surplus, and another (unmeasurable but probably larger) proportion of it is going abroad. Peculiarly enough, much of the surplus that goes abroad (and perhaps even more than that at the moment) comes back to Tanzania in the form of "aid"—loans and grants. The crucial thing though is that it comes back in structured form—tied to specific projects under specific conditions in the manner of the World Bank loans mentioned earlier. The volume of external funding is now in fact of such proportions that it would almost have to be structured and used in a special way for it not to produce considerable economic growth (which it has indeed not produced). It is interesting for example to speculate what would have happened if an equivalent amount had
gone as straightforward capital (unstructured, and with no strings attached) to the Asian commercial bourgeoisie in Tanzania 15 years ago—to the exclusion of all other forms of capital import, such as multinational investment and bilateral aid. Would it have produced rapid economic development? Of a capitalist sort, quite possibly so.

There has of course been a certain amount of economic development since Independence. Currently economic growth is about two percent above the rate of population increase. But it is doubtful if the growth is the result of what the government sees as its "socialist" orientation. Several explicitly capitalist African countries have had much higher growth rates in the last two decades—neighbouring Kenya being one of them. Most of the economic growth so far has benefited the towns, and it has been at the cost of an extraordinarily increased dependence on external finance. Indeed it is difficult to see how this money will ever be paid back—Tanzania is probably by now inextricably entangled in a form of international "debt peonage".88 This indebtedness necessarily gives away political power to those to whom money is owed. This power has not been seriously tested yet. It is unlikely that this will always remain so.

Summary

The generation and allocation of economic surplus in Tanzania's economy is described and analyzed—to explain the economic causes behind current urban growth. Agriculture is the main productive base of the economy, accounting for about half of GDP—and much of industry (10% of GDP) and services (40% of GDP) are also based on or geared to agriculture. Crop production is analyzed, and growth is shown to be,
with a few exceptions, generally sluggish.

Towns were set up to "service" agriculture, and this has the consequence of tending to concentrate surplus in them. Most growth in the economy is in urban-based secondary and tertiary sectors - and is disproportionately located in Dar es Salaam. The main orientation in commercial agriculture is producing export crops, not food crops. Although agricultural investment has been increasing, results are "disappointing."

Most industrial expansion has been by the State, by multinationals, or by a partnership between the two. There has been much expansion since Independence (mostly in only six of the towns), but the range of industries and the amount of employment they generate is still limited. Most new plants have been either substituting imports or processing agricultural crops. Criticisms are: that many are producing semi-luxuries (in the Tanzanian context); that management is in foreign hands; that there is dependence on foreign technology; that there is limited "linkage" of industries; and that there is large underutilization of plant.

The structure of the economy is such that the country largely feeds itself; grows and sells export crops; and imports manufactured goods. Exports are subject to severe price fluctuations. Imports are rising faster than exports, and the increasing trade deficit is necessitating increasing dependence on foreign finance. Tanzania's structure of production (mainly determined by foreign demand and capital) and structure of needs show a wide divergence - especially in agriculture. Since the Arusha Declaration the state sector has expanded considerably, though mainly in larger scale economic activity. State control does not necessarily
amount to socialism, and if relations of production remain unchanged, then the most accurate description for this is "state capitalism."

The state sector is comprised of government and parastatals. Government revenue, expenditure, and borrowing, have all increased considerably since Independence. Most development expenditure is now foreign financed. Most of the surplus allocated by the government and parastatals is in the urban areas. State investment follows, and reinforces, the existing (i.e. colonially inherited) pattern of wealth. Per capita investment and income are thus both appreciably higher in the towns. The inherited urban framework cannot be questioned without questioning the colonial-type raw-material-exporting economy. The towns essentially live off "tribute" from agriculture.

The savings to investment ratio has been falling in the 1970's, and this has further contributed to increased dependence on foreign finance. The World Bank is now Tanzania's biggest creditor, and its loans are mainly for export crop production and the distribution infrastructure that supports this. A not inconsiderable amount of surplus the state collects is currently dissipated - through inefficiency, theft, and questionable investments such as the new capital city. This inevitably contributes to agricultural stagnation. Much of the surplus that goes abroad comes back in structured form - tied to specific "projects". It is difficult to see how all these loans will be paid back.

How the state allocates the surplus over which it has control is the crucial element in understanding the contemporary economic structure. Extraction of surplus from the rural areas is a structural feature of the economy. State expenditure has been mainly in the urban-located sectors of the economy - and it has consequently these that have grown most since Independence.
CHAPTER FOUR: SOCIAL STRUCTURE

Introduction

We have seen how the present economic structure developed, and how this was essentially the result of colonialism redirecting the uses of land and labour within the territory to its own ends. This economic restructuring was the direct result of political force being applied by the colonial state apparatus on the societies that existed within its boundaries in order to get them to engage in new economic activities. New productive activities and new types of distribution and exchange involved new social relationships and produced new social groupings. In this way over time colonial economic enterprises became embedded in the social structure, and within it certain groupings developed political interests in maintaining certain aspects of the colonial economic structure. One crucial feature that has been thus maintained is the inherited urban structure - colonial towns have indeed grown considerably since Independence. One of the reasons for this has been that those social groups that have the most political power are those that are predominantly located in the most privileged parts of the colonially built towns. The ideology they have developed (or rather adapted) contributes to economic development continuing within the same framework. Understanding the class structure is thus necessary to understand why certain features of the economy are maintained, and why surplus goes on being concentrated in the urban areas - thus causing urbanization.
ETHNIC COMPONENTS OF THE POPULATION

The raw material of Tanzania's present social structure is a complex historical mixture of different ethnic groupings and races. We will reduce it to its simplest outlines here. The first human inhabitants were non-Negroid, Bushman-type, hunters and gatherers. Their presence in the area goes back several tens of thousands of years, but because of the nature of a hunting economy it is unlikely that they were ever more than very thinly scattered. They are today very few in number, and exist only in a couple of isolated areas.

The second racial group, coming from the North between two and three thousand years ago, were Cushitic-speaking people somewhat similar in appearance to present-day Ethiopians and Somalis. These people were cultivators - that is, they had knowledge of plants and techniques that enabled them to produce their own food rather than being restricted to what existed in the natural ecology of an area, as hunters are. One of the main consequences of this was that it enabled larger and more settled populations in the areas they spread into. They did not however have knowledge of iron-working, and their stone tools precluded settlement in the more densely wooded regions.

The third racial group, typically Negroid, Bantu-speaking peoples, spread into what is now Tanzania from the West, probably starting about fifteen hundred or more years ago. This was not one single movement, but rather a series of irregular waves of groups speaking different dialects of the basic Bantu language group, and stretching over a millennium and a half. The last really major such wave was the Ngoni
intrusion from Southern Africa mentioned in Chapter Two. Minor waves still continue however: for example, many Makonde moved into the country from neighbouring Mozambique to escape the fighting against the Portuguese there in the 1960's. The advantage the first Bantu groups had over the Cushitic inhabitants was the knowledge of how to make tools and weapons from iron. Iron weapons ensured superiority in any clashes that occurred, and iron tools ensured both more productive agriculture and agriculture in areas that could not be tamed by stone tools. Two of the present-day most populated areas, for example — the forested slopes of Kilimanjaro, and the high-rainfall region west of Lake Victoria — are the direct result iron tools enabling trees to be cut down and bananas cultivated. Iron thus enabled much greater numbers of people than hitherto. The Bushman-type hunters were either pushed into very marginal areas, too dry for agriculture, or were absorbed by miscegenation. Some remnant groups still exist in the Kondoa area, in the north-central part of the country. The Cushitic people were largely absorbed by inter-marrying with the more numerous Bantu peoples. In a couple of areas their languages, or at least elements of it, lived on. The Mbulu for example, although genetically perhaps predominantly Negroid (i.e. descended from Bantu speakers), speak a very distinctly non-Bantu language known as Iraqw. This, incidentally, is an example of what has been found many other times by detailed historical research over the last few decades in Africa — that the anthropological category "tribe" is more a linguistic than an ethnic or racial grouping.

The fourth racial group were waves of Nilotic pastoralists (i.e. "of the Nile", and generally meaning that very large section of it in
what is now southern Sudan). These generally came along the grasslands of the eastern fork of the Rift Valley, through Kenya, or through the more complex terrain of its western fork, through Uganda. Like the Bantu they came in intermittent waves over several centuries (starting about a thousand years ago), but they were far fewer in number, and unlike the Bantu they were predominantly pastoralist. The nature of nomadic pastoralism usually requires a certain amount of military organization, as protection for the domesticated animals both against wild carnivores and against raiding by other pastoralists. Pastoralists thus tend to be able to dominate more settled and peaceable cultivators.

In the western fork of the Rift Valley they superimposed state organizations on Bantu cultivating fertile land (and hence land capable of generating economic surplus). The Tutsi are probably the best-known Nilotic example here. In the eastern fork the drier grasslands were much less capable of producing appreciable surplus from cultivation, and the nomadic Nilotic pastoralists contented themselves with driving cultivators out, or raiding them for food and women, more or less at will. The best-known example in this area are the Masai. They were the last such significant wave, coming into northern Tanzania something more than two hundred years ago, and only being stopped in their tracks by colonialism and a disastrous series of human and cattle epidemics (cholera, smallpox, and rinderpest) a little less than a hundred years ago.

The purely African racial components are thus quite complicated. The north-central area Kondoa, already mentioned, contains peoples speaking more than one of each of the Bushman (or more properly "Khoisan"),
Cushitic, Nilotic, and Bantu types of languages – and has indeed been called "the most linguistically diverse area on the whole African continent." It should be emphasized however that most Tanzanians, in fact more than 90% of them, speak one of the Bantu family of languages as a first tongue – although there are over a hundred of these in the country.

The racial raw material of the contemporary social structure is further complicated by a number of very significant, though not necessarily very numerous, non-African racial groups. The fifth component is thus Arabs – descendants of people originating from the Arabian peninsular. As we saw in Chapter Two, there have been Arab traders and Arab-dominated ports on the East African coast for at least a thousand years. For reasons also outlined in that chapter, these were restricted to pockets on the coast only – until the nineteenth century. At Independence in 1961 there were only about 20,000 Arabs on the whole of mainland Tanganyika (with about another 5,000 on Zanzibar). Their influence has however been out of all proportion to their numbers. It was Arab traders who first systematically linked the interior with the coastal ports, and hence within a comparatively short space of time with the world capitalist economy. They certainly used indigenously developed trade routes to export out ivory and slaves, but their initial "colonial" penetration made it much easier, and indeed encouraged, European colonial penetration some decades later. In addition the influence of the Arabs on Tanzanian culture has been considerable. About one third of the population is Moslem, and the
national language, Swahili, although basically Bantu in grammatical structure, has a large Arabic component in its vocabulary. Lastly, but not least, it was the Arabs that established the first towns in the country. Most of the early ports are now only ruins or have reverted to being sleepy fishing villages – but five of the present fifteen main provincial towns are Arab in origin, including the capital, Dar es Salaam. (The other ten are all of course colonial-in-origin)

The sixth racial group are people originating from the Indian sub-continent, and known in East Africa as Asians. Up to this century at least, their history in the area has been closely connected with the aforementioned Arabs. Indian merchants and seamen have certainly traded along the coasts around the Indian Ocean rim for at least a thousand years, and doubtless some resided permanently in the East African ports.² Their numbers were however very few until the middle of the nineteenth century when the Arab Sultan of Zanzibar specifically encouraged Indian merchants and financiers to start up business on Zanzibar – in order to further his commercial penetration of the interior. Their numbers there rose from only a few hundred to several thousand within a couple of decades. As it did so, differentiation within the Asian community itself grew, such that there were both great financiers and simple artisans. Predominantly though they were in the commercial sector, making their living through one form or another of trade.

Under colonialism, particularly the British period from 1919 on, the Asian commercial position extended and strengthened. The colonial authorities encouraged both Asian and Arab shopkeepers to set up shop in
rural areas, to buy cash crops from the African peasantry and to offer for sale to them simple manufactured goods to encourage the further growing of cash crops. Since after the First World War both Tanganyika and India were British, emigration from the latter to the former was facilitated. The Asians thus came to have a crucial intermediary role within the colonial economy, owning many of the means of distribution and exchange - lorries, warehouses, shops, and financial institutions. Unlike the Arabs, who fairly readily intermarried with Africans (or more precisely, with African women), the Asians to a surprising degree remained ethnically separate. Certainly Asian men had sexual relationships with African women, but intermarriage itself was rare. This segregation worked against them in the post-Independence period, when they lost British colonial political protection. At Independence there were nearly 80,000 Asians in Tanganyika (with a further 17,000 on Zanzibar). Being predominantly commercial in their economic function, the great majority lived in the (as was argued in Chapter Two) predominantly commercial towns. Thus although their numbers in relation to the total population of the territory (about nine million at Independence) was not large, their importance and visibility in the urban areas was very significant. As we shall see in the next chapter, large and important sections in the main towns owe their physical appearance - in terms of the styles and functions of the buildings - to the Asian community.

The seventh, and final, racial group making up the raw material of Tanzania's present social structure are those born in, or descended from people originally born in, Europe. A few - very few - Europeans explored the area in the 1850's and 1860's (some of them looking for each
other, I presume), but apart from on Zanzibar there were hardly any Europeans in the area until the 1880's. As has been obvious from our explication of Tanzania's economic structure, and as will be further argued in this chapter, the various types of Europeans have been and remain a key element in the social structure - in fact perhaps the key element - and this has all been a development of the last one hundred years. For the first 30 or so years of colonialism the majority of the Europeans were of course German, and for the next 40 or so years mainly British. At the height of the German period there were nevertheless probably never more than a few thousand in total - mainly settlers, administrators, military officers, and technicians of various sorts.

By the height of the British period the Europeans were both more heterogeneous in national origin, and more numerous. In the 1957 Census (i.e. before any possible Independence exodus) there were 21,000 Europeans in Tanganyika. The majority were British, but there was also a sprinkling of others: Italian and Dutch missionaries, German coffee farmers, Greek tobacco farmers and businessmen, Boer wheat farmers, displaced Polish refugees, and the occasional Canadian colonial administrator.

As I shall be arguing later, the type of Europeans (in terms of both their nationality and what they do) have changed somewhat in Tanzania since Independence, but in the colonial period they were typically administrators, businessmen, and settlers. They were unquestionably at the apex of colonial society, and with few exceptions had high incomes, fine houses, and servants. They had their own schools,
clubs, and hospitals, and were discriminated in favour of by the colonial state. Something of the "pioneering", rough-and-ready flavour of what such life could be like (and how it was possible) may be gleaned from these extracts from a rather revealing newspaper interview with an old white settler of Greek origin called Damon Sapountzoglou:-

(He) came to the then Tanganyika in 1928 at the age of 20...to look for his sister who was married to another Greek who came to the country earlier. Damon, a young man then, came here by ship almost penniless. But 30 years later he had accumulated property and money to the tune of 20 million shillings. He made his fortune in the sisal estates during its boom days...After spending some time with his sister in Dar es Salaam, Damon decided to visit (some Greek friends up-country whose acquaintance he had made)... "On arrival I learnt from these three friends of mine that the District Commissioner was looking for a person who could undertake road repair work in the district...I had no money for such work. But these friends of mine put in a good word about me to the D.C. and I was awarded the contract," Damon recalls. After winning the contract he started recruiting people for the job, paying them 20 cents a day or 7 shillings a month for those who wanted monthly work. Since he had no money...each weekend he went to the D.C. for cash, and all he had to do was just drive people to work... "With this easy life I made a profit of 26,000 Shs. Mind you, this was a lot of money at this time. This started my new life," he says with a smile.

With this money he bought a 2½ ton truck for 3,500 Shs. and with the rest he decided to try his hand at cotton and maize farming. He planted his first 100 hectares near Kimamba and after success on this, in 1936 he planted 40 hectares of sisal. By the late 1930's had expanded his maize and cotton farms to 4,444 hectares, and he had three sisal estates...

In 1944 he was one among four rich estate owners who started the Special Constabulary at Kimamba to assist the colonial regular police to quell riots and strikes in the sisal plantations. With his money he commanded a force of some 120 special constables who conducted regular patrols in and around Kimamba to see to it that no riot, strike, or disturbance occurred...
"You see there are two reasons which made everybody in the sisal business rich. First labour was very cheap. SILABU, the Sisal Labour Bureau, used to recruit labourers for us from Ufipa, Njombe and Kigoma areas for only 9 Shs. a month. This was so until the late 1950's, when the wages rose to 50 Shs... The second aspect was that sisal prices were good - but I would say the first aspect was the most important one. So you see on the one hand we used to get about 3,000 Shs. per ton of sisal during its boom days (i.e. early 1950's) while we paid workers a mere 40 Shs. a month."

At the height of his sisal empire, Damon had about 2,000 workers on his three estates, which were producing about 20 tons of sisal a day...9

THE DEVELOPMENT OF THE SOCIAL STRUCTURE: 19TH CENTURY TO INDEPENDENCE

Of these seven racial elements of the contemporary social structure we have dealt with chronologically here, the Europeans of various types were the last to arrive. As is evident from the above, they introduced, by one means or another, radically different economic activities into the territory - and these activities inevitably had their effect on the social structure. Road construction workers, Special Constables, 2,000 wage labourers working for one man - none of these sorts of activities had existed previously - and they were performed by people who had almost all known nothing but being food cultivators before.

As we saw at the beginning of Chapter Two, prior to the 19th century relatively small numbers of people in the country (excluding the coast) lived by hunting, by trade, and by tribute. Substantial minorities lived by livestock-keeping and by banana cultivation. And the great majority lived by cereal cultivation. Petty chiefdoms, and to a lesser extent segmentary societies, were the most typical forms of political organization. State organizations did arise in some of the more
agriculturally productive areas; and in West Lake, the Western Usambaras, and on Kilimanjaro, a land-holding oligarchy arose in a political system that was something like a small-scale version of European feudalism.

In the nineteenth century political systems underwent both disintegration and development, depending on the effects of, and their reaction to, the Ngoni, the Arab slavers, and the opening up of trade routes to the coast. The peoples of the Yao and the Nyamwezi thrived on control of such trade routes, and state organizations grew up among them for the first time on the profits thereof. Others suffered terribly, from losses to the Ngoni and the slavers, and from famine. In the second half of the 19th century hundreds of thousands of obsolete European firearms poured into the interior to add to the increasing chaos. "Burned villages, destroyed crops, slaughtered, starved, and kidnapped inhabitants - may be read in half a dozen travelogues of the period...Even the missionaries, at first against political entanglement, came in the 1880's to see in effective occupation by European powers the only possible relief from a world of bloodshed and perpetual insecurity."^10

Imposition of German colonial rule was not of course undertaken for altruistic, peace-loving reasons, nor for at least two decades did it produce anything like peace. There was very considerable African opposition to their "pacification", culminating in the major Maji-Maji Uprising of 1905-6, involving most of the south-eastern third of the country. This was eventually put down with a ruthless scorched-earth policy that resulted in famine for three years thereafter, and has
left this area one of the most backward and demoralized parts of the country still.

After Maji-Maji, resistance was of either a minor or a passive nature. The Germans were free to impose the type of colonial economy they desired, more or less unhampered. As we have seen, this economy was one geared to the production of agricultural raw materials for industrializing Germany. Setting up this enterprise thus necessarily involved a "redirecting" of the given means of production within the colony's borders - most particularly land and labour. It was this "redirecting" of indigenous labour power that had important consequences on the social structure - consequences that, since the basic economic structure is still largely a colonial one, remain. The new economic activities that Africans became involved in were essentially of four broad types: peasant production of cash crops; labour on the European-run plantations of export crops; labour in the transportation and communications network that physically got the crops from the fields and on their way out of the ports; and jobs in the running of the colonial state that oversaw the whole process. For the first type, Africans stayed more or less in their own rural area; for the second type they had to migrate to other rural areas where plantations needed labour; for the third type they usually had to migrate to the towns, where the lorry maintenance, railway stations, warehouses, ports, were centred; and for the fourth type, the police stations, government offices, hospitals, courts, schools, army camps were both in rural and urban areas, although they tended to cluster in the latter. For this last type of job-occupations within the state - Africans usually had to have education. In general terms then we can say that two things changed
the precolonial African social structures: cash crops, and education.

Cash crops grown by peasants in some areas were manipulated by the existing "traditional" rules such that they were the main local beneficiaries. The Haya chiefs in West Lake, and the Chagga chiefs on Kilimanjaro, controlled the land and the coffee trees the Germans had introduced, and exploited the labour of their own people. Coffee thus had the effect of widening already existing social differentiation. In time this caused very considerable conflict within these areas.

Colonialism had the general effect of "freezing" many existing political structures as they were. This was particularly true under British rule, with its system of administration known as Indirect Rule. Administrative districts were formed of what were believed to be historically natural groupings of people, and "legal recognition was given to the status of chiefs, and they together with the Native Authority were authorized to enact by-laws." Inevitably, reality was sometimes more complicated than would have been administratively convenient, and for peoples who did not previously have chiefs - they were simply created.

The fact that under Indirect Rule chiefs were the main local rural agents of colonialism (and were paid to be so) meant they were often resented by their own people. This was exacerbated when, as often happened, chiefs took advantage of their political position to favour their own individual farms. Often their most acute opposition were the so-called "progressive" African farmers of the area who did not have official political position. Among the Haya they succeeded in eventually abolishing the quasi-feudal landholding system by which the chiefs benefited so much, and introducing instead individualized landholding. Land
thus became something of a commodity, to be bought and sold, and the
'progressive' farmers were no longer at a disadvantage vis-à-vis the
chiefs. These reasonably well-to-do, semi-commercial farmers, often
employing others as wage labour at particular seasons, were
entirely a new element in the social structure - and a product of the
colonial economy. It was they more than any others who founded and
developed the various cooperative marketing societies from the 1930's
onwards, and it was from the coops that some of the early Independence
politicians arose. A measure of the alienation of the chiefs from
their people was that shortly after Independence the chiefs' political
powers were abolished throughout the country - and the move was
generally welcomed.

Those cash crops that were grown on large estates and plantations
usually required a substantial amount of labour. As a general rule
(though there would have been exceptions) those rural areas that had a
peasant cash crop (eg. cotton, coffee) did not supply labour to the
plantations. The labour came from those areas which, for various reasons
(e.g. poor access to transportation) did not have a peasant cash crop.
The people in such areas still had to pay a cash tax to the colonial
authorities (the British tax was six shillings per head per year - with
one month's labour if one defaulted) and so young men were sent to where
they could earn cash - to the plantations and, to a lesser extent at
first, to the towns.

The areas Damon Sapountzoglou mentions above - Ufipa, Njombe, and
Kigoma - were very typical labour-exporting areas. The areas themselves
were marginalized by colonial economic development (Ufipa, as we saw in
Chapter Two, page 36, had been very prosperous in the 19th century. All they had now was subsistence production, plenty of labour, and the necessity of earning a certain amount of cash. Manpower was thus easily recruited, for very low wages, by such organizations as the colonial Sisal Labour Bureau. The men that went were migrant workers, going off to work on the plantations for one, two, or more years, to earn money to pay for family taxes, to buy some cattle perhaps, and maybe to pay a bride-price. They were thus not strictly a rural proletariat, for they remained important members of their own rural community, to which the majority of them returned in time.

The crops like sisal needed a transportation and storage infrastructure as they made their way abroad, and this tended to concentrate in the towns. Labour was thus needed to run and maintain the railways, to fill and empty the warehouses, to work the docks, and to be the house servants and gardeners, the cocktail waiters and golf-course maintenance workers, of the wealthy white colonials. These urban workers, too, tended to be migrant workers — but the migrant "cycle" tended to be a longer one than that of the rural plantation workers; sometimes indeed it lasted a whole working lifetime before they returned to their rural areas as old men. As we shall see in the next chapter, these urban Africans lived (in fact were required to live) in specific areas of the colonial towns. Apart from live-in houseservants there was strict racial segregation in area of residence. It was not until about Independence, when the lines of race and class no longer exactly coincided, and spontaneous squatter settlements began to get out of hand, that this strict segregation began to break down.
The growing and exporting of cash crops, then, was one of the two main things that changed precolonial African social structures. The other was education. After the failure of violent resistance, education came to be seen as the main way to success within the colonial framework. The number of Europeans in the colony was never very large in relation to the total population (in the German era only a few thousand), and certainly never enough to have been able to staff the whole colonial state, especially in its lower reaches. Africans thus had to be recruited and trained to be clerks, court officials, veterinary assistants, policemen, teachers, nurses, and so on. These jobs usually required literacy, and their holders thus had to have had a certain amount of formal education.

Pre-colonial societies of course had an educational process for their children, and on the coast small numbers were literate in Arabic script after having gone through Koranic schools. Basic Western-type ability in the Three "R's" though, was almost solely due at first to the influence of the missionaries and their schools. These first came, in very small numbers in the 1860's, inspired by the work of Livingstone, and then in somewhat greater numbers from the 1880's on. It was the missionaries who performed the enormous task of transcribing dozens of African languages into Roman script, and compiling dictionaries and writing grammars. It was they who produced the first "educated" Africans, and it was these literate clerks and minor officials, in the employ of the colonial state, who established the widespread use of the Swahili language throughout the territory.

These lower civil servants were another entirely new element in the African social structure. Because of the nature of their work, they
were the first Africans to acquire what might be called a territorial consciousness—a sort of incipient nationalism. The boundaries of the state were almost entirely arbitrary, determined by political considerations back in Europe. (Queen Victoria even had the border changed so she could "give" the highest mountain in Africa, Kilimanjaro, to her cousin, Kaiser Wilhelm). No Africans prior to these literate lower officials in the employ of the colonial state thus had any reason to regard as an entity the territory bounded by the colonial borders.

Although "tribal" improvement associations—usually founded by the "progressive" farmers in a particular area—existed from about the time of the British takeover onwards, the first trans-tribal organization was founded in 1922 and called the Tanganyika Territory African Civil Service Association. In 1929 former members of this organization founded in Dar es Salaam the African Association. This later became the Tanganyika African Association (TAA), which as it became more explicitly political in orientation was changed in 1954 to the Tanganyika African Nationalist Union (TANU). TANU was the political party which won Independence in 1961, and ruled thereafter.

Until after the Second World War, this proto-nationalist political activity, organization, and discussion, was almost entirely confined to the urban areas. The majority of the educated Africans worked in around the towns—but this "élite" was only a very small proportion of the total indigenous population. Figures from 1933 show that 51% of European children in the territory at the time went to school, 49% of the Asian children, but only 1.84% of the African. Progress was nevertheless made, slowly, and by 1946 the figure for African children was 7.5%. There
was a large post-War expansion, such that by Independence this figure was about 40%. By this time primary education was not sufficient to obtain the sort of employment we are talking about here, and secondary education was still very limited - only 12,000 secondary students in the whole country in 1961 (that is including European and Asian ones).

Of the seven ethnic and/or racial groupings we discussed at the beginning of this chapter, the hunters now number only a couple of thousand at the very most, and have been pushed into very poor country; the remaining descendents of the Cushitic people are probably now a few tens of thousands; and the Nilotic groups something between 100,000 and 200,000. In colonial times in Tanganyika, "African" as it was used thus referred overwhelmingly to peoples of the hundred or so Bantu-language groups. Arabs were no longer politically important (although they were in Zanzibar), and tended to be involved in fairly small-scale commerce in the towns. In many senses they were now merely a residual, marginal population. The "Asians" were much more important. They had a crucial intermediary commercial role in the colonial economy, and most agricultural products being exported out, and foreign produced goods being imported in, passed at least once through Asian hands. In addition some of their richest members had branched out into sisal estates and light manufacturing, and a not inconsiderable number were in the professions. (By way of comparison, there were at Independence no African dentists, less than two dozen African doctors, and less than a hundred African university graduates).

The majority of the Asians, and the majority of the Europeans, lived in the towns. The facilities and living areas of the towns were
different for each of what were seen as the three racial communities - African, Asian, and European. They each had their own schools, churches, clubs, hospitals, bars, and so on. Race and class largely coincided, and the difference in the quality of the facilities for each of the three groups was often considerable. The colonial government's idea of equality is interestingly illustrated by an episode in 1955 when a £3.6 million education grant from Britain was allocated "equally" to European, Asian, and African education. As Nyerere pointed out at the time, with 21,000 Europeans, 80,000 Asians, and 8,000,000 Africans in the country, this worked out at approximately 720 Shillings to each European, 200 Shs. to each Asian, and 2 Shs. to each African.

Throughout the late 1940's and the 1950's there was increasing African political activity, and from 1954 onwards rapid growth in the membership of the political party TANU. As a Tanzanian nationalist historian has described it since: "important for the rapid growth of TANU was its single objective, that is, Uhuru (Freedom). This appealed more to the masses than detailed explanations. Until Uhuru was achieved it was not necessary to define it or what would come after it."¹⁴

Considerable rural discontent, and occasional rioting, against colonial regulations throughout the 1950's spurred the development of nationalist consciousness. Immediate resentment was often focused on the chiefs, colonialism's salaried agents on the spot, and TANU was able to set itself up against their authority, and benefit from popular alienation from them. TANU won an overwhelming victory in the 1958 general election, won again in 1960, and in 1961 Britain granted the country Independence.
SOCIAL STRUCTURE

One of the most basic activities of any biological organism is acquisition of material from the environment in which it finds itself that is necessary to ensure its continued existence. Human beings usually do this in cooperation with others of their species, and it is this social organizing to produce the material means of existence that results in a social structure – a continuing and repeated set of patterns of activity by which people relate to each other. Most societies produce some amount more than is necessary just for biological and social reproduction, and this was defined in Chapter One as economic surplus. Apart from the very simplest possible ways of going about this (for example, gathering wild food plants), material production usually involves other materials in addition to the human activity. These other materials, used in production, are defined as means of production. These means are often in short supply, and different people often have different relationships to – that is, access to, or ways of using – those means. These types of relationships are socially determined. Those with the same sort of access to, or ways of using, the same sorts of means of production are of course commonly situated in the overall production process. Groupings of people so defined are thus engaged in the same sorts of productive activities and have common material, or economic, interests. These groupings are sometimes, though not always, unequally placed with regard to means of production. When this is the case then their different economic interests may be in conflict – even though they are cooperating in production. The particular ways in which people thus cooperate are the social relations of production. Social groupings that maintain or are maintained in their unequal placement.
over time are defined here as classes. Classes are thus determined by their relationships to various means of production; and the overall economy, by the way it generates and allocates surplus, creates the social structure. Changes in the social structure come about when a portion of, or stratum from within, some particular social class begins to change its relationship with regard to both means of production and the rest of the class and other classes. If that changed relationship is more than a temporary one — that is, if it begins to be maintained over generations — then the stratum becomes a class. A stratum may thus be either a section of a broad socio-economic grouping called a class that stays as such, even though it may shift around somewhat within the class, or it may be such a section that is in the process of differentiating into a class in itself. It may sometimes be difficult to know which of these two things is happening until enough time has elapsed.

It follows from the above that in order to be able to understand a particular social structure and any significant feature of it (in our case the urbanization process) it is necessary first to grasp the basic economic activities taking place. This we have tried to do in the two previous chapters, one on economic history and one on the contemporary economic structure. As we have argued, the present-day economy is a product of its integration into and structuring by the world capitalist economy. If a society is moulded by its economy then it follows that the Tanzanian class structure can only be understood in relation to its colonial economy, and the world economy of which it is a component part. This class structure must thus be situated within the proper context of the wider international social structure. It is quite impossible to
gain a proper understanding of it without this.

By Independence, the basic colonial economy had moulded certain social elements embedded in it in such a way that helped ensure its reproduction. African coffee-farmers, plantation labourers, dock workers, teachers, civil servants, had been produced by the colonial economy, and were now used to, and desired, the cash that their occupations provided. Surplus was being generated, appropriated, and allocated in specific ways, and this gave rise to various group interests that wanted to maintain that surplus allocation, and if possible increase their share of it. Political policies are decided by the outcome or balance of social and political forces. By class analysis one tries to establish the economic interests and powers of various groupings within a socio-economic structure - then one can look at the society and see what forces of what strength are pushing it what direction. Understanding what is going on, and even more so, attempting to predict it, is very difficult, and often impossible, without this. If, for example, the present Tanzanian government claims the country is going to become a socialist society, one must look to things like identifying which classes in the society would benefit from such a development, which classes would lose out economically, and whether effective power resides with the former or the latter. If, as I will be arguing here, it appears to reside with the latter, then one may venture a prediction about the government's claim on that basis.

Analysis is complicated by, and prediction made more uncertain by a number of factors. First, the fact that class formation is at present incomplete and somewhat embryonic. Class differentiation among the indigenous African people in the territory was at the time of independence
far less developed than in many other countries on the continent. Uganda, Nigeria, and Ghana for example all had at the same time more quasi-feudal "traditional" men of power, more and richer African capitalist farmers, and more of an educated "élite". This difference is one of the things that helps account for the fact whereas in these countries policies have generally since independence aided and facilitated private accumulation of wealth, in Tanzania policies have tended to make the state the accumulator of capital - because indigenous African wealthy groups were less strong and less well developed. This further complicates the problem of how to describe those who now have political power. Unlike in the above countries, and indeed many more in Africa, they do not privately own any significant means of production. They certainly control a significant amount, but the fact that they cannot directly bequeath this control to their offspring (as a private owner of means of production usually can) must make us think carefully before describing them as a class, as we have defined it here.

A final complicating factor we might mention here is the fact that insofar as there is group consciousness and identification in Tanzania, it is often not class consciousness. National, ethnic, regional, and kin group consciousness are all at most times stronger, and indeed cut across and blur class lines. It so happens that at the national level Tanzania is one of the African countries least affected by ethnic conflicts, or what is called "tribalism". This is partly because Tanzania has so many tribal groups ("language groupings" would be more accurate, if clumsier) - over 120 - and partly because the one that happens to be the largest numerically, the Sukuma, was not in a position to dominate after Independence.
This is in sharp contrast to neighbouring Kenya and Uganda, where the ruling groups of their two biggest tribes, the Kikuyu and Baganda respectively, took firm control of the post-colonial state. Nevertheless at the top end of the social structure in Tanzania there is a fair amount of somewhat muted resentment against the number of Chagga in top positions - the Chagga being a minority group, but because the missionaries liked the climate on the slopes of Kilimanjaro, their homeland, many mission schools were established there, and they consequently have the highest rate of educational attainment among any indigenous group in the country. At the bottom end of the social scale, most peasants almost certainly identify more with their local ethnic affiliation rather than thinking of themselves as "Tanzanian peasants." Inter-ethnic hostility, or at least suspicion, within classes inhibits the crystallization of class consciousness. It is true that TANU ideology is cast in terms of "workers", "peasants", and "capitalists" - but this often obscures as much as it clarifies: middle-range government officials and managers are identified with "workers" (and the subsidized housing built for them in the towns with state funds thus justified as "workers' housing"), and the most petty producers and traders are sometimes harassed as "capitalist exploiters" while multinational corporations are welcomed with open arms.

Class structures are usually very dynamic, and the conflicts they generate usually result in their being in a continuous state of change. Reasonably static social structures are easier to portray, but there are probably none in existence in the contemporary world. Some historical examples of the so-called "Asiatic" mode of production provide instances
of such structures that sometimes changed in only minor respects over long periods of time - occasionally hundreds of years. Any present-day society we may choose to look at, however, is necessarily undergoing rapid economic and social change. This is largely a result of the spread and development of the world capitalist system in the last half millennium, outlined in the first chapter. In the case of Tanzania there are several co-existing modes of production, which are related in differing ways to the dominant capitalist mode. The capitalist mode has also had historically a very uneven impact in the country - some areas were very rapidly completely transformed (the plantations, the towns); other areas underwent modification and adaptation of what already existed (the peasant cash-crop areas); and others were marginalized and left to virtual stagnation (the most western regions, and the south-east after the Maji-Maji rebellion). The resultant overall social structure is thus quite complex and difficult to delineate.

Ignoring minor residual elements like the small number of hunting-and-gathering peoples left, the social structure we will attempt to portray (in roughly hierarchical order) can be seen as being composed of the following elements: the international bourgeoisie, and its representative organizations and personnel resident in the country; the bureaucratic or state bourgeoisie - the indigenous group with political power who control the already described large amount of state owned means of production; the commercial bourgeoisie and other medium-sized capitalists; a "middle class" of professionals, private and public sector managerial and clerical staff, and middle-level and lower-level Government staff; urban workers (formal sector); urban petty
producers, traders, and suppliers of service (informal sector); peasants and pastoralists, including all largely self-employed rural cultivators and herders of domesticated animals who are politically subject to the State and in any way connected with the economic structure described in the previous chapter; and, finally, agricultural wage labourers.

The rest of this chapter will elaborate on each of the groups in the present social structure outlined in the above paragraph, starting at the bottom with the agricultural wage labourers, and working upwards. It should be clearly understood first that a social structure is a process, that exists in time. A model such as the above, therefore, bears a similar sort of resemblance to what is actually happening as a meteorologist's weather map does to the actual continuous process in the atmosphere above a given part of the earth's surface. It is useful to talk about a "depression", or a "gale", but the boundaries between them and other phenomena it is useful to conceptualize meteorologically are not at all distinct. Both for this reason and because air and moisture are in constant movement, deciding where to fix the boundaries is to some extent an arbitrary matter. The same is true for a "map" of a social structure. The one above has some important differences from one that would be drawn up of ten years ago - and even more from one of twenty years ago. It is useful to talk about "urban workers" and "petty producers" because they are differently related to various means of production and distribution - and this differently defines their economic or material relationships to other social groups. But if one looks at actual people in real life in Tanzania, the distinction between a worker and a petty producer may on occasion seem a very fine one: they may work in the same place, make the same amount of money, and indeed may even
be in the same household. The boundaries then, as in meteorology, are not always clear to an outside observer. In addition, actual people are continually moving from one category to another, and some people may even be in more than one category - for example, being both peasant and wage labourer, or both worker and petty trader. Finally, the categories themselves experience change over time - either by expanding in the numbers they contain, or by entirely new categories arising.

We will now deal in turn with each of the groups in the social structure delineated above. Since it is the essence of these phenomena that they exist in time, something of the development of each of the groups will be discussed - usually in the most recent, post-Independence period. It is of course precisely the relationship of each group to others that makes it a social structure, and not merely a random collection - and therefore as we discuss the development of each social group it will be impossible not to mention at times the effects of, and on, other groups.

**Agricultural wage labourers**

Wage labouring in agriculture is entirely a product of colonialism. All agricultural work prior to this was done by peasants, slaves, or (in some areas) cultivators politically subject to none but kin. As was seen in Chapter Two, the Germans largely intended to produce topical raw materials for export by means of plantation production. It was not possible to initiate this merely by offering wages and thereby attracting sufficient labour. Since capitalist production had not existed hitherto, there was no "free" market in labour. The colonial state therefore had to use coercion to ensure a sufficient supply. Measures included the introduction of a cash tax and of various forms of forced labour. Even
slavery was not abolished until 1919, after the departure of the Germans. The plantations and estates that produced the rubber, the sisal, the coffee, were thus not for some decades worked by "free" labourers — that is, offering their labour power in return for money wages. The transformation of the labour that worked the plantations into wage labour was a gradual (which is not necessarily to imply "peaceful") process that developed along with the spread of the money economy and the consolidation of the colonial economic structure.

The inhabitants of areas that became "marginalized" by the development of colonialism eventually needed cash and had only one way to obtain it — to migrate and sell their labour power. As we saw earlier in this chapter from what Damon Sapountzoglou said: "labour was very cheap. SILABU, the Sisal Labour Bureau, used to recruit labourers for us from Ufipa, Njombe, and Kigoma areas for only 9 Shs. a month." Such migrants were usually young males, and the effect of their absence from their home areas was generally to reduce families' capacities to clear new agricultural land, and thus increase the amount of time already cleared land was cultivated. This had the further effect of decreasing soil fertility, lowering crop yields, and thus making more urgent the necessity of migrating to find wage employment. 15

Agricultural labourers, at least since the Second World War, have had two main sources of wage employment: either on the estates and plantations owned by foreign companies, white settlers, Asian businessmen, or — latterly — the Tanzanian state; or in the employ of African capitalist farmers and rich peasants. In general the former type of employment is "formal", in the sense that the government has statistics on its extent and minimum
wage laws are in effect on it, whereas the latter is more casual and
seasonal, its extent is not quantified, and its remuneration is usually
well below the official minimum wage - perhaps more than 50% below it. 16
We are able to say little about this latter type of employment other
than that it exists and that it is reasonably extensive. I have been
able to find no figures on it.

Official estate agriculture employment, on the other hand, is
known to have been over 200,000 at the time of Independence, and to have
been at that time slightly more than half of all formal employment in the
country. However, largely because of both mechanization on the sisal
estates and drop in sisal production because of low world prices, total
estate employment by 1972 was only 113,845 now little more than a quarter
of all formal employment. Of these, one third were employed in sisal,
and the bulk of the rest on tea, coffee, and sugar plantations. 17

Agricultural employment has both lower legal minimum wages than
those set for urban employment, and a large proportion of it is casual -
37% of it in 1972 (see Table XIII, later in this chapter). Most of its
labour is migrant, and most of the workers still have land, or access to
land, in their own rural areas. Many in addition have food plots near
their estate employment, with which to supplement low wages. Both for all
these reasons, and the fact that agricultural employment has declined so
rapidly and with so little apparent dislocation, one must be careful about
calling these workers a "class". Certainly the economy is reproducing
such wage employment, but the actual people performing it are often
doing so only temporarily, and are intimately connected with peasant
production. Such people are articulating with both the capitalist mode
of production and the peasant mode, to varying degrees from year to year or in the course of one year — and few are wholly dependent on selling their labour power to capitalist agricultural enterprises. It may be more accurate to call agricultural wage labourers a stratum of the peasantry at the moment — who may eventually become quite separate from them, solely dependent on selling their labour power, and a class in themselves.

Peasants and Pastoralists

In pre-colonial times many rural cultivators were economically and politically subject to indigenous state organizations. Such states in the area of what is now Tanzania were rarely, however, contiguous — and many cultivators, and particularly pastoralists, were not so subject. German "pacification" took, as we saw in Chapter Two, at least twenty years. From this time on all inhabitants of the area were politically subject to the colonial state, even if in practice in some of the more remote areas colonial administration was somewhat rudimentary as yet. As the colonial economy spread, more and more cultivators and herders became connected, in one way or another, with the money economy. With the possible exception of a few hunter-gatherers (and even these are subject to Government officials), there can be few rural inhabitants who are not now connected with the money economy: either by working occasionally for wages, or by selling agricultural or livestock produce for cash. Even in the most remote areas of cultivation, with inadequate transport infrastructure and no cash crop, people now have cash needs and will usually seek to have at least one family member working somewhere in the country for money. Even the most "traditional" — seeming pastoralists, such as
the Masai, readily pose for tourist cameras in return for five shillings, and sell their cattle when necessary to the government meat-packing plant.

Politically, and to an increasing extent economically, colonialism resulted in a process of what might be called a "peasantization" of the great majority of the rural population. As we will see later in this section, even the pastoralists have been subjected to considerable government intervention and pressure to get them to "settle" in one place and "modernize" their way of life.

Perhaps the single most important fact to remember when trying to understand the situation of peasants and pastoralists in Tanzania, is that the country has a lot of land. This means that apart from in a few particularly fertile areas - and then only fairly recently - there has not in general been much of a problem with land shortage in Tanzania. This in turn has limited the amount of social differentiation in most of the rural areas. There is no significant rural landlord class, because such a class can
only arise if there is no free land available. The power of a landlord is precisely that he has something that is in relatively short supply. If there is usually free land available over the next hill, then of course it makes little sense to pay rent to a would-be landlord for the use of his land. By the same token, landlessness among peasants is not a serious problem in most areas of rural Tanzania. The exception in both these cases is that the supply of really good land in a particular area may be all taken up - and then those without it either have to work less good land (which may mean harder work for lower returns), or they may work for wages for those who have the good land, or they may rent some of it to cultivate themselves, or they may consider another option - such as migrating to the towns.

Some students of societies with large peasant populations have found it useful (for academic, and sometimes political purposes) to categorize peasants as "rich", "middle", and "poor". A "rich peasant" is held to be one the most part of the labour on whose farm is hired, and who may also have additional sources of income, such as from a shop, a lorry, or rent from parcels of land. A "poor peasant" family is one which does not own, or have the use of, sufficient land to employ the available labour in the family - and most of this labour power has to be sold elsewhere (often, though not always, to rich peasants). And a "middle peasant" family is one which relies principally on family labour on a family farm, though this does not exclude both occasional selling or hiring of some labour power at particular times of the year. Throughout most of Tanzania it follows from what we have said before that most peasants are "middle" peasants - even if, as is very often the case, they are extremely poor in terms of income.
This fact of fairly abundant land has meant that rural stratification is not as complex as in perhaps most "third world" countries—and certainly nowhere near the complexity of, say, India. Nevertheless there are wide differences between various regions in the country in this respect. One could posit a rough polarity along the following lines: at one extreme there are areas which typically have no cash crop, are unfavorably located with respect to transportation and markets, and are fairly thinly populated. Nearly all the peasants in them are "middle peasants", although impoverished, and virtually the only social stratification that exists is between them and government staff in the area (policemen, medical officers, local government and party officials). A typical example would be the Ufipa plateau in the west, or the Rufiji valley in the south. At the other pole there are a few areas that have a lucrative cash crop, are close to railway lines or roads, and are densely populated. All available land may be under cultivation, and there is both land scarcity and more concentrated ownership of land. Because of the prosperity generated by the cash crop, land has become a commodity and there is a considerable amount of landlessness as the richer, more powerful, "progressive" farmers buy out others. Because families grow over time and the amount of land does not, there may be a "significant amount of "agricultural involution." There is clearly a considerable amount of social differentiation in these areas into rich, middle, and poor peasants. Typical examples are on Kilimanjaro and in the Usambara mountains.

Since many other areas are at varying points between these two extreme "poles", it is obvious that there are considerable regional
differences in rural social structure, and that since most of the rural population probably identifies more with its own locality and ethnic group it is perhaps more accurate to talk of Tanzanian peasantries rather than a peasantry. I have been careful in any case to avoid calling them a class, partly because of the wide regional variations, but more especially because it is not clear whether the various strata of peasantries are to be called one class or several classes. Clearly a peasant family that has land has means of production, while one that does not, does not. Strictly speaking then the two are in different class positions, and if we were to define a peasant as someone having access to land, then a "landless peasant" would be a contradiction in terms ("rural proletariat" would be more accurate).

At the other end of the peasant scale, when does a "rich peasant" become a "capitalist farmer"? If the most part of the labour on his farm is hired, then why is he not the latter? For the purposes of this thesis it is not necessary to get involved in this particular controversy, but in bare outline the answer to this might perhaps lie in deciding between the analyses of Lenin and Chayanov of the impact of capitalism on agriculture in pre-Revolutionary Russia. The latter saw wealthy peasants as being restricted for various reasons from developing into full-scale capitalists. Lenin on the other hand considered that the process of class formation among the peasantry was not in any fundamental way different than among any other groups.

What is very interesting in this regard is that there are a few areas in the country - very atypical of Tanzania generally - where indisputably capitalist African agriculture has arisen. These areas -
Ismani and Mbulu are the best examples — differ from the rich cash crop areas mentioned above in that they were only relatively recently settled. The rich, highly populated "pole" areas like Kilimanjaro have "traditionally" (i.e. since pre-colonial times) been highly populated — because of their soil fertility and good rainfall. Commercial agriculture there is thus an adaptation and modification of the traditional mode of production and social structure. African capitalist agriculture in Ismani and Mbulu on the other hand is on land that was more or less virgin and unpopulated until the Second World War. In the case of Mbulu district the colonial government encouraged the production of wheat then among white settlers to supply to troops in the Middle East. Despite lack of credit and other facilities for African farmers at the time, a small number of them also began to grow wheat, on 10-15 acre farms, using a rented tractor. By the late 1950's the success of this was well established and some African farmers were growing wheat on farms of up to 300 acres in size. Although there are now very many more farmers cultivating very much smaller areas, one growing wheat using tractors and combine harvesters and hired labour on a couple of hundred acres of land is very definitely a full-scale capitalist farmer.

Similarly in Ismani it was the late 1940's when commercial agriculture there got started (in this case the crop was maize). For several years the only limit on the amount of land one farmer could have was how much he could clear and plant. The area proved to be particularly productive one for maize farming, and by the 1960's it had become the leading source
of marketed maize in the whole country. Some idea of the impact of capitalist agriculture on social differentiation in the area may be gleaned from these extracts from a study done there in the early 1970's:

The farmers cultivating 1-15 acres constituted 68% of the households... (Those) cultivating between 15 and 40 acres constituted 23% of the households... (and) cultivated about 28% of land under crops... The stratum owning between 40 and 100 acres constitute 6% of the total households and cultivate 13% of the land under crop cultivation. Those owning and cultivating between 100 and 350 acres cultivated 19% of the land and constituted 3% of the households. Those who owned over 350 acres constituted .01% of the total households and cultivated 21% of the total land under crop cultivation.

...The average annual gross income from farming for those... (cultivating 100 to) 350 acres was about 38,248 Shs., whereas those owning over 350 acres earned an average annual gross 189,000 Shs... The average gross income for those cultivating 1-6 acres was only 354 Shs. and those cultivating 6-15 acres received an annual gross income of 945 Shs. 21

Differentiation of this order of magnitude is not typical of Tanzania as a whole, but only of a few special areas where a lucrative cash crop coincided with large tracts of virgin land that happened to be ideally suited to it. The richest cash crop regions elsewhere are those that were already populated. Throughout most of Tanzania settlement is fairly thin on the ground, and rural stratification is very limited. Although landlords and capitalist farmers have considerable influence on local politics in those areas where they exist in number, these areas are few - and the influence of these groups on national politics is quite limited. National policy on rural areas has thus been confronted with the problem of what to do about the "typical" peasantries of Tanzania.
Because of the general availability of land most peasants have practised land-extensive, shifting, slash-and-burn agriculture. This tends to make for fairly dispersed settlements, as the area of cultivation has to be moved usually every 3 or 4 years. The 19th century depredations of the Ngoni and the Arab slave traders generally accentuated this, as nucleated settlements were more visible and attractive to raiders than widely scattered individual homesteads. Colonial taxation and mandatory labour service had the same effect. At Independence then, dispersed, individualized homesteads was the way most peasants were settled, with actual villages being common only among a minority of peoples (for example the Haya, the Shambaa, the Nyakusa, and the coastal Swahili). Most peasants thus were very isolated, their labour had very low productivity, and the 19th century and colonialism had left them very demoralized, suspicious, and sceptical of change. Most were basically subsistence farmers, with varying amounts of cash cropping as well, when possible. Those areas that did not have a cash crop under colonialism became very backward and stagnant, even if they had not been so in pre-colonial times. They were still required to pay a cash tax, so most families sought to have at least one member working for wages as a migrant somewhere - for example on the sisal plantations or in the towns. Both for this reason and because people tended to move out permanently too, these areas tended to become de-populated - and even more stagnant.

The colonial strategy in the 1950's was to encourage and help the "progressive" farmers. That is, those African peasants who were more
inclined to grow cash crops for one reason or another (because they were richer, more powerful, or chiefs) – these received most of the financial credits, new seeds, and attentions of the extension staff. This of course tended to make them even richer and more powerful, and was of doubtful help to the majority of peasants. The problem still remained about what to do about the typical cultivator family – how to mobilize and help them to increase their productivity and their standard of living.

The colonial answer to this was what were called "settlement schemes". These were closely supervised projects tied to the production of a specific cash crop – for example, tobacco, tea, or pyrethrum. The post-Independence government took up the idea with great enthusiasm at first, and the "First Five Year Plan proposed to settle almost half a million people on 70 schemes consisting of over 240 million Shs. (or 13½% of the total development budget)." Before the five years was up it was realized that this was a big mistake. The schemes were greatly overcapitalized, insufficiently well organized, and people resented the paternalistic supervision they entailed. Some settlers ran away to escape their debts, and there were even instances of others who "referred to themselves as 'Watumwa wa Serikali' (slaves of the government). As a result they put in as little work as they could get away with and expected at least the equivalent of a minimum wage – the normal behaviour of workers in a capitalist enterprise."22 Very few such schemes survived to the end of the 1960's, and the idea was abandoned.

During the first few years of Independence, TANU's leading intellectual and ideologue, Nyerere, the President, began to re-think rural policy. He
argued that in pre-colonial times Africans lived a basically sound communal egalitarian existence. (This is not necessarily anthropologically accurate - but this is what was argued). Its only defects were that women were ill-treated and over-worked, and that this sort of primitive communism was equality at a very low economic level - as a result of ignorance of more productive techniques, and the small scale of operations on which things were done. These things could be corrected without affecting the validity of the traditional solution, and if this were done this would be the basis of a new "African Socialism."

"Ujamaa", then, or "Familyhood", describes our socialism. It is opposed to capitalism, which seeks to build a happy society on the basis of the exploitation of man by man; it is equally opposed to doctrinaire socialism which seeks to build its happy society on a philosophy of inevitable conflict between man and man...We have to reactivate the philosophy of cooperation in production, and sharing in distribution, which was an essential part of traditional African society.23

In 1967 at the time of the Arusha Declaration, Nyerere published an important paper called "Socialism and Rural Development", which the Party formally adopted as its policy for the transformation of peasant life as it then existed. The goal was now no longer settlement schemes but ujamaa villages. These were to be self-governing, communal villages engaged in cooperative production. The problem was how to reach this goal, starting from a situation of the majority of peasants living in dispersed individualized homesteads. It was quite explicitly stated at the time that an essential feature of bringing about ujamaa was that it had to be done voluntarily - and that the government could only persuade
peasants that this policy was in their best interests; it could not use coercion because this could not possibly result in democratic socialist communities. Thus it was stated by Nyerere that "viable socialist communities can be established only with willing members; the task of leadership and of Government is not to try and force this kind of development, but to explain, encourage, and participate". The main task of government and Party officials vis-à-vis the peasants, then, was one of political education - convincing them and showing them how ujamaa village communities would be best for them.

Ujamaa in principle and ujamaa in practice have proved to be two rather different things. But even in principle it had one very serious flaw. If successful as envisaged it would indeed increase agricultural production. But that increased production would be of limited use as regards building socialism if the crops grown and the prices obtained for them were still those demanded and controlled by the world capitalist market. Ujamaa then was a policy that still assumed dependence on export crop production - tobacco, tea, cotton, etc. It was not integrated into an overall socialist strategy - most specifically, the type and amount of crops to be grown were not linked with an industrialization plan. Without this, even in principle it was probably fatally flawed.

In practice the attainment of the ideal proved a more intractable problem than had been realized. The process as envisaged by Nyerere obviously assumed a high level of commitment, ideological understanding, and integrity, on the part of those who were to mobilize the peasants - the government and Party officials in each locality. This was a big
assumption in view of the fact that the civil service structure was basically the hierarchical, bureaucratic one inherited from colonialism, and that the Party was a mass party that anyone could join, with no prerequisites about specific political beliefs other than an undefined nationalism. We will discuss these people in more detail later on, but it is necessary to understand a certain amount about them to appreciate what has happened to Tanzania's peasants over the last ten years. One academic who has worked for some years in the country has this to say:

Most administrators have imbibed liberal doses of elitism and "modernization" ideology with their education... and this has been reinforced by their job training (especially for extension officers). This tells them that they are the bearers of modernity to a traditional peasantry, who will resist their innovations through conservatism and ignorance. Acceptance of the "traditional-modern" framework leads to an uncritical attitude towards all "innovations" since they are by definition "modern". Thus failure by peasants to "adapt" leads not to critical scrutiny of the innovations and of their relevance but is seen simply as further evidence of the ignorance and stupidity of the peasants, and so often leads to the use of more coercive and heavy-handed methods of policy implementation. This in turn gives rise to further peasant alienation, expressed either as apathy or passive resistance (frying cotton seeds, planting cassava upside-down), once again misinterpreted as dumb stupidity. "Resistance to innovation" thus certainly exists, but as a function of the self-reinforcing antagonistic relations between peasant and bureaucrat rather than as a result of "traditionalism".

Thus the actual behaviour of government staff and Party officials (often the same people) in working with the peasants was not infrequently considerably at variance with Nyerere's idea that they should only "explain, encourage, and participate". As far as the specific task of
getting the peasants to change from dispersed to nucleated settlements was concerned, implementing from above was far easier for administrators than mobilizing energies and enthusiasm and understanding from below. Making peasants do something by administrative decree was possible for some limited, specifically definable goals - such as moving to a village, or building a well, or starting a communal dairy - but this did not ensure (in fact it tended to mitigate against) long-run maintenance of and participation in these projects. This is not to underestimate the difficulty of politically educating Tanzanian peasants to organize themselves to achieve such projects, but unless they do, they do not learn the power of their own collective efforts to improve their lives. In a sense the real pay-off of peasants organizing themselves to build something specific - let us say a dispensary - is in the social organization that so building it creates. This organization can then carry on and develop more in further projects. Getting the dispensary built by administrative fiat tends to guarantee maintenance problems in the long-run, and has little benefit in terms of communal organization for the future. In other words it does not, in official terminology, help build ujamaa.

The main strategy taken between 1968 and 1973 to bring about the establishment of ujamaa villages was a joint one of "persuasion" and material inducement. Peasants were told that they ought give up their individual homesteads and settle together and form a village, and that moreover if they did the government would provide them with, for example, a well, a tractor, and bags of maize flour. This Government giving of what amounts to "aid" tends, as at the international level, to undermine
the declared aim of "self-reliance". Those who have studied the process at the village level seem to feel it fosters peasant dependency, and undermines their estimation of the power of their own efforts:

Administrators present villagers with a plan which is primarily a set of production targets, and make the allocation of physical inputs and social services dependent upon acceptance of this plan. The villagers know that to argue the merits of the plan is likely to displease the bureaucrat and reduce the likelihood of their getting assistance. Consequently they tend to accept the plan even if they know that they cannot fulfil the targets (and may have no intention of doing so). This has a number of adverse effects upon village organization. If the villagers feel that the plan is not feasible, they are not likely to take it seriously, especially since they come to learn that much of their material income depends on acquiescence rather than productivity...(They) come to depend for their livelihood as much on government assistance as on production, and turn their attention to manipulation of officials (as they see it) rather than trying to form a viable community...

These attempts, through bureaucratic means rather than political mobilization, to get people into villages was most noticeable in widely publicized "Operations" in some of the more sparsely settled regions (e.g. "Operation Dodoma", "Operation Rufiji"). Part of the reason for this was undoubtedly that among pastoralists, semi-pastoralists, and areas of the poorest "middle peasant" cultivators, there was plenty of free land on which to found new villages and the cultivation areas they would require, there were no landlords to provide local political opposition to Government reorganization of the people, and the people, being so poor, had least to lose and most to gain by Government inputs. A certain amount of coercion was used, especially against pastoralists (who administrators tended to view as particularly "backwards" and "uncivilized" - their nomadism was sometimes viewed as an irrational
desire to be "vagrants", rather than as an essential part of pastoralism in the dry areas in which they lived), but coercion was still against official policy, and there were even a couple of instances of disciplinary action being taken against officials who had used force.\textsuperscript{26}

In this period (i.e. up to 1973) the regions that appeared to be most successful in creating villages were those in the very South. There are a number of reasons for this. Partly it was because the South was extremely poor due to its history over the previous century or more, and thus its inhabitants perhaps felt they had least to lose by cooperating. Partly, these were the regions that directly bordered on Mozambique, where there was considerable Portuguese-FRELIMO fighting during the 1960's and early 1970's, and since there were FRELIMO guerilla camps in southern Tanzania, Portuguese raids across the border were always likely. And so people grouped together for defence (which would include Government military help). In addition in one region at least, Ruvuma, ujamaa appeared to developing in a way that was close to that envisaged by Nyerere. In this case though the local political organization that had arisen as a result of it was compulsorily disbanded by TANU headquarters in the late 1960's, for reasons that are not at all clear. There was an accusation (which can still neither be confirmed nor refuted) that local autonomy and democracy was a threat to the authority of TANU officials.\textsuperscript{27}

In spite of the progress in the South, the strategy of persuasion and material inducement in general appeared to be working only slowly in achieving nucleated settlement. Thus in 1971, according to official Government figures, in 14 out of 18 regions in the country less than 6\% of the population was in ujamaa villages.\textsuperscript{28} This in spite of the
fact any new village once formed could register as being a "ujamaa" one, whether it produced cooperatively or not; and similarly in areas that had always had nucleated settlement, villages were able to be re-labelled as "ujamaa" ones.

If policy was faithfully implemented as theoretically conceived, cautious progress would have been inevitable anyway. Peasants were not at all easy to convince that pooling their resources and efforts was indeed in their best interests - more particularly so when there were many instances of their being cheated when this happened (see for example their experiences with coops, mentioned in Chapter 3). Nevertheless, this slowness caused considerable frustration among government and Party officials - people who saw their jobs and careers as properly being administering thriving ujamaa villages. At the highest levels there was concern that agricultural production was not rising anything like fast enough, except in a few crops like coffee and tea. In any case, on November 7th 1973, a few months after I first arrived in Tanzania, the Government-controlled newspaper The Daily News carried a lead story entitled: "To Live in Villages is an Order - Mwalimu". (Mwalimu is Swahili for "Teacher", and is Nyerere's honorary title). The gist of this article was that the previously essential voluntary element in forming villages was now dropped, and peasants were now "ordered" to form villages - by 1976. The sanction behind such an order was not made clear, but three years was a long way off, and urgent Government "directives" had a habit of burning themselves out after a short time? - so there was not any immediate cause for worry.
In the capital, Dar es Salaam, nothing very much further than this was heard for several months. But by the middle of 1974 people there were beginning to hear a variety of what seemed then rather extraordinary stories about what was happening in the rural areas. It appeared that the Army was in many cases rounding up peasant families, destroying their houses, and sometimes their crops, and transporting them to a common site, dumping them there, and telling them to get on with building an ujamaa village. Whether all these things were true was difficult to establish. I travelled around parts of Iringa region on a borrowed motorbike and what I certainly saw were many instances of people virtually "camping" in one spot, each family under a tree or beside a bush, children and old people sitting under blankets rigged up with string and sticks to provide shade, and surrounded by a clutter of possessions. People seemed a bit dazed, and not particularly eager to talk about what had happened - indeed they did not really seem to know what had happened. No journalists or academics appear to have personally seen, or at least published articles about having seen, the actual moves themselves. But what I saw was at least consistent with a few published descriptions by Tanzanians that appeared a year or two later:

The 1974 campaign to implement this decision cost several lives and massive losses of property as peasants were forcefully moved by the army, police, and militia, into "villages" which, in most cases, were totally uninhabited locations where families had to suffer exposure for days before they managed to build shanty structures.30

And another more specific description:
Many peasants in Inchugu were taken by surprise to see armed militiamen, climbing on top of their houses, taking away the thatch, in some cases the iron sheets were torn off, doors and windows removed or smashed to pieces; houses pulled down in some cases. Many people...were faced with the problems of accommodation. Their homes having been destroyed and the orders to move with all their property to the village building sites that same day, they moved with chickens, children, wives, cattle, goats and sheep; with beds and bedding, some of them settled under trees for shelter provided they were within the village sites.31

And Nyerere himself admitted in an article written three years later:-

Some few leaders did act without thinking, and without any consultation with the people who had to move...And there were cases where people were rounded up without notice, and dumped on the village site, without time to prepare shelter for themselves. But it is absurd to pretend these cases were typical of villagization.32

Whether these cases were typical or not probably cannot now be proved. What seems almost certain is that there were very many such cases in many regions of the country. I personally knew several people who worked in Dar es Salaam who took leaves of absence in order to go back to their rural areas and help their kin build new houses. Even allowing for the exaggerations of rumour, it seems clear that the period was a very traumatic one for the people involved. Rumour and personal anecdotes were, in the capital at least, the only source of information about what was going on for some time. The Government radio programmes and newspapers were silent on the matter for several months. It then started being referred to in the media in the second half of 1974, in the form of reports of speeches by Regional Commissioners claiming that so many hundreds of thousands of peasants had moved into villages in their region in the last few months. Then, and subsequently, the word "ujamaa" seems to have been dropped in referring to what happened. The
description was now only "villagization"; that in itself was seen as a desirable goal, and no mention was made of communal production or democratic decision-making. The Daily News in an editorial on August 23rd, 1974, fairly accurately mirrored the mood:-

Those who think they can avoid living in such villages are deluding themselves. Those who try to resist going into such villages are also fighting a lost cause. Every Tanzanian peasant will have to move and live in such villages. Anyone who refuses will be taken there by force. On this there will be no half-measures...TANU will not allow any Tanzanian, big or small, to hinder progress.

As one can imagine, and as was detailed in the previous chapter, this "progress" was having a disastrous effect on agricultural production. Peasants had been moved away from their perennial crops (like cashew-nut trees), and the upheavals and insecurity caused them to retreat into subsistence production and not to plant cash annuals (like cotton). One of the ironical results of forced villagization was that, far from stimulating communal, socialist forms of production, the Government in alarm at falling output had to reactivate old colonial laws, and pass new ones, to make mandatory a minimum, and in fact quite large, amount of individual production. The newspaper reported instances from several areas of the country of peasants being jailed for failure to produce enough. The Daily News on August 1st, 1974 reported for example:-

Every family in Dodoma rural district will cultivate not less than three hectares of food crops from this year onwards, the Party's district working committee has ruled. Heads of family with more than one wife will be required to cultivate three hectares for each wife. To enforce this, identity cards will be prepared. Nobody will be allowed to use buses, trains, or planes (sic) without producing an identity card showing that he has cultivated three hectares.
This particular "campaign" was fairly short-lived, but it does illustrate the problem the governing bureaucracy got itself into. From the inception of ujamaa policy, rather than seriously undertaking the task of politically educating the peasantry (and I repeat - I do not underestimate its difficulty) most Government and Party leaders tailored and emasculated ujamaa to fit their preconceptions and administrative convenience. This naturally led to very slow and distorted progress. Frustration with this led what amounted to a total redefinition (and, arguably, negation) of ujamaa into what was administratively possible, and moreover easily measurable - maximizing the number of peasants in "villages". Reading speeches reported in the newspaper one got the impression (though this is of course quite impossible to prove) that local leaders were actually competing with one another in putting into effect most loyally what was seen as Government policy. The use of coercion almost certainly contributed to a decline in marketed output - and this in turn called forth new attempts at coercion.

The three years Nyerere had allowed for "villagization" would barely have been enough to plan properly all the new villages and move people in an orderly fashion - but in fact most of it was done in the first nine months of 1974. By that time there were very distinct signs of the brakes being put on. In particular it was becoming obvious that villagization was not going to be applied in some of the richest areas, like Kilimanjaro and Bukoba. There are perhaps two reasons for this: one, is that since these were areas where all the land was used up and there was considerable social differentiation, creating room for new villages would involve fierce, and probably very violent, conflict; the other is that the middle and higher
bureaucracy is disproportionately recruited from the ethnic groups of these areas (the Chagga, the Haya) and it is quite possible that pressure was applied to deflect villagization away from where their kin owned land. In any case when it became apparent that agricultural production was suffering badly, there were moves (in addition to the minimum acreage laws) not to disrupt types of production that were still delivering the goods. Thus by mid 1975 the Government announced that capitalist farms would be left alone, so long as they were productive.

According to official figures, in 1973 there were 2,028,164 peasants in the country living in villages. By 1975 this figure had risen to approximately 9,100,000. That is to say, during this period 7 million peasants, nearly 50% of the population of the whole country, had moved or been moved. The settlement of peasants had changed from being about 15% nucleated (i.e. in villages) to nearly 70%. The average number of inhabitants in each new village was 1,700. The President ordered that no village should have more than 600 families - which means some villages may have up to and over 3,000 people in them. The size of the new villages alone almost guarantees that production will not be communal, or at least not successfully so. The jump from cultivating individually for generations to cultivating communally on such a large scale is an almost impossibly large one. It is worth noting, for comparison, that in China this process was started by founding mutual aid teams of sometimes less than twenty families and then building on that with time.

Undoubtedly one of the main reasons for the sudden forced villagization was a wish by the governing bureaucracy to increase agricultural production.
The initial effect of it was quite definitely the opposite of this. Whether this though now creates a situation where future production will be considerably higher is arguable. Ideological commitment by the peasantry might be one way by which production could rise — but this, and any serious attempt to inculcate it, seems to be lacking. Coercion has had the effect of eliciting passive resistance, and the only way to increase production in the face of this is further and much more disciplined coercion. Even Nyerere admits that local administrators sometimes practise "leadership by intimidation", and that "we have continued to shout at the peasants and exhort them to produce more." Needless to say, this is more likely to de-mobilize people than to release their productive capacities.

I have dealt in some detail here with the peasantry — more so than I will do with other strata and classes. The reasons for this are four-fold. Firstly, the great majority of the population of Tanzania are peasants and pastoralists — about 13 million out of a total 15 million. All the remaining groups dealt with below total together therefore no more than 2 million people. Secondly, the main productive base of the economy, both internally consumed food crops and export crops (described in the previous chapter) depends on the peasantry. Since our methodology is to attempt to explain the existing urban structure in Tanzania in terms of the generation and allocation of economic surplus, obviously we must understand where the bulk of this surplus is coming from. Thirdly, what has happened to peasants since Independence illustrates very well the workings of the post-colonial state and the bureaucracy which staffs it. Since many of the policies which affect the urban areas are cast in the
same mould, the Government's effect on rural and urban dwellers are two parts of the same process. Lastly, urban migration comes overwhelmingly from the ranks of the peasantry, and what is happening to peasants can presumably affect the migration rate.

**Urban Petty Producers, Traders, and Suppliers of Services**

This stratum is the lowest in the urban areas, if one excludes those who have recently arrived from the rural areas and are totally unemployed and living only off relatives. Many who appear to be "unemployed" are in fact of this stratum. They do not have "formal" jobs, but make ends meet "informally" from a wide variety of activities in petty production, trade, and other services. They may become, for example, tailors, cobblers, carpenters, charcoal-sellers, fruit-hawkers, maize-roasters, beer-brewers, water-sellers, pick-pockets, barbers, baby-sitters, prostitutes.

According to the International Labour Office the "informal sector" is characterized by: "a) ease of entry; b) reliance on indigenous resources; c) family ownership of enterprises; d) small scale of operation; e) labour-intensive and adapted technology; f) skills acquired outside the formal school system; and g) unregulated and competitive markets." Building on this definition we may say that this stratum of urban petty producers, traders, and suppliers of services is typically composed of a large number of small autonomous economic units which use mainly family labour and whose income is not derived from wages. They have some means of production, and some control over the labour process, and are thus quite clearly distinguishable, analytically at least, from what I call in the next section "urban workers" - those in manual wage employment.

Generally, a quite modest amount of capital is needed to enter the
informal sector, and most units, once established, do not accumulate capital. For this reason, and for reasons connected to it that will become clear below, it is extremely unlikely that from this stratum a fully-fledged "national bourgeoisie" could grow. The essence of these economic activities is that they exist in the interstices of the economy that the "formal" sector, for one reason or another, does not deal with. A few from this stratum, but only a few, develop into what I categorize elsewhere in this chapter as "medium-sized capitalists" - owning bakeries, taxi services, bars, small construction firms, etc. The way the majority of the stratum are related to, or articulated with, other areas of the economy though, ensure that accumulation is limited and that therefore the informal sector reproduces itself at a similar level of only petty economic activities.

As this thesis is arguing, the urban areas, relative to rural areas, represent a large concentration of surplus - and hence potential economic opportunities. People are thus attracted to the towns to tap these opportunities. Some succeed in finding regular wage-paying jobs in the formal sector of the urban economy. Others who fail to do so perforce become small-scale, self-employed entrepreneurs in the manner described. Although many such incomes are by no means negligible, it is probable that a great many of this stratum, perhaps the majority, would prefer the reliability and security of steady wage employment. Many indeed alternate between casual wage employment, when it is available, and informal self-employment.

Such employment constitutes a low-cost source of supply of basic goods and services mainly, though not exclusively, to the poor themselves, both urban and rural. It is both very labour-intensive and, like Javanese
peasant agriculture described by Geertz, capable of absorbing still greater amounts of labour by "involuting". Although largely ignored in economic planning, this complex informal network of production and services is more productive than is generally realized. It stimulates both production and demand, encourages specialization and the exploitation of further resources, and - not unimportantly - productively utilizes waste materials: old tires made into shoes, old inner tubes cut into strips and laced on a wooden frame to make a comfortable bed, old packing cases un-nailed and remade into doors, old tin-cans made into kerosene lamps, etc.

Urban petty production and trade is strongly connected to and dependent upon a rural base - both as a source of material used in production and trade, and as a market in itself. The millet used for beer-brewing, the mangoes, oranges, vegetables, "dawas" (traditional medicines), and, most crucially, charcoal - all come from rural production. (For all urban dwellers apart from the well-to-do, and then even for some of those, charcoal is the main, and indeed only, source of heat for cooking food.) Many of the simple goods manufactured by urban artisans also find their way to rural markets. Indeed the urban informal sector forms a very important link between peasant economic activity and the formal "modern" sector of the economy.

It is extremely difficult to estimate the numbers engaged in urban petty production and services. The I.L.O. calculate that for Kenya in 1969 it accounted for "28 to 33 per cent of African urban employment" - although they add: "this seems rather low by comparison with other African countries for which similar data are available." Hart, whose research
was in Ghana, estimates employment in the informal sector to be "at least as large as" in the formal sector. I know of no estimates, reliable or otherwise, of the numbers involved in such employment in Tanzania. Since there appears to be no reason for supposing the Tanzanian picture is much different from that of other African countries in this particular respect, one does not seem to be able to say much more than perhaps a third to a half of all urban employment is "informal."

What is rather more certain, though, is that since the rate of urbanization is greater than the rate of growth of employment in the formal sector (information on which will follow in the next section), there is currently considerable growth in urban informal employment. Moreover, the incomes that result from such employment, while often lower than those from urban wage employment, are generally well above average rural earnings. This being so, we can see that it is not just the possibility of formal wage jobs that attract urban migration. Because towns represent such a relative concentration of surplus there are also a large number of reasonably remunerative informal income opportunities in urban areas that attract migrants to take advantage of them.

In a survey done in 1971 by Bienefeld, it was found that 55% of the self-employed in Dar es Salaam (who responded to the questionnaire) earned over 150 Shs. per month - at a time when the minimum wage was 170 Shs. per month. Moreover, 25% earned over 350 Shs. p.m., and 10% over 1,000 Shs. p.m. However, "self-employed" here does not mean exactly the same as our category of "petty producers, traders, and suppliers of services," since it includes retail shop-keepers, the more successful of whom were almost certainly accumulating and employing more than just family labour -
and who would hence be "medium-sized capitalists." Nevertheless, even of street-traders 47% earned over 150 Shs. p.m. It has generally been reported in East Africa that those in the informal sector who are petty producers - that is, who are skilled and turn out a visibly useful product (such as carpenters, tailors, and cobblers do) - earn quite reasonable incomes in relation to those around them. In Bienefeld's survey 62% of such producers earned over 150 Shs. p.m.

The fragmentary data presented here are merely to make clear that this stratum of urban informal income earners are by no means all simply existing "hand to mouth". Something like half were getting the equivalent of the minimum wage at this time; and while not suggesting this is anything like affluence, neither is it abject poverty in the Tanzanian context, and it is certainly more than average peasant incomes in most rural areas.

What I do not know is whether informal incomes have kept pace with the inflation and rise in minimum wages that took place in the mid-1970's (detailed towards the end of Chapter Two). Several economists claim that raising the minimum wage tends to have a "spillover effect" on the informal sector, but on whether informal money incomes kept up with formal ones during this period I have no information. However, even the above 1971 figures, while they do show that an appreciable number in petty production, trade, and other services made reasonable incomes, also show that a large proportion made rather low incomes - that when the minimum wage was 170 Shs. p.m. 53% of street-traders and 38% of petty producers made less than 150 Shs. p.m. While many of these incomes may still be well above average rural incomes, a good proportion of this stratum obvious live at below what the government considers minimum urban incomes should be.
I have defined the productive units in this stratum as being those composed largely of family labour. In this sense they are analogous to "middle peasant" economic units in the rural areas. Such a characterization rather avoids two questions - neither of which I feel I have enough information on to be able to deal with adequately here. One is how to place in the social structure those who are employed in these units who are not members of the immediate family, and the other is the sexual division of labour within the family. On the first question it is not clear whether they should be characterized as wage labourers or whether they should be regarded as family members. Often such additional labour is that of a younger relative who is more in an "apprentice" position than a straightforward "employee" one. One West African study says that "the artisan tends to view his apprentice as his child, all the more so since many are entrusted to him by relatives and close friends." I have no information on whether such employees in Tanzania commonly receive a wage, or a percentage of profits, or room and board, or a combination of these - and so must leave open the question of where precisely to locate them in the social structure.

On the second question one can say rather more. Although there undoubtedly are households in the stratum which consist of a man, woman, and children, in which the man's work is go out and make money income and the woman's is to stay at home and cook, wash, look after children, etc., many households - perhaps most - do not fit this "simple" pattern. The "basic" household is often either a woman (or women) and children, or two or more young men, or some complex "extended" household that may be built around one "simple" man-woman relationship. Division of labour in such
commonly found households often do not fit the man-out-at-work/woman-at-home pattern. Although it is true that child care does largely fall on the women (and, when they are available, other somewhat older children), women are very commonly involved in other non-domestic economic activities.

What is important to understand in this connection is that the structure of wage and salary employment that was created by, and which has been inherited from, colonialism was and is rather heavily biased against women. It is likely that the situation has improved considerably in this respect since Independence - but it is still very unbalanced. For example, in 1972 total wage and salary employment in the country was 405,713 (see Table XIII). Of this only 11.9% was female, and about 40% of that female employment was casual. There were indeed in that year only 29,272 women in full-time formal wage and salary employment in Tanzania, and in addition their average remuneration was lower than that of men so employed.

Since there is such a relatively limited amount of formal employment in the economy for women, it becomes understandable that in the urban areas women figure very prominently in certain sectors of informal employment. While they are very definitely at a disadvantage when it comes to securing formal employment, they are by no means necessarily so when it comes to urban informal self-employment. A woman's position in an urban household may be either that she performs the so-called "non-economic" work of cooking, cleaning, and childcare, while a male provides money income; or that she does this and is the sole source of money income from informal employment; or that there is a division of labour in the "family" business and she does part of the work in it and the man does part; or that they have separate "informal" sources of income; or that he has a formal job and she has an
informal one; or that two women have joint or separate informal sources of income; or, in a minority of cases, that she has formal employment; etc. The means by which an urban household can acquire income are thus varied, but because of limited formal female employment, a woman's contribution (which may be the whole contribution) is much more often than not from informal income opportunities.

Beer-brewing, prostitution, and renting out rooms are three very common economic activities in which women figure prominently in urban areas. These will be dealt with in more detail in the next chapter. Cultivation is also commonplace in towns on areas of unused land. Produce from this can both supplement the household food supply and be a small source of money income if sold. When the authorities are not engaged in one of their periodic campaigns against street-trading, women can be seen sitting on the sidewalk in certain areas of Dar es Salaam beside small mounds of produce - tomatoes, beans, bananas - for as much of the day as is necessary to sell them. Women also sell cooked food - buying an amount of produce in bulk at a market at the beginning of the day, preparing it, cooking it, and selling it by portion during the course of the day. Taking in washing for other people, particular those better off, can provide a small but steady source of cash - and reputedly has the advantage that one can sometimes temporarily wear the customers' clothes oneself. Small-scale trading is done by both sexes, often of very small amounts - single cigarettes, small paper bags of detergent, single eggs, etc. In such trading the existence of credit is often of utmost importance - it can both tide customers over on days or weeks on which they have no cash at hand and need certain items, and it can establish a pool of "regular" customers for the seller.

Given the present economic and social structure, these activities
and others like it are not just something that provide what has been called "a sense of employment" to those outside official wage and salaried jobs - they produce and distribute necessary cheap mass consumption goods and provide essential services. Certain goods that the formal sector produces (for example, leather shoes) can be produced cheaper by the informal. Certain things that formal arrangements do not always provide (for example, water in many of the squatter areas) small-scale entrepreneurs can provide and make a living from. Men may make wooden barrows that can hold up to 20 four-gallon cans. They fill the cans at public standpipes (which often involves a considerable wait - both because of line-ups and because of not infrequent low water pressure) then go round selling from house to house. Certain commodities that the formal sector does not provide at all (for example, charcoal) is wholly, and it appears very efficiently, supplied by informal networks. Probably the most important item so supplied - housing - will be dealt with in detail in the next chapter.

It is important to emphasize that these activities are productive given the present economic and social structure. In a more rational economic order these people could unquestionably be much more productively employed. Their present employment is a result of large numbers of people being marginalized by the overall process of neo-colonial economic development outlined earlier. Since surplus is so concentrated in urban areas individual economic rationality for many people consists in moving to town and attempting to tap the opportunities that inevitably result from this concentration. This, as we have argued, is productive in terms of the resultant goods and services informally produced. This does not preclude the possibility, however, that there are alternative allocations
of surplus that could be much more productive.

Petty production and provision of services is, in addition, not something that just "happens" to exist - on the fringes, as it were. Such economic activity is an integral part of the contemporary socio-economic structure. It provides cheap accommodation near urban commercial, industrial, and administrative work centres. It produces, distributes, and cooks food cheaply. It offers low price clothing, furniture, household goods, and other manufactures. And it provides services that institutionalized arrangements are unable to. Were the formal sector urban workers, to be dealt with in the next section, not so economically housed, fed, and provisioned, they would not be able to exist on the legal minimum wages that so many of them receive. The profits of the formal (both state, and indigenous and foreign, private) sectors are thus integrally linked to the low returns to labour of so many of those informally employed. The salaries and profits of the well-to-do are thus dependent on the low wages that the existence of the informal sector allows them to pay their employees - and their own lifestyle (ie. that of the middle classes and above) is moreover additionally subsidized by the existence of some of the cheap informal goods and services that they avail themselves of, and by the cheap labour that can be readily hired as domestic servants - cooks, cleaners, child-minders, gardeners, etc.

The likelihood is that for the foreseeable future informal economic activities in the towns will expand - since rates of urban migration will probably remain above those of formal employment growth, and since petty production and supply of services is an integral part of expansion of the formal sector. This will probably be in spite of government policy, which,
although not always consistent, has a record of harassing those in informal employment and occasionally rounding up and "repatriating" those in towns who cannot prove formal employment. The attitude of the Tanzanian government seems to be little different from that of the government of Kenya that was described by the I.L.O. as resting on three beliefs:

a) that persons in the informal sector are largely temporary inhabitants or occasional migrants, many of whom could be induced to return to rural areas;

b) that persons in the informal sector are unemployed or sporadically employed, contributing little to urban income, while constituting a significant health, fire, and political hazard; and

c) that any attempt to improve living conditions in the informal sector would only induce additional migration.50

These beliefs add up to one in which such economic activities are undesirable and eradicable. The argument here is that they are neither - given the present socio-economic structure. The way the informal sector is articulated with the formal both necessitates its continued existence and limits the ways in which it can expand. As Bienefeld has said, if any informal market proves particularly profitable, the formal sector, with "modern" technology can easily move in and take it over, by its superior "advertising, packaging, and surface finishing, which have particular leverage due to the 'more modern is better' mentality".51

This ever-present, and occasionally realized, possibility of take-over by international capital and technology in effect "contains" the informal sector to what is indeed a petty level. When such a take-over happens the petty entrepreneur is forced to seek a new business, and any sort of capital equipment he may have may become useless. As foreign capital expands in Tanzania (which seems, on the evidence of previous chapters a
probability), petty producers will continually be forced to switch from one area to another. Petty suppliers of services are unlikely to be so affected for some time yet. The informal sector will thus continue, and indeed expand (since it is needed by the more formal sectors of the economy), but it will be "contained" to those areas which foreign and domestic formal sectors do not yet want to move into.

Urban Workers

Because of the nature of the colonial economy, wage employment in the colonial period was predominantly of two types: in the primary sector (working on white settler estates and foreign-owned plantations), and in the tertiary sector (involving the transportation, storage, and other services involved in physically moving crops from the fields to the ships in port). The most typical workers were sisal workers, railwaymen, dockers, and houseservants. The sisal workers I have already mentioned. Some of the tertiary sector workers were not strictly located in the towns — for example, railway crews are out on the tracks, road repair gangs are wherever that maintenance needs doing — but these are not specifically rural occupations, and their workshops, and bases, and headquarters, are nearly always in the towns.

I said that peasants in Tanzania do not have a great deal of consciousness of themselves as a class. Because of the nature of their
work, and their different relationship to their respective means of production and/or distribution, workers in Tanzania have developed a greater class consciousness. As we shall see, the number of workers in manufacturing is still relatively limited (it was even more so in the colonial era), so wage workers are far from being what might be called a fully matured industrial proletariat. Nevertheless there are clear indications that they do on the whole regard themselves as workers, and that their interests have to be defended against others (not necessarily well defined by them) who are sometimes in conflict with them.

The first major strike in the country was in the docks in Tanga in 1937. Within two years dockworkers in all the other ports had also had strikes - though none of them in fact achieved a lot. However in 1943 in Dar es Salaam a dockworkers' strike that demanded "40-45 shillings a month, sick pay, old age pensions, a free midday meal, fourteen days leave a year, and a cost-of-living bonus to meet wartime prices", managed after two weeks to achieve several of these demands. Soon after this house-servants in Dar es Salaam formed a union, The Union of Europeans' Boys, to negotiate for employment conditions like fixed wages and hours, weekend rest, severance pay.

Clearly these sorts of demands reflect a consciousness of themselves as being workers - quite distinct from the subsistence peasants most of them had once been. During the 1950's urban workers came to ally themselves with other groups that were pressing for Independence - yet by the time that was achieved the number of urban workers was still very small in relation to the total population - not much more than 100,000
in all. Soon after Independence, with expectations raised, there was a wave of strikes, and in the first three years these pushed up average wages by 44%. In 1964 the Government, fearing unions as a competing centre of power in the urban areas, banned strikes and amalgamated all unions into a Government-controlled National Union of Tanganyika Workers (called for euphonic reasons: NUTA). An undetermined number of union leaders were arrested and detained. Most were released after a few weeks or months, but about a dozen were still in detention some years later. Nyerere argued that there was no longer any need for independent trade unions because there was now a "people's Government". At the time of the Arusha Declaration nationalizations, the Government exhorted workers in the newly nationalized enterprises to work harder because these establishments were now "theirs".

For the most recent year for which I have detailed figures, 1972, total formal wage and salary employment in mainland Tanzania was 405,713. This does not include those working in the rural or urban informal sectors, or household employees, or members of the Armed Forces, or foreign diplomats and aid organization personnel. Of these, most household employees fall into our category here of "urban workers". There appears to be no estimate of their numbers, but it is unlikely to be more than a few tens of thousands. Of the figure of 405,713 of enumerated employment, less than half would qualify as "urban workers", because we would have to exclude those in salaried employment and those in rural employment. As a very rough-and-ready figure we will assume there were in the region of 150,000 urban workers in 1972. The actual breakdown by sector of all wage and salary employment is as follows:—
<table>
<thead>
<tr>
<th>Employment by Major Divisions, 1972</th>
<th>Numbers</th>
<th>% Casual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>113,843</td>
<td>37.4</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>5,558</td>
<td>19.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>55,389</td>
<td>23.2</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>12,324</td>
<td>42.8</td>
</tr>
<tr>
<td>Construction</td>
<td>51,842</td>
<td>26.1</td>
</tr>
<tr>
<td>Commerce</td>
<td>24,777</td>
<td>15.5</td>
</tr>
<tr>
<td>Transport and Communications</td>
<td>37,049</td>
<td>11.7</td>
</tr>
<tr>
<td>Finance</td>
<td>6,356</td>
<td>0.7</td>
</tr>
<tr>
<td>Services</td>
<td>98,575</td>
<td>2.6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>405,713</strong></td>
<td><strong>21.4</strong></td>
</tr>
</tbody>
</table>

Of these then, wage workers probably predominate over salaried employees in all categories except Finance, and possibly Services; and urban as opposed to rural employment predominates in all categories except Agriculture and Mining. So if we completely exclude as urban workers, Agricultural employees (113,843), Mining employees (5,558), Finance employees (6,356), and an average of 50% of the remaining categories as being either salaried or being located outside the towns, we get our rough figure of 150,000 formal urban workers.

Total employment in 1962, ten years before the figures above and right after Independence, was about 397,000 — so the rate of growth of employment is very low. The composition of employment has changed appreciably however. Thus estate agriculture employment has dropped from 203,000 in 1962 to 113,000 in 1972. In a decade it has changed from constituting about 51% of all employment, to constituting only 28%. (This is due largely to lay-offs on sisal plantations, mentioned earlier). On the other hand, employment in the secondary sector has risen from about 20% of total employment to over 30%, and in the tertiary sector from about 30% to over 40%. Both these sectors are largely urban-based and are constituted mainly by wage employment, so
the number of urban workers has increased appreciably since Independence. This fact would not have gone unnoticed among many of the peasantry described in the earlier section.

The other important point to notice from the above table is the very high percentage of casual employment in all these figures. Apart from Finance, which understandably enough uses very little casual labour, and Services, which is largely the Government establishment, no sector uses less than 10% casual labour, and the average is 21.4%. Since salaried employees are obviously not temporary, the proportion temporary among urban workers must be very high - maybe as many as one in three. The mean average wage/salary in 1972 was 357 Shs. per month (which if one assumes 25 working days in a month, works out at about 14 Shs. a day). The average daily wage for casual workers was only about 6.60 Shs. per day. Although the total number casually employed may remain fairly constant, the actual people working as casual labour are obviously personally employed only intermittently. Therefore a large number of urban workers have formal employment that is both poorly paid and irregular. This is why I said earlier that the distinction between the worker and the self-employed petty trader, producer, or provider of services, was not always a clear one. With casual wages so low, on days he cannot secure a wage job the casual worker probably is forced to resort to "informal" means of making a living.

In the early 1970's there were some extremely interesting developments regarding urban workers - which also spilled over to and affected students. The general thrust of Government policy since the 1967 Arusha Declaration was quite definitely leftwards, and it regarded its ultimate goal as the establishment of "socialism and self-reliance". The
nationalizations, the expansions of state activity, the Leadership Code, *ujamaa*—were all seen as movement in this direction. In 1970 the civilian President of neighbouring Uganda, Obote, initiated what may or may not have been a genuine attempt to start his country in the same direction. This was suddenly and very easily brought to a halt in January, 1971 by an Army coup led by General Amin. Somewhat alarmed that this could happen, the Government in Tanzania attempted to step up the speed of its "socialist" development by the promulgation in February, 1971 of the TANU Guidelines, or what was known in Swahili as "*Mwongozo*". In itself it was undoubtedly a progressive document. In it the Party tried to lay down guidelines as to the quality of social relationships that should prevail in the institutions of a socialist society. Those inherited from colonialism in schools, offices, factories, and other organizations were in general extremely hierarchical and authoritarian. *Mwongozo* attempted to stir up popular feeling against this by calling for an end to commandism, oppression, and arrogance by leaders. In itself this was progressive. The problem was the institutions of a state capitalist society proved difficult to change in the absence of any thorough re-structuring of the economy.

In 1971 there was a wave of work stoppages, particularly in Dar es Salaam—the workers *not* demanding more pay, but complaining about being subjected to humiliating work discipline. This continued until mid-1972 when the Government issued a statement saying that the country could not afford the "losses" these were incurring, and in August, 30 workers in a
textile mill were sacked by Government order. Still mobilized by and quoting Mwongozo, workers switched to a new tactic. If production losses were the only problem then they would resort to locking-out offending managers and foremen - and carry on with production themselves inside the factory gates. One such incident is quoted here, at the factory of Rubber Industries Ltd:-

Therefore on a sunny morning of 29th March 1973, as the employer was striving to negotiate a corner to enter the factory in his 200 Mercedes Benz and as the Public Relations Officer tried to saunter into the factory through the iron gates, they were greeted with angry shouts of "Go home" by the workers, jeered, and threatened with molestation, in which situation the Public Relations Officer chose to trust his heels and Mr. Ibrahim his wheels and run to the Police Station to seek police aid. But when they returned with a couple of unarmed police officers it was too late. The Regional Party Secretary was already at the factory, keenly, before a dead quiet audience of angry workers, digesting the contents of the workers' memorandum which was read before the said audience by Mr. George Furaha, the TANU Branch chairman, who at 9 a.m. declared for and on behalf of the workers that it was not only the intention of the workers to take over and run the firm but that they had taken it over and were running it. 57

This and similar take-overs obviously posed a problem for the Government. Its reaction for a while was to recognize the take-overs, allow them to register as cooperative societies owned and controlled by the workers - and even to provide them with management assistance.

By this time the effects of Mwongozo had spread to the secondary schools. Structured along the lines of British education a generation before, they were still extremely authoritarian. Mwongozo's clauses about desirable and undesirable social relations struck responsive chords among many students reading them. The result was a wave of demonstrations in
secondary schools in many areas of the country - almost all of which were met by fierce repression (police beatings-up, dismissal of students) rather than any attempts at changes and accommodation.

I arrived in Tanzania in the middle of this, naively hoping to be allowed to do research into secondary education. The authorities were not, however, enthusiastic about having any researchers in the schools at this precise time.

By now letters were beginning to appear in the newspaper criticizing Mwongozo and calling for, first its revision, and then its complete suspension. One could see the point. There was considerable disruption, and sometimes chaos, in many factories and schools - caused by the fact that what the TANU Guidelines described as a good and socialist state of affairs was radically at variance with the authoritarianism workers and students experienced. A Pandora's Box had been opened, and the contradictions so brought to the surface meant that something had to give.

On June 17th, 1973 there was a workers' take-over at Mount Carmel Rubber Factory in Dar es Salaam (producing, incidentally, rubber sandals with Japanese-made machinery). As the workers at Rubber Industries Ltd. had also done, they refused from the start to have anything to do with NUTA, the union, or to meet with any of its officials. It is not regarded in Tanzania as possibly involving a conflict of interest that the General Secretary of NUTA also happens to be the Minister of Labour. This rejection of the union on the part of the workers was thus making enemies at a high level in the Government. A few days later, 62 workers at Mount Carmel were arrested and the Government put out a statement that "it could no longer tolerate such unruly behaviour on the part of workers."
The Daily News switched in a few days from describing these workers' actions as "revolutionary and historic", to calling them "undisciplined", "trouble-makers", and "wreckers of the economy". The sixty-two, joined by seven who were not arrested but who went voluntarily afterwards to the police station to join the others, were fingerprinted, sacked from their jobs by the Government (sic), and "repatriated" to the rural areas in which they were born. (The idea of "repatriation" itself involves some interesting assumptions).

Although these workers were "excused by the Party and Government" six months later, the Mount Carmel incident effectively signalled the beginning of the end for Mwongozo. Workers' lock-outs of managers, and other disputes, got little help from the Government, and unsympathetic treatment by the press. Instead, a campaign was launched by the Government pushing the slogan "Uhuru ni Kazi" (Freedom is Work), and workers who caused any sort of disruption were categorized as "lazy", and "exploiters of the peasantry." By mid-1974 one could say that Mwongozo was "forgotten" - although disruptions, demonstrations, and forceful repression continued in several secondary schools for the next couple of years. Workers and students had tried to use it to change the inherited social relations of dominance and subordination, but since the economic structure itself had not significantly changed, their attempt inevitably met in time the reply of state repression.

An essential element in the control of workers is the "union", NUTA. The fact that workers in the disputes mentioned above sometimes refused to deal with NUTA is indicative. Its organization at the plant level is the Workers' Committee. NUTA's higher leaders are appointed
by the Government, and NUTA is financed by compulsory deductions from workers' wages. From 1970 on, the Committees were supplemented by Workers' Councils - though according to a Tanzanian sociologist who has done research at the factory level, "it is not clear how they are different" from Workers' Committees. In practice both have been used to "discipline" workers and increase efficiency. Management sits on and often controls both the Committees and the Councils. For example, at Ubungo Farm Implements factory in Dar es Salaam, the General Manager is also the Chairman of the Workers' Council. This is not untypical. The implication of this is of course that there is no conflict of interest in a person having both positions. In fact this functions to repress conflict. Where it is operative, NUTA is generally a tool of management rather than an independent trade union representing workers' interests. In 1976, though, a newspaper report revealed then only 30 out of 173 parastatal enterprises in fact implement the "workers' participation" they are supposed to. "Participation" in the non-government sector is almost certainly much less.

At Independence the legal minimum wage was set at 150 Shs. a month for Dar es Salaam and Tanga, 125 Shs. a month in the other main towns - and 100 Shs. in the rural areas. In fact not all wage labourers get this legal minimum - although the majority do. By 10 years later the urban wage had risen to 180 Shs. per month (with a lower rural minimum wage which unfortunately I do not have figures on). It was then raised in 1972 to 240 Shs., and then in 1974 to 340 Shs. The urban wage was again adjusted upwards to 380 Shs. in 1976. Wages thus increased just over 100%.
in five years. However, as we saw in Chapter Two (page 71), inflation was about 200% in the same period. Urban workers were thus relatively worse off than they had been — but still lost less in terms of purchasing power than peasants had at the same time. Although workers have been militant on occasions about the specific conditions under which they have to work, one should not overestimate their radicalism or their revolutionary potential. They are relatively small in number, and they are very well aware that they are better off financially than they would be in their rural areas. Desire to improve their economic position or conditions of work should not necessarily be identified with a desire for socialism — of the Tanzanian variety or of any other.

The "Middle Classes"

These I define as being composed of three elements: professionals (teachers, doctors, engineers, accountants, nurses, lawyers, etc.); the managerial and clerical staff of both the public and private sectors; and middle-level and lower-level Government staff. What these people have in common is that they do not own means of production (at least in their capacity as teachers, typists, policemen, etc.), and that they perform services (that may be important but that do not directly produce surplus) for those that do own means of production. A contingent feature further differentiating them from all classes below them, and the medium-sized capitalists above them, is that, with few exceptions, it is by virtue of their education that they hold the jobs they do. The difference in income between the highest-paid and lowest-paid in this category (say, between lawyers and clerks) may be very wide,
but the lowest tend to identify "upwards", as it were, rather than with manual workers or peasants, and they partake of the prestige of association with those above them, even if their positions are somewhat humble. This will become apparent below when we talk about lower Government staff in the rural areas.

What they are is essentially functionaries for the three classes or strata above them, all of which own or control substantial means of production. To the extent that they have power it is delegated power - from one or other of the three higher classes. Moreover all have benefited in one way or another from the developments of both pre-Independence and post-Independence Tanganyika/Tanzania - even if not as much as they would like to have done, or as much as their counterparts in neighbouring Kenya have done, which often amounts to the same thing. As functionaries of and providers of services to the private sector, the public sector, and the Government, they are assumed to be neutral implementers, although on many occasions they are not. Many have a very elitist and authoritarian attitude towards those classes below them, most reside in the towns - and those rural staff that do not, may want to. In the case of those in Government employment at least, many feel that their job consists of showing that they are as loyal as possible to the Government and Party. In implementing "directives" this then is their class interest - rather than being concerned with the rationalities of what they are doing. This explains some of the more outlandish cases of bureaucratic excess.

Many Marxist writers have labelled this type of person, both in Tanzania and elsewhere, "petit-bourgeois". This seems to me to be
a highly unsatisfactory description, and in point of fact un-Marxist.

If one defines classes by their relationship to means of production, a "bourgeois" is someone who owns means of production and who by virtue of this ownership is able to appropriate surplus value from the labour of others who do not own. A "petit-bourgeois" is thus someone who owns a small amount of means of production and who employs at least one other. By this definition members of the Tanzanian middle-class are not "petit-bourgeois", because they do not own means of production.

Poulantzas, writing on the class structures of the developed capitalist societies claims there are two elements in the "petite bourgeoisie": the "traditional" element, such as shopkeepers, and small producers; and the "new" element, such as the educated salariat. It is difficult to understand though why two elements so differently related to the productive structure should be in the same class. The argument seems to be that they have the same attitudes and political allegiances. This is no argument at all though, for this is, if true, in fact a description of an alliance of two classes - not a description of a single class.

Therefore the "petite bourgeoisie" in Tanzania, to the extent that we will be using the term, are the petty producers, traders, and suppliers of services - that we have already referred to. The educated salariat we will refer to as the "middle classes" - apart from those very top salaried politicians, civil servants, directors of parastatal organizations, and Army chiefs (i.e. those who control the state and its economic apparatus), who we will refer to as the "state bourgeoisie".

The lowest element of this middle class is the Government staff in
the rural areas. Van Velzen has done a very interesting study of them and their relation to the peasants in Rungwe District, just north of Lake Nyasa on the Malawi border. We will take a few points as illustration of their class position. In the area he studied there were 230 households, comprising about 1,000 people. The heads of approximately 30 of the households were Government staff - local government officers, teachers, extension officers, a veterinary assistant, a magistrate and his clerk, a medical dispenser, a police officer, etc. Of the 200 agricultural households, he defined (in fact somewhat arbitrarily) the top 20% - i.e. 40 households - as "Kulaks", and the other 160 as "peasants".

...the single most important factor that sets this group (i.e. Government staff) apart from the peasants as a highly envied élite is the fact that they draw salaries. This regular and guaranteed income is in almost all cases higher than the income of the richest peasants. Tea, coffee, and pyrethrum farmers who are the most successful in Rungwe District manage to net a cash income ranging from 1,000-2,500 Shs. per annum. But these are exceptions. Average income among cash crop farmers...does not exceed 750 Shs...The annual income of the lowest paid category of staff...around 2,000 Shs. The field assistant, the lowest paid functionary among extension personnel, will often receive more than 2,500 Shs. per annum. Furthermore, there are some substantial fringe benefits.

The élite position of the staff people is further demonstrated in their attitudes and symbolic behaviour. The staff form a social grouping with distinctive prestige symbols. They speak Swahili, while the peasants use their tribal language...They enjoy a higher standard of living with all the symbols connected with this, e.g. clothing, housing, food, and recreation. After working hours they associate more with each other than with peasants...The peasants are expected to build and repair the houses of staff people. Neither the staff nor their wives join in to help them in these activities, not even if the work is on their own houses. The peasants do not receive any compensation for this work...Few (staff) have relatives in the
area. This fact debars the peasants from communicating their grievances via the staff's kin or putting pressure on him in this roundabout way. Many staff people are regularly transferred (average posting, two years and seven months), a factor which makes for less dependence on the peasants.

The power of these, in fact, very low-level Government staff can be seen from the fact that they control some extremely important institutions and resources in the local community: the Court, police investigations, medical treatment and medicines, Government-supplied agricultural implements and seed, and transportation. This naturally puts them in a very powerful position in relation to the peasants. In addition Van Velzen found evidence that the staff form an alliance with the "Kulaks". In return for fresh vegetables, information, and garden plots in the best land beside the river, the staff favour the rich peasants in their allocation of agricultural extension services and "throw their weight behind them in important disputes". Speeches staff make to the peasants are interesting in the class attitudes they reveal. Here is an extract from one of them, made by a Community Development Officer:  

"I am new to this area, so it will be useful if I tell you something of my character. I am not a kind and polite man - I am cruel! If I see that government orders are not obeyed I will know where to find you, and how to punish you. I do not care if you hate me, for me it is only important that the orders of the government are fulfilled. I know you are truly blind otherwise you would have appreciated more the progress that staff have brought...Now we are going to make you rise from a long sleep. I have strong medicine for this job; we will give it to all lazy people."

This person may have been earning little more than the minimum wages
of urban workers at the time (which were approximately 2,100 Shs. a year), but it is clear that he identifies very much with the Government and its power - and indeed relishes the delegated power that resides in his position. Thus although his income may be similar to a worker's, his class position is entirely different. The fact that he, and other rural Government staff with him, are mostly from peasant homes themselves (in other areas of the country) probably make them over-emphasize their powers, in an attempt to very clearly differentiate themselves from "lazy" peasants.

These low-level Government officials need to have a least primary education for their jobs. The middle and upper reaches of this middle class require at least secondary education. Such educational qualifications have been obtained by only a minority of Tanzanians - and so the educational system is clearly an important agent in class formation. As I have mentioned, this was true from its very beginning in the colonial era. Colonialism needed literate clerks, teachers, policemen, etc. to staff the colonial state and colonial economic institutions, and the Government’s schools and grants to mission schools were expressly for that purpose: to create an intermediary, or middle, class of Africans who would serve the state and the colonial economy. This class thus has its origins going back to the end of the last century, although it has expanded considerably since Independence. What is now the bureaucratic or state "bourgeoisie" is the upper stratum of this educated middle class, which only began to differentiate out at Independence in 1961, and which has in fact acquired much of its economic power since the Arusha Declaration nationalizations of 1967 and after. It is thus of extremely recent origin, and its status as a class is much more tentative as yet.
After the country became independent the Government saw one of the priorities as being expanding secondary and higher education in order to "Africanize" high-level manpower. In 1961 there were only 41 secondary schools, with a total enrolment of 12,000 students - and there was no university. By ten years later, 1971, there were 114 secondary schools and 43,352 secondary students. Also a university had been established, with an enrolment of over 3,000. As a result, the proportion of high-level jobs held by Tanzanians "rose from about 10% (of 5,000) in 1961, to 50% (of 10,000) in 1971, and above 67% (of 12,000-12,500) by 1975." Most secondary schools are in and around the towns, and the university is located on a hill just outside Dar es Salaam, a spaciously laid-out, concrete "hi-rise", typically "Western" campus.

Even with this educational expansion, it is obvious that the numbers of those with secondary and higher education is still very limited for a country of 15 million people - each year less than 10,000 new secondary graduates and 1,000 university graduates. Most of these secondary graduates would join this middle-class we are talking about here, and some of the university graduates go on in their careers to become the top civil servants, heads of parastatal enterprises, national politicians, and so on, who make up the state "bourgeoisie". The educational reforms that followed the Arusha Declaration affected mainly primary schools, and secondary and higher education is still extremely elitist. Many of the values they imbibe are those derived from "modern", urban, Western societies - or what are in fact typically known in those societies as "middle-class values".

This class is extremely influential in moulding what happens
to Tanzanian society, because of the delegated power they command, and
because of their ability to implement the orders they receive in line
with their preconceptions. Thus the Community Development Officer
quoted above is obviously not developing a community in a way that
Government ideology would seem to recommend. The middle-classes in
total (excluding families) were probably about 100,000 of the 405,713
in formal employment in 1972, and the majority of them are in the
state sector and government. Their numbers are increasing quite rapidly
though, and are quite possibly 150,000 by now (1978). As we have seen,
Government is the sector of the economy that is expanding most - taking
up 10.9% of GDP in 1967 and 16% in 1975. Even the President complains
that there are too many para-statal organizations, and "management and
administration costs are often much too high in relation to output. In
every parastatal we have a whole series of managers for different functions...
each manager has a secretary, an office of his own, and often a car."

In 1976 there was a very interesting move by the political
leadership against this class - or the most important section of it.
In the wake of the serious economic crisis of the previous couple of
years, and in the light of the fact that bureaucratic growth was out-
pacing that of production, in February 1976 about 9,000 civil servants
were suddenly made redundant. This cost 21 million shillings in
termination benefits, but it was estimated that the long-term saving
would be 52 million shillings annually. This is a lot of redundancies.
Many will undoubtedly find jobs in the private sector, but they could
add up to a considerable amount of opposition against the present
Government in time. Several letters appeared in the press complaining bitterly about the redundancies. A great amount of this middle-class bureaucracy is far from being committed to the Tanzanian version of socialism - even though it may be expedient for the time being to appear so. The Leadership Code (see Chapter Two, page 65) does not apply to most of this group - only to those earning more than 14,000 Shs. a year. Many have bought land back in their rural areas, which either kin or employees farm. Some are therefore beginning to interweave with the class of private capitalists. Many, perhaps the majority, look to outright capitalist Kenya with some envy. Their counterparts there both have salaries that may be 50% to 200% higher, and in addition there are many more opportunities for private ownership of means of production in conjunction with holding salaried jobs. The Tanzanian middle-classes are growing in spite of attempts by the political leadership to curb them (for economic reasons), and because of their nature they would almost certainly come down on the side of reaction were the political odds to change in the event of something like a military coup, the death of the present President, or an insurmountable economic crisis.

Medium-Sized Capitalists

In the colonial economy the bulk of economic surplus either went abroad or concentrated in the primary and tertiary sectors within the colony. Very little, until the 1950's, went into the secondary sector - that is, became industrial capital. The surplus that went abroad did so in many forms: in unequal exchange of the country's agricultural raw materials, as profits, as savings of expatriates, as money spent on
luxury imports, and so on. The surplus that stayed within the territory was either concentrated in the state or among the non-African groups resident there. The state's share ended up in the tertiary sector — spent on administration, and building and maintaining the physical infrastructure such as roads and docks. The share that got appropriated by non-African groups (Asians, Arabs, and Europeans of various nationalities) either went into estates and plantations (sisal and coffee were the main ones), or it went into the commercial sector.

Private capitalists were therefore either in agriculture or in the commercial sector. Some very large fortunes were made in both. Damon Sapountzoglou's story was an example of a fortune made in sisal. Nearly all the large estates for several decades were owned by Europeans. Arabs tended to be in fairly small-scale commerce — and have remained so. Asians were the main private commercial group, initially buying most crops from peasants and importing manufactured goods from abroad. A considerable amount of differentiation took place among the Asians, and they began to branch out into the professions, into urban real estate, into sisal estate ownership, and eventually into industries — mainly export-crop processing, and the manufacturing of semi-luxury consumer goods. At the time of Independence there were a limited number of African capitalists, and these nearly all in farming in a few special areas (such as Ismani and Mbulu, already mentioned in the section on Peasants).

In the period from 1961 to 1967, political developments adversely affected hardly any of these groups, except some of the white settler wheat farmers who were bought out (or rather who sold out). Economic developments, namely the falling price of sisal, affected the sisal
plantation owners - but that is another matter. Other European farmers, for example in coffee, prospered. Asians continued to control much of commerce, held on to and expanded their industrial interests, and continued to be recruited into the professions.

Not surprisingly, several African groups benefited from, and expanded after, Independence. The large industrial expansion of the 1960's (see Chapter Two, pages 57-60) increased the amount of industrial wage employment in the towns. The same expansion, together with the "Africanization" of much of the state apparatus, greatly increased the number of salaried positions for the urban middle-classes. Africanization also started to create a new stratum out of the middle-classes, the political and economic "élite" acceding to political power. Capital started to accumulate in African hands with the increased economic opportunities Independence brought. In particular money made in commercial agriculture was often invested in the growing towns, especially in private taxis, bars, and housing. Some politicians began to earn substantial incomes from rents in urban real estate. Although private African capitalists certainly increased in numbers and wealth after Independence, they were importantly blocked from expanding into certain areas of the economy by virtue of the fact that a key section of it, namely most of the means of distribution and exchange, were in non-African hands. Most retail trade, some financial institutions, all wholesale trade and import-export trade (apart from that handled by some European businesses), were controlled by Asians. The banking system was predominantly foreign owned and controlled, being branches of British banks.
There are two views as to the class forces operating behind the politics of the Arusha Declaration. What might be called the "literal" interpretation was that capitalist development was ensuring that control of, and the benefits from, the economy were staying largely in non-African hands, and that this would be stabilized when the growing African capitalist class had merged sufficiently with the political "élite". The Arusha Declaration was thus intended to cut off private African capitalists from access to political power, to decrease non-indigenous economic control, and by expansion of state activities institute socialism.

What might be called the "cynical" interpretation was that the members of the political "élite" that had grown out of the middle classes realizing that they were too weak to develop as private capitalists in competition with more developed and experienced Asian and European capitalists resident in the country, used the state, which they controlled, as a weapon against these non-indigenous private capitalists to ensure their own collective capitalist hegemony.

Both arguments have merit, both fit many of the facts, and both are difficult to reconcile with one or two "awkward" facts. We will discuss them further in the next section, but as far as the class this section deals with is concerned, both agree that the Arusha Declaration significantly limited further growth of a private African capitalist class, and began to cut away at the Asian commercial class. Thus both the "literal" and "cynical" views would agree that what has not happened in Tanzania is what has in the two other East African countries of Kenya and Uganda: namely that most of what has been taken away from private
Asian capitalists has merely ended up being owned by a structurally similar class of private African capitalists.

The group that has lost most economic ground as a result of the Arusha Declaration and the reforms that followed it has undoubtedly been several of the elements of the Asian community in Tanzania. This may or may not have been deliberate on the part of those who passed the laws, but their generally relatively privileged economic position, added to their racial distinctness, certainly made them a very "visible" group, and one very easy to stir up feeling against. Asian-dominated financial institutions have largely been nationalized, as well as a good number of, though not all, Asian-owned sisal estates. The import-export trade and wholesale trade, both of which Asians largely controlled, have been nationalized. All buildings valued at 100,000 Shs. or more which earned rent (which was mostly Asian-owned urban real estate) have also been nationalized. The buying of crops from peasants, which was the original Asian function in the colonial system, has been taken over by the state (now that the marketing coops have been disbanded). This does not though include the not inconsiderable amount of illegally marketed produce, much of which is sold to Asian traders and businessmen.

Retail trade remains largely in Asian hands (though see "Operation Maduka", Chapter Three, page 120). Asian industry has been untouched — and indeed has expanded. There are very few really large Asian capitalists now though. Many of the better-off have left the country (to emigrate, preferably to Canada), and many others are planning to. There are a considerable number of Asians in the professions, and working in managerial and clerical positions in both the public and private sectors. And there
are many Asian tailors, carpenters, and other craftsmen - who are closer to the class of petty producers of goods and providers of services (and who have little chance of being accepted as immigrants to Canada).

Among African medium-sized capitalists there are very few in industrial activities, apart from fairly small workshops. Most are either in farming or in services of various sorts. Green estimates there are "10,000 or so citizen-farm families with incomes above 10,000 Shs. a year." Some number, no more than a few hundred, would be white settler farmers still in Tanzania and Asian estate-owners. The great majority are African commercial farmers - the richest, undoubtedly full-scale capitalist operators, and the rest probably so. Green states that there is "virtually no chance that (they)...will expand individually or as a class." This may be true given the present political parameters, but these could easily change - either in the near future, or in the next five or ten years (which is after all a very short time as far as class formation, expansion, etc. is concerned). In the early 1970's some of these large farmers had some of their land taken away from them for the new villages that were being formed. However, declining production and political pressure resulted in the Government halting all inroads into capitalist farms in 1975. These farmers were assured that they would have no more land taken away from them.

At the local level these farmers are often very powerful. Since TANU is a mass party, in the sense that any Tanzanian can join it, local political leaders may frequently be precisely the same "notables" (i.e. those with wealth) that would have local power if the political party were explicitly right-wing or if there were no political party at all. As a
Tanzanian sociologist has pointed out, "TANU completely lacks substance."

Capital accumulated thus in agriculture is often invested in nearby provincial towns. The rich African capitalist farmers in Ismani, for example, also received "vast income from the ownership of non-agricultural means of production in Iringa Town in the form of restaurants, bars, housing for rent, milling machines, taxis, etc." Smaller "Kulak" farmers may put their money into trade, small shops, and rental housing. Green says elsewhere that there are about 50,000 "Kulak"' families in the country.

A Kenyan study of African entrepreneurs shows that the successful individual businessman typically expands in the form of having many small enterprises rather than one large one. Each business only has a few employees, and these are very often relatives. The Tanzanian situation appears to be similar, with the added fact than quite a number of businesses are registered as "cooperatives". This ensures them access to certain forms of credit not available to individual businessmen, and the formation of cooperatives is explicitly favoured by the Government. Since the bigger ones (for example, a bus-and-taxi-owning coop in Dar es Salaam) engage a large number of wage employees, it is difficult to see how they are much different from any other capitalist enterprise with more than one owner.

Finally there are still a fair sprinkling of individual "European" capitalists, either holding Tanzanian or other passports. White settler farmers were never as important in Tanganyika as they were in adjacent Kenya, but there are still probably a few hundred left. They are likely to diminish as they die or are bought out. Somewhat more secure seems to be the position of white, permanent resident, businessmen in the towns - and particularly in Dar es Salaam. I do not have figures on these people but would guess that these white farmers and urban businessmen total no
more than a thousand. (This is excluding short-term, contract expatriates).

The Bureaucratic or State "Bourgeoisie"

This stratum started to arise out of the middle-classes less than twenty years ago, and its existence is entirely attributable to the attainment of political Independence and subsequent political developments. The colonial system needed, as we have seen, a literate class of indigenous people to staff its lower, and much of its middle, reaches. The colonial state, unlike states in Europe, was not a result of the development of indigenous social forces and classes, but was entirely the creation of external forces. No political system even vaguely corresponded to the boundaries that were determined by mutual European bargaining at the Berlin Conference in 1885. The initial establishment of the colonial state was necessarily a military one. After all active resistance had been defeated, and all indigenous class forces subdued, colonial government was largely a matter of administration of orders to restructure the economy originating from above, rather than dealing with political opinions coming from below. Apart from purely local matters, all significant change was initiated by authority from the top down. The educated Africans in the employ of the state were merely links in the chain that drove it; the motor of political power lay with Europeans. As it happened this creation of an entirely new class of Africans was not without its political consequences, and it was eventually this class that was most effective in pushing for political independence.

Independence in 1961 created, as it were, a vacuum of the positions
formerly staffed by colonial administrators - into which members of the African middle-class rushed. Out of 3,500 civil servants, nearly 3,000 were Europeans - and most of these left. The civil service, the top ranks of the army and the police, and some private businesses, were "Africanized". The leading members of the African middle-class now had political power - but a very limited economic base. The economy stayed basically unreformed, and economic power still largely resided with European and Asian capitalists - who now had limited political power. Power and property were thus separated. For the first six years the members of the political "élite" attempted both to attract foreign capital to the country, and to build private economic bases for themselves. They had a certain amount of success at both - but nothing like as much foreign capital came in as went to Kenya, and those who were out to make themselves rich individually were faced by the structural limitation of so much of the economic power being in Asian and European hands. These and other reasons (outlined in pages 61-62 of Chapter Two) led to the formulation of the Arusha Declaration.

We have discussed the economic effects of the Declaration, and its effects on most of the classes in the country. We have also mentioned what I have called the "literal" and "cynical" views of the Declaration and its attendant reforms. Its most immediate negative effects were felt by British and Asian capitalists, both of whom suffered from the nationalizations, and to some extent by African capitalists who, while not being expropriated, had some limitations placed on them. The groups who felt positive effects, in the sense of deriving objective benefits, were the
state and its functionaries, and (as it turned out) other foreign capitalists. This last was probably not intentional. But it is the distinction between intended and unintended consequences that can partly reconcile the "literal" and "cynical" views of what happened.

What counts against the "literal" interpretation most heavily is that the open acceptance of vast quantities of foreign "aid" does not jibe very well with a professed policy of "socialism and self-reliance". One could add points like the way the peasants have been treated does not jibe with this very well either - but this can possibly be explained by other factors, like ineptitude. To declare "self-reliance", however, and state clearly that development will not depend on foreign money, seems to be in direct contradiction with most of the development budget now being foreign money and Nyerere saying: "we have sought for and welcome a great increase in foreign assistance". (See Chapter Two, page 67).

What counts most awkwardly against the "cynical" interpretation is, in a nutshell, the Leadership Code. If the Arusha Declaration was indeed a deliberate attempt by the political bureaucracy to acquire wealth, why was it necessary in addition to forbid higher civil servants and Government and Party leaders from accumulating private wealth as well. Their counterparts in Kenya have shown that, allied with using state power against Asian capitalists, this is a very efficient way of getting rich.

These two conflicting views can be partly reconciled by accepting that the cynical interpretation does largely describe what has happened, while the literal describes what the Declaration's drafters intended.
should happen. The reconciliation account then would be perhaps that the idealism of the drafters was genuine, but not fully thought through - with the consequence that it provided expansion opportunities for nascent class forces. It provided, as it were, an "ecological niche" for the development of a state or bureaucratic "bourgeoisie".

As we saw in the last chapter, the nature of the economic reforms in Tanzania over the last ten years has been such that the State appropriates and allocates the major part of surplus in the economy. The public sector accounts for about 70% of the total national capital stock, and more than 75% of large and medium-scale economic activity. The stratum that have political power are also those at the head of the State's institutions and enterprises. Power and the control of property have thus to a large extent converged. It can be argued therefore that the state now performs the function of running a collective capitalism, and that those at the top of the Government, the Party, the Civil Service, and the parastatal enterprises, who control the main levers of power are, or are in the process of becoming, a bureaucratic or state "bourgeoisie".

The most obvious objection to this is that this stratum does not own the means of production that are within the State sphere. This is true: what they administer and manage is not the private property of them as individuals. However, there have been many historical precedents of class societies in which the ruling class did not own the means of production - namely, those grouped under the concept of the so-called "Asiatic" mode of production. In these the power of the ruling class came largely not from their private ownership of land and so on, but from their control of certain vital functions (usually, the management and knowledge of the
irrigation systems that supplied water to those who did own land).
They were essentially not a private-property-owning ruling class, but a bureaucratic ruling class.

This formulation has been fiercely resisted in the 20th century by ideologues of the Soviet Union — and with good reason. For if the idea of a bureaucratic ruling class is allowed, then that conception comes uncomfortably close to describing the political structure of the Soviet Union itself. The argument for that country being a socialist society is, very crudely, that capitalism crucially depends on private ownership of the essential means of production; such private ownership has been abolished in the Soviet Union, therefore there are no capitalists, therefore there is no capitalism, therefore the society is on the road to the next historical "stage", socialism. Trotsky's criticism of this was that the bureaucratic stratum had manipulated its position to obtain privileges and put itself in an exploitive relationship over the peasantry and the working class. Rizzi appears to have been the first to argue that the Soviet Union had become a "state capitalist" society, and that the bureaucracy was a ruling class. This analysis was further extended by Djilas with his concept of a New Class.

Russia's capitalism was too weak and too dependent on the interests of foreign powers to make it possible to have an industrial revolution. This revolution could only be implemented by a new class, or by a change in the social order... the power and interests of the new class lie primarily in industry. Without industry the new class cannot consolidate its position or authority... Only a special stratum of bureaucrats, those who are not administrative officials, make up the core of the governing bureaucracy, or in my terminology, of the new class. This is actually a party or political bureaucracy. Other officials are only the apparatus under the control of the new class.
The key to this lies in looking a little bit closer at the concept of "ownership". If something is my "property" what does this mean? It means that it is some material good over which I have certain socially determined rights of control: specifically that I can use, enjoy, and dispose of this good as I see fit. If something is nationalized and becomes state property, this does not give equal rights to all citizens of that state to use, enjoy, and dispose of it. This control over state property is differentially distributed and tends to reside primarily with specific state functionaries. Therefore those who control the State do have most of the elements of control over such property that is usually associated with the concept of "ownership". The main limitation is that they do not have full disposition rights and especially, they cannot transmit this control or "ownership" to their offspring. This was one of the main reasons why Trotsky insisted the Soviet bureaucracy was a stratum and not a class. However, it is worth noting that in virtually every contemporary capitalist society capitalists do not have full disposition rights either, but are subject to various types of death and estate duties. The rights of ownership are very much socially determined then, and both a bureaucratic class and a private capitalist class have control of property and limitations on its disposition that are defined by law in the respective societies.

Those who came to power in Tanzania in 1961 did so principally because they happen to have been educated just at the right time. As we have seen, there was a rather limited amount of class differentiation among Africans in the colonial period. When the colonial strategy
changed to one of granting independence to most of the African colonies, there was no rich indigenous capitalist class or stratum who could possibly have been given power - there was only a quite small educated "élite" - those of the middle class who had the most education. They owe their economic position entirely to the fact that they control the state. Since there is no "national bourgeoisie" in the sense in which that term is usually understood (i.e. a class privately owning major means of production and developing them for national rather than foreign industry) - and since the state controls most of the economy, the state is in a very real sense the national entrepreneur. It initiates and controls new economic developments, and it administers this in an authoritarian, hierarchical fashion that is in form quite similar to the way the colonial state was administered.

Those who are at the top of this hierarchical structure derive wealth, status, and power from being in this position - and naturally develop an interest in remaining there. They thus control national ideology to equate their actions with the interests of "workers and peasants", to rationalize the allocation of economic surplus, and to prevent those from whom it is extracted from being able to understand clearly what is happening. Speeches by Government leaders, Party "campaigns", the two newspapers, the radio, the "trade union", the educational system, all push an ideology that "TANU yajenga nchi" (TANU builds the country), to justify themselves, to legitimate themselves, and to stabilize the situation, politically.

It is a peculiar feature of the Tanzanian ruling "class" (strictly speaking "stratum", that is probably a class in formation) that its policies
are not completely self-serving. The salary structure of the public sector that was inherited from colonial times was not taken over wholesale as it was in most newly-independent African colonies. According to Nyerere, the top public-sector, post-tax salaries were 20 times the post-tax minimum wage in 1967, but "by the end of 1976 this degree of inequality had been greatly reduced. After direct tax was deducted, the highest paid employee in the public sector took home 9 times as much as the minimum wage earner did." From the point of view of a government that considers itself socialist, this is obviously a Good Thing. One must see this in perspective, however. The original salary differentials were very wide, in order to renumerate British civil servants at the same rate as they would receive in Britain. That they have narrowed appreciably does not mean that they are not still very unequal. Moreover the top public-sector net income is not nine times more than the average income - it is nine times more than the net minimum wage. The minimum wage in 1976 was 340, and then 380, shillings a month. However, only a small proportion of the population earn these wages; the average per capita income in the country was only 634 shillings a year. The salaries of top bureaucrats are thus still many times greater than the incomes of peasants. Finally, while it is true that net salaries at the top have been cut back by reductions and taxation, and that their personal purchasing power has certainly declined, it does not necessarily follow that they are, overall, much worse off.

For example, all the best housing in the towns is that built in colonial times for colonial officials. There is no free market in this housing - it is allocated by a ministry to high-level civil servants,
parastatal managers, etc., and rent is paid as a fixed percentage of income. A large salary is not necessary to obtain such a house — only a high-level job is. Similarly with cars: the numbers imported each year is controlled by the Government, and the Government takes the major part of the quota. Cars are difficult and expensive to buy for the private citizen — but a top bureaucrat will get allocated one free, including often a driver. Foreign exchange is strictly limited for Tanzanian citizens, and few can afford such things as foreign holidays. Trips abroad go on all the time though for delegations of Party and Government officials. For example, in 1974 a ship to sail on Lake Nyasa was completed at the Japanese shipyard that had won the contract. The Daily News reported that six Tanzanian officials had flown to Japan for the launching. Six Dar es Salaam – Tokyo return air-ticket represents a not insignificant amount of economic surplus.

The fact that this bureaucratic "bourgeoisie" controls the state does not necessarily mean one should suppose its activities are entirely self-serving. Very few ruling classes are so single-minded. Ideological justifications nearly always include elements rationalizing power and wealth residing in the ruling class' control as being in the best interests of the rest of society too. The values the Party puts forth in Tanzania undoubtedly do affect bureaucrats' views and actions. The overwhelming majority do indeed want to see the country "develop" economically. The question is: in what way? Radical socialist transformation, involving cutting the present links with the international capitalist system, and revolutionizing the state, would go against the bureaucratic "bourgeoisie's" material interests, as currently constituted.
What they want is development that is not at odds with the state, and the urban areas, continuing to appropriate most of the economic surplus as they do now. For this stratum is essentially an urban one, deriving its standards of what are thought to be an appropriate life-style for itself from the upper-middle class of the industrial capitalist societies.

There are of course political differences within this state "bourgeoisie", partly reflecting the fact that it is not a fully developed class yet. Many of the political moves "leftwards" over the past ten years have been possible, and have been accepted without fatal opposition, because indigenous Tanzanian class differentiation has been so limited. Thus the country's very capable and charismatic leader was able to get policies limiting further private capitalist expansion accepted - because the indigenous private capitalist class was very undeveloped and could provide little effective opposition. The present consolidation of a bureaucratic ruling class probably is beginning to establish opposition for any significant new "left" moves, if those moves threaten its own interests.

Political arguments and ideological battles do take place within this top bureaucratic stratum, but it is an indication of the concentration of power that no such battles of any significance take place anywhere else but here. It is difficult to think of a single political initiative in policy over the past seventeen years of independence that has originated from and been pushed through from below. All initiative, all power, is at the top. The strength of the state and those who control it is in a sense the weakness of other organized forces in the society. Even the distinction at the top between "politicans" and "bureaucrats" that is sometimes posited
is a very blurry one in practice. Career bureaucrats and politicians are often "cross-appointed", making it unlikely that they develop separate interests. A great many M.P.s hold executive positions in parastatals. There are good personal economic reasons for this since parastatal salaries are much higher than parliamentary ones. Because of the Leadership Code, the M.P. can only take one of the salaries - so there is an incentive for politicians to become bureaucrats too and take that higher salary. Perhaps the only internal social force that could fragment or topple the present stratum at the top would be an Army coup. There is very little information available on the Army in Tanzania, and certainly no research into it is allowed, but there were very strong indications in February 1974, during a period of acute food shortages in the towns, that some Army officers attempted to assassinate the President. Had they succeeded, a coup would probably have followed.

The origins of this bureaucratic "bourgeoisie" are in the state and the educated bureaucracy that imperialism created. The purpose of this state and these bureaucrats was to serve imperialist interests. The economy remains a dependent one whose raw materials go to the industrialized economies at cheap prices, and so the ruling bureaucratic stratum in maintaining this is serving imperialist interests. In this respect Tanzania's state capitalism is very different from that of the Soviet Union, where the foreign bourgeoisie was completely expropriated and excluded. It is also significantly different from Djilas' "new class" in that it is not the case that its "power and interests...lie primarily in industry". A "new class" is not dependent on foreign capital and it
makes an industrial revolution itself. The Tanzanian ruling stratum needs foreign capital and expertise (both of which the Arusha Declaration has had the effect of securing in abundance), and is not bringing about an industrial revolution (see Chapter Three, pages 99-109). It thus presides over a somewhat unusual form of state capitalism in which foreign capitalists still benefit, and which does not appear to have the economic dynamism of, say, Soviet state capitalism.

I have taken care to place the description "bourgeoisie" in inverted commas when referring to the Tanzanian ruling stratum because a bourgeoisie is a class. Although one can argue that the social formation is reproducing the social relations of production, and that structurally therefore this group can be called a class, this process is so recent - some of its most important elements only having taken place within the last decade or so (ie. since the Arusha Declaration) - that one is hesitant about being categorical about its status as a class. For the time being, and with the definitions I am using here, the state or bureaucratic "bourgeoisie" is a stratum - but one that is probably in the process of becoming a class. So far its personnel have been wholly recruited from below. As the stratum consolidates itself as a class it will become more likely that recruitment will in future come more from its own ranks.

The International Bourgeoisie and its Representatives

Tanzania's economy is, as we have seen, still essentially a colonially
structured one, and it can only be understood in the context of the wider world capitalist system. The benefits of the country's economic operations mainly go abroad and to a minority of its citizens. The stratum with political power largely maintain this economic situation, and that they do so can only be understood if Tanzania's social structure is seen in the context of an international system of social stratification. The bureaucratic stratum, although it rules the country politically, is a dependent social group - dependent on what I am calling here the international bourgeoisie to purchase of the raw materials produced by the economy over which it, the bureaucracy, presides, and dependent on foreign financing and aid.

"International bourgeoisie" is not an entirely satisfactory term here, because unlike with all the other classes and strata dealt with so far it is difficult to point to and identify all the specific persons to which it refers. The world capitalist system is not run by a definite group of capitalists who live in New York, London, Tokyo, or wherever. It is quintessentially a system, that benefits or exploits different social groups to different degrees, and is not something that is controlled by an actual group of real people that one can point one's finger to. The "international bourgeoisie" in this context then is a kind of shorthand that refers to those groups located outside Tanzania that most benefit from the surplus value that flows out of the country. What I am calling here its "representatives" can be identified as the resident foreigners from developed countries who are working in the country (and hence are part of its social structure). These representatives are not, on the whole, capitalists themselves - they are from various strata of the middle-
classes of the industrialized capitalist countries: diplomats, engineers, teachers, accountants, doctors, aid administrators, town planners, executives, etc. According to one estimate they are about 5,000 in number; they provide high-level skills, and are at the top end of income distribution.

It is important to understand that the post-Arusha nationalizations did not significantly damage any crucial area of Western capitalism, and indeed had the effect of benefiting some areas of it. The nationalizations did weaken the dominance of British capital in the economy. British banks in particular were deprived of future profitable operations (although they were fully compensated for their then-current assets). Many sisal estate owners lost their estates - but these were hardly profitable at the time anyway, due to the long-term decline in world sisal prices since the Korean War. Specific capitalists losing out happens all the time in any case, as a normal feature of the operation of capitalism.

Foreign capitalism as a whole has greatly expanded its penetration of the Tanzanian economy since both Independence and the Arusha Declaration. The current arrangements of 51% Government ownership, management contracts, and other joint ventures, are probably in the long-run more beneficial to foreign capital than old-fashioned 100% ownership. They risk less, they have more political protection, they have no competition, their labour is controlled, and the Government may cover losses. The State thus still largely serves the interests of the metropolitan bourgeoisie. The country in East Africa which does not serve these interests too well at the present time is not "socialist" Tanzania, ironically enough, but Uganda - though because of incompetent capitalist, not socialist, policies.
Increased dependence on foreign financing is reflected in the extraordinary array of foreign sources from which Tanzania receives aid (of loans and grants). The World Bank is the largest single source, accounting for about one-third of the aid; the Scandinavian countries jointly account for nearly another third; the balance is made up by the rest. The Minister for Finance and Planning detailed the donors in his 1976 Budget Speech as follows:

During the 1976/77 financial year Tanzania expects to receive grants and soft loans from a number of countries and international organizations which are ready to help us in our development endeavours. The following countries and International Organizations are willing to help us: Sweden, Norway, West Germany, Holland, Denmark, Finland, Canada, U.S.A., the People's Republic of China, Cuba, U.K., Italy, U.S.S.R., Romania, India, Japan, Mexico, the World Bank, the Nordic Cooperation Council, the African Development Bank, the Arab-Africa Development Bank, the UNDP, and other voluntary agencies. Discussions which are still under way with a number of other countries and with International Organizations will enable us to get more financial help.

This aid is negotiated by the bureaucracy in Tanzania and their control over it necessarily increases their power in the society in relation to other classes and strata. The effect of the aid - even the Chinese-built Tanzania-Zambia railway - is to keep the economic structure the same: dependent on export crops. A very small amount goes to industry, and none to an overall industrialization plan. One consequence of this aid, both in Tanzania and abroad, is that it helps the "myth" that "moderate", non-revolutionary policies can bring development. It is interesting to speculate about what might have happened if Tanzania had not got this aid - and tried current policies. Surplus generation would
have directly reflected Government expenditure and policies - with
the inescapable consequence that there would be a very serious
financial crisis on a scale many times greater than the present
one. Without foreign financing to alleviate this, the resultant
political chaos could probably only lead in one of two directions:
either revolution or, more likely, a military coup and/or a definitive
move to the right and the acceptance of private foreign capital on
virtually any terms.

Nearly all the countries and International Organizations mentioned
above have aid personnel resident in Tanzania. This aid "community",
along with foreign businessmen, short-term contract professionals, etc.
is predominantly white. Although the personnel turn over, their presence
is a constant feature, and they are part of, and affect, the social
structure. Apart from the direct influence of financial consultants,
economic planners, etc. on development, the consequence of the presence
of this rather well-to-do white community is largely twofold: they act
(not necessarily intentionally) as a transmitter of Western middle-class
consumer values, both to the Tanzanian middle-class and ruling stratum
and to many of the "lumpen" elements in the towns, for example young
men with no money and a taste for sharp clothes and American "black
super-stud" movies; and they foster (also not necessarily intentionally)
a very distinct psychological dependency on the part of many Tanzanians.
All whites visible to Tanzanians are wealthy, professionally skilled,
and middle-class. No poor or working-class whites are resident in the
country. "Volunteers" are the nearest, and they are usually qualified;
they present a picture of competent young whites who, even though they
often have little or no practical experience, exert authority and elicit
deference. These things reflect, and to some extent contribute to, the dependent position of the ruling stratum. These foreign "representatives" are a crucial part of the social structure. If there were no links with the international bourgeoisie and none of its representatives in the country, Tanzania's economy and society would not and could not be as it is.

Summary
This chapter analyzes the social structure and attempts to show how it is related to the economic structure already delineated. The various classes and strata are analyzed, and it is shown which are those located in the towns, are what their relationships are to those of the rural areas. Government policies towards certain groups are dealt with, as elements effecting urban migration and the structural position of certain urban classes.

The variegated ethnic elements from which the society is made up are first outlined. It is shown how the new economy colonialism set up produced entirely new elements in the social structure, such as agricultural wage labourers and literate clerical workers. Those employed in the administration of the state were among the first to have a territorial consciousness - out of which nationalist ideology grew. Class differentiation is not yet fully crystallized in Tanzania, with ethnic consciousness in particular often over-riding class consciousness.

The country has lots of land, and because this is not generally in short supply there is no significant landlord class. The majority of the population is made up of "middle" peasants, very poor in terms of wealth. Most have in the past been settled in scattered homesteads, and government
policy has, in varying ways, tried to nucleate them. This nucleation is almost always connected with attempting to increase production of export crops. Coercion in the pursuit of this policy was the exception rather than the rule until 1973. By the second half of the 1970's the majority were settled in villages, sometimes forcibly. Pastoralists and agricultural wage labourers are also significant, though much less numerous, elements of the rural population.

The urban areas contain a large number of petty producers, traders, and suppliers of services. On average these earn less than those in formal employment, but still appreciably more than the average peasant. This "informal" sector is an area in which women are not necessarily at a disadvantage, and they figure prominently in many such activities. Urban households often have more than one source of income, many of which may be informal ones. Such economic activity is not just "marginal", for the structure of the "formal" sector is crucially dependent on it.

Formal urban employment has been rising since Independence, though not as fast as migration. An appreciable amount of this is only casual employment, and the number of opportunities for women are rather limited. Urban workers often appear to have a more distinct class consciousness than many other groups.

The "middle-classes" - professionals, managerial and clerical personnel in private and public sectors, and middle and lower level Government staff - perform services for those who own means of production, and they usually attained their position by virtue of their education. Though many would have come from peasant backgrounds they see themselves as very distinct from and superior to such people. Many of the middle-classes are far from committed to government policies and would probably prefer more overtly
capitalist development. Medium-sized capitalists are mainly in agriculture or the commercial sector. The Arusha Declaration was to a large extent aimed against them, to prevent their further growth or their alliance with those in power.

The bureaucratic or state "bourgeoisie" is a stratum that has developed out of the middle-classes since Independence. The Arusha Declaration adversely affected British and indigenous (including indigenous Asian) private capitalists in Tanzania, and benefited other foreign capitalists - and state functionaries. The leading section of the latter now preside over a form of collective capitalism, in which they control, though do not privately own, most of the key means of production, including land. The role of the state is central in this: it acts as a sort of national entrepreneur, and the bureaucratic "bourgeoisie" owe their position entirely to their control of that state. They also control government ideology through the press, radio, schools, and government publications, to explain and justify their position as serving the interests of "workers and peasants". They benefit most from the inherited, highly unequally structured, colonial towns to be dealt with in detail in the next chapter.

As the economy is still constituted, it largely serves the interests of the international capitalist system, providing cheap tropical raw materials and, to a minor but growing extent, a market for capital goods. One of the main links between the international bourgeoisie and the Tanzanian state "bourgeoisie" over the last decade and more has been - and to an accelerating degree - aid. The financial dependence built up by these loans and grants ensures the economic structure remains largely as it is. Since the towns are an integral part of this economic structure, the imperialist link also ensures the continuance of the urban structure.
CHAPTER FIVE: THE URBAN STRUCTURE

Introduction

This chapter deals with the country's urban structure, as it has resulted from the interaction of the economic substructure and social superstructure. It details the number and sizes of the main towns, and compares its urban population with that of other countries. The historical causes and contemporary functions of towns in many other peripheral capitalist countries are similar to those of Tanzania - towns act as links between rural hinterlands and foreign economies.

The physical structure of the country's urban areas is analyzed, and they are shown to be built on class lines - particularly in their residential zones. Towns were, and are, regarded as the most "modern" part of the economy and the society, and this was caused by and is now continuing to cause greatly disproportionate allocation of state expenditure in such urban areas. Such a concentration of surplus inevitably attracts migrants from the rural areas because it creates income opportunities greater than those of most of the countryside.

Institutional arrangements for providing urban housing are complex but, since at least the 1950's, have been unable to cope with the flow of migrants seeking accommodation. The inevitable result is the proliferation of squatter settlements. The most obvious physical manifestation of urban growth over the last two decades has been in this spread of illegal housing. In spite of very ambivalent government policies towards them, squatters are components of urban classes and strata who are an essential part of the urban economy, and such settlements will continue to grow in the future.
Features of the Urban Structure

Defining what constitutes an urban area is somewhat problematical. The standard United Nations' definition is settlements of 20,000 or more people. However, statistics compiled by different national governments vary enormously in what they count as urban. According to the U.N. Demographic Yearbook, "urban status may be granted to places with as few as 400 inhabitants in Albania, while in Austria the lower limit is 5,000 persons. In Bulgaria, urban means places with urban status regardless of size; in Israel it implies predominantly non-agricultural centres... In Finland and Sweden, it is built-up areas with less than 200 metres between houses." The U.N. definition of 20,000 is used more than any other one, but since definitions on which national statistics are based do vary, figures on urban populations and percentages are not always strictly comparable internationally. This is not always necessarily as awkward as it might appear, since the vast majority of almost every country's total urban population is in centres of over 20,000. Thus the distribution of people in nucleated settlements in Tanzania was, according to the 1967 Census, as follows:

Table XIV: Settlements in Tanzania, 1967.

<table>
<thead>
<tr>
<th>Size of locality</th>
<th>Number of people</th>
<th>Number of localities</th>
</tr>
</thead>
<tbody>
<tr>
<td>100,000-499,999</td>
<td>272,821</td>
<td>1</td>
</tr>
<tr>
<td>50,000-99,999</td>
<td>129,548</td>
<td>2</td>
</tr>
<tr>
<td>20,000-49,999</td>
<td>227,538</td>
<td>9</td>
</tr>
<tr>
<td>10,000-19,999</td>
<td>41,243</td>
<td>3</td>
</tr>
<tr>
<td>5,000-9,999</td>
<td>48,440</td>
<td>7</td>
</tr>
<tr>
<td>2,000-4,999</td>
<td>36,274</td>
<td>10</td>
</tr>
<tr>
<td>1,000-1,999</td>
<td>5,380</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>761,244</td>
<td>352</td>
</tr>
</tbody>
</table>

Thus of the total of 761,244 people, 629,907 were in settlements of
20,000 or more. Making the "urban" cut-off point 10,000 people would not much increase the total; and making it 5,000 people would not enormously change the usefulness of the national total for the purposes of international comparison. I will be dealing here with the towns of 10,000 or more people. Since, as already explained, this thesis does not deal with Zanzibar, I will exclude Zanzibar Town (1967 population: 68,490). The smallest of the mainland's provincial centres is Bukoba (1967 population: 8,141). However by the mid-1970's its population had increased to over 10,000, so I will be dealing here with the 15 urban centres on the mainland with populations in excess of 10,000 in 1975. Their populations in the August 1967 census (which was the last accurate national count) are detailed in the accompanying table.

**Table XV: Populations of main towns, 1967.**

<table>
<thead>
<tr>
<th>Town</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dar es Salaam</td>
<td>272,821</td>
</tr>
<tr>
<td>Tanga</td>
<td>61,058</td>
</tr>
<tr>
<td>Mwanza</td>
<td>34,861</td>
</tr>
<tr>
<td>Arusha</td>
<td>32,452</td>
</tr>
<tr>
<td>Moshi</td>
<td>26,864</td>
</tr>
<tr>
<td>Morogoro</td>
<td>25,262</td>
</tr>
<tr>
<td>Dodoma</td>
<td>23,559</td>
</tr>
<tr>
<td>Iringa</td>
<td>21,746</td>
</tr>
<tr>
<td>Kigoma-Ujiji</td>
<td>21,369</td>
</tr>
<tr>
<td>Tabora</td>
<td>21,012</td>
</tr>
<tr>
<td>Mtwara</td>
<td>20,396</td>
</tr>
<tr>
<td>Musoma</td>
<td>15,412</td>
</tr>
<tr>
<td>Lindi</td>
<td>13,352</td>
</tr>
<tr>
<td>Mbeya</td>
<td>12,479</td>
</tr>
<tr>
<td>Bukoba</td>
<td>8,141</td>
</tr>
</tbody>
</table>

By 1975 these figures had, on average, nearly doubled. Some, like Arusha and Mbeya had much more than doubled in population; others like Tanga and Kigoma-Ujiji had much less than doubled. Most of the figures I have for 1975 populations are estimations, from various sources, but one fairly accurate count is a figure for Dar es Salaam for March, 1975 of 517,005 people. This represents an annual growth rate for the 7½ year
period of 8.94%, a rate that entails rather more than a doubling every ten years. This appears to be somewhat above the rate at which the country's total urban population is growing. It is urban growth on this sort of scale— that, as I say, represents about a doubling every decade—that this thesis is attempting to describe and explain, by analyzing the underlying generation and allocation of economic surplus, and by delineating the class structure produced by, and in turn helping to maintain, that economic configuration. In a sense (a somewhat polemical sense) urbanization in Tanzania is only an epiphenomenon of the country's more fundamental economic substructure and social superstructure.

The country's first full census was conducted in 1948, and showed a population of about 7.5 million. The 1957 Census showed about 8.8 million. The August 1967 Census counted 12,313,469 people in Tanzania (including 354,815 on Zanzibar). The total population in March 1975, according to a national demographic survey (i.e. not a full-scale census) was estimated to be 14,938,071. This represents an annual growth rate in population of 2.7% over the decade. The proportion of the population urban has been calculated as 3.2% in 1948, 4.8% in 1957, and 6.7% in 1967. The exact percentage in 1975 is not known, but if the rate of growth of the urban population was 6% per annum since the 1967 Census, then the proportion urban in 1975 was about 9%; and if the urban population grew at 7% a year, then the proportion urban in 1975 was over 10%. Certainly by now (August 1978) the proportion must be over this amount. In rough terms then, Tanzania has about 15 million people, of which about 10% currently live in urban areas. In
even rougher, but easy to grasp terms - of the classes and strata dealt with in the previous chapter, at least 13 million are peasants of various types; at most half a million are other rural dwellers (capitalist farmers, some traders, government rural staff); and all the other million and a half (at most) are urban classes and strata: that is, virtually all the representatives of the international bourgeoisie, virtually all the state 'bourgeoisie', the majority of medium-sized capitalists, the majority of the "middle class", almost all formal sector urban workers, and almost all informal sector petty producers, traders, and suppliers of services (although there are some rural-urban complications with the urban informal sector, which will be dealt with later). It should be apparent from the hierarchical discussion of classes in the previous chapter, that most urban dwellers are better-off than most rural dwellers.

Although Tanzania's urban areas are currently growing at a very fast rate (about twice the world average rate of 3.2% per annum for urban population increase\(^8\)), it should be remembered that this is a rate of growth starting from a very low base. Africa is still the least urbanized continent, and the eastern part of it especially so. At the moment there are four main significantly urbanized areas on the African continent: North Africa and the lower Nile Valley; the grasslands of West Africa; the eastern forested areas of the West African coast; and Southern Africa.\(^9\) Tanzania, and in fact East Africa generally, is as yet one of the least urbanized parts of the world - even of the underdeveloped world.
Table XVI: Trends in Proportion Urban, 1950-70, Third World

<table>
<thead>
<tr>
<th>Region</th>
<th>1950</th>
<th>1960</th>
<th>1970</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Africa</td>
<td>24.6</td>
<td>29.6</td>
<td>34.6</td>
</tr>
<tr>
<td>Western Africa</td>
<td>10.6</td>
<td>14.7</td>
<td>19.7</td>
</tr>
<tr>
<td>Eastern Africa</td>
<td>5.5</td>
<td>7.5</td>
<td>9.9</td>
</tr>
<tr>
<td>Middle and Southern Africa</td>
<td>6.6</td>
<td>11.6</td>
<td>15.4</td>
</tr>
<tr>
<td>Middle America</td>
<td>39.2</td>
<td>46.2</td>
<td>53.0</td>
</tr>
<tr>
<td>Caribbean</td>
<td>35.2</td>
<td>38.5</td>
<td>42.5</td>
</tr>
<tr>
<td>South America</td>
<td>35.8</td>
<td>44.7</td>
<td>53.1</td>
</tr>
<tr>
<td>East Asia (excluding Japan)</td>
<td>12.1</td>
<td>18.0</td>
<td>25.3</td>
</tr>
<tr>
<td>Southeast Asia</td>
<td>13.6</td>
<td>16.6</td>
<td>20.1</td>
</tr>
<tr>
<td>Southwest Asia</td>
<td>24.3</td>
<td>29.5</td>
<td>35.5</td>
</tr>
<tr>
<td>South Central Asia</td>
<td>15.4</td>
<td>16.4</td>
<td>17.7</td>
</tr>
</tbody>
</table>

In comparison to Tanzania's low figure, most of Europe is well over 50% urbanized, and the most developed countries (e.g. Sweden, U.K., Netherlands, G.D.R., France, Belgium) are over 70%. The U.S. is 74% urban, and Canada 76%. The figure for the U.S.S.R. is 60%, for Japan 72%, and for Australia 85%. Latin America ranges from 76% (Venezuela and Chile) down to 23% (Bolivia). All Asian countries are over 10% urban, and most over 20% - with the exceptions of the very special case of Bangladesh (7%), and the very backward Nepal (4%) and Sikkim (5%). Even the islands of Oceania have higher figures than Tanzania (e.g. Papua New Guinea 11%).

It is only in Africa, and mainly in the same area of Africa, that one finds lower percentage figures for urban population. The high figures are in the very South and the very North of the continent (South Africa 48%, Egypt 44%, Algeria 39%); and the low figures are Swaziland (8%), a rather peculiar enclave of South Africa - and three countries that border on Tanzania: Uganda (7%), Malawi (5%), and Rwanda (3.4%). Rwanda, along with Burundi, were part of Tanzania in fact, when it was German East
Africa. After the First World War the two provinces were very kindly given by the British to the Belgians - in recognition of help given them in fighting the Germans.

Moreover, if we look at the breakdown by Region in Tanzania of the percentage of the population urban, we discover that the very large capital city of Dar es Salaam makes the national urban percentage appreciably larger than the median average urban percentage throughout the regions of the country. In the accompanying table it can be seen that if we exclude the Coast Region (which contains Dar es Salaam), and the region that contains Tanzania’s second largest town, Tanga, then all the other fifteen Regions (each of which contained in 1967 on average about two-thirds of a million people) have only about 1% to 5% of their population living in urban areas. It can be seen from this just how overwhelmingly rural the population of the country is. The vast majority of this population are, as we saw in the previous chapter, “middle peasants” engaged in both subsistence agriculture and “cash-cropping” (including livestock and fishing) - or, if they have no access to any significant
cash-crop, then having at least one family member working for cash somewhere. The productive base of the economy, as we say in Chapter Three, is predominantly an agricultural one, and the way the neo-colonial economy operates makes for a relative concentration of economic surplus in the commercial and administrative urban centres. This being so, and for further reasons outlined later in this chapter, we can expect that the towns will continue to go on attracting population from the rural areas, and continue to grow at a rate that is about twice that of the world average.

In trying to understand the overall structure of Tanzania's towns, it seems to me to be useful to conceptualize the total set of them as being in three levels or categories. The only one in the first category is the capital, and principal port, Dar es Salaam. This primate city had over quarter of a million inhabitants ten years ago, and has over half a million now. Its population is more than four times the size of the next biggest town; about ten times the size of population of the average provincial town; and accounts for more than a third of all urban residents in the country.

In the second category are the 14 provincial towns. These constitute the legally defined townships, and unlike those in the third category, all have their own town councils. All are either connected to Dar es Salaam by main transportation routes, or are ports themselves. Their function is largely commercial and administrative - to act as a sort of middleman between the productive hinterland surrounding each and the actual shipping of agricultural products abroad. The populations of these provincial towns are between 10,000 and 100,000. It is their populations that largely make
up the urban percentages of each region listed in the last table. Their populations together account for about a half of all Tanzania's urban residents. I have been able to visit and obtain first-hand information on all but the 3 most southern of these 14 provincial towns. The data and arguments of this chapter will largely concern the 15 main urban centres, composed of the 14 provincial towns and the 1 primate city.

In the third category are about 20 smaller urban centres - some of them very small indeed. All have less than 10,000 people, and most have less than 5,000. They are thus substantially and distinctly smaller than the provincial towns mentioned above. Almost all, I believe, were once officially townships in the colonial era when they were district headquarters, but very few of them grew to any appreciable extent (until quite recent times), and none have their own town council. Their origins are varied: a few are pre-colonial in origin (e.g. Bagamoyo, Pangani); most are of German origin (e.g. Lushoto, Singida); and one (Mwadui) grew up around the diamond mine. Location at an important road transport node has caused a few of them (e.g. Korogwe) to grow quite significantly since Independence around their function as road transport service centres. Although I have visited and passed through quite a number of these small urban areas in this third category, I have little or no systematic data on them, and they will in general be excluded from what follows.

The History and Function of Urbanization in Peripheral Capitalist Economies.

Tanzania's economic infrastructure bears some important similarities to that of many other peripheral capitalist economies in Africa, Asia, and the Americas (excluding North America). This is because, as was argued
in the first Chapter, they are all to a large extent the product of the same historical process from the 19th century onwards: the rapid expansion of European industrial capitalism. An historical awareness of this is an important prerequisite to grasping why the cities and towns of the contemporary peripheral capitalist world grew — and that while initially the development of indigenous areas in different parts of this world may have had little in common for centuries, the development of the world capitalist system in the 19th century fairly rapidly established some quite striking similarities in urban developments in all these areas. The domain of European commercial capitalism in these regions in the previous three or four centuries was often limited to the coastal areas, and in Africa and many parts of Asia at least, it consisted of small trading settlements on the maritime fringes, taking advantage of and stimulating indigenous trade in the interior. In the particular case of Tanzania, as we saw in Chapter Two, the interior was not penetrated until the nineteenth century. Rapid European industrialization in that century radically changed all this. Growing industry needed much greater sources of raw materials and much larger markets in which to sell its products, and it may or may not have been the case that excess European capital (or accumulated surplus) needed new areas in which to be invested. Exploitation of the hinterlands was markedly stepped up, and the outlines of the present day urban pattern in the underdeveloped countries were definitively laid down.

Latin America was in a sense somewhat ahead of Asia and Africa in this respect, in that the indigenous economic and social structures had already some time previously been completely shattered and the urban
pattern determined - before the nineteenth century. It was still however European contact that set the mould of urban areas there, even though many of these countries became, formally at least, independent in the first half of the nineteenth century. Thus, according to Morse, "the urbanization of Latin America received its initial thrust from the Iberian Peninsular, and from the forces that made for European commercial capitalism and overseas expansion."\(^{13}\)

Some areas of Asia, perhaps most noticeably India and China, already had a long indigenous tradition of urban areas, and expanding European trade there usually based itself in already existing cities. It greatly affected these cities however, with the result that to this day China's largest city is still Shanghai, the main "treaty port" from which the British traded in the middle of the last century.\(^{13a}\) In South-East Asia, almost without exception, the contemporary main cities are not based on indigenous cities, but grew out of colonial ports established on sea coasts and river estuaries in the 19th century. The economic function of these ports, as McGee says, was to act as a focal point for the collection of raw materials and the distribution of imports. "This led to their massive growth and dominance in the urban hierarchy which persists to this day."\(^{14}\) Djakarta, Singapore, Rangoon, Manila, Saigon, all had little importance in the indigenous era, but grew rapidly in the 19th century by virtue of their being transport centres, ports, markets, and administrative towns all-in-one, through which exploitation of the resources and markets of their hinterlands were increased. In addition this period saw the establishment and (much slower) growth of small urban centres - at railway junctions, mining settlements, district headquarters, etc. This
network of small centres along the lines of communications played an intermediary role between each country's one main port to the outside world, and the raw-material-producing countryside itself. "These small towns acted as dissemination points of colonial policy, through which the cash economy and Western ideas filtered into the (South-East Asian) countryside." 15

If one looks at the most important city in each country in Africa at the present time one sees strikingly the effect of the 19th century incorporation of the African continent into the almost world-wide spread of European imperialism. Far from the capitals being located near the centre of each country, or where the majority of the people are, or even being placed where they might maximize communications and contact with neighbouring African countries, they are in the vast majority of cases on the periphery - precisely because, as in South-East Asia, their function was to facilitate the collection of raw materials from their hinterlands and send them on their way to the industrialized economies. They were not placed where they are for any reasons of internal development, say, near their own resources of raw materials or power, like many Western industrial cities, but to be oriented to an outside market. Thus out of 36 African states with coasts, the capital is on that coast in 27 cases. The exceptions are either on arterial rivers (Brazzaville, Cairo, Kinshasa), or on elevated sites (Addis Ababa, Nairobi, Yaounde). 16 By way of contrast, European capitals on the coast are in the minority - Madrid, Paris, Brussels, Berlin, Warsaw, Moscow, Bucharest, Sofia, Belgrade are all inland. If one studies a map of railways on the African continent, one can see that they almost all link
raw material producing areas with ports. These too were built then to facilitate exports, rather than, for example, to expand the domestic market or develop domestic industry. Dakar, Conakry, Freetown, Monrovia, Abidjan, Accra, Lagos, Port Harcourt, Douala, Libreville, Luanda, Maputo, Beira, Dar es Salaam, Mombasa, Mogadishu, in Black Africa alone, are all cities dotted around the periphery of the continent - precisely because the raison d'être of each of them is primarily to send raw materials abroad and receive manufactured goods in return.

These cities are very different from those of Western capitalist countries. In the industrialized economies, the urban areas as they grew had a large amount of productive industrial employment to absorb peasants pushed off the land as agriculture was transformed. The urban areas of Africa that have grown up over the last hundred years or so are quite different in terms of their function and their structure of employment. The primary purpose of these towns and cities was not to create wealth, but to extract surplus from the countryside. They grew up to function as an economic "link" between the industrial economies and the sources of raw materials, or, if they already existed prior to the 19th century, they retained their importance - those that did - only because imperialism transformed them into this "link". In addition, in each country there is usually a general pattern, the same as in South-East Asia, of one large city - either on the coast or at some other key transportation node - and then a spread of very much smaller urban centres throughout the hinterland, functioning as sort of local agents of the large "primate" city. Tanzania, of course, fits this general pattern very well.
As we saw in Chapter Two, all its towns prior to the 19th century were coastal, and their primary orientation was trading products North-South, around the Indian Ocean rim. They had little effect inland beyond a narrow coastal strip, and these were no towns in the interior at that time. The 19th century penetration of the interior in search of ivory and slaves both produced Arab trading settlements inland that grew in time into towns (Mpwapwa, Tabora, and Ujiji), and increased the prosperity of the coastal entrepôts. Tanga, Pangani, Bagamoyo, Kilwa, Lindi, all flourished on the coast as a result of the caravan trade. In addition Sultan Sayyid Said of Zanzibar founded Dar es Salaam in the 1860's, which flourished briefly, until his death in 1870. The caravan trade also resulted in a few wholly African towns, which thrived on taxing it, but which did not survive the advent of German colonialism. One such was in the Uluguru Mountains, a hundred miles or so inland from Dar es Salaam. Its chief, leader of a group of runaway slaves,

imposed heavy tolls on caravans going to and from Tabora, and he raided the surrounding country for slaves. His town, called Simbamwene, which was near the site of modern Morogoro, had several thousand inhabitants, and in 1871 Stanley admired its high stone walls and watchtower and finely carved wooden gates.17

As the Germans started to extend their control throughout the territory in the second half of the 1880's, they set up military/administrative centres in what they saw as key areas. Since their aim was to set up a colonial economy, they established these centres where they could control trade and communications, where they could contain resistance or military threat, and where there were areas of particularly
suitable agricultural land and/or a large number of people as potential labour. They set up administration, therefore, in the Arab/Swahili trading settlements mentioned in the last paragraph, and built forts in most of them. The inland centres, not being large, were fairly easily controlled. The coastal ones caused more trouble. Because German control naturally threatened their economic and political power, the leaders of the coastal towns of Pangani, Bagamoyo, Tanga, and Kilwa rebelled against the Germans in 1888-1890. They were defeated militarily, and forts were built to secure their position thereafter.

Dar es Salaam was neglected by the Sultan who succeeded, in the 1870's, the one who founded it. Without official promotion it tended to lose most of the caravans coming from the interior to the coast at that point to nearly Bagamoyo. In 1887 though, the Deutsche Ostafrikanische Gesellschaft established a trading station there, and when the German government formerly took over control of the whole territory in 1891 (largely because of the violent resistance Company rule was causing), Dar es Salaam was made the capital. The concentration of administration and communications there ensured the subsequent growth of the city, and the eventually "primate" position we saw at the beginning of the chapter.

When the leader of the Hehe people in the south-central part of the country closed in 1891 the trade route between Tabora and Bagamoyo, the Germans, needing to keep trade routes open so they could control them, sent a military expedition against the Hehe. It was defeated. The Germans then adopted the strategy of building a fort in the area, and then gradually "pacifying" the surrounding countryside from that over the next three years. This fort became the administrative centre, and
the town of Iringa grew up around it. Other towns were founded in the same fashion. Arusha, for example, grew from the military post that the Germans established at the foot of Mount Meru to quell the surrounding Meru and Arusha peoples. Forts were also built at Ujiji, Bukoba, and Mwanza (and, incidentally, at Uzumbura at the very northern tip of Lake Tanganyika, which became the capital of Ruanda-Urundi, and is now Bujumbura, capital of the independent Burundi). The posts at Mwanza and Bukoba were probably also built with one eye on the British, just North, in Kenya and Uganda. This is also true of the military garrisons at Moshi and Tanga. The railways that were begun in the 1890's were built both for moving raw materials from the interior to the coast, and for the purpose of securing military administration.

Towns that existed prior to the German era (and of the present 15 provincial ones, these are Tanga, Dar es Salaam, Lindi, and Ujiji) only remained and still remain important because they were transformed by colonialism. Indeed as I said in Chapter Two, in a sense they were just sites on which the Germans chose to build colonial towns, and a limited amount remains in each of their original pre-colonial structure. The town this is least true of is Ujiji - because the Germans actually took the railhead to an attractive bay five miles North of the town, built a huge and extraordinary neo-Gothic station there, and a splendid luxury hotel nearby - all in the expectation that the Kaiser would be paying a visit to enjoy the vista of Lake Tanganyika and the mountains of the Congo on the other side. Alas, the First World War intervened, and the Kaiser never came. Kigoma remained though, the administrative centre of the region - with its "African" component, Ujiji, out of sight.
over the other side of a hill.

Those pre-colonial towns which did not become German provincial centres (which is almost exclusively some of the ones on the coast) stagnated and declined. The colonial restructuring of the economy had undermined their previous economic function. A German governor travelling down part of the coast in 1907 wrote:

One finds only one place that has progressed under German control, viz. Dar es Salaam...Comparatively large places like Pangani, Sadani, and Bagamoyo have retrogressed...A whole list of medium-sized places have practically lost all importance...Ruins of many stone houses bear testimony to the former flourishing condition of these places.19

It was therefore the 30 year period of German rule that laid down the lines along which urban development would run. It was the Germans who determined, not necessarily intentionally, what I described a few pages back as the three-level structure of the set of all Tanzanian towns. Dar es Salaam was their capital, and the administrative and transportation networks they built and centred there, rapidly led to its commercial dominance, and overall growth into its present "primate" position. The provincial headquarters, some entirely new urban centres and some newly constituted ones build on old centres, were also transportation nodes for the road and rail network the colonial government had built. (It is important to remember that before this, transportation into and out of the interior was limited to head porterage - which is to say it was limited indeed). Administration, transportation, commerce - all these provided employment in the provincial towns - urban employment that was, and still is, mainly in the tertiary sector. Finally, the
category of smaller urban centres were of two types: places that were colonial administration centres but which never grew much beyond that because their immediate hinterland, for one reason or another, did not cultivate any important cash crop; and those pre-colonial urban centres that, as the German governor noted, "retrogressed" - because the colonial restructuring of the economy had undermined their economic position. There are just a few exceptions to the above pattern - but they are quite minor. One of the 15 main towns, Mtwara, was a product of the British colonial era - the port-town specifically built after the Second World War for the (as it turned out, abortive) Groundnut Scheme. (See Chapter Two, page 52). And at least one of the smaller towns is an "anomaly" as far as the comprehensiveness of the above explanation is concerned: Mwadui, the settlement that grew up, also after the Second World War, around the diamond mine. (See Chapter Three, page 109).

Since the employment structure of these towns was almost wholly in the tertiary sector, they did not themselves directly produce economic surplus. Though their commercial function was necessary, given the colonial type of economy, it need not follow that the extent of the cost of performing that function was necessary, as we will see when we look at some concrete examples of what the towns are like. The economic purpose of towns in the raw-material-exporting/manufactured-goods-importing type of economy Tanzania was analyzed as having in Chapter Three, is in its simplest terms: to organize the raw material producing countryside; so that they can collect in the raw materials and dispatch them; and to distribute the manufactured imports. This "organizing" involves administration, policing, banking, finance, courts, communications, and
a certain amount of social services like education and health facilities. And the "collecting in" and "distributing" involve transportation, warehousing, and wholesale and retail trade. These are the things Tanzanian towns do, as we shall see in a few pages when we look at two of them. A few towns, most notably Dar es Salaam, now have the manufacturing described and analyzed in Chapter Three, but manufacturing employment is still small (see Chapter Four, TableXII), and their main function is still their original one of administration and commerce.

The classes and strata who have had political power since Independence have failed to reform the economic base of the towns. This is not altogether surprising, since they are largely a product of these towns, and are precisely those who benefit from them as they are present constituted. The towns remain a social and economic institution to extract economic surplus from the rural areas, send a certain amount of it abroad, and retain a certain amount - in the form of co-op levies, Government taxes, customs dues, services fees, the Government-set differential price structure, and so on - sufficient to provide for the continued existence of the urban centres and their social structures. Towns in Tanzania as they have been and are presently constituted could not exist if this were otherwise. Since they do not contain in themselves anything like sufficient directly productive activities to produce the surplus that is needed to maintain and run them, they are in a real sense parasitic - they depend on surplus appropriation from agriculture.

They are what Frank has called "periphery centres", or "satellite" and those that have grown most have been those with the most productive immediate hinterland, and thus greater opportunity for surplus appropriation. The biggest town (excluding the capital) is Tanga, the centre of sisal
exporting; the next biggest, Mwanza, the main cotton-town; the third
biggest, Arusha, is a coffee and wheat and dairying town; the fourth
biggest, Moshi, the main coffee-town; the fifth, Morogoro, a sisal
and sugar town; and so on. Dar es Salaam itself does not, it is true,
have a particularly productive immediate hinterland, but since it is
the country's main port and the centre of the road and rail transportation
network, its hinterland is really the whole country - or at least those
parts of it that do not use the smaller ports. The few towns of appreciable
size that do not have an especially productive hinterland (Tabora is an
example - even though it is at the centre of one of the main tobacco areas)
are those at crucial nodes on the road and rail transportation network.

Some towns, for example Iringa and Dodoma, are also very important
as crop-towns that collect in, not export crops, but internally consumed
food crops - in the case of these two particular towns, maize. These
crops are distributed and consumed inside Tanzania - but it should be
noted that since most peasants (the vast majority of the population)
grow nearly all their own food, the internally marketed food is largely
for the purpose of feeding the towns. In a sense this food is a "cost",
in the neo-colonial economic structure - of which the towns are a component
part. When large food purchases had to be made abroad during the 1973-75
crisis, foreign exchange (earned from export crops) was almost all used
up paying for them. Agriculture's export crops were being used to pay
for the towns' food - not a particularly healthy situation, even by neo-
colonial economic standards.

This picture of towns as "periphery centres", being supplied with
food, export crops, and labour, from the countryside (or extracting
economic surplus in various forms from it) conflicts with the view that
towns in underdeveloped countries act primarily as centres of development - by helping diffuse modern ideas and techniques and by lifting up the level of the surrounding countryside as they, the towns, grow - as they undoubtedly do grow. This "modernization" view of looking at the situation is, ideology notwithstanding, consistent with much of Tanzanian government policy - both in the "villagization" moves of the 1970's discussed in the previous chapter, and in much urban policy-making that I will detail later in this chapter. Progress in this view comes from the ideas and orders of the urban-centred power-holders who are "modern" and who "know", going to the rural masses who are "traditional" and who clearly do not.

The Physical Structure of Tanzanian Towns

As we have seen, the British took over the colonial economy the Germans had set up, and with only a few minor modifications (a couple of rail-links, a couple more cash crops), extended colonial development along the lines, both literal and metaphorical, that the Germans had established. As we have also argued, the post-colonial economic structure, again with a few modifications (nationalizations in some areas, more foreign capital in others), has also continued along the same lines. Since the towns were an essential part of this colonial economy, their physical structure has remained more or less unchanged in the post-Independence, neo-colonial period. Apart from the growth in their size, and the fact that lines of race and class segregation no longer exactly coincide, most of the provincial towns now look little different from how they must have looked twenty or thirty years ago. The effect of living in such an environment on those who now have the
political power to change or maintain the economy and the society, cannot be negligible.

It is important to understand that since the colonial economic undertaking was essentially a planned one, the towns too were a product of planning. The planning was done by, and for, Europeans—but the planned urban structures they created were little like the more randomly composed, slowly developing over a long period of time, towns of most of Europe. The purpose of the colonial towns was to administer and control the countryside, and provide the commercial facilities necessary for raw material exporting. They were designed with this in mind—with the additional organizing principle that the physical layout reflect the social "distances" of hierarchical colonial social organization.

Looking at maps of the towns, these organizing principles are somewhat less obvious to the eye where a sea- or lake-shore siting, and features of the terrain (swamps, steep hillsides, etc.), necessitated their being taken into account in the laying-out of the town. I have chosen therefore, as examples two towns sited on flat central locations, where the planning "pattern" is fairly readily visible, and where there are a minimum of compromises with the local topography. There was an Arab/Swahili trading settlement near what is now Tabora from about the middle of the last century. This is what first attracted the Germans to the location, but the town itself, as shown on the accompanying map, is wholly a colonial one. Both Tabora and Dodoma (see the other map) owe their existence to the fact that they are the meeting point of important colonial road and rail connections. Dodoma is situated between Morogoro and Tabora on the railway, over a hundred miles from each, and is between Arusha and Iringa by laterite road (in fact part
KEY TO MAPS OF DODOMA AND TABORA

- Market
- Built-up, two-storey, commercial and residential
- "High-density" residential
- "Medium-density" residential
- "Low-density" residential
- Squatters
- Church
- Mosque

Township boundary

Paved road

Dirt road

Railway

Additional symbols are as labelled, e.g. \text{SCHOOL}. 

Note: The attached maps are approximate and not to scale, particularly the symbols for housing. They are based though on accurate maps published by the Survey Division, Ministry of Lands, Settlement, and Water Development, Dar es Salaam, Tanzania. The Dodoma map is dated 1969, and the Tabora map 1966.
of the "Cape to Cairo" road). In addition roads go out from it to many smaller towns, such as Singida and Mpwapwa. Tabora is at the rail junction of the lines coming down from Mwanza and across from Kigoma. Produce from the North and the West thus go through Tabora on their way to Dar es Salaam. There is in addition a small line going down to Mpanda, to the once worked goldfields. (See Chapter 3, page 109).

Roads in the region also converge on Tabora, though these are less important. The ones going North and East are adequate, but the ones West and South are not always passable in the rainy season.

By examining the map one can see that Dodoma is roughly bisected into a northern and southern half by the railway. Across the street from the station is the main, and "luxury" standard, hotel, and the main post office, a court, the police headquarters, and some government offices. Just to the East of that is some "medium-density" housing (I believe either for government or railways employees), and South of all this is the area of "low-density" housing — that is to say housing specifically built for European colonial administrators. This is essentially an attractive suburb, the quality of the housing in which would not be out of place in some of "nicer" parts of Vancouver. The houses are generally large, well-built and set in expansive gardens. The roads in the area are maintained, and have street lights, and all houses are supplied with water, electricity and sewage connections. Because the housing is spaced out, this makes it all the more expensive to supply these services, of course. South of this garden suburb lie the golf course, and what was originally the "European" club, with a swimming pool and tennis courts. Almost surrounding this whole "upper class" area,
it should be noted, is unbuit-on urban land. In colonial times the only
Africans likely to be seen in this general area were houseservants,
gardeners, nannies, golf caddies, ball boys, cocktail waiters - and
by the government offices and the hotel a certain number of what I
called in the pervious chapter "middle-class" Africans. In the Western
part of this southern sector there are several schools, three hospitals,
a prison, and local government offices and housing. There is in addition
a certain amount squatter settlement starting to spread around that area
now.

Going to the other side of the tracks is like entering a new
world - one inhabited almost exclusively by Asians and Africans. This
northern sector is roughly split into two parts by the road going North
to Arusha. The eastern half was, and still is largely, the Asian
commercial and residential quarter. Nearest to the railway are several
blocks of Asian shops, restaurants, wholesalers and other businesses. These
are mainly two-storey buildings, with the family often living over the
business, or, if they are rich, living in the "medium-density" residential
area just North of this, and letting out their upstairs apartment to
another family. East of this are the schools (the "Aga Khan") and
sports facilities (the "Sikh Union Sports Club") that were originally
exclusively for Asians. This area cordons off the "medium-density"
residential area both from the storage tanks and warehouses and storage
sheds ("go-downs") by the railway siding, and from an African squatter
"village" to the north-east. The "medium-density" residential area is
cordonned off on its other side by a sports field, a school, the Town
Hall, and a police station - from the "high-density" residential area.
It should be obvious by now that these descriptions of high, medium, and low-density residential areas are but euphemisms for (originally) "African", "Asian", and "European" housing. These racial lines are somewhat blurred now, as one finds some white-collar Africans in what was once exclusively Asian bungalows, and members of the Tanzanian upper bureaucracy in the salubrious garden suburb. It is still the case though that the Asians live in the same area, the White water engineers, accountants, teachers, planners (what I called in the previous chapter, representatives of the international bourgeoisie) live almost exclusively in the suburb, and the "high-density" area is still 100% African. The class lines are thus still more or less the same.

The only real exception to class determining the sector of town in which one resides is when certain employing institutions (such as schools, police, the railways) provide housing for staff adjacent to their work. Then, this may not coincide with the original tripartite racial housing areas.

The "African", "high-density" area is behind the commercial area and houses workers who do generally unskilled work in the administrative and commercial sectors of the town - and who also do domestic and other such "service" work for the medium and high-density residential areas. The African area is almost exclusively single-storey, mud-and-pole, tin-roofed, housing - often of the "Swahili" type. This will be explained in more detail later in the chapter. In colonial times Africans were considered (by the white colonial authorities) to be only temporary labour in the towns, and generally only limited urban services were provided. As such housing grew up spontaneously, attempts were made to keep it along street lines, and when necessary the additional water standpipe
put in, or ditch dug, to cater to each new several dozen or a hundred houses. Generally plots could be surveyed in advance and people directed to plot lines when they wanted to build. It was not until the late 1950's and 1960's that peasants started moving in to towns and building at a rate that was beyond that at which plots could be surveyed and prepared for them. When that happened then people just built wherever their structures would not get demolished. Sometimes this was in generally out of the way corners, as is on the whole the case in Dodoma; and sometimes this was in areas adjacent to and spreading out from "legitimate" high-density housing areas (that is, on surveyed plots to which people have legal title) — as is generally the case in Tabora. In this latter instance, since the building in the "legitimate" and "illegitimate" areas may be exactly the same especially at the boundary between the two, and since the second is just a physical extension of the first, it may be difficult to know (without consulting a very detailed map with surveyor's lines on it) who are the squatters and who are not. Thus in the accompanying map of Tabora, although I have used distinctly different symbols for the two types of housing, in reality the boundary between the two is not always clear — even to the residents themselves. Sometimes it may be something that is "known" only by some expatriate town planner sitting in an office looking at his maps. More will be said about squatters later.

Turning to Tabora, we can discern many of the same lines that are evident in Dodoma. Indeed apart from when features of the terrain complicate matters, the urban ecology of almost all Tanzanian towns is remarkably similar. This is not altogether surprising of course, since
they were all built at about the same time, for the same purposes, by the same sorts of colonial planners and administrators.

In Tabora the area of central and local government offices, the post office, the main police station, the courts, etc. is particularly spread out, for some reason. The substantial buildings are spaced out South of the rail line and along both sides of the road known as Boma Road. This leads to the original German fort, the boma, a rather splendid old building which now houses government offices. Both North and South of the boma are spread out the low-density houses and gardens that originally housed colonial officials. They now accommodate higher Tanzanian bureaucrats, and Swedish, Dutch, Canadian, West German teachers, engineers, doctors, economists, planners - aid personnel in fact. The general area also contains schools, hospitals, and various sports facilities.

To the North of this, but still South of the railway line is the much more tightly clustered and more busy-looking commercial area - several blocks of two-storey Asian-built shops and businesses with living quarters above. On the eastern side of this there is a residential area of still largely Asian housing, and on the western side the main "African" residential area. In colonial times no responsibility was accepted by the authorities for providing adequate housing and services for Africans - in complete contrast to the "low-density" residential area for Europeans. Since Africans were attracted to the cash wages of town employment, and were needed by the urban economy, the expansion of essentially slum housing was inevitable. The original areas of such housing have become legitimized and more "established" in appearance
over time. On the side of the established high-density areas that is away from the town centre are spreading out more recent squatter areas. These have in addition generally grown to an extent that they have spilled over beyond the township boundaries. This can be an advantage to squatters, since in that case they are not strictly "squatters", and cannot be threatened or controlled by the urban authorities. But it is also a disadvantage in that they also cannot then lay claim to any urban amenities. Generally town councils try to extend township boundaries from time to time to encompass and regulate such settlement. It may well be the case that this has happened in Tabora since the (1966) boundary shown here. As can be seen from looking at the map, there are at least three significant areas of such settlement spreading out.

One such area is North of the station, near where the storage sheds, warehouses, and oil tanks are located. In towns that have a significant amount of manufacturing, these industries tend to be located in or adjacent to this latter zone. Industry, as I have explained, is a fairly recent phenomenon (the last twenty-odd years), and is in fact concentrated mainly in a few towns, as we shall see. Both Dodoma and Tabora (along with about half the rest of the provincial towns) are of the "pure" or "original" type, in that their function is only administration and commerce, and their employment almost wholly in the tertiary sector. According to government figures, in 1972 Dodoma had 5,454 people in formal employment - out of a total town population of about 25,000. Only 151 were in what was described as Manufacturing employment, and these nearly all in fairly small workshops. Tabora fared rather better with 8,041 in formal employment (also out of a total population of about
25,000), of which 424 were in manufacturing. Dodoma's main sources of formal employment were in fact Public Utilities (1,616), Construction (690), Transport (641), and Services (1,322). If Commerce and Finance were included with Services, this would bring the Services total up to 1,738. The main categories for Tabora were a very high figure of 3,110 in Construction, 1,161 in Transport, and 1,973 in Services (with, again, about an additional 400 in Commerce and Finance). Figures for all the towns show that Services is the most or second most important source of employment in every town in the country. In only two of them, Dar es Salaam and Arusha, is Manufacturing the biggest source of employment — and in both of them Services is the next biggest.  

Tanzania's Second Five-Year Plan (1969-1974) envisaged that in the future Tabora's "main potential for industrial development lies in the processing of local agricultural products", for example saw-milling and maize-milling, "but there is some scope for...a few small consumer goods industries...(such as) brewing, textiles, wood-working, and fruit and vegetable processing". The Plan holds that "steady urban growth is expected...(and) in order to provide for the growing urban population...considerable investment in urban infrastructure is required" - such as extension of electricity and water supplies, new housing, new government offices, etc. Moreover Tabora "has been selected as the urban growth centre of western Tanzania."  

The planners' recommendations for Dodoma were remarkably similar. "Industrial activity in the region is at present very limited, but a gradual increase is planned in the future...Especially in the early stages of development, industry will be largely confined to the processing
of local agricultural produce...The development of livestock production will provide a basis for other industries, and vegetable canning could be considered." "The town has been selected as the obvious urban growth point of Central Tanzania", and to prepare for this, "considerable investment in infrastructure is needed" - extension of electricity, water supplies, housing, government offices, etc. However, other developments have perhaps overtaken (or maybe just reinforced) this since it was written. In 1973 Dodoma was selected to be the "new national capital", and very considerable sums were laid aside for relocating all the Government ministries, parastatal organization offices, etc. that are now in Dar es Salaam - at Dodoma. On my last visit to Tanzania I was, most unfortunately, not able to go to Dodoma again, since there are by now some important changes in the town from the attached (1969) map. I will say more about this decision to move the capital, later.

So, in summary, the typical function of Tanzanian towns (excluding the fairly recent growth of manufacturing, and that only in a few towns) is administration and commerce for each town's immediate rural hinterland. The towns are planned on very clear class lines, and originally the housing, hospitals, schools, clubs, sports facilities, for each of what were seen as the three racial groupings were entirely separate. Although now the racial lines have blurred somewhat, the class lines have not so much, and certainly not in housing. (Hospitals are now open to all, but there are, remarkably enough, "first-class" and "second-class" categories of wards just like railway coaches, which are also still organized that way.) All towns have electricity supplies (a few in recent years from hydro installations, but most from diesel plants in each town) - but the
provision of electrical facilities is not evenly supplied throughout the town. Rural electrification is almost non-existent. All towns also have large concentrations of non-African populations, some as much as 30% of the particular urban population, even though they are only about 3% of the country's total population. From the advent of colonialism the towns were planned, built up, and run for and by Europeans. During colonialism the towns were run as if they were only incidentally inhabited by Africans, and they were certainly not designed primarily for their needs. They were seen only as short-term labourers, and were not considered to have any permanent right in town. The main concern with their housing by the colonial authorities was only that it be apart.

The picture that McGee presents of the city in South-East Asia shows some astonishing similarities to what we have described above. Throughout South-East Asia each country shows the same pattern of one great "primate" city (all of which, with the one exception of Bangkok, had no importance in the pre-colonial era), and this is followed by a mass of smaller towns. The cities were planned out by Europeans, usually on a matrix pattern, with certain city areas set aside for the various racial populations. They have a Western central business district, wholly un-Asian-like in physical appearance; then an area of smaller commerce close by, populated by "an alien Asian community" (mainly Indian and Chinese), often living above their small businesses in fairly "modern" brick buildings that they themselves had built. European expatriates were assigned pleasant, spacious residential areas; and then in poorer dwellings, in bad conditions, the indigenous population who
had moved from the countryside to the shanty towns on the edges of the cities. That this is so close to a description of Tanzanian towns is obviously the result of their similar colonial experience.

Since Independence the neo-colonial economic structure that Tanzania inherited has many areas of it that were once staffed by Europeans (mainly British) now staffed by Tanzanians. In addition, as we have seen, the proportion of the economy directly or indirectly run by the state has grown very significantly - especially over the last ten years. Apart from small enterprises, the state sector now accounts for about three-quarters of all economic activities. In the towns therefore most high income earners are state or parastatal employees (the balance are mainly those in salaried employment for foreign companies, and those who are capitalist employers of one sort or another). Most towns, as we have seen, are largely administrative and commercial in function. This means that the surplus that is necessary to maintain them, as they are now, is coming, directly or indirectly, from agriculture. Given the neo-colonial economic structure (exporting raw materials, importing manufactures) the surplus that is appropriated from agriculture for the towns is obviously a "cost" of such a structure. But although, within such a structure, some such cost has to be made, it is not clear that that cost has to be of as large a size as to maintain the highly inegalitarian urban structures that are evident from the examples of the maps and discussions of Dodoma and Tabora. In other words, the garden suburbs, the golf clubs, tennis courts, offices, and so on, are by Tanzanian standards (per capita income $80 p.a.) very much in the luxury class, and they would not seem to be essential elements to
performing administrative and commercial functions for agriculture.

Those who are benefiting from these inherited inegalitarian urban structures are (apart from the expatriates) the Tanzanian high-income state employees - that is to say, the bureaucratic bourgeoisie, and much of the middle-class. Their numbers, and their accompanying perquisites, have been growing steadily since Independence and, as we have seen, not at any rate that is pegged to or determined by agricultural, or total economic, output. They have become used to their privileged urban amenities and styles of living, and their thinking and policies are limited, maybe unknowingly, but the supposed necessity of maintaining those urban privileges. This surplus-consuming group thus has an objective economic interest in not letting the economy change its structure to an extent that would undermine their style and conditions of living. But then this is precisely how neo-colonialism works and is maintained - by rewarding a privileged domestic group in power to more or less maintain the economic status quo. It should be apparent by now that the towns, and their inherited, class-structured facilities, play a crucial role in this process.

**Towns and Uneven Development**

The way the economy was built up under colonialism made for extremely uneven development in different parts of the country. Some of the reasons were to do with the local ecology (different rainfall, different soil fertilities), but the differential allocation of colonial investment was the main cause. As a rough generalization, investment of economic surplus, and hence development, tended to concentrate in the north-east
of the country — and decreased as one went south-westwards. As an example of colonialism's effect, in the middle of the last century the Ufipa plateau in the south-west was the location of a thriving indigenous state (see Chapter Two, page 36). The area of not particularly fertile soil where Dar es Salaam is now located was completely undeveloped until the halting start made by Zanzibar's Sultan between 1865 and 1870, and then again from the late 1880's on, by the Germans. The mid-19th century relative economic positions of the two areas was completely reversed by the middle of the 20th century. By 1967 Dar es Salaam had a per capital annual income of 4,152 Shs., while Sumbawanga, the centre of the Ufipa plateau, had one of the lowest per capita annual incomes in the whole country — 199 Shs.26

That this was caused by the specific surplus allocation and investment of the colonial economy can be seen by looking at the post-colonial structure of government investment in the different regions of the country. The accompanying bar charts show per capita investment by region for the Independence government's First (1964-1969) and Second (1969-1974) Five Year Plans. As can be seen, this per capita investment is highly unequal. In the First Plan it ranges from 940 Shs. per person in the Coast Region (which is essentially Dar es Salaam and its immediate environs), through five regions having between about 200 and 350 Shs; to all the others having less than 130 Shs. per capita each.27 Not surprisingly, this unequal investment produces unequal incomes. These are detailed at the end of this section, in a slightly different context, the differential rural-urban incomes within each region. The distribution of investment in the Second Plan is, it is true, not quite so unbalanced —
Table XVIII: PER CAPITA INVESTMENT BY REGIONS (1967 POPULATION)

1st Plan

2nd Plan
but this is mainly because of increased investment in the five regions represented by the second to sixth regions. Either side of those the Coast (i.e. Dar es Salaam) still gets nearly 900 Shs. of investment per capita, and the other eleven regions all less than 190 Shs. per capita. Essentially what happens is that Government investment follows the existing pattern of wealth (i.e. that caused by colonialism) - and so reinforces it. Thus the richer regions grow at the expense of investment in the poorer, and within each region the towns grow at the expense of investment in the rural areas.

The number of jobs in the formal sector of the economy (both urban and rural) also follows this general pattern. Thus in 1972 of 405,713 total employment, Dar es Salaam had 80,071 (with another 16,750 in the rest of the Coast Region); Tanga Region had 57,300; Morogoro Region had 35,878; Kilimanjaro (the Region in which the town of Moshi is situated) 33,831; Arusha Region 28,551 jobs - and so on, down to Singida Region 6,264 jobs and Ruvuma Region 5,127 jobs. The Regional distribution of the total national wage bill is even more unbalanced. Thus Dar es Salaam in 1972 accounted for 33% of the nation's wage bill. Tanga Region took 10.3%, Kilimanjaro Region was paid 6% of total wages - and Singida Region 1.5%, and Ruvuma Region 1.1%. The explanation of why this imbalance is greater than that of employment, regionally, lies in the types of employment predominant in each region. In 1972 the average wages of adult males is shown in the accompanying table.
Table XIX: Average Male Wages, 1972.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Average Monthly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estate Agriculture</td>
<td>187 Shs.</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>549</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>414</td>
</tr>
<tr>
<td>Construction</td>
<td>269</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>600</td>
</tr>
<tr>
<td>Commerce</td>
<td>489</td>
</tr>
<tr>
<td>Transport and Communications</td>
<td>556</td>
</tr>
<tr>
<td>Finance</td>
<td>926</td>
</tr>
<tr>
<td>Services</td>
<td>400</td>
</tr>
</tbody>
</table>

As can be seen, wages in agriculture are much lower than in any other sector - and such jobs are more than a quarter of all employment (113,843 out of 405,713 in 1972). The jobs with the highest average pay are almost all urban ones (Finance, Public Utilities). Finance does not employ in total a great many (6,356 in 1972), but its salaries are far higher than those of any other sector, and it is highly concentrated in Dar es Salaam. Out of 215 financial establishments in the whole country (this is mainly bank branches) 108, that is, a half - are in Dar es Salaam. The main agricultural employment Regions are Tanga, Arusha, Kilimanjaro, and Morogoro. These are precisely the ones that, in the previous paragraph, follow Dar es Salaam as the main areas of employment. The low wages paid in Agriculture is thus what makes these Regions' percentages of the total national wage bill lower than their percentages of total national employment.

It should not be supposed though that these four Regions are ones in which employment is only agricultural. On the contrary, agricultural employing establishments are only about 22% to 27% of the employing establishments in all four of these Regions, although they tend to employ larger than average numbers. The fact is, not only are they the main areas of agricultural employment (accounting together for about
half of all formal sector agricultural employment), their provincial
towns are also, after Dar es Salaam, the main areas of urban employment. Moreover, all this is concentrated in the North-Eastern corner of the country (about a sixth of the land area) - that is, the area near the two main colonial and post-colonial ports, Dar es Salaam and Tanga. There is one additional town that is one of the leading areas of urban employment that is not in this area - and that is Mwanza, the main port on Lake Victoria, and the site of the rail-head in the main cotton-growing area of the country.

These six towns dominate in particular as far as concentration of manufacturing is concerned. In 1972, of 525 industrial establishments in the whole country employing at least 10 people, 179 were located in Dar es Salaam, 74 in Tanga, 48 in Mwanza, 42 in Morogoro, 41 in Moshi, and 40 in Arusha. That is, 424 out of 525 such industrial establishments in the country were in these six towns, and no other town had more than 15 such establishments. The figures for industrial employment follow the same pattern, except that Dar es Salaam has nearly half of all industrial employment (31,195 out of 67,107 in 1972) - because it has a greater number of very large establishments. Thus more than half (17,524 out of 31,195) of the capital's industrial employment is in establishments of 500 or more workers. Apart from Morogoro, all other towns had only a minority of their industrial workers in such establishments (in fact there were only nine other establishments of this size in the whole of the rest of the country). Probably the single fact which most reflects how concentrated industry is in Tanzania is that in 1973 these six towns consumed 92% of all the electricity produced in the whole country. Dar
es Salaam alone in fact consumed 57% of all Tanzania's electricity. Not all this electricity is consumed by industrial plants, of course, (in Dar es Salaam the airport, the port, the university, government offices, are all large users too), but the greater part of it seems to be industrial.

This situation of extreme imbalance in development tends to re-inforce itself. For any new economic investment the optimum location, if wider social factors are not taken into account, is where communication and transportation are best, where there is an already existing and experienced supply of labour, where there are a large number of consumers or users close by, etc. These factors more often than not all add up to one thing: Dar es Salaam. The Second Five-Year Plan did make some attempt to counter this by "concentrating effort on the creation of other certain growth points" (sic) but even so the Plan envisaged Dar es Salaam getting 33% of all new industrial projects, and 24% of all new industrial employment. The other "growth points" planned for were of course towns (thereby further widening rural-urban differential growth).

Most growth has thus continued to be in the secondary and tertiary sectors of the economy (which is to say largely urban-based sectors), and nearly 20% of Tanzania's GDP is earned in one place, Dar es Salaam. For much of the 1960's at least, "it is possible that outside the capital there has been no growth in GDP at constant prices." Allied with this there has been an almost certain decline in rural-urban terms of trade. I have been unable to quantify this exactly, although there is all sorts of evidence to this effect (See Chapter 2, pages 71-72). However, I.L.O. economists using the same sorts of evidence in Kenya (an index of agricultural prices and an index of consumers' prices) calculated that "rural-
urban terms of trade declined by at least 13% from 1964 to 1970. The figure for Tanzania for the same period is likely to be not dissimilar - and for the 1970's probably considerably greater. This, allied to higher urban wages, better health facilities, more educational facilities, better social services - than those available in the rural areas - all obviously constitute an incentive for some rural dwellers (especially young ones) to consider trying their luck in the towns.

Table XX: GDP per capita, in Shs., 1967

<table>
<thead>
<tr>
<th>District</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dar es Salaam</td>
<td>4,152</td>
</tr>
<tr>
<td>Tanga D.</td>
<td>1,186</td>
</tr>
<tr>
<td>Arusha D.</td>
<td>934</td>
</tr>
<tr>
<td>Kilimanjaro (Moshi)</td>
<td>746</td>
</tr>
<tr>
<td>Mwanza D.</td>
<td>673</td>
</tr>
<tr>
<td>Tabora D.</td>
<td>613</td>
</tr>
<tr>
<td>Tabora D.</td>
<td>512</td>
</tr>
<tr>
<td>Kilimanjaro R.</td>
<td>495</td>
</tr>
<tr>
<td>Morogoro</td>
<td>485</td>
</tr>
<tr>
<td>Iringa D.</td>
<td>404</td>
</tr>
<tr>
<td>Bukoba D.</td>
<td>403</td>
</tr>
<tr>
<td>Mbeya D.</td>
<td>397</td>
</tr>
<tr>
<td>Musoma D.</td>
<td>395</td>
</tr>
<tr>
<td>Dodoma D.</td>
<td>350</td>
</tr>
<tr>
<td>Lindi D.</td>
<td>332</td>
</tr>
</tbody>
</table>

The accompanying table provides evidence that the towns do indeed represent concentrations of economic surplus relative to their surrounding hinterlands, by comparing the per capita income of the District in which each of the 15 main towns is situated with that of the Region in which each is situated. Districts are sub-units of Regions, so if surplus is at all concentrated in towns, the District sub-unit in which the town is situated will have a higher average income than the larger Regional unit in which the town is situated. This is precisely what the table shows - for
every single one of the 15 main urban centres in Tanzania the district figure is higher than the regional figure. In some cases it is very considerably higher (eg Dar es Salaam, Tanga, Arusha, Mwanza, Kigoma). This concentration of surplus in urban areas relative to surrounding rural areas obviously constitutes a built-in pressure that would tend to attract population from the latter to the former. It is this that underlies the phenomenon of rural to urban migration.

The economic structure that colonialism created made for extremely uneven development in Tanzania. The imbalance is both rural-rural (that is, between different regions of the country), rural-urban, and urban-urban. The latter imbalance or unevenness is both inter-urban and intra-urban; that is, between the different towns (see the above table), and within each town (see the previous section in this Chapter). Those towns that have attracted the biggest populations are, on the whole, those with the highest per capita incomes. Wage employment is disproportionately in the north-east of the country, and manufacturing is largely concentrated in only six towns. Government investment is heavily biased in favour of the already most developed regions and towns – and this naturally reinforces the existing pattern of wealth distribution.

Urban Migration

The political, economic and social conditions of East Africa until 1925 were not conducive to an increase in the number of people. Internecine warfare exacerbated by the activities of the slave traders was reinforced by the military operations of the Germans, creating instability and causing loss of life. Epidemics for the human and livestock population – influenza and rinderpest respectively – only served to make the situation worse. The upheavals of the First World War and attendant economic difficulties were only the last of a succession of events inimicable to growth.
While no exact counts were made, it is probable that at this time (i.e. the mid-1920's), the population of the territory was no more than 5 million. From this time though it appears to have started increasing steadily, and by 1948, when the first full census was undertaken, it had reached about 7½ million. Within twenty years it then doubled to the present approximately 15 million. The urban component of the population was quite small until fairly recent times. By the end of the German period it was probably between 1% and 2%. By 1948 it was still only about 3%. The rate of growth of the urban population for the period 1900 to 1948 has been estimated at 3% p.a. However, since the Second World War, in common with most of the rest of Africa, Asia, and Latin America and the Caribbean, the growth of urban population has been considerable. For the last three decades Tanzania's urban population growth has been in excess of 6% p.a. This, as I have said, represents something like a doubling every decade.

Total population growth appears at the present time to be about 2.7% p.a. Natural increase within the urban areas appears to be considerably below this, so it is clear that most of the growth in urban population has come about as a result of migration from the rural areas. Even so, it should be forgotten that because the urban proportion of the population is still quite small, the absolute size of the rural population is also increasing. The countryside is thus absorbing most of the total population increase, and although the numbers moving to the towns are substantial from the point of view of increasing the urban population, they are still an extremely small part of the rural population. The majority of the adult population of virtually every major town in the country was born
elsewhere - usually in the rural areas. The exception appears to be Kigoma-Ujiji, in which 60% were born in that town. For Dar es Salaam, on the other hand, 85% of adults were not born in the city. On average, about two-thirds of all adult urban dwellers had moved to their town. 35% of those who were migrants first came to the city when they were between 14 and 19 years of age - and another 26% when they were between 20 and 24. The vast majority (90%) were below 30 years of age when they first migrated. Unlike the evidence from some Latin American countries, it does not appear to be the case that many migrants have a history of moving from the countryside to a small town, and then later to a provincial town, and then later to the capital, in step-like fashion. In Tanzania, "most migrants have moved directly from their birth-place to their current urban residence."  

As has been pointed out, steady growth in the size of urban population over and above natural increase can be caused by a number of things: by more people moving permanently to the towns, by more people moving there temporarily, or by temporary migrants making longer stays. Probably all three of these factors are operative in current urban growth in Tanzania. In colonial times migration to the towns used to be overwhelmingly circular. That is, young men would come to town for a year or two, knowing at the beginning they would only be staying that limited period, or perhaps until they had saved up a certain amount. They were sometimes referred to as "target" workers - that is, they were out to save, say, 200 Shs., to pay taxes, or to pay a brideprice, or to buy a few cows. Their orientation was thus primarily to their rural areas, and certainly the colonial authorities, by their very limited provision of urban services
to Africans, did not encourage them to think otherwise. This labour was largely unskilled, often casual, and employers did not mind high labour turnover. Only in employment that required education, and in certain institutions such as the railways, was the migrant "cycle" a much longer one — sometimes a whole working lifetime, until retirement to the rural area.

For reasons that are not entirely clear, wages started to rise in the 1950's. We have already seen reference to this in Damon Sapountzoglou's story in the previous chapter (page 152). The stimulus for this may have been the "semi-luxury" consumer goods industries that were starting up in this period, particularly in Dar es Salaam. Whereas handling of bales of cotton in the port, for example, can be done by fairly unskilled labour, the requirements of more capital-intensive operations such as factories are for more skilled labour. With a largely unskilled labour force, skilled labour can only be obtained by paying higher wages to produce more stable, and in time more experienced, workers.

In any case, urban wages rose appreciably in the 1950's, and as they did, so did the numbers and permanence of those coming to the towns. Wages were so low previously that they could only usually support single men and the small amount of savings they were trying to accumulate. They were not enough to maintain a family, and this in itself of course tended to ensure migration was only temporary. As wages rose in the 1950's, and have continued to rise since, it became possible to bring wives with them and support children while living in the towns. Data from interviews of urban migrants seem to confirm this. Whereas the great majority of migrants used to be male, in 1972 slightly more women than men were migrating. While 70% of the males said they came to
seek or take up employment, only 10% of the females did (the majority of them coming as economic dependents). Most tellingly, two-thirds of male migrants were not married when they first arrived in town (which may of course have been five, ten, twenty years previously) whereas three-quarters of the women were married when they first arrived. 54

The earlier period of migrants being predominantly male means that, although the present composition of in-coming migrants has now slightly tipped the other way, the total urban population is still markedly sexually unbalanced. The national ratio of females to males is 100:95. 55 The urban ratio on the other hand is 100:117 - a large difference. The breakdown for some of the most unbalanced towns is as follows: per 100 females, Dar es Salaam 123 males, Arusha 131, Moshi 129, Mtwara 128. Of the main towns only the Uji half of Kigoma-Uji had more females than males. The districts, all rural ones, with the lowest proportion of males per 100 females were Kibondo 80, and Kasulu 78, in the north-west, and Njombe 81, in the south-west. 56 The general picture this fragmentary evidence provides is therefore of there having been historically a drift of males eastwards - to the coastal and more developed areas.

The "typical" migrant of a couple of decades ago was a young man of about 22, who worked in the town for a few years, and who was either unmarried and married later when he returned to his rural area, or who was married and left his wife and children in the rural area farming while he was away working in the town. The "typical" migrant now is either a man or a woman who is attempting to move more or less permanently to town. Not all succeed of course, and about a third return home again after a year in town - usually because they cannot find a job or make an
adequate income. According to Bienefeld and Sabot, "the urban labour force has undergone a transformation in regard to stability over the last 15 to 20 years."\(^{57}\) Most migrants are now in town to stay, if they possibly can. The majority of wage employees who were in regular employment in 1967 were still on the same job in 1971, at the time of their study. Nearly half of all urban workers at that time were in fact still holding their first job. The manufacturing labour force appears to be particularly stable. Part of the explanation for this is undoubtedly that great numbers coming to the towns is increasing the competition to get jobs, and once a worker has acquired formal sector employment he or she is not eager to risk giving it up.

These migrants nevertheless still remain important members of their rural communities. Most still visit their home areas at least once a year, during leave, even when it is on the other side of the country or even when they have been in town 20 years or more. When it is close by, obviously this is more frequent. Most also send remittances of money back periodically - 40% once a year or more.\(^{58}\) These links with rural kin are most important for the migrants because of the very limited urban social security provisions. Sickness benefits, redundancy payments, retirements pensions - are all rarely enough to be lived on in town. Remaining, in absentia, members of the rural community is thus a vital form of social security that can be fallen back on in hard times. Even when serious illness or unemployment do not happen, most urban dwellers want to be able to retire in their home area, though they may have lived and worked in town for forty or more years - or, of younger workers, though they may have been born in town.
This does not mean that they can very accurately still be called "temporary" migrants - it is simply a feature of the fact that retirement and other social security provisions in urban employment are very limited, and that land is still relatively plentiful in the country - apart from in certain areas (see previous Chapter). Lack of provision of such formal social security is of course one of the things that makes labour cheap in such economies - it can be paid less than the full price that is necessary to wholly maintain and reproduce it. To the extent that such workers are materially connected to peasant production this in fact represents a subsidy to state and private capitalist employers. Although the general trend has been for male urban workers, even those on and below minimum wages, to maintain wives and children in town, there were several occasions during the economic crisis in the mid-1970's when it became necessary for some to send their families back to the rural areas. Towards the end of 1973 there were severe shortages in Dar es Salaam of (simultaneously) maize flour, wheat flour, bread, beans, rice and cooking oil. The minimum wage at that time was 240 Shs. a month. The maximum amount that was available for food was thus 8 Shs. a day. With simultaneous shortages of all the basic staples, it was literally impossible to feed a family on 8 Shs. a day. People managed either by bringing in sacks of maize, rice, etc. from their rural home areas, or by sending their children back there while the shortages lasted. Again towards the end of 1974, when inflation ran appreciably ahead of wage increases (see Chapter Two, pages 71-73), I knew several people personally who had to send their wives and children "Kwetu" ("to our home area").

What is noticeable about having peasant production to fall back on
is that such workers, not being *solely* dependent on wages and their allied provisions, did not translate what they suffered at the time, as a result of the shortages and inflation, into political protest. In societies where there is not such a "net" of peasant production to fall back on, simultaneous shortages of all the food staples in the stores must almost inevitably translate into food riots. Nothing even vaguely close to this transpired in Tanzania at this time. People grumbled and complained — and managed. Had there been only wages and only store-bought food, they would not have been able to. Economic grievances did not get transformed into political action (although they doubtless caused a lot of political disaffection).

One fairly commonplace explanation of urban migration in the third world is that it is of peasants who become landless — losing land, they have nothing else to do but go to the city. This may or may not be an operative factor in other countries, but it is certainly *not* the explanation for urban migration in Tanzania. 90% of the urban residents Bienefeld and Sabot interviewed still had access to rural land if they wanted it. They were not living in towns because they were landless, but because they were economically better off that way. Their living conditions and working conditions were not all that they might have been, but there are vastly more economic opportunities in the towns — precisely because, as I have argued, there is such a large concentration of economic surplus in the urban areas.

This figure of 90% having access to land is in interesting contrast to neighbouring Kenya where, according to Rempel, only 35% of migrants to Nairobi said they had land they could farm. Landlessness is acknowledged
to be a greater problem in Kenya, especially, for example, in Kikuyu and Luhya areas and this represents the deeper development of capitalism in that country. There land has been transformed into a commodity to a much greater extent than it has in Tanzania - and more have lost their land as a result. The fact that greater numbers are severed from peasant production (or have only the most tenuous of links with it) is also re­flected in a greater development of working-class consciousness in Kenya (particularly in Nairobi and Mombasa). The main union, though subject to Government restrictions, has much more independence than in Tanzania, and its leaders are much more outspoken and ready to criticize the Government and employers.

Some research done in Kenya has suggested the interesting concept of "One Family, Two Households" to account for families whose members came and went between one area of Nairobi and a not-too-distant rural area. There is no doubt that this happens in Tanzanian towns too - the question is: to what extent? It is sometimes suggested that the majority of African urban residents fit into this sort of pattern, and that they merely circulate between the "peasant rural" and the "peasant urban" sectors of the economy. This would be misleading. Weisner's Kenyan study was of one area of the capital city and a rural area that was within fairly easy reach by bus. Rempel's more general study of Nairobi migrants indicated that 60% felt that their move to town was permanent - or at least until retirement. Dar es Salaam's inhabitants come from all over the country - some many shillings and a couple of days non-stop travelling away. In such cases returning to the rural area is only really feasible once, or maybe twice, a year. The only ethnic group in Dar es Salaam who could afford to do this much more frequently
are the Zaramo, who populate much of the Coastal Region nearby. Since a considerable amount of fresh fruit and vegetables come into Dar es Salaam from their area, it is quite possible that many of them are both rural and urban residents - or members of one family and two households. However, only a quarter of the city's residents come from the Coast Region and Bienefeld and Sabot's data do not seem consistent with this being typical of the majority of Dar es Salaam's residents. What is not clear is how typical or otherwise this is of the provincial towns in Tanzania. Since they tend to attract mainly people from the surrounding rural areas (i.e. Moshi, Chagga people; Tabora, Nyamwezi people; Iringa, Hehe people; etc.) movement between urban and rural residences is usually quite feasible. Agriculture in areas that have a distinct wet and dry season is, naturally enough, distinctly seasonal. It is quite possible that many then move to town when the work requirements of cultivation are at their slackest. This does not seem to be something that has been specifically researched, so it is difficult to be certain about how "typical" this is. I am suggesting it is not typical of Dar es Salaam's residents (apart from some Zaramo), and although a greater proportion of residents in the provincial towns do this, whether this is still a minority, or whether it is a majority, does not seem to be "known" at the moment by formal social science research. If it is typical then many members of the households in the squatter areas on the periphery of, for example, the map of Tabora we discussed earlier in the chapter, would leave town in the rainy reason to go and break their land and plant their maize. This is an area of research I hope to be following up in the future.

It might seem from the discussion so far that all migrants are
p. easants going to the towns to engage in petty trade or become unskilled, or at most semi-skilled, labour. This is not of course the case. There is another, and in some senses quite separate, group of migrants - those with a significant degree of education, who go into middle-class, and higher, jobs. We saw in the last chapter that education is a key element in class formation. We have seen in this chapter that the towns are growing very fast, and only twenty years or so ago had very small populations. Consistent with this is the fact that most "educated" Tanzanians in the urban areas at the present time are from rural, usually peasant, backgrounds. Since educational attainment does not appear to increase income in farming, and since such qualifications have more often than not been a passport to formal sector, often salaried, employment in the urban areas - these men and women have in a sense been "educated out of" the countryside.

All the evidence indicates that the more education a student from a rural area obtains, the more he or she is likely to migrate to town. It is also the case that the greater the amount of education a migrant has, the higher the wage or salary he or she is likely to obtain. 38% of rural males have some formal education, even if it is only a couple of years in school. However 80% of male migrants have formal education, and half of them have more than five years of it. Of current migrants, fully 96% have had formal education. Whereas once a large number of migrants had no education, only a small minority now do. "Of those 40 and over, less than 10% have primary education, and over 55% have no education whatsoever." But only 12% of those under 25 have no education. The average monthly income of urban migrants without education was, in 1971, 258 Shs. The monthly income of those with four years of primary education
was 273 Shs; of those with eight years primary education 370 Shs; of those with the six years of secondary education in addition, it was 804 Shs; and those with university education averaged 1,637 Shs. a month.65

As in so many underdeveloped countries, the supply of educated people has increased faster than the number of wage and salary employment opportunities. In 1964 there were in Tanzania 18,400 school-leavers at various levels, and 15,900 formal sector job openings. Already by 1970 there were 64,700 such school leavers and only 16,100 such openings. The inevitable result of this has been what been called a "filtering down" of the more educated into lower income jobs, and a rapid contraction of formal employment opportunities for the uneducated - "Secondary leavers are now filtering down to lower level jobs, displacing the primary leavers to whom those jobs had previously gone, and so on down the line."66

In general, those migrants that have come from further away are considerably better educated than those who have come from nearby. This is reflected in the fact that in Dar es Salaam, the average income of migrants from the Arusha-Moshi area (one of the two best educated areas in the country) is twice that of the average income of migrants from the Coast Region itself.67 Dar es Salaam, because of its size and the number and variety of its income opportunities, generally attracts migrants from further afield than the provincial towns. This is especially true of more educated migrants.

McGee, in a recent paper, has drawn up a typology of four main types of rural-urban mobility in South and South-East Asia.68 (He uses "mobility" rather than "migration" to avoid the implication of permanency of move
in the latter). Assuming both peasant and capitalist workforces in both rural and urban areas, these are: 1) peasant rural—peasant urban, which he says is frequently circulatory and seasonal, between the peasant sectors of the countryside and the town. 2) capitalist rural—capitalist urban, such as the transfer of government servants. 3) peasant rural—capitalist urban, both those who have become educated and those who are unskilled. This was the major stream in the industrial revolution in Europe. 4) capitalist rural—peasant urban. This is not common except when the prices of primary produce fall so drastically estates have to cut back production and lay off labour. This has actually happened in Tanzania — with sisal. It does not appear to be known though whether the laid-off workers moved to the peasant urban or rural sectors (the latter is more likely). Because of its comprehensiveness, this typology is a useful way of looking at the complexity of the phenomenon of urban migration, and its applicability to some of the things we have already discussed is clear. If one does not want to describe government servants as being in the capitalist sector, as in the above, "formal" and "informal" can just as easily be substituted throughout for "capitalist" and "peasant". Certainly "peasant" is not an entirely satisfactory description for some of the urban informal income opportunities discussed later on in this chapter and in the previous one.

The concentration of economic surplus in the urban areas means a number of things that make for urban migration. One, it depresses, relatively, the rural areas by depriving them of investment that is going into the urban areas. Two, it increases the expansion of formal urban employment. (Thus non-agricultural employment, most of which was urban,
increased by an average of 4\%\% a year between 1968 and 1973 — and manufacturing employment increased by 11\%\% a year). Three, it enables higher wages in the towns. (There are both more higher paying jobs in the urban areas, and the urban minimum wage is higher than the rural minimum wage. There was also a real rise in the incomes of urban workers in the 1960's. Whether this will be so for the 1970's is less clear.) And four, it creates economic opportunities that allow urban informal sector incomes that are higher than average rural incomes.

Thus many young peasants — though still a minority — gaining a certain amount of education, and coming from a relatively depressed and stagnating agricultural environment, migrate to town to obtain either informal sector employment, formal sector wage employment, or, if they have enough education, formal sector salaried employment. This flow of people to the towns is not something that can be stemmed by exhortation, or periodic forcible "repatriation" of certain urban residents — it is something that reflects and will go on reflecting a fundamental feature of the neo-colonial economy: the disproportionate allocation of economic surplus. Only a revolution in the structure of the rural economy — which in turn presupposes a restructuring of rural-urban relations and thus the basis for the urban economy itself — could halt or reverse the present rural to urban flow.

**Housing**

The most obvious physical manifestation of this migration and the demographic growth of the urban areas is not larger town centres or
(except in a few towns) an increasing number of industrial plants, but the spread of housing areas. If someone had last seen Tanzania's towns twenty or thirty years ago, and then saw them again now, the most striking difference would probably be that very many areas now had houses spreading over them where once there was nothing (apart from natural vegetation). Taking our map of Tabora as an example, most of the town looked very similar twenty or more years ago (apart from a few additional buildings) — that is, the commercial area, the schools, the government offices, the railway, the sports facilities, the low density residences. The big difference is in the (roughly) three areas of "high density" housing, both legitimate and illegitimate, which are now more built up and more extensive. Even in towns that have had significant expansion of industrial areas (like Dar es Salaam has), in terms of the extra acres or hectares taken up, the growth of low income housing has been greater.

As with so many other urban features, the lines along which housing has developed were determined in colonial times. In the areas that were designated "low-density residential" a certain amount of housing was put up privately by European businessmen or farmers who wanted a house in town, but most was built by the state and put up to house colonial officials (each of whom, unlike the white settlers, was only "temporarily" in the country — even though careers of colonial administrators in the same territory occasionally lasted several decades). Most of the low-density, upper-class, housing was thus financed by the colonial state.

In the commercial area, the surplus accumulated from commerce enabled Asian merchants to construct substantial two- and three-storey buildings completely covering whole blocks. This area is usually the most "built-up"
in each town, and often, to the outsider such as the European tourist or casual traveller, seem the most "un-African". Wealth accumulated from commerce by the most successful Asians also enabled more spacious, detached housing for them in designated, usually adjacent, areas. In appearance these areas are closer to the "low-density" residential suburbs, but with much smaller gardens.

The "African" areas under colonialism were rather different. Whereas the necessity of government-financed housing and other facilities in the white suburbs was taken for granted, and whereas Asian merchants were encouraged to develop their commercial function in the towns and to enrich themselves, the attitude of the colonial government to Africans in town was rather ambivalent. They were both needed by the colonial economy (as dock labourers, house-servants, etc.) and seen as not really "belonging" in town. The proper place for them was the rural areas - this was their "home". There is still quite a strong legacy of this attitude in that the present post-colonial government takes it upon itself from time to time to round-up those who do not appear to have formal sector employment and "repatriate" them in the rural areas. (The legality is of this is dubious in the extreme.) In colonial times, in the areas of town that were allocated to Africans, the government attempted keep street lines clear of buildings and allow native people to build their houses on plots assigned to them. The Building Codes defined the materials from which Africans built their houses (mud and wattle poles, mainly) as not "permanent" materials, and thus they were not given permanent right of ownership on the land on which they built. In areas that got too cluttered with houses, or that did not keep to street lines, or that
the colonial authorities decided at some later date were needed for other purposes, there was no hesitation in forcibly clearing them and "replanning" them. One present park area in Dar es Salaam was cleared in the 1920's by fires which "may not have been entirely accidental." 73

Many Africans who moved to town converted to Islam, at least for the duration, and the outward symbols of Islamic/Swahili culture - the skull-hat ("kofia") and long white robe ("kanzu") for men, and the voluminous black head-and-body covering for women ("bui-bui") - were worn by many town dwellers. Although the kanzu is less worn now, having been replaced by trousers and shirt, the Kofia and bui-bui are still very common in coastal towns. Also typical is the "Swahili" house. This is in fact a 20th century adaptation of the rural dwelling of certain coastal peoples. It is a rectangular, high-roofed building with usually six rooms, three on each side of a central corridor. Outside the door at the far end of the corridor (i.e. the back) there is usually a smaller structure enclosing at least two small rooms, one with a pit latrine in it, and one empty and used for privacy when washing. Many more details are included in the attached diagrams.

The basic fact that accounts for its popularity is probably that all six rooms can be occupied by separate families, and none has to be walked through to get to another. The house owner can thus rent out all but one or two of his rooms, to recoup his building costs. The central corridor can be used for cooking and washing in rainy weather, and if at least one person is in the corridor there is a certain amount of security against intruders being able to get into any of the rooms, even if everybody else in the house is out working, shopping etc. The Swahili house, and many
THE BASIC "SWAHILI" HOUSE

- ROOF: Either coconut fronds ("makuti") or corrugated iron ("marubi")
- BEATEN KEROSENE CANE ("maheke")
- WOODEN WINDOW SHUTTERS AND DOORS
- CORNER POLES IN EARTH
- FLOOR: BEATEN EARTH OR CONCRETE
- ALWAYS SINGLE STORES

WALLS: Most commonly, wattle interwoven and clad with mud packed in by hand (see below)
or: Soil (90%) - Cement (10%) blocks laid one on top of other
or: Burnt-earth bricks

MUD AND WATTLE LASTS 10-15 YEARS; LIME-WASHED OR CEMENT FINISHED.
Soil-cement blocks or burnt-earth brick may last 30 or more years.

MUD-AND-POLE WALLS

SIDE VIEW

- Mud and poles walls
- Not in practice
- Horizontal sticks may not be interwoven always
- Large stones may also be jammed between sticks before mud applied
- Mud bakes hard in sun

MUD THEN PUSHED IN TO FILL ALL GAPS

MUD CLAD BOTH SIDES

SIDE VIEW

GROUND PLAN OF HOUSE

- Shuttered windows
- Door
- Usually a different family in each 10'x10' room, or at least one family in two rooms

ADDITIONAL ROOMS AT BACK (SIDE ASPECT)

TYPICAL ARRANGEMENT OF HOUSING

This typical of good-quality Swahili housing is on good layout, in the "established," "legitimate" high-density housing areas.

Some houses may have water connection (which usually one tap in back yard), but most not. Few have electricity.

Rare sewage system as such, apart from pit latrines (which may be full), and open drains.

In front, in back, and in houses, people may also be selling beer, making furniture, barbering, laundry, etc.

In other words, used both as residential and work areas.

Outside areas, used for preparing food, cooking, washing and drying clothes, children playing, adults socializing, etc.
other (usually attenuated) versions of it are what the "high-density" residential areas are composed of. The very poorest squatter areas, though, may have only the most rudimentary one and two roomed rectangular structures. When people have a certain amount of security, and a certain amount of money, they seem to try and build something along the lines of the Swahili model. This is largely true of all towns in the country, even though originally it was only found on the coast. The physical expansion of towns has thus been intimately connected with a process whereby migrants built housing structures in certain fringe areas, sometimes on plots that the urban authorities had demarcated beforehand, and sometimes not. When not, then they usually (with the exception of those that were razed) gained "established" status in time, if only by being included in the township boundary, taxed, and provided with some very basic services - like public water-standpipes. Thus unlike almost all other areas of town, they were not planned in advance. Planning merely accommodated itself to their inevitability ex post facto, as and when they sprang up. This state of affairs has intensified in the present day.

Institutional arrangements for urban housing are, as in most countries, quite complicated. Basically the situation in the mid-1970's was as follows: there are certain state or state-connected financial institutions (some of which were once private) which lend out money for construction of housing to: 1) state organizations; 2) private organizations; and 3) private individuals. The two main institutions are the Tanzania Housing Bank (THB) and the National Housing Corporation (NHC). The latter lends money to all three of the above categories, and in addition directly constructs housing itself. About 50% of THB's loans go to financing NHC. Up until 1974
THB's loans to individuals were from a minimum of 1,000 Shs. to a maximum of 40,000 Shs. per individual house. The average loan in that year was 32,300 Shs. Towards the end of 1974 the Bank raised its loan ceiling to 80,000 Shs. The cost of construction materials had in fact almost doubled in the first half of the 1970's, so the higher ceiling was still approximately in line with its previous lending policies. An official Bank spokesman claimed at the time: "a growing proportion of the bank's loans is going to workers and peasants throughout the country." Since no evidence was presented for this assertion, and since the cost of a typical urban Swahili house at this time was about a quarter to a third of the 32,300 Shs. average loan (and the cost of a rural house very much less), the statement that more "workers and peasants" were getting loans, while perhaps strictly true, does not accurately convey the sort of people to whom most loans were going.

While interest on the loans is reasonable (between 5% and 10% p.a., depending on the size of the loan), the design of the house and the materials of which it is made must be approved by the Bank before a loan can be made. This would usually rule out a Swahili mud-and-wattle, tin-can-roofed house, but allow a much more expensive Swahili house with corrugated iron roofing, concrete floor, and cement-finished walls. In addition, a loan is contingent upon the recipient being able to provide security, such as right of occupancy and a stable, formal sector, source of income. It is clear that these conditions between them effectively exclude the majority of the urban population (not to mention the rural) from access to Tanzania Housing Bank loans.

There are two other, much smaller institutions that provide loans for
housing. The Permanent Housing Finance Company provides loans in the 30,000-100,000 Shs. range, at commercial rates, higher than those of the THB. This is a nationalized, once private institution, that of course has a much smaller market than the THB's somewhat smaller and cheaper loans. As a result it currently has problems of excess liquidity. The other institution is the Workers and Farmers Housing Development Fund, which gives out fairly small improvement loans at reasonable interest rates. Although its resources are nothing like as large as THB's, it provides a useful contribution to house improvement for some lower income people. The drawback is that it is only available to those in regular employment, through their employers.

The National Housing Corporation makes larger loans to local authorities, parastatal organizations, and private commercial companies for housing projects, usually for the staff of each. In addition NHC puts up housing projects itself, not for its own staff. The 1969-1974 Five Year Plan intended that the NHC should build 15,000 new housing units during that period. However, only slightly more than one thousand a year were achieved (eg. 1972, 1,020; 1973, 1,374), and between 1967 and 1976 (i.e. a ten year period) only 11,036 were built. This is not to suggest this is an insignificant amount of housing, but obviously it is considerably below target, and considering Dar es Salaam alone needs more than 6,000 new houses a year, it is not reducing the housing shortage at all. Moreover, even though the majority of its new units are designated "low-cost", the rents it charges are higher than most people can afford.

Government expenditure on housing follows the same sort of pattern that was analyzed earlier for general government investment. That is, in
spite of the great majority of people being rural, the great majority of government housing expenditure is urban — and usually concentrated in the bigger urban centres at that. This is merely a reflection of the general unbalanced allocation of economic surplus of course. Thus in the 2nd Five Year Plan, of 295 million shillings allocated to housing, about half went to Dar es Salaam (i.e. Coast Region 157 M.Shs.). As the Plan states, quite frankly, "housing investments are influenced by the needs of the urban centres." Taking Iringa as an example of a not atypical region, we can see that the major part of the money that the government spends on housing goes into Iringa town. The last item in the table is not all for housing, since it includes the office too; the

Table XXI:
Main Items of Government Investment in Housing, Iringa Region, 1969-74

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Building Schemes</td>
<td>1,150,000 Shs.</td>
</tr>
<tr>
<td>Rural Housing Improvement</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Bank staff flats, Iringa</td>
<td>60,000</td>
</tr>
<tr>
<td>Teachers houses, Iringa</td>
<td>7,411,000</td>
</tr>
<tr>
<td>NHC Minimum Standard Houses, Iringa</td>
<td>1,050,000</td>
</tr>
<tr>
<td>NHC Site and Service Scheme, Iringa</td>
<td>858,000</td>
</tr>
<tr>
<td>Site Clearing and Servicing, Iringa</td>
<td>400,000</td>
</tr>
<tr>
<td>Police Quarters, Iringa</td>
<td>1,010,000</td>
</tr>
<tr>
<td>National Insurance Company Office and Residence, Iringa</td>
<td>175,000</td>
</tr>
</tbody>
</table>

item for minimum standard houses includes also a small amount for Njombe town in the Region; and the first item, National Building Schemes, I unfortunately am not familiar with and do not know whether it is rural or urban. Even so, out of the approximately 13 million shillings total here, all but one or two million is going to Iringa town. This new, largely urban, housing investment is thus being added to an existing housing
stock inherited from colonialism that is already heavily urban biased in its better housing.

Urban housing that colonialism bequeathed was, as we have seen, enphemistically but not inaccurately called low, medium, and high density. What has happened in each of these three areas since Independence? The low density areas have not expanded much in the provincial towns. Vacated by colonial administrators, they now house the Tanzanian upper bureaucracy and the expatriate "experts". The same two main types of residents now live in these housing areas in Dar es Salaam - and in addition they have expanded somewhat. A small amount of this expansion has been private residences, but most has been expansion by government parastatal organizations and aid organizations. The major part of this housing though is that built in colonial times. It is important to understand that there is little or no free market in this type of housing. It is administered and maintained by the Registrar of Buildings, and it is allocated to various employees - of the Government, of parastatals, of foreign companies, etc. What is more, it is allocated fairly clearly on class criteria. The Tanzanians in the old colonial garden-suburb houses are not dockworkers, or bus drivers, or factory operatives - they are managers, accountants, politicians, lecturers, and so on. Government and parastatal employees (both Tanzanian and expatriate) pay rent according to their income, not according to the quality of housing they have been allocated. For those earning up to 750 Shs. a month, rent is 7\% of their monthly income; those earning between 750 and 1500 Shs. a month pay 10%; and those earning over 1,500 Shs. pay 12\%.\(^{84}\) Anyone preferring to can of course opt out of this and find and pay for his or her own housing. Since the market in high quality housing is very limited, the great majority prefer these subsidized
government rents when they are given the opportunity. As Bienefeld has observed: "Meagre government resources are used to provide housing for precisely those best able to provide it for themselves."\(^{85}\)

Medium-density housing has changed somewhat in character. In colonial times it has almost exclusively Asian, and the construction was financed by private capital. The Buildings Acquisitions Act of 1971, by which the Government took over about 2,600 buildings (all rental buildings worth 100,000 Shs. or more, which was often blocks of flats, or commercial buildings with flats above), effectively ended almost all Asian housing construction - which had slowed down anyway in the 1960's due to nervousness over Independence and, a few years afterwards, the Arusha Declaration. This also knocked out a lot of Asian-owned construction firms, and the construction industry has still not yet recovered from this.

Most new housing of the medium-density type since Independence has been that produced by Government institutions and by the parastatals for their employees. They were set guidelines of a cost ceiling of 40,000 Shs. per house (i.e. the same amount as the maximum THB private loan). This usually resulted in houses in projects that were effectively medium-density, even though they were sometimes located in colonial low-density areas. The rising cost of construction materials in the early 1970's (up about 70% between 1971 and 1974\(^{86}\)) then made this cost ceiling difficult to stick to. Creative loopholes were found. "The set maximum amount was not sufficient for building an up-to-date residential house, i.e. a house with three bedrooms together with other necessary facilities. Because of this, many public institutions spent a lot of money hiring hotels or purchasing already built houses, because none of these expenditures had the maximum expenditure set for it."\(^{87}\) Leaving aside the rationality of
putting staff permanently in hotels (which are extremely expensive), the concept of an "up-to-date...house with three bedrooms together with other necessary facilities" is interesting in itself. It is a concept of course derived from standards appropriate in contemporary industrial societies - and not even necessarily standards appropriate to the majority of people in those societies. The reason why these standards are adopted has to do with the country's colonial history, and the consequences are well spelled out in this I.L.O. comment on Kenya (that applies equally to Tanzania):

...the Government...wish to provide the people of the country with the highest possible quality of social services. This desire is made all the more acute by a colonial history during most of which Africans were second-class citizens in their own country, and were provided with fewer social services at standards far below those enjoyed by the expatriates. It is therefore understandable that any suggestion of dilution of standards should awaken memories of an earlier two-tiered system...Tragically, in an attempt to provide high-quality commodities, housing and services, the two-tiered system has been maintained. In view of...(the) level of wealth, the concentration of private and public resources on goods and services of a standard adopted in much richer countries amounts in practise to a policy of high quality for the few and little or nothing for the many.  

The tyranny of concepts like "up-to-date" housing and "necessary facilities", and their essentially class character, is well illustrated for Tanzania in an episode in which during the planning of new secondary school-teachers' housing (such as that in the Table a couple of pages back, on Iringa), a proposal was made not to install electric water-heaters in them. This proposal was made because it had been found that in such teachers' houses where they had been installed in the past, virtually
none of the teachers and their families ever used them, because they were so expensive to run. (Bear in mind also that in tropical countries water coming out of taps and showers is usually tepid rather than cold anyway). The Ministry of Education rejected the proposal—solely on the grounds that "their grade entitles the teachers to such standard of housing."89

It is clear then that there has been a disproportionate emphasis of government finance for housing on some urban middle and upper income groups (in the medium and low density residential areas). Direct provision of "up-to-date" houses for middle-class employees and the higher bureaucracy, housing allocated such that the higher the person's income the better the house he gets, subsidized rents for some of them and housing allowances for others, the provision of finance at reasonable (meaning also "subsidized") rates—all these things add up to a housing policy which, in view of the limited resources available, amounts to a de facto policy of discrimination against low income groups. Or, as the I.L.O. says, with only a little exaggeration, a two-tier system which amounts to "high quality for the few and little or nothing for the many."

The situation is not quite as cut-and-dried as that; there is some government provision for some lower income groups, and by no means all middle income groups benefit from the policies followed. But the system is two-tiered in that the majority of the better off benefit from Government houses, rents, loans, etc., and the majority of the less well off in the towns have to fend for themselves and find, rent, or construct, their own accommodation. (The vast majority of the rural population do the latter, of course). Some of the less well-off benefit from NHC housing,
but they are a minority, are mainly in formal sector manufacturing
and clerical employment, and many even so have trouble making the rent
payments. More recently the idea of Site-and-Service has taken hold,
and whereas in the late 1960's only a few hundred such sites a year
were being prepared, by the mid-1970's it was two or three thousand
a year.\textsuperscript{90} This is in large part due to an interesting new direction
in policy by the World Bank, which is now financing most of this con-
struction. More will be said about this in the next section, on squatters.

Most low-income urban-dwellers obtain their housing through the
private sector; often this may be self-built, but even then most would
use some form of skilled hired help - if only carpenters for making doors.
The system by which the majority of new urban migrants build houses
theoretically works as follows: they apply to the authorities for a
plot, a plot is surveyed, and they then build on the plot. Since all
land is nationalized they cannot "own" the plot, but they can be granted
long-term occupancy rights if they build houses of "permanent materials"
and of "approved standards", as specified in the Building Codes. Since
most do not, and cannot, do this, a compromise has been made and plots
are issued with year-to-year right of occupancy, allowing "temporary
structures" to be built on them.\textsuperscript{91} Unless the land later becomes needed
for other purposes by the urban authorities, most such occupancies are
in fact fairly secure. The problem is, such plots are being prepared at
less than half the rate at which people are applying for them. Thus in
Dar es Salaam in 1973, 6,331 plots were issued - yet there were 15,000
applications for plots.\textsuperscript{92} The rate at which plots are being surveyed
and allocated is increasing each year - but so is the rate at which
people are applying. Moreover, this only includes those who are applying. Many others, either not knowing the procedures or knowing they do not have a good chance of getting issued a plot, do not bother to apply. Since the way the system works in theory cannot cope with the dimensions of the situation in practice, the gap between the two has an inevitable result - squatters.

**Squatters**

An urban squatter may be defined as someone who occupies urban land in a way that is illegal, either because the land belongs to someone else, or because it is as yet unsurveyed land in the town, or because the squatter's dwelling is not within the plot boundaries of land that is surveyed. In spite of this illegality a very substantial proportion of the population of Tanzanian towns - probably varying between about a fifth and a half - are squatters. The faster the town is growing, the higher the proportion of squatters. Thus one estimate (which may be a little high) has it that 44% of Dar es Salaam's population in 1972 were living in squatter settlements. The two towns which appeared to be growing fastest in the early 1970's, Mwanza and Mbeya, probably have squatter percentages higher than that. Mwanza grew at an enormous 15% a year between 1967 and 1971 (and certainly has not stopped growing since), and Mbeya grew from 12,500 in the 1967 census to a reputed 75,000 in 1976, which would represent a 22% p.a. growth rate. I have been unable to verify that 1976 figure, but even if it is somewhat overestimated, the town has still without doubt grown at an extraordinary rate. The reason for this has been that in the early 1970's both the Dar es
Salaam to Zambia American-built road, and Chinese-built railway, were constructed through this town. Two other towns, Iringa and Morogoro, are on this road, but only Mbeya is on both, and no other major Tanzanian town (apart from Dar es Salaam) is on this railroad. For reasons we will discuss in a few pages, the World Bank has recently (1974) approved a large loan to help squatters in these three fastest growing towns, Dar es Salaam, Mwanza, and Mbeya.

A large part of the development of most Tanzanian towns over the last few decades (especially their physical expansion) has thus been the history of the development of squatter areas. This has also been true of towns and cities in many other regions of the peripheral capitalist world since the Second World War. According to U.N. figures the great majority (at least of cities) have between about 20% and 40% of their populations in "uncontrolled settlements". It is also striking how commonly the proportion seems to be about one-third – Algiers, Dakar, Nairobi, Rio de Janeiro, Luanda, Caracas, Calcutta, Baghdad, Karachi, Manila, Seoul, and many others. A large additional proportion of the population of these, and Tanzanian, urban areas used to be squatters, but have over time either become established, legalized communities, or have moved into such communities.

The cause of this widespread phenomenon of squatting is of course the difference between the demand for urban housing and the supply put forth by formal sector housing construction. Not only is there currently in Tanzania a large gap between the two, but the gap is also growing. In addition there are sometimes further reasons why the formal supply does not match popular demand – that is, not just merely the amount of it, but
in its location and, most importantly, its price. Even if formal sector house building was markedly stepped up, there seems to be hardly any conceivable way it could provide housing as cheaply as it is being done informally at the moment. As we have seen, what the government would like to be able to do is issue surveyed plots at the same rate at which people need to build. Since they are unable to do this, a quasi-traditional system sometimes continues of the person wanting to build paying 100 Shs. or more to the "mzee" (old man) or "jumbe" (chief) who allocates land on behalf of the local clan group.  

This however has no legal standing and thus provides no plots could be legally issued as fast as people need accommodation, security of tenure. In the (at present) unlikely event that there would still remain the unresolved problem of the fact that the location the authorities want people to live in is often not the location where they want to live, and often need to, economically. Plots are, quite reasonably, laid out in areas the terrain of which is suitable for building on. But some people prefer the discomfort or difficulty of living in a marshy area, or an extremely overcrowded area, or on a steep hillside, if it means they are close to a main market, or industrial zone, or central bus terminal. This is particularly true for those who have to seek out informal income opportunities, or casual, day-by-day, formal employment. In addition, since, according to Stren, the services provided on surveyed plots are often no better than those available in squatter areas, "there is little advantage at present in building on surveyed plots."

The problems of living in a squatter area are thus often no different from those of living in any other high density area in Tanzanian towns.
When there are differences, they are often of degree rather than kind. Thus the difference between a squatter area, and the layout and standard of construction of "good" Swahili housing illustrated a few pages earlier, may frequently only be that the access roads are not as straight, the houses are smaller, and built of less long-lasting materials, etc. Many of the problems mentioned in these next few paragraphs are therefore also experienced by people living in legitimate, established, low-income areas — either to an equal, or slightly lesser, degree. The difference between the very worst squatter housing and the very best in high-density areas can certainly be considerable, but between the two there is a continuum, not a sharp jump between legitimate and illegitimate settlements.

The problems of squatters have been detailed elsewhere, and are similar in many parts of the world. I will do no more than mention the main ones briefly here. Many have to do with lack of urban services, and the secondary difficulties that this and general poverty create. Urban services are those that become necessary, not merely by virtue of legally defined urban location, but because of the densities that this usually entails. Thus people who have lived for generations in generally individualized rural homesteads (see previous chapter), can defecate a few paces away from the house, throw refuse out the back, urinate or wash clothes in a nearly stream, take drinking and cooking water from the same stream (upstream), leave possessions unguarded, children relatively untended, etc. — all without any necessarily excessive health, or other, consequences. When the same people in very similar housing are located in close proximity to others in an urban
squatter settlement, quite the reverse is usually the case. One person's faeces, refuse, sewage, etc. all have immediate consequences for close neighbours, and vice versa. In a stool-survey of primary school children from a squatter settlement in Nairobi, for example, it was found that 62% had Bilharzia, 81% had Roundworm, 27% had Hookworm, and over half had a noticeable cough. The first of these is transmitted from one person to another via urine being voided into standing water and the receiving person's skin coming into contact with that water, the second and third transmitted faeco-orally, and the last most frequently via air-borne moisture particles expelled during coughing. The poor and overcrowded living conditions of a squatter settlement provide an excellent environment for the transmission of these and other communicable diseases.

Probably the most important urban service that is almost always insufficiently available in uncontrolled settlements (and in many legitimate or legitimized ones) is water. If there is water locally it may not be clean drinkable water, and if there is good piped water provided nearby, more often than not it is only at a limited number of public standpipes - and it still has to be carried to the houses themselves and paid for. Pressure, especially in Dar es Salaam, is often so low that people have to queue up for hours at the standpipes. Getting water can thus take up a large chunk of the day. Water is primarily needed for two general purposes: direct or indirect consumption (drinking, and preparing and cooking food), and cleaning (clothes, bodies, and household items). In the quantities in which even the very poorest households use water, it is surprisingly heavy
stuff when has to be carried any distance. Households seem to need at least between one and five four-gallon cans ("debes") of water a day. Each can-ful weighs over 40 lbs. (i.e. including the can). Having thus necessarily limited access to water makes keeping things clean difficult - and this contributes to health problems, particularly when there are children around.

These problems are compounded by the fact that there is rarely a water-borne sewage system, and pit latrines are not infrequently either non-existent, or full, or inadequately constructed, or on too poor terrain or too crowded together to work satisfactorily. Waste water is usually thrown in ditches or open drains, where they exist - or frequently on the ground beside the drain, so that solid waste matter is left behind on the ground and does not clog up the drain. Even so it is not uncommon to see faeces in the open drains. Municipal street-cleaning does not exist in illegal squatter areas, but spraying of ditches and drains may be done as a matter of course to control mosquito breeding in the town.

Some houses in much older, more established, high-density areas have flush toilets - though these are not always a more sanitary arrangement unless there is a constant supply of water (and Dar es Salaam, at least, has frequently experienced periods of water only being available for a few hours each day), and unless they are properly maintained (they frequently get clogged up with newspaper and other debris). Several studies have shown that when people are asked, the most commonly desired improvement is more access to more water. This is clearly the most acutely felt need of squatters, because it affects so many aspects of
everyday life. This is also borne out by the fact that in areas in Dar es Salaam where piped water has become available where once it was not, people very rapidly move in and build there.  

There is generally a very limited amount of inorganic garbage in low-income communities. Products that are plastic or which have plastic packaging are infrequently purchased, and with those that come in glass or metal, the bottles and tins are usually cleaned when empty and then used for further purposes. Most refuse is thus organic - maize cobs, banana skins, orange peel, coconut husks, chicken feathers and bones, and a certain amount of paper. All these things decay and break down of course - and in tropical climates quite rapidly. Less than 20% of squatters in Dar es Salaam appear to have access to refuse bins that are emptied by the authorities - the rest of the garbage gets scattered or heaped, and then left. As with human elimination, this is quite satisfactory in a very low density rural environment, and quite unsatisfactory in a high density urban one. The pervasive smell of many squatter communities is the sickly-sweet stench of rotting vegetable and fruit debris. This is a very productive breeding ground for flies, and at times they land on decaying banana skins, excrement, food, and people's faces at will. Children in particular seem to have an extraordinary tolerance for having flies dabbing at the corners of their mouths and eyes - and sometimes at their nostrils. Needless to say, this is a very effective way of transmitting eye infections and various tummy troubles. The most common health problems of young children seem to be various sorts of intestinal parasites, respiratory diseases, and gastro-enteric upsets. Also prevalent, and not unconnected with the foregoing, are various types and degrees of mal-
nutrition - the most visible of which is the bloated bellies of protein-deficiency. The communicable diseases are picked up much inside the houses, which are sometimes surprisingly clean, but outside where the children crawl and run around.

The siting of some settlements, especially the poorer or more recent, is sometimes on virtually interstitial land inside the town boundaries that was previously considered unsuitable for building - most commonly marshy or very steep land. In the rainy season in particular, these can be very trying environments to live in. On steep terrain, water sometimes seems to flow in an unbroken sheet down the hillsides, inevitably getting inside people's houses, and making scrambling up the paths a rather tricky and muddy business, particularly for the older and infirm. Those near swampy ground are, in the rainy season, if anything in an even worse position - mud, mildew, mosquitoes, and malaria, are everywhere. Since squatter areas are unplanned, roads and paths are often no more than earth passageways between houses, which sometimes become a quagmire of mud on the rainiest days. More than one survey has pointed out that what people say they most want after access to clean water is proper roads. Since few, if any, inhabitants have cars, this priority may seem at first - until one sees the effects of the monsoon rains. In two-thirds of Dar es Salaam's twenty squatter areas in 1972, there was no electricity whatsoever - but even in those that do have access to it, only a minority of the houses are connected. The area with the highest proportion had electricity in only 25% of the houses. Light in the evenings is usually from oil lamps, and cooking is almost universally done on a "jiko", a
cylindrical iron container about a foot in diameter and a foot high, in which charcoal is placed and on which the cooking pot is set. The only common electrical appliance is the ubiquitous, and generally blaring, battery-powered transistor radio. The windows of houses are virtually always unglagged, but closed with wooden shutters - which rarely seem to be opened. Natural lighting inside the houses is usually then not very good. When cooking is done indoors, ventilation (to an outsider such as myself) often seems insufficient, and the fumes from both oil lamps and jikos can cause (psychosomatic?) headaches.

One of the reasons the shutters are kept closed is the prevalent, and realistic, fear of theft. Particularly at night, with only oil lamps in the houses for light and no street lighting, theft is not infrequent, and slipping away under cover of darkness is relatively easy. Although certain individuals are known to be full-time thieves in the rich residential and main shopping/business areas of towns, dislike of thieves who steal in the community is ferocious. Anyone being robbed or seeing a thief at work sets up a cry: "Mwizi! Mwizi!" ("Thief! Thief!"), and whoever is then seen running away is considered fair game for all. Occasional small news articles appear in the newspaper relating that in such-and-such an area a thief was beaten/stoned/hacked to death the previous day. On one occasion I was robbed of some clothes by a boy of about fourteen. I gave chase, deliberately not calling out "Mwizi," but several people immediately put two and two together and joined in. He was easily caught, and I then had to protect him from a man who was trying to slash at him with a panga (machete), and who, although he may have been drunk, gave every indication of being prepared
to kill him. This, as I say, ferocious hatred of thieves seems at least to work fairly well as a deterrent most of the time.

These poor, overcrowded, noisy, dirty, and sometimes damp and mosquito-infested conditions can cause poor sleep and considerable personal conflicts. It is frequently believed that conflicts, especially those relating to jealousy over employment or sexual matters, are caused by and in turn give rise to "uchavi" (sorcery). Both to rectify this or to prevent it in the first place, the aid of an "mganga" is sought. These are practitioners of traditional medicine, who can both give herbal medicines ("dawa") and cast spells to block sorcery. In one study that was done in Dar es Salaam in 1969 it was estimated that about 8,000 people visited an "mganga" on any particularly day. This would have been about 5% of the city's population at that time. The study concluded that these practitioners are "apparently successful in...curing urban tensions, frustrations, and illnesses, real or imagined... In many cases revenge is taken by the use of medicines, thus giving emotional satisfaction when violence is prohibited by law and custom" or, it might be added, by its impracticality in certain situations.

There is almost certainly a considerable psychological toll in living in such close quarters with so many people in such bad conditions. Excessive drunkenness is one indication of this. At least one researcher has complained that houses often have to be visited several times before interviews can be successfully conducted, because of the difficulty of catching people when they are sober. (The solution: "visit the people in their place of work and interview them there."
effect, a reaction to the conditions in which people find themselves, and probably a way of helping them forget about its worries and tensions for a period of time. A study done in such an area in Kampala, the capital of Uganda, by Solzbacher brings out vividly the way poor physical surroundings affect how people feel about themselves—because they feel such surroundings reflect on themselves. She says their defence is to withdraw into apathy and passivity. Since so much garbage is lying around, what difference does it make if a little more is added to it? Residents repeatedly told her though that they would not tolerate such conditions in their rural homes.

It should not be supposed from all these problems that squatting is an undesirable phenomenon. Given the type of neo-colonial economy analyzed in Chapter Three, squatters are an inevitable and necessary part of this particular configuration of modes of production— or the ways by which economic surplus is generated and allocated. Surplus is being concentrated in the urban areas at a rate that is faster than the rate at which it could be absorbed by only those people who are housed by formal sector housing. One of the major achievements of squatters is that they get an enormous amount of accommodation built—by themselves, with little or no government help, and more often than not varying degrees of government hindrance. The underlying mechanism that enables so many houses to be built is simply that demand is always in excess of supply, and that for the squatter who can muster the materials and money needed to build and then rent out some or all of the rooms, it unquestionably pays. Landlording is thus a profitable activity, and an important long-term form of social security; and while it continues to be so, squatter housing will go on spreading. It has been estimated
that in the early 1970's, the cost of constructing a four-room Swahili house in Dar es Salaam was about 3,500 Shs.\textsuperscript{111} So if we calculate that the squatter-builder lives with his family in one room, and lets out the other three at 25 Shs. a month each, the capital cost is recovered in about four years - while also providing rent-free accommodation to the owner himself. With a small amount of maintenance, such as remudding the bases of the outside walls at the end of each rainy season, the house can easily last 10 to 15 years. Thus such house-building, for those that can afford to do it, is a very worthwhile investment, and represents a considerable source of social security in that even when completely unemployed the person still has somewhere to live and a steady, if very modest, source of income. It has been noted elsewhere that for low-income people, building a home is one of the most effective ways of saving for the future - "it is very hard to save out of regular income... A house under construction serves as a way of legitimizing and enforcing saving."\textsuperscript{112}

As already mentioned, the prices of building materials, as well as of labour, rose considerably in the first half of the 1970's. The cost of such a four-roomed Swahili house may well have doubled to 7,000 Shs. in this time.\textsuperscript{113} Although I do not have data on the exact extent of it, rents also rose in this period. It is possible though that they may not have risen by a corresponding amount. In a detailed survey in 1975 of one very large area of squatter housing in Dar es Salaam, Manzese, the approximate construction costs of a representative sample of houses was obtained.\textsuperscript{114} The houses ranged over a wide variety of quality, from bare mud-and-pole walls and coconut-frond roof, to ones made of concrete
blocks, plastered outside, and with corrugated iron roofing. About 80% of all of them fell in the 1,000 Shs. to 10,000 Shs. price range. The actual breakdown of this was 1,000-1,999 Shs. 13%; 2,000-2,999 Shs. 15%; 3,000-3,999 Shs. 13%; 4,000-4,999 Shs. 7%; and 5,000-9,999 Shs. 31%. So about half the houses cost up to 5,000 Shs, and the rest cost more than 5,000 Shs. The author does point out though that "it is difficult to know how accurate or comparable the answers given to this question are, as building took place over time and material costs have increased considerably of late." Rents at the time of the survey were, for single rooms, 7% up to 15 Shs. a month; 31% 15-19 Shs; 44% 20-29 Shs; and 6% over 30 Shs. per month. Another 12% were not known, or claims that the rent was free—although this may have been an evasive answer. The great majority of rents then were clearly between about 15 and 30 shillings a month. This rent level appears to be about half that of the more central legitimate high-density housing area of Dar es Salaam at the time.

Although a house can be built over time, either in one's own spare time or by hiring builders ("fundis") as and when one can afford it, it obviously takes a certain amount of initial capital. On the whole, access to land is not difficult, even though it may not be legal, but it seems to take several years to be able to save up enough to make it worth while to start building. Younger households therefore tend to rent, and then later when some of them can afford it, build their own houses. Bienefeld says of his respondents: "a constantly recurring theme was the idea that people saved in order to build a...house, from which they hoped to rent rooms so as to provide themselves with a steady basic
income, especially once they retired. That this dream is realistic is indicated by the fact that almost 60% of all household heads over 50 years of age owned a house in the city. Because rents are not high, rental income is also not high, and more than half of reported incomes from house rental fell below the equivalent of the monthly minimum wage at the time. Bearing out that such housing is a form of social security is the fact that about half those with rental incomes were over 50 years of age.

Typical areas of squatter housing thus have two approximate component categories of population: those who own their own houses (and very occasionally one or two others in addition) and rent out rooms; and those who are tenants. In general the owners are older and the tenants are younger. The typical squatter house either in the worst areas is very small and "temporary" and contains a single household, or in somewhat more established areas contains between two and three separate households (six-roomed Swahili houses more), and accommodates about 7 in the smaller houses and 10 people in the larger ones. Some houses in the most crowded areas may house 20 or more people. Typically, each very approximately 10 ft. by 10 ft. room sleeps about two people. These may be two young men recently migrated; two women, one with a child; a couple with or without a baby; etc. On the whole, owner-households have more children than tenant-households - and are thus bigger. Tenants also seem to have stronger ties with rural areas, visit there more frequently, and are more likely to make regular remittances. The proportion of owners and tenants varies depending on the type of squatter settlement - some are two-thirds owners and one-third tenants, and some the reverse: two-thirds tenants and one-third
owners.\textsuperscript{122}

In the provincial towns, squatter areas are usually predominantly of one or two local ethnic groups, but in Dar es Salaam, apart from in a few older settled areas (which are now legalized and not squatter anyway), there does not appear to be any special clustering of ethnic groups, apart from a slight tendency to settle on the side of the town nearest to the road back to one’s home area. Since the city is on the coast and of the four roads leading out of it only one is a really major one, this tendency is not very pronounced. Within any particular squatter area there is always a great mixture of ethnic groups, although one may be in a sizable majority. Some individual houses are all people from the same group, but in general rental seems to be on a first-come, first-served basis, regardless of ethnicity. People of different ethnic groups sharing the same small room is less common. Populations of particular squatter areas are anything from a few hundred to almost 100,000\textsuperscript{123}, but a couple of thousand seems to be typical for the provincial towns, and between about five and fifteen thousand\textsuperscript{124} for Dar es Salaam.

Squatters are not some homogenous group, marginal to and inadequately integrated into the urban economy, as has sometimes been suggested. They are not themselves a class – they are merely components of various classes who are living in housing that happens to be, strictly speaking, illegal. Although the majority are of lower income urban groups, the shortfall in institutionally supplied urban housing and plot allocation is such that many relatively well-paid industrial workers and a not insignificant number of the lower middle-class – clerks, typists, hospital laboratory technicians, teachers – also live in squatter settlements, albeit usually in the better houses. In a sample in Manzese, probably Dar es Salaam's
biggest squatter area, 22% of those employed were in Manufacturing, 9% in Clerical work, 8% in Supervisory work, and 4% in Managerial and Professional work. This is not to suggest these percentages are necessarily typical (Manzese happens to be near a large industrial area and the University of Dar es Salaam), but it does emphasize that just as there are a broad range of housing types in most illegitimate residential areas so the inhabitants are not homogenous or all of one class. There are also different types of squatter settlements— as was first pointed out in Turner's work in Latin America.

Two main types, according to Turner, are the "bridgehead" and the "peripheral" settlements. The former tends to be near the city centre and main commercial area— overcrowded, on interstitial land, and in housing of a very poor quality. The residents tend to be mainly fairly newly arrived urban migrants, very poor, depending on casual labour or informal income opportunities— and usually hoping their condition is only going to be temporary. Kisutu is an example of this type in Dar es Salaam. "Peripheral" squatter settlements are the equivalent of "suburbs"— they are of more established people, longer resident in the city, and with higher incomes. New migrants who are successful (either in securing stable formal sector employment, or in building up reasonably lucrative informal incomes) may move from being renters in a "bridgehead" settlement to being house-owners in a "peripheral" settlement. Manzese in Dar es Salaam is an example of this latter type.

The population of Manzese appears to be very settled. Although virtually the whole area has sprung up over the last twenty years, the population is very stable: 27% of those adults surveyed in 1975 had
lived there 10 or more years; 40% had lived there at least 5 but less than 10 years; 15% at least 3 but less than 5 years; 10% at least 1 but less than 3 years; and only 6% had lived there less than a year. Two-thirds of those over 14 years of age had thus lived there at least five years. Furthermore, the majority said they wished to stay there for the rest of their lives - three-quarters of the owner occupiers, and one quarter of the tenants (tenants are a third of Manzese's population). Many of the former group had moved to the area from another part of the city, specifically in order to build their own homes and settle down. Most of the tenants presumably feel they will be making a similar move at some time in the future - or going back to their rural areas. Such a settlement is not therefore primarily for new migrants to the city, but for those who migrated some considerable time ago and who moved out to the squatter "suburbs" when they had become sufficiently well-established to be able to build their own home.

A central "bridgehead" settlement like Kisutu has a different sort of function and therefore recruits a different sort of squatter. Casual formal sector employment (see Table 13 Chapter Four) is highly competitive, and being engaged for the day depends on being at the right place early enough in the morning. Informal income earning can be equally or even more competitive, and depend on having easy access to tourist hotel areas, central bus stations, main markets - places where there are a lot of people coming and going, and consequently lots of money to be potentially earned or, sometimes, stolen. Such an income source is highly unstable, and on some days 10 or 20 shillings may be made, on other days nothing. Such people cannot afford anything but the cheapest
possible housing, and may live in over-crowded, extremely flimsy-looking structures, made of bits of wood, cardboard, sacking, paper, plastic sheeting held down by stones, etc. People are prepared to put up with the discomfort and insecurity of such temporary structures in return for having easy access to vital sources of income earning, and not having to rely on time-consuming and (to them) costly bus journeys to get to them. Such "bridgehead" settlements may lack absolutely all amenities apart from shelter - but for certain categories of people the location overrides all other disadvantages.

The insecurity of such situations unfortunately reinforces itself. Because these settlements look extremely ramshackle - crowded, poorly laid out, haphazardly put together, with waste materials - the authorities are least likely to turn a blind eye to them; certainly much less so than settlements on the outskirts of the city. Threats of demolition ensure that no maintenance or improvement gets done, and the more dilapidated they become, the more likely they are to get demolished. This is in fact precisely what happened to Kisutu. After threatening to raze the area for several years, the authorities finally moved in with bulldozers early one morning in 1974 and flattened and set fire to the whole area. The Daily News of September 2nd reported:

As the 93 huts that made Kisutu a world of its own succumbed, the last batch of its residents rushed here and there in uncertainty, gathering their last belongings. Two men were rushed to Muhimbili Hospital after walls or roofs had fallen on them. Eye-witnesses said that they were sleeping when the caterpillars began their operation.129

Owners (though not tenants) were given a small sum in compensation, and allotted land some miles away on the outskirts of the city. The site
was said to be needed for a public building - but a year later it was still the charred trees and rubble it had been right after it had been razed. Although I know of no follow-up on the relocated residents, it is unlikely that they would have been able to keep up their same sources of income - earning from so far from the city centre, or reconstruct equivalent new ones in their new location.

The employment of residents of squatter areas is, as shown by the examples of Manzese and Kisutu, in both the formal and informal sectors. The type of income opportunities nearby may in fact determine many of the features of squatter settlements, which often appear precisely because demand for labour of different types arises in certain areas. Thus in Dar es Salaam, the settlement of Msasani is very largely populated by domestic servants who work in the adjacent low-density "elite" area of Oyster Bay; and the squatter houses that have sprung up at Ubungo have done so because an industrial area has grown up there since Independence. Quite soon after such a settlement starts, even though it came into existence and continues to depend primarily on an external, contiguous labour market, an internal labour market or set of income opportunities also arises. The residents, apart from needing housing, also need to eat, drink, buy certain commodities, get certain services performed, and so on. The bigger the settlement, the bigger and more differentiated this internal set of economic opportunities. As we saw, more than 40% of those in employment in Manzese are in relatively well-paid jobs in manufacturing, government employment, etc. Although no attempt was made in the study to relate owners and tenants to formal and informal sector employment, it seems to me highly likely that a large proportion of the tenants are in informal employment. Tenants are less established and
less likely to want to stay in Manzese "for the rest of their lives", and it seems highly probable that many of them were drawn there by the informal income opportunities of the internal labour market of the area - and that many of them hope they will eventually find formal sector employment and be able to build a house near where that is.

What I have been saying these last few pages about different types of squatter settlement, the different functions they perform, and the different reasons for their location - apply largely to Dar es Salaam. It is not clear to what extent, if at all, they apply to the provincial towns. The reason for this is that all of them so far are reasonably small, and there is not one of them that cannot be walked from one end to another in about an hour to an hour and a half. This is precisely how I gained an understanding of most of them - by walking all over them, stopping to chat to people, drinking cups of tea, arguing about soccer, watching what went on in the markets, drinking beer in the evenings, etc. (Such is the hard work of sociologists some of the time). Because all areas of provincial towns are fairly accessible from all other areas, location of residence for casual or informal workers is obviously not as critical as it is in Dar es Salaam - which spreads out about eight miles East-West and ten miles North-East. (This is in straight lines; by road or path it is several miles more). Many people think nothing of walking an hour or so to work, and as there are in addition small local buses (either private or "co-op", which is actually private too) in many provincial towns, getting to and from places of work is no great problem. Proximity to work areas probably has some effect (after all, two hours walking there and back each day is two hours walking), but
other factors, such as availability of water, or well-drained land, or land where some cultivation is possible, may outweigh this. There has been remarkably little research done on squatting in provincial towns, so conclusions here can only be tentative.

The internal economy of a squatter settlement has to do with the supplying of goods and services to residents in the area at a price they can afford - which usually means a low price. The goods are primarily food, drink, consumer items and household durables (beds, oil lamps, jikos), and the services mainly retailing, building and repairing and various types of "entertainments." The goods may be produced in the formal "external" economy (soap, kerosene, matches, bread, batteries, cigarettes) and merely retailed in the community, or they may be produced in the community itself, or in a nearly similar one (such as in the example of the household durables, above). Food in particular can come from a variety of sources - through the formal marketing system, brought in informally from the nearby countryside and hawked in the community, or even grown in the community itself. Many, perhaps most, squatter households tend a small plot, which may be good for a certain amount of maize, cassava, and fresh green vegetables. Self-sufficiency in food supply in this way is rarely if ever possible, however, and for the most part food has to be purchased from one source or another.

The "internal economy" of the squatter settlement means that unlike the low-density, well-to-do, residential areas it is not just a residential area. To be sure, early in the mornings one can see large number of men, especially, going off by foot for the day to the areas in which they work in other parts of town. But even while those particular people are away one can constantly see various sorts of
economic activities taking place - debes of water being sold, cooked food being prepared for sale the following day, beer being made, carpenters making doors and window shutters, barbers cutting hair, washerwomen scrubbing clothes, tailors making shirts, tinkers making oil-lamps from old tin cans, small stores ("dukas") selling matches, cigarettes, cartons of milk, bars of soap, and the inevitable bottles of Coca-Cola. This is in addition to the domestic activities that take place more or less in the open - sifting laboriously through rice to take out the small stones prior to cooking it (you can break a tooth on one in a mouthful of rice otherwise), grating coconuts to boil the shredded flesh to extract the oil - for cooking with, washing dishes and utensils, hanging clothes out to dry, braiding friends' hair, nursing babies, watching children play, chatting, and so on. The evening is the time when each household gathers together for what is usually the main meal of the day (in fact people who so gather is a fairly good definition of household).

The main economic activity that is evident after that, although by no means everybody partakes of it, is the selling and drinking of local beer ("pombe"). The making and selling of it is dominated by women, and it is brewed from either maize, millet, bananas, or sugar-cane, depending on the region of the country. That made from maize is by far the most common. It is either sold legally in a pombe shop, which is a licenced drinking place, or illegally and unlicensed in people's rooms. Probably the fact that accounts for the popularity of brewing among women (apart from the obvious fact that it makes money) is that it can all be done at home, and can be fitted in around normal household
activities and the tending and watching of children. When retailed illegally it is done so in the woman's room, to upto about ten customers sitting on benches (which makes for a pretty crowded room). Many may be regulars, and there appears to be a quite complicated balance of credit, through the woman, between her customers and her wholesaler suppliers of maize flour and yeast. One tin mug of pombe usually costs 50 Tanzanian cents (i.e. half of one shilling), and it has a quite thick consistency - something like that of very watery porridge. People frequently testify as to its nutritional properties ("ni chakula" - "it's food", said with a smack of the lips and a happy smile), and two or three are certainly very filling. As far as I know, absolutely no social research has been done on the brewing, selling, and drinking of beer in Tanzanian towns - even though it is an extremely important social (and economic) activity. Some excellent, as yet unpublished, research on it in Nairobi in Kenya has been done by Nelson. A distilled drink, "moshi" ("smoke"), is also made, illegally, in some squatter houses. It can apparently be a much less benign drink than pombe, and very occasionally the newspaper reports people dying from the effects of drinking a batch of it. Probably both because it is much less common, and because the authorities are much more hostile to it, I have never seen or tasted moshi.

Beer brewing and selling is often closely tied to two other activities of the squatters' internal economy: landlording and prostitution. For women, particularly those with no husband and with children to support; building and owning a house is frequently the long-term aim. Meanwhile a living can be made and money for the house slowly saved up through retailing beer
and through prostitution. Both are essentially evening activities, and both quite conducive to each other. For those who do manage to save up enough eventually to build a house, the new and more prestigious role of landlady can still be fitted in with brewing if desired. Having her own house and controlling, to some extent, the rooms, can make her beer brewing and selling an even more successful operation, and can also, if she wants, facilitate prostitution. These three very common types of economic activities - renting, brewing, and prostitution - as one can imagine, significantly structure much social activity. Some such older women can also become reasonably well off with their various business interests and translate this into political power by becoming local TANU representatives. Although, as a percentage, they are only a very tiny number, it was quite noticeable that those women who were steady girl-friends of white expatriates not infrequently managed to get the cost of a house out of their "mpenzi" (lover), by the time he was due to leave. This would then put her in a more secure economic position for the future. The expatriate, in return for only about a thousand dollars, in effect received domestic and conjugal duties for a year or so, a clearer conscience when he left, and the bonus of feeling that he was being generous.

These various types of activities of the internal economy of the squatter settlement are nothing like substantial enough for it to live by. If they were, the settlement would merely be a sort of rural enclave inside the town boundaries (which indeed sometimes it has, quite mistakenly, been described as being). Even more tellingly, if they were, then the people would not have bothered to migrate to town in the first place - there would have been no economic incentive to. It is the economic links outside the
the community, primarily in the form of wage labouring in other parts of town, that brings cash into the squatter area and allows the economic circulation of money involved in rents, beer drinking, water selling, shoe repairing, prostitution, etc. Wages earned outside are thus almost certainly the single most important source of money for the economy of the community. They have been seen by more than one economist as the equivalent of "foreign exchange". In such an analogy the formal sector of the urban economy can be seen as exporting goods and services to the squatter community, and as being able to control both its production and its prices. The community must pay for these things with a "foreign exchange" based on the exportation of labour, the price of which it cannot control — nor the amount, which keeps on growing due to further migration. The community can save on "foreign exchange" by import-substitution or by export their products — and both these things happen to a certain degree. The general result of this unbalanced, dependent relationship, though, is a steady deterioration of the economic development of the periphery (the community) in relation to its centre (the formal urban economy).

This is a very suggestive way of looking at it. Obviously the deterioration is only a relative one, based on surplus flowing out through the exploitation of labour by the formal economy, which is still consistent with very gradual improvement and growth in most individual squatter settlements. Also such an analogy would need to be modified to some extent, depending on the particular type of squatter area (i.e. "bridgehead" or "peripheral"). The use to which the analogy has been put does, however, seem to me to be quite mistaken. It has been
used to argue that the solution to this problem is to "integrate" the residents more into the formal urban economy. This makes the false assumption that squatters are marginal to that economy, that they are merely unintegrated social elements on its periphery. They are not. The large numbers of formal sector wage workers, the lesser number of salaried employees (in the more established settlements), and the informal suppliers of goods and services, are essential components of the urban economy, without which it quite literally could, not exist. The problem is more in the nature of the squatters' relationship to the formal, institutional economy (i.e. that it is exploitive and discriminates against them), not that there is not enough of a relationship. Proposing that they merely need to be "integrated" more is facile, and completely ignores the specific ways in which surplus is generated and allocated that produce squatters.

Squatter settlements are not inadequately integrated, largely "traditional", rural enclaves - they are a completely "modern" phenomena. They are caused by a particular distribution of wealth and power and, given a neo-colonial economy, they are if anything solutions to problems rather than problems themselves. Although to superficial inspection some of their outward forms may appear to resemble "traditional" ones, they are actually quite novel reconstructions of them. The three activities just mentioned - renting rooms, brewing beer, and prostitution - do not exist in these forms in rural areas. The nearest that does is beer-brewing - but with some vitally important differences. In the rural areas brewing is generally done by men, not women, and it is made for consumption within the Kin group it is not made as a commodity, for sale. Thus the outward form of beer-brewing (its technology, etc.) appears the same; its essence is actually quite different - in town its production and consumption
is as a commodity.

Squatters make a substantial contribution to the urban economy, are integral elements of the social structure, and are moreover an important source of stability to it. Their settlements provide a source of labour, goods, and services near the commercial, industrial and administrative work centres, cheaply accommodated and provisioned for (and thus able to be cheaply paid), and significantly propping up middle-class lifestyles by conveniently doing most domestic chores, and by being gardeners, night watchmen, waiters, door-to-door fruit and vegetable sellers, shoe-shine boys, child-minders, and countless other menial occupations. Were industrial workers, dockers, railwaymen, and domestic servants not able to be so economically housed and fed, the whole economic and social structure of Tanzania's urban areas would have to be very different. That all this happens is a consequence of the way the economy works — aided by government policy — to concentrate economic surplus in the urban areas.

General government policy regarding squatters seems to be characterized by an ambivalence towards them that has been inherited from colonialism. One can find elements both that reflect a feeling that they are a nuisance and should not be there, and that reflect an acceptance that they are there and that the government has a responsibility towards them. For most of the colonial period government policy was generally one of neglect, until such times as problems of overcrowding, sanitation, health, became so pressing that a certain amount of planning had to be done ex post facto. When the land on which they built was needed for other purposes, there was little hesitation in simply clearing it. In the 1950's, in order to
placate nationalist criticism, the government began to compensate squatters they evicted. This had important consequences, for it established for squatters the principle that investment put into building a house could not be entirely lost. The Independence government continued the policy of compensation payments, and between 1964 and 1972 paid out about two million shillings per annum in Dar es Salaam alone. In the case of a mass relocation of a particular squatter community, of which there have been several, this sum covered payments made both to those who were being relocated and those on whose agricultural land the new location was.

Juxtaposed with this seemingly commendable attitude of compensating squatters lie other much more hostile attitudes towards them that surface from time to time. The already-mentioned destruction of Kisutu is one such example. Such attitudes have sometimes been encouraged, though not necessarily intentionally, by planning advice from imperialist countries. Thus a 1968 Master Plan for Dar es Salaam that was drawn up by a team of Canadian town planning consultants proposed that all squatter areas should be eradicated by 1990. On the arguments of this thesis it is highly unlikely that such an eradication could be achieved, but such "expert" advice cannot but encourage the sort of sentiments expressed in the following quotation from a speech in 1969 by the minister in charge of such matters at the time, the Minister of Lands, Settlement, and Water Development:

Squatters are those people who build houses or in any other way use land in urban centres without the permission of the Government. They are therefore illegal occupiers who are in breach of the law. Squatting has reached appalling proportions in many towns in this country, but this situation is particularly and naturally flabbergasting in our capital city of Dar es Salaam. Squatters...choose some dark corner of the town and erect their own structures overnight. And they call this self-reliance!...Who
can tolerate such a situation, I ask you, Honorable Delegates?  

In general (though there are occasional exceptions) policy towards squatters is determined by the central government rather than local urban authorities. The government usually seems to have tried to avoid the use of force in moving squatters — and certainly it has been employed far less often than it has in Nairobi in Kenya, where before and ever since Independence the city council has regularly "bulldozed" settlements in order to "contain" squatting to the main areas of Mathare Valley and Dagoretti. One consequence of this is that squatter settlements in Dar es Salaam are generally more spread out, far less crowded, than they are in Nairobi. Demolition of squatter areas is fairly futile — it temporally obliterates the mere manifestation of an underlying process it does not touch. It does nothing to affect the forces which are producing squatters. Squash them at one point, and they will only spring up again in another. The same areas in Nairobi are regularly razed, only to be re-built on several months later. 

Tanzanian policy has been more frequently to turn a blind eye to squatting, and to sometimes provide some basic services — especially water — which are partly financed out of a 100 Sh. a year Urban House Tax. Squatters also receive a certain amount of political protection from the fact that local TANU officials are often landlords. They say that if they bring the law into operation against their squatter constituents they would not get re-elected — which is true. Perhaps more pertinent though is the fact that if there were no squatter housing they would not be able to be landlords. The Leadership Code (see Chapter ...
Two, page 65 forbids high government and civil service officials from owning more than one house - but this does not apply to TANU officials lower down. Landlording and official position not infrequently go hand in hand. Building and renting out houses is in fact one of the more attractive investments for capital in the city - the initial outlay is nearly always recouped within five years, and sometimes much less.

One fairly common policy is relocating. Resettlement of squatters has nearly always been in an area of town that is farther away from the centre than they originally located themselves. In this lies its unpopularity among squatters. As we have seen, one of the main reasons why squatters build in the particular areas they do is accessibility to nearby labour markets or other income-earning opportunities. In an excellent study of such a resettlement scheme in Lagos, Nigeria by Marris, it was found that economically they depended on being at the centre of commerce, and on multiple personal business relationships of trust and convenience built up these over many years. When they were moved several miles outside the city centre, the self-employed lost many of their contacts and much of their business because "the delicate informal network of personal relationships was pulled apart." There were additional problems of higher costs, longer journeys, more expensive local shops, and a new strange environment. Even though the government-provided housing was of a much higher standard than they had had before, two-thirds of the people wished they were back in their old place. Although they have not been studied in much detail, Tanzanian relocations of squatters appear to have had the same sorts of effects. An additional, and sometimes overlooked, flaw in many resettlement schemes is that although house-owners are compensated and resettled, no
provision is made for tenants. If this is so, or if rents in the new area turn out to be higher than in the old, then they will simply become squatters elsewhere.

Relocating involves either new housing being made available in the new site, or new plots, on which residents are to build their own houses. The former is a more expensive policy for the government to follow, but does provide "up-to-date" housing. One of the main programmes currently underway is detailed briefly in the following newspaper report:

Clearing of Buguruni slums to give way to the construction of 288 blocks of flats and 1,200 low-cost modern houses has begun...at a cost of 30.9 million shillings...Earlier estimates had put the amount at 7.4 M.Sh. After site clearing Mowlem (the construction company) would build roads, the sewage system, water supply, storm and foul water drainage and treatment plant...The project was being financed by both the Tanzanian Government and the Federal Republic of Germany, which had already offered a 10.2 M.Sh. loan. But because of increased costs, a team of West German experts were expected in the country to discuss possibilities of increasing the loan (Daily News, April 10th, 1975).

The 30 M.Sh. figure mentioned will, since it is a long term project stretching over several years, probably have risen very appreciably by the time it is completed. It had already quadrupled since the first estimates a couple of years earlier. The high, and rising, costs necessarily result in increased dependency on foreign financial assistance, which appears to be fairly readily available to Tanzania, but which will eventually be subject to repayment - or some other as yet unspecifiable concessions. Resettlement that involves the Government providing houses, while it can benefit some, is doomed to failure as a policy that could benefit all and provide housing for all squatters. In a sense it is a squandering of resources on trying to alleviate some of the less intractable problems;
it does not, and cannot, confront the housing problem head on.

The second type of relocating involves the government providing plots, equipped with certain services, on which the people to whom they are allocated build their own houses. This is known as Site-and-Service. The amount of service infrastructure provided varies. Most commonly it involves roads, water kiosks, drainage, and concrete house foundations. Some have in addition bathroom units in clusters of four at the common point of each four adjacent plots. All this is built by contractors, paid by the government, and the allottee has then to build his house on the foundations supplied, either with savings or with loans from the Tanzania Housing Bank. However, there are a number of problems that many relocated squatters sometimes run into here. Firstly, to qualify for a loan they may either have to make an initial down payment of several hundred shillings, and/or have a stable formal sector job. This obviously rules out many of the poorest. Secondly, the houses must be constructed to certain minimum standards - and this also discriminates against the poorest. Many do not have the money, the time, or the skill to be able to construct houses of the sort of standard that Site-and-Service schemes require. In Kenya studies have shown that what often happens is that the allottee then "sells" his site (although legally he is not allowed to) to those who do have capital. The latter, as a straightforward commercial investment, build quite high standard housing with hired labour - and then rent it out and rapidly recoup their capital. This has happened in both Dandora and Kariobangi in Nairobi. Compensation for those moved to the latter scheme was about 800 Shs. each, and yet they needed an average of 3,400 Shs. to build the new house. Many were quite unable to get
anything like as much as the 2,600 Shs. difference, either from savings or from loans. Some of those who were able to get access to enough money to be able to build, found it more profitable to then rent out the new houses and remain living themselves in their old squatter houses. Obviously this is not at all the idea of such schemes. The Kenyan experience has been repeated, with some modifications, in Tanzania's southern neighbour, Zambia, in a way such that one researcher has concluded:

Site-and service policy was a dismal failure in Lusaka. In 1969 the Government accepted the plan of Doxiadis Associates (foreign town planning consultants) to resettle all the city's 16,000 squatter families within a year; but in the major scheme three years later only 600 plots had been allocated and another 1,000 were lying vacant — while the city's squatter population had increased by nearly 50%. During 1970-71 it became increasingly evident to the Zambian Government that squatters' resistance to resettlement made site-and-service schemes, on their own, a poor solution to the squatter problem.  

Nevertheless, site-and-service has been pushed increasingly in Tanzania in the 1970's as the answer to squatting. Between 1969 and 1972 about 800 serviced sites were made available in Dar es Salaam, and some smaller number in total in the other towns. Between 1972 and 1976 though, about 9,000 new sites were prepared — mainly in Dar es Salaam. The main reasons for this big jump was the approval by the World Bank in July 1974 of loans to Tanzania for a five-year programme to build 18,250 sites in Dar es Salaam, Mwanza, and Mbeya. The estimated cost was 118 million shillings. The first phase of the project, up to 1977, was planned to involve 6,100 sites for Dar es Salaam, 1,900 for Mwanza, and 850 for Mbeya. President Nyerere has come out strongly in favour of the idea — "we should concentrate on the development of Site-and-Service projects"
(1976) - and says of the move to the new capital city: "Development in Dodoma must be based on this system. The new capital will never be built if we wait until the Capital Development Authority has the capital resources to build modern housing for all expected inhabitants."

What is interesting is why the World Bank has become involved in lending for site-and-service schemes. Up until the early 1970's its policy world-wide was generally to avoid anything to do with social problems. In Tanzania the great majority of its loans went into developing export agriculture, and building up the infrastructure (roads, etc.) to facilitate these exports (see Chapter 3, page 136). According to Seymour, certain American academics came in the 1960's to see expanding squatter populations in the underdeveloped world as a threat to political stability. The first and most prominent of these, he says, was Abrams:

Abrams proposed solutions to this political threat were in terms similar to those he had earlier suggested for the U.S. - the lower classes should be given a stake in the capitalist system through a policy of widespread ownership of property in land and housing...Abrams' book exerted a profound influence, not only on housing planners, but also on aid agencies. Following a favorable review by the World Bank a sequel, devoted entirely to squatter settlements, was commissioned by the USAID...efforts of international aid agencies to improve conditions in squatter areas of Third World cities became associated with a desire to control the political impact of squatters, to "integrate" and "absorb" them in the present socio-political system...The World Bank...was now (1972) to lend some $700 million during 1972-76 on 40 projects in 30 cities. The World Bank's conversion to "non-productive" investment in housing represents an attempt to invest in political stability.

The Tanzanian change to a principal emphasis on Site-and-Service has thus to be seen in the light of this sudden availability of large loans, and rumoured pressure , from the country's largest creditor.
Whether the projects in Tanzania can, if carefully administered, avoid the problems experienced with Site-and-Service in neighbouring countries is something that will probably not become clear until at least the end of the 1970's.

An alternative to relocating squatter communities, that has also found recent favour with international aid agencies, is "upgrading" or "rehabilitating". This involves giving squatters legal title to the land they are on - and providing the urban services of water, roads, sewage disposal, and so on. It may be something that can only be done for "peripheral" settlements - those that are similar to suburbs - but it has a number of advantages over resettlement: for example, the community is left intact, housing does not get demolished, the location remains the same (which is important for those who work nearby), it requires less government money than resettlement, and potentially it can more easily mobilize the energies and efforts of the squatters themselves. Its disadvantages are that if minimum standards are set, the poorest will not be able to attain them; and that the general increase in investment of capital tends to push up rents, which push out poorer tenants. In Zambia up-grading became the official policy after the failure of site-and-service. Although a certain amount of service provision has taken place in some squatter settlements in Tanzania anyway, "up-grading", as such, has not been a major policy emphasis. It may be that this will change in the future.

There are therefore approximately five different policies applied by the Tanzanian government to squatters in different places and at different times. There is the policy of benign neglect, or turning a
blind eye; there is demolition, which is not used very frequently — though it is used; there are two types of relocating — provision of new government housing, and site-and-service; and there is upgrading. Although class prejudice on the part of government officials against squatters hovers in the background — that they really shouldn't be there — and occasionally breaks through, in the form of raids into communities and forcible "repatriation" of people who cannot prove they have jobs, the general drift of policy is to try and do something constructive about squatters. Consequences of policies do not always turn out as anticipated. Planners sometimes construct a nice-looking skeleton of facilities — about which the flesh social and economic life does not grow in the way it was supposed to. One of the reasons for this is that the plans are created from and enforced from above, rather than reflecting the ideas and desires of those they affect. The main potential resource for any improvement is undoubtedly the squatters themselves. They have already built an enormous amount of accommodation by themselves, and any policy for improvement that does not draw upon their energies and abilities can only be marginally effective. Although specific government policy towards squatters does have some effects, what is certain is that the general thrust of wider government policies ensures that squatting will not end in the foreseeable future, and cannot be stopped.
Summary

This chapter describes in detail the urban structure as a physical expression of the interaction of the economic and social structures. The number and sizes of the main towns are detailed, and conceptualized as being of three categories: primate city; provincial town; and smaller urban centre. Urban population is currently approximately doubling per decade, though only about 10% of the total population is urban. This is very low, even by third world standards.

The expansion of European commercial and industrial capitalism caused some similarities in urban development in the underdeveloped countries. Tanzania's towns are oriented "outwards," to act as a "link" between the rural hinterland and foreign economies. The towns were mainly founded by German colonialism. Their employment is predominantly tertiary, reflecting their function as commercial and administrative centres. They do not contain sufficient surplus-producing activities to support themselves, but depend on appropriating surplus from their (largely agricultural) hinterlands.

The overall physical structure of the towns has not changed much since Independence. Physical layout, especially of residential areas, is essentially on class lines, which now no longer exactly coincide with race lines. The colonial state built most "low-density" housing, and accepted little responsibility for African, "high-density" areas. This resulted in squatter settlement, some of which became "legitimate" over time. The towns were largely planned by, built for, and run by Europeans. Currently, the state "bourgeoisie" and much of the middle-classes benefit from towns being as they are now.
Government per capita investment follows the existing (that is to say, colonially inherited) pattern of wealth. Development is disproportionately in the North-East. Most industrial employment is in only six towns, and for any new plant its individual "optimum location" is usually Dar es Salaam. Per capita average urban income is always higher than that of the Region in which the town is located - reflecting the greater concentration of surplus in towns. This is an inducement to migration.

Migration used to be overwhelmingly circular. Wages rose in the 1950's and circularity decreased - though most urban migrants still retain right to land in their rural areas as a form of social security (eg. in times of sickness, unemployment, urban food shortages). Most do not migrate because they are landless, but because higher incomes can be earned in the towns. Education is also a factor behind migration, and it has been shown that the more education a person has, the more he is likely to migrate, and the higher his income will be. Urban surplus concentration depresses agriculture by depriving it of investments; increases formal urban employment; enables there to be higher wages in towns; and creates informal incomes that are higher than most rural ones.

The growth of towns over the last few decades has been most apparent in housing - especially of "high-density" areas. The "Swahili" house is a popular type - because rooms can be rented out easily. There is a quite complex set of institutional arrangements for housing, but it is difficult for the poorest to get loans. National Housing Corporation accommodation is only possible for a minority - and even then rents are high. The great bulk of Government housing expenditure is in the urban areas, even though the majority of the population live in the rural.
is little free market in urban "low-density" housing, which is largely allocated - essentially on the basis of class criteria. Adopting standards of "up-to-date" housing necessarily means a two-tier system, in which the majority cannot be catered for.

Most low-income housing is built through the private sector. Plots are being issued in Dar es Salaam at less than half the rate at which people are applying for them. This makes squatting inevitable. The faster the town is growing, the higher the proportion of squatters - and on average at least a third of town populations are illegally housed. Such settlements often lack the facilities that urban densities necessitate - such as access to clean water, and sewage and garbage disposal. Landlording is a reasonably profitable activity - because of the continuing urban influx, it pays to build a house and then rent out rooms.

Squatters are not a class, but components of various classes and strata living in illegal housing. There are different types of squatter settlements, often determined by nearly labour markets. There is usually also an "internal" economy and labour market in the settlement, but it is never self-sufficient - it is always necessary that money comes in from other sectors. Those who are squatters are an essential part of the urban economy. Government policy towards them has been ambivalent, and has contained at least five elements: benign neglect; demolition; relocation in Government-built up-to-date housing; relocation in site-and-service schemes; and up-grading. Whatever policy is taken, wider government policies ensure squatting will continue, and probably increase, for the foreseeable future.
Tanzania, as we have seen, is as yet one of the least urbanized countries in the world. It was also one of the areas of the world least transformed by European commercial and industrial capitalism - with contact, apart from on the coast, going back at most 150 years (with the trade in ivory and slaves), and formally less than 100 years (with the advent of German colonialism). Because comprehensive "pacification" took more than two decades, effective contact for some areas has been not much more than seventy years - perhaps within the lifetime of some people still living. Even so, the present economic structure - apart from subsistence production - is one utterly different from that which existed a century ago. In general terms it is a raw-material-exporting/manufactured-goods-importing economy, in which development has been more in the North than the South, and more in the East than the West. In this very unevenly developed colonial and now neo-colonial economy, the towns were set up to play, and continue to play, a key role. Their purpose has been to "service" agriculture - to provide the administrative and commercial functions necessary to ensure the production, marketing, transporting, and export of agricultural raw materials required by the industrialized economies - coffee, cotton, sisal, tea, tobacco, etc. Most of the towns are identifiably a coffee-town (Moshi), a cotton-town (Mwanza), a sisal town (Tanga) - and so on. Even now only six of the fifteen main towns have any significant manufacturing industry - and most of this has come in the last twenty years.

The surplus that pays for and maintains urban facilities (housing,
offices, paved roads, street lighting, sports clubs, sewage systems, etc.), and the surplus on which the urban population exists, is far in excess of that generated by directly productive activities (like manufacturing) located in the urban areas. So where is this surplus coming from? One possibility is that it is coming from the non-urban areas, which is to say the countryside, which is to say agriculture (rural industries are small to non-existent). The other possibility is that it is coming from outside the country — in the form of foreign investments, grants, loans, and so on. In fact both are the case. For the last hundred years the appropriation from agriculture has been easily the most important; but for about the first three decades of colonialism, and the most recent decade of Independence, foreign transfers were very significant. What the proportions of these two sources have been over the decades is something I am not able to calculate — though there is no good reason in principle why it could not be done. The initial German investment in building towns and ports and railways was obviously in the expectation of making profits at a later date. The fact that the First World War intervened, and that it was actually the British who profited from them for at least forty years, was merely unfortunate. It does not alter the rationale for the original transfers. Likewise, it is hard to conceive that the enormous amounts of foreign credits and capital that Tanzania has received at accelerating pace over the last decade have been made without some expectation of future advantage on the part of the donors and investors. If, through some as yet unforeseen series of events this advantage does not eventually materialize, it will not then alter the rationale for the transfers being made at the present time.
For most of the period of the past century, and perhaps still, the appropriation from agriculture has been the most important source of the surplus that has maintained the urban structure. To put the matter at its simplest: the economy of the town lives off the difference between what it buys crops for and what it sells them for. This "difference" is of course made up of many complex components - from small amounts of petty cash earned by vendors of cooked food who sell to the peasants who have brought their sacks of produce to town, to the very large revenues accumulated by some of the state marketing agencies from the difference between the legally set low buying prices and the higher prices earned abroad when they sell (which is why smuggling out of produce in border areas is a problem for the state). The town therefore largely lives off the complexly structured set of levies, costs, profits, taxes, and so on, applied to the agricultural products as they pass through the town - by co-op officials, lorry owners, traders, providers of petty services, government agencies, etc. It may appear that the central government is the most important source of finance for towns - in the form of the schools, offices, hospitals, roads, etc. it builds, and the salaries it pays to those who staff and maintain them. But the government does not for the most part directly generate surplus (except perhaps in nationalized industries) - it merely collects, in the form of revenue, surplus that has been made elsewhere. Since agriculture is the main productive base of the economy, the component of government expenditure that is internally generated (about two-thirds in the mid-1970's - see Chapter Three, page 122) largely comes, directly or indirectly, from agriculture. The government is also the channel - again not the source - for much of the surplus or wealth that comes into the
country from various foreign sources.

The wealth that maintains the urban structure thus comes largely from agriculture, and, more recently, from abroad. The overall process of the economy acts, with complex cross-currents, to extract economic surplus from the countryside, to deposit some of it in the provincial towns (to maintain their continued existence and that of their social structures), to deposit some of it in the capital city (for the same reasons), and then send the remainder abroad. At the present time much of the surplus that goes abroad, and perhaps even an amount equal to or in excess of all of it, comes back into the country as investments, loans, and grants. Most importantly though, it comes back in structured form - mainly in "projects" of various sorts that are offered to the Tanzanian government, with varying degrees of insistence, and which because of their magnitude and volume have important structural effects on the economy. As we shall see shortly, the effects on urban policy of such foreign intervention and "assistance" is very significant.

During the colonial period political power was centred in the urban-located institutions of the colonial state. As we saw in Chapter 4, the movement for independence came primarily from the largely urban African middle class. Those who came to power inherited a specifically structured set of institutions - certain export crops and the means for marketing them, railway lines to particular areas, towns of a certain function, housing of certain types, an educational system with a specific structure - and so on. All these institutions had not existed eighty years previously, and they had been constructed for an expressly colonial purpose. But what was physically left by colonialism, what was inherited, moulded and has continued
to mould the thinking and policies of those who came to power at Independence. Moulding or structuring something one way, usually implies limiting its being able to be structured is some completely different way. This is what has happened with post-colonial urban policy. The class produced by the colonial economy and society that now governs, has been limited in its thinking by the productive apparatus and infrastructure left on the ground, as it were, by colonialism. In towns, areas of low-density, high-quality housing, surrounded by gardens and interspersed by sports facilities, are there on the ground. They look very nice. Not to live in them, not to maintain them, is almost unthinkable. Since this is what much housing in the "modernized" industrial societies look like, this is obviously what "up-to-date" housing is, and this is the standard by which other housing in the towns should be measured. This is the sort of way, in other words, in which policy is influenced, structured, and limited.

As was analyzed in Chapter 3, most of medium and large scale economic activity in Tanzania is in the public sector. State expenditure is by far the most important set of expenditures in the economy. Both government and parastatal expenditure and investment is heavily urban-biased (page 127-132). Well over half, and perhaps as much as three-quarters, is placed or expended in the towns. This is in spite of the fact that most of the economy's surplus comes from agriculture, and that 90% of the population is rural. The state has failed to reform the economic basis of the towns, and its investment largely follows the existing (which is to say, colonially inherited) pattern of wealth - and so perpetuates and reinforces it.

This has not been entirely unnoticed by the government, and one aspect of the 1967 Arusha Declaration was its assertion that development should not
just benefit the urban areas. There has subsequently been a modest improvement in the proportion of total expenditure going to rural development (and this is partially reflected in the per capita government expenditure bar graphs in Table XVIII in the previous chapter) - but this has not changed the balance: state sector investment and expenditure is still overwhelmingly urban.

Urban policy in the 1969-1974 Five Year Plan had two main components. In the 1960's most growth had been in Dar es Salaam - indeed there may have been no per capita growth at all outside the capital for much of the decade. The first component of the Plan was therefore a policy of attempting to re-direct new growth away from Dar es Salaam to nine "growth-pole" towns: Mwanza, Arusha, Moshi, Tanga, Mtwara, Mbeya, Morogoro, Dodoma, and Tabora. It was explicitly anticipated that this would stimulate economic growth in their respective hinterlands. In fact the decentralization of industry appeared to have had a somewhat limited effect: of 30 new industrial plants built between 1969 and 1972, 20 were in Dar es Salaam, and 7 of the remainder were in Arusha and Moshi, which already have a significant amount of industry. The second component was a policy of developing the smaller urban places as service and market centres for the rural areas. Both strategies, as Doherty has said, are unrelated to overall socialist development policy and serve only to deepen neo-colonial and class exploitation - that is, they just give more of the same. The first continues to concentrate surplus in the urban areas, and the second is almost wholly concerned with distribution and not production.

This type of policy, moreover, is based on the assumption that towns in Tanzania cause economic growth - that they are "modern" centres that
can act as "growth-poles", which somehow pull up the economic level of the surrounding countryside as they develop. Since the price of this modernity is grossly disproportionate government investment in urban facilities, this assumption must be regarded with some scepticism. Probably the most extreme example of the operation of this assumption is the 1973 decision to build a brand-new capital city in the centre of the country at Dodoma. The cost at the time was estimated at 3,710 million shillings over the ten years it would take to complete (i.e. more than half a billion dollars). It is worth bearing in mind that long-range estimates for large projects, and not just in Tanzania, have a nasty tendency of sometimes at least doubling by the time they are completed. The allocation for the new capital city in the Third Five Year Plan that was drawn up in 1974 (although its implementation was delayed two years because of the economic crisis) was 1,500 M.Shs., which was about 11% of the total development budget for the five year period. It was projected that the population of the new capital would be 28,000 people, and among the intended constructions to be built from scratch are an international airport, a university, a national stadium, a diplomatic complex, TANU National Headquarters, Parliament, Government Ministries (including a Ministry for Capital Development at Dodoma), and an appropriate transport system. This is in addition to the more mundane things like roads, sewage systems, water development, street lighting, electricity, up-to-date housing, etc. All these constructions are of course duplicating facilities that already exist in Dar es Salaam.

Building this infrastructure will consume a massive amount of capital resources, all for non-productive purposes - that is, it will be an almost
purely administrative city, and will not be engaged in the production of any surplus itself. Though details are not yet clear, the housing of many government officials will probably be either partly or wholly subsidized. In a way, the whole project represents a subsidizing of a certain way of life - the comfortable bureaucratic existence of the state bourgeoisie. What has probably been overlooked is that relative to the surrounding countryside (Dodoma is a particularly poor region) this new city will represent an enormous concentration of surplus - and almost certainly create a wide range of economic opportunities that will induce peasants to migrate to the city. Assuming the new capital does eventually have those planned 28,000 people, one can safely predict that an additional number of unplanned people will make the total population considerably larger - and quite possibly double it. Construction work done will require large amounts of labour, and these wages will act as a considerable magnet. Thereafter there will be continued opportunities for a healthy-sized informal sector to thrive, merely by virtue of the very large sum the government will be paying out in salaries and wages to all its officials and workers. The growth of squatter areas here is virtually inevitable.

It is instructive to examine an earlier example of a completely new, planned capital city in an underdeveloped country - Brasilia, in Brazil. Epstein has made a study of its squatter settlements, and shown how the planners consistently failed to take account of and make provision for the squatters that were attracted to Brasilia. This started right from the very beginning, when "cursory attention was given to the needs and desires of the first residents - the construction workers", most of whom
migrated there from very poor regions. "Approximately ten years after the construction of Brasilia began in earnest, two-thirds of the population of the capital live in areas whose urban ecology and architecture are in direct contradiction to...the original plan." (Emphasis added) Hopefully the "Canadian master-planning consultants" (Daily News. 20th Nov. 1974) for Tanzania's new capital would be able to learn from Brasilia and not repeat some of its mistakes - but it would be very surprising if the squatter population were anything below one-third of the total, and that would still make 14,000 squatters. One would imagine it would make sense for the planners to set land aside for it - though I am not aware that it has been done.

The political decision to build an enormously expensive, almost purely administrative, brand-new city probably exemplifies better than anything else that the role of urban areas in Tanzania has not been subject to critical scrutiny, that its type of non-surplus-producing towns are largely taken as a "given", and that they are seen as centres of development - that they help "modernize" the surrounding countryside. One of the claimed advantages of the new capital - in fact a rationalization - was that it would have a development effect on Dodoma Region. Certainly it will raise average per capita income in the Region - the massive Government investment and expenditure in the city cannot do otherwise. Whether this will warrant the term "development," though, is somewhat less certain.

This largely unquestioned assumption that the growth of colonial-type towns and economic development go hand in hand is widespread, and entails a very significant consequence. The 1969 Five Year Plan specifically intended urban growth, and for each town made recommendations like
"considerable investment in urban infrastructure is needed" to prepare for future growth (see Chapter 5, page 281–282). A planning team visiting Arusha in 1975 had this conclusion to make: "The investments needed in social and physical infrastructure to provide for the needs of the rapidly growing Arusha town population are of a magnitude far above the resource limits available to Arusha District." Consider this statement carefully. It is saying that Arusha District does not generate sufficient surplus to be able to make the capital investments the planning team considers Arusha town needs. Arusha District is a particularly fertile coffee-growing area, and Arusha town within it is one of those six in Tanzania with an appreciable amount of industry. Indeed of the 62 Districts in the whole country, Arusha District is the third richest. If Tanzania's third richest district does not generate sufficient surplus to pay for what the urban planners intend to plan, then where are these resources to come from? The implication is clear - they have to come from outside Tanzania. The logical consequence of the recommendations of this planning team (which was probably largely composed of expatriates), is that reliance on foreign finance is necessary. If their reasoning is applied to the other towns, all of which apart from Dar es Salaam and Tanga are in poorer districts, then the conclusion is very significant: virtually all the towns will have to become dependent on external resources, on money from abroad.

The fact that this recommendation was made by non-Tanzanian planners does not weaken the argument here. On the contrary, it is an integral part of it. The bureaucratic "bourgeoisie," although it has sovereign political power within Tanzania, is not an entirely independent bourgeoisie.
With the sort of means of production it controls, it is dependent on the international bourgeoisie for markets in which to sell its raw materials and for finance to develop its economic infrastructure. The towns are part of that infrastructure, and there is great reliance on the town planning advice of foreign "experts". All the main provincial towns, and Dar es Salaam, have had Master Plans drawn up for them over the last ten years, and they are occasionally revised and up-dated. All these Master Plans are drawn up under the auspices of foreign planners - Swedish, Finnish, and Canadian being the most prominent. Whether planning Scandinavian and North American towns is a suitable qualification for giving advice about what to do with towns in a poor African country, is something that has to be proved rather than assumed. There has been no attempt to do the former. Foreign planners thus have enormous influence at the very heart of urban policy decision-making - and what Tanzanian high-level planners there are, are usually the product of Scandinavian, North American, etc., training. These facts result in urban policy being devised that is structured by inappropriate, and class-biased, assumptions. Many physical facilities of "international standards" are constructed which, while they certainly give a "modern" appearance, are of extremely dubious suitability for a country with a per capita income of $90 a year.

Two examples will suffice here - although many others could be cited. One of the reasons why Arusha has grown so much has been that it was chosen in the 1960's as the Headquarters of the East African Community, which was in fact disbanded in 1977. This meant a large amount of administrative facilities were built - offices, conference halls, appropriate housing, etc. Arusha was also conveniently situated with regard to some of northern
Tanzania's major tourist attractions - Mount Kilimanjaro, Ngorongoro Crater, Serengeti National Park, etc. To encourage this development of Arusha as an "international" centre, several very expensive facilities have been built, including two luxury hotels. In addition, a 70 M.Sh. Kilimanjaro International Airport, on the road between Arusha and Moshi was opened in 1973. It was part of the 1969 Five Year Plan, which said: "The airport is to be developed to secure the needs of the Moshi/Arusha urban complex, the development of Arusha as an international commercial and political centre, and the international tourist trade." It has so far proved to be a grossly underutilized facility, with reputedly on average only one "Jumbo" jet a day landing, plus a number of smaller aircraft - which could have been handled at the already existing smaller airports. It is, in the words of one journalist, "a costly white elephant".

The other example also happens to be connected with an airport. Dar es Salaam's international airport is located six miles from the city centre on what is called Pugu Road. This road, although very straight, was not very well surfaced. What it needed was a new surface - and possibly some widening in the two to three miles nearer the city centre. What it got was a 100 M.Sh., West German engineered and aided, dual carriageway - or freeway. Although it is possible that at some time in the distant future the amount of traffic that goes to the airport will require a four-lane freeway, it certainly does not at the moment. The main benefit so far is that the drive for international travellers from the airport to the city centre is a speedier and more impressive one. No other stretch of dual carriageway existed hitherto in Tanzania,
and since no-one had ever seen one before, the West German autobahn was being used (when I was last in Dar es Salaam in July 1976), with a certain amount of bewilderment, as two parallel roads - traffic going both ways on one side, and traffic going both ways on the other side. A sort of peasants' revenge.

This reliance in urban policy and planning on foreign experts and finance is only part of the wider increasing reliance on imperialist finance that we have already documented (for example, Chapter 3, pages 135-136). It is not necessary to assume that aid donors and advancers of credit intend to create increasing dependency. They may or they may not do - certainly a fair number of individual foreign experts employed by international agencies genuinely feel that they are "helping" Tanzania, and say so in as many words. The consequences of such foreign assistance and credit, though, is to keep Tanzania locked into the international capitalist system in its same raw-material-producing structural position, and to affect policy in such a way that further reliance on foreign expertise and finance is necessary. Particularly when I was in Tanzania during the 1973-75 crisis, the situation McGee described as having developed in South-East Asia in the 1960's sounded ominously familiar - "the countryside cannot feed the growing towns, and finances which might have aided economic development are spent on importing food...Earnings (are not) invested in such a manner as to aid economic growth...(and) the cities become more and more isolated from the countryside, relying on foreign aid for their continued existence." 12

The key to understanding most post-Independence developments in Tanzania is the consolidation and expansion of the state bureaucracy. In
its upper reaches at least, political power and control over the means of production have come to rest in the same hands. Most higher and lower level bureaucrats, although evincing on occasion a certain amount of cynicism and resignation, generally do feel that they are working for the common, socialist, good. The sort of work and living conditions they want, however, are the sort that the colonial economy created for its administrators. The type of urban structure that they inherited, they have little questioned. To do so seriously would lead in uncomfortable directions.

The very physical and economic structure of the towns is essentially a class one. The modern, up-to-date facilities are paid for out of surplus generated largely from peasant agriculture. Those who are formally employed in the administrative, commercial, and (to a lesser extent) industrial functions of the urban areas, are considered to have a right to be there. Those whose labour is not required by the formal urban economy are there only on sufferance - and are periodically (though rather ineffectually) "repatriated" to the rural areas. De jure there are only Tanzanian citizens; de facto there are at least two classes of citizens - those who have a right to live and work in the towns, and those who do not. Thus the Daily News of 24th March, 1975: "Members of the militia in Musoma have held 55 people who evaded farming and went to Musoma town. 46 were repatriated to their villages." In April 1975 the Regional Commissioner for Arusha announced that everyone in Arusha town would have to carry an I.D. card with the person's photograph on it, and signed by their employer to prove that they had work; those caught without one would be "repatriated". Even the President has
complained about the way this is done.

On every occasion there is a great drive to "round up" the unemployed in towns and repatriate them. For a week or so the criminals and idle parasites hide in their houses while respectable workers and peasants on legitimate business are harassed...Then the whole campaign dies away until it is realized that the problem of criminals in towns, and of people not doing a hard day's work, is still with us - and the process is repeated.¹⁴

Class prejudice against peasants, and the way it manifests itself in policy, has already been dealt with in some detail (Chapter 4, pages 184-194). As in the example of Musoma, in the previous paragraph, peasants are supposed to work the land - and going to town constitutes "evading" their proper duty. Although, as was explained in Chapter 5, squatters are not one social class, they are predominantly of the lower urban classes, and a prejudice against them not infrequently breaks through - that their being there constitutes some sort of affrontery, that they are somehow an intolerable stain on the modernity of towns. In March 1975 the Regional Commissioner for Tabora "banned" houses of "local materials" (i.e. mud and poles) inside Tabora's town boundaries.¹⁵ This actually constituted the major part of the town's housing, so was hardly enforceable - but the class prejudice is clear enough. The opposite of "local materials" is, interestingly, cement: the Swahili word for mud or soil is "udongo"; and for cement is "udongo Ulaya" (European soil). The implication of this decision is that towns are only properly built with "udongo Ulaya", and that indigenous construction materials (which the vast majority of the total population use) are not fitting for Tanzania's urban areas.

Members of the bureaucracy largely achieved their positions by the
accidental fact of having received an education at the right historical moment - that is, when or soon after the country received Independence (which, as I have emphasized, was not granted because of irresistible political pressure inside the country itself). They acceded to political power with relative ease, and then used that to obtain economic power. The accelerating input of aid, especially over the last ten years, has almost completely divorced cause and effect as far as government expenditure and growth or non-growth are concerned. Rhetoric notwithstanding, these bureaucrats do not have a very firm grasp of the fact that maintaining themselves and the state they control consumes surplus - and that allocating surplus to non-productive ends, or even worse, wasting it - results in less surplus being produced in the future. The fact that - so far, at least - they have not had to face up to the full economic consequences of their actions (because these consequences are cushioned and confused by aid) means that they can with relative impunity make policy decisions that are biased by their class position. These decisions can be on the enormous scale of moving the capital to Dodoma; on the scale of the more modest, but still very expensive, decisions to build an unnecessary international airport or an extravagant four-lane freeway; down to less spectacular things like providing teachers' houses with superfluous electric water-heaters - simply on the rationale that "their grade entitles them" to water-heaters.

In urban policy this bias towards "modern" housing, construction materials, air-conditioned office blocks, etc., and a belief that "second-best is not good enough", inevitably result in what the I.L.O. called for Kenya a "two-tier" system - "high quality for the few and little or nothing
for the many." This is just a roundabout way of saying it is a class system. The bureaucratic "bourgeoisie" and those parts of the middle class that are allied with it undoubtedly do want Tanzania to "develop" - and feel that they are contributing towards that process. What they want though is more of the present sort of dependent development, that would allow the continuation of the privileged urban living and working conditions they now have. Their economic interest lies in not letting the economy change its structure to such an extent that their surplus-consuming privileges and lifestyle are undermined. Any more radical policy that seriously questioned the present greatly disproportionate allocation of economic surplus to the inherited colonially-structured towns would threaten their position. As Isaac Deutscher once wrote of entirely different historical circumstances: "Poverty inex orably breeds inequality." Colonial towns were specifically built for the privileged, even though the majority of their residents may not have been especially so. Amid a sea of poverty, or at least an extremely modest material level, these towns arose as islands of prosperity. This was possible because of the surplus they collected and concentrated from agriculture. In this process urban classes and strata were produced, almost all of which were better off than average peasant families. Post-Independence developments have only modified the basic colonial economic structure in fairly minor ways. Because of government investment most economic growth since Independence has continued to benefit the urban-located sectors of the economy. This inequality is deeply locked into the system, and it is doubtful if it could be changed now without instigating violent reaction on the part of the most privileged groups.

The general direction of this thesis has been to start from the specific
directly productive activities that take place in Tanzania, show how this economic structure has produced over time the social structure the country now has, and explain the urban structure and urbanization as the direct result of this economic and social structure. The causal relationship is not simply one-way (i.e. economic structure causes social structure causes urban structure), although that is the main direction of causality. There is also a mutual or dialectical effect feeding back into the economic structure. Thus although the raw-material-exporting economy results in different people doing different work in specific relationships to each other in such a way as to produce a certain social structure, this social or class structure also socializes people in particular ways that help ensure the reproduction of that economy. And although the way the towns are physically structured has been the result of deliberate political decisions – which is to say the result of balances of forces in the social structure – the physical lay-out of the towns in turn affects, and limits, the way those with political power think. Living in a well-to-do ex-colonial suburb, driving along a tree-lined avenue to work in a pleasant modern office – these sorts of things, experienced by those with power, have a tendency to inhibit the formulation of any policies that might jeopardize such conditions. In this way what has been built in the towns has an effect both on the social structure, and in ensuring that the economic structure continues to operate in a way that is consistent with such constructions and their continued maintenance.

It seems legitimate to ask then: are there any political forces in the society that might at some time greatly transform the economic
structure, and thus in the process necessarily alter the prospects for urbanization— which is at the moment simply more of the same. In other words, are there any potentially revolutionary forces? The short answer is "no"— or at least not in anything like the foreseeable future. Although government rhetoric emphasises the revolutionary nature of the peasantry, in reality they have been extensively demoralized by what they have been subject to over the past century and more— slaving, invasion, defeat, colonialism, and so on. There is no doubt that a great many of them also experienced "villagization" as a form of oppression— something that was done to them, against their wishes. In general, revolutionary enthusiasm, and even more— understanding— is extremely limited among Tanzania's peasantry. Their defence in the face of most adversities is the one that has proved itself time and again in the past: passivity and a retreat into subsistence production. It is difficult to conceive of any route by which the present situation among peasants could transform itself or be transformed into anything like revolution.

The situation of the working class is rather different. There is developing a rather greater consciousness of themselves as workers, although this class consciousness is limited by the fact that the great majority of them can fall back on peasant cultivation if absolutely necessary. That all their eggs are not in the working class basket restricts their preparedness to fully defend their economic position as workers— i.e. dependent solely upon selling their labour power. As we have seen, though, they have been militant on occasion about specific conditions under which they work. But one should hesitate before concluding that warrants seeing them as a revolutionary force. Readiness to become involved in issues wider than immediate work conditions has not been
apparent. They are in any case better off than they themselves have been in the past, or than their rural counterparts, or peasant relations and acquaintances, are now. Both for this reason and because they are relatively few in number, it is not reasonable to suppose they constitute a revolutionary threat to the present status quo.

The only other class or stratum that could conceivably be seen as having radical potential is the very loose collection of urban petty producers and suppliers of services – a great number of whom are squatters. Although structurally they can be viewed as being in a common situation, their consciousness of being of the same stratum can be said to be very low. Many of them see their personal situation as only transitional – making do until they get that elusive formal sector job – even if this does not turn out to be realistic in the long run. Many others of course do know that where they are now is where they are going to stay – and are reasonably satisfied with that. But there is a limited feeling of having something in common with other petty suppliers – partly because this covers such a wide variety of occupations, and partly because there is no conceptual category or word in common currency that describes them. The clumsy formulation I have used here – "urban petty producers, traders, and suppliers of services" – is the best I can do, but is obviously too long for popular use. It lacks the ease of "peasants" or "workers" or "bureaucrats" or "capitalists" – all of which are in fairly common currency in Tanzania. The terms "lumpenproletariat" or "underclass" are not used, and anyway seem to me to be unsatisfactory and inaccurate – for reasons that do not need to be gone into here. Lack of even a name is obviously not exactly conducive to such people conceptualizing themselves
as being in same category. It is just possible that "informal sector" could catch on - the President has been using it recently - but at the moment its usage is largely confined to certain academics.

This informal sector is extremely labour-intensive and can almost certainly be considerably expanded and elaborated for the foreseeable future. Like formal sector urban workers, informal workers can also fall back on peasant production if necessary - indeed they are rather closer to the peasant sector, partly because some of their raw materials come from the rural productive base, and partly because some of their finished products go out to the countryside. Like peasants, and even more than workers (qua workers), they can be extremely resilient in the face of economic changes. Although various such changes could accelerate or slow down or change the composition of the informal sector, probably the only thing that could seriously threaten its existence - and even this is not certain - would be if the rural peasant sector were to completely disappear through absolutely thorough capitalist transformation of all agriculture. This is simply not about to happen in Tanzania.

The persistence of widespread peasant production, then, works against the likelihood of revolutionary organization among all indigenous classes and strata who could conceivably be a force for radical economic change - peasants themselves, the formal working class, and urban petty producers and suppliers of services. The peasant rural option to fall back on is a clear structural reason working against economic grievances being transformed into serious political challenges. In hard times, the ability to fall back on subsistence food production will short-circuit the necessity and risk of revolutionary action - at least within the
present parameters within which the Tanzanian economic and social structures are organized. Contrary to the fears of the World Bank and their allies, urban squatters - who are largely formal and informal sector workers - are not then a political threat to the established order. Most of them have accomplished significant social and economic mobility in a relatively short period of time, and they are if anything anxious to avoid any action that would jeopardize the progress they have made. In any case the fact that the Tanzanian government has abrogated for itself a near monopoly on revolutionary rhetoric, considerably undermines the ease with which any group could organize serious radical change. Although I am not suggesting for one moment that they are comparable, the respective situations in South Africa and Tanzania can illustrate the point. When, in the former, government debate, propaganda, and decision-making are in a vocabulary far removed from - and indeed explicitly opposed to - the vocabulary of socialism, then a would-be revolutionary educator or organizer has a clear path, and those who are exploited can without confusion begin to grasp, and see reality in terms of, that vocabulary. When, as in the case of Tanzania, this ideology is already claimed as its own by the government, and - to be fair - acted on in some areas, then the conceptual and organizational difficulty of building a more revolutionary political movement are considerably multiplied - in spite of the fact that there is obviously far less overt political repression by the Tanzanian government. Both this relative tolerance, and the ideological obfuscation, make the formulation of a radical alternative more difficult than in the case of that which it is easy to define oneself against.
The prognosis must then be that there are no indigenous political forces that could cause a revolutionary transformation of the economy and thus significantly change the urban picture we have drawn in this thesis. Tanzania is probably one of the most stable countries in independent black Africa at the moment (though even this is liable to virtual overnight change in the event of something like a coup). This being so, the best guess is that changes for the immediate future will be only fairly minor ones, that urban migration and growth will continue, and that urban policy will continue to rely on foreign expertise and finance, and develop along the same sort of lines as in the past. The only thing that could significantly change the urban structure would be a radical restructuring of the economy on the scale (though not of course the type) of the 30 years of German colonial rule. This would inevitably involve very violent class conflict - which was of course precisely what the two decades of physical resistance to the imposition of German rule was. As we have seen, there quite simply exists no political forces that could bring about change on such a scale. If anything, political change will be to the right - either from pressure from the international bourgeoisie and its representatives (using finance and debt as the lever), or from the natural crystallization of the bureaucratic bourgeois stratum into a fully-fledged class, or (and?) from its increasing its links with private capitalist production (especially in the rural areas) - or from a sudden Army coup. All or any of these developments will in all probability result in further concentration of expenditure of economic surplus on modern, up-to-date, urban facilities.
Although urbanization will almost certainly continue apace, the rate of in-migration will probably be affected in the near and medium-term future by what happens in the rural areas. If current policies are very successful and produce a significantly higher and rapidly increasing standard of living in the countryside, then urban population growth may fall a couple of points below the current 6-7%. If, as at present seems rather more likely, they are not successful, or if the rural situation deteriorates further, then migration will increase, and the overall rate of increase of urban population may go up to 8 or 9% - and for a few towns, and for probably limited periods of time, considerably more than 10%. One can thus expect a doubling, and in some cases a trebling of town populations per decade - and since the overall urban percentage is still quite low, about 10%, urban increase of this scale could continue for quite some time - certainly at least till the end of this century (barring, of course, as yet completely unforeseeable developments).

Many peasants unquestionably subjectively experienced the 1974 villagization as oppression, and being forcibly moved from their own houses, and in many cases their fields, and being thrown together with others into a strange new situation, probably loosened some of their social roots attaching them to their home areas. Had this been a once and for all affair, the effects of this could perhaps have been got over. As it was though, their insecurity was continued some time after the moves. For example in 1975 the President made a speech about the "need to make some corrections in the set-up of some established villages... Mwalimu advised that each village should not have more than 600 families
and that the houses should be built on higher levels...He directed that these changes be effected immediately." (Daily News. 21st February, 1975). One would have thought that if one wanted to minimize the disruption for peasants, these things should have been thought of before the main large-scale movement, and that putting them into effect six months or more later would only result in prolonging and increasing peasant insecurity.

Towns represent a concentration of economic surplus and a wide range of income opportunities - most of which are more lucrative than the average remuneration of peasants. With peasants' own position being made insecure by government policies, urban migration obviously presents itself as a reasonable possibility - especially to young men and women at that time of life with the least family and other economic responsibilities. It is important to understand that the migration is not, for the great majority, because they are landless - but because the best jobs and opportunities for earning a higher income are in the towns. Although it is not the place to go into it here, it is entirely possible that the recent decision to achieve Universal Primary Education will, a decade or two after it takes effect, further increase the rate of immigration as educated young peasants seek out higher incomes in the urban areas.

In spite of the "socialist" aspects that the government makes much of, the Tanzanian situation has some depressing similarities to many explicitly capitalist countries. Increasingly during the 1970's, the country that the government, especially through the newspaper it controls, chose to compare unfavorably with Tanzania was Kenya. Yet the following
description of Kenya by the economist John Weeks, with the exception of a remark about Kenya's stronger trade unionism that I will omit here, could equally well apply to Tanzania (on the evidence we have seen towards the end of Chapter 2, and in Chapters 3 and 5).

It would seem safe to predict the present strategy of development incorporates the necessary and sufficient conditions for the following characteristics to emerge within the next 25 years: a) agricultural stagnation resulting from adverse terms of trade, urban migration and low rates of surplus and reinvestment, leading to urban food shortages and structural inflation; b) continual balance of payments crises requiring dependence upon foreign finance to a growing degree, and perhaps to repeated devaluation; c) non-competitive domestic industrial sector... further feeding inflationary tendencies; and d) increased urban migration as agricultural terms of trade deteriorate, resulting in the explosive growth of shanty-towns... In brief, the present strategy provides the ingredients for secular stagnation, and must be seen as an underdevelopment strategy. It seems quite possible that (it) can achieve this state much more rapidly than Latin American countries have managed to do.

Tanzania's towns, with their colonial layout, their sharp social inequalities, their commercialized and corrupting foreign cultural influences, their rich Western tourists and aid agency experts - and their beggars and prostitutes - are the culmination of a century of colonial and neo-colonial development. There, and particularly in Dar es Salaam, one sees the sharpest class differences to be found anywhere in the country. The class structure created by the colonial economy is thus most clearly reflected in the rapidly expanding urban areas that, in turn, help mould and maintain economic and social policy. What Tanzania's urban future will be can probably be seen in some of the longer established and larger urban centres in other areas of the peripheral capitalist world - the historical causes of the development of which have been anyway essentially the same.
Summary

The surplus that maintains the urban structure comes from both agriculture and abroad - the latter in structured form. Government policy rests on the assumption that towns "modernize" the countryside, and its expenditure has a heavy urban bias. Building a new administrative capital city is an extreme example of this. Urban policy is dependent on both foreign finance and planners. This results in class-biased facilities of "international standards." The consequence of such foreign assistance is to keep the economy locked into the same raw-material-exporting structural position. The bureaucratic "bourgeoisie" and the middle-classes do not question the inherited urban structure, because it works very much to their advantage. They want Tanzania to "develop", but in a way that is consistent with maintaining their own position and privileges. There appears to be no widespread understanding that non-productive expenditure of surplus entails lack of economic growth - partly because aid confuses the identification of cause and effect. Since the economic structure has not radically changed, the prospects for urbanization seem to be: more of the same. The only thing that could alter further development along the lines laid down by colonialism would be an economic restructuring of a scale of that of the introduction of colonialism itself. This would involve violent class conflict. There appear to be no revolutionary forces in the social structure that would bring this about. This is mainly because all have the rural option of subsistence agriculture to fall back on. Also the government monopolizes revolutionary rhetoric. An eventual political move to the right would seem more likely - and this would probably mean increased expenditure on up-to-date urban facilities. Tanzania's urban future can probably be seen in the picture that much of Latin America and Asia already present.
Footnotes

Chapter One


4 In reality sub- and super-structures are not clearly separable, but different facets of a unitary process - the operation of Tanzania's modes of production as they exist in time. I feel that an analysis of the generation and allocation of surplus has great explanatory power in accounting for features of the country's urbanization, but it is perhaps inevitable that such an approach gives a somewhat "economistic" account. The intention is not to convey the impression that urbanization has to be as it is currently - only that there are very strong pressures (to do with the flow of surplus) underlying what is happening.


9 Ibid. pp.214-215. Note also that recent arguments about the possible restoration of capitalism in China (see Charles Bettleheim, "China Since Mao", *Monthly Review*, July-August, 1978) are not relevant to the specific point here - which is about the adequacy of the potential surplus.

10 Baran, op. cit., p.281. Again, the only feature of the Soviet Union relevant to the argument here is that enough surplus has been generated to create high rates of economic growth.


13 Ernesto Laclau, "Feudalism and Capitalism in Latin America," *New Left Review*, No. 67 (1971). He maintains that Frank's definition of capitalism in Latin America is one based on distribution and exchange, rather than one based on the way things are produced.


Emmanuel, op. cit., p. 43.


Richard Barnet and R. Muller, "Global Reach: The Power of Multinationals," New Yorker (December, 1974).


Chapter Two


7. Ibid., p.168.

8. Even now there are only about 200 horses in the country, compared with more than 10 million cows. See, Berry (1971), p.163.


11. Ibid., p.28.

12. Ibid., p.35.

13. Ibid., p.125, and p.131.


17. Ibid., p.50.


Chapter Three

1 Soren Jensen, "Gross Domestic Product in 1967", ed. Berry (1971), p.46. In Table II the 1967 figures are from this source, and the 1973 figures are calculated from United Republic of Tanzania, The Economic Survey: 1973-74 (Dar es Salaam,1975), Table 2, p.7. Note that Gross National Product figures would be preferable, since Gross Domestic Product also includes earnings that go abroad. Statistics are not published in the former, which would be a more accurate measure of actual income. I am grateful to Dr. Geoffrey Hainsworth for this point.


3 Jensen, op. cit., p.46.


5 ed. Berry, Table 19, p.165.

6 United Republic of Tanzania (1975), p.54.

7 Bank of Tanzania, p.32.


9 Bank of Tanzania, p.32.


11 Bank of Tanzania, p.32.


13 Ibid., pp.55-56.

14 Ibid., p.64.
15 Bank of Tanzania, p. 90.
17 Bank of Tanzania, p. 31.
18 Ibid., p. 90.
19 Ibid., p. 90.
21 Bank of Tanzania, p. 10 and p. 31.
22 Ibid., p. 32 and p. 91.
23 Ibid., p. 96 and p. 91.
24 Ibid., p. 34 and p. 91.
28 Bank of Tanzania, p. 34.
30 Bank of Tanzania, p. 96.
31 John White, "Industrial Production," ed. Berry, p. 84.
33 Ibid., pp. 22-23.
34 Ibid., p. 10.
36 Leys (1975), p. 121.
39 Rweyemamu, p. 215
39a For this point about the lack of planning between agriculture and industry, and for much of the general perspective here on industrialization in Tanzania, I am indebted to Clive Thomas. See his, Dependence and Transformation: The Economics of Transition (New York, 1974).


Bank of Tanzania, p. 11.


Bank of Tanzania, p. 96.

Nyerere (1977), p. 34.

Rweyemamu (1973), p. xii.

Bank of Tanzania, p. 28.


Ibid., p. 117.

Ibid., p. 16.

Ibid., Table C, p. 114.

Bank of Tanzania, p. 13.

Ibid., pp. 89-92.

This point is taken from Thomas (1974).


Bank of Tanzania, p. 12.


Bank of Tanzania, p. 19.

Simplified from Ibid., p. 51.

Ibid., p. 84.

Ibid., pp. 19-20.

Ibid., p. 84.
Jamal (1976) cites GDP as rising 17% between 1970 and 1975, and Recurrent Expenditure rising 27% in the same period.

Bank of Tanzania, p.84.

Ibid., p.21.

Michaela von Freyhold, "The World Bank and its Relationship to Tanzania," Department of Economics, University of Dar es Salaam, MS (n.d.).


U.R. of Tanzania (1970), Table 17, p.32.

Ibid., Table 7, p.18.

Data from Berry, Table 16, p.161.

Details from The Daily News, 20 December, 1974, i.e. expenditure for new capital city 1,500 M.Sh. out of total 13,889 M.Sh.

Bank of Tanzania, p.11.

Ibid., p.4.

Ibid., pp.7-8.

cf. Frank's chain of metropoles and satellites, each metropole up the chain being a satellite of a higher one.


Bank of Tanzania, p.22.


Chapter Four

1  J.E.G. Sutton, "The Peopling of Tanzania," eds. Kimambo and Temu, p.12. The account to this point owes most to Sutton. See also his "Languages and Peopling", ed. Berry, p.110.

2  There were also about a thousand years ago Indonesians on the coast. They either became completely absorbed by the other races, or moved on. Some cultural features remain - such as the outrigger canoes that coastal fishermen still use. The Indonesian racial element is still very evident however on the very large island of Madagascar, south-east of Tanzania.

4  Arab women though seemed to like African men, according to Richard Burton, "for reasons that are somewhat too indelicate for the general reader." See his Zanzibar: City, Island, and Coast (London, 1872).

5  Compare the position of the Chinese in South-East Asia this century.

6  Although not an important point in terms of our subject, the Indian influence on East African "cuisine" has been considerable.

7  As was mentioned in Chapter 2, there were Portuguese on the coast during the 16th and 17th centuries - but these had entirely withdrawn south to Mozambique by about 1700.

8  I met an African woman in a mental hospital in Dodoma once, who could speak English, German, and Italian - all quite well - as a result of her education in mission schools.

9  The Daily News, 12 June, 1976. This works out at: Wages, 80,000 Shs. per month; and Revenue, 1,800,000 Shs. per month.


11  The system of "chefs de canton" in the French African colonial territories had a quite different effect.


18 See, William Hinton, Fanshen: A Document of Revolution in a Chinese Village (New York, 1966) for an account of how these categories were used in the actual practice of land reform in China in 1948. Note that these three categories do not refer primarily to level of wealth, but to production relations, i.e. the type of labour used.

19 Clifford Geertz, Agricultural Involution: The Processes of Ecological Change in Indonesia (Berkeley, 1968).

20 V.I. Lenin, The Development of Capitalism in Russia, and A.V. Chayanov, The Theory of Peasant Economy. Raikes has an interesting short discussion on this in his "Wheat Production and the Development of Capitalism in North Iraqw," eds., Cliffe et al. (1975), pp.99-101. The details on Mbulu District in the next paragraph are from this article.

21 A. Awiti, "Ismani and the Rise of Capitalism," eds. Cliffe et al. (1975), pp.61-66. The actual text reads "1-14.9 acres", "15-39.9", "40-99.9", etc. I have rounded off the figures since it reads more smoothly and is easier to grasp. Since land does not come in discrete quantities, there is anyway — strictly speaking — a blank gap between the category that ends in 99.9 acres, and the one that begins at 100 acres (as in the actual text). Small point.


25 Ibid., p.42. As the author points out, this procedure obviously also wastes a lot of economic surplus.

27 See, Cliffe and Cunningham, op. cit., and their bibliography, for further details of this.

28 See, eds. Cliffe et al. (1975), Table II, p.321.

29 Even Nyerere (1977), p.45, admits this.


31 In, Maji-Maji (Dar es Salaam), No. 20 (January,1975).


33 Ibid, p.41.

34 Ibid., p.18.


39 International Labour Office (1972), p.6. "The characteristics of formal sector activities are the obverse of these, namely:— (a) difficult entry; (b) frequent reliance on overseas resources; (c) corporate ownership; (d) large scale of operation; (e) capital-intensive and often imported technology; (f) formally acquired skills, often expatriate; and (g) protected markets (through tariffs, quotas, and trade licenses).


41 Geertz (1968).


See, Aidan Southall and Peter Gutkind, *Townsmen in the Making* (Kampala, 1957), p.54 and p.152. Such people in Kampala made profits of "several hundred shillings a month" - and this was in the 1950's.


LeBrun and Gerry, op. cit., p.25.


Ibid., Tables 20b and 20c, p.27.


Ministry of Economic Affairs and Development Planning (1974) p.59 and p.21. These figures cover: "All wage-earners and salaried employees except the following: (a) Wage earners in small-holder agriculture whose work is highly seasonal, (b) Employees in households, (c) Members of the Foreign Diplomatic Corps and International Aid organizations stationed in Tanzania, and (d) Members of the armed forces," (p.7).

Ibid., p.22.

Ibid., p.5.

Ibid., p.17.

Paschal B. Mihyo, "The Workers' Revolution in Tanzania," *Maji-Maji*, No. 17 (August, 1974). The author of this was a Tanzanian law student - as is perhaps evident by the delicious style.


The actual phrase used on I.D. cards issued to them afterwards to prove it. Reproduced in, ibid.

Tabari (1975), p.95, for an account of this.

Ibid.


This would include Mahmood Mamdani, Nicos Poulantzas, John Saul, Issa Shivji - among others.


Some professionals receive fees instead of salaries, but in fact most are employed by the state rather than being fee-receiving independents.


Ibid., p.38 and p.34.


For example, Nyerere - and many others.


Green, op. cit. This paper was first published in 1974. The income
figure thus almost certainly applies to what was the case before the 1973-75 inflation and producer price rises.

81 Mapolu (1972).
82 A. Awiti, "Ismani and the Rise of Capitalism", eds. Cliffe et al. (1975), p.64.
85 Shivji, op. cit.
88 Trotsky's analysis held that the working class had seized power in Russia in 1917, but because (a) it was weakened by the civil war that followed, and (b) it was anyway undeveloped (due to the low level of development of the forces of production), the bureaucracy became a ruling stratum. See Sweezy's discussion on whether this is now a class or a stratum in, "Is There a Ruling Class in the USSR?", Monthly Review, XXX, No. 5 (October, 1978). His answer, roughly, is that if this situation remains stable and reproduces itself, then it is indeed a ruling class.
89 At least according to David Lane, The End of Inequality? Stratification under State Socialism. (Harmondsworth, Middlesex, 1971), p.43. This makes reference to B. Rizzi, La Bureaucratisation du Monde (Paris, 1939).
91 An alternative argument to counter the objection that the bureaucratic stratum does not own the means of production as their private property, would be one derived from Balibar's discussion of Capital. He claims that Marx usually confused the two functions of the capitalist, those of ownership and control. The capitalist owns the means of production, including the labour power he has purchased, and the finished product; and the capitalist controls the production process, including the labourer. "Marx constantly confounds them in a single concept, the concept of the separation of the labourer from his condition of labour" (p.214). It should be clear that the bureaucratic stratum in Tanzania does indeed fulfill the second function of the capitalist, that of control. The first function is more complicated. Balibar says one must "distinguish between the relations of production themselves...and their 'legal expression'...(i.e.) that we have called 'property' and the law of property." (p.227). "Whereas legal property is a right of consumption of any kind (in general: the right 'to use and abuse')... the economic ownership of the means of production is not so much a legal 'right' to them as the power to consume them productively... This power does not come down to a law, but...to a distribution of the means of
production (notably a suitable concentration in quantity and quality)." (p.231). In the Tanzanian case, whereas the bureaucratic stratum does not have, in Balibar's terminology "legal ownership", it does have "economic ownership" of the means of production. Balibar's definition of economic ownership as having to do with "power to consume productively" comes close to the simpler formulation in the text here, that "ownership" means "certain socially determined rights of control".

One of the main functions of a state is to maintain and protect the property system. Those who control the state use it to ensure they continue to benefit from the given property system. In the Tanzanian case, the key fact of relevance here is that so much of the economy is nationalized - i.e. state property. The bureaucratic stratum thus controls (has economic ownership of) the major part of the economy. It is this kind of property system, implying a particular mode of surplus appropriation, that defines them as a bureaucratic ruling class or stratum.

Nyerere (1977), p.16.

The Daily News, 24 June, 1976. This figure is arrived at by dividing Gross Domestic Product by total population. This would not be the same as the actual median income - which would be appreciably lower.

There were strong rumours in Dar es Salaam at the time that such an incident occurred on the Morogoro road on the outskirts of the city. The Daily News made no reference to it, but announced a few days later that the head of the Army, Major General Sarakikiya had been made a civilian and head of an entirely new Ministry of National Culture and Youth. The same day five other military chiefs were given promotions and switched to different regions or posts. The Daily News sternly warned against "those who, blindly playing a counter-revolutionary role, take a pervasively keen interest in misinterpreting any changes that take place in our society."

My thinking about the "bureaucratic bourgeoisie" owes a lot to Issa Shivji at the University of Dar es Salaam, and to his manuscript, "The Class Struggle Continues". The term appears to have been formulated by Majhemout Diop in Classes and Class Ideology in Senegal (Editions du Comité Central du P.A.I.,1965). See, Ruth First, The Barrel of a Gun (Harmondsworth, Middlesex,1970), p.105.

Green (1976).

Chapter Five

11. United Nations, *Demographic Yearbook 1974*. The figures in this paragraph and the one below are all from this source, but note that they are not all from the same year: they are mostly from national censuses and surveys done between 1970 and 1974.
12. ed. Berry, p.170. Mtwara Region (1967 population:1,032,000) has now been split into Mtwara and Lindi Regions, to make 18 Regions currently.
15. Ibid., p.53.
16. G. Hamdam, "Capital Cities of the New Africa", ed. Breese, pp.154-155. Ethiopia has only relatively recently had a coast (Eritrea), and could possibly lose it again.

21 Dar es Salaam has a refinery, into which Iranian oil is shipped. The five multinational oil companies operating in Tanzania all draw their stocks from this. There are in addition 15 depots throughout the country— one in most of each of the main provincial towns. See, ed. Berry, p. 96. The essay by A. Mascarenhas, "Urban Centres," ed. Berry, has been very useful in helping formulate thinking in the previous few pages.

22 These figures are all from the table on p. 74 of, Ministry of Economic Affairs and Development Planning (1974).


24 Ibid., pp. 91-92.

25 McGee (1967), p. 57. Occasional whole paragraphs in this book could, with a word or two changed, be speaking about East African towns. See p. 63, for example.

26 ed. Berry, Table 16, p. 161.


28 U.R. of Tanzania (1975), Table 21, p. 38. Also, Ministry of Economic Affairs and Development Planning (1974), Table 34a, p. 38.

29 Ibid., Table 35b, p. 41.

30 U.R. of Tanzania (1975), Table 28, p. 42. The average was 391 Shs. per month, although Table 27 on the same page shows 50% of employees got between 150 and 300 Shs. per month in that year (with another 12% below 150 Shs.) Note that because of inflation, great care should be taken in comparing these figures for those of other years.

31 Ministry of Economic Affairs, etc. (1974), p. 43.

32 Ibid.

33 Ibid.


36 Ibid., p. 5 and p. 8.

37 Ibid., p. 19.

38 U.R. of Tanzania (1975), Table 54, p. 83.
Ibid., p.84.


41 Ibid., p.18.

42 Jensen, ed. Berry, p.142.


44 For example, in 1967, of 104 secondary schools in the whole country, 69 of them were concentrated in 11 towns (Dar es Salaam had 14, Moshi 14, Bukoba 6, Mwanza 6, Tabora 5, and Arusha, Dodoma, Tanga, Iringa, and Mbeya all 4 each. See, Joan Battersby, "Education", ed. Berry, p.122.

45 Extracted from Table 16, ed. Berry, p.161.


47 ed Berry, Table 8, p.161.


51 Bienefeld and Sabot, p.17 and p.28. This was a sample survey of urban residents, 15 years of age and over, living in Dar es Salaam, Tabora, Dodoma, Mwanza, Mbeya, and Arusha.

52 Ibid. p.108.


54 Bienefeld and Sabot, p.31-32.

55 Mascarenhas, op. cit., p.132.


57 Bienefeld and Sabot, p.181.

58 Ibid. p.221.


61 For example, 60% of migrants in Dar es Salaam from Kigoma and West Lake visit home once a year for a few weeks. Both these areas have high migration rates - West Lake usually of the highly educated, and Kigoma of the unskilled, relatively uneducated.


63 Bienefeld and Sabot, p. 32.

64 Sabot, p. 23.

64 Ibid., p. 14.

65 Ibid., p. 19 and p. 35.

66 Ibid., p. 80.


69 U. R. of Tanzania (1975), Table 30, p. 44.


76 Ibid.

78 Mascarenhas, ed. Berry, p.132.


81 Ibid.


83 Ibid., p.111.


87 Ibid.


90 Stren (n.d.)


93 Stren (1972).

94 Bienefeld and Sabot, p.12.

95 ed. Berry, Appendix I, p.153. Actually 12,479 people. The 75,000 figure was quoted to me by several people at the University of Dar es Salaam in May 1976.

96 For the exact percentages see, United Nations, Improvement of Slums and Uncontrolled Settlements (New York,1971).

97 R. Stren, "Urban Squatting in Tanzania, with special reference to Dar es Salaam." Ministry of Lands, Housing, and Urban Development (1973) mentions this. I have also seen this happen myself, of people I knew who wanted to start building a house. The "jumbe" seems to be usually also a TANU official.

It should be made clear that this is a particularly crowded squatter area. The typical Tanzania ones would be much less crowded and probably have lower, though still significant, percentages of these and other diseases.


Hoek-Smit, p. 53. She found that 20% of owner-household-heads relieved themselves away from their houses - and this is in a now established area, one no longer a squatter settlement.


Mascarenhas and Sandberg.

Ibid.

Blunt, p. 30, and Hoek-Smit, p. 65.

Mascarenhas and Sandberg.


Ibid., p. 163.

Hoek-Smit, p. 87


Stren (1973). He notes that, by comparison, the cheapest NHC house cost 15,700 Shs. to build in 1971.
112 Lisa Redfield Peattie, *The View from the Barrio* (Ann Arbor, 1971), p.38. This study was in Venezuela.

113 *Stren* (n.d.). *Nyerere* (1977), p.29. also gives a figure of 7,000 Shs. for a house with a permanent roof and a thin cement floor. He says this is of "not very long ago" - which may have meant before the large price rises in construction materials. He also gives a figure of 18,000 Shs. for a cement-block house of the same, unspecified, time.

114 *Blunt.*

115 Ibid., p.24. I am grateful to Alistair Blunt for permission to use the figures from this survey.

116 Ibid., p.22.


118 Mascarenhas and Sandberg found an average of 7 per house. Blunt, p.2, found 10.3 for Manzese. Friedhelm Kamin, Town Council, Iringa, has found about 10 for Iringa.

119 Blunt, p.23, shows an average 2.43 per room. Mascarehas and Sandberg found an average of 1.8 per room, rising to over 2 people per room in the settlements closer to employment centres.


121 Ibid., p.22, p.25, and p.93.

122 Blunt, p.21, and Hoek-Smit, p.6.

123 For example, Kisutu had 93 huts in 1974; Manzese had 93,000 people in 1975.

124 Mascarenhas and Sandberg.


126 A bibliography of some of Turner's work can be found in, S. Brett, "Low-Income Urban Settlements in Latin America: The Turner Model," eds. E. de Kadt and G. Williams, *Sociology and Development* (London, 1974). This article is a good exposition of some of Turner's main ideas.

127 Blunt, p.11.

128 Ibid., p.12 and p.4.

129 This particular newspaper extract is actually taken from Tabari (1975), p.94. I saw the still smouldering Kisutu myself the day after the demolition.


132 Frankenhoff.

133 Stren (1973); and Stren (n.d.).

134 This is mentioned by Joan Vincent, "The Dar es Salaam Townsmen," Tanzania Notes and Records, No. 71, 1970, p.149.

135 This quotation is taken from Stren (n.d.).

136 For one of the most recent examples of bull-dozing, see, Victoria Brittain, "Kenya's Poor are Bulldozed out of Town", Manchester Guardian Weekly, 15 January 1978.

137 Stren (n.d.).


139 Stren (n.d.) says, "The only case of successful mass relocation of squatters involved those living on the former Hannah Nassif estate in Kinondoni."


141 Hake and Ross, op. cit.


143 Stren (1972).


145 Stren (n.d.).


Chapter Six

1 Jensen, ed. Berry, p.46.


4 The Daily News, No. 823, December 1974, "13,889 M.Sh. to be invested in next Plan".


7 See Table XX, p. 292, above.


10 Ibid.

11 "Fugu Road Project to cost 25M.Sh. more", The Daily News, 20 May 1976. The original estimate was 75 M.Sh.


14 Nyerere (1977), pp.46-47.


18 Quoted by Leys (1975), p. 273. The title of the original paper is, "Imbalance between the Centre and Periphery in Kenya: A Diagnosis and a Strategy", Mimeo (n.d.).
Selected Bibliography


Cliffe, Lionel; Lawrence, Peter; Luttrell, William; Migot-Adholla; and Saul, John, eds. Rural Cooperation in Tanzania. Dar es Salaam, 1975.


---------- "Rural-Urban Mobility in South-East Asia: Different Formulations, Different Answers." Mimeo, Australian National University, 1976.


---


---


---


---


APPENDIX

I will make a few brief comments here on some of the methodological issues that arise from this thesis. I resided in Tanzania from August 1973 to May 1975, and then again from May to July 1976. The second trip had to be cut short for medical reasons, and on it only a limited amount was achieved. The bulk of the thesis is the result of twenty-one months spent in the country on the first trip, and about two years subsequent reading and writing in Canada.

In spite of being — what I thought at the time — reasonably well prepared for what I would encounter in Tanzania, for the first six to nine months there I found myself almost completely at sea. There were at least three reasons for this. The first was the result of having to learn the language, Swahili, from scratch — and something that I had anticipated. The second was because my original research project did not prove to be feasible, as a result of unforeseen political developments (see, pp. 212–213). The third was the graduate training I had gone through proved itself to be of very limited use in understanding what was actually going on there. I only came to make, what seemed to me, sense of it all through a considerable restructuring of my theoretical approach, and — quite frankly — a certain amount of personal anguish. It was largely through discussion with, and reading the work of some of the intellectuals associated with the University of Dar es Salaam at that time, that I was able to achieve this.

Of the main issues dealt with in this thesis, the one that first caught my attention was that of squatter settlements. This was a phenomenon that struck me as needing explanation while I was actually living and working in Dar es Salaam; it was something about which I had very
little knowledge, or pre-conceived notions, before I went to Tanzania. The rest of the thesis grew from that initial interest, moulded partly by the directions in which such ponderings led me, and partly by the demands of expediency. I attempted to obtain official research clearance to do a study of squatting in one of the provincial towns, Iringa. While I was never actually denied permission, nor was I ever granted it. This meant that I had to proceed carefully, and limit myself to what was practicable. Unofficially, and with a moderate amount of discretion, one can in fact tap various sources of data.

I decided there was nothing to be gained by attempting to stick to any one recognized methodology in social science. Instead I used every means I could to collect the sort of information I thought was relevant - and then to "make sense" of it. This involved immersing myself in what was going on, while at the same time trying to maintain a certain amount of intellectual "distance" from it. I read widely: both published material, and unpublished information that I was able to find in libraries, ministries, local government offices, and to obtain from friends and acquaintances in various institutions. The newspaper, read religiously every day, was an excellent source of material, both of facts and of opinions. I travelled around all but the three southernmost provincial towns, and talked to a wide range of people in a great variety of occupations. Using a certain degree of tact, I found that government officials, teachers, bus drivers, street-traders, artisans, prostitutes, and even professional thieves (one of whom had earlier robbed me) were extraordinarily willing to talk and give me information on all manner of things. I obtained far more "ethnographic" data than I have been able to use in these pages.
In some respects these methods resemble those described as "participant observation". I used various types of data, including as much personal knowledge (in Michael Polanyi's meaning of the phrase) as I was able to gather. The difference is that I was not able to study in great detail one specific town or part of a town, as a sociologist or urban anthropologist using such a method might usually do. As unobtrusive as I tried to be, a white person spending a lot of time in, for example, one particular squatter area soon raises questions. I had to compromise and spend small periods of time in many such areas, rather than a sustained period in one. The difficulties are not overstated – I was questioned more than once by the police.

Nevertheless there was some advantage that I feel I was able to derive from these peripatetic techniques. Most empirical studies of urban areas, including squatter settlements, that have been done in East Africa are almost completely devoid of theoretical content (see my: "Some Aspects of Urbanization in Tanzania"). Being unable to concern myself solely with one specific such area, I was forced to think about the general features of them – and it was this that eventually led me to the theoretical framework of analyzing surplus creation and flow. I hope that what the methods I adopted may lack in rigour are more than made up for in resultant scope.

A few final points should be noted. Where government statistics are concerned, I used them at face value. Some of them, for example those obtained by the government by postal questionnaire, are almost certainly inaccurate – though to what degree, one can only guess. I used such data on particular topics simply because it is the best there is.
Because of the rate at which changes are happening, it has almost always proved necessary to date any specific piece of information. This can be tedious, but town sizes, wage rates, employment figures, prices, can all be meaningless unless one knows the year to which they refer.

For the main period in which I was in Tanzania, the Shilling varied from 6.93 to 7.19 to the U.S. Dollar (see: Bank of Tanzania, Table 8, p.73). In October 1975 it was devalued to 8.29 to the dollar. As a rule-of-thumb guide, $1=7 Shs., for the first half of the 1970's.

The thesis deals with the mainland of Tanzania only (i.e. excluding the islands of Zanzibar) except when otherwise explicitly stated.