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Kyoto University
ASPECTS OF NYERERE’S ECONOMIC THOUGHT
A Study in the Dynamics of African Leaders’ Aspirations in Directing Their Countries’ Economic Growth after Independence

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Department of Political Science and Public Administration,
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ABSTRACT African independence challenged the new nations of Africa with how best to bring about the betterment of life. Before independence, Africans were subordinated and given a low priority in the sharing of their countries’ economic blessings. Therefore, with the withering away of colonialism, African leaders had to think of how best to bring about development for their respective countries. Developmental strategies that ensued ranged from trial and error to dogmatic and pragmatic. However, imperialism did not leave them alone.

Many leaders were overthrown regardless of the endearment of their nationals. And, the resulting economic situation was in shambles. Natural disasters did not spare the African new states. Then again, Africans’ own warrings retarded their economic growth. This paper looks into the ways and means of one of Africa’s leaders, Julius Kambarage Nyerere of Tanzania, as for over two decades he struggled toward making Tanzania an economically viable nation-state.

INTRODUCTION

This article traces the way Julius Kambarage Nyerere steered his country’s ship of economic growth from the time of independence in 1961 through two turbulent decades. During that period, Nyerere was not only able to maintain the loyalty and confidence of his people, but also managed to heap up the confidence of the international financial world to be able to have his “cake and eat it too.” as the saying goes. This was the result of his consistency and believability. One could rely on Nyerere’s word of mouth. He never did anything or said anything he did not believe in.

Many a time Nyerere ran into economic difficulties for not yielding to pressures that were geared towards forcing him to change his course of action. The most dramatic of such occurrences came in the mid sixties when his ideological stand lost him millions of shillings that were forthcoming from the American, the British and West Germans. And, in the late 1970’s, Nyerere had problems with the World Bank and the International Monetary Fund who wanted him almost to reverse his socialist direction to get their aid. Circumstances, therefore, had a lot to do with the perfecting of Nyerere’s political and economic thought. This makes it easy for one to follow up the various ways and means with which Julius Kambarage Nyerere, Tanzania’s political magnate, managed to steer his country’s economic development through turbulent waters of the international economic scene.

NYERERE AND THE ECONOMIC REALITY

The economic reality that was to face Nyerere’s leadership on the day of Tanganyika’s independence on December 9, 1961, left a lot to be desired. For, during colonial heydays, the
society in Tanganyika was stratified along racial lines in both economic and social fields. Whites held top Government positions and were practically in all top positions in the private sector of the economy. In the middle of the social totem pole were the Asians who held skilled and semi-skilled positions. They also managed the retail trade. The indigenous Africans remained in unskilled labouring positions and as peasant farmers. Therefore, poverty, disease and ignorance dominated Tanganyika’s panorama. The population then of 9,237,600, according to the 1960 estimates consisted of 22,300 whites, 117,300 Asians and other non-Europeans, and 9,098,000 Africans.

The country itself had passed through two metropolitan administrations: the Germans up to the end of World War I, and the British since then. These foreign rulers were not stable enough to develop the country. As a result Tanganyika became and has remained one of the least economically developed countries in the whole wide world with one of the least per capita incomes in Africa which depends primarily upon an agrarian economy. Recurrent expenditures exceeded the country’s revenues and the Government depended “on external financial assistance for development funds”. Tanganyika’s principal exports in the years of 1956 and 1958 were shown in Table 1.

Tanganyika’s principal imports during the next two years of which we have records were given in Table 2.

Both tables are incomplete, of course, as they exclude other small scale goods which played a good role in both exports and imports for the given years. Note also that while exports showed a slight decrease, imports increased significantly. Such was the situation that Nyerere inherited as the leader of a newly independent Tanganyika.

Following the national elections of 1960, Julius Kambarage Nyerere formed a Government and became Tanganyika’s Chief Minister. With the country slowly losing money as shown

<p>| Table 1. Principal exports in 1956 and 1958. |</p>
<table>
<thead>
<tr>
<th>Commodity</th>
<th>1956</th>
<th>1958 (in million £)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sisal</td>
<td>10,823</td>
<td>10,349</td>
</tr>
<tr>
<td>2. Coffee</td>
<td>7,725</td>
<td>5,942</td>
</tr>
<tr>
<td>(a) Arabica</td>
<td>1,499</td>
<td>1,631</td>
</tr>
<tr>
<td>(b) Robusta</td>
<td>7,486</td>
<td>7,249</td>
</tr>
<tr>
<td>3. Cotton fibre</td>
<td>2,865</td>
<td>4,415</td>
</tr>
<tr>
<td>4. Diamonds</td>
<td>1,111</td>
<td>1,133</td>
</tr>
<tr>
<td>5. Hides</td>
<td>10,349</td>
<td>10,349</td>
</tr>
<tr>
<td>Total</td>
<td>31,509</td>
<td>30,719</td>
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<p>| Table 2. Principal imports for 1959 and 1960. |</p>
<table>
<thead>
<tr>
<th>Commodity</th>
<th>1959</th>
<th>1960 (in million £)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Base metals and manufactures of base metals</td>
<td>4,483</td>
<td>4,279</td>
</tr>
<tr>
<td>2. Industrial and commercial machines</td>
<td>2,654</td>
<td>3,128</td>
</tr>
<tr>
<td>3. Cotton piece goods</td>
<td>3,198</td>
<td>3,528</td>
</tr>
<tr>
<td>4. Buses, trucks, lorries, vans and chassis</td>
<td>1,229</td>
<td>1,756</td>
</tr>
<tr>
<td>5. Gas, diesel and other fuel oils</td>
<td>1,457</td>
<td>1,703</td>
</tr>
<tr>
<td>6. Fabrics of synthetic fibres</td>
<td>1,492</td>
<td>1,636</td>
</tr>
<tr>
<td>7. Motor spirits</td>
<td>1,222</td>
<td>1,162</td>
</tr>
<tr>
<td>Total</td>
<td>18,720</td>
<td>19,355</td>
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Table 3. Comparative production for 1963 and 1964.

<table>
<thead>
<tr>
<th>Crop</th>
<th>1963-TONS</th>
<th>1964-TONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sisal</td>
<td>214,000</td>
<td>239,000</td>
</tr>
<tr>
<td>2. Cotton lint</td>
<td>47,800</td>
<td>51,700</td>
</tr>
<tr>
<td>3. Coffee</td>
<td>26,000</td>
<td>29,000</td>
</tr>
<tr>
<td>4. Tea</td>
<td>4,900</td>
<td>5,700</td>
</tr>
<tr>
<td>5. Copra</td>
<td>11,000</td>
<td>16,000</td>
</tr>
<tr>
<td>6. Pyrethrum</td>
<td>2,200</td>
<td>2,800</td>
</tr>
<tr>
<td>7. Tobacco</td>
<td>2,300</td>
<td>2,000</td>
</tr>
<tr>
<td>8. Cashews</td>
<td>56,000</td>
<td>60,000</td>
</tr>
<tr>
<td>9. Sugar</td>
<td>49,000</td>
<td>59,000</td>
</tr>
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...in Tables 1 and 2, the new "Responsible Government" embarked upon a responsible programme designed to improve the economy of the nation. Something rather ambitious took place. The new Nyerere Government published a Three Year Development Plan (British Information Service, 1961: 648–649) which summarized the country’s most urgent objectives as follows:

Development of agriculture and livestock industry with its subsidiary task of development of water supplies and irrigation; improvement and development of communications; development of secondary and technical education.

In accordance with this estimate of requirements, it is proposed to devote 28.8 per cent of expenditure to communications, power and works, 20 per cent to agriculture, and 13.7 per cent to education, while smaller proportions were allocated to projects concerned with, for example, lands and surveys, local government, commerce and industry, and health and labour problems.

The Plan was drawn up by a Development Committee appointed by the Government in 1960. It envisaged expenditure of £24 million on projects which the Committee believed to be foundation stones for future expansion of the economy. External sources accounted for £18 million of which £11 million was the result of external borrowing, and £7 million being grants from the United Kingdom and other sources. Local revenue produced about £2 million whereas internal borrowing raised the remaining £4 million. The Plan was a success during its operational period of July 1961 to June 1964. By the end of the three years, Tanganyika had merged with Zanzibar to become Tanzania. Nyerere (Information Division, 1965: 2) greeted 1965 in the following words:

The United Republic of Tanzania is now different from what she had been on the Republic day in 1963. She had been through a great deal, learned many things and made real progress in the development of the country, most important of them all being the formation of a new nation—The United Republic of Tanzania.

The success of the Three Year Development Plan brought an even greater ambition. But let us first see some figures on comparative production in round figures for 1963 and 1964 in Tanganyika (Table 3).

Reading from the figures above, one cannot fail to be impressed by the fact that Nyerere had indeed taken positive steps to steer the country in the right economic direction. By 1964, the economy was on the upswing with good economic progress. Exports were reported to total £48.3 million during January–September 1964 compared with £42.2 million for the corresponding period in 1963 (British Information Service, Library Division, 1965; 318). Furthermore, under the Three Year Development Plan, skimmed milk yield rose by 100%; African farmers especially in Arusha and Kilimanjaro areas purchased over 300 heads of Jerseys and Borans which are improved breeds of cattle; mechanized agriculture went on pace—the Gov-
ernment imported 384 tractors in 1964 and there were 100,000 ox-ploughs in use in Tangan­
yika (mainland Tanzania) in 1964. The fruits of independence were beginning to show as the
country was making a quick economic recovery.

The obvious economic recovery gave the Nyerere Government reason to be even more am­
bitious. Mainland Tanzania announced a Five Year Plan for economic and social develop­
ment: July 1, 1964–June 30, 1969 (Nyerere, 1964: 11). The plan envisaged the expenditure
of £246 million over a five year period. The major target was to raise standards of living
and of education. Social services were to be expanded. Modernization was to be speeded up.
Agriculture was to be improved some more. To those ends, the Tanzania Government encour­
aged foreign investment in the country’s agriculture and industry, and welcomed direct for­
eign aid. Investment opportunities were opened to many overseas concerns which included
both private companies and statutory organizations such as the Commonwealth Development
Corporation which at the start of the plan, had already invested in eleven projects ranging
from sugar planting to gold mining. The Plan also made generous concessions to foreign
interests. In January, 1965, the Government set up an important parastatal, the National
Development Corporation which amalgamated the former Tanganyika Development Cor­
poration and the Tanganyika Agricultural Corporation. The N.D.C. was intended to help
“stimulate interests in investment opportunities throughout the Republic” (British Informa­

The Government intended to stimulate the fastest economic growth ever without hurting
external credit or domestic finances. All spheres of activity in the country in addition to min­
isterial programmes were covered in the Plan. It was an “expression of the Tanganyika Gov­
ernment’s desire to translate into a concrete and consistent form, in consonance with its basic
political beliefs, its aspirations regarding the economic and social progress of the country”
(Nyerere, 1964: 11).

The Five Year Development Plan was part of a long term objective spanning a fifteen year
period of up to 1980. Therefore, it was the first of three tangential or connecting plans. At the
beginning of the Plan the annual per capita income was £19.6 shs. Under the new Plan this
was to rise up to £45 by 1980. It was also hoped that by 1970 the per capita income would
have been raised by 50%. The sources of finance for the Plan were that about £103 million
was to come from the central Government in this manner: £22 million from domestic saving, and
£80 million from bilateral and multilateral foreign aid programmes. The private sector
was to raise £116 million, while about £31 million was to be in the form of a net in flow of
capital over the five year period. The objectives of the Plan (Nyerere, 1964: 2) boiled down
to the following three:

1. By 1980, to raise the per capita income from the present £19.6s. to £45.
2. To be fully self sufficient in trained manpower requirements.
3. To raise the expectation of life from the present 35 to 40 years to an expectation of
   50 years.

In announcing the Plan, Mwalimu Nyerere (1964: 3) enthusiastically declared the ways
in which he hoped to achieve these goals:

We shall achieve this increased prosperity if we expand our production of goods. We shall become
more wealthy by producing more wealth... Under the Plan, therefore, we shall increase our produc­
tion of manufactured goods. And we shall re-organise our social, economic and commercial structures
so as to get the full benefit from our expanded production.

Mobilizing his country to apply what it takes to reach the goals of the Plan, Mwalimu (1964:
9) said:

To achieve the objectives of the Plan the whole nation must work as a team.... It is a declaration of
war; and everyone of us is a soldier. Our weapons are our hands and brains; our ammunition is our
discipline and our determination... On land, in factories, in the classroom; in the hospitals: all of us; politicians, civil servants, soldiers, policemen, men, women and children. let us say: IT CAN BE DONE, PLAY YOUR PART.

Economic development does not always depend on internal factors alone. If it were so, the Five Year Development Plan would have been a mighty success. Unfortunately, external bottlenecks do indeed jeopardise national economic trends. This was the case when no sooner than Nyerere had announced the Five Year Development Plan, one of the already committed foreign donors—West Germany—pulled out of Tanzania’s source pool. For, immediately after the Union between Tanganyika and Zanzibar, a diplomatic squabble ensued. The Union Government recognized East Germany which already had diplomatic relations with Zanzibar. This recognition annoyed West Germany which was recognized by Tanganyika. At the time the West German Doctrine was that there was only one Germany and she—West Germany—was its sole and bonafide representative. Consequently, under the circumstances, Bonn threatened to withdraw her aid to Tanzania. Nyerere took the threat as an insult, and, in his defense of the honour of Africa, requested the West Germans to withdraw with immediate effect. It was done within 1964.

In 1965, the Government of Tanzania announced that it had uncovered a plot by the United States Government to overthrow the Government of President Nyerere in Tanzania. This led to a temporary strain in the diplomatic relations between U.S.A. and Tanzania and reduced America’s generocity to Tanzania. In the same year there arose a Rhodesian problem when Ian Smith declared the unilateral declaration of independence (UDI). Tanzania, in respect of an Organization of African Unity’s directive to break diplomatic relations with Great Britain for failure to prevent UDI or restore her rule over Southern Rhodesia, broke diplomatic relations with the United Kingdom. In return Great Britain froze her economic aid to Tanzania and withdrew her technical experts as well. The effect of the combined ill happenings was tantamount to economic suicide for Tanzania. “We came into conclusion that to base our economy on foreign investment is a serious mistake and that our First Five Year Plan was incorrectly based” (Saul et al., 1972: 167).

“Nobody likes to disliked” (Che-Mponda). Consequently, Tanzania which before independence had practically no links with the East began to accept their hands of friendship but conditionally:

We desire friendship with these non-Western nations as well as with Western nations on the same basis of mutual non-interference with internal affairs. We shall not allow any of our friends to be exclusive. We shall not allow anyone to choose any of our friends or enemies for us (Nyerere, 1968: 369).

Nyerere’s non-aligned posture paid off handsomely. The Peoples Republic of China stepped into some of the projects abandoned by the British, and later on embarked on one of the most ambitious foreign ventures—that of building the magnificent TAZARA: The Tanzania-Zambia Railway which was officially opened in 1976. Zambia being a land-locked country was facing economic strangulation due to her decision to close the border with rebel Ian Smith’s regime in Southern Rhodesia (current Zimbabwe). Americans came back to finance and build the Tanzania-Zambia tarmac highway.

THE TURN TO SOCIALISM

Anyway, Tanzania’s economic growth had staggered and needed a more revolutionary alternative development strategy. In the face of this reality, Nyerere embarked on the “long march” in which he toured the entire country visiting practically all rural areas reminiscent of his 1962 year outside of Government. He ended his tour at Arusha early on January 29.
1967, where he convened a meeting of the National Executive Committee of the ruling TANU Party. The Committee deliberated in camera. The result of the meeting translated Nyerere's experiences upcountry where he saw a wide gap between urban and rural living standards. The NEC efforts culminated in the famous "ARUSHA DECLARATION" (Nyerere, 1967), which concerned primarily the general economic political and social problems. Henceforth, the Declaration was in fact an "Economic Manifesto" and a true blueprint for Tanzania's socialist construction. "UJAMAA" was the name given to Tanzania's brand of socialism based on traditional life-styles. Tanzania's socialism was thus formally launched under the Arusha Declaration. It meant communal living with social equality based upon common control of property, mutual respect and the obligation of those able to work to do so, were the tenets of the Arusha Declaration to be effected under villages and "ujamaa" village settlement programmes (Rene Dumont, 1969). Rural development was to be achieved through self-reliance via mobilization of people and domestic resources without relying on foreign aid (Nyerere, 1967).

The major target of the Arusha Declaration was the compounding enemies known as "poverty", "disease" and "ignorance". To see the war through, Nyerere, on February 6, 1967, took the major step of nationalization of "the commanding heights of the economy". At last the major means of productive forces were in the hands of Africans in the United Republic of Tanzania. The results of the Arusha Declaration when viewed in a ten year period and in retrospect are indeed impressive and confirm Nyerere's contention of the viability of his action. For, a net profit amounting to Tanzania Shillings 557.7 million was retained by the National Bank of Commerce between 1967 and 1976 (Nyerere, 1977: 7). Industrialization was started in the manufacturing labour intensive factories that were making batteries, farm implements, tyres, timber, radios, sugar and tea refineries, etc. Some of the nationalized factories, e.g. shoe and tobacco factories greatly expanded. Textile mills mushroomed in several parts of the country to absorb local raw materials. By 1975 there were eight textile mills with the capacity to make 84 million square meters of cloth. By 1977 Urafiki Textile Mill in Dar-es-Salaam was producing 35 million meters of cloth per annum. This was an expansion over the 1975 production of 26 million meters (Kamisa et al., 1977: 34). SUNGURATEX raised its production during the same period from 12.6 million meters to 22 million meters per annum. Likewise, MWATEX in Mwanza doubled from 22.7 million to 45.4 million meters annually. In addition, a sisal carpet factory was built in Kilosa with new cement factories going up at Tanga and Mbeya. The Arusha Declaration which is Nyerere's economic masterpiece is to be credited for the success of Tanzania's industrial revolution. The industries were "meant to meet the needs of the Tanzanians as well as to add surplus value on the goods we export" (Nyerere, 1977: 9).

As Tanzania is basically a rural (agrarian) economy, Nyerere made sure that the backbone of the economy itself became a priority. In 1975 the Government of Tanzania passed the "Ujamaa Village Registration Act". By February of 1977 it was reported that 13,067,220 people living upcountry had moved into new planned villages numbering 7,684 (Kamisa et al., 1977: 89). The move to these communal villages was designed to help the rural communities enjoy some of the facilities prevalent in urban communities, such as health centers, water supplies, transportation, schools, expert advisors, tractors, etc. By being together, the villagers had been able to enjoy common services such as cooperative shops, trading centers, etc., and were able to join forces in self-help schemes that resulted in the construction of schools, dispensaries and roads, etc., for their own good. In so doing they helped the Government save money which went for other services.

Under the Arusha Declaration, education had also been greatly advanced. Universal Pri-
mary Education (UPE) was introduced in 1977 when about 2,111,496 pupils attended school (Kamisa et al., 1977: 88). This number may be compared to the 825,000 pupils who went to primary school in 1967. The primary school education itself had expanded to include the teaching of technical skills, agriculture, animal husbandry, home economics, etc. There had been an increase in secondary schools as well from 72 in 1967 to 81 in 1975. Students were taught self-reliance and had saved around Shs. 7.7 million in the 1974/75 school year by raising livestock and through crop farming (Kamisa et al., 1977: 70). Adult education too did not lag behind. In 1970 about 5 million adults were registered in literary classes (Nyerere, Ten Years After, 1977: 12). At the University, mature students were admitted except in Medicine, engineering and female students who were able to gain direct entry.

In the fight against disease, the health services had experienced important advances. Rural health centers increased from a mere 42 in 1967 to 152 by 1976 (Nyerere, ibid: 14). The number of Rural Medical Aids rose by 200% while Medical Assistants increased by 270% during the same period. Campaigns bearing such catch phrases as “Mtu ni Afya”, “Chakula ni Uhai” and others designed to improve hygiene among the populace were invoked to meet the “prevention is better than cure” adage.

In the field of agriculture, the Government invested more money in the ten years since the launching of the Arusha Declaration. Shs. 45 million were spent on agricultural development in 1967. By 1977 the Government was spending approximately Shs. 400 million annually. In addition the Government subsidized the purchase of fertilizers by offering credits to Ujamaa Villages and Cooperatives through the Rural Development Bank. Here too catch phrases were applied, such as “Siasa ni Kilimo”, “Kilimo cha Kufa na Kupona”, etc.

To ensure that everybody was in line with the national political ideology, the Arusha Declaration had introduced a ‘Leadership Code’ which was supplemented later by the Mwongozo of 1971. These two documents combined to discipline Party and Government leaders and put them in line with the standards of socialism and self-reliance. Still, one got the impression that it was not just the leaders who observed the necessary ethics and etiquettes but the whole Tanzanian population.

On income distribution, the implementation of the Arusha Declaration had caused the practical narrowing of the gap between the highest paid and the minimum average. Whereas in 1967 the salary of the top civil servant was 29 times over the minimum wage, in 1976 the disparity was down to only 9:1 (Kamisa et al., 1977: 17).

In order to improve administration, a new scheme of Decentralization was introduced in 1972. It embodied some of the principles laid down in the Party Guidelines (Mwongozo) of 1971. In introducing it Nyerere (1972) had this to say:

... it had gradually become evident that in order to make a reality of our policies of socialism and self-reliance the planning and control of development in this country must be exercised at local level to a much greater extent than at present.

Grassroots participation was to be the essence of decentralization. The masses of the people were to make their inputs at the local, district, regional and finally at the national levels. At all these stages the corresponding Party Executive Committee was to approve the recommendations. Whether or not real effective grassroots participation at the Cell level did take place is immaterial. The fact of the matter is that the machinery for such participation was there and with political education which had been going on, it was a matter of time before people took full advantage of what was rightfully their democratic rights.

Regarding the life-span of Tanzanians since the publication of the Arusha Declaration, due to the availability of health clinics, children had been vaccinated and inoculated against
Measles, Polio, and Tuberculosis. To add to this, other health cares and improved community living had combined to reduce infantile mortality rate from 161 per 1000 in 1961 to 152 per 1000 in 1977. Furthermore, Tanzanians lived longer from 35-40 years in 1961 to 47-years in 1977 (Daily News, January 9, 1979). Consequently, the population of Tanzania had almost doubled from 9 million plus in 1960 to 17.551.925 in 1978 (Daily News, Ibid.).

All these impressive developments did not occur at random. They were achieved during the implementation of deliberately drawn out development Plans. The fifteen year span of development (1965-1980) was followed closely. The Second Five Year Development Plan was launched in 1969 to cover the period from July 1969 to June 1974. The Plan was drawn out of the experiences of the Three Year Development Plan, the First Five Year Development Plan and the Arusha Declaration (United Republic of Tanzania, 1969). It thus was more concrete and specific taking into account the objectives and policies laid down in the Arusha Declaration. Nyerere had found out that it was necessary to include the Party in the Planning process and in fact the Party took a firm control of the Government planning machinery. Ujamaa and self-reliance were the bases for the move towards social and economic transformation in Tanzania under the Second Five Year Development Plan. It was recognized that since 90% of the Tanzanians depended on land, agriculture was given a greater attention and the industrialization was geared towards facilitating agricultural development in addition to meeting the basic needs of Tanzania’s peasants and workers.

The Second Five Year Development Plan was boosted by the 1971 Party Guidelines (the Mwongozo) which expanded political consciousness, and the 1972 Decentralization Programme designed to give power to the people at the grassroots level. This was followed by a successful effort to resettle the rural masses into organized villages or Ujamaa Villages and by 1976 over 85% of the masses of Tanzanians in rural areas were already settled in either type of the villages. Implementation of the Second Five Year Development Plan continued for two more years than was planned (i.e. until June 1976). Unforeseen constraints cropped up. First there was a severe drought in the country in 1973/74 thus necessitating the Government to divert its financial resources to the purchase of foodstuffs from overseas. Then again, during the same period arose the oil crisis in which oil cartels withheld their oil supplies to the Western countries over the Middle East issue. The less developed countries of which Tanzania is one suffered the most.

Consequently, the Third Five Year Development Plan had to be postponed for two years and was finally launched in the fiscal 1976/77 (United Republic of Tanzania, 1976). The plan took into account all the bottlenecks that the country had faced thus far. Socialism and self-reliance were the basic foundations of the Plan. The main concern of the Plan was to develop major industries in Tanzania. Unfortunately, as was the case during the period of the predecessor plans, the Plan was to face rough sailing. In a little over two years since the announcement of the Plan, a man-made catastrophe occurred. President Idi Amin of neighbouring Uganda invaded Tanzania at the end of October 1978. His troops captured the whole of Tanzania’s territory north of the River Kagera (the Kagera salient). President Nyerere of Tanzania in his capacity as Tanzania’s Commander-in-Chief of the Armed Forces, responded with a declaration of war “against fascist Idi Amin” on November 2, 1978 (Daily News, November 3, 1978). Inevitably being at war was an economic drawback and could not fail to affect the progress of the announced Third Five Year Development Plan. The Plan also suffered from a shortage of skilled manpower in almost all sectors including the implementation sector. These constraints usually result in low productivity. Still the Tanzanian economy managed to forge ahead. The war episode lasted for six months as it ended on April 4, 1979, once Uganda Liberation Forces assisted by Tanzania’s might, overran Kampala necessitating the fleeing of Field Marshall Amin to Libya into exile (Daily News, April 5, 1979).
Another impinging economic factor was the sky-rocketing prices of oil set by the oil cartels. Oil is a non-renewable source of energy. It is a primary product. Unlike other primary products such as tea, coffee or cotton, et al., oil producers themselves determine both the price and the supply of this important product. This means that an oil producing country is at an advantage in proximity to industrialized countries. Consequently, as is the case in our contemporary age, oil prices increase as the producers feel the pinch of world inflation. This movement brings an unbearable financial burden on the part of non-oil producing and non-industrialized countries of the world, like Tanzania. Therefore, as then Tanzania’s Finance Minister Amil Jamal lamented, “While in 1970 the Tanzanian worker had to produce and process 1 tonne of tea to be able to get 400 barrels of oil, in 1980 the same people had to produce and process the same tonne to get only 42 barrels of oil” (Daily News, April 13, 1981).

Oil is a very essential commodity in just about all sectors of human life. It runs the machines that bring water and electricity to homes and industries. It moves the vehicles—on land, on rails, on and in seas and oceans, and in the air and outer space—that ferry people, goods and raw materials and scientific explorations that make ours a truly civilized planet. Talk about mechanized farming, you are talking about oil; talk about telecommunications or dams and you are still talking oil language. You may go on and on itemizing the importance of oil to human existence, the fact of the matter remains that this important source of energy must be had. Although the oil squeeze afflicts both developing and developed nations alike, yet the effects are felt terribly more in the former than in the latter.

Industrialized countries have the power and ability to recoup from the increased fuel prices by adjusting the prices of their exports. The poor Third World countries which produce the majority of cash crops and other raw materials unfortunately do not have the ability to adjust prices of their produce. The “monster” called “the International Market” operates independent of poor world desires and aspirations. Consequently, the equation remains: those who determine the prices of manufactured goods imported into poor Third World countries are the same “guys” who also determine the prices of primary products exported by the Third World. They are the industrialized and oil producing States. And this is the system under which the economies of the Third World are expected to be built. It is no wonder that the gap between the world’s rich versus poor countries continues to grow larger and larger. Nyerere warned, “When our earnings stay more or less the same whatever we do, and the prices of even the most essential imports go up whatever we do, there will come a time when our suppliers will find they have no customer! The human demand will be there but the effective demand will not” (Daily News, March 19, 1981). To illustrate this contention, Nyerere chose, as a proper moment, his appearance before the Japanese Federation of Economic Organization (KEIDANREN) in Tokyo on March 19, 1981, during his official visit to Japan. There, he laid it bruntly that the West were responsible for the economic disorders and ought to “redress injustices”. Nyerere then revealed the following gloomy picture:

to buy the same 7-ton Isuzu truck from Japan cost 13 tons of sisal in 1979, rising to 19.88 tons of sisal in 1980. A truck that had cost the price of 2.32 tons of coffee in 1979 needed 4.5 tonnes in 1980—96.8 per cent more.

... that although in 1965 Tanzania needed 17.25 tons of sisal to buy one tractor, by 1972 the price of the tractor had gone up but the sisal price had collapsed and we had to raise 42 tonnes of sisal to get one (Daily News, March 19, 1981).

Is anyone listening? This is probably a good question to be asked at this instance. The answer to it is an iffy one, and the remedy may lie within the Third World themselves. The developed world will not reduce itself to the level of the underdeveloped world by redistri-
buting its wealth world-wide. Rather, the underdeveloped countries have to work out ways and means of emancipating themselves from the pangs of hunger, ignorance disease and poverty. Nyerere's answer that “control of international financial institutions such as I.M.F. and the World Bank should be shared between the developed and the developing world” (Ibid.) is good if it can be put into practice. However, the industrialized world is apt to protect itself from Third World proddings. As not too long time ago, the international community was informed that the United States Government of the then new President Ronald Reagan's administration elected in 1980 and took office on January 20, 1981, was reluctant to conclude the then proposed Law of the Sea Treaty. The Reagan administration eventually acquiesced and was a signatory power to the treaty in Kingston, Jamaica in December 1982, though has since opposed some of the provisions that would make the sea a true heritage of all mankind! We were informed (Daily News, March 3, 1981: 2) that the reasons for the American reluctance was the feeling that since America was the nation-state capable of profiteering from seabed adventures, the proposed treaty provisions would force her to be taxed and the proceeds distributed among “communist” countries and the “poor Third World” nations—an action which a conscious conservative capitalist America could not entertain.

To ensure maximum frustration on the proponents of the call for the New International Economic Order (NIEO), of which efforts in the sea conference were a part, Washington at the time sought to drag its feet:

The United States again proposed to delay the work of the U.N. Law of the Sea Conference... when it announced, it would not complete its review of the draft sea convention until autumn. The U.S. delegation told the Conference's General Committee yesterday (Tuesday, April 14, 1981, in New York) that the review would not be finished before the autumn and that it would be preferable for the next substantive session to take place early in 1982 (Daily News, April 16, 1981: 2).

Although as this contribution comes to an end, the United States of America is being put under pressure, the contributor bears in mind that Americans as a people are very understanding human beings. They are sympathetic and willing to come forward with aid when they believe it is for legitimate democratic good. All countries appear to claim democracy. It becomes a matter of interpretation and personal value judgement as to who practices the real democracy. As for the Third World in general, it is a new comer to being an effective world personality traceable to the mass independence of African states in the early 1960's decade. As it takes time and persistence for the established major powers to listen, the Third World needs to have patience and understanding in the belief that eventually, sooner than later, she will be reckoned with inevitably.

CONCLUSION

Tanzania's economic development during the first two decades of her independence has reflected the dominating image of one Julius Kambarage Nyerere who used both State machineries: the Government and the political Party to stir through the thick and thin of world's economic morphology. Using the scope of Governmental authority, Mwalimu Nyerere assumed responsibility for regulating all types of socio-economic activity within the nation geared towards the establishment of a socialist economy in Tanzania. There is a saying by the Agha Khan that "Struggle is the meaning of life. Defeat or victory is in the hands of God. But struggle itself is man's duty and should be his joy."

Tanzania is indeed struggling. Her economy is one of the poorest in the world under United Nations' categorization. Yet. Tanzania is determined to manage and become self-reliant. For
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those of us who live in Tanzania, we are witnessing and playing a part in a challenging scheme of nation-building. We consider the difficulties we face as sacrifices for a better future for our succeeding generations. And, there is every hope that "we shall overcome" since the blue print for our progress has already been laid down by our beloved leader, Mwalimu Julius Kambarage Nyerere. The world is listening and is responding positively not only to Tanzania's aspirations but to the poor the world over. There is hope.

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