TOWARD SOCIALISM AND SELF RELIANCE:
Tanzania's Striving for Sustained Transition Projected
Research Report No. 38

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- The Scandinavian Institute of African Studies -
  Swedish International Development Agency -

Uppsala 1977
PREFACE

This study is an attempt to project development trends in Tanzania for five to fifteen years. Reginald H Green was commissioned to undertake the study by SIDA. The report is published in Swedish by the Research Division of SIDA and is then called "Mot socialism och självtillit". (Meddelande från Utredningsbyrån, januari 1977.)

The study is definitely of interest also to readers outside Sweden. Its original English version is therefore published jointly by SIDA and The Scandinavian Institute of African Studies as a research report of the Institute.
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Reginald Herbold Green

I am saying it is not right that the vast majority of the world's people should be forced into the position of beggars, without dignity ... when I am rich because you are poor and I am poor because you are rich, the transfer of wealth from the rich to the poor is a matter of right; it is not an appropriate matter for charity.

- President Julius K. Nyerere

In our work of socialist construction, we are still to a very large extent acting blindly. For us the socialist economy is still in many respects a realm of necessity not yet understood.

- Chairman Mao Tse Tung

Tanzania is attempting to achieve change by deliberate policy, and to maintain stability by involving all the people in both the direction and the process of change. We are under no illusions about the difficulty of the task we have undertaken. With few socialists we are trying to build socialism; with few people conscious of the basic requirements of democracy we are trying to achieve change by democratic means; with few technicians we are trying to effect a fundamental transformation of our economy. And with an educated elite whose whole teaching encouraged motives of individualistic advancement, we are trying to create an egalitarian society.

- Mwalimu Nyerere

Now we are promoting construction and the mass movement. One needs a bit of from top to bottom, such as government directives and orders, regulations and systems etc. but in the main the masses must do things themselves ...

- Chairman Mao

Development means liberation. Any action that gives (the people) more control of their own affairs is an action for development, even if it does not offer them better health or more bread. Any action that reduces their say in determining their own affairs or running their own lives is not development and retards them ... it is of the first importance to place a lot of emphasis on improving (the people's) condition. ... The inherited economic structure
which has kept many people out of the economic main stream must be replaced immediately by programmes to boost the development expenditure and to spread investment to all districts.

- Mwongozo Wa TANU
  (Tanzania Party "Guidelines")

The development of things is always out of balance. Hence, the demand for balance. The contradictions between balance and imbalance exist in all fields and departments ... arise and are resolved without interruption. A plan for the first year requires one for the second year; an annual plan requires quarterly plans ... each month one has to resolve the contradiction between balance and imbalance and frequently one has to revise a plan because of some new unbalanced situation. ... /For example/ the economy forges ahead and everywhere a shortage of technicians and cadres is felt ... This gives us the impetus to run more training schools.

- Chairman Mao

The purpose of society is man; but in order to serve man there must be a social organisation of economic activities which is conducive to the greater production of things useful for the material and spiritual welfare of man. This means that it may well be a function of society to organise and sustain efficient economic organisation and production techniques even when these are in themselves unpleasant or restrictive.

- Mwalimu Nyerere
  Introduction, Uhuru na Umoja

The state will not collapse simply because a planned quantity target has not been fulfilled.

- Chairman Mao

But the question, as the poor see it, is not whether there should be changes in the present world economic situation; changes will come one way or another. The question is when, and how, they will be brought about.

- Mwalimu Nyerere
Toward A Projection of Tanzanian Change

Any attempt to project national development trends, changes, struggles and limitations forward for five to fifteen years must be set in a context if it is to be understood clearly. Several parameters both positive and negative surround and inform this essay.

First it is a continuation of "Tanzanian Goals, Strategies, Results: Notes Toward An Interim Assessment" and therefore does not seek to repeat that study's evaluation of the political nature of Tanzania's strategy and decision taking process.

Second like its predecessor it operates in terms of Tanzanian objectives and of the ways in which Tanzanians are likely to seek sustained transition toward them and therefore does not seek to set up a counter scenario nor to modify the Tanzanian choices to suit the author's preferences.

Third it is not an econometric projection of the mathematical consequences of a set of technical assumptions à la the Reformed International Order project, and therefore makes few specific quantitative assessments.

Fourth, however, it is not a utopian model either in the sense of setting out desires unconstrained by necessities nor - hopefully - simply mentioning a list of unconnected areas of change but an attempt to build a coherent set of probable areas and types of action from Tanzania's decision takers' basic strategic commitments and the objective constraints on the ways, degree and speed with which they can be attained.

The processes discussed are not in any normal sense those of "modernisation" whether in its North American or Eastern European variant. Tanzania's commitment to self-reliance does not mean a quest for autarchy or a refusal to import and adapt ideas, but it does mean that the thinking embodied in What Now? Another Development is a better guide to understanding Tanzanian strategy and prospects than that of the Pearson Commission, the Second Development Decade or the Reformed International Order (RIO) project. Similarly they are not projections of a "balanced" or "smooth" process. For reasons analysed in more detail in "Tanzanian Goals, Strategies, Results" Tanzanian decision takers...
see purposeful change as a process of surmounting successive, immediate, major challenges (antagonistic contradictions) with quite deliberate imbalance creation as well as balance attainment. The imbalance is accentuated by the high degree of uncertainty injected both by the external economic environment and the weather and by the fact that major social change centred on human development (whether a transition to socialism over 1967-2017 in Tanzania or to social democracy over 1890 - 19?? in Sweden) is not an orderly, predictable and neatly mappable journey.

There is another sense in which the projections cannot be smooth. Really major change - and an attempted transition to socialism certainly does constitute major change - involves struggle. There are - at least in the short run and at least as perceived by opponents - individual, institutional and class losers as well as gainers, costs as well as benefits, resistance as well as support. Achieving socialism and achieving skill in dancing are not the same thing as a Tanzanian minister once remarked. Tanzania is no exception: e.g. the Leadership Code, buildings acquisition, villagisation, have all involved struggle. There is no reason to expect less over the next five to fifteen years - indeed in some ways the most reasonable projection is for more acute manifestations. Serious struggle does involve coercion - an income tax law coerces (as the National Assembly understood when it sought to challenge the process of transition to egalitarianism as symbolised in the 1973 bill), so does compulsory primary education (or villagisation). The question is not whether there will be coercion but what kind, for what ends, with what base of support and authority and after what efforts to minimise the need for coercion by education and changing outlooks and consciousness.

Another equally or even more central aspect of struggle is that within individuals, institutions and classes. Tanzanian consciousness - especially at the worker and peasant level - has often been misunderstood as uniformly low, narrow and static. That is a misreading - as managers sacked and rural bureaucrats transferred after worker and peasant challenges to their socio-political attitudes and technical competence can bear witness - but one of the major emerging aspects of the struggle for transition to socialism in Tanzania is that of how worker and peasant consciousness will change. The Tanzanian minister who recently
expressed his view of its change as a continued evolution
toward more explicit, better informed, more critical and broader
socio-political and socio-economic perception leading to demands
for specific policies and decisions also saw that evolution as
critical to the survival of TANU's present aims and much more to
their further development. The fact of struggle is often ignored
or misunderstood in respect to Tanzania for several reasons. Most
Tanzanian public utterances - including those in conflict situations -
are either deliberately slightly understated or directed toward
convincing rather than accusing - "Argue Don't Shout" as President
Nyerere once entitled a pamphlet on foreign policy. Further
Tanzania is a fragile state and society - even if much less so than
in 1961 - with rather brittle institutions so that accentuating
the vehemence of struggle and the divisiveness of conflicts -
i.e. regularly using polemic and coercion first to save time -
would be dangerous to the point of adventurism. The counterpart
to this is that those interests, individuals and classes opposing
the increasingly clear trends of TANU strategy since 1967 have
never been numerous, well organised enough or adequately self
confident to seek major conflict. Finally TANU's goal of the
broadest attainable participation and consensus consonant with
defending basic principles does require both that many struggles
must be within individuals, others on the educational front and
yet more based on worker and peasant direct action. As President
Nyerere warned in 1966 without mass consciousness there cannot
be participation or egalitarianism.

This is your country ... Any country must be looked
after by people ... If we do not remove fear from
our country and if you do not abolish the two classes
of masters and servants from our society clever
people will emerge from among us to take the place
of the Europeans, Indians and Arabs... will continue
to exploit our fear for their own benefit. And we
leaders can become clever people ... This is going
to happen if you do not remove fear from your minds.

That transition has been slower than most. On the evidence of an
increasing number of assertive grass roots TANU bodies, workers
councils and villages it has begun over 1971-76. Over 1976-81 it
will go further and there will be more open, less centrally organised
and less muted struggle than over 1961-71.
II

Selected Macro Guideposts

The most orderly way to relate projections to goals is probably under the four main aims which TANU has formulated and which the Government, National Assembly and other public sector bodies are charged with articulating and implementing. These are:

- **transition** to participatory, decentralised socialism;
- **meeting basic human needs** by overcoming absolute poverty and increasing egalitarianism in individual consuming power and access to public services;
- **restructuring** Tanzania's territorial economy to be more national with a greater balance between structures of production and use, a higher degree of national economic integration and more economic autonomy in respect to and less unequal interaction with the international economic system;
- **expansion of productive force levels and allocation patterns** adequate to provide a material base for sustained progress toward the preceding goal clusters.

However, before examining these clusters in more detail a survey of macro-economic and political economic guideposts may be useful.

Growth in physical terms of **gross domestic product** was on a 4.5 to 5% a year trend over 1962-1972. It was radically disrupted by the 1973-75 drought and international economic context. A return to a trend rate of 4 to 6% a year in 1976-1981 is critical. Without that the real resources to achieve more basic goals will not be available. The probable 4-5% growth of 1975 is not really a relevant indicator because it partly represents recovery, not a renewed forward dynamic. A 4% average is a safe floor projection - until 1972-3 the agricultural output trend was 3%, and 4% growth of GDP would both require and finance 5% growth of manufactures, construction, power, production services (finance, transport, commerce) and human services (water, health, education, housing).

Whether a 6% average - or more realistically a shift to a 6% trend - can be achieved probably turns on whether a 5% trend can be achieved in the rural economy. If it cannot, the imbalances at 6% (which implies a perfectly attainable 7% for the non-
agricultural sectors) would be really insuperable i.e. the
demand for basic consumer goods and production services would
not sustain 7% growth there and the tax implications of 7%
human services growth would be unhandleable.

The criticism that too little GDP growth has been in goods
is valid to the extent it contends that rural output growth has
been inadequate. Beyond that it tends to become either crude
productionism or GDP fetishism. Production and human services
output growth has not been unduly rapid and the latter was, and
will remain, a top priority for meeting human needs, raising
the potential to produce more and creating the necessary conditions
for economic and social transformation. A higher rate of growth
in amenity manufacturing and a lower in pure water or education
would not be in accord with TANU's objectives and will not be
followed.

A 25% increase in goods and services output per capita, if all
devoted to basic goods and services, and produced in rural areas
and within an egalitarian urban income pattern, could raise personal
consuming power of all Tanzanians to the minimum wage level,
provide the goods to satisfy demand with reduced external balance
strain and cover both the cost of providing universal access to
pure water, minimally acceptable (improved rural traditional or
Swahili) housing, basic preventive and curative medicine,
primary and adult education and the surplus flow to cover invest-
ment requirements. It is likely that a strategic plan to this
end (not necessarily a formal volume) will be adopted over 1976-81.
A 1986 target is not unrealistic assuming 5% average GDP growth
1976-81, 6% thereafter and 2.5-2.75% population growth.

From 1981 on the prospects for growth at 7-8% are fairly
good if the 5% rural growth trend is achieved. By 1981, with the
southern metal (and potentially coal chemical) and coastal natural
gas harnessed and a fairly broadly integrated industrial sector in
being, there are unlikely to be major constraints from the capacity
or product side to an 8-10% growth in non-rural output of goods
and services. Demand (i.e. rural incomes), external payments
(i.e. growth of rural exports and domestic industrial inputs), and
surplus (for public service and investment finance) would, however,
be inadequate to sustain such rates without a 5% rural growth rate.

Industry is likely to grow at 6-8% a year over 1976-81. The
new industrial strategy is in effect a national integration or
total linkage oriented one on the production characteristics side
and a basic goods (mass consumption, mass public service and simple capital goods) on the use side. This is an approach which should contribute to rapid output growth, linkage purchases elsewhere in the economy, and facilitating greater egalitarianism. (Over 1969-75 greater egalitarianism has built up severe shortages in mass consumed products and excess capacity in the rather trivial luxury goods areas.) There is every reason to project forceful implementation and rising levels of efficiency in production. Textiles, oilseed products, garments and shoes, cement, wood products, fertiliser, metal products and certain chemicals are probable areas of major expansion to 1981 and heavier metal production and basic chemicals plus related engineering products in 1981-86.

Small scale industry's progress will depend on institutional and technology development. These points are realised and a commitment to act exists. The Small Industries Development Organisation, TAMTU, District Development Corporations, National Institute of Productivity and the revived science-research-technology planning unit are being strengthened and reoriented. At some point - probably before 1981 - the means will have become clear and small scale, decentralised industry will become a top priority in financial allocations with very rapid overall growth and greatly increased viability (masked at the time of transition by a number of micro mistakes and criticisms of imbalance such as those now surrounding adult education, rural health or villagisation). No more precise dating estimate would have any meaning.

The apparent recurrence of Dar-centrism in industry (after 1969-71 when about 80% of major new plants were sited elsewhere) will probably be short lived. It is not only against strategy but against three material trends. The iron-steel-coal complex will create a Southern industrial growth pole. Dodoma (probably completed about 1986 and halfway in 1981) will reduce the attractions of Dar as the dominant market. Greater use of local inputs will increase the economy of locating near supplies not markets or ports.

Agriculture is a critical area. Villagisation (today apparently 8 to 9,000,000 of the peasant population of 10,000,000 are in villages as opposed to 15% in 1967), broad access to adult education (and after 1981 the impact of broad access to primary), basic health facilities, rural water create the conditions in which social and
production relations can change in a way conducive to a 5% annual trend increase in output versus the 1963-1972 3% one. Whether and when this will be achieved is less clear.

The problem is partly one of social and productive organisation and partly one of knowledge. Improved seed, suitable fertilisers, simple implements, tested techniques are being built up - the World Bank's maize project is in fact a large scale experiment in their application and in the development of extension techniques. Some attention is going to how farm (especially Ujamaa farm) planning and management can be developed. By and large food and local industrial input prices have been raised relative to manufactured goods. The creakiness of the decentralised (co-op) bits of marketing is clearly enough seen that reform (e.g. direct village to Co-op Authority or factory sales) can be projected for late end of the 1970s. Equally Ujamaa villages are in some cases becoming more conscious, assertive and initiative taking - the real key to making use of the other areas of progress - and with rapidly rising skilled manpower inputs (adult education broadly defined) have more technical capacity to act on this increased self reliance.

The absence of a breakthrough in agriculture will prevent rapid implementation of any of Tanzania's goals. That is seen. A number of inputs (including more peasant self organisation and direct action) are needed. That too is seen. Thus a breakthrough in 1976-81 is probable but quite possibly late in the period and not clearly identifiable until 1981-86.

Investment (including inventory, i.e. working capital, investment) will probably continue to run in the 25-30% of GDP range over 1976-81 because TAZARA will be followed in the late 1970s with peak rail-mining-manufacturing investment in the Southern metal complex (perhaps Skr 750-900 million in 1975 prices). After 1981 it might decline slightly as a share of GDP unless growth rose to an 8% trend.

Distribution will change somewhat because transport will fall. However, the 28% in goods producing plant and equipment (excluding buildings) is in fact a relatively high share - the crude productionist criticism is wide of the mark. There is a problem in the quality of that 28% which may be alleviated but hardly solved over 1976-81.

Rural investment needs to increase but not primarily in
agricultural plant and equipment. (Supporting industrial plant and equipment e.g. fertiliser, tool production, processing will need to rise sharply probably being the financial as well as the logical successor to supporting investment in major communication projects.) What is vital are increases in working capital for annual inputs and marketing, infrastructure allowing production and realisation (e.g. roads, water), service access encouraging rural human development and productive force enhancement (e.g. health, education, housing, extension), direct labour and own surplus investment of villages and villagers (e.g. tree crops, small works, simple buildings, workshop type processing and manufacturing). Much of this investment appears in the recurrent budget or — in the case of direct labour and own surplus investment — totally misses the statistical net and the rest is dominantly economic services or working capital not plant and equipment. The working capital front can be expected to operate satisfactorily as can service provision and probably infrastructure. There is a danger of some damaging pushing in of plant and equipment which will deter development (as in much, not all, pre 1976 rural mechanisation) and a greater one of inadequate peasant pressure and institutional response to create conditions favourable to rapid growth in self investment.

Balance of Payments projections for Tanzania over 1976-81 fully justify political economy's title of the dismal science. The non-drought — i.e. terms of trade shift — effects of 1973-76 have changed the underlying gap from Skr 250-300 million to Skr 1,000-1,250 million a year. The 1976-81 gains on grain import reduction vis a vis 1974-75 will be largely eaten by manufactured product (especially capital goods) price rises. No more give exists on the import side — a rather high estimate of amenity consumer goods imports for 1974-75 is SwKr 150 million or 3% with luxury perhaps SwKr 50 million (including embassy, technical assistance and other expatriate purchased imports).

Increasing self reliance (by remaining solvent) now is seen to require a reversal of the implicit 1967-76 strategy of giving no real priority to raising exports. However, it does not change the objective reality that at best growth of present exports would hold the gap constant. To achieve that a 5-6% a year physical export growth — vs 0% 1966-74 — would be needed. It is unlikely that such a rate can be achieved, 2-4% seems more probable. Non-traditional (including manufactured) exports are
the logical route to regaining balance especially as they fit
an integration and rural output demand (for inputs into
industry) oriented industrial strategy. Further the evidence
of sisal twine (under 10,000 tonnes in 1965, 40,000 in 1975)
and manufactured exports to Kenya (probably 10% real annual
growth 1969-74) suggest that the objective constraints are
less than had been supposed. Therefore a real export growth
of 5-6% overall (traditional and non-traditional) may be attained
over 1976-81 and lay a base for a 6-8% thereafter.

That leaves a gap of SwKr 6,250 million (in 1975 prices)
odd over 1976-81. This is a rough net capital plus technical
assistance transfer requirement estimate. Not more than 10-15%
can be afforded in even semi-commercial (7-9%) loans and at least
two thirds must be grant or near grant to avoid seriously jeo-
pardising the achievement of a narrowing external imbalance trend.
Tanzania's maximum inflow before 1975 was about SwKr 700 million
in 1973 (including a ta estimate) so that the projection of the
SwKr 1,250 a year as attainable may be too influenced by the need
for it.

Technology/consultancy has become a central area of concern
with developing local capacity and of consolidating, organising,
expanding and proliferating existing promising initiatives and
institutions. A moderate buildup of technology development and
design and a much faster one of technology bargaining, general
consultancy and institutional consultancy (i.e. "no more
McKinsey") can be safely foreseen for 1976-81. Any broad break-
through in technology application would seem likely to be in
1981-91 because of the lead time for adaptation, testing, putting
into production.

Mass education by 1981 will include virtually universal
primary education and an adult education sector probably around
its present 3,000,000 quantitative level but altered in nature.
The attempts to make primary education more complete (and more
usually completed by pupils) in itself and more related to life
while improving basic skills provision in that context should be
making rapid general progress by the end of the 1970s. By 1981
pure literacy enrolment in adult education (probably one third
today) will have fallen radically because its task will be largely
completed. The main stress will be on the other courses - more
advanced writing, languages, arithmetic and bookkeeping,
agriculture, mechanics, nutrition, health care, political education - in the present adult education programme proper plus a deliberate proliferation of the health, agriculture, bookkeeping, farm management, mechanical, construction courses which draw on primary and adult education graduates and are the key source for village technical skills in the hands (and minds) of villagers. These will probably become much more decentralised and integrated with the regional-district primary and adult education programmes.

High level manpower poses decreasing quantitative problems when viewed on a 1976-81 trend basis. In 1961 5,000 of 5,000 high level posts were Tanzanian held; in 1961 5,000 of 10,000, in 1976 probably 10,000 of 14,000. By 1981 the figures should be roughly 17-18,000 of 20-21,000. New expatriates will be needed for jobs which do not now exist and a limited number of fields e.g. doctors, certain branches of engineers, university science faculty will require gap filling. However, with total tertiary education completion now at least of the 1,250-1,400 order, the quantitative problem is in hand. Broadly speaking so is that of types of education acquired - the accounting and management bottlenecks are being tackled by local institutional and interim foreign training programmes as is that in engineering.

The quality of citizen high level manpower in the technical sense is also a declining problem. The average Tanzanian in post today is better than the average expatriate of 1961 and the trend is upward. However, in terms of attitudes and outlook real problems exist. The University has not simply remained elitist, isolated and inegalitarian it has become more so (absolutely and even more markedly relatively) despite government and Party efforts to integrate it into Tanzania. These features are - disquietingly - very marked in many (not all) recent graduates and most (not all) of the ideologically "far left critic" component of the faculty.

The 1975 decision to end direct entry to the University (and most other tertiary institutions) and substitute a combined academic and work group record qualification after two years or more of work will over 1976-81 lead to a student body more committed at entry to TANU's goals and to the participatory process through which they evolve. It will not necessarily solve the institutional problem (unless the students do take and are supported in direct action against the academic staff) nor avert the danger of continued overt and implicit university moulding of students toward elitism and a quest for privilege and against participation and egalitarianism.
Income distribution (egalitarianism) progress over 1976-81 will depend above all else on the rural output growth rate. If it is 5% then peasant incomes will rise rapidly and public funding of universal access to basic health, education, water and housing services can be speeded up. If it is 3% or less not much can be done. 1967-75 has used up most of the margin for redistribution and has pushed urban public sector after tax differentials to below 9:1 (Governor of Bank of Tanzania to minimum wage earner and largest portion of urban informal).

A variety of fringe benefit reforms (of which the housing access shift begun by the Workers and Peasants Housing Fund is one) are possible plus some further erosion of differentials by raising the base in real terms, but margins for reducing absolute incomes at the top are no longer wide. (A typical middle manager or civil servant receives about SwKr 10,000 a year, a minimum wage earner SwKr 2,100).

Converting self consumed food and self constructed housing to urban prices about 30% of peasants have (in a non-drought year) consuming power at least equal to the minimum wage, about 30% between 67 and 99% of it and about 40% two thirds or less the consuming power of a minimum wage earner. This town-country gap is exacerbated by unequal service access. Some urban services are so much more expensive for even minimum quality results (e.g. water, streets, housing, sewerage) that there is no scope for absolute transfers on recurrent and little (except in health where the 1969-1971 hospital boom will not be repeated with rural dispensaries, clinics, health centres) the gainers. Thus both more personal consumption power and the surplus for faster equalisation or town-country service access largely depend on the rural output growth rate. It is probably true that consciousness of this fact is rising but it certainly remains inadequate at rural mass levels and thus raising this facet of peasant consciousness is likely to have a high priority over 1976-81.

Health is in the midst of the strategic shift to rural emphasis begun in 1971. By 1981 over half (vs 15% in 1971) of expenditure will be in rural areas and virtually all will be covered by the three tier dispensary-clinic-health centre pattern. The preventative, health education nutrition programme aspects of a health (as opposed to health restoration) strategy are building up more slowly. Personnel problems are likely to decline - the loss of paramedically trained village staff to "higher" posts
will run down because all will be filled.

Whether breakthroughs on endemic disease prevention and rapid cure can be foreseen in 1976-81 is less clear - the fresh water snail borne disease research may be approaching a stage at which such a change is possible, in the case of malaria and sleeping sickness the problem is the cost of preventative measures. Similarly the increased emphasis on systematic integration of traditional medicine into the overall system, developing low cost mental health paramedical care, reducing drug cost by isolating the prescribers from commercial promotion and building up serious local input based drug production are likely to have rather spotty and partial impact in 1976-81 but much more in 1981-91.

Water targets of universal access by 1979-81 are unlikely to be met in full. Indeed this may be even truer of urban areas other than Dar es Salaam (where the present crisis should be surmounted by the projects now in hand) and Dodoma than of rural areas since a heavy backlog of unfilled requirements has built up in the middle sized towns from 1967 onward. The rural programme - if broadened to include more village based projects (simple wells, pipelines, spring protection) could reach 5,000,000 people over 1976-81. Assuming 5,000,000 now have natural or man-made access to pure water that would leave perhaps 5,000,000 (including population growth) still without fully adequate access in 1981. A major shift in resources and very heavy village own labour and surplus investment could raise the extension of coverage to 2,000,000 a year by 1981 but the buildup would be constrained by material and technical input availability so that 1986 seems a more likely date for the attainment of near universal access to pure water.

Housing is an area in which only very modest progress (in contrast to need) even if accelerated (in contrast to 1969-75) can be anticipated. To achieve minimum acceptable standards about 1,500,000 peasants (out of 2,000,000) and 400,000 wage earning or urban self employed (out of 800,000) households need new or radically improved living facilities. In 1973-75 total output can hardly have exceeded facilities for 20,000 rural and 30,000 urban (5,000 public sector, 5,000 middle and upper income, 20,000 semi-traditional sector) households (rather less houses as the Swahili house is multi-household). The increase
in households over 1976-81 will be of the order of 400,000. Therefore to prevent an increase in the housing deficit will require acceptable facilities averaging 50,000 a year versus the present average of 50,000.

Taking into account the Workers and Peasants fund, the training and research work of lands and its regional units and the advantages villages have for organising improved traditional construction one might optimistically project 1981 output of minimally acceptable household accommodation at 75,000 to 100,000 rural, 25,000 public and public assisted urban, 2,500 upper and middle income, 15,000 urban semi-traditional or 117,500 to 137,500. This is above the population growth requirement - rather like water about 1970, housing about 1980 will turn the corner and begin to reduce the absolute number of those without access.

That suggests a TANU universal decent housing target of - say - 1986 will be set at some point in the 1979-82 period. The President's 1974 calls for greater attention are of a lower key and without definite targets or deadlines.

Decentralisation in the government sector will be consolidated over 1976-81. The local participation element will be strengthened; the rather chaotic structures inherited from the old councils, the divided ministries and the McKinsey proposals made more coherent, rational and Tanzanian; the overall regional/district budgeting and planning process put in at least somewhat better working order. That in fact is likely to require five years and while no individual action will have a dramatic impact the overall results should be major - as demonstrated in a few of the better functioning regions or regional programmes today.

The main decentralisation initiatives will probably be in production. At the smallest level Ujamaa villages and District Development Corporations will be given more obligations (and more finance, training and - hopefully - technology and knowledge to carry them out). The marketing role of the old Co-ops will probably be virtually abolished by 1981 in favour of Ujamaa villages and DDCs; but the scope of the light manufacturing, service, savings and credit and consumer cooperatives is likely to grow steadily if probably not very dramatically.

National parastatals with separable units of basically regional or district concern are likely to be regionalised along the lines of the STC decentralisation with coordinating and service
(not holding company) units like the Board of Internal Trade in the wholesale commerce field. The probable next cases of decentralisation will be the crop authorities. In the public commercial sector there are likely to be district wholesale/retail parastatals at least in some districts well before 1981. The combination of broad delegated powers but a continued central unit and national structure pioneered by the NBC in 1973 will probably be applied more widely in cases like textiles and wood products. Whenever a product or product series reaches adequate size it is likely to be spun off from its then parent as a new group - Metal Products and Hides-Leather-Shoes from NDC are pretty obvious pre-1981 cases.

Workers and peasants participation and control will be deepened over 1976-81 within its existing framework. The 40% worker directors from within the firm target will probably be met fairly rapidly and will in many cases lead a strengthening of Workers Council power. The councils will in many firms become serious contributors to major firm policy - not without conflict in at least some of these instances. The interaction of stronger and more experienced Ujamaa villages and the continued running in of the 1972 local government development councils will have a similar impact probably with a rather larger number of clashes. Whether the continued attempts through the Councils, the parliamentary planning commission and the requirement that non-ministerial MPs live in constituencies and devote full time to participatory leadership at that level will make a related contribution is less clear partly because of the low proportion of ordinary workers and peasants in parliament. Further whether its national function as a sounding board for views on government policy plus enactment of government bills already cleared at the policy level by TANU is not readily transformable into being a national workers and peasants council for government (with government seen as an institutional instrument of the workers and peasants ultimately responsible to them through TANU) if only because MPs are not in the same relation to government as workers to their firm.

Between 1976 and 1981 another major set of decisions for increasing worker and peasant control is almost certain to emerge from TANU and by 1981 to be in the stage of passive resistance by some managers and civil servants leading to some sharp confrontations. 1981-86 would then see its consolidation into
general acceptance and uneven but increasingly significant operation.

Public finance and domestic savings are likely to pose continuing difficulties but no major crises over 1976-81. Revenue collection and investible surplus achievement and allocation mechanisms are among the areas in which Tanzania has built up quite strong institutions and imaginative policies in accord with and usually directly serving broader political economic and socio-political aims as well as the immediate funding requirements.

If the external gap is of the order of SWKr 6,250 over the period that means investment of the order of 25-30% of GDP will require domestic savings of 16-19%; a level which had already been attained prior to the 1974-75 crisis and should be regained fairly readily since parastatal surplus generation and financial institution surplus mobilisation capacity remains largely intact. Savings for direct investment by villages may well rise sharply over 1976-81 but will largely escape being recorded in statistical accounts either on the savings or investment side - a really serious rethinking leading to restructured national accounts and the data flows to operate them is unlikely before the 1981-86 period.

Because public service expenditure will continue to grow faster than GDP (health, housing, water, education and agricultural support for positive reasons; defence so long as Uganda to the north and the South African redoubt in the opposite direction pose major security problems) the share of taxation in GDP will rise over 1976-81 perhaps from about 35% of monetary GDP (27½% of total) to perhaps 37½% of monetary (30% of total) in 1981. The rate of increase of taxation's share in GDP of 1965-1975 cannot be maintained and given the much higher base from which services are being expanded it is not necessary that it should. 1976-78 will pose major but secondary problems of recovery from the 1974-76 crisis expenditure in relation to imported food which may have caused a recurrent budget deficit (the first in a decade) in 1974-75.

Planning structures and procedures will be radically restructured over 1976-81. However, the individual changes may not appear to be dramatic e.g. the conversion of the various finance budgets into one annual investible surplus generation-collection-allocation plan and its extension to a multi year basis, multi year foreign
exchange planning to allow allocations of resources to export capacity development within the foreign exchange planning period not simply allocation of relatively unalterable annual receipts as in the present one year foreign exchange budget. The 1975 merger of Treasury (which operated economic planning) and Devplan (which made up capital budgets and wrote plans) will facilitate the achievement of more coherent and integrated planning including the setting of more physical targets and the closer monitoring of performance.

Regional and district planning - which in 1973-75 was about where national planning was in 1961-63 - will become stronger in 1976-81 with the apparently (but only apparently) contradictory result that 1976-1981 Plan figures and targets in respect of regional and district programmes will be reviewed and revised very radically during the implementation phase. The steps toward systematic parastatal enterprise level planning set in motion in 1974 should result in a fairly complete set of enterprise annual and multiyear planning exercises to underpin and improve implementation stage coherence of national planning by the end of the 1970s. This evolution too will have the initial result of widening divergences between 1976-81 published Five Year Plan figures and those actually used in subsequent annual planning exercises.

III

Transition to Socialism

In simplistic terms the transition to socialism in Tanzania could be said to be nearly accomplished. Large scale economic activity is at least 80% in the public (or public majority) sector and will be 90% there by 1981. Small scale economic activity is either directly or indirectly dependent on large scale public sector units for finance, supplies and marketing with the exception of rural production for own use. The local capitalist class - to the extent it ever really emerged - is hardly a threat. Investment may appear to be one third private but only because errors and omissions are included in that category (appropriately perhaps in the context of attaining socialism!). Outside non-monetary investment in land clearing, herds and housing, monetary investment in housing and public sector contractor investment in construction plant and equipment, private sector investment is very
low and will probably be negligible by 1981.

These figures show greater public sector dominance than the Soviet Union at the end of the New Economic Policy phase and dominance at least as great as that presented in several smaller Socialist European countries' statistics up to the middle 1960s. However, they have not been perceived by the dominant TANU leaders as marking the achievement of socialism for at least four reasons: external dependence while reduced remains high; radical inequality especially between town and country but also within each has been eroded but not eliminated; worker and peasant "bottom up" participation is weak; the level of productive forces is very low.

The external dependence to self reliance transformation has been achieved in consciousness i.e. in consciousness that self reliance is necessary and possible. The implementation issues are now largely technical so far as they are within Tanzania's control and geo-political in the international economic order context. Few ideological issues or sharp internal cleavages are to be expected in this area over 1976-81. In one sense the critics who evolve theories of imperialism and transnationals as attacks on TANU's ideology are beside the point - since 1964 the official view of the international economic system has been one of imperial dominance and penetration, leading to a class system of states as well as within them, and used as a vehicle of unequal exchange and exploitation. That perception and the use of bargaining, self assertion, confrontation (as with the UK over Zimbabwe, pensions, buildings acquisition), and attempts to act jointly with other third world countries to reduce penetration and achieve systemic change will continue.

The areas of internal conflict centre on equality and participation. There have been advocates of capitalism (private and state) and of inequality in leadership roles in Tanzania. Most are either gone from such roles, in dignified but less than critical posts, at least passively converted to a socialist transition as envisaged by President Nyerere or silent. However, neither they nor the social formations they represented have vanished: local capitalist, salariat and rural elites while largely blocked from advancing their class power over decisions or building firm economic bases are not negligible. The local capitalist sector will continue to be eroded over 1976-81 with a not insignificant portion of its members at least seeking to
emigrate. The salariat is partly converted to egalitarian socialism, partly trapped in its own ideal of an ordered hierarchy (they do believe Ministers should give orders) and partly blocked by the fact that managerial-civil service technocrats are almost never a dominant class. This is in a real sense too negative a picture - socialist consciousness by the salariat is not high, nationalism is for a large majority as is pride in doing a job well. The conflicts between this elite and TANU over 1976-81 are likely to turn on participation and the erosion of hierarchy with conflicts over pay and perquisites real but not perceived as direct challenges to the national strategy as they were in the 1973 Income Tax Bill clash.

Rural elites - large farmers and rural civil servants plus a few rural merchants - are the class who are most likely to wage a continued struggle against the transition to socialism. Their entrenched positions in many lower tier TANU bodies, in the traditional cooperatives, in the Cooperative Union of Tanzania have been eroded by the centre and on occasion confronted by peasants. However, they are still significant in some districts (and perhaps in the National Assembly) and are unlikely to be converted to genuine support for a transition to socialism as opposed to lip service used to penetrate Ujamaa Village, Development Village and District and Regional Planning Committees and Councils. That struggle will not be concluded before 1981 in the districts in which they are strongest although the loss of rural elite ground that began about 1970 will probably be accelerated.

The level, nature and trends in Tanzanian worker and peasant consciousness are very difficult to synthesise. By 1976 - as was not true in 1966 - many workers and peasants had clearly begun to see government and public sector firms as theirs both in expecting these institutions to serve them and in feeling a sense of duty toward them and therefore a higher level of self discipline. This change was probably more pronounced among peasants and workers active in TANU cells and committees. However, this process remains inadequate both as to level and clarity of consciousness - village and local self reliance vis a vis the state is rather often honoured more by demands for support than self effort and self discipline in respect of work is notably absent in some institutions (perhaps most notably private sector and East African ones which does suggest a different consciousness of Tanzanian public sector units). For a significant number 1974 villagisation
reversed this trend - premature coercion and abysmal planning were not infrequent as TANU's NEC indicated by laying down corrective guidelines. On the other hand those who chose to move to villages (the majority of the 5,000,000), those who received drought relief and those who saw some attempt to protect minimum wages and grower prices in a period of overt austerity probably felt greater commitment.

1976-81 development of consciousness will turn largely on decentralisation and participation. Without decentralisation direct worker and peasant influence on those taking decisions which directly affect the worker or peasant's day to day life is not possible. However, participation also requires insistence from the top down that hierarchical and client systems be transformed and pressure from the bottom up to use the opportunities provided. However weak they may be, managerial, bureaucratic and rural elites as classes (there are individual exceptions) will not take a lead in reducing their own power, status and unquestioned authority. As a result an absence of village, ward, district, plant, enterprise and regional conflicts over 1976-81 would almost certainly suggest failure to carry the transition forward. Such a failure is unlikely - the breadth and depth of participation and debate on decisions is rising. If the reverse appears to be the case to outside observers this may be because the debate and participation are now in Swahili, largely in TANU bodies and often at local or enterprise level not in English, in the National Assembly, in Dar es Salaam.

The nature of productive relations and level of productive forces poses major problems in Tanzania's efforts to achieve a transition to socialism. Development villages are in no sense socialist; Ujamaa villages (especially the high income tobacco ones) and other cooperatives have a tendency toward becoming hierarchical capitalist partnerships; state enterprises are unsuitable for low productivity (e.g. most agriculture over 1976-81) and small scale economic activity and in any case have a tendency to become autonomous units hierarchically run by managerial elites with the workers as their clients. These problems are endemic to socialist transitions - China's as much as Tanzania's, the USSR's in some respects more than either. They will result in a series of reforms, institutional changes, central removals of elites who have penetrated local and enterprise leadership, bottom up action to the same end, experiments toward more advanced and appropriate
forms of interpersonal relations in socialist production. Many will be changes to prevent going backward and break rigidities - some may over 1976-81 give guides for more adequate institutional vehicles for socialist productive relations which can be generalised in 1981-86.

Issues of timing are seen as critical. Tanzania's decision takers believe that to allow the forward dynamic of change to slacken significantly would be to run a grave risk of stagnation or reversal. This view is unlikely to change over 1976-81 so that overall "consolidation" periods will be rare and short. On the other hand Tanzania is a fragile society, state and economy so that forms of struggle leading either to frequent sharp clashes (like the first phase of villagisation or of action believed to flow from Mwongozo Clause 15 for participation and against authoritarian managers) or to debates likely to cause major cleavages in public attitudes to basic issues (like that in 1972-3 which overtly revolved around tourism) will be met with containing measures and an attempt to create a less charged atmosphere. Equally areas of stress will shift - 1971-3 was marked by a heavy emphasis on worker and peasant liberation and consciousness development, in 1974-6 production and universal access to services have had higher immediate priority. This type of shift in focus will continue; before 1981 there will be a period of renewed emphasis on liberation and consciousness like that of Mwongozo-Workers Councils-Decentralisation-Regional and District Councils-CTC Decentralisation.

An issue which will probably receive more attention over 1976-81 is worker and peasant access to information. Tanzanian leaders are not in principle committed to ubiquitous "confidential" stamping; Presidential and Budget speeches are usually markedly biased toward presenting as much information as possible even when it is unwelcome in its nature. The real barriers are a colonial heritage embedded in habit and regulation; a defensive tendency to bury mistakes and deny problems; a perception by opponents of participation that superior knowledge reinforces elite ability to delay, modify and resist. Unfortunately these barriers are very real ones and have grown higher in certain areas over 1971-76 even while declining in others.

Criticism of this situation is no longer confined to academicians and journalists. It has spread to workers councils, peasants and consumers. They make increasingly frequent complaints
that they "need to know" (in itself a sign of greater feeling
that national institutions are theirs and should be their
servants) and that they wish to be told the full truth about
problems and how, when, to what extent they can be overcome
not Panglossian press releases saying there is no problem, the
bureaucrats or managers have it in hand, it was solved yesterday,
there will be few bad effects, something will be done soon.
The approach to universal adult and primary education will augment
this flow of criticism over 1976-81. While the first response
may be to provide data verbally in TANU or workers council meetings,
part of the criticism is about the need to know in advance to
be able to discuss and reflect and cannot be met simply in small
group meetings but only by more mass communication whether broad-
cast or printed.

The liberation of women has not been an area which has been
perceived as central to a transition to socialism in Tanzania.
Recognition that the status of women both in peasant agriculture
and in the modern sector was inequitable has existed and deepened.
Women's organisations (official as with the United Women of
Tanzania and officially blessed as with the YWCA) have been created
albeit on a more than usually top down basis, various forms of
discrimination have been reduced (e.g. in access to education,
employment and promotion), elected women TANU committee members
and MPs have become less unusual but change has not been rapid,
radical or a central priority.

1975 with the appointment of 5 women as MPs and the first
2 women as Ministers may mark a turning point in perception at
the top. Whether it leads to rapid change throughout the system
will depend more than in most areas on whether a broad change in
consciousness has begun at the grass roots. Mass adult education
has created a situation which - combined with leadership support -
could lead to a sharp increase not simply in women TANU and
Ujamaa village committeemen but also in their articulation of
specific demands. Whether this will happen much before 1981 is
highly doubtful; therefore the liberation of women as an immediate
contradiction to be given central attention is more likely to be
on TANU's and Tanzania's 1981-86 than 1976-81 agenda even though
1976-81 will see more change than 1967-1974.

The related issue of demographic transition - perceived
in Tanzania largely in terms of household and community welfare -
is also unlikely to become central albeit for somewhat different
reasons. Tanzanians, with few exceptions, have little time for Western "population peril" preachers and, indeed, often suspect them of fearing a black population peril to their own privileged position not to Tanzania or Tanzanians. They are, however, concerned with family sizes and patterns appropriate to their social and economic circumstances. This is the context in which family planning has been accepted, officially endorsed and gradually extended.

Therefore, Tanzanian policy in this field has centred on child and mother health care (fairly broadly defined), provision of education and health facilities and stress on the need to space children both to protect the health of the mother and child and to limit the economic burden on the family and (in some lines of argument including the President's) the community and the state as providers of services. Reducing the birth rate as a "quick fix" route to growth has not and is not perceived as either socially acceptable, politically practicable or economically sound.

Tanzania's approach makes good sense - no demographic transitions are on record in which a rise in the welfare of the societies or classes concerned and a fall in their death rates did not come first. Therefore the central attention to reducing mortality (especially infant, young child, and mother death rates), increasing access to basic services and raising worker and peasant living standards has been and will be the basic route toward a demographic transition with family planning services a supportive measure. Equally the relatively muted top support is not simply related to leadership and educated elite divisions (which do exist and have erupted in sharp controversies) but to a belief that bottom up initiative is the only way to achieve much change in this field.

Over 1975-81 the deepening of health related programmes and services - not least pure water, nutrition, environmental sanitation, housing - is likely to result in quite perceptible falls in mortality. Near universal primary education will change the family and social economic cost/benefit ratio for children and the strengthening of village communities may reduce dependence on them for old age insurance. These changes will increase the already growing demand by rural women for family planning advice and may lead to some fall in the birthrate. However, over 1976-81 the death rate will fall faster; the earliest likely dating for
demographic transition to relatively low birth and death rates and a low (under 2% and falling) population growth rate is 1986-91.

IV

Fulfillment of Basic Human Needs

Absolute poverty eradication and egalitarianism are at least in the context of a view poor society - part of a strategy of concentrating resources on meeting basic human needs. Basic human needs can be grouped in five clusters:

a. personal consumer goods - food, clothing, housing, basic furnishing;

b. universal access to services - e.g. primary and adult education, pure water, preventive and simple curative medicine, habitat (environmental sanitation, urban and rural community infrastructure), communications;

c. the physical, human and technological infrastructure and the capacity to produce the capital and intermediate goods necessary to provide the consumer goods and services;

d. productive employment both yielding high enough output and equitable remuneration so that individuals, families and communal units earn (and produce for their own use) enough to have effective access to consumer goods;

e. mass participation in decision-taking and review and in strategy formulation and control of leaders as well as in implementation of projects and carrying out decisions.

These are the primary target areas of Tanzania's development strategy as it has evolved over 1967-75 and are clearly central to 1976-81 targets. Participation has, in fact, been considered within "transition to socialism" and is repeated only to underline that the Tanzanian perception of basic human needs is not that of material goods and services only, much less bread and circuses.

Most of the components of the first two clusters have already been cited in the macro guidelines. The picture for 1976-81 is of very substantial progress with the possible exception of housing. Several basic targets could indeed be met by 1981 and virtually all by 1981. The structural change and growth issues involved in achieving this are returned to in the subsequent two sections.
In respect of physical infrastructure the position is similar. Technological infrastructure will take longer - knowledge acquisition, experimentation and application takes time and Tanzanian efforts in the hard and soft technology fields did not begin seriously until the turn of the 1960s and will not be pursued systematically and on a broad front until the latter part of the 1976-81 period even though the first steps toward that new priority are being implemented now.

Human infrastructure in respect of skills and experience will remain uneven in 1981 with the rural sector distinctly weaker but with a 1986 "arrival" quite feasible. However, attitudes and consciousness as to how to employ these skills and how to shape decisions so they can fruitfully be employed while certainly developing lag behind and are likely to do so into the 1980s. The problem of the 1971-73 workers' direct action was not too many disruptions but too high a proportion for the wrong reasons (e.g. personal wage boosts, manipulation by an ambitious manager or foreman) and use of means injuring too many "innocent bystanders" (e.g. general walkouts as opposed to struggle focused on particular individuals or practices). The very varied Party and Government response to specific cases strongly suggests that they share this perception as do the rapidly increasing number of forced transfers of personnel "rejected" by Ujamaa villages. What the 1976-81 forms of this struggle for a more conscious human base and more responsive and responsible expert cadres will be is not projectable, that it will have a higher intensity and broader coverage than over 1971-73 (and especially 1974-76) is fairly certain.

Productive employment in the Tanzanian context over 1976-81 means primarily self and communal (village) employment. Without increases in productivity by these individuals there will not be adequate food supplies nor rural purchasing power to give effective peasant access to basic manufactured consumer goods.

Over 1974-77 there have been and are special problems with respect to wage employment. The rundown of the Kidatu Dam - TAZARA construction force from a peak level of 50,000 to a permanent operating and maintenance staff which cannot hardly exceed a fifth of that level with no parallel major construction project upsurge has and will lead to village skill enhancement but also to a temporary fruitless quest for jobs. Similarly the 1976 retirement of 10,000 government workers (basically those made productively redundant by the 1969 graduated personal tax and 1972 district
council administration abolitions) and perhaps 2,500 in para-
statals means a temporary halt to the underlying 6% wage and
salary post growth. The 6% trend is likely to be resumed well
before 1981, but the transitional problems especially to the
individuals concerned will be severe.

Fair remuneration turns partly on wage and salary levels
and differentials and partly on grower and retail prices. The
first area is reasonably well in hand (Tanzania’s minimum wage
of Sh380 may well be the highest in sub-Saharan Africa in
purchasing power terms). The second poses greater problems —
agricultural prices for domestic food crops have in fact been
set at slightly above import parity with lagged adjustments
(thus in 1966-72 the World Bank thunderously called for their
reduction and in 1973-74 for their instant increase). This is
not really either a food supply development or an equitable
price approach. 1974-75 adjustments have been favourable to
the peasants but still on an ad hoc and supply oriented basis.
A coherent income and equity oriented policy in this field has
not emerged or even been explicitly discussed in any operational
sense. The Prices Commission — despite serious limitations
especially as to promptness — appears to be making real progress
toward achieving a balance among equity, investible surplus
generation and production stimulation in its price and price
structure control. Given that start further progress over
1976-81 should be substantial.

Problems of landlordism, usury and exploitative employers
are serious but secondary problems. The first is significant
in relation to urban low income groups and will remain so until
the Workers and Peasants Housing Fund, savings and credit societies
at places of employment and housing cooperatives can enable the
vast majority of urban workers to own their own homes. That will
not be achieved over 1976-81. Rural landlordism does not exist
and the tiny "large" farmer sector using significant hired labour
is not expanding and will probably be eroded substantially before
1981. Unequal access to good land is an acute problem in several
districts — either the transformation of development into Ujamaa
villages or the greater vigilance of local TANU branches can curb
it. The problem is one of poor peasant consciousness and action —
the national level leadership and the legal frame would support
the much more energetic bottom up demands and initiatives which
can be expected, at least in some districts over 1976-81. Exploitative small scale employers do exist although the impact of the minimum wage on informal sector structures is surprisingly high and being widened. The basic solution lies in broadening the decentralised and district parastatal and production co-operative sectors. While this will happen over 1976-81 the remnant of exploitative small employers will remain into the 1980s but on an absolutely as well as relatively declining area of struggle.

The achievement of substantial progress toward initial basic human need fulfillment in Tanzania is possible. As noted in the macro section it probably requires about 25% more output per capita - always assuming this is of the right goods and services and appropriately distributed. However, the margins for error, waste and shocks are narrow. With 4-6% annual growth, a constant share of investment in GDP, no massive increase in security requirements (i.e. no major conventional war of liberation in Southern Africa and no heightening of the Soviet supplied Ugandan military threat), and 2.5-2.75% population growth the following per capita growth is possible:

<table>
<thead>
<tr>
<th></th>
<th>4%</th>
<th>5%</th>
<th>6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Consumption</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Urban Worker</td>
<td>(?)</td>
<td>(1.5%)</td>
<td>(2%)</td>
</tr>
<tr>
<td>Villager</td>
<td>(1.5%)</td>
<td>(3%)</td>
<td>(4%)</td>
</tr>
<tr>
<td>Basic Services</td>
<td>6%</td>
<td>8%</td>
<td>10%</td>
</tr>
</tbody>
</table>

There is not much margin for overall - as opposed to particular good or service - shortfalls especially at the 4% growth level.

To speak of fulfilling basic human needs by 1986 is in one sense quite sound and realistic but in another quite ahistorical. Needs evolve with their attainment - the process is not one which reaches a stationary state. Nor is it so perceived by Tanzanians. In the case of a society with as low initial levels of productive forces and material consumption as Tanzania in 1976 (even if that level is at least two thirds above 1961 in per capita terms) some of the evolving basic needs will be material. A bicycle or a sewing machine for every household, a refrigerator for every village shop, a video tape unit in every primary school, seats for all passengers on rural (let alone urban) busses are not basic needs in the 1976-86 context but by 1986 they may very well (and quite reasonably) be so perceived.
The idea that life styles should be simpler and material goods less dominant is one with appeal to some Tanzanian leaders with extensive experience and contact with Europe and northern North America. However, none of them would apply this view to consumption levels (as opposed to patterns) of 99% of Tanzanians. For that 99% the present - and 1976-81 - issue is perceptions of priority goods and services (e.g. milk vs cigarettes, adult education vs beer) not of any choice to accept static levels or goals for consumption of goods and services as admirable. Zero growth for the USA or Sweden and for Tanzania are totally different concepts in their social and human impact.

Egalitarianism in Tanzania incorporates a ceiling as well as a floor. The motor vehicle ownership and use limitations illustrate this - conspicuous display of inequality is perceived as an evil partly because it creates envy, partly because it distorts the consciousness of the displayer and partly because it creates false expectations and warped goals among the onlookers. Examples of all three results are clearly visible in Tanzania - albeit much less than in, say, Kenya or Uganda. This is not and is unlikely to become a commitment to austerity for its own sake, to uniformity in consumption or to absolute equality of incomes. "Lead us not into temptation" sums up the dominant concept underlying this aspect of egalitarianism.

Over 1976-81 this ceiling trend will manifest itself in additional "sumptuary" type restrictions. Because import control has choked off consumer durables (and these are not very publicly visible except for cars) that is an unlikely field. Because barring citizens from tourist/resident expatriate oriented facilities would be too akin to racial discrimination the result in that sector is likely to be not bans on Tanzanian use but very limited expansion largely away from centres of population. The Dar and Tanga beaches will not come to resemble those of Mombasa and Malindi, that would be leading into temptation with a vengeance.

Housing limitations are possible - the limits on housing loans to individuals and on public sector financed houses would thus be made general. However, the main areas of struggle over 1976-81 are likely to be health and education. In both Tanzanian elites have sought to maintain privileged access by using a parallel private sector or creating enclaves of privilege within the public sector. In both cases this is perceived as anti-social by growing numbers of workers and peasants and in the case
of education it could be a means of elite ("clever person" to use the President's term to characterise both their potential use to Tanzania and their potential for abuse and exploitation of other Tanzanians) self perpetuation.

These contradictions will probably reach crisis point before 1981 although the health case may be soluble more easily and less dramatically. The private health sector is shrinking - new private practitioners are unlikely to establish themselves in Tanzania because they can find more profitable practices amid less austere settings elsewhere. The unequal access to government and parastatal facilities probably peaked in 1971 and has declined. Continued Party and increased Workers Council vigilance may, therefore, avoid a crisis on this front.

Education is more serious. To date the private sector caters largely for children of Asian ancestry whose future is perceived as being outside Tanzania. That may be a nuisance but hardly a basic threat to Tanzanian development. However, the number of Tanzanian elite children in private secondary schools appears to be rising. Further within the public system certain schools - e.g. the Bunce School in Dar and its counterpart in Arusha and the quasi-private International School in Dar - are perceived to be enclaves of privilege which give their pupils a head start over others of equal ability but less family wealth or influence. The ending of direct entry to university may head this process but that seems unlikely so long as university level education abroad is, in fact, still possible for those diligent enough to seek out ways and means.

By 1981 the perception of privileged access to education for children of "clever people" as a threat to Tanzanian development and an unjust use of their parents' income and position will have deepened and widened. A struggle and probably an open conflict appear inevitable either in 1976-81 or 1981-86 but the exact form, timing and resolution cannot be projected.
Restructuring Toward a National Economy

The restructuring sought is toward an economy more capable of meeting basic human needs requirements for goods and services as sketched in the previous section. This requires on the economic structure side: greater economic linkages within Tanzania, better balance between production and use patterns, international economic order reform through "Trade Union of the Poor" bargaining, economic links with other poor countries in the context of "Co-operation Against Poverty".

Linkages and chains of production from raw materials to finished goods are becoming central to Tanzanian production initiatives and - to some degree - to parastatal sector structuring. They will be stressed in the 1976-81 plan - particularly in its industrial strategy - and implementation will have priority. This will mean much higher use of domestic raw materials in domestic manufacturing and a higher share of processed or manufactured goods in exports whether to East African, other developing countries or industrial economies. In certain cases - e.g. the Southern iron and steel complex - economies of scale require (as well as the resource base being conducive to allowing) export sales in order to have average production costs low enough to avoid injuring domestic metal using industries which are already being built up at least partly in relation to the 1981 target date for domestic steel production.

In the case of small scale industry the linkages sought are at district or village level. Seasonal labour surpluses, local raw materials and naturally protected (by transport cost or small size) local markets are seen as making selected non-agricultural production a major potential avenue for expanding village production, income and power to consume.

Balance between production and use will over 1976-81 be concentrated on staple foods, basic consumer goods (e.g. clothing, garments, shoes, vegetable oil and margarine), construction inputs (e.g. cement, water pipe, steel rod, metal sheet), simple engineering products (e.g. bicycles, lorry and bus bodies, fabricated metal), agricultural inputs (e.g. fertiliser, tools). These interlock with basic needs and in most cases with increased linkage with local raw material and find good production. In each of the examples cited, and perhaps as many more, fairly firm project plans or designs
exist and major production expansion will take place by 1981.

Chemicals (e.g. plastics, coal based dyes, acids, caustic soda, nitrogen from natural gas), specialised services (e.g. design, consultancy, erection supervision, large scale construction), and capital goods (e.g. spare parts, simple wood and metal working tools, sewing machines, small pumps and motors, cast foundry products) are a group of linkage and balance oriented product groups in which thinking, data collection and analysis has been begun. In some cases substantial production will be in hand by 1981 e.g. several of the services, plastics, foundry products, spares - especially for textile plants. However the main upsurge in output in these lines of production will be over 1981-91. With their addition Tanzania's industrial sector will look even more different from that of 1976 than 1976's does from the minute 1961 sector and will have achieved the ability to supply the bulk of consumer, intermediate and construction goods requirements and a minority but not insignificant portion of capital goods demand.

Structural change is not now perceived by Tanzania in purely economic terms. On the one hand it is seen as critical to achieving adequate growth of overall output. However, it is also seen as critical to ensuring that the particular goods and services needed to meet Tanzanian strategy targets are available in Tanzania. Both self reliance and income augmentation as well as the grave barriers to rapid export growth and the loss of bargaining power flowing from continued structural deficits on external account are perceived as making inward looking structural change much deeper than standard import substitution (of the 1965-70 variety) essential.

However Tanzanian decision takers and their technical personnel are not committed to autarchy or even to systematic external trade minimisation. Structural change is being sought in exports too - more garments, cloth, yarn, sisal twine, leather, plywood, cashew kernels, tyres, pipes and new industrial products sold abroad and less cotton, sisal fibre, hides and skins, logs, undecorticated cashew nuts, scrap metal. How high a resource allocation this export structure alteration and export earnings enhancement programme will receive over 1976-91 is not clear; certainly more than in 1971-76 is a safe but vague answer. The perception that a self reliant "inward looking" strategy must look to exports, not aid, to cover import needs and therefore must place priority on export levels approaching planned import targets is still not universally
accepted by decision makers and planners although since 1973 it has become more widely accepted. Part of the debate really turns on whether the inequalities in, and exploitative character of, North-South economic relations can be transformed into a more balanced and equitable one.

Tanzania’s commitment to major international economic system reform - which has little to do with aid - goes back over a decade. The President’s view then that the choice was between achieving a genuinely mutually beneficial system or steady withdrawal by Tanzania from the existing one. The term "Trade Union of the Poor" dates to a 1974 address but the approach has been advocated for rather longer. Since 1967 Tanzania has bargained - and occasionally confronted - more assertively and self-reliantly on particular economic issues with some success. From this the leadership has concluded that negotiated change is possible but that at the level of the global system - SDR’s, terms of trade, access to markets, transfer of technology, limitations on TNCs - it can only be negotiated by the Third World as a union.

While Tanzania is normally classed as a radical on NIEO that is only half true. Its demand is for transformation not marginal reform. What now not Mr. Secretary Kissinger’s Special Session Address outlines the scope and type of change Tanzania seeks. On the other hand Tanzania wishes to bargain, is willing to make compromises, sees a need to phase change so long as it starts now with a major set of first steps and continues at a rapid pace. This is, of course, analogous to the 1967-76 domestic strategy of development.

What will happen over 1976-81 involves projections far beyond Tanzania. In the first place a violent transition to liberation in Southern Africa would result in Tanzania adopting (and being forced to adopt) a much more confrontationist position. With the bankruptcy of Vorster’s détente initiatives the possibility of sustained, high level violence is a very real one. More generally Tanzania’s patience with the industrial economics is running out. “We have been oppressed a great deal; we have been exploited a great deal … now we want a revolution … so we are never again exploited” is part of the Arusha Declaration. Nine years have passed and as perceived by involved Tanzanians the international economic system has become more exploitative. Over 1961-71 ten years of terms of trade shifts cost Tanzania about SwKr 1,000, over 1974-75 two years loss was
at least as great. It is little wonder that in 1975 President Nyerere described aid as a partial recompense for failure to resolve injustices in the world economic order. If UNCTAD IV and the Paris talks fail, Tanzania is likely to decide that confrontation must precede negotiation; i.e. that the Third World must in one way or another resort to militant industrial action to use the trade union analogy.

Major "Co-operation Against Poverty" initiatives by Tanzania are likely to be delayed until 1977 when the prospects of the East African Community are clearer. A sudden, disagreed breakup is unlikely. A holding operation with various bits and pieces (e.g. Railways, Harbours) dismantled is likely. That in turn would speed the post 1971 path of death by attrition with a moderately orderly demise coming in 1982 when the Common Market provisions expire unless re-negotiated. A less likely result is an agreement to add as well as subtract - e.g. multinational ventures (i.e. East African based companies or firm contractual arrangements in the production and service fields), industrial development coordination, agricultural policy and stockholding - to limit areas of conflict and add new common interests to restore a forward dynamic. Tanzania's leadership would prefer this scenario but it would be rash to predict its attainment.

Closer economic co-operation with Zambia-Botswana-Mozambique over 1976-81 is almost certain either in the context of a growing EAC or as a replacement for it. More selective joint efforts with other Indian Ocean and financial surplus holding states are likely but their nature and extent cannot easily be predicted. The creation of a permanent technical secretariat for the 77 - supported by Tanzania - could begin to achieve coordination of effort and concrete growth of co-operation by 1981 but major advances are more likely in 1981-1981.
Expansion of Productive Forces

Expansion of productive forces - i.e. economic growth - is not, from TANU's perspective, an end in itself but a necessary means to achieving transition to socialism, fulfillment of basic needs and structural transformation. Without a stronger productive base Tanzania cannot be socialist, self reliant or liberated. Expansion of productive forces involves growth of output, allocation of resources, and efficiency of resource use.

Unfortunately there is no simple index for any of these aspects. GDP is a very poor index of output and a worse one either of allocation or of efficiency. However, it is considerably better than nothing as a trend indicator of total resource availability. The 4-6% probable 1976-81 annual average and the prospects for higher levels over 1981-91 suggest that total resource availability will grow - barely adequately over the next five years. The Chinese average is probably of the order of 4% over 1952-68 and 7-8% over 1968-75 to give both a comparative benchmark and an indication of the lag between the start of a socialist development and a heightening of GDP growth trend.

Particular sectoral and product availability is at least as critical as that of overall resources - smooth conversion of surplus hotel space or saloon car assembly facilities into grain or lorry component manufacture is a figment of the macro economist's simplifying assumptions especially in a relatively fragmented economy like that of Tanzania. Several specific growth requirements can be identified:

a. basic foodstuffs - 4-5% a year (from 1975-76 or 1971-3 average);

b. rural non-agricultural production - to a significant portion of manufacturing and modern services;

c. basic consumer manufactured goods - 5 to 6% a year;

d. capital goods - to 90% of construction materials and 20% of plant and equipment;

e. raw materials to be used in the consumer and capital goods sectors (and associated intermediate goods production) - 5-6% a year;

f. exports - 5-6% a year;

g. basic services - 7-10% a year.

Within each key targets for specific goods can - and by 1981 if not by 1977 will - be being set on a serious basis for annual,
five year and longer periods. That however is not an area in which firm 1976-81 assessments are yet possible because of data gaps on specific resource usability and allocation and the uncertainty as to the specific demand growth patterns resulting from the accelerated shift to a basic needs orientation over 1969-74 and the 1976-81 stress on integrating lines of production and inputs nationally.

The basic foodstuff target will probably just be met or missed while that for consumer manufactured goods will certainly be met barring both economic and socio-political collapse. Similarly the raw material and intermediate goods and construction materials target growth rates are likely to be attained in 1976-81 or very slightly later. The buildup of rural manufacturing and modern service and of plant and equipment production may lag because the initial base is low and the experimental and initial development phase may run to 1980 with major growth only over 1981-91. The export growth field is perhaps the most difficult to project - partly because events in respect of both the "Co-operation Against Poverty" and "Trade Union of the Poor" aspects of the quest for a NIEO will significantly influence it and partly because a decade of lack of priority for export expansion has left habits and outlooks which will take time to transform. The basic service expansion will certainly be of the order posited if overall growth is in the 4-6% range; otherwise resource availability may constrict it.

Allocation is interlocked with breaking up growth requirements into more specific sectoral and product line targets. In the short run it centres on allocation of existing stocks of high level manpower, foreign exchange working capital finance recurrent revenue.. In the longer run it turns on expanding as well as allocating the same four inputs plus investible surplus for fixed investment.

The short term allocation system in Tanzania has become reasonably effective over 1971-75, but is hampered by inadequate physical targets to which to tie the basically credit, fiscal and market rigging instruments used. This gap is likely to be at least largely filled before 1981. The long term allocation system remains less coherent - partly because credit, fiscal and price tools are much less effective here when not tied to physical trend targets - partly because of weak physical target setting in general and partly because of real conceptual and data problems
in setting some of the targets. While sharp improvement - especially in relation to key product lines and sectors - can be expected over 1976-81 a really satisfactory synthesis of physical and financial planning in the context of usably accurate long term output targets cannot be expected to emerge before 1981-86.

Efficiency has two broad subdivisions - macro and micro. The first pertains to basic strategic or key policy decisions and their implementation and the second to secondary decisions and their effectuation. Structural and strategic changes creating the opportunity to make breakthroughs e.g. the post Arusha nationalisations or villagisation or (the 1974 "protect the workers and peasants", "promote egalitarianism and rush ahead on service access", "produce out of the resource gap in the medium term", "borrow to close the short term gap" strategic decisions) avert collapses are macro-efficiency topics. Consolidating and using these opportunities (e.g. the creation and strengthening of the NBC) and marginally broadening them (e.g. the development of the specialised financial institutions) are micro-efficiency topics. Any macro-efficient decision has micro costs because by its nature it dislocates, unbalances, disorders in order to open up new possibilities. Equally pursuit of micro efficiency and consolidation after some point has macro-efficiency costs because it blinds the pursuer to the opportunities for major breakthroughs. Standard Soviet and Western planning - at least as exported - stresses micro efficiency too much, management consultants usually carry this to the extreme of looking at nothing else.

Tanzania's leadership has had an outstanding record in respect of macro-efficiency; that of technicians and managers in micro is more mixed albeit steadily improving and very much better than that of 1967 (or of the colonial and immediate post colonial era). The timing of macro efficiency decisions is almost impossible to predict in advance (much less fit neatly into Five Year Plans) certainly several will arise over 1976-81 in respect of participation and control, export development, rural output policy, science, technology and capital goods, parastatal decentralisation, and probably housing. To delay them to allow consolidation in the interests of micro efficiency would greatly weaken 1981-91 opportunities for growth, even the 1976-81 development dynamic and - most critical - the evolution
of worker and peasant consciousness and commitment which is critical to the survival of Tanzania's development strategy and the Party and leaders informing it.

However, micro efficiency is also critical. Waste is not a socialist objective - least of all when productive force levels are as low and margins as narrow as in Tanzania. "Mistakes are mistakes" as the President remarked and their inevitability makes efforts to reduce their frequency and severity and speed their correction more critical. One element in this would be a clearer perception of the difference between the costs of macro efficiency (e.g. the 1973-75 NMC grain deficit until prices were sorted out and import dependence reduced) and the costs of mistakes (e.g. the early 1974 grain shortages and the extra cost of last minute ordering because NMC had not acted in good time on its 1973 evaluation of 1974 grain supply and demand balance).

Inputs into micro efficiency include trained and educated personnel, institutional experience, coherent planning, domestic advisory and consultancy services, emphasis on fulfilling targets and therefore coherent target setting. These are being built up - more rapidly since 1971 - and will probably be adequate in the urban, national parastatal and ministry sectors by 1976.

The rural, district parastatal and Ujamaa village, and decentralised governmental situation will not see comparable progress before 1981-86 because the numbers of persons and institutions are much larger, the present knowledge as to what specific skills and techniques will be useful much lower and the difficulty of building up that knowledge greater because of limited external semi-parallel and the short period of Tanzanian experience (basically post 1970 for Ujamaa villages, post 1972 for decentralised governmental units and hardly begun for decentralised productive sector activities). However, by 1981 the micro efficiency in these sectors should be much higher with far fewer cases of chaotic ruddle and far more of clearcut success - perhaps comparable to 1976 in the parastatal and ministerial sectors.
Sweden, Tanzania and Tanzanian Development

Projecting magnitude of Swedish capital and technical assistance transfer to Tanzania is not an easy exercise to conduct on an objective basis. Taking Tanzania's 1976-81 external resource gap of about SwKr 6,250 million a reasonable goal from a Tanzanian and perhaps a Swedish viewpoint might be one fifth of that or SwKr 1,250 million in 1975 prices. That "goal" - however artificial - suggests that so long as Sweden remains committed to at least a constant real percentage of GDP aid allocation and remains in sympathy with Tanzania's goals and ways of seeking to attain them, the real size of the SIDA programme in respect of Tanzania will rise significantly over 1976-81. Over 1981-91 it might well level off in real terms - while growth would, other things being equal, increase Tanzania's external resource gap, structural change will tend to reduce it at least in relation to GDP and external trade.

Within an increasing programme to 1981 and one of at least constant size for a decade thereafter significant questions arise as to quality, Swedish influence and reduction of the unidirectional, paternalistic aspects which still characterise almost all (perhaps all) aid relationships not excluding Sweden-Tanzania.

The nature of influence by resource providers and advisors is often misunderstood not simply as to its amount but as to its nature. No substantial provider of resources can be without influence - the less he specifies uses and methods the more he bolsters the existing structures and trends, evidently not always a bad means of influencing and one which SIDA has moved toward in Tanzania with its shift to broad sectoral, flexible programmes and multi year projections. Beyond that influence in Tanzania does not normally consist of a resource provider or advisor causing changes in basic aims or even in the main means used to implement them except in a very special sense.

When Tanzanian decision takers wish to make an area a priority one but have no clear concept of how it could be implemented, advice (especially if backed by resources) can result in a new priority. Equally if a priority has been chosen but the means to articulate and implement it are inadequate, advice and resources focusing on a new approach to implementation can be critical. Food storage is an example of the first type of potential influence - because it was ill suited to Tanzania's real problem of village
level storage, technically dubious and very costly, SIDA's silo project in fact had only the negative influence of postponing priority attention to storage. Rural water illustrates the second point more positively. TANU - responding to rural consciousness - saw universal access to pure water as a priority. But, like Minister Chagula, it was clear that existing approaches to providing it were not only inadequate but not even a base for an expanded programme. Thus the 20 year plan and the fairly explicit indication SIDA funding and expert personnel would be available to help underwrite this approach was very influential.

Another area of influence is that in which an advisor or resource provider in fact - no matter how unintentionally - backs a party in an existing Tanzanian dialogue or struggle. On requiring project reporting, SIDA's accounting proposals de facto strengthened Treasury which objected to technical personnel who saw reporting what was spent how as a waste of time; its verbal evaluation and analysis report requests were less influential because those in Treasury and especially Devplan who also wanted them were inadequately influential. Similarly - and perhaps more strikingly - the debate on the pace and size of the adult education buildup was halted when it became clear SIDA funding was available on a large scale. This is not a plea for deliberate Swedish involvement in Tanzanian debates; it is a statement that such de facto involvement is inevitable and will be less damaging to Sweden and Tanzania if there is an understanding by all parties of what areas are contentious within the Tanzanian side and how Swedish proposals may influence the outcome of the Tanzanian dialogue or debate.

Strategic decisions are taken by TANU at NFC or National Conference level or in emergencies by the President. Proposals, however, do come from technicians and analysts via senior civil servants, ministers, the cabinet as well as from workers and peasants via Party and local government channels. External influence on TANU really turns on providing new information on the choices open, not on altering views as to basic aims or selection among already known alternatives.

The first strategic decisions to put universal access to rural water forward in the sequence of priorities was influenced by the 20 year rural water plan and the 1975 decision to shorten the time horizon was influenced by the knowledge and funds SIDA provided to help make the initial years of the rural water struggle a substantial success. The final decision to make universal adult
education a top priority, immediate implementation area were
to some degree at least influenced by the knowledge SIDA
finance was available; the influence was probably greater at the
level of determining budget allocation. In reviewing strategic
priorities the issue of their impact on total resource availability
(including knowledge) is sometimes influential - the new, nearer
time target for water has already been cited. Similarly in pure
crisis management strategic decisions, e.g. the 1974 grain
purchase-price structure-wage and salary-tax-production-external
gap financing package, external actions may help shape thinking
on what is possible. SIDA's 1974 emergency grant - while hardly
large compared to the resource raising demanded by the strategy -
did encourage analysts and political decision takers to persevere
on the basis that very high interim external finance to assist in
buying time to produce out of imbalance could be secured.

The makeup and technical nature of programmes are usually
decided within the Government - in the larger cases at Cabinet
or Economic Committee level and in the smaller at ministerial
or - less frequently than is supposed - senior official level.
The senior official or parastatal manager who appears to be taking
major decisions frequently and to be securing their implementation
is normally either acting on fairly clear ministerial guidelines
or understands his institution's strategy clearly enough that his
judgement on what is appropriate is normally correct. Less
frequently he is a decision taker proper because of a personal
status not linked to his office or is, in fact, operating
anarchically outside the proper decision taking structure. It
is critical to both SIDA and Tanzania that SIDA be able to avoid
becoming an ally of the last type albeit the primary control
responsibility is of course Tanzanian.

Resource transferors and advisors can alter the size and
balance of programmes by their project proposals. In the grain
storage case the balance was swung to central, import/export
oriented silos and away from local, domestic production/use
oriented facilities and to large, capital and import intensive
and away from small, simple, local material based approaches.
As a direct - if unintended by SIDA or its consultants - result
the storage programme's size was reduced because it did not seem
to tackle the basic rural food supply continuity problem.

Unit cost can be greatly influenced by transferor-consultant
preferences. MATI is a horror story in this regard - not so much
because Nordic money has been wasted or even that the same funds could have built three equally serviceable, utility grade, local material oriented facilities. Rather the problem is that MATI sets a "standard" which deters rapid expansion of middle level rural technical inputs, delays developing appropriate standards and - at MATI and any similar facilities - probably creates a wrong setting for concentrating on basic need achievement in villages. Per contra the improved traditional building unit of Lands and its regional construction units gave the technical and intellectual prestige necessary to put serious effort behind long pending proposals to upgrade local techniques, evaluate and develop local materials and put decent structures within the grasp of rural technical skills and own resources.

The building example also illustrates the possible positive influence of resource transferors and advisors on technological development and adaptation. SIDA's rural water programme inputs - at least until recently - despite their other positive influences have had negative effects in this field. By demonstrating the feasibility of massive centrally planned efforts primarily resting on sophisticated surveys and borehole drilling they reduced attention to locally based and largely locally built spring protection, minor pipe schemes, earth wells and tube wells. The stimulus to the recent move to integrate the borehole and simpler technology approaches, decentralise more and thus make a 1979-81 target for 100% rural pure water access plausible came from the much smaller Chinese programme and spinoffs in pioneer Ujamaa villages.

The MATI and borehole examples illustrate that influence on means can in turn influence ends - in these cases contrary to what either Sweden or Tanzania wanted. Implications for use and development of Tanzanian technology, materials and manpower and for increasing village and local government ability to take and implement decisions must be canvassed as well as the more standard issues of feasibility, technical quality, speed and simplicity of operation. Tanzanians who have raised these issues vis a vis MATI and the borehole concentration did find that, however unintentionally, SIDA's money-technical assistance personnel-consultants were among the major "arguments" deployed by those opposing changes.
Influence on the mechanisms, procedures and institutions of planning (including implementation and review) flow quite inevitably - but far from quite obviously - from resource transferor procedures and inputs. For example SIDA's approach through the beginning of the 1970s was one of relatively short term, tightly specified projects with reimbursement on receipt of detailed accounting. This was combined with an evident intention to continue transfers at least in some areas, to waive rights to intervene in respect of a wide (but rather unpredictable) range of project and procedure deviations and a sympathetic (but non operational) awareness that SIDA disbursement procedures hardly meshed well with Tanzanian finance, foreign exchange, budgetary and accounting constraints. The basic influence was certainly not useful to anyone. Stop and go project implementation (exacerbated because of the long lag between an agreed project and an actual reimbursement) plus limited ability to adjust within or between projects prevented smooth buildup of capacity or alterations of course. The known unwillingness of SIDA to intervene,frequently combined with myriads of rules,made any SIDA intervention unexpected and unwelcome (further deterring it) where simpler rules might have been worked out which both Tanzania and Sweden found useful in project monitoring and control and which were therefore enforced in fact by Tanzanian institutions as in their own interest. The mid 1970s shift to rolling longer term commitments, broader programme areas (beginning earlier with rural water and adult education), flexibility within areas and advance release of agreed fund tranches quarterly is a much more positive influence and probably potentially assists Finance and Planning in monitoring and control.

SIDA consultants have been perceived by Tanzania as "SIDA's men". This has had an influence when Tanzanian judgement diverged (or divided) but the choice was (perhaps wrongly) perceived as SIDA's advice - approach - money, take it or leave it with no option to insist on a restudy with different terms of reference or consultants. Grain storage (silos) is a clear example.

SIDA missions have often been perceived as bankers inspecting their portfolio - especially when their advent coincided with financial discussions. This has influenced Tanzanians toward less criticism of SIDA, less posing of broader economic order questions, less frankness about problems than would have been the case had there not been a dual information and discussion/appraisal and
lending role. This should not be overstated - Tanzanians do not in general act all that deferentially to any kind of banker - but it has been a real influence.

SIDA's resident mission has not been very influential because Tanzanians have not perceived it as having much influence on SIDA decisions, much specialised knowledge to convey, or - with exceptions - all that much concern to collect, discuss and analyse information on Tanzania for use by SIDA and Sweden. This is not to say it has been negatively influential - unlike some aid missions it was not perceived as an interfering busybody and was seen as doing a good job on handling the Swedish side of day to day administration of the aid programme and keeping the personal and housekeeping problems of Swedish financed personnel under control and off the desks of harried Tanzanian officials.

Several areas in which evolution of Swedish-Tanzanian relations in the resource-personnel-advice transfer areas are desirable and possible over 1976-81 can be sketched.

First, Sweden (especially SIDA) should perceive of itself neither as a dominant partner, a teacher nor a banker in fields of cooperation in Tanzania. It should seek to be, and to be seen as, a junior partner with a duty to understand Tanzania initiatives and goals and a right to respond with comments, suggestions, criticisms as well as endorsements but with neither a right nor a duty to seek to sell its own approaches even in technical fields if Tanzania clearly does not desire to use them. By and large this is a more active role than SIDA has in fact taken except for the technical advice and approach aspects where it has (perhaps partly unconsciously) sometimes been too dominant. The trust and confidence which has grown over 1966-71 should make such a role not merely acceptable but welcome to Tanzania.

Second, Sweden should be explicit as to the objectives it believes Tanzania might wish to consider pursuing or placing higher in its scale of priorities. However, it must be clear that these are not attempted directives, that Sweden has no blueprints for implementing them in Tanzania and that resource transfer levels do not hinge on Tanzanian responses to any particular Swedish proposal but on a broad convergence of concerns as to the nature of human development. Equally Tanzania should be expected to be explicit as to what it feels Sweden should consider doing in the area of international economic system reform.
Third, SIDA should reconsider the ways of using consultants. Ideally in all cases in which third party expertise is needed in respect of an agreed area of cooperation, Sweden should provide funding for Tanzania to hire consultants – local where possible – to carry out the needed study. SIDA should be consulted on its view of the suitability of Tanzania’s choice because mutual faith in the consultant is critical and the consultant should normally report his findings to (and be available for discussions with) SIDA as well as Tanzanian bodies. However, he should be primarily a consultant to Tanzania not to Sweden.

Fourth, missions should be either contract negotiating or mutual examination of programmes – problems – progress not both. The dual role serves neither purpose very well and inhibits both Sweden and Tanzania in freely stating, examining, debating and resolving real or imagined problems.

Fifth, the SIDA field office might well be given additional duties in collection, analysis, exchange of information and impressions. Within a long term, broad, flexible programme oriented cooperation strategy there will be few enough stop/go, finance or no decisions that these need not be delegated. There is a need for a more continuous dialogue than can be achieved solely through visiting missions.

Sixth, the possibility of Tanzanian aid to Sweden should be explored seriously. There are areas of human relations, access to services, allocation of resources, approaches to equality in which Tanzanian experience might well be valuable to some Swedish institutions. Certainly there are aspects of Swedish education and communication to which Tanzanian inputs could be valuable. Aid should, when possible, be and be explicitly seen to be two way.

Four examples may illustrate some of these points:

- **Equality for women** is a Tanzanian goal and one in respect of which some steps and some progress is visible especially when one contrasts 1976 with 1966. However, it is not an area in which TANU or Tanzanian women’s organisations have developed very clear strategic priorities nor coherent articulated programmes with quantitative goals and target dates. SIDA might well inquire whether a joint Swedish-Tanzanian exploration of this field would be of value to Tanzania in setting Tanzanian priorities. The first step – before devoting resources to specific programmes – might well be a series of consultations between Swedes and Tanzanians (hopefully largely but not exclusively women) active in the quest
for more equal roles for women in their respective societies. If this phase (say in 1976-77) proves fruitful, discussions on a five year programme area allocation and then on the broad outlines of projects within it could follow.

Industrial development strategy articulation and implementation is a programme area which could usefully be explored comprehensively and systematically. Funds for capital goods and personnel are useful - the question is what else? Can Swedish small firms and their personnel be of use to SIDO? Can Sweden provide a system of secondment without loss of seniority and prospects so that rising middle managers and productive sector technicians could be secured by Tanzanian parastatals? What experiences and competences of the Swedish public sector enterprises could be utilised in co-operation programmes (from personnel secondment, through joint ventures to global marketing of selected Tanzanian products)? How can Sweden help Tanzania find markets and build up expertise in marketing resource based (e.g. iron and steel in the 1980s, sisal twine today) manufactured goods and transitional surpluses of primarily domestic market oriented goods? Are there areas in which long term contracts for non-traditional Tanzanian exports of manufactures and semi-manufactures could give Sweden assured supplies and Tanzania assured market outlets on which to plan joint domestic/export market plants?

Data flow development is an area in which Tanzania has been plagued by false starts - e.g. premature computerisation, almost literally all McKinsey study based efforts in STC and Decentralisation. However, better, faster, more relevant and less traditional data flows are needed. The Institutes of Finance Management and Productivity, the Institute of Development Studies and the Bureau of Resources and Land Use Planning have made some initiatives but lack personnel and access to experience elsewhere. Could a programme be devised that bolstered Tanzanian institutions (with personnel, data, innovative ideas as much as or more than with funds)? The Lands experience with the building unit suggests that appropriate, locally oriented research can be stimulated by foreign inputs if these are carefully selected and placed within a Tanzanian institutional and goal frame.

A Tanzania-Sweden aid project should have high priority to demonstrate the growing mutuality and equality of Swedish-Tanzanian relations. The most evident area is probably international
education broadly defined to include mass media and adult as well as primary through tertiary education. Another area might be the evolving questioning - in both countries - of the existing patterns of "development" and the values on which they are based; Tanzanian thinking here is at least as developed as Swedish and could well complement it in respect of a Sweden directed exercise. In parallel to this, SIDA could seek to use or encourage the use of Tanzanians and Tanzanian institutions in other Third World programmes it is assisting e.g. in respect of mass, socially and practically oriented adult education or the non-borehole aspects of rural water development.

These suggestions are illustrative not exhaustive. Each does flow from a need felt in Tanzania and likely to be on the action agenda in 1976-81 albeit the particular tentative formulations are not necessarily those in which most Tanzanian spokesmen would now state the need.

However, there is a broader sense in which this discussion of the evolution of Tanzania-Sweden relations in a SIDA centred context is too narrow. It is inherently aid centred and, even were some aspects of aid to become more two way streets, aid is neither central to international economic transactions nor to the international economic order. A broader framework is needed.

Most of Tanzania's (or Sweden's) foreign exchange receipts are earned by exports of goods and services. Tanzania's 1974-75 slide into an almost unmanageable structural deficit came partly from drought (an appropriate area for aid) and partly from radical negative terms of trade shifts. Therefore there is a real sense in which to talk of aid instead of trade, filling gaps instead of fair prices is to reject Tanzania's right to earn enough to pay its own way and to insist on substituting charity to alleviate some of the effects of unequal exchange.

The hierarchical, inequalitarian and inherently exploitative structure of the international economic order cannot be transformed by aid. The resources will not be forthcoming and if they were they would - taken in isolation - alleviate some aspects of the structure but not change its nature. No greater balance or self reliance could result. Union members have never viewed paternalistic charity plus unemployment relief as a substitute for political and industrial action to secure a fair wage and an effective voice in decision taking. No more do the leading Third World proponents of a New International Economic order see
charity and paternalistic advice as a substitute for equity and participation.

This is not to say aid is useless, inevitably counter-productive or to be laid aside as relatively trivial. Nationally too unemployment compensation, sickness and disability insurance, other public transfer payments and private charity do have roles to play. It is to assert that it can provide equity, equality, self reliance, participation, and meeting basic human needs effectively only in a context of much wider international economic system change. SIDA, as an aid agency genuinely committed to human development in and by the people of resource receiving states, is trying to make water run uphill unless and until there is a NIEO. This is not a waste of time - buckets and check dams can make water run uphill and stay long enough to be of some use - but it is a limited use.

Sweden has been relatively progressive in perceiving the quest for a NIEO as justified, in avoiding cooperation in confrontation against it, in making vaguely sympathetic noises. To say more would be to praise unduly. What now is not Swedish government policy; even if it were it makes no claim to having a detailed operational programme. Sweden’s NIEO response has not been either very imaginative, very creative or - to be honest - very forthcoming in key initial areas such as the Integrated Commodities Proposals and especially their indexation aspects.

Sweden is not a great power. Even if it were, it could not create the industrial world side of NIEO alone. However, Sweden is a significant country and one which can play a leadership role among the middle industrial powers. By at least some Third World countries’ leadership - very much including Tanzania - Sweden is perceived as a "like minded country". What do these objective and subjective constraints on, and potentials for, mobilising toward a transition to a New International Economic Order suggest in the context of Sweden-Tanzania relations? Certainly they do not suggest a joint Swedish-Tanzanian policy and Sweden’s joining the Group of 77 nor even SIDA’s being made responsible for all NIEO issues on the Swedish side.

Several goals can be posited:

a. developing - especially on the Swedish side - a coherent and comprehensive approach to international economic order issues as opposed to fragmented issue by issue analysis;
b. serious exploration of both Swedish and Tanzanian goals and interests with a view to identifying both areas of complementarity and joint interest and of tradeoff and divergent interest;

c. seeking to identify national, bilateral "like minded country" groups and global instruments (institutions, policies, programmes) which could articulate and implement common interests and tradeoffs;

d. consultation on national action likely to affect the other - e.g. on the Swedish side tied aid negatively and rules for Swedish transnationals positively - before making final decisions especially as to details and implementation;

e. serious exposure of national problems - e.g. in respect of Swedish workers and consumers in respect of inputs of certain manufactured goods and of raw material prices - to create a more genuine joint understanding of the limits and difficulties as well as the potentials for action but also to explore ways of overcoming these limits;

f. agreement on particular initiatives which Tanzania and Sweden might pursue nationally, bilaterally or more broadly.

The preconditions for such an approach are mutual trust, significant common aims, a will to explore, channels to pursue mutual exploration on the basis of equality and a genuine commitment to use exploratory dialogue to seek out areas for action and ways of acting. The first two conditions pertain to Sweden and Tanzania as - in principle - does the third. Both states have approached the quest for NITRO on the basis of preferring negotiation and consultation to confrontation and polemic so there is reason to hope the final condition is met. However, at present no relevant channels exist.

What is needed are forums in which a variety of Tanzanians and Swedes - trade union and peasant leaders, politicians, intellectuals, managers, journalists, civil servants - can meet to explore issues, ideas and contexts openly, frankly and with a minimum of detailed constraints. Large conferences are not adequate any more than formal diplomatic discussions. No single series of meetings is likely to be adequate - e.g. trade unionists should sometimes meet with each other and sometimes in a more mixed setting. Individual meetings not related to and feeding into each other will not do either - some joint coordinating secretariat (preferably a very small one!) could be critical.
The complex of Nordic country bodies may be a pattern with something to contribute as may that of East and Central African bodies. Probably the first two meetings should be to explore how to proceed. Initially Tanzanians and Swedes chosen for interest and ideas rather than official position could seek to prepare broad proposals as to areas of exploration, channels of communication, means to go forward when agreement on a topic is reached. Then a more institutionally selected meeting could decide on how to proceed using the first meetings' outcome as an agenda and a briefing paper.

Both Tanzania and Sweden desire to avoid North-South polarisation. Both seek to relate to other countries as equals. Some variant of the foregoing international economic order dialogue leading to action proposals could contribute to both goals. If successful, it might be broadened to include like minded industrial and Third World countries or additional two way dialogues might grow up. Detailed speculation on where this type of initiative could be by 1981 or 1982 is not very fruitful - the real problem is to see whether and how it can be instituted in 1976-77.

VIII

Envoy

Projection writing is not an exact science nor even a fine art. When applied at the level of a society or nation it will always be wrong in detail - at most it will have identified key themes, areas of effort, lines of achievement and limitations. To pretend to the nature of exact forecasting it must either move onto the level of astrology (à la Herman Kahn) or lose sight of the forest of human endeavour for the trees of particular products and special mathematical properties (à la the RIO Project).

This projection has not sought to detail where the author thinks Tanzania should go albeit his views on that doubtless colour both the expectations and the limitations adumbrated above. However, it is not uncritical nor facilely optimistic - that would be either to deny objective reality or to imply that Tanzanians were too weak, too timid, and too lacking in self confidence to look at reality: an insult neither Tanzania nor TANU nor most Tanzanians deserve.

Tanzanians - individually and collectively - have begun to assert, to believe and to demonstrate their own worth and beauty, the importance of their own people and aspirations, the legitimacy of
defending and the necessity of struggling to achieve and to
fulfil them. That is the only basis on which development can
proceed, basic human needs be fulfilled, self reliance become
increasingly real, the transition to socialism be sustained.
An understanding both of the Tanzanian stance and of the necessity
for it is critical either to commenting meaningfully on details
or to relating positively to broader aspects.

Perhaps the interim concluding word both on this projection,
on the struggle it seeks to delineate and on the Tanzanians (and
secondarily those committed to cooperation with them) should be:

So Krishna, as when he admonished Arjuna
On the field of battle.
          Not fare well
But fare forward, voyagers.