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**How African Socialism in Post-Colonial Ghana and Tanzania Impact the  
Countries Current Development Trends**



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## ABSTRACT

Attaining independence during the Cold War era situated the newly independent African states in a dilemma on which ideology to adopt at fostering political, social, and economic development in their respective countries. African socialism came as an attempt for African states to alienate themselves from the Socialist and the Capitalist blocks which were at war. This paper investigates the model of Socialism that was practiced in Ghana and Tanzania under Kwame Nkrumah and Julius Nyerere. Though socialism failed in achieving the needed objective in both Ghana and Tanzania, earlier attempts underpinning the socialist practice in these countries continue to have a positive impact on national development to date.

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## INTRODUCTION

Socialism is hard to define, and many philosophers and economists have tried to make sense of this term. Stephen Cullenberg (1992) said, socialism is a form of society where multiple class sets are present, and the society employs most of the working class in such a way that all the sets progress together as a society (p. 66 and 81). Joseph Schumpeter also tried to define socialism and said that socialism is a public organization within the society which controls the means of production. This organization also determines the production and distribution of the accumulated wealth (1950 p. 446).

Hans-Hermann Hoppe (2010) defines socialism as a centralized policy against private property and capitalism as the opposite. He considers socialism to be a much older concept which has no roots in Marxism (p. 10 and 18) and adds that since there are varying degrees of the meaning of 'Private property', there are also varying definitions of socialism in the world (p. 10). This idea tells us that socialism is complex and complicated and therefore, very hard to define.

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## Eastern European Socialism

Cole (1985, p. 234 and 244) said that during the World War II, USA instilled a perception that the Eastern European socialist nations were directed and controlled by the soviets. This influence was a result of the soviets' contribution in the establishment of the socialist states in Eastern Europe despite their 'autonomous' status even though they maintained their own political, social and economic ideologies. His comment reflects on the nature of administration in Eastern Europe in terms of socialist ideologies and the reasons for the shadow of soviet influence in these states.

According to Schöpflin (2019, p. 57 and 63), the political structure of Eastern Europe was different in terms of decentralization of power that can be seen in Western Europe. Schöpflin also points out some aspects of administration in Eastern Europe. For example, the judicial system was not influenced by the administration and there was freedom of press. However, in several aspects, all of these were largely dependent on the whims of the 'power elites' who held a lot of power in the administration of the states. Schöpflin (*idem* p.87-88) also found many changes in the attitudes of the population and corresponding changes in the political structures of the East European countries as an effect of the 2<sup>nd</sup> world war.

Hans-Hermann Hoppe compared the USA with Western Europe and East Germany with West Germany to conclude that the difference in wealth and prosperity of a country can be explained by the degree of their socialism. He maintained that an 'almost complete socialization of the means of production' was adopted in the Soviet Union and later by the other Eastern European countries, ultimately impacting other countries around the world (Hoppe, 2010, p. 11 and 34).

## Western European Socialism

The current policies regarding socialism in Western Europe have been modified from what they used to be. Katherine S. Van Eerde said that the socialist parties in Western Europe were only able to hold tremendous amounts of support and momentum in the





beginning of the 20<sup>th</sup> century. However, this tremendous growth was not lasting one and began to lose its momentum following the next 50 years. Western Europe once again became a significant power in Europe in the 1960s by making changes in their political and social structures (Eerde, 1959, p. 408). Hoppe (2010) points out that the practice of ‘classical liberalism’ in Europe caused a tremendous economic growth in the 19<sup>th</sup> century, especially in the case of Great Britain, when compared to the 20<sup>th</sup> century. Historians constantly attribute the changes to the changes in policy from ‘classical liberalism’ to ‘socialism and statism’ (p. 77). This example of economic and social growth of Western Europe has to be credited to their evolving political, social and economic ideologies.

Eerde (1959) said that socialists seized power during the interwar period in Norway, Denmark and Sweden and set up successful welfare states by collaborating with the non-socialist parties. The same pattern was seen in Finland which was not able to achieve the same level of development due to the lack of a collaboration between the Finnish Social Democratic Party and their oppositions (p. 409).

Emille Bouvier (1949) said that many sociologists and economists focused on finding key criteria to determine the growth of an economy. These include security of the wage earner, joint production committees with input from the wage earners, control, audit and percentage of the production and co-ownership of the industry. These steps are yet to be achieved in Western Europe, with France and Belgium reaching the 3<sup>rd</sup> step and Norway, Holland, Sweden, and Denmark reaching the 2<sup>nd</sup> step only (p. 27).

## African Socialism

African socialism differs from other forms of socialism, practiced in the USSR or the Communist China. It was practiced in Ghana as Nkrumaism, Guinea and Kenya as Harambee, Senegal as Negritude, Tanzania as Ujamaa, and in Zambia as Humanism (Sanders, 1978 p.70). The government of Kenya in its Harambee document (1965, p.2-5), defines African socialism as a political and economic system that is positively African; not imported from any country or the blueprint of any foreign ideology. The document





also added that African socialism should draw from African traditions such as equality and social responsibility as an extension of African family spirit.

According to Sanders (1978, p. 71-72) African socialism is an ideology rooted in precolonial classless African societies when people worked cooperatively. Thus, African socialism discourages capitalist exploitation and inequalities. He argued that African Socialism differs from Marxist theories in the sense that it did not emerge from class struggles but rather from the African ideas of peaceful national and international unification. He added that African Socialism embraces religion to social unity unlike the Marxist ideas that reject religion.

### Brief History of Ghana

Until 6th March, 1957, Ghana was known as Gold Coast, a name which recalls pleasurable returns from European expeditions during the age of European expansion. Situated on the coast of the Gulf of Guinea with a current population size of around 30 million people, Ghana is ranked the 2<sup>nd</sup> most peaceful country in Africa according to the 2021 Global Peace Index Report (GPI, 2021). The former British colony is blessed with abundant natural resources and its drive to independence was led by Pan-African leader Kwame Nkrumah first as Ghana's prime minister and then as president of the Republic of Ghana from 1960 to 1966.

### Why socialism?

The declaration of independence by Nkrumah in 1957 is one of the defining moments in Africa's post-colonial political history as many individuals portrayed Ghana's story as one that represented more than a simple accession of another nation-state to the rapidly expanding postwar international community (Ahlman, 2017, p. 4). Ghana's independence was a political, social, cultural, and economic revolution in Africa and Nkrumah's leadership at the forefront of the continent's common battle for liberation through his anti-colonial activities earned his pan-Africanist global recognition. As the country's first





leader, he sought to address Africa's underdevelopment and marginal position within the global sphere using an ideological belief (Nkrumaism) that was parallel to the Marxist-Leninist doctrine where the state controls the economy and means of production, suppresses the bourgeoisie, counter-revolution, and resistance, promotes collectivism in society, and lays the way for a future society that is classless. Kofi Baah, one of Nkrumah's associates best describes Nkrumahism as, "a non-atheist socialist philosophy and a way of life that is modelled to suit the conditions and circumstances of Africa." (Omari 1970, cited by Smith, 1991, p. 31). Nkrumaism is thus a philosophy that seeks to combat the problems associated with colonialism, imperialism, and tribalism by promoting freedom, harmony, and better living conditions for all Africans.

Nevertheless, debates that had surrounded decolonization during the 1950-1960s assumed that newly African states followed the modernization paradigm because their economies and social structures were caught up in transition to modernity. Nkrumah's vision was to build a model postcolonial state within an African ideological framework that was independent from the twin threats of capitalism and imperialism. His socialist conviction to development was eloquently described in his autobiography, in which he stated "what other countries have taken three hundred years or more to achieve, a once dependent territory must try to accomplish in a generation if it is to survive. Unless it is, as it were, 'jet-propelled', it will lag and thus risk everything for which it has fought. Capitalism is too complicated a system for a newly independent nation. Hence the need for a socialistic society" (Nkrumah 1971, cited by Nugent, 2012, p. 171).

Nkrumah's anti-capitalist stance stemmed from the belief that capitalism was based on the exploitation of the majority by the minority, and hence did not distribute wealth equitably in society. Again, the capitalist economic development model generated an unbalanced economy since it was driven by large profit margins rather than equitable transfer, which an African socialist society would remedy. His second published work, *Towards Colonial Freedom*, in 1947, shows how imperialism's monopolistic control structure eliminates natural competition by employing colonies as dumping grounds for surplus mass-produced goods. A justification for imperial existence implied an attempt to promote the welfare of the indigenous people. Such characteristics are only based on







deception, concealing the true purpose to exploit (Nkrumah, 1947, cited by Grundy, 1963, p.441).

Looking within, Nkrumah saw traditional African societies as fundamentally socialist with no preference for one group or individual over another. As such he came up with his kind of socialism, *scientific socialism*, which would subsequently be structured to assure shared ownership of the means of production, resource allocation based on the needs of Africans, and centralization of agricultural and industrial development policy planning in Africa (Nkrumah, 1963, cited by Rooney, 2007, p.254). His deepest passion for fundamental socioeconomic progress for both Ghana and Africa seem to have compelled him to choose the socialist route.

### Socialism in Practice

While Nkrumah agreed with much of Lenin's factual interpretation of socialism as we are doing to demonstrate along the next pages, he did not agree with his revolutionary tactics that violence was the only way to create a socialist state. Nkrumah was a nationalist who desired independence not to overthrow the international capitalist system and establish a world socialist state, but to provide African peoples the freedom that political independence provides in their pursuit for a better life (Grundy, 1963, p.442).

To better understand Nkrumah's leadership, the Ghanaian economy must be divided into two stages. Between 1957 and 1960, and then again from 1960 to 1966. It's worth noting that, up until 1960, Nkrumah anticipated that the economy of Ghana would thrive if domestic exports increased, inflow of foreign capital expanded, and import substitution grew. Although the amount of Ghana's most important export (cocoa) doubled between 1958 and 1961, these indicators did not generate sufficient economic benefits for the country (Daily Graphic 1965, Cited by Gillian, 1974, p. 84). Cocoa prices had fallen; the consequences of expanded exports had been disappointing and increasing capital inflows were uncertain. Due to the failure of these strategies, Nkrumah's African socialist economic vision emerged as a viable alternative characterizing the second phase.





Nkrumah realized that Ghana's indigenous private sector had not yet reached the level necessary to generate import substitutes hence it was important for the state to come in with the creation of state industries. By 1961, over 60 new industries were opened in Ghana amongst which included a distillery, a coconut oil mill, a brewery, a milk processing facility, and a truck and bicycle plant. In addition, agreements were signed for a large oil refinery, iron, and steel, sugar, textile, and cement factories. Among all these major undertakings, the construction of Ghana's first deep water port (Tema Harbor) garnered worldwide attention, as did the founding of a national airline (Ghana Airways) and then a national shipping fleet, the Black Star Line, around the same period.

Again, in 1961 the Minister of Finance announced the government's aim to promote orderly growth through consumer cooperatives and the establishment of a National Trading Corporation (Parlts, 1961, cited by Gillian, 1974, p. 86). Cooperatives are centered on the ideas of self-help, equality, equity, open solidarity, and shared ownership of sociocultural needs. This is a very important element of any socialist society. The administration of Nkrumah demonstrated this by forming several agricultural cooperatives and building storage facility stations for farm machinery, such as tractors, which were available for hire across the country. In addition, the Ghana Farmers' Council collaborated with the Ministry of Agriculture to establish thirty large-scale fully mechanized co-operative farms (Gillian, 1974, p. 86).

Clearly these measures brought significant growth in Ghana's public sector in the 1960s and in Nkrumah's seven-year developmental plan he anticipated a 447% and 285% public agricultural growth in cereal, root, and plantain respectively, compared to a 38% and 10% private sector growth of those goods (Killick and Szereszewski, 1969, p. 325). Nkrumah observed that what remained to be fought after Ghana's political struggle for independence was economic liberty. Nkrumah saw industries thriving in Ghana if both political and economic democracy were implemented, and he was equally prepared to safeguard any foreign investment (Grundy, 1963, p. 447). Ideologically, his expansion of the public sector in the form of cooperatives and state-owned companies is compatible with both Marxism-Leninism whilst his attempt to attract foreign capital is in alignment with his African socialism philosophy.





Nkrumah's socialism required a centralized government to control the economy's functioning and development, which can best be interpreted as a de facto one-party system. Borrowing this concept from Lenin, he saw that a vanguard like party will strongly link the people's interests acting as a buffer against the class conflict that a multi-party system conceals in the west. He believed multipartyism reflected conflicting interests. According to him, by 1964 Ghana was declared a one-party state after the referendum with his Convention People's Party (CPP) in control of affairs (Grischow, 2011, p.185).

Nkrumah's African socialism aimed to discover the most effective answers to Africa's problems. To accomplish this, he needed to expand several social services. Even if it was costly to the state in the short term, its long-term value will be immeasurable. Education was one such service. School enrollment increased from 10,400 in 1958 to 16,000 in 1962 and by 1966 about 1,480,000 pupils were enrolled in 10,388 primary and middle schools across the country (Gillian, 1974, p.86). Between 1962 and 1966, enrollment at the University of Ghana tripled leading to the establishment of a second university, the Kwame Nkrumah Institute of Technology.

Nkrumah did not believe in the utopian restoration to traditional African civilization promised by his contemporary Nyerere. His phrase "*scientific socialism*" came from his ardent belief that African civilization was a mix of traditional African ways of living, Euro-Christian, and Islamic elements and even if there is a divide between present science and the preservation of traditional values, Africa could master both. He also argues that *scientific socialism* shares similarities with traditional African communalism, much as capitalism does with European feudalism (Botwe-Asamoah, 2013, p.68)

## Failures

Despite his Western education, Dr. Nkrumah was perceived to have embraced eastern socialist ideals. The cold war between the west and the east had reached a fever pitch at this point. Ghana enraged the United States in this regard, and it has even been argued that the Americans were involved in the 1966 coup attempt.





His Convention People's Party (CPP) initially welcomed US technical aid to stimulate smallholder farming and persuaded American investors to engage in huge plantations. This approach was soon abandoned in 1962 because it proved problematic. His government later went on to establish large-scale, state-run farms that were inspired by and supported by the Soviet Union (Lambert, 2019). The entrance of the Soviets into Ghana's agricultural landscape became a bitterly contested cold war political dispute because of prevailing US interest in Ghana at the time.

After a grenade was thrown at Nkrumah in August of 1962, the harsh crackdown of political opponents grew much more extreme. He had a lot of his opponents arrested and held indefinitely once he recovered from his wounds. He asked Parliament to enact the *Preventive Detention Act*, which would empower the government to hold anyone for any reason without a trial. This Act became an unforgiving and oppressive mechanism that would facilitate his ambitions to become Ghana's president for life. His idea of a people's parliamentary democracy with a one-party system that best satisfies the common aspirations of a nation was considered autocratic although his followers (Nkrumahist) argue that his undemocratic, dictatorial, and totalitarian rule of Ghana was due to violent opposition at the time.

### Current Trends in Development in Ghana

60 years after independence Ghana is still a developing country unable to create an efficient link in its economic development. Questions have been raised on how the country can boost production efforts by transitioning from being a producer of raw materials to an exporter of finished products. The Volta River Project which was central to Nkrumah's economic strategy addresses this need. On February 20, 1958, he addressed the National Assembly saying, "It is my firm view that the Volta River Project provides the quickest and most certain manner for our economic independence" (Nkrumah, 1958, cited by Neba-Fuh, 2021, p. 377). The major purpose of the project was to supply power to Ghana's large-scale industrialization operations. He saw that for emerging countries like Ghana to catch up, a large, consistent supply of energy was essential, drawing this





inspiration from the UK, US, and USSR. Today, the Volta River Project is still one of Ghana's most significant projects, providing reliable energy that is essential for industrial expansion, households, wealth, and modernity. Though Nkrumah would be sad if he were still alive because of his vision for the project, taking the Volta River Project out of Ghana's economy will be devastating.

### Post-Colonial Tanzania

Like many countries that were not settlers' colonies, Tanzania (then Tanganyika), was a very poor country after independence. In the words of Nursey-Bray (1980, p.57), Tanzania at independence was a weak, vulnerable, and poor country. The country had then thirteen doctors and two trained engineers, and most of the population consisted of illiterate farmers in small, scattered homesteads across a vast dusty land (Bjerk, 2015 p.105; Akyeampong, 2018 p.3).

Socialism in Tanzania started in 1962 as a new state ideology, when Nyerere announced the rejection of capitalist attitude and the capitalism methods that came with colonialism. One of such capitalistic ideas was private ownership of land which at the time was the main means of production. At that time there was no blueprint or a guide on how socialism was to be executed. The document guide, "*The Arusha Declaration and TANU's Policy on Socialism and Self-Reliance*" was later released in 1967 (Bjerk, 2015, p. 105; Lal, 2015 p.27 and 31).

### Why Socialism?

The choice of socialism in Tanzania was inspired by the socioeconomic situation of the country after independence as well as international politics of the 1950s. In terms of socioeconomic factors, the choice to embrace socialism was inspired by an idea that long before European colonialism in Africa, Africans used to live communally, working together to produce communal products which were then equally distributed to the community without exploitation. It is on this basis that Nyerere rejected the ideas of





capitalism as alien to the African ways of life. He also rejected Marxism citing it as a Eurocentric theory applicable to countries where classes were present (Nurse-Bray, 1980, p. 55; Bjerk, 2010 p.285-286). He endorsed *Ujamaa* (which means family-hood in Swahili), an African socialism and a concept that was indigenous to Africa (Ibhawoh and Dibua, 2003 p.62-63; Weaver et al, 1981 p.842). In a sense Socialism was an attempt to return to Africans' communal and classless societies of ubuntu and ujamaa. The society characterized with social equality, the sense of sharing both problems and benefits, as well as community ownership of land (Bamikole, 2012 p.72). Much as this is true for the pre-colonial African societies, Nyerere did not consider the fact that, more than half a century of colonialism had transformed Tanzanians into individualistic, competitive, and profit- oriented people (Ergas, 1980 p.391).

Ujamaa was aimed also at bringing socioeconomic development in Tanzania and to remove the development disparity between the rural and urban and bring back social equality (Lal, 2015, p.113; Caplan, 1993, p.77). The priority was to be put in rural self-reliance development through agriculture in organized villages' cooperative farms. Nyerere was not in favour of urban and industrial development, he alternatively promoted progress of rural development and the use of agriculture to achieve general development. This was a way of avoiding anticipated exploitation between the privileged urban dwellers, who were mostly richer capitalist 'kulaks' farmers, educated elites and Asian business owners against the poor marginalized rural dwellers who were mostly peasants (Shivji, 2017 p.197 and 212; Nyerere, 1967, p.13).

Another factor for socialism in Tanzania was to avoid falling back into dependence on foreign aids or into neo colonialism. In the Arusha declaration Nyerere warned, "Gifts and loans will endanger our independence" (Nyerere, 1967 p.9). Under the Ujamaa ideology Nyerere was advocating development for self-reliance. As a leader of a newly independent poor country, Nyerere feared falling in the trap of both political and economic colonialism through dependence on foreign aids. In the 1967 Arusha Declaration, Nyerere urged Tanzanians to embrace the idea of socialism and self-reliance as dependence on gifts and loans from other countries would threaten the country's independence (Nyerere, 1967, p.9; Nurse-Bray, 1980, p.58). According to Bjerk (2010,



p.276), the Ujamaa ideology in Tanzania was a claim and self-affirmation of national ideological, economic, and political sovereignty.

Political factors also played a major role in inspiring the choice of African Socialism in Tanzania. It is worth noting that Tanzania got independence at the peak of the Cold War. This war between the Eastern Socialist bloc and the Western Capitalist bloc created a geopolitical tension especially to the newly independent countries. The choice of Ujamaa was a way of navigating the ideological battles of the Cold War (Lal, 2015, p.28 and 31; Shivji, 2017, p.196)

### The Arusha Declaration and TANU's Policy on Socialism and Self-Reliance

The Arusha Declaration of 1967 was a policy guideline of how Socialism and Self Reliance were to be practiced in Tanzania. It was formally declared in February 1967 as the first official document on state ideology (Lal, 2015, p. 31). The Arusha declaration was an important document in that it built a formal foundation for Socialism in Tanzania. According to Hartmann (1983, p.1 and 13), the launch of the Arusha Declaration affirmed to the outside world the seriousness of Tanzania to embrace socialist economic policy. The policy was to also bring about an egalitarian society by reducing the gap between the leaders and the people by introducing leadership codes as well as decentralizing governance. Soon after it was approved by the majority the government started the policy implementation (Hall, 1974, p.37; Hartmann, 1983, p.1; Nursey-Bray, 1980, p.56; Shivji, 2017, p.206; Weaver et al, 1981, p.843).

### Socialism in Practice

In Tanzania the Ujamaa policy required people to relocate and organize themselves in state established villages, where it would be easier for them to receive social services from the government and produce communal agricultural products (food and cash crops). Since Tanzania had no capital, technology, or experts Nyerere saw that capitalizing in industries would be futile. Tanzania had land and the aim was to use agriculture to







promote economic development which is based on self-reliance and free from foreign aid or external capital but by the efforts of Tanzanians themselves (Hartmann, 1983, p.3; Lal, 2015, p.27 and 31; Nursey-Bray, 1980, p.59; Nyerere, 1967, p.11 and 12).

The Villagization process was done in four phases, the Voluntary Association Phase, 1962-1963, Inducement Phase, 1968-1973, that came after the *Arusha Declaration of 1967*, the Organized Settlement phase, 1970-1973, which came with villagization and the phase of Enforced Villagization between 1973-1978, when people were forced to relocate to state organized villages (Lal, 2015, p.98; Nursey-Bray, 1980, p.65-67). Nyerere is said to have copied the idea of agrarian village focused development concept from Mao Zedong of China. This is because the Ujamaa village system in Tanzania resembled Mao's *Great Leap Forward* campaign, which was implemented in China in 1950s, when the country was faced with problems such as mass unemployment due to massive population growth and high rural urban migration and decline in agricultural production. With the Great Leap Forward campaign Mao established rural communes where people practiced communal and collective farming, small rural industries, and trade (Duara 1974 p.1374; Hartmann, 1983 p.2 and 197; Lal, 2015 p.52-53). Another practice which was like Ujamaa village was Gandhian *Gram Swaraj* or self-reliant village which was implemented in India with the aim of attaining a self-reliant rural industrial development (Lal, 2014 p.113; Kakati, 2021 p.280)

Nationalization of all major means of production followed shortly after the Arusha Declaration. Means of production such as land, services such as banks, insurance businesses and industries were taken under state management through State Trading Corporation (STC) and National Development Corporation (NDC) (Hall, 1974, p.37; Lal, 2015, p. 3; Nursey-Bray, 1980, p.64). This option entails total government control. However, in some cases, the state retained relationships with the capitalist companies through minority partnership or through management contacts (Hall, 1974, p.37; Ibhawoh and Dibua, 2003 p.65; Nursey-Bray, 1980, p.64-65; Nyerere, 1967, p.23).

The policy also institutionalized leadership codes of conduct by which public officials were required to abide by. One of these ethical codes was to strip leaders off capitalist





wealth, as they were forbidden to have another source of income other than their salaries (Bjerck, 2010, p.290; Nursey-Bray, 1980, p.57; Nyerere, 1967, p.19).

With regards to government restructuring, there was decentralization of the government structure to solve two major issues. First, to reduce central bureaucracy and second to simplify rural administration and provision of social services. Roles such as Regional Development Directorates, and District Development Directorates (DDD) were created. The DDDs supervised the provision of services such as education, health, water, agricultural infrastructure and in some cases electricity in the created villages (Hartmann, 1983, p.247; Lal, 2015, p.33 and 195-196; Nursey-Bray, 1980, p.66).

After the Arusha declaration there were the introduction of other important national statements in support of socialism. Document such as “*Education for Self-reliance policy*” of 1967, which called for transformation in the education system, to remove racial and religion barriers to education as well as emphasizing inclusion of everyday life practical skills-particularly agriculture- and vocational skills in the primary school curriculum. This aimed at making the youth self-sufficient upon graduation. Another document was “*Socialism and Rural Development*,” also in 1967, which gave details on the villagization program and persuaded the citizens into embracing the idea of villagization (Lal, 2015, p.31-32).

### Socialism Success

According to the World Bank Report as quoted by Wilber et al, (1981, p. 839) and Hartmann, (1983, p.277) the Gross Domestic Product (GDP) of Tanzania increased by 5% per year between 1964 and 1969. Population also increased in the same years by 2.7% per year, leading to an increase of about an average of 2.3% per year in per capita income. Between the years 1968-1974, the GDP grew by 4.8% per year and between 1974 - 1978, the GDP increased by 6.1%/year.

The country also witnessed success in terms of industries and factory increase, for instance by 1977 the country owned 8 textile mills. Nyerere (1977, p.6) in giving an evaluation of ten years of socialism in Tanzania, claimed that the country had established





several small and cottage industries which produced things such as clothes, shoes, radios, batteries, as well as farming tools and fertilizer. He added that they had also expanded some of the factories they nationalized. This claim was confirmed by Mr. Msuya, the then minister of industries. Mr. Msuya was quoted by Nursey-Bray (1981, p.62) reporting an increase in manufactured export value from Tanzanian Shillings 116 million in 1965 to Tanzanian Shillings 388 million in 1975, which is an increase of 5.6%. By the year 1975, the income from industrial exports contributed to 10% of the total GDP value, which was an increase of 2.4% from the value in 1965 i.e., 7.6%. (Nursey-Bray, 1981 p.62).

Within ten years of implementing the Arusha Declaration, i.e., from 1967-1977 the country had reduced the outflow of cash from the country through nationalization of major means of production. According to Nyerere (1977, p.5), about 557.3 million shillings the net profit of the National Bank of Commerce was retained in the country.

The government was able to facilitate service provision in communities. Placing people in organized villages made it easy to provide them with services such as water, schools, and clinics. In terms of education, adult literacy rose from about 10% in 1960 to 73% in 1978. There was also an increase in primary-school enrolment, from about 25% of the school age population in 1960 to almost 95% in 1980 (Weaver, 1981 p. 840).

In case of health improvements, there was an increase in the number of healthcare facilities, from only 42 rural health centers in 1967 to 152 rural health centers and more than 610 maternal and childcare clinics by 1976. This increase went hand in hand with the increase in health care personnel and medical assistants. This in turn led to an increase in life expectancy from approximately 34 years before the country's independence, to an estimated 51 years by the 1980s. Infant mortality rate decreased from 161 per thousand in 1967 to 152 per thousand in 1977 (Nyerere, 1977, p.9-10)

Through Ujamaa policy, Tanzania was able to avoid the politics of the Cold War. This can be seen in the fact that Tanzania socialism as well as her economy was supported by countries from both wings, the western Capitalists, and the eastern Socialists. During the year 1967 to 1985, Tanzania had received economic support from the USA through USAID, from Scandinavian countries particularly Sweden, China as well as USSR (Hyden and Mease, 1999, p. 202; Nursey-Bray, 1980, p.61)





In this period also built a lot of diplomatic relations with several countries, which lasts till today. In these relations Tanzania assisted in the liberation struggles of those who were still under colonial rule. For instance, Tanzania provided shelter to the Mozambican freedom fighters and the Frente de Libertação de Moçambique (FRELIMO) a liberation party of Mozambique, was established in Dar es salaam, Tanzania (Ishemo, 2000 p.82; Nyerere, 1977 p.16)

Also, Tanzania established and executed several development projects with some of those countries. Examples of these projects include joint projects such as Tanzania and Zambia Railway (TAZARA) and the oil pipeline (TAZAMA) of 1968, jointly owned by Tanzania and Zambia. Other joint projects established during socialism are the Tanzania-Chinese Shipping Line between China and Tanzania and the Mozambique-Tanzania Centre for Foreign Relations, also formally known as Centre for Foreign Relations (CFR) which was jointly established by Mozambique and Tanzania in 1978 (Centre for Foreign Relations, 20Konyo, 2019 p.2; Nyerere, 1977 p.16-18).

### Socialism Failure

Another failure was the decline in agricultural production. This was a major blow to the Ujamaa policy, especially because one of its major pillars was to bring development in Tanzania through agricultural production. Literature shows that in the year 1978, for example, export crop production declined to 305,000 tons as compared to 403,000 tons produced in 1973. This decline was attributed to drought and the inefficiency of governmental administration especially in the decline of production between 1974 and 1975. This decline forced Tanzania to import food from other countries (Hartmann, 1983 p.5; Weaver, 1981 p 843, 847).

There were also delays in executing development projects. This was because of delays or lack of finance. Nursey-Bray (1980, pp.61) noted that the Development Budget of Tanzania in the financial year 1971/1972, depended on external funds for 46.9% of the total budget and in the financial year 1978/1979 the dependence of external funds on the



development budget of the country had increased to 68.4% of the total development budget expenditure.

One feature of a socialistic state was ownership of means of production by state and a state planned economy (Lal, 2015, p.30). In the case of Tanzania, the state did not have total ownership nor total control over nationalized companies or industries. There was a partnership arrangement between the foreign firms and a state agency, the National Development Corporation (NDC) This was because Tanzania did not have enough trained manpower to run these companies (Hall, 1974 p.38).

Another problem, which is both economic and political was the fall of the East African Community, in 1977. One of the reasons for the collapse is said to be ideological differences between Tanzania and other member states, Kenya, and Uganda. While Tanzania was a socialist country, the latter were capitalist countries (Mtei, 1984, p.59 and 75).

Politically, Ujamaa was criticized by some people as being an autocratic system. This was because of the dominance of one-party system, in this case the Tanganyika African National Union (TANU). Nyerere was said to have also suppressed any oppositions of TANU and exiled those who advocated for multipartyism (Bjerk, 2015, p.150-152). Also, the act of coercively forcing people to move to the Ujamaa Villages (Hartmann, 1983, p.280 and 398).

Tanzania could not maintain its ideas of self-reliance for long. Contrary to the statements against gifts and loans from external sources, in the 1970s Tanzania was a recipient of multiple external aid and loans, particularly from Scandinavian Countries, USAID, the UN and mostly the World Bank (Nurse-Bray, 1980). This can be attributed to conjunctural economic hardships, one being the oil crisis of 1973, which caused Tanzania to spend a lot of her earnings on fuel (Hartmann, 1983, p.317). Due to these economic hardships made Tanzania to heavily rely on funding from the IMF to the extent that the country owed the IMF a lot of money.

In the 1970s the U.S and other rich capitalists came up with a Free-Market Policy consisting of ten proposed economic reforms that was aimed at discouraging government planned economy in Latin America. These economic reforms, which later came to be





known as the Washington Consensus, called for reforms such as the liberalization of the national economy, privatization of state enterprises, the devaluation of the national currency, the lifting of price control and cuts in government expenditure, just to name a few (Broad and Cavanagh, 1999 p. 79-80; Williamson, 2004 p.195-196). The International Monetary Fund (IMF) and the World Bank (WB) imposed these economic reforms on Tanzania in form of Structural Adjustment Policy (SAP) loans as a condition for the country to receive further economic assistance from these institutions. In effect in the 1980s, Tanzania had to abandon the Ujamaa policy and adopt the proposed reforms (Holtom, 2005 p.560-563; Ibhawoh and Dibua, 2003 p.72). It can be concluded that these SAP reforms hammered the last nail to the Ujamaa coffin.

### Current trends in development in Tanzania

The socialism ideology in Tanzania built the foundation for the modern-day local government system. According to Greco, (2016, p.24) this local government system consists of the village assembly. The assembly is a public space for adult residents to meet and discuss matters that require village leadership decisions. Tanzania also still retains diplomatic relations formed during socialism.

During socialism land was upheld as one of the public means of production, and it was vested to the state on behalf of the people. Since the demise of socialism there have been several land laws reforms, however, till today land is still considered a public property entrusted to the president on behalf of all the citizens. Even if a person buys land and has the title deed as proof of the land purchase, the land still ultimately belongs to the state. In some cases when you buy a land and leave it idle for a long time it can be confiscated by the state (Green, 2015, p. 299 and 305; Massay, 2019 p.179; Sylvester, 2013 p.10). Land laws also forbid non-citizens to own land unless it is for investment purposes. The process of foreign investors to acquire land for investment is through the Tanzania Investment Centre (TIC). TIC has occupancy rights to land reserved for investment, and they give occupancy rights to foreign investors in forms of land lease, sublease, and license (Massay et al, 2019, p.173; Sylvester, 2013 p.11). The prohibition of land





acquisition by non-citizens is said to be among the factors delaying the progress of economic integration in the East African community. Not only that, but strict land acquisition policies can also be a bottleneck for foreign investment attraction which leads to shortage of inflow of foreign capital in the economy (Okello & Novelli, 2014, p.59; Waryoba, 2015, p.50 and 52)

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## CONCLUSION

Both Nkrumah and Nyerere began with a similar understanding of their countries' major challenges, finishing with broadly similar ideas that, for their nations to develop, there was the need for the social ownership of means of production. This is the most distinctive feature of any socialist economic system as there is government ownership, shared ownership, employee ownership and cooperative ownership. However, differences in the implementation of what has been dubbed "African socialism" may be found in differing interpretations of the socialist ideology. Whilst both Nkrumah and Nyerere believed that the function of the state was to lead development, Nkrumah's notion was that accelerated development could take place through massive state lead industrialization hence the need for large-scale energy resource development. Nyerere on the other hand gave emphasis to the primacy of agricultural production led development where people could migrate and organize themselves in state-run villages, to access government social services and generate communally produced agricultural products.

To facilitate economic growth both Nkrumah and Nyerere emphasized the need for self-sufficiency. However, while Nkrumah welcomed aid and investment from both the East and the West, Nyerere warned in his Arusha declaration that gifts and external capital will jeopardize Tanzania's independence. Though he was skeptical of aid and foreign investment, Tanzania was a recipient of a lot of aid during his reign. Nkrumah's argument was capital growth was needed for economic liberty and he was ready to welcome any international investment.

Both Nkrumah and Nyerere embarked on a Nationalization agenda, and established state led enterprises to various services. However, Nkrumah's nationalization policy did not involve the nationalization of lands. The chieftaincy system permitted several chiefs from many ethnic groups to be the custodians of huge land domains and when it was deemed necessary, stool land might be vested in the President in trust (Bening, 1995, p.251) Nyerere on the other hand nationalized state lands and prohibited land acquisition by non-citizens.





Nyerere mirrored Nkrumah's view in a one-party state, stating that class differences were foreign to Africa, that they should be suppressed, as socioeconomic disparities could be resolved inside a single party. With this Nkrumah's C.P.P and Nyerere's TANU became dominant political parties strongly linked to the views of the vanguard party with interest to act as a buffer against class conflict in a multi-party system.



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