

The Development of Social Policy in Tanzania

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ABSTRACT

This paper analyses the development of social policy in Tanzania from 1961. It establishes two development tendencies: from 1961 to 1967 social policy was urban based and oriented to influence economic growth; from 1968 onwards it was oriented to the broader population. The paper shows that the development of social policy in Tanzania has been jointly determined by economics and politics. It concludes that the development of social policy is a complex process in which a combination of factors interact with each other and that the predominance of any one factor in this process varies over time and space.

Introduction

Many studies have attempt to account for the development of social policy in a country, most of these studies attribute the development of social policy to either the level of economic development or political factors (Zollner, 1963; Cutright, 1965; Fenton, 1966; Wilensky, 1975; Castles and McKinlay, 1979). A recent review (Weede, 1986) of factors in the development of social policy shows that there is still little agreement on the factors that determine the development of social policy. This is even more evident if country-specific studies are included (eg Bollen and Jackman, 1985).

Most of these studies, however, have been conducted in advanced capitalist countries, and are void of empirical content that reflect social policy in African countries. This paper is intended to reflect the Tanzanian experience and elucidate in this context the complexity of the development of social policy. This will be done by analysing the development of social policy since 1961, and then examining its determinants.

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The development of social policy in Tanzania 1961-1986

The development of Tanzanian social policy shows two qualitatively different tendencies in the period between 1961-1986. In the first phase, 1961 to 1967, social policy was concentrated on the urban population and oriented to influencing economic growth. In the second phase, after 1967, social policy tended increasingly to embrace a much broader section of the population. These two tendencies quantitatively affected the development of social policy in other respects.

Table 1 shows that the social policy expenditure quota (defined as the proportion of social policy expenditure on Gross Domestic Product) in the 1960s moved between 4 and 5%, while in the 1970s and early 1980s rose to over 7%. From the data in Table 1 it can also be seen that the real annual growth rate of social policy expenditure between 1963 and 1968 was, on average, 5%. In the years from 1963 to 1967 the growth of social expenditure averaged 4.5% slightly below the annual average growth rate of total social policy expenditure. Between 1968 and 1983 the growth rate was 14.9%, which is remarkably higher than in the previous period. Nevertheless, from 1984 to 1986 there was a drastic decline of about 50% per annum in social policy expenditure.

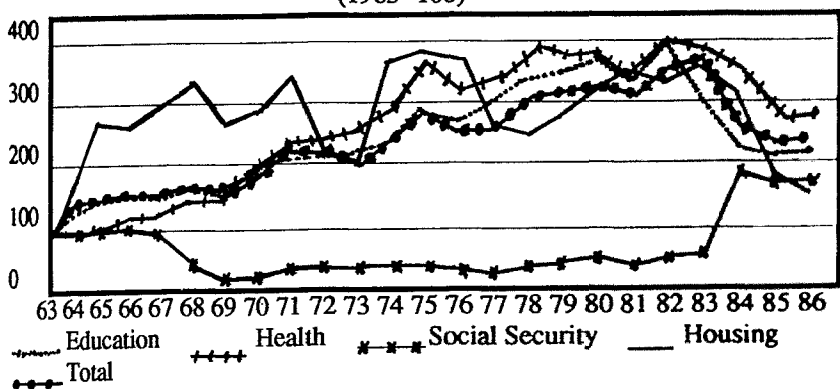
The comparatively moderate performance of social policy expenditure in the period before the Arusha Declaration of 1967 is not a surprise since the development plans of 1961-64 and 1964-69 stressed categorically the priority given to economic growth and capital investment. Social policy measures in this period were undertaken mainly to facilitate economic development (Tanzania, 1964a: viii-xi). Accordingly, most of the social policy measures were concentrated on the urban population and geared towards establishing a permanent and stable labour force (Tanganyika, 1962: 121-123; Elkan, 1964: 390-399; Tanzania, 1964b: 975) as opposed to the migrant worker system of the colonial period. Stabilisation of the labour force is aimed at enabling workers to work for longer periods, gain more work experience, and lead to increased economic efficiency.

The relatively higher social policy expenditures in the period from 1968 to 1983 was a consequence of the Arusha Declaration which required the government to spread social policy measures to the whole population. As a result health centres and dispensaries were established in the rural areas. Furthermore, adult education and universal primary education programmes were launched.

The drastic decline in social policy expenditure in the years 1984-86 reflect the economic difficulties which Tanzania faced from the early 1970s, which intensified in the early 1980s. Following these difficulties the government was forced to cut down public expenditure, including social policy expenditure after 1983 (ILO, 1985: 40).

The graphic representation in Figure 1 shows that the sub-sectors of social policy had different development tendencies. In the total period 1963 to 1983, the health sector had the highest expansion with an average real growth of 11,7%. The second highest expansion was recorded by the education sector, which expanded at an annual average of 7,4% in the 1963-86 period.

Figure 1
The Development and Structure of Social Policy in 1963-86
(1963=100)



In the period under consideration, expenditure on the housing sector grew at an annual average rate of 6,1%. However, expenditure for social security and social welfare (excluding the health sector) increased in the same period at an annual average of only 2,4%. This expenditure includes pension benefits to government employees (under the Public Pension Scheme), parastatal organisations' employees (under the Parastatal Pensions Fund), old age security benefits of the National Provident Fund, as well as benefits to dependents. These expenditures also include, to a limited extent, the costs for the care of children, old people, orphanages and the rehabilitation of disabled persons.

An analysis of social policy by sector also shows that in the period 1963 to 1967 the housing sector expanded at a growth rate of 38,4% per annum. The education sector followed with an annual average growth rate of 7,6%. In contrast to this, the expenditure for the health sector stagnated; and the expenditure for social security (excluding the health sector) and social welfare remained almost constant. These differences in the development of individual sectors of social policy can be explained by the development strategies pursued in this period. The highest increase in expenditure, in the housing sector, is explained by the efforts of the government to stabilise the labour force and prolong the duration of its employment.

This in turn was intended to raise labour productivity (Tanganyika, 1962:1133). Moreover, the great expansion in the housing sector was considered necessary because of the rapid increase in the urban population (Stren, 1975:22), which in turn created a housing shortage and the problem of squatter settlements. The rise of these settlements was considered dangerous to the healthy living of the urban labour force and therefore not conducive to rapid economic growth. In addition, the growth of expenditure in the housing sector between 1961 and 1967 is attributed to increased numbers of expatriates and Tanzanians in the top grades of the civil service and parastatal organisations. Insufficient coverage of public houses of modern standards created a constant political pressure on the government to provide appropriate houses (Coulson, 1982:212).

The comparatively high expenditure in the education sector in the period 1961-67 is attributed to the need to overcome the shortage of skilled manpower (Tanzania, 1964a:viii). The emphasis in the expenditure was on secondary and technical education.

The below average development of expenditure for the health sector, social security and social welfare is due to the fact that, in the period under consideration, the limited available resources were concentrated, in the main, on the expansion of the productive sectors (Kilama, 1974:195).

Between 1968 and 1983, the health sector expanded more than the other sectors of social policy with an annual average growth rate of 17.3%. Second was the expenditure in the education sector with an annual average growth rate of 11.1%. Almost negligible growth was recorded by the housing sector with an increase rate of 4.4% per annum, while the sector of social security (without the health sector) and social welfare, after a decline in the years 1968 and 1969, further stagnated.

The priority accorded to the sectors of health and education is explained by the development strategies pursued. Since the Arusha Declaration proclaimed accessibility to basic education and health facilities by the rural people as among its prime objectives, from this time onwards better education and health for the majority were seen as necessary prerequisites for long-term high economic growth (Tanzania, 1969:2-8). Fighting against disease and ignorance, it was believed, would overcome these bottlenecks to higher productivity in the rural areas.

The development of social expenditure in the years from 1984 to 1986 is characterised by a drastic decline in most sectors of social policy. An exception here is the expenditure on social security (without the health sector) and social welfare, which in this period recorded an annual average growth rate of 10.3%. This growth was mainly due to payment of pension benefits and gratuities to more than 10 000 employees who were declared redundant in the government, parastatals and private enterprise in the years from 1982 to 1985, following the intensification of the socioeconomic crisis (Legum, 1986:384; Tanzania, 1986:39). The decline of

expenditure in the education, health and housing sectors is attributed to the decrease in public expenditure in general and a consequence of the economic difficulties faced by Tanzania in the first half of the 1980s.

Determinants of social policy development in Tanzania 1961-86

(i) The level of development of the economy

Despite possessing many natural resources such as forests, minerals and arable land, Tanzania's utilisation of these resources is still at a rudimentary level, ie their contribution to the Gross Domestic Product is still insignificant (Bossert, 1985:90).

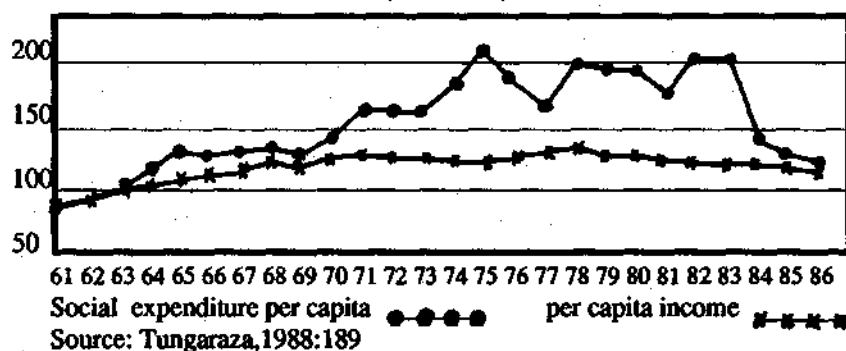
This limited utilisation of the natural resources has more or less contributed to the low development of the economy. For example, between 1961 and 1967 the Gross Domestic Product of Tanzania grew at a real annual average rate of 5.3%. In the period between 1968 and 1978 the Gross Domestic Product increased at an average of only 4.6% per annum. This growth rate was below that of the previous phase (1961-67) as well as that of other African countries in the same period, which was approximately 6% per annum (Bossert, 1986:96). Among other reasons for the low growth rate was the effect of the villagisation programme, which led to the displacement of peasants from their farms and hence the temporary neglect of agriculture, drought conditions, crop diseases and the collapse of prices of some cash crops which led to a reduction in the production of cash crops (Bank of Tanzania, 1981:93). In the industrial sector, the increase in oil prices in 1973/74 led to a shortage of foreign exchange, and a consequent reduction in the importation of key industrial inputs such as machines, fuels, raw materials and spare parts. These factors and the low efficiency of parastatal organisations led to a strong decline in productivity in industry (Tanzania, 1976:2).

Generally, economic development was unfavourable in the years from 1979 to 1986. In this period the average real growth of the Gross Domestic Product was 1.2% per year. In view of a population growth rate of 3.4% per annum, this meant a substantial decline in the per capita incomes of the people. Reasons for the unfavourable economic development included the persistent shortage of foreign currency, import restrictions following the second round of increased oil prices in 1979 as well as the war with Uganda in the same year. The deterioration in the terms of trade in the world market from the late 1970s also negatively affected the foreign exchange earning capacity of Tanzania. The poor weather conditions in most parts of the country from 1979 to 1981 also hampered agricultural production and necessitated considerable importation of food (ILO, 1985:4-13).

What were the effects of this economic development on social policy development? If the development of real per capita incomes is compared with the development of social expenditure per capita (see Figure 2), only a moderate

association between the two variables can be established. In the period 1961 to 1967 social expenditure was fluctuating but, when compared with income development, rose remarkably rapidly. From 1978 there was a gradual decline in per capita incomes which was later followed by a drastic cutting down in social expenditure from 1983.

Figure 2
The Development of Incomes and Social Expenditures Per Capita in Tanzania 1961-86
 (1963=100)



These findings can be explained by the different development strategies pursued by the government before and after the Arusha Declaration. Between 1961 and 1967 the main preoccupation of the government was to lay the foundations for a more rapid growth of the economy. For this reason, for example, over 60% of the total £24 million in the Development Plan 1961-64 was set aside for investment in the economic sector, while social expenditure accounted for only 20% (Tanzania, 1964a:13). After 1967, the government was increasingly concerned with the improvement of the basic material conditions of the masses. Accordingly, many social policy measures, particularly in the rural areas, were identified. The idea behind this new development strategy was that the improvement of the living conditions of people, particularly in relation to health, education and housing, was necessary to eliminate the bottlenecks which hinder economic development. However, economic growth remained low after 1967 and especially from 1979 (Tanzania, 1969:1-8).

Another factor was the flow of financial resources from foreign countries, the volume rose from 1% of the Gross Domestic Product in 1961 to over 10.5% in 1979/80, and even further to 16% in 1986 (Bank of Tanzania, 1981:197; Havnevik, 1988:123-125). The influence of external finance on the development

of social expenditure can be seen clearly in the health, education and housing sectors. In the health sector, for example, between 1973 and 1982, the Scandinavian countries funded the construction of 400 dispensaries, rural health centres, and health education and nutrition development. In the years 1982 and 1983 the respective share of donations to the health sector amounted to 6% and 9% of the total health budget (Kahama, 1986:49).

The education sector also received a substantial amount of foreign financing. For example, about 70% of the capital expenditure budget of the Ministry of Education from 1972 to 1981 was contributed by bilateral donors (Kahama, 1986:188). In the housing sector, foreign financing played a considerable role. For example, of the total Tshs 204 million set aside for the housing sector in the Development Plan 1964-69, about Tshs 1 million was contributed by foreign donors. In 1974, foreign donors contributed about 22% of the total Tshs 88 million planned in the housing budget (Stren, 1979:190-195).

(ii) *The influence of political factors*

The influence of political factors on the development of social policy in Tanzania can be understood better if the political system of Tanzania, the readiness of political institutions to solve social policy problems, and the role of pressure groups are examined.

After the attainment of independence in 1961, one of the objectives of the ruling party, TANU, was to create a democratic society. However, the realisation of this objective became questionable following the introduction of the Republican Constitution in 1962 when the President of the Republic was given strong executive powers. According to this constitution, the President of the Republic not only had a dominant influence on the government and administration but could also issue policies and directives and detain people dangerous to the state.

The realisation of democratic norms was further curtailed by the proclamation of a one-party political system by the ruling party in 1965. With this proclamation the National Executive Committee of TANU was given a similar status to that of Parliament. After the Arusha Declaration the party was accorded dominance over Parliament in the decision-making process. This dominant position was further strengthened in 1975 when the supremacy of the party was legally recognised.

Despite the limited democratic influence on politics, and the authoritative control of the government and public administration by a small group of party officials, party and political leaders have always shown a willingness to solve social policy problems. For example, during the drawing up of the Three-Year Economic Development Plan in 1961, Nyerere as the Prime Minister and Chairperson of the ruling party, requested planners to allocate more funds to the fight against poverty, ignorance and disease in the country (Hughes, 1969:83).

This readiness of the political institutions to solve social policy problems is also indicated in the 1962 constitution of TANU, which states that the prime objectives of the party include: (i) to ensure a decent standard of living for all Tanzanian citizens, (ii) to achieve human equality and (iii) to overcome poverty, diseases and ignorance (Tordoff, 1967:236). It is also shown in programmes to move rural dwellers into Ujamaa villages, and the expansion of social infrastructure in rural areas, particularly schools, health facilities and water supplies. Through these strategies it was expected that social policy objectives such as equality, democracy, human rights and dignity would be improved (Liser, 1985:200).

In addition to this readiness, pressure groups have also played an important part in influencing the government to implement social policy programmes. Immediately after independence, the working class, through the trade unions, called strikes and industrial stoppages demanding higher wages and better working conditions. These labour conflicts continued into the 1970s (Jackson, 1979; Mihyo, 1981). Trade union leaders also opposed some of the policies of TANU and its government. Some of the workers' claims were acknowledged by the government in the form of legislation on wages, severance allowances, pensions and security of employment (Bienefeld, 1979).

In the rural areas there were widespread discontent among the peasantry. This was due, among other factors, to the appalling conditions of life of the peasants (Coulson, 1979). Similarly, student struggles in the 1960s and 1970s against poor education facilities and living conditions in the country made it necessary for the government to reexamine the living situation of the masses as whole. Indeed, these pressures hastened the government's need to improve the social and economic conditions of the people by introducing social policy measures.

Clearly, the readiness to solve social policy problems in Tanzanian politics was greater after the Arusha Declaration than in the years before. This explains why social expenditure after 1967 increased more rapidly than in the period before it (although the performance of the economy before 1967 was relatively better). The continuing influence of political factors on social policy is shown by the fact that, even after the far reaching economic crisis of 1979 onwards and the low performance of the economy up to 1983, great efforts were made to maintain the level of social expenditure. In 1983 social expenditure was finally drastically reduced (ILO, 1985). The Tanzanian experience demonstrates quite clearly that political factors have been working hand in hand with economic factors in influencing the development of social policy.

Conclusion

It seems clear that economics is a necessary but not sufficient condition for the development of social policy. Equally necessary are the political factors. As the case of Tanzania has demonstrated, both economic and political factors have been

responsible for the development of social policy since Independence. Although the level of economic development had only a moderate influence on the development of social policy, foreign resources have had a considerable influence since 1961. The role of politics has been of great importance, especially after the Arusha Declaration. However, the importance of politics in the development of social policy was subordinated to the economic reality, particularly after 1983 when the economic crisis intensified. Consequently social policy development stagnated.

From the Tanzanian experience, therefore, several lessons about the development of social policy can be learnt. Foremost, the development of social policy is determined by a constellation of interdependent factors (economic, political and social) which simultaneously affect each other, and the final result depends on the weight each factor has at a particular time. Secondly, the relative significance of each factor varies from time to time as well as for different geographical environments. Thirdly, any attempt to build up a precise theoretical explanation of the determinants of social policy in Third World countries should be located in the analysis of a cumulative sequence of interrelated factors and should particularly take into consideration: (i) the relationship of the economies of the developing countries to the world market, and (ii) the influence of international agencies and donor countries on social policy, in the sense of financial assistance, advice and expertise in the various sectors of social policy.

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Table 1
The Structure of Social Expenditure in Tanzania 1963-86
Mio Tsh in Prices of 1966 (in % GDP)

Year	GDP	Total Social Exp	Education	Health	Social Security	Housing
1961	4952				
1962	5403				
1963	5741	228 (4,0)	132 (2,3)	57 (1,0)	26 (0,4)	13 (0,2)
1964	6054	268 (4,4)	169 (2,8)	55 (0,9)	24 (0,4)	20 (0,3)
1965	6253	303 (4,9)	178 (2,9)	64 (1,0)	27 (0,4)	34 (0,5)
1966	6514	299 (4,6)	176 (2,7)	63 (1,0)	27 (0,4)	33 (0,5)
1967	6777	310 (4,6)	182 (2,7)	63 (0,9)	26 (0,4)	38 (0,6)
1968	7128	320 (4,5)	196 (2,7)	74 (1,0)	11 (0,2)	42 (0,6)
1969	7259	310 (4,3)	194 (2,7)	75 (1,0)	8 (0,1)	33 (0,5)
1970	7680	381 (5,0)	242 (3,2)	99 (1,3)	8 (0,1)	37 (0,5)
1971	8001	452 (5,7)	275 (3,4)	124 (1,5)	10 (0,1)	44 (0,6)
1972	8539	449 (5,3)	290 (3,4)	122 (1,4)	10 (0,1)	28 (0,3)
1973	8800	457 (5,2)	284 (3,2)	139 (1,6)	9 (0,1)	25 (0,3)
1974	9020	534 (5,9)	307 (3,4)	166 (1,8)	11 (0,1)	50 (0,6)
1975	9553	656 (6,9)	380 (4,0)	214 (2,2)	11 (0,1)	51 (0,5)
1976	10163	607 (6,0)	366 (3,6)	184 (1,8)	10 (0,1)	48 (0,5)
1977	11053	579 (5,5)	374 (3,4)	194 (1,8)	7 (0,1)	32 (0,3)
1978	11697	721 (6,2)	453 (3,9)	229 (2,0)	8 (0,1)	30 (0,3)
1979	11674	735 (6,3)	470 (4,0)	220 (1,9)	12 (0,1)	34 (0,3)
1980	12085	746 (6,2)	475 (4,0)	213 (1,8)	15 (0,1)	43 (0,4)
1981	11719	703 (6,0)	443 (3,8)	202 (1,7)	11 (0,1)	47 (0,4)
1982	11494	822 (7,1)	534 (4,6)	232 (2,0)	12 (0,1)	44 (0,1)
1983	11671	852 (7,3)	416 (4,9)	221 (1,9)	14 (0,1)	47 (0,4)
1984	11963	595 (5,0)	301 (2,5)	206 (1,7)	48 (0,4)	40 (0,3)
1985	12238	500 (4,1)	277 (2,3)	162 (1,3)	40 (0,3)	22 (0,2)
1986	12703	509 (4,0)	288 (2,3)	163 (1,3)	40 (0,3)	18 (0,1)