

# The Influence of Political and Economic Changes on Social Policy in Tanzania: The Shift between the Three Political and Economic Regimes

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**Abstract:** - The article looked at the influence of political and economic changes to social policy. It used desk review to explore the interaction between political and economic changes and social policy in the context of Tanzania, from after independence to date. It appears that there is close interaction between the two variables. Across the history of Tanzania, political and economic changes, such as change from mono-party to multiparty political system and from socialism to liberalism, have been producing direct effects to social policy. Immediately after independence the country continued with the economic and political systems inherited from colonial regime, which were basically capitalistic and multiparty systems respectively. Social policy in this era was more market based, but received slight changes compared to colonial period to reflect few changes introduced by the new government. Socialism (ujamaa) period witnessed significant developments of social policy as a result of changes in political and economic policies. The state played its paternalistic role by ensuring provision of free basic services to people as required by ujamaa policy. However, the economic crises in 1970s and 1980s that led to collapse of ujamaa policy marked the beginning of liberalism, following the intervention by the World Bank and the International Monetary Fund. Here we witnessed a negative effect, at least in temporary bases, in terms of people's welfare (due to state disengagement in free service delivery) but with more positive effect in terms of engagement of people in the policy making process, probably due to growth of democracy stimulated by multiparty political system. The recent developments have realised significant economic developments which consequently improved social services delivery by the state. In general, effects of political and economic policies in Tanzania are well reflected in its social policy across the history.

**Keywords:** Social Policy, Capitalism, Ujamaa/Socialism, Liberalism, Tanzania

## I. INTRODUCTION

Tanzania got its independence on the 9<sup>th</sup> December 1961 from Britain. It was initially under German colonial power until 1918 when it was handed over to Britain by the League of Nations, following the defeat of German in the First World War. Julius Kambarage Nyerere was the first president of this newly independent nation. He was also the leader and the founder of the Tanganyika African National Union (TANU). During this time it was known by the name "Tanganyika". The name Tanzania was born after its union with Zanzibar Islands in April 1964.

During early times after independence the government faced many challenges, which most of them were inherited from

colonial rule. High unemployment and poverty were among the critical challenges of the era. The economy was very poor and mainly dependent on agriculture, with coffee, cotton and sisal being the major agricultural products. In 1960s Tanzania was listed as among the poorest countries in Africa (Yonu, 2008). High illiteracy rate was also among critical problems of the period, because, majority of citizens did not enjoy the opportunity to go to school during colonial era. It is estimated that adult literacy rate was at 10 – 15 percent and primary school enrolment only 25 percent, compared with an average of 37 percent in comparable low income countries (Maliyamkono & Bagachwa, 1990). The economic sector was highly dominated by foreign settlers and local people had no place in the economy.

Disunity among people and national identity, inequality and weak economy were another set of challenges faced the new nation. Tanzania is composed of over 120 different ethnic groups, all speaking different languages and having different cultural values. Again, inequality among people was evident, particularly in urban areas with mixed ethnic groups, with local people holding the most disadvantaged positions (Bonny and Dibua, 2003). All these made Tanzania to opt for different political and economic policies to trying to find its way out of those situations.

This paper explores the influence of these political and economic policies on social policy in Tanzania. Political and economic policies here denote to any course of action intended to control behaviour of the politics and economy respectively, while social policy refers to the ways government meets or responds to the needs of people in terms of security, education, health, wellbeing and others social services. The paper particularly focuses on understanding the effects of the shift in three major political and economic regimes to social policy and the overall welfare of people, starting from after independence to recent days. It therefore looks at the effect of political and economic changes to social policy across different ages of this independent nation and the existing interaction between changes in political and economic policies and social policy. After this introduction the paper continues by explaining the three major paradigms that ruled political, economic and social policy of Tanzania (capitalism, Socialism and Liberalism). Then, interaction between social policy and political and economic changes is analysed before providing the final conclusion.

## II. THE THREE MAJOR POLITICAL AND ECONOMIC REGIMES IN TANZANIA

Tanzania has gone through different eras of approaches to social policy since independence. Although there was no single coherent national social policy cutting across all sectors, there were sector-specific social policies. However, these were not necessarily coherent and intertwined as they were prepared and implemented by the respective sectors in isolation. Health policy, social security policy, and education policy, for instance, stood alone; they were weakly coordinated, and none were clearly linked with other social policies in the country (Aikaeli and Moshi, 2016).

Since independence, many reforms were undertaken to ensure that the country moved in the required direction and development of the country was realised. Different researchers have categorised these phases differently depending on their view points. For this study, three main phases of socio-economic and political reforms in the history of the young independent Tanzania have been distinguished: capitalism, which marked the period immediately after independence to 1967, Socialism, which encompassed political and economic characteristics of the period between 1967 and 1985 and finally liberalism, which covers the period after 1985 onward. Each of these phases were characterised not only by distinctive social economic but also political features and hence produced different results with regard to social policy direction of the country.

### *i. The period of Capitalism (1961 to 1967)*

This phase marked the beginning of the new independent nation immediately after long period of colonisation. During this period the country's social policy emphasized a developmental strategy that focused on building national cohesion while fighting the three enemies of development, which were identified as poverty, ignorance, and disease (Aikaeli and Moshi, 2016). Poverty was fought through modernization and the expansion of production of goods and services, particularly in the agricultural and industrial sectors. Ignorance was to be defeated by expanding access to education through interventions like Universal Primary Education (UPE). Diseases were to be controlled by placing emphasis on expanding access to primary healthcare and campaigns on health issues (Mujinja and Kida, 2014). These three social concerns of the time were perceived as impossible to resolve under the existed economic system, which was entirely market oriented (Ngowi, 2009).

In view of this, social provisioning was private in nature, and the acquisition of social services was therefore limited to those who could afford to pay for it. Social and economic policies were thus interlaced to serve the purse of the inherited capitalist economy, although this was fundamentally contrary to the thinking and philosophy of President Nyerere (Yonu, 2008). In this regard, the period witnessed a transformation from a less to a more inclusive economic system and social

provisioning, as evidenced by the subsequent nationalization of the means of production.

Since the means of production were in the hands of the private sector in the early 1960s, efficiency trade-offs with equity and inequalities were apparent across the country. The economic structure of the day was such that plantation/commercial farming was done by European settlers who remained in the country after independence; a few industries had been established by colonial capitalists and they continued to own them; financial elites owned banks and other financial intermediaries; and trade and commerce were generally private. During this period social services were provided privately and a state redistribution function was performed through conventional taxation. Government paternalism was at a minimum, and the state's authority over the means of production was limited (Ngowi, 2009).

Despite economic and social efforts in the early years of independence, the major social and economic characteristics of Tanzania remained the same as they had been during the colonial period (Kwaku, 1998). The economy's structure in terms of production relationships, ownership, and the priorities of commodities were still oriented to the industrial countries (Ruhumbika, 1974). In order to address this state of affairs, the notions of Africanization and socialization of the economy were put forward, including the need to change the social and economic attitudes of the people. It was in this context that President Nyerere saw the widening gap in social provisioning, and became eager to establish a more equitable society. President Nyerere believed in the equality of the people and had in mind the idea of vesting the critical means of production in the hands of the majority/nationals, hence ensuring collective ownership and social provisioning to all nationals in an equal way. As will be discussed later, this led to changes of social and economic system from a capitalist to a socialist approach.

However, before that, in order to address some of the challenges faced the young nation the first Five-Year Development Plan (FYDP) was launched in 1964. The plan understood that raising literacy levels especially among the adult population was essential to achieve the national objective of human development. The most important goal of the plan was to raise the literacy levels of rural peasants in an effort to improve agricultural production. Emphasis was also placed on improving the quality of secondary and higher level education, to speed up the process of replacing foreign expatriate workers with local Tanzanians. It was well known that before independence large companies and the public sector had relied on expatriates as managers, technicians, and administrators, while Tanzanians performed the more unskilled activities. To achieve an economic system with socialist and self-reliance orientation, the provision of services, notably education, took into account the national social and economic development perspective as the underpinning pillar (Nesnick, 1981). Therefore, economic and social policies were interlinked to serve a single national

development objective, namely the direction that had to be set by the pending nationalization process which would follow in the next few years (Aikaeli and Moshi, 2016).

Politically, the country was still under the multiparty political system with Tanganyika African National Union (TANU) holding the government and dominating the political arena. Other political parties include the United Tanganyika Party (UTP) formally infiltrated by colonial government to create political opposition to TANU (Coulson, 2013), Afro-Shirazi Party, which was ruling in Zanzibar after the 1964 revolution and the Zanzibar and Pemba People's Party (ZPPP) operated only in Zanzibar. However, it seems that during early years of independence the government priority was on building the economy and social prosperity and so political activities and pressures were so discouraged by the government (Bienefeld, 1979). This was also confirmed by the discouragement of trade unionism and aspiration to socialist politics (Babeiya, 2011; Bienefeld, 1979). The period was also marked by the political union between Tanganyika and Zanzibar which formed Tanzania.

In 1965 a Presidential Commission was appointed to institutionalize the country's socialist approach, and its findings led to the adoption of a single-party system and initiated a process of socialism that was inaugurated by President Nyerere in what is usually referred to as the Arusha Declaration. Nyerere considered socialism to be essential in achieving human equality, and a means to reduce the exploitation of man by man. The President advocated for public control of the means of production, and self-reliance became the call and a concept that was to infiltrate all facets of government policy, whether social or economic. To demonstrate the government's commitment and to serve as an example to the people, party and government leaders were not allowed to hold shares in private companies, receive rent on property, or claim more than one salary at a time.

#### *ii. The period of Socialism (1967 to 1985)*

This period was characterized by a number of strategic measures and policy changes: first, the adoption of the Arusha Declaration; second, the adoption of the second Five-Year Development Plan; third, the announcement of a variety of policies contained in a number of publications by President Nyerere, namely Education for Self-reliance, Social and Rural Development, and Freedom and Development; fourth, the launching of campaigns targeting both economic and social development, for example Mtu ni Afya (Man is his Health) and Kilimo cha Kufa na Kupona (Agriculture as Means for Life and Death); fifth, the adoption of the National Emergency Programme (NEP) and the National Economic Survival Programme (NESP) in response to the first food and oil crisis of 1973/74 and the second oil crisis of 1979; and sixth, the crafting of the Twenty-Year Perspective Plan (1980–2000), placing heavy emphasis on social provisioning in terms of education (universal primary education), water, and basic medical services in urban and rural areas. The

major political, social and economic directions of the country were indicated in the famous Arusha Declaration.

The Arusha declaration is a Declaration announced in 1967 outlining Tanzania's Policy on Socialism and Self-Reliance. The declaration came to emphasise the Ujamaa (Brotherhood) policy put in place by the President of the time. The basic tenets of the Tanzanian vision were laid down in the "Ujamaa policy, which is considered as the basis of African Socialism, which was published as a Tanganyika African National Union (TANU) pamphlet in April 1962. President Nyerere translated the Ujamaa concept into a political-economic management model through several means, including, inter alia, the institutionalization of social, economic, and political equality by creating a central democracy, abolishing discrimination, and nationalizing the economy's key sectors, namely production, service provision, and distribution (Aikaeli and Moshi, 2016).

Ujamaa was founded on a philosophy of development that was based on three essentials - freedom, equality and unity. The ideal society, based on President Nyerere's arguments, must always be based on these three essentials. According to him, there must be equality, because only on that basis will men work cooperatively. There must be freedom, because the individual is not served by society unless it is his. And there must be unity, because only when society is unified can its members live and work in peace, security and wellbeing (TANU, 1967; Ibhawoh and Dibua, 2003).

The Ujamaa ideology was described by the following principles: that all human beings are equal; that every individual has a right to dignity and respect; that every citizen is an integral of the nation and has the right to take an equal part in Government at local, regional or national level; that every citizen has the right to freedom of expression, of movement, of religious belief and of association within the context of the law; that every individual has the right to receive from the society protection of his life and of his property held according to law; that every individual has the right to receive a just return for his labour; that all citizens together possess all natural resources of the country in trust for their descendants; that in order to ensure economic justice the state must have effective control over the principal means of production; and that it is the responsibility of the state to intervene actively in the economic life of the nation so as to ensure the well-being of all citizens; prevent the exploitation of one person by another or one group by another; and to prevent the accumulation of wealth to an extent which is inconsistent with the existence of a classless society (TANU, 1967).

On the other hand, the operation of the socialism was influenced by and comprised of the following key elements, among others.

- i. It was rooted in traditional African values and had as its core the emphasis on familyhood and



communalism of traditional African societies (Ibhawoh and Dibua, 2003);

- ii. It was influenced by a mix of Fabian<sup>1</sup> socialism and Catholic<sup>2</sup> social teachings (Ibhawoh and Dibua, 2003);
- iii. Nationalization of private property - public ownership of the means of production;
- iv. Principle of togetherness (villagisation) – that people should live together in Ujamaa villages, in rural areas;
- v. Self-reliance principle, meaning the development of the country and the building of socialism must be dictated by the needs of Tanzanians, and refuses the use of money as the only means of development;
- vi. Provision of free education for primary schooling;
- vii. Africanization policy which emphasis on the prioritization of African origins in the labour market (particularly in the public service) and the economy.

Overall, in this period Tanzania’s social policy was broader as it focused on the equity aspects of socialism and self-reliance. The major means of production were nationalized following the Arusha Declaration which put production and social services provisioning under the state. The government invested in different economic activities and provided almost all types of social services centrally. The development process was guided by the basic needs strategy by focusing on providing social services such as education, health, water, and sanitation to enhance human development. Social provisioning was largely funded by foreign inflows through the instruments of aid and debt, especially during the crises of the 1970s and 1980s (Aikaeli and Moshi, 2016; Osei-Hwedie, 1998). By design, this paradigm change looked good with regards to social development and equity. Nevertheless, the policies pursued in the 1970s and 1980s led to poor economic performance (Wangwe & Rweyemamu, 2001; Ibhawoh and Dibua, 2003).

Table 1: Economic data for the period between 1976 and 1985

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Per capita income growth %	2.3	2.7	1.9	0.2	0.2	3.7	2.6	5.6	0.2	1.4
External debt Million \$	1380	1700	1970	2070	2450	2880	3130	3390	3620	4030

<sup>1</sup> Fabian socialism is a type of socialism founded in 1884 in London. It sought use of the democratic framework to achieve gradual conversion to socialism. This approach originated from the movement for utopian socialism. The Fabians were influential in forming the ideas of the British Labour Party. They advocated the ideal of a scientifically planned society and supported the eugenics by way of sterilization (conservapedia.com).

<sup>2</sup> Catholic social teaching is the Catholic doctrines on matters of human dignity and common good in society. The ideas address oppression, the role of the state, subsidiarity, social organization, concern for social justice, issues of wealth distribution (wikipedia.org). Catholic Social Teaching touches upon many different aspects of life, from the family to international development, how we think of those who are homeless to how we care for the environment, and from how we shop and consume to the rights of workers and the dignity of work (catholic-socialteaching.org.uk).

Interest rate spread %				7.5	7.5	8.0	8.0	9.0	9.0	7.8
Inflation %	6.6	11.0	6.4	12.2	26.4	22.8	25.4	23.5	30.9	28.7
Gross investment as % of GDP	29.0	29.4	33.8	33.6	33.1	28.6	26.0	19.3	20.2	18.7

Source: Bigsten and Danielsson, 1999: 9-13

Indeed, this performance in turn undermined or weakened the capacity of the government to provide adequate social services, not only in terms of quantity but also in quality. All these indicators showed signs of deterioration.

In an attempt to address these economic and social crises, in the early 1980s the Government held talks with financial institutions, especially the International Monetary Fund (IMF), as well as improvising home-grown recovery programmes like the National Economic Survival Programme of 1981/1982 and the Structural Adjustment Programme of 1982. While the state wanted to mobilize more resources for its use, at the same time it maintained the control stance that it had adopted since independence (THDR, 2014). The concentration of power at the centre continued to be a concern, financial institutions were repressed, and for these reasons donors were pushing for both economic and political liberalization (Osei-Hwedie, 1998).

It should be noted that during this period Tanzania achieved some advances in social development, particularly before the peak of the economic crisis in the 1980s (Aikaeli and Moshi, 2016). In 1978, for example, the government passed an Education Act making education compulsory for children between the ages of 7 and 13 in line with the Universal Primary Education (UPE) programme. Among the notable accomplishments during this time were a rise in the literacy rate from only 33 percent in 1970 to 90 percent in 1985 owing to UPE and adult education programmes; a decrease in the infant mortality rate from 146 per 1000 live births in 1960 to 120 per 1000 live births in 1980; and an increase in life expectancy from 41 years in 1960 to 52 years in 1980 (Al-Samarrai and Peasgood, 1998 as cited in Aikaeli and Moshi, 2016).

Following the consequences of economic crises and the lack of sustainable flow of resources for the provision of social services, the impressive social indicators of the late 1960s and the early 1970s became unsustainable. The first oil crisis in 1973 and the second in 1979 exacerbated the external debt crisis, which was later compounded by the Tanzania-Uganda war in 1978/79. By the mid-1980s the country had been seriously affected by deep economic crises and the key macroeconomic variables were no longer balanced, e.g. the budget was in deficit and inflation reached over 30 percent and shortage of foreign exchange to finance imported goods (Bigsten and Danielsson, 1999; Aikaeli and Moshi, 2016).

The economic development strategies that were designed within the socialist system were an attempt to provide all social services for all people in the country. Despite the good

intentions of the policy initiatives of the time, the interpretation and implementation of those policies and declarations left the country in a complex situation with scarcity of basic commodities due to production deficiencies and inefficiencies (Aikaeli and Moshi, 2016). This was the product of the mismanagement of parastatal organizations (Ibhawoh and Dibua, 2003). Ultimately, this state of affairs led to the poor provision of social services.

Along with this situation, the economy experienced shortages of basic commodities because factories could not buy inputs due to the scarcity of foreign exchange, unreliable markets, the unavailability of basic goods for daily use, a decline in export crop production, and deterioration in service provision. Corruption increased and made access to basic services even more difficult for the majority who could not dance to the tune of the time (Utz, 2008; Hunter, 2015). The government was losing legitimacy, resulting in a mushrooming of self-help civil society organizations that emerged to ease the difficult conditions people were experiencing. Political risk could not be excluded from the fact that people were starting to lose their faith due to unmet expectations people paced over independence (Mittelman, 1981; Mchomvu, et al., 1996; Utz, 2008).

It is worth noting that the relationship between economic policy and social policy was clear. As the government embarked on the socialist path, and so became socially obliged to provide basic social services to its citizens, it had no alternative other than to adopt a state monopoly of the economic process. The social aspirations of the government led to its capture of the economic system to avail itself with the means for social provisioning. Nevertheless, as explained earlier, a number of internal and external factors did not provide the requisite environment for the realization of the intended development objectives. This situation led the country to follow different path while trying to find permanent solution to social-economic problems.

### *iii. The period of Liberalism (1985 onward)*

Following the difficulties that besieged the economy, living standards were declining and poverty increasing. In attempt to find a solution to the economic upheaval, Tanzania formulated a short term policy measure, the National Economic Survival Programme (NESP, 1981/82) to ease the economy from the hardships while finding a lasting solution. Throughout the early 1980s President Nyerere was involved in disagreements with the IMF and the World Bank. These multilateral financial institutions were of the opinion that Tanzania should change its socialist policies. However, President Nyerere was not ready to lead such a turnaround. Nevertheless, he yielded and willingly retired from active politics in 1985 to let his successor, President Ali Hassan Mwinyi, champion the anti-socialist reforms.

The country designed short-term reforms to revamp the economy through a different paradigm approach in terms of policies and strategies. In this regard, in 1986 Tanzania

adopted the IMF's Economic Recovery Programme (ERP), and the World Bank sponsored a Structural Adjustment Programme (SAP), which emphasised on liberalization, privatization, and stabilization. The liberalization policies continued to reverse some human development gains in education, health, incomes, and so on (Wangwe & Rweyemamu, 2001; TEN, 2009). The Structural Adjustment and Stabilization Policies instruments of fiscal, monetary, and exchange rate policy distortions affected economic activities and human development. There were several conditions embedded in the programmes, which the government had resisted. However, adoption with these conditions was inevitable given the pressure of the IMF and the World Bank pushing towards devaluation, the liberalization of crop marketing, the liberalization of export and import trade, and the removal of subsidies to peasant farmers (Mujinja and Kida, 2014).

All these reforms were mainly economic and so the social dimensions of adjustment programmes did not get enough policy attention. Indeed, it was not until the end of the 1980s that the Economic and Social Action Programme (1989–1992) was formulated in cognizance of the fact that serious action was necessary to tackle the problem of poverty. Indeed, its implementation demanded a broader multi-dimensional perspective (Aikaeli and Moshi, 2016). Reforms were intensified in the late 1980s and early 1990s, in line with the recommendations of the World Bank which involved undertaking the following actions which consequently reverted from a controlled economy to a semi-market oriented system:

- i. Rolling back the role of state in the national economy;
- ii. Ending the free provision of social services and introduction of user fees;
- iii. The freezing of wages and employment in the public sector;
- iv. The retrenchment of public sector workers in an attempt to control their wage bill; and
- v. Restructuring of parastatals, aimed at reducing numbers since they had various performance problems (Nellis, 1986; Moshi, 1989).

To the greater extent the above measures seems to not favour most people, particularly the poor and vulnerable. The introduction of user fees and the removal of agricultural subsidies put peasant farmers and other poor groups in a difficult position as agricultural production declined. In view of this there was a significant need for the establishment of safety nets for weak, poor, and vulnerable groups in the provision of goods and services (TEN, 2009; Coulson, 2013). Social policy therefore changed dramatically in response to this situation. Social services which used to be provided universally by the state were then provided with user fees and safety nets introduced to support the poor.

Despite the fact that some efficiency, improvements and growth started to regain its momentum, ordinary people in rural areas remained poor and the provision of social services was inadequate. While there was consideration of social aspects in the reform process, the bifurcation between economic and social policies as separate sectors was still apparent. The view that social policy achievements would come as an ultimate end endured. There was no coherent integration of social goals into economic policy formulation as part and parcel of the transformation process (Aikaeli and Moshi, 2016). A lot of emphasis and effort were devoted to structural changes and economic stabilization, assuming that social provisioning would automatically emanate from an efficient market system once this was achieved. However, in fact this was not the case (Aikaeli and Moshi, 2016; Wangwe & Rweyemamu, 2001).

It was not until the mid-1990s that Tanzania realized that its economic reform process had compromised the country's earlier achievements in social development. During this time the IMF and the World Bank emphasized that development should be approached in a more comprehensive way than just focusing on economic growth alone. It became clear that although the economy was performing well in terms of revamped growth, this was accompanied by increased inequality, poverty, and youth unemployment. In this regard and with the assistance of these international financial institutions, the country started to restructure its development strategy by incorporating social and political aspects of the reform process (Aikaeli and Moshi, 2016).

To accommodate these elements of transformation, the country prepared a Poverty Reduction Strategy Paper (PRSP), which was tied to the Highly Indebted Poor Countries (HIPC) debt relief initiative. The document was supposed to detail the intended adjustments and to convince both multilateral and bilateral development partners about how the country could transform, enhance growth and reduce poverty as conditions for accessing HIPC resources. The paper was a kind of participatory approach to public policy making, whereby the country created its road map with a commitment to address socio-political issues in addition to economic concerns. In terms of issues, the paper entailed more than just structural adjustments and stabilization. In other words, it constituted an attempt to integrate other policies with the core economic policy, targeted at increasing efficiency and growth. Fiscal discipline was monitored through a Public Expenditure Review (PER) process which was facilitated by the World Bank, while macroeconomic policy formulation was supported by the IMF as a way of realizing better socio-economic outcomes (OECD 2013; Nord et al, 2009).

At political level, transformation from single party to multiparty system was carried out in early 1990's. The system awakened people's attention on social, political and economic matters and strengthened some basic rights of people, such as right to association, participation, expression etc., in a higher degree than it was before. The first multi-party election was

carried out in 1995. The system therefore increased people's involvement on matters concerning their development.

As a result, public resource management was improved and resources were made available for some social sectors: primary education fees were eliminated; a Medium-Term Expenditure Framework (MTEF) was introduced as a way to strengthen links between sectoral policies and resource allocation, among other things; and the National Strategy for Growth and Reduction of Poverty (NSGRP), the second national organizing framework for putting the focus on poverty reduction, was drafted to guide the country's development agenda. The NSGRP expanded the policy scope to include human development and social well-being, among others. This strategy was drafted through a national consultative process. It is important to note that it was during this period that Tanzania crafted the Development Vision 2025, which was launched in 1999 with the ambition to transform the country into a middle-income economy with a high level of human development by 2025. Basically, the Vision's aspirations are: high quality livelihoods; peace, stability, and unity; good governance; a well-educated and learning society; and a competitive economy capable of producing sustainable growth (URT, 1999).

The interpretation and implementation of the Vision was, by design, meant to be carried out through the five-year development plans. However, the five-year development plan approach was not adopted immediately. Instead, shorter-term strategies and policies like the NSGRP were adopted. It was not until 2010 that the Long-Term Perspective Plan (LTPP) and subsequently the first Five-Year Development Plan (FYDP-I) were prepared as frameworks for the implementation of the Vision 2025.

The government recognized that it should play a central role in social services sectors to achieve the goal of improving quality of life and social well-being. In this regard, efforts were made to increase expenditure on pro-poor social services. From 2005 onwards the government recognized a need to reduce vulnerability and increase the involvement of Local Government Authorities (LGAs) in the provision of social services. Therefore, in this phase, the challenge of inclusive growth, i.e. growth that ensures a better quality of life for the majority, has been the preoccupation of the NSGRP I and II, the FYDP-I, the LTPP, and later the Big Results Now (BRN) initiative in pursuit of the achievement of the goals of Vision 2025. In all these policy frameworks and initiatives social provisioning issues are prioritized, among other things. However, the challenge which may be envisaged under this situation is related to how to coordinate and manage such many frameworks and avoid overlaps to ensure proper implementation (Aikaeli and Moshi, 2016). But this has also been taken into account recently.

Tanzania has undergone impressive political and economic developments, and improvements in social welfare in the last two decades (World Bank, 2017; Mohamed et al. 2018). The



most recent developments were marked by the entrance in power of Dr. John Pombe Magufuli after the 2015 general elections. Politically, he started with the barn of political rallies and unnecessary public gatherings by political parties. The aim was to direct focus of everyone to the development of the country instead of unnecessary political preoccupations. However, some, including states and international organisations, translated this as breach of political and human rights for both people and organisations.

Among major interventions carried out during this time included fight against corruption and irresponsibility among public servants, control over natural resources, strengthen peace, social justice and national solidarity and manage and control public finance and revenue, among others. As a result monthly revenue collection was increased from Tsh. 850 billion in 2015 to Tsh. 1.3 trillion in 2019 (CCM, 2020). Almost all social development indicators have shown signs of improvement. Primary and secondary educations have been provided universally and free of charge. Health care services have been improved significant by increasing the number of health care facilities and services. Availability of basic medicines in the last five years has been increased from 42 percent of needs in 2015 to 94.5 percent in 2020. Water supply has been extended to reach 70.1 percent of residents in rural areas in 2020 compared to 47 percent in 2015 (CCM, 2020). Social services and other sectors have significantly been improved, however, with smaller impact on poverty (Mohamed et al., 2018).

The economy has been doing very well during these years as a result of the measures taken by the government. Gross Domestic Product (GDP) has increase at an average of 6.9 percent per annum. Per capita income has also been increased from Tsh. 1,968,965 in 2015 to Tsh. 2,458,496 in 2018 (CCM, 2020). This achievement has entered the country into the list of middle-income countries as of July 2020. This achievement has been realised 5 years earlier than expected by the Tanzania Development Vision 2025.

Social policy in the recent years has witnessed improvements of some basic services to the people, particularly in relation to social services such as water and sanitation, education and health care, labour issues and support to the poor and marginalised groups.

### III. INTERACTION BETWEEN SOCIAL POLICY AND POLITICAL AND ECONOMIC CHANGES

It can be seen from the reading that there exist strong interaction between political and economic changes and social policy in Tanzania. Across historical trajectory of Tanzania we can observe a clear interdependence between the two sides. Following independence until 1967 the new political system led by TANU and its government prioritised on national unity and local favouritism policies which resulted into change in social policy. Social services such as education and health care which were provided based on racial segregation started to be provided equally to everyone, and

sometimes even giving more importance to local people. However, user fees policy in social services continued following the capitalist economic policy of the era. In the same way, the *Afrikanisation* was introduced immediately after independence as a policy to increase local people participation in the administration and occupation of posts in public sector and in the labour market. All these changes occurred as a result of changes introduced by political players of the new government. The economic structures were still in the same way as were during colonial period, except, of course, few minor changes introduced by the new government.

When looking into socialism era, the interaction is still remarkable. The policy of socialism itself declared the paternalistic role of the state to social services and the general welfare of the citizen. Measures taken to put into action the ujamaa policy – villagization, nationalization of private sector, universal free education and health care etc. – showed clear diversion from the previous order. Social services were provided universally to reflect the political direction of the time. Political monopoly of one party system translated into disengagement of people in the development planning, leaving the full mandate centralised at the ruling party and the president in particular. To support this argument Mattee (2007) puts it more clearly. He argues that with the declaration of the Party Supremacy principle in 1977, the ruling party assumed the primary role of social policy-making, which consequently transformed the government into an implementing agent of social policies. The key social policy issues were decided at the National Executive Council (NEC) of the ruling party. Though some started with sectoral ministries as draft policies, they then had to be approved by the NEC. However, more and more decisions were being taken by the President, with the Cabinet taking a secondary position. The Cabinet as a machinery for social policy-making was weakened by the inordinate powers given to the President. Consequently social policy goals were highly influenced by the ideology of the ruling party (Mchomvu, et al, 1996).

The essence of structural adjustment as envisaged by the IMF lies in the neo-liberal notion that the state must dissociate itself from participation in the economy and the provision of social services to make way for free market exchanges. Unfortunately, however, it's accompanying mechanism, such as the tightening of the money supply and reduced public expenditure compounded the already precarious economic status of most consumers. The deep economic crises meant very limited resources for social services leading to a change in the philosophy behind service provision. In the era of structural adjustment, governments introduced some fees for social services, reduced government funding in service provision, withdrawn consumer subsidies, privatised public enterprises and retrenched workers among other things, as part of the measures to improve the economy, which adversely affected social policy. These measures also underline the

importance of resources in determining and sustaining social policy in countries.

The demand of structural adjustment programmes meant depending on the assistance of the World Bank and the IMF, and other donor agencies and countries to revitalise the economy and create sustainable levels of economic growth. The assistance from these sources was instrumental in the development and maintenance of social safety nets to relief vulnerable groups against the transitional effects of structural adjustment. Donor agencies also funded a significant number of programmes in education, health and social development in general. This means that they also had important influence in the social policy process. Social policy in this respect was very likely to have reflected the desire of these organisations instead of that of the society and the country during that period. For example, it is argued that the policy shift from viewing the provision of social services by the government to social provision by market forces in Tanzania was implemented to attract and maintain donor support (Mchomvu, et al, 1996; Masiye, et al, 1996, cited in Osei-Hwedie, 1998). Social policy implemented during the period was however, the result of the economic reforms installed as well as changes in political players and their ideologies.

On the other hand, the introduction of multiparty political system in early 1990s has increased democracy and opened up people's participation in decision making and policy formulation. People's involvement in matters that concern their lives and collective interest of the society has been significantly improved; the right to association and unionism has widely improved alongside with the freedom of expression and mass media. This has led to emergence of many organisations and interest groups (NGOs, FBOs, trade unions etc.) which not only support government in service delivery to the poor and marginalised groups but also help in shaping social policy of the country. This has also helped to shift the social policy formulation channel from top-down (Aikaeli and Moshi, 2016) to bottom-up (Mattee, 2007).

In recent years, with the change of main political players after the 2015 general elections, emphasize was put on reshaping the country by: intensifying the fight against corruption; strengthen national solidarity and social justice; enhancing public services; public financial management and management and control over the natural resources. As a result, domestic revenue increased significantly while donor dependence reduced. Also the country entered the list of middle-income countries and some social services have been improved and some of them provided free of charge. Social policy has been improved as a result of increased fiscal space.

#### IV. CONCLUSION

This paper looked at the influence of political and economic changes to social policy, taking the regime changes occurred in Tanzania since after independence to date. Using literature review as a methodology of research it appeared that social policy in Tanzania has passed through three major political

and economic changes from its independence in 1961 to recent days. Each period is characterised differently depending on the economic and political ideology and players ruling the period. In the first six years after independence, the young nation continued with the economic and political situation inherited from the colonies, however, with slight changes particularly at political level. During this period social policy was directed to promoting equality among people, building human capital of the local people and strengthening national unity to reflect the new changes introduced by the new government. Economy during this time was still dependent on private sector dominated by foreign investors.

Adoption of socialism was the second major change that shackled both political and economic sphere and consequently the social policy. Here the country politically moved to single party system, which among other things, practised monopoly in social policy formulation, alongside with the implementation of *ujamaa* policy, translating the African social and economic model of socialism. The objective of this was to introduce a system which is different from the colonial one and which corresponded to the social and economic environment of the young nation. During this period social policy received significant changes and performed much better in terms of social indicators, mainly because of the paternalistic role of the state to social services, among other reasons. Literacy rate and the supply of health services were both higher than ever, which implied good social policy measures applied at this period. But the emergence of crises and resource constraints undermined the sustained provision of social services. Indeed, in this period the economy was under control of the state with nationalisation of private enterprises being one of the major steps to reshape the economy.

However, the adoption of reforms and structural changes in the economy in the mid-1980s, with the economic system changing from a socialist to a mixed or liberal economy, reduced the role of government in the provision of social services. However, this turnaround did not ensure the adequate provision of social services despite the private sector commitment to social provisioning. Social services were provided using user fees to reduce burden to the government. The introduction of multiparty political system had also positive impact to social policy development, particularly concerning engagement of people and stakeholders at all levels. The government has nowadays directed its effort toward social policy in order to bring about social development. Number of national frameworks has been initiated to promote pro-poor growth and combat poverty and deprivation. The new developments made by President Magufuli triggered attainment of some important indicators of the Development Vision 2025. Education is being offered free of charge from primary to secondary levels, together with significant improvements in other sectors, and the country has joined the list of middle-income countries, as of July 2020.



In general, it can be said that economic and political policies have influenced to the great extent the direction of social policy across the history of Tanzania. In this respect the country demonstrates an excellent example of how political regimes, economic policies and social policy interact one another to bring about changes and development in a society.

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