## **University of Central Lancashire**

The Growth and Development of Coffee and Cotton Marketing Co-operatives in Tanzania, c.1932-1982

by

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A thesis submitted in partial fulfilment for the requirements for the degree of Doctor of Philosophy at the University of Central Lancashire

#### STUDENT DECLARATION FORM

I declare that while registered as a candidate for the research degree, I have not been a registered candidate or enrolled student for another award of the University or other academic or professional institution

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#### **ABSTRACT**

By the mid-1970s, Tanzania had the biggest co-operative movement in Africa and the oldest in East Africa. Despite such achievement, for decades, the literature on Tanzania's small-scale coffee and cotton cultivation and marketing co-operatives has suffered from a dearth of substantive historical accounts. The available literature is fragmented along various academic disciplines, mostly political science and sociology. In addition, there is no single substantive secondary historical study specifically dedicated to the co-operative movement since the inception in 1932. The neglect is more critical given the current renaissance in Africa and increasing international interest in the co-operative movement at either national or local levels. This thesis seeks to fill this gap by utilising primary sources from the Co-operative College archive in Manchester and Tanzania National Archive (TNA) to examine and evaluate the coffee and cotton marketing co-operatives during the 1932 to 1982 period. The study further explores the interlocking forces and policies that led to its growth and development. The development is also examined against the changing political and ideological influences during the interwar, and post-war to independence periods.

This thesis is structured under three cases, two of which are coffee marketing cooperatives, the Kilimanjaro Native Co-operative Union (KNCU) and Bukoba Co-operative Union (BCU) in Kagera; and the cotton apex marketing co-operative in the WCGA, the Victoria Federation of Co-operative Unions (VFCUS) which was formed in 1955. Study findings show that the time gap in the formation of the mentioned co-operatives were due to the colonial authority neglecting its own co-operative development policy. The evidence shows that, the KNCU which was formed in 1933 and BCU in 1950 were both established at the behest of the British colonial government in a move to control the coffee industry. Importantly, the study examines the power relations involved and the government interventions in the process and the extent to which the co-operatives were promoted and controlled by the government through the co-operative and agricultural marketing policies and legislations. This was particularly provided under Section 36 of the 1932 co-operative legislation and was further reinforced by three policies, the 1934 Chagga Rule, the

1937 Native (control and marketing) Ordinance and the Defence Ordinance, Orders of 1939 and 1940; and the African Agricultural Products (Control and Marketing) Ordinance, 1949.

The post-colonial authority perpetuated the colonial policies in promoting cooperatives and the control of agricultural export revenues provided under the 1962 by the National Agricultural Products Board (Control and Marketing) Act by intensifying the intervention, effectively strangling and restructuring them to provide for effective control. Again, there was an increased politisation of the movement's function as they became an integral part of the propagation of the socialist/ujamaa ideology and the national development plan as the 1976 villagisation policy.

This study is of the view that the colonial and post-colonial authorities intervened in the formation of co-operatives given the fact that they were economic strategically vital. During the phases covered in this thesis, the established legislations reinforced the government's control over the co-operative movement and the producers; and granted themselves a monopoly over the handling and export of small-scale produced coffee and cotton through the control of marketing boards by appointing co-operatives as crop handling agents. Thus, the co-operative movement never attained autonomous status as it became part of the government machinery in extracting resources and exploiting small-scale growers.

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#### A LIST OF ABBREVIATIONS

ArD Arusha Declaration

ASP Afro Shiraz Party

BCCB Bukoba Coffee Control Board

BCCS Bugufi Coffee Co-operative Society

BCGA British Cotton Growing Association

BCU Bukoba Co-operative Union

BDCB Bukoba District Coffee Board

BNCB Bukoba Native Coffee Board

CCM Chama cha Mapinduzi

CO Colonial Office

CS Chief Secretary

CUT Co-operative Union of Tanganyika

DA Director of Agriculture

DA Director of Agriculture

DC District Commissioner

DO District Officer

ECGA Eastern Cotton Producing Area

ECGC Empire Cotton Growing Corporation

FAQ Fair Average Quantity

GATT General Agreement on Trade and Tariffs

HMSO His Majesty Stationary Office

IBRD International Bank for Reconstruction and Development

ICA International Co-operative Alliance

IMF International Monetary Fund

KI Key informants

KNCS Kilimanjaro Native Co-operative Society

KNCU Kilimanjaro Native Co-operative Union

KNPA Kilimanjaro Native Planters Association

KWK Koonial-Wirtschaftliches Komitee

LEGCO Legislative Council

LSMB Lint and Seed Marketing Board

MNCB Moshi Native Coffee Board

MoCU Moshi Co-operatives University

MUCCoBS Moshi University College of Co-operatives and Business Studies

MWATEX Mwanza Textiles Mill

NA Native Authority

NAPB National Agricultural Products Marketing Board

NCU Nyanza Co-operative Union

NESP National Economic Survival Programme

NGA Native Growers Association

NGOMAT Ngoni and Matengo Co-operative Union

PC Provincial Commissioner

SAP Structural Adjustment Programme

SHIRECU Shinyanga Region Co-operative Union

SNA Secretary for the Native Affairs

TAA Tanganyika African Association

TAC Tanganyika Agricultural Corporation

TANU Tanganyika African National Union

TCC Tanganyika Cotton Corporation

TCGA Tanganyika Coffee Growers Association

TNA Tanzania National Archive

UCLAN University of Central Lancashire

UCS Union of Co-operative Societies

UDI Unilateral Declaration of Independence

UK Ukiliguru

UNO United Nations Organisation

URT United Republic of Tanzania

USA United States of America

VFCUS Victoria Federation of Co-operative Union

VOIL Vegetable Oil Industry Limited

WCGA Western Cotton Growing Area

WERECU West Region Co-operative Union

WWI First World War

WWII Second World War

#### **GLOSSARY**

Abalanguzi be emwani Itinerants Coffee Traders

Avapimi va Magafu Informal Cotton Weigh Group

Gombolola The WaHaya Chiefdoms Sub-Division Administrative

**Areas** 

Jembe Hand Hoe

Kinu Wooden Huller/Mortal

Luganda Informal Farming Group

Lukoba Informal Farming Group

Ngunguli Informal Group

Mabebete Informal Cotton Weigh Group

Magendo Smuggling

Matuta Tie ridges

Okulangula Emwani Mortgaging of unharvest coffee

Olwazi Stone Boulder

Salenge Kilimo Informal Farming Group

Uinyabeleja Informal Farming Group

Ujamaa Family hood

Ujima Primitive communal mode of production

Ushirika Co-operative

Wawakilishi/Wakili Representatives

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This thesis is dedicated to my beloved mother Apolonia Basili Liheta (*Binti Basili*) who had always and proudly given me the confidence to attain a dream that she through the God's grace she is, today witnesses the achievement. It is also dedicated to beloved father, Athanas Makanyaga Liheta, my brothers, Borgias (*Jazz*), Veremundi (*Boss*) and Teofano (*Liheta*), also my sister Veneranda (*Mama Sikujua*) who sadly are not around today to see this achievement.

# CHAPTER ONE: THE DEVELOPMENT OF THE CO-OPERATIVE MOVEMENT 1.0: INTRODUCTION

This thesis examines the development of the co-operative movement during the colonial and post-colonial eras in Tanzania, that is, from 1932 – 1982 period. The rise of the co-operative movement in Tanzania commenced following the promulgation of the legislation in 1932 to support cash crop marketing. Agricultural production was encouraged by the British colonial authority to foster the colony's economic and financial self-sufficiency whilst meeting British industry and consumer demands. The co-operative movement was the vehicle employed in the colonial and post-colonial era for handling the collection of produce from growers, quality control, processing, and delivery to marketing boards for export.

lliffe work is a comprehensive and fully-documented history of Tanzania from 1800 to 1961 about the social, political and economic history of some ethnic groups' precolonial as well as the German and British colonial history in the country. He made attempts to analyse the intensification of the inter-war agricultural exploitation of, for example, the cotton small-scale growers in the WCGA. Similarly, the post-war colonial agricultural development covering such schemes as Kongwa, Nachingwea and Urambo groundnuts schemes as well as the Sukuma Development Scheme geared to increase cotton productivity that were all envisaged to salvage the collapsing British post-war economy. He, also examines the rural agricultural change and development of co-operative movement was not the natives' initiative, but he viewed them to have taken place in response to the capitalist economic demands. He briefly, examined the reorganisation of the KNPA into KNCU; but, pays little

<sup>&</sup>lt;sup>1</sup> Extract from minutes of meeting of the Directors of Agriculture for East African countries (Kenya, Tanganyika and Uganda, held in Nairobi in June 12<sup>th</sup> 1946, TNA 26054; Billy Frank, Billy Frank, The Formation of British Colonial Development Policy in the Trans World Wars Two Period, 1942-1953: With special reference to central and southern Africa, unpublished PhD thesis, (Edge Hill Lancaster university, 2002), p.16; Melville J. Herskovits, *The Human Factor in Changing Africa*, (New York: Alfred A. Knopf, 1952), p. 219; Michael Havinden and David Meredith, *Colonialism and Development: Britain and its Tropical Colonies, 1850-1960*,(London: Routledge, 1993), pp. 299 -301; B. King, *International Bank for Reconstruction and Development: Survey of British Colonial Development Policy*, (IBRD- Economic Department, November 9<sup>th</sup> 1949), p. iv.

<sup>&</sup>lt;sup>2</sup> John Iliffe, A Modern History of Tanganyika, (Cambridge: University Press, 1979).

attention on the factors that prompted the reorganisation and mechanism as well as processes employed.<sup>3</sup>

In examining agriculture crop marketing this study employs the functional and institutional approaches.<sup>4</sup> The functional approach comprised of a number of functions such as growers selling their crops and buyers buying/assembling of crops, processing, and financing. The institutional approach functions that involve individuals (merchants, middlemen, retailers) and agents, mainly facilitative organisations such as co-operatives and marketing boards and enterprises) all being key in the marketing function. The existing literature for example, by lliffe has tended neglect the relationship provided by the two mentioned approaches.<sup>5</sup> lliffe pays little attention and has generalised the agriculture marketing. He also treats cash crop production and co-operatives separately. Consequently, so little is known about agricultural marketing that this study investigates. Additionally, they are predominantly based on secondary sources, so there is a lack of historical rigour of studies that have considered agricultural marketing co-operatives and this thesis attempts to address this void.

Andrew Coulson work in Tanzania covers political and economic development during three epochs which are pre-colonial, colonial and post-colonial.<sup>6</sup> Some of the aspects that are covered include colonisation politics by the Germans and British and discusses political struggle for independence. Interestingly, Coulson in his work, he covers aspects which are the focus of this thesis such as cash crop production and marketing policies, the agricultural marketing co-operative movement during colonial and post-colonial eras. However, Coulson work lacks evidence. Where he managed to support his arguments he relies on secondary sources. In most cases as shall be shown in this thesis, Coulson has produced misleading evidences on one

<sup>&</sup>lt;sup>3</sup> John Iliffe, (1979), p. 279.

<sup>&</sup>lt;sup>4</sup> R.L. Kohl and J.N. Uhl, *Marketing of Agricultural Products*, (New York: MacMillan, 1972).

<sup>&</sup>lt;sup>5</sup> John Iliffe, (1979).

<sup>&</sup>lt;sup>6</sup> Andrew Coulson, *Tanzania: A Political Economy*, (New York: Oxford University Press, 1982).

hand and has muddled details on the other which proved in this thesis that are wrong.

The co-operative movement in the British colonies is well documented by some historians as Rita Rhodes<sup>7</sup> and co-operators as Margaret Digby<sup>8</sup> and Strickland<sup>9</sup> all these, have a lot in common regarding the co-operative movement worldwide. Rhodes and Strickland have presented the co-operative movement in Britain and how Robert Owen, William King and the Rochdale influenced its growth and development which had an impact to the colonies such as India, where its legislation was borrowed in many other countries which were under British colonial rule such as Malaya (Malaysia), Ceylon (Sri Lanka), Cyprus and some African countries such as Kenya.

But, development in Tanzania not only ignored, but also not mentioned despite a progress shown by the passage of the legislation. But also, the impact of the 1932 co-operative legislation that led to the registration of the KNCU and its affiliated societies with effect from January 1933. She, also traces how, and why Britain promoted the co-operative model as part of its development strategy in British colonies after the Second World War when the co-operative movement was employed as an economic transformation tool in the British colonies as well as in the post-colonial era. Such development was evident in Tanzania where it was employed for the realisation of development strategies. Rhodes has published on the history of the co-operative movement and in the British Empire in which she focused on Kenya, particularly the European communities. <sup>10</sup> In this regard, there is practically nothing was in place for the natives. So to say, her publication is practically nothing that explains why the Kenya natives were not considered. Strickland has established that the co-operative legislation in Kenya was designed to serve Europeans, but not

<sup>&</sup>lt;sup>7</sup> Rita Rhodes, *Empire and co-operation: How the British Empire used co-operatives in its development strategies 1900–1970,* (Edinburgh: John Donald, 2012).

<sup>&</sup>lt;sup>8</sup> Margaret Digby, *The World Co-operative Movement*, (London: Hutchinson and Company Limited, 1960).

<sup>&</sup>lt;sup>9</sup> C.F. Strickland, *Co-operation in the Colonies*, (London: George Allen and Unwin Co. Ltd., 1945).

<sup>&</sup>lt;sup>10</sup> C.F. Strickland, (1945), p.38.

for Africans and it does not give controlling power to the Registrar.<sup>11</sup> He further emphasized by justifying the policy that, 'it would be unwise to form co-operatives societies of Africans under this Ordinance'.<sup>12</sup>

In her work, Rhodes has ignored the contribution of the Tanzania's colonial authority in the late 1920s and early 1930s in providing the Colonial Office (CO) impetus for promoting the co-operative movement in the colonies (see Chapter 3, Sections 3.2 and 3.3). She also fails to acknowledge that, Tanzania was the first East African country to promulgate the co-operative legislation in 1932. Under the legislation the native had their agricultural marketing co-operative registered and it was not so for the natives in the two East African countries of Kenya and Uganda who had such opportunity for the first time in 1945; thus, Tanzanian co-operative movement was the oldest in East Africa. In this regard, there is a significant research gap to fill in the role played by the Colonial Office (CO), colonial authority and growers in the growth and development of the co-operative movement in Tanzania during colonial rule.

Whereas some authors like Rhodes do not recognise the Tanzania's co-operative movement. Other authors like Spaull<sup>13</sup> does, by emphasising that, by 1961 Tanzania is perhaps among all East and Central Africa countries (Kenya, Uganda and Zambia) the most co-operative minded country. According to Spaull, this can be judged by the fact that one-third of the National Assembly members were active co-operators, of which four of them became cabinet ministers soon after independence (see Chapter 3, Section 3.5). Spaull points out that, the co-operative movement is responsible for one-third of county's export handled by 750 co-operative societies and produced by 340,000 individuals who are the members of out 10 million of the Tanzania populations. Spaull concludes his evaluation that, out of the identified figures, the people of Tanzania proudly claim that the co-operative movement is the biggest in Africa. Whereas Spaull acknowledges achievement that was attained by Tanzania's co-operative movement a lot of questions need to be addressed. Voluntary

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<sup>&</sup>lt;sup>11</sup> C.F. Strickland, (1933), pp.55.

<sup>&</sup>lt;sup>12</sup> C.F. Strickland, (1933), pp.55-56.

<sup>&</sup>lt;sup>13</sup> Hebe Spaull, *The Co-operative Movement in the World Today*, (London: Barrie Rockliff, 1965), pp.93-95.

membership is one of the co-operative principles. But, the Tanzania's 1932 co-operative legislation made membership compulsory. Nevertheless, membership remained small as compared to the total population. This was also reflected in a number of societies that was confined within some cash crop producing areas (see Chapter 3, Sections 3.2 and 3.3). It also illustrates that, such small number was easily reached and the majority were either underserved or unreached for over 30 years, which suggests the colonial authority had done little to reach them.

Additionally, Spaull has presented some general figures, evaluation and conclusions that failed to reveal development based on regions and cash producing areas. She has neglected the historical development of the co-operative movement in Tanzania that, this thesis takes such interest. Where attempt has been made, Spaull proved to struggle as some evidences that she has generated distortions, are misleading and contradicting, this is the case with the development in Kagera region. For example, she indicates that, in 1949 co-operative societies formed and registered in the region to market coffee;<sup>14</sup> and the Union, which she has not mentioned, apparently the BCU by arguing that, its formation and registration followed, a year or two later that by appointment of two companies to handle coffee from growers on its behalf because the Union had no means in doing so.<sup>15</sup>

Digby traces the origin of British consumer and producer co-operative movement, its growth and development in the 19<sup>th</sup> century. As Rhodes, she also examines the consumer co-operative the Canada, New Zealand and France by examining their business links with those in Britain. The producer co-operative movement in French, German under the Nazi and communist regime of China are examined in detail. She traces origin of credit co-operatives in Germany are also examined in the same volume and the replication of the model in some European countries such as Belgium, Scandinavian countries, and North America. However, she pays a limited attention to the growth and development of the co-operative movement in other developing countries, despite a significant achievement in the 1950s, particularly, in

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<sup>&</sup>lt;sup>14</sup> Hebe Spaull, (1965), p.96.

<sup>&</sup>lt;sup>15</sup> Hebe Spaull, (1965), p.96.

Tanzania which has mentioned, but there is a lack of historical development in her work.

In another work, Digby<sup>16</sup> she discusses the growth and development of agricultural co-operative movement in the Commonwealth. Again, such development is covered in a nutshell and fails to illuminate the colonial authority's policy and political intervention aspect. Her discussion of Tanzania is predominantly about the KNCU, Ngoni and Matengo Co-operative Union (NGOMAT). The BCU which was established in 1950 is not mentioned and the VFCUs affiliated societies are not covered largely because they were formed and registered in the same year when her work was published. Thus, this study attempts to fill her gaps by providing in-depth development that took place in Kagera and in the WCGA.

Gorst illuminates a brief but a comprehensive history of the co-operative movement in the British colonies.<sup>17</sup> An attempt is made in her work to show the development not only in Asian countries but also in African in which she covers some aspects of each country. As a result, the coverage falls short of in depth analysis on the historical development. For example, the background to the development and progress that took place in Tanzania is briefly presented that this study expands by examining the colonial policies, political decision, and the role of various stakeholders in promoting, formation and registration of co-operative societies.

Sadleir, who was the officer in the Co-operative Department has published a brief work about the history of the co-operative movement in Tanzania from 1925 to 1960. Given his position in the Department, obviously he had access to primary evidence to the co-operative development in the country. In this book the author presents a brief attention given to the KNCU, NGOMAT, Bugufi Coffee Co-operative Society

<sup>&</sup>lt;sup>16</sup> Margaret Digby, *Agricultural Co-operation in the Commonwealth*, (Oxford: Blackwell, 1953), pp. 147-150.

<sup>&</sup>lt;sup>17</sup> Sheila Gorst, Co-operative Organisation in Tropical Countries: A Study of Co-Operative Development in Non-Self Governing Territories under the United Kingdom Administration, (Oxford: Basil Blackwell, 1959), pp.165-182.

(BCCS), BCU, Rungwe Co-operative Union as well as, the VFCUS.<sup>18</sup> In his book, Sadleir highlights development of crops among small scale growers, mainly; coffee, cotton and tobacco that were marketed by mentioned co-operative societies are also briefly examined. This book has several misleading and distorting details regarding the general development of the co-operative movement; the same is evident for the co-operative unions that this study examines. For example, he distorts the background of the first and second Registrar of co-operative societies in which he indicates that Ronald Cecil Northcote was the Director of Lands and Mines, whereas, Mr R.S.W. Malcom was District officer. The evidence from primary sources has established it was vice versa, but they both served as Registrar of co-operative societies in which Northcote was the first when he retired in 1945, Malcom took over.

The policy and political aspects that prompted the promulgation of co-operative legislation has completely neglected by Sadleir. The neglect and similar mistake has been repeated by the Co-operative Union of Tanganyika (CUT).<sup>19</sup> Furthermore, Sadleir and the CUT have not provided an account as to why the promotion of the co-operative movement in Tanzania was uneven growth. Sadleir, has not enlightened how the KNCU, BCU as well as, the VFCUS emerged. The CUT's publication shares the same, but has neglected the VFCUS despite being a prominent co-operative organisation in East Africa. Thus, such neglect generates an incomplete history of the co-operative movement in Tanzania. Additionally, both have neglected the policy aspect and the role played by various stakeholders in promoting the co-operative movement that this thesis attempt to address.

Kimario's work on the co-operative movement in Tanzania that he divided the historical narration in two sections, the colonial and post-colonial. <sup>20</sup> The post-colonial

<sup>&</sup>lt;sup>18</sup> .R. Sadleir, *The Co-operative Movement in Tanganyika*, (Dar Es Salaam: Tanganyika Standard Printing Ltd., 1963).

<sup>&</sup>lt;sup>19</sup> Muungano wa Vyama vya Ushirika, *Úshirika Wetu*. (Dar Es Salaam: CUT Press, 1977).

<sup>&</sup>lt;sup>20</sup> Ally M. Kimario, *Marketing Cooperatives in Tanzania: Problems and Prospects*, (Dar Es Salaam: Dar Es Salaam University Press, 1992).

section is further subdivided into four sections covering years before and post-ArD that span from 1961 to 1967 and 1968 to 1975 respectively. Then the other two subsections are about the villagisation from 1976 to 1982 and the post-co-operative reinstatement era from 1982.

Generally, Kimario's work provides a comprehensive narration of the Tanzania's cooperative movement. He has made attempts to narrate a historical development in
the co-operative movement of various sectors as the agricultural marketing, transport
co-operative and consumer societies is provided, nonetheless in a nutshell. For
example, it lacks a historical analysis about the general policies on the cash crop
marketing and those that led to the growth and development of the co-operative
movement in Tanzania during the colonial era. He has treated the rise of, for
example, unions like the KNCU, NGOMAT, BCCS, BCU, and VFCUS with limited
specific historical background details for each just in not more than four paragraphs.
Thus, the mentioned union's specific historical background details fails to reveal how
and why various stakeholders as the colonial territorial authority, the colonial
provincial and district officials, the marketing boards and growers played a part in the
process of formation of the mentioned unions.

Kimario's narration has limited details and analysis regarding the processes, policy linkages and development that led to the reorganisation of the KNPA into KNCU and why was it so. He has not been able to establish a link between the 1932 cooperative legislation and the formation and registration of the KNCU. There is also a lack of clear revelation on uneven development of the co-operative movement in the country for example, the formation and registration of the NGOMAT, BCCS in 1930s and those like the BCU and VFCUS which were formed and registered in the postwar years in which the policy aspects and the involvement of the CO is neither mentioned nor discussed.

The post-colonial phases are well illustrated by Kimario but, there is a lack of policy and political analysis regarding to various decisions that led to the changing political and ideological influences of the emerging Tanzanian state shape the co-operative movement during the era. There is also some difficulties in Kimario's work to establish a clear continuity and change in the marketing policy and their partnership with agricultural marketing co-operatives in the colonial and post-colonial periods. For example, the legislation that provided for the formation of the marketing boards and powers that they had to appoint the co-operatives as its agencies in handling crops from growers. There is also a lack of clarity on the formation of crop authorities in the 1970s and the engagement of villages in crop marketing in place of the co-operative societies.

Lyimo, who is a sociologist examines the Tanzania's co-operative movement. <sup>21</sup> In his study, Lyimo used case study in which tobacco and coffee marketing co-operatives are examined. In his study the KNCU is one of his cases. However, his focus is mainly on governance with more attention given to the participation of the members in management of co-operative society. Therefore, the cash crop production, marketing history is not part of his study. He neither examines cotton marketing nor the historical development of the VFCUS and BCU; this is so because, his coverage revolves around 1980s when both were not in existence. This was either due to the demolition of the VFCU in 1968 or the BCU forced amalgamation by the government to form a new co-operative organisation, the West Region Co-operative Union (WERECU) in 1974 or Kagera Region Co-operative Union when the co-operative movement in Tanzania was reinstated in 1982. Against the backdrop, Lyimo has marginalised the history of cash crop marketing, mainly the coffee marketing co-operative unions such as the BCU, KNCU. Treatment was the same for cotton marketing co-operative, the VFCU and its affiliated unions.

<sup>&</sup>lt;sup>21</sup> Francis Lyimo, Peasants Production and Cooperative Experiences in Tanzania: Case Studies of Villages in Moshi Rural and Urambo Districts, PhD Thesis, University of Wisconsin-Madison, (1984).

The co-operative movement is widely discussed in the political science discipline. For example, Baldus<sup>22</sup> supports and argues that the co-operative movement was part and parcel of political struggles with the marginalisation of initiatives by growers to have control over marketing of what they produce. He further stresses that, the co-operative movement from 1967 was part and parcel of implementation of Arusha Declaration socialist policy; but, no details are given for the failure to incorporate the co-operative movement in building a socialist state that forced the post-colonial authority to embark upon the socialist villagisation policy that prompted the abolition of the co-operative societies which were replaced by villages as a co-operative society entity.

Baldus article clearly provides insignificant position in the economic aspect of the cooperative movement as an independent organisation and also fails to realise its
linkages with marketing boards as provided under specific crop marketing legislation
and policies. He views the whole co-operative movement to a political point of view,
particularly its support to TANU; in this he failed to distinguish the role of some
individuals' engagement in politics and the co-operative society as a member based
organisation with economic interests. This is a sheer distortion of the history of the
movement. Importantly, this thesis elaborates when the KNCU, NGOMAT, Bugufi
Co-operative Society, and BCU were formed which was in 1930s, 1940s and early
1950s. Historically, the formation of mentioned societies was before the formation of
any political party in the country as the earliest political organisation was Tanganyika
African National Union (TANU) which was formed in Dar Es Salaam in July 1954.
Thus, TANU was an urban based organisation, whereas agricultural marketing cooperatives were rural based.

Andreas Eckert<sup>23</sup> generalises that, the co-operative movement in Tanzania was mainly the result of initiatives from the local rural population. Eckert emphasises that,

<sup>&</sup>lt;sup>22</sup> Rolf D. Baldus, The Tanzanian Cooperative Movement at the Beginning of the Eighties: A Comment, *Internationales Afrikaforum*, Vol. 16, Issue 1, 1980, pp. 63-64. <sup>23</sup> cited Donald Barton, Some Problems in Local Government, Manuscript, January 1962 (Rhode House MSS/Afr./S.1230.

such a move is 'from below', even though the idea was imported from Europe. She also maintains and refutes a contention that the co-operative movement generally was imposed upon Africans by the British.<sup>24</sup> Such generalisation and distortion is likely to have been attributed by too much reliance on the unreliable secondary sources and it is an obvious ignoring of the primary evidences which shows that the KNCU and BCU was imposed from above to growers by the colonial authority and it was only the VFCU that emerged from the grassroots. No matter how the co-operative society emerged, they all fell under control of the government through the Registrar as per the co-operative legislation.

A work by Hydén's, a political scientist focuses on the co-operative organisation's governance of the co-operative movement in Africa at various structure levels, which is the co-operation unions;<sup>25</sup> and primary society. The governments' intervention through co-operative education, capacity building by Nordic countries as well as the regulatory frameworks in the control and management of the co-operative movement with more attention given to post-colonial era and development during the colonial period is significantly ignored. He also but briefly, examines the historical background of the co-operative movement based on the political and sociological theoretical perspectives. The title of this work is however, not reflected as the focus is mainly about the co-operative movement in Kenya. In some instances, Tanzania features, particularly, development of the co-operative movement in Kilimanjaro. He, in a nutshell, mentions about the slow growth and development of the co-operative movement in Tanzania during the interwar years which was due to a shortage of staff, <sup>26</sup> an aspect that is well and further documented in this study in which it has been explained that the political and policy decisions led to such slow progress. Also, the co-operative model in Francophone countries and Uganda is mentioned. It has to

<sup>&</sup>lt;sup>24</sup>Andreas Eckert, Useful Instruments of Participation? Local Government and Cooperatives in Tanzania, 1940s to1970s, *The International Journal of African Historical Studies*, Vol. 40, No. 1, Continuities in Governance in Late Colonial and Early Postcolonial East Africa (2007), pp. 97-118, URL: <a href="http://www.jstor.org/stable/40034792">http://www.jstor.org/stable/40034792</a> Accessed in July 15th 2013.

<sup>&</sup>lt;sup>25</sup> Göran Hydén, Efficiency versus Distribution in East African Cooperatives: A Study in organizational Conflicts, (Nairobi: East African Literature Bureau, (Nairobi: East African Literature Bureau, 1973).

<sup>&</sup>lt;sup>26</sup> Göran Hydén, (1973), p.7.

be realised that, this work was published in 1971. In that case, the political and policy development regarding the reorganisation of the co-operative movement that took place after 1971 in Tanzania is not captured that provides a point of departure for this study.

One of the contemporary publications is by Oda van Cranenburgh<sup>27</sup> which a political science discipline thesis on Tanzania's post-colonial political development from the early 1960s to 1980s. She has discussed about the state and constitution reforms that led to the mono-political party system. Cranenburgh has also dedicated a discussion regarding agricultural marketing. It is against the development of such political circumstance in which the post-colonial movement is discussed primarily by exploring the evolution of the general trends in the post-colonial co-operative policy as well as the relationship between the co-operative societies and marketing boards. The boards are explained as effective organisation for handling and export of crops.<sup>28</sup> This study discusses the changing motivation behind state intervention in crop marketing; but Cranenburgh's pays more attention to the political linkages to the marketing structure in the early the 1960s and in the 1970s.<sup>29</sup> Cranenburgh account is too general and she does not discuss about cash crop production. Yet, her discussion lacks primary evidences on the circumstances that prompted the government to reinstate the co-operative in 1982.<sup>30</sup>

Furthermore, Holmén research report on the agriculture marketing co-operative movement in African. He traces its roots links to the colonial rule. His examination focus is on its role in the development and under which condition the co-operative movement can facilitate development and can be employed as

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<sup>&</sup>lt;sup>27</sup> Oda van Cranenburgh, *The Widening Gyre: The Tanzanian One-Party State and Policy Towards Rural Cooperatives*, (Eburon: Delft, 1990), pp.144-151.

<sup>&</sup>lt;sup>28</sup> Rita Rhodes, British Co-operative History, A Paper Presented in the Co-operative Movement Workshop, Stockholm, (November 20<sup>th</sup> 2009), p.18.

<sup>&</sup>lt;sup>29</sup> Oda Van Cranenburgh, (1990).

<sup>&</sup>lt;sup>30</sup> Oda Van Cranenburgh, (1990), pp.152-159

instruments of development.<sup>31</sup> He also points out that, tools to execute certain economic on the behalf of the government, and political or ideological functions. In this regard, the co-operative movement ceased to act as autonomous, member-based organisations. It has to be noted here that, Holmén's argument are based on a secondary sources review related to development, co-operative movement; also the various sources involved in rural development. However, given that, Holmén interest is whole of Africa, the development in Tanzania is marginalised regardless of significant development that has so far been achieved since 1932, the case that, this study attempt to address.

It has to be understood that, the government intervention in promoting co-operative movement is not only a post-colonial phenomena, but also was a practice during the colonial era whereby Develtere is in a critical proposition against colonial authority initiatives and intervention policy in promotion of co-operatives.<sup>32</sup> For him this was primarily a prejudice policy which viewed the colonised as incapable to initiate. The primary evidence has also shown that, the colonial authorities viewed as the only stimulating source that could trigger promotion of the co-operative movement because the colonised were conceived backward, illiterate, apathy and inexperience has prevented them not only from forming co-operatives but also managing them.<sup>33</sup>

This thesis attempts to shift away from domination by the political scientists and do away with numerous and repeated distortions, misinterpretation and marginalisation by pursuing a historical inclination in examining the history of the Tanzania's cooperative movement. It aims to evaluate to what extent the co-operatives were established at the behest of the British colonial government in the years before independence; and examines how the movement was promoted and controlled through marketing policies and legislation. Since the thesis is on history discipline it

<sup>&</sup>lt;sup>31</sup> Hans Holmén, *State, Cooperatives and Development in Africa*, (Uppsala: The Scandinavian Institute of African Studies, 1990), p.23.

<sup>&</sup>lt;sup>32</sup> Patrick Develtere, Cooperative Movements in the Developing Countries: Old and New Orientations, *Annals of Public and Cooperative Economics*, Vol. 64, Issue 2, pp. 179-208, April 1993.

<sup>&</sup>lt;sup>33</sup> CS to Plunkett Foundation, November 21<sup>st</sup> 1930, TNA 13698.

extensively utilises official primary sources from archives on agriculture production and marketing, also the co-operative movement policies; and oral testimonies investigate, cross-check and contextualise a range of aspects not considered, marginalised and distorted in existing literature. Significantly, this thesis utilises considerable new evidence that offers an original contribution to fill this knowledge gap and provide additional evidences in the existing literature. The thesis critically examines the policy and political decisions that led to the promotion of agricultural marketing co-operatives in Tanzania.

This thesis examines the transformation of the selected co-operatives in the post-independence era. These objectives are illustrated by focusing on the three cases which comprised of small-scale coffee and cotton growers. This will be achieved through the detailed study of three case studies. Such cases are, the KNCU and BCU which are coffee marketing societies formed in 1933 and 1950 respectively; and the VFCUS which was formed in 1955 to market cotton in the WCGA. The rise of these co-operative societies was prompted by two major policies; cash production and crop marketing. Both policies provided for the encouragement of small-scale growers to cultivate coffee and cotton that integrated them into the cash crop economy in which they became key players in the marketing of their crops through co-operative societies. However, entry of small-scale growers in marketing of their produce through the co-operative movement differed from one location to the other. The reasons for the time difference in the formation and registration of these societies will also be examined.

This chapter, this section in particular, provides essential historical and theoretical background to the co-operative movement in the developed world and its transplantation to developing countries. This chapter will shed light on the socioeconomic factors, also policies and their motivation behind the formation of the co-operative movement not only in the developed world but also in developing countries like India and Tanzania. Such historical and theoretical context is explored in the following section.

#### 1.1: THE CO-OPERATIVE'S HISTORICAL AND THEORETICAL CONTEXTS

Co-operative movement exists all across the world in both rural and urban settings and comprise of six main categories or types. These are the consumer, marketing/producer, housing, credit, workers and service co-operatives. The focus of this section is of two types; the consumer and credit co-operative societies which were dominant in Britain and German in the 19<sup>th</sup> century. The emphasis is specifically on their historical development and the impact on the development of the co-operative movement in various countries.

One of the key founders of the modern co-operative movement was the Rochdale Equitable Pioneers Society which emerged in 1844. This consumer co-operative was based on six principles (see Table 1 below). The Society successfully managed to offer an alternative supply of goods and services at reasonable prices that for years they had difficulties to access because costs were high. The Pioneers agreed on a set of objectives and procedures which they later became known as the co-operative principles. The success of Rochdale led to the establishment of other types of co-operatives which were tailored to the member's needs. The Rochdale Principles (see (Table 1 below) were adopted in other towns and cities in Britain where similar societies sprang up. The Rochdale model is regarded as the 'Mecca and Medina of the system'.

In Germany, the credit co-operatives were formed in the same period as in Britain with activities revolving around financial services such as the provision of loans and savings to members. Some of the societies were promoted in Germany from 1849 by two individuals, Hermann Schulze-Delitzsch and Friederich Wilhelm Raiffeisen.<sup>37</sup> Both were formed in response to the failure of formal financial institutions to provide loans to agriculturists and urban craftsmen. Also, it was a response to exploitation by

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<sup>&</sup>lt;sup>34</sup> Carlo Borzaga and Giulia Galera, 'The Concept and Practice of Social Enterprise. Lessons from the Italian Experience', In *International Review of Social Research*, Volume 2, Issue 2, June 2012, pp. 85-102.

<sup>&</sup>lt;sup>35</sup> G. D. H. Cole, *A century of Co-operation*, (Oxford: Allan and Unwin Ltd., 1944), pp. 64-68, 70, 72, 74.

<sup>&</sup>lt;sup>36</sup> George Jacob Holyoake, *The History of the Rochdale Pioneers*, (London: Swan Sonnenschein and Co. Ltd., 1900), p.147.

<sup>&</sup>lt;sup>37</sup> Lambert Paul, *Studies in Social Philosophy of Co-operation*, (Manchester: Cooperative Union Ltd., 1963), pp.95-100.

moneylenders and traders, as credit societies were better placed to fill the financial service provision gap to underprivileged groups.

The Schulze-Delitzsch's credit structure had provincial and national outlets. Under such structure, financial services were made available to craftsmen and retailers who through the Schulze-Delitzsch's national outlets could access loans across the country including rural areas.<sup>38</sup> The Raiffeisen model became the most popular among small-scale agriculturalist and labourers in rural areas who could have access to financial services as savings and loans at reasonable interest rate.<sup>39</sup> Consequently, it attracted attention from pragmatic credit society co-operatives enthusiasts all over the world for its role in stimulating agriculture economy. One of such enthusiast is Alphonse Desjardins immediately saw how the credit union concept could help his family and his neighbours in Quebec, Canada. In 1900 he formed a credit society followed in 1909 by a credit union, which provided loans to poor farmers. The Desjardins's initiatives became the forerunner of the credit cooperatives that provided loan and other financial services in North America that signified the spread of the Raiffeisen model and its development had significant impact in other parts of the world such as India and other British colonies in India from 1904 eventually a credit union as provided under the 1912 Indian and 1932 Tanzania's co-operative legislation.

The Rochdale and Raiffesein co-operative movement was a free and spontaneous. It owed nothing to government and managed to avoid any form of a state control. The Rochdale Society when it began it was not legally recognised. 40 Two years after its formation the British Parliament granted its request for legal recognition under the provisions of the Industrial and Provident Act. 41 The motivation behind the legislation was to address the difficulties experienced by the co-operative movement in the 1840s regarding the legal right to invest members' savings and prosecuting those

<sup>&</sup>lt;sup>38</sup> Richard C. Williams, (2007), pp.24-25; Lambert Paul, 1959), pp. 95-97.

<sup>&</sup>lt;sup>39</sup> Brett Fairbairn, 'History from the Ecological Perspective: Gaia Theory and the Problems of Co-operatives in Turn of the Century Germany', in the American Historical Review, Vol. 99, No. 4 (October 1994), pp.1217, 1220.

<sup>&</sup>lt;sup>40</sup> George Jacob Holyoake, (1900), pp.87.

<sup>&</sup>lt;sup>41</sup> George Jacob Holyoake, (1900), pp.87-88.

office bearers who committed fraud.<sup>42</sup> Co-operatives gained formal legal recognition under the 1852 Act.<sup>43</sup> The British co-operative legislation addressed practical problems facing the co-operative movement and did not infringe upon the autonomy of the co-operative movement and its members, for example by the Registrar as provided under Sections 3 (i) and 4 (i).<sup>44</sup>

The legislation for the German credit co-operatives had similar experiences to the consumer co-operatives in Britain. The co-operative legislation in Germany was promulgated in 1889 and was originally designed and influenced by Schulze-Delitzsch to provide safeguards for co-operators. This suggests that, development experienced limited, if any, government interference. Generally, the development of co-operatives in the countries discussed above followed a bottom-up approach. The co-operatives emerged to enhance the economic situation of its members, based on mutual help, reciprocity, self-management, equality and democratic control. Formation of credit co-operatives were a reaction against capitalism and its cost in social deprivation. Thus, the co-operative movement was a collective action for the improvement of the economic situation of the participants, according to the principles of democracy and equality.

The co-operative movements in Britain and Germany were ideologically committed to building the co-operative movement embracing all fields and permeating all activities of life until it becomes an all-inclusive system. It places no limits on the possibilities of co-operatives and assumes the possibility of a totally co-operative social order. It holds that, a new economic and social order can be constructed through utilisation of co-operative structures and in partnership with other associations, such as, professional farmers associations and trade unions.

<sup>&</sup>lt;sup>42</sup> Ian Snaith, Co-operative Principles and Co-operative Law in the United Kingdom, <a href="http://www.iansnaith.com/wp-content/blogs.dir/8/files/2013/02/This-1996-article.pdf">http://www.iansnaith.com/wp-content/blogs.dir/8/files/2013/02/This-1996-article.pdf</a> Accessed in March 20<sup>th</sup>, 2015

<sup>&</sup>lt;sup>43</sup> G. D. H. Cole, (1944), p.78; George Jacob Holyoake, (1900), p.88.

<sup>&</sup>lt;sup>44</sup> Industrial and Provident Societies Acts, 1893 to1952

<sup>&</sup>lt;sup>45</sup> Alex F. Laidlaw, Cooperatives and the Poor: A Review from within the Cooperative Movement, In *Co-operatives and the Poor,* (London: ICA, 1978), pp. 51-90; Paul H. Casselman, *The Cooperative Movement and Some of Its Problems,* (New York, NY: Philosophical Library, 1952), pp. 10-11.

Over the years the Rochdale and credit co-operative models helped to solve the economic problems of their members. In particular, the Rochdale Principles found widespread appeal and had impact at various levels, local (within a specific country) as well as internationally. For example, in August 1895 the International Cooperative Alliance (ICA), as the co-operative movement umbrella organisation was established by drawing membership worldwide. It was established so as to act as the representative, promote and safeguard the co-operative movement activities all over the world;<sup>46</sup> also it became adopted and modified the Rochdale Principles that it had a duty and obligation to propagate them. Therefore, in the discussion, this study will generally be guided by both Rochdale's and ICA's Principles (see Table 1 below) under which the first principle maintains that membership has to be voluntary and open with no gender, religion discrimination to all who are interested. This clearly illustrates that the 1932 Tanzania's co-operative legislation violated the first cooperative principle by having individuals compelled to join the co-operative society. The same legislation compelled all growers to sell their produce through cooperatives. The crop marketing legislations and policies under the colonial and postcolonial authorities were further reinforced to ensure that co-operatives sold the collected commodities to the marketing boards which also determined the price; hence inhibited the bargaining power of the co-operatives.

Importantly, a co-operative society is a democratic organisation that must be managed or administered and controlled democratically by office bearers appointed by the members. The members must have a democratic say and participate in decisions affecting their societies; also must have a right on the policies of his/her organisation and have the right to elect leaders or to be elected as a leader as provided in the second principle. However, the co-operative movement in Tanzania was placed under close supervision of the Registrar who was, according to the 1932 Tanzania's co-operative legislation was empowered to interfere the internal affairs of a society; and in some instances, the colonial and post-colonial authorities interfered in the appointment of the managers as illustrated in the KNCU in 1932, BCU in 1950

<sup>&</sup>lt;sup>46</sup> Article 3 of the Rules and Standing Orders of the International Co-operative Alliance (ICA).

and the VFCU in 1968. The 1963 amendment of the co-operative legislation stripped the Registrar of his function only to be handled to the Minister responsible for Co-operatives. Under such amendments, the powers and functions of the Registrar's were vested to politicians.

Additionally, the co-operative society should be set up to serve the interest of its members; but this study has established that co-operatives were set up to fit in the national development plans and were required to be the key implementing agencies of the national policy as portrayed in the colonial development and welfare plans; similarly, rural development policies and implementing of *Ujamaa* policies provided under the ArD.

Table 1: The Rochdale Co-operative Principles as Revised by the ICA in 1937, 1966 and 1995

1844 Rochdale Principles	1937 – ICA Principles, Vienna	1967 - ICA Principles, Paris	1995 - ICA Principles, Manchester
Voluntary and open membership	Open membership	Voluntary and Open membership	Voluntary and Open membership
Democratic control by 'one member, one vote'	Democratic control	Democratic control	Democratic Member and control
Division of the surplus in proportion to patronage	Patronage on purchase	Patronage on purchase	Members' economic participation
Limited interest on capital	Limited % of capital (if any)	Limited % of capital	Autonomy and independence
Political and religious neutrality	Political and religious neutrality	Co-operative education	Education, training and information
Cash trading		Cooperation among co- operatives	Co-operation among co- operatives
Promotion of education	Promotion of education	Promotion of education	Concern for Community

Source: Compiled from Reports of Proceedings of the International Co-operative Alliance held in 1937, 1966 and 1995

This section highlighted the emergence of the co-operative movement in Britain and Germany and the theories underpinning their development. The following section

attempts to examine transplantation of the co-operative movement in the European powers' colonies. An attempt is made specifically to highlight the policy contrasts between Britain and Germany.

#### 1.2: THE CO-OPERATIVE MOVEMENT IN DEVELOPING COUNTRIES

This section examines the emergence and development of the co-operative movement in developing countries. The colonial powers such as Britain were motivated to establish co-operatives in their colonies for various reasons. Credit co-operative societies were established in India in 1904 by the British colonial government to solve the problem of rural poverty.<sup>47</sup> The 1904 legislation was expanded and amended in 1912 to provide for the formation of other types of co-operative societies and adequate enforcement of the co-operative practice and strict supervision and intervention by the Registrar.<sup>48</sup> Unlike the bottom-up growth of co-operatives in Britain and Germany, the movement in India was promoted, controlled and placed under strict supervision by the colonial government through the Registrar<sup>49</sup> that aimed at addressing the predicament of agriculturalists.<sup>50</sup>

The credit societies were created to address the vicious circle of rural indebtedness among the growers due to their dependency on the moneylenders who charged exorbitant interest rates. Growers had no other alternative to access finance before the establishment of co-operative credit societies, based on the Germany's Raffeisen model which were envisaged by the government as crucial in resolving the indebtedness faced by the rural growers.<sup>51</sup>

Having briefly seen the history, policy and motivation behind the formation of cooperatives in India, this section also intends to provide a theoretical background to

<sup>&</sup>lt;sup>47</sup> Dharma Kumar, *The Cambridge Economic History of India: Volume II; c. 1750 – c. 1970*, (Cambridge: Cambridge University Press, 1983), p.802.

<sup>&</sup>lt;sup>48</sup> C. F. Strickland, (1945), p.183; Linda Shaw, Working with Co-operatives: the Legal and Policy Environment, Co- for Development, Briefing Paper No. 5, <a href="http://coop-web-assets.s3-eu-west-1.amazonaws.com/uploads/2010/07/Briefing-Paper-No-5-Working-with-Co-operatives-the-legal-and-policy-environment.pdf">http://coop-web-assets.s3-eu-west-1.amazonaws.com/uploads/2010/07/Briefing-Paper-No-5-Working-with-Co-operatives-the-legal-and-policy-environment.pdf</a> Accessed in May 10<sup>th</sup> 2015.

<sup>&</sup>lt;sup>49</sup> C. F. Strickland, (1945), p.183.

<sup>&</sup>lt;sup>50</sup> Rita Rhodes, (2012), p.129.

<sup>&</sup>lt;sup>51</sup> Margaret Digby, (1960), p.81; Rita Rhodes, (2012), p.129.

the policy on agriculture marketing co-operatives in Tanzania. In an attempt to provide a legal footing for the co-operative movement in Tanzania, the colonial authority reviewed a number of legislations. In so doing, consideration was given to the relevancy of agriculture marketing co-operatives. Priority was clauses from the Indian Co-operative Act No 2 of 1912 and Sri Lanka's Co-operative Societies Ordinance no 34 of 1921 also the 1927 Act of Myanmar (Burma) that provided the colonial authority legal grounds for regulating functions and activities of the co-operatives.

The mentioned co-operative legislations provided the colonial authority a justification and enabled it to become a key player in promoting the co-operatives. Under the legislations it became a sole authority in formation and registration co-operatives societies, providing them with guidance. Additionally, the legislation provided power to the colonial authority to control the movement through the Registrar of co-operative societies.

The Tanzanian legislation allowed for the creation of various types of co-operatives such as credit, transport and consumer in a similar way to the 1912 Indian Co-operative Act under which the influence and powers of the Registrar were prominent. Importantly, the legislation was primarily intended to provide the means and mechanism for the extraction of native produced resources provided under Section 36 of Tanzania's 1932 co-operative legislation. The extracted food crops were destined for the European consumers and raw materials for the British industries;<sup>52</sup> whereas no encouragement for local consumption was a priority. Thus, the co-operative movement provided a mechanism for encouragement in production of export crops by native growers so that they could handle coffee export and raw materials from small-scale growers.

In this regard, agricultural marketing co-operatives in Tanzania were the dominant feature in export crop production of coffee in Kilimanjaro and Kagera regions, tobacco in Ruvuma region, and cotton in the WCGA, whereas food crops were neglected. A bias on export crops meant agricultural marketing co-operatives had

<sup>&</sup>lt;sup>52</sup> Linda Shaw, Working with Co-operatives: the Legal and Policy Environment, Co-for Development, Briefing Paper No. 5.

prevailed and become the dominant organisations throughout the colonial and postcolonial era. The agricultural marketing co-operatives in Tanzania were encouraged and promoted by the colonial authority to enable economies of scale owing to the volume of production by small-scale producers who were scattered in rural areas.

The co-operative legislation in the British colonies was in four categories.<sup>53</sup> The specific co-operative ordinance as the 1904 Indian credit co-operative legislation that applied to one type; the Friendly Societies Acts, industrial and Provident Acts and the British Model were widely in use because it provided for registration of more than one type of co-operative societies. Unlike Friendly Societies Acts and the industrial and Provident Acts, the British Model was most preferred in the colonies largely because provided for adequate enforcement of strict supervision by the government.<sup>54</sup> This was so for the 1912 Indian co-operative legislation which was adopted in most of the British colonies such as the 1932 co-operative legislation in Tanzania. Under this legislation model, the powers were vested with the Registrar of Co-operative Societies to provide supervision, audit, mutual control and overall encouragement and development of the co-operative movement unlike in Britain. Under the legislation, it was made compulsory for the co-operatives to be promoted by the government a task which was performed by the colonial authority through the Department of Co-operatives headed by the Registrar.<sup>55</sup> The registered co-operative societies were then placed under the supervision, control and guidance of the Registrar.<sup>56</sup>

The British Model laid a foundation for the creation of the unified co-operative model in the British colonies in which federations or secondary societies were placed at the apex and primary societies at the base underpinned by a common co-operative

<sup>&</sup>lt;sup>53</sup> C.F. Strickland, (1945), p.183.

<sup>&</sup>lt;sup>54</sup> C.F. Strickland, (1945), p.183.

<sup>&</sup>lt;sup>55</sup> Linda Shaw, Casualties Inevitable' Consumer Co-operation in British Africa, Arab Working Paper 8, (Stockholm: Labour Movement Archives and Library), 2014, p.4; Strickland, (1945), p.183.

<sup>&</sup>lt;sup>56</sup> Patrick Develtere, Co-operatives and Development Towards a Social Movement Perspective, Occasional Paper Series, Centre for the Study of Co-operatives University of Saskatchewan, p. 42; C. F. Strickland, (1945), p.183.

legislation.<sup>57</sup> The unified model structure is vertical. In the British colonies the model was characterised by a disintegrated and the disjointed relationship as the cooperatives were distinguished by type. This enhanced a divide, for example, between agricultural marketing co-operatives and credit societies. The agricultural marketing co-operatives in Tanzania were established by native growers to develop their interests; similarly, this was the case of credit societies only five were set-up and registered in various regions in the country (see Appendix 3c) by Indians of Ismailia sect with the support of Aga Khan Foundation, comprising chiefly of traders who received financial services as loans specifically to members.<sup>58</sup>

In an attempt to reinforce the vertical relationship as far as crop marketing was concerned, the marketing boards which were statutory bodies with comprehensive control over marketing price control and control over export coffee trade as provided under the native coffee control through the Moshi Native Coffee Board and Bukoba Native Coffee Board (BNCB) as provided under the native coffee control and marketing legislation No. 26 of 1937 and cotton as provided through the 1952 Lint and Seed Marketing Board (LSMB). The marketing boards were granted monopoly powers over control of a specific crop and to appoint co-operatives as handling agencies. Against the backdrop, there was no horizontal connectivity or integration as provided under the ICA's sixth co-operative principle (see Table 1 below) that emphasise co-operation among the co-operatives by strengthening the movement by collaborating with each other. So Such collaboration can be at various levels, such as local, national, regional and internationally. Under such structure the co-operatives affiliated to the same apex and secondary society; for example, the BCU, KNCU affiliated primary societies as well as the VFCU's secondary and primary societies.

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<sup>&</sup>lt;sup>57</sup> Patrick Develtere, Cooperative Movements in the Developing Countries: Old and New Orientations, *Annals of Public and Cooperative Economics*, Vol. 64, Issue 2, April 1993, pp. 179-208; F.O. Wanyama, Some Positive Aspects of Neo-Liberalism for African Development: The Revival of Solidarity in Cooperatives, *International Journal of Arts and Commerce*, Vol. 2 No. 1 January 2013, pp.126 – 148.

<sup>&</sup>lt;sup>58</sup> Tanganyika Territory Annual Reports on Co-operative Development, (1947, 1948), TNA 37192.

<sup>&</sup>lt;sup>59</sup> Suleman Adam Chambo, Agricultural Co-operatives: Role In Food Security And Rural Development, Paper Presented to the United Nations Organisation's Expert Group Meeting on Co-operatives Held on 28 – 30 April, 2009 New York, <a href="http://www.un.org/esa/socdev/egms/docs/2009/cooperatives/Chambo.pdf">http://www.un.org/esa/socdev/egms/docs/2009/cooperatives/Chambo.pdf</a>, Accessed in May 12<sup>th</sup> 2014.

Additionally, there had also been no collaboration among the co-operatives regardless of business similarities. For example, co-operatives which were engaging in the marketing of the same produce such as coffee by the BCU and KNCU and were not horizontally integrated. At international level, the horizontal structure was not adopted by the CWS incorporated to play part in the marketing of coffee produced by small-scale growers who were the members of co-operatives. The horizontal integration was not a priority of the colonial authority which sought to enhance disunity among the co-operatives and weaken their bargaining power.

Vertical integration was established in Tanzania under Section 36 of the 1932 cooperative legislation. These Sections were borrowed from South Africa's 1922 cooperative legislation which provided for the compulsion of growers to sell their produce to co-operatives. In Tanzania it was designed in a manner that provided the government with powers to intervene and place crop marketing under its control. Under such intervention and control the co-operatives handled crop marketing on behalf of government institutions, the native marketing boards following the passage of marketing legislation that led to formation boards the Moshi Native Coffee Board (MNCB) and the Bukoba Native Coffee Board (BNCB) in 1937 with exclusive responsibility for export of the native produced coffee. The Boards became a permanent feature in Tanzania in which the Unions were appointed as agents in which growers were compelled to sell their produce through. In order to ensure effective extraction of crops from growers and their handling at local level and export such structures were put in place. The primary co-operative societies were formed and registered to operate at village level as it was viewed as a less costly and more effective means of assisting bulk collection of crops from growers within a specific village. The collected crops were then forwarded to secondary societies for export. The crop marketing structure was in principal vertically oriented to provide connectivity from growers to export market. Nyaluke argues that, the co-operative's area of operation was essentially local and sometimes provincial;60 but he has not

<sup>&</sup>lt;sup>60</sup> David Nyaluke, The basis of democracy and regime legitimacy in African States The Case of Tanzania, Unpublished PhD Thesis, Dublin City University, 2013, p.48, <a href="http://doras.dcu.ie/19405/1/Daudi\_Nyaluke\_Phd-Thesis\_2013-final.pdf">http://doras.dcu.ie/19405/1/Daudi\_Nyaluke\_Phd-Thesis\_2013-final.pdf</a>. Accessed in December 21<sup>st</sup> 2014.

explained why it was so. This study has established that, the 1932 and 1968 cooperatives legislations, also the 1937 and 1949 marketing legislations confined the co-operative unions or societies within a specific locality/district. These boards were granted immense powers to appoint a local agent either private enterprise or the cooperative societies to handle crops. The basis of such legislation is section 36 of the 1932 co-operative legislation that provided for such geographical confinement.

Co-operative development in Tanzania varied from one crop to the other and from one location to the other. It has been established in this study that the colonial government intervened to promote co-operatives; for example, it influenced and intervened in establishing co-operatives in Kilimanjaro by restructuring the KNPA into KNCU. This was implemented through the co-operative legislation in 1932 which provided a politically expedient solution in restructuring that brought the KNPA activities to an end due to its engagement in political affairs which was viewed as a threat to the colonial establishment (see Chapter 4, Section 4.3 for further details). This resolved the challenges posed by the KNPA one the one hand and increased control over coffee marketing under the KNCU on the other.

The development in Kilimanjaro from 1933 was followed by lack of enthusiasm from the colonial authority and policy inconsistency in the promotion of co-operatives in the rest of the country. However, in his work, Dubell suggests that, the KNCU was a nester of the co-operative movement in Tanzania;<sup>61</sup> this indicates that the growth of the KNCU was a stepping stone to the spread of the co-operative societies across the country that denies the colonial officials' attitude in slowing down the process that led to a stunted growth of the co-operative movement because they thought posed a threat to the establishment. The obtained evidence for this study refutes Dubell findings by showing in the WCGA it was not so where a year earlier, in May 1932 Chief Mgemela of Bakwimba in Kwimba District presented a formal request for

<sup>&</sup>lt;sup>61</sup> F. Dubell, *Handbook on Co-operative Education*, (Arusha: Tanzania Litho Limited, 1970), p. 7.

establishing a co-operative society in the WCGA.<sup>62</sup> He envisaged that, the co-operatives would end cheating by Indian traders and would increase cotton prices; hence, stimulating cotton farming. The Kwimba's DC convinced him to abandon the idea because the Native Treasury could play the same role.<sup>63</sup>

Generally, the policy towards promoting co-operatives outside Kilimanjaro was erratic which indicates that, there was a lack of a universal support for the establishment of co-operatives among colonial officials.<sup>64</sup> This demonstrates is that, there was no cross-country universal support for the establishment of co-operatives among the colonial officials. During the same period some District Officers (DOS) promoted and registered societies such as the BCCS in 1936; in the same year NGOMAT and its affiliated societies and many other types of co-operative societies were registered (see appendix 3a – 3b). 65 Such DOS are described by Rita Rhodes as liberal minded.66 In other areas excuses were given by the colonial authority regarding their disfavour of co-operatives. This was not only double standards, but also, a deliberate move by the colonial authority to arrest growers' initiatives. For instance, in the same year the Registrar of Co-operative Societies, Mr Northcote<sup>67</sup> recommended promotion of co-operatives in Kagera. But his recommendation was rejected because the colonial authority feared opposition from Arabs and Asians who had vested interest in coffee marketing<sup>68</sup> as any attempt in such direction could generate political unrest.<sup>69</sup> The cases demonstrate a lack of policy consistency and political commitment in promoting co-operative societies; a policy in favour of private traders was evident.

<sup>&</sup>lt;sup>62</sup> Extracts from meeting between P.M. Huggis, the DO of Kwimba and Chief Mgemela, May 20<sup>th</sup> 1932, TNA 20999 Economic Development: Agriculture Production in the Colonies; Iliffe, (1979), p.295.

<sup>&</sup>lt;sup>63</sup> Extracts from meeting between P.M. Huggis, the DO of Kwimba and Chief Mgemela of Bakwimba, May 20<sup>th</sup> 1932, TNA 20999.

<sup>&</sup>lt;sup>64</sup> CS – Acting, (C.F. Sayers) to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, Marketing of Colonial Produce in the United Kingdom and Overseas, TNA 22929.

<sup>&</sup>lt;sup>65</sup> Sheila Gorst, (1959), p.167.

<sup>&</sup>lt;sup>66</sup> Rita Rhodes, British Co-operative History, (November 20<sup>th</sup> 2009), p.17.

<sup>&</sup>lt;sup>67</sup> A report on Bukoba Coffee Marketing, TNA 141011.

<sup>&</sup>lt;sup>68</sup> DA to CS Ref. No. Conf. 1/291/36 of November 28th 1936, TNA 141011.

<sup>&</sup>lt;sup>69</sup> Bukoba District Officer to PC, Ref. No. 1410/80 of April 15<sup>th</sup> 1937 and Ref. No. 1410/85 of July 9<sup>th</sup> 1937, TNA 141011.

The evidence shows that, during the interwar period the colonial authority was in favour of the spontaneous growth of co-operatives instead of government intervention and support. However, the idea did not make a significant headway. Historically, the spontaneous growth belongs to the 19<sup>th</sup>c during the *laissez faire* epoch in Europe where and when the Rochdale, and Raiffesein pioneers commandeered high levels of exposure to previous attempts and experiences in Britain by Robert Owen, William King and Christian and Utopian Socialist also Saint Simon in France; and the Schlesische Landschaft in Germany.<sup>70</sup> Additionally, the growth of co-operative movement in Britain and Germany has been spontaneous and free from government control and authority and it was a product of the 19th economic and social conditions prompted by industrial revolution. The government intervention was repugnant and could be considered as contrary to the voluntary co-operative element.

Such conditions did not exist in colonies like Tanzania where most societies operated a subsistence economy (*ujima*) and the co-operative movement and its principles were unheard of among the illiterate rural growers who were expected by the colonial authority to organise themselves into co-operative societies. For example, Strickland pointed out in 1933 that, co-operation was almost unknown in tropical Africa.<sup>71</sup> Thus, it was virtually impossible for the co-operative movement to grow and develop without the government intervention. Without it would take too long before it is realised.<sup>72</sup> However, the colonial authority policy on the promotion of the co-operative movement in Tanzania was characterised by uncertainties, particularly outside Kilimanjaro with exception of some areas such as Songea in Ruvuma region and Bugufi in Ngara district.

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<sup>&</sup>lt;sup>70</sup> D.M. Frederiksen, 'Mortgage Banking in Germany' *in The Quarterly Journal of Economic*, Vol. 9. No. 1 (October, 1994), p.47.

<sup>&</sup>lt;sup>71</sup> C. F. Strickland, Co-operation for Africa, in *Journal of the International Africa Institute*, Vol. 6, No. 1, (January 1933), pp. 15-26, TNA 24870; C. F. Strickland, (1945), p.164.

<sup>&</sup>lt;sup>72</sup> C. F. Strickland, (1945), p.164.

The lack of consistent colonial government support for co-operative development effectively stunted co-operative growth in Tanzania as in 1934 there were 23 societies, in 1937 they were 37, in 1943 they were 45;73 The slow growth persisted until after the Second World War as by 1947 there were 55 primary co-operative marketing societies, 3 more were formed and only 2 unions were in existence in 1948 with 58,012 members;<sup>74</sup> by 1949 there were 61 primary co-operative marketing societies, 3 unions and 60,445 members.<sup>75</sup> The colonial authority was however, not impressed by these development as pointed out in its report that, 'progress continued to be slow and education of indigenous membership of the primary cooperative marketing societies was disappointing and demands for instruction that exceeds capacity of the staff'. <sup>76</sup> It was obvious that, the Co-operative Department was so much frustrated and admitted a decade of the policy mistakes. The colonial authority was of the view that, the slow progress was being held back by lack of trained personnel.<sup>77</sup> This was made clear by the Department that, 'there is no cooperative progress and none will be made until the effects of many years of neglect have been obliterated'.<sup>78</sup> This marked the end of an era of neglect and policy shift towards encouragement of the co-operative movement in Tanzania.

However, post-war development was prompted a policy shift towards encouragement of the co-operative movement in various colonies. The policy shift was prompted by pressure from various agencies that triggered the co-operative 'renaissance' era in which, there was an expansion of the co-operative movement footprint in Tanzania and many other British colonies such as Uganda and Kenya where they were set up for the first time from 1945<sup>79</sup> following publication of W.K.H.

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<sup>&</sup>lt;sup>73</sup> Tanganyika Annual report of Co-operative Department, (Dar Es Salaam: Government Printer, 1948), TNA 37192.

<sup>&</sup>lt;sup>74</sup> Tanganyika Annual Report of Co-operative Department, (Dar Es Salaam: Government Printer, 1949), p.4, TNA 37192.

<sup>&</sup>lt;sup>75</sup> Tanganyika Annual Report of Co-operative Department, (Dar Es Salaam: Government Printer, 1948), TNA 37192.

<sup>&</sup>lt;sup>76</sup> Tanganyika Annual report of Co-operative Department, (Dar Es Salaam: Government Printer, 1948), TNA 37192.

<sup>&</sup>lt;sup>77</sup> DA Agriculture Policies, 1947, TNA 26054.

<sup>&</sup>lt;sup>78</sup> Co-operative Department to SNA (J. Cheyne), Ref. No. 1022/125, June 17<sup>th</sup> 1949, TNA 37192.

<sup>&</sup>lt;sup>79</sup> Sheila Gorst, (1959), p.201; Margaret Digby, (1956), p.147.

Campbell<sup>80</sup> report regarding promotion of co-operatives in East in 1944.<sup>81</sup> This prompted the passage of the co-operative legislation that led to the registration of 5 African societies.<sup>82</sup> In Tanzania the Department of Co-operatives was set up and furnished with resources (human and funds) to promote the creation of co-operatives. This culminated in an expansion which saw 172 co-operative societies established by 1952.<sup>83</sup>

## 1.3: POST-WAR COLONIAL DEVELOPMENT POLICIES

The post-war British colonial development throughout her colonies had three main aims; firstly, to increase the production of raw materials and food crops in the colonies, so that could earn foreign exchange, USA dollars in particular; secondly to ensure agriculture produce exported contributes to the reconstruction of her war ravaged economy; and finally, to improve the standard of living among colonial populations.

The highlighted developments during the post Second World War were prompted by a number of factors. First, Britain was financially impoverished<sup>84</sup> and looked to its colonies, especially in Africa, as a source of raw materials and crops to alleviate shortages at home and reduce dependence on imports. The co-operative movement was much favoured by the left and especially Arthur Creech Jones, the Secretary of State for the Colonies from 1945 – 1950 as once envisioned that the co-operative movement is one of the most important element is raising standard of life and in invigorating economic development in the colonies.<sup>85</sup> It was by then considered that the co-operatives they were only part of the policy that was envisaged could play a leading role in reversing the tide of the dislocated British economy.

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<sup>&</sup>lt;sup>80</sup> W.K.H. Campbell was the Registrar of Co-operative Societies in Ceylon (Sri Lanka) and UNO's Co-operative Adviser.

<sup>&</sup>lt;sup>81</sup>W.K.H. Campbell's Report of Visit to Tanganyika, (July 16<sup>th</sup> to 24<sup>th</sup> 1944), July 29<sup>th</sup> 1944, TNA 35783; S.K. Kobia, *The Co-operative Movement in Kenya: Challenges and Opportunities,* (Nairobi: Lukiko Consulting Trust, 2011), p.31.

<sup>82</sup> Sheila Gorst, (1959), p.201.

<sup>&</sup>lt;sup>83</sup> Ann Seidan, *Comparative Development Strategies*, (Nairobi: East Africa Publishing House, 1972), p.222.

<sup>&</sup>lt;sup>84</sup> Michael Havinden and David Meredith, (1993), pp.266-269.

<sup>&</sup>lt;sup>85</sup> The Bombay Co-operative Quarterly, October 1950, p.90, TNA 24870

The post-war era witnessed two major changes in Britain that had a direct impact on the approach to economic development in the colonies; first, was the creation of the Colonial Development Corporation. Is this regard, it was viewed as necessary by the colonial power that it had to directly engage in agricultural production of export crops resulting in engaging in colonial development as provided under the Colonial Development and Welfare Acts (CDWA) of 1940<sup>86</sup> and 1945<sup>87</sup> that the leading objective was to increase agricultural production. The 1945 Act culminated in the creation in 1947 of the Colonial Development Corporation (CDC) and the Overseas Food Corporation (OFC) which was responsible to the Minister of Food as provided under the Overseas Resources Act.<sup>88</sup>

In 1949 the OFC took over from the United Africa Company, a subsidiary of the Unilever which was appointed as an agent to manage the Groundnut Scheme at Kongwa in Tanzania from December 1946 because the British government has no means to implement the scheme. Other Groundnut Schemes were opened up in other parts of the country in Urambo in the Central West part of the country and Nachingwea in the then Southern Province.<sup>89</sup> The mentioned Schemes were an integral part of the entire Colonial Development and Welfare Programme that and were envisioned to relieve the whole world of oil and fats shortage;<sup>90</sup> increase

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<sup>&</sup>lt;sup>86</sup> British Information Service (ed.), Economic Development in the British Colonies (New York: British Information Service, June 1949), p. 5, TNA 27317.

<sup>&</sup>lt;sup>87</sup> An extract from a speech by the Secretary of State for the colonies, the Right Hon. Oliver Stanley who was the Secretary of State for the Colonies in the Coalition government of Churchill when introducing the Bill in the House of Commons, February, 7<sup>th</sup> 1945, TNA 27317.

<sup>&</sup>lt;sup>88</sup> Billy Frank, (2002), pp.27, 144-181; Overseas Food Corporation, Report and Accounts for 1949 (London: HMSOe, September 1<sup>st</sup> 1949), p. 1, TNA 27317; Michael Havinden and David Meredith, (1993), pp.271-283; B. King, (November 9<sup>th</sup> 1949), pp. 13-14.

<sup>&</sup>lt;sup>89</sup> D.J. Morgan, *The Official History of Colonial Development: Changes in British Policy*, 1951-1970, (New Jersey: Humanities Press, 1980), p.56; Overseas Food Corporation, the Memorandum by the Secretary Of State for the Colonies and the Minister of Food (London: HMSOe, November 30<sup>th</sup> 1950), TNA 27317.

<sup>&</sup>lt;sup>90</sup> D.J. Morgan, (1980), pp.56, 302-8; Billy Frank, (2002), pp.11, 223; F. N. Howes, "Groundnuts (Africa)," *Great Britain Ministry of Agriculture Journal*, Vol. IV (April 1948), p. 25; Michael Havinden and David Meredith, (1993), pp.276-269, 317.

national income and revenue from taxation and social benefits to the colonised by raising the standard of life of the employees and their families<sup>91</sup>

The second development was an increased emphasis on co-operative practices by a number of agencies which were on the view that, the co-operative movement was an essential element for the realisation of social and economic development of the colonised and poor/backwardness. <sup>92</sup> The most important long-term advantage of the co-operative movement envisioned by the CO and colonial authority is to bring a revolution in agricultural technique among small scale growers that would have a profound effect in raising their standard of living and enhance productivity eventually in the economy of the country through stable supply of food crops and raw materials for export.<sup>93</sup> This was evident in declarations by the United Nations Organisation (UNO) at its conference in Hot Springs in 1943. The 1944 International Labour Organisation (ILO) during its 26<sup>th</sup> Session conference issued the Recommendation No.70 affirming that, the government intervention in promoting the co-operative movement was vital.<sup>94</sup> Importantly, the ILO maintained that the use of co-operatives as a tool for socio-economic development during the post war era.<sup>95</sup>

This came at a time when there was an intellectual and policy consensus by the UNO and Fabian Colonial Bureau<sup>96</sup> that political and economic progress in the

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<sup>&</sup>lt;sup>91</sup> Billy Frank, (2002), pp.27, 144-181; Overseas Food Corporation, the Memorandum by the Secretary Of State for the Colonies and the Minister of Food (London: HMSOe, November 30<sup>th</sup> 1950), TNA 27317.

<sup>&</sup>lt;sup>92</sup> ILO, The Co-operative Movements and Present-Day Problems with Special Reference to Rehabilitation and Reconstruction, (Geneva: ILO, 1955) pp.149, 173-176; Fabian Colonial Bureau, A Report from a Special Committee to the Fabian colonial Bureau: Co-operation in the Colonies, (Edinburgh, George Allen and Unwin Ltd, 1945), pp. 14, 193.

<sup>&</sup>lt;sup>93</sup> Fabian Colonial Bureau, (1945), pp. 14, 193.

<sup>&</sup>lt;sup>94</sup> ILO, Problems Relating to establishment of Co-operative Movements in Non-Self Governing Territories and Government Solution for their Solution, (Geneva: ILO, 1950). TNA 24870.

<sup>&</sup>lt;sup>95</sup> ILO, The Co-operative Movements and Present-Day Problems with Special Reference to Rehabilitation and Reconstruction, (Geneva: ILO, 1955) pp.149, 173-176.

<sup>&</sup>lt;sup>96</sup> The Fabian Colonial Bureau, (1945), pp. 14, 193.

colonies could best be fostered through the co-operative methods. It was also stressed that, the economic development can easily be achieved if the co-operative movement is explored to reach the masses of growers population in rural areas in which the government has to play a role.<sup>97</sup>

This assumption was also maintained by the modernisation theorists such as Rostow, who posited the stages under which all societies develop through certain stages to attain economic advancement and growth. It was envisaged that society moved from the 'traditional' to the 'modern'; in this, the role of government in promoting the co-operative movement is vital. In implementing policies influenced by such thinking, various other approaches were employed to improve agriculture productivity among small-scale growers aimed at modernisation with emphasis on an improvement approach. It also encouraged growers to adopt modern farming practices by abandoning primitive and careless farming practices such as shifting cultivation, which was widely practiced among growers in Tanzania. Shifting cultivation was a practice whereby land was cultivated for a number of years, then the land is allowed to rest for a considerable period before growers began to plough it. The purpose modernisation farming practices were envisioned to play a part in accumulating capital for development of the country as well as bring to end poverty. 99

Whereas Britain's post Second World War policy ambition was to increase the growers' wealth through the co-operative movement which was envisaged to play a key role in the realisation of modernisation of farming. This was envisaged to enable growers to solve the problems of poverty among the colonised by raising their incomes; hence, to enable them to pay taxes. The colonial authority and colonising powers were to effectively utilise small-scale growers as well as progressive farmers

<sup>&</sup>lt;sup>97</sup> C.F. Strickland, (London: Allen and Unwin, 1945), pp. 164-165.

<sup>&</sup>lt;sup>98</sup> W.W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge: Cambridge University Press, 1960), pp. 4-16.

<sup>&</sup>lt;sup>99</sup> Sue Bowden and Paul Mosley, "Politics, public expenditure and the evolution of poverty in Africa, 1920-2009", (Manchester: Brooks World Poverty Institute Working Paper, No. 125, 2010).

to increase production of raw materials such as cotton and food crops for export so as to contribute in alleviating British post-war economic difficulties.

By the end of the 1940s the Co-operative Department embarked upon the promotion of co-operatives in Kagera region. This signified consolidation of the colonial authority's commitment to the post-war policies in utilising the co-operative movement in realisation of economic development and in the modernisation the rural sector, in particular coffee production in the region. The co-operative movement, particularly agricultural marketing co-operatives were one a piecemeal programmes, strategies and a strong post-war element of the British colonial development policy for her colonies. 100 In 1950 the BCU and its affiliated societies were registered in an attempt to tackle the apparent lack of interest by growers. This was evidence that the process was dominated by the government's led top down approach;101 as the initiative and process was led by the colonial authority for the growers. This suggests that, it was the government which decided that the co-operatives as a means to this end; and colonial authority interests on the co-operative movement was uppermost. Such approach was necessary and justified owing to lack of enthusiasm from growers owing to some historical challenges from the outset of commercialisation of the coffee trade in Kagera where tension as those in Kilimanjaro where the settlers agitated against Africans growing coffee and in the WCGA where the Indian traders cheated the growers did not prevail (see Chapter 2, Section 2.3 and 2.4 and Chapter 6, Section 6.4). In realising the colonial interests, an exercise was conducted by the Co-operative Department in Kagera without undertaking sensitisation on the co-operatives to the potential members. 102 The members had no democratic say and did not participate in decisions that led to the formation and registration their societies; also had no opportunity granted to them deciding on policies as well as in electing the BCU manager and leaders 103 as provided under the second ICA's principle.

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<sup>&</sup>lt;sup>100</sup> Fabian Colonial Bureau, (1945), pp. 14, 193.

<sup>&</sup>lt;sup>101</sup> Tanganyika Government, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1951), paragraph 6.

<sup>&</sup>lt;sup>102</sup> The BCU Annual Reports, (Bukoba: BCU Printing Unit, 1959/1961)

<sup>&</sup>lt;sup>103</sup> Co-operative Department to the Secretariat Agriculture and Natural Resources, Ref. No. Co-op.144/F/1, October 11<sup>th</sup> 1951, TNA 28585.

The government installed the BCU's first two managers, clearly demonstrating a 'top-down' approach in transplanting societies to coffee producers. In this regard, the cooperatives were the government hand-outs to growers whose autonomy and freedom was undermined contrary to practices which were prevalent in Britain and other western countries where democratic control of societies by members was obvious.

The VFCUS was registered in 1955 to market cotton. Its background can be traced as far as in 1946 when the colonial authority intervened in the formation of cooperatives such as consumer societies that resulted in the registration of the Mwanza African Traders Consumer Co-operative Society (MATCS) (see Chapter 6, Section 6.4). The MATCS's leaders played a key role in the formation of the Lake Province Growers Association (LPGA) that brought various grassroots together and became a leading force. The LPGA became an umbrella that managed to pressurise the colonial authority to register cotton marketing co-operative societies from 1953. It has to be noted that, the pressure was the only strategy that had to be employed primarily due hesitation of the Co-operative Department to promote co-operative societies to market cotton marketing. 104 The engagement of the grassroots in pressurising the colonial authority in registering cotton marketing co-operatives was a bottom-up that led not only to the emergence primary co-operative societies but also 20 secondary societies and the VFCU which was the apex organisation. Such development took place through a democratic process in which members had a say and participated in decisions affecting their societies such as the formation and appointment of the management team at all levels with limited colonial authority interferences.

Despite the way the co-operatives emerged in the WCGA they were subjected to agriculture marketing policies under which they had to sell their produce through the Lint and Seed Marketing Board (LSMB) in compliance to the colonial and post-colonial authorities' interest in controlling of cotton supply and marketing. The post-

<sup>&</sup>lt;sup>104</sup> Commissioner of Co-operative Development to PC, Lake Province, Ref. No. Co-op.1038/3/191, February 18<sup>th</sup> 1952, TNA 215/1423/C; Registrar of Co-operative Societies to PC, Lake Province, Ref. No. Co-op.1058/3/191, February 18<sup>th</sup> 1952, TNA 215/1423/C; PC, Lake Province to DC, Geita District to, Ref. No. TNA 215/1423/A/303, March 1<sup>st</sup> 1952, TNA 215/1423/C.

colonial interferences on the affairs of the VFCUS was evident in 1968 when its management was removed by the government and it was renamed Nyanza Cooperative Union (NCU) and restructured by removing Unions.

### 1.4: POST-COLONIAL DEVELOPMENT

After independence, the control over export earnings by the government was viewed as necessary. This was realised through continuing and increased promotion and support to the co-operative movement. In this regard, clearly, the government created privileged co-operatives which were given a monopoly position against private enterprises in crop handling. In practice, however, the promotion and direction of the co-operative movement led to the central control by government. This was achieved through strengthening agriculture marketing legislation that provided power to the marketing boards from as early 1960s to 1980s. For example, in 1962 the National Agricultural Products Board (NAPB) was established and became the only legal channel for agricultural marketing provided under the National Agricultural Products Board (Control and Marketing) Act that scrapped the MNCB and BNCB which were locally based boards for handling coffee and provided for the establishment of a nation-wide board, the Tanganyika Coffee Board in October 1st 1962; also the Mild Coffee Board, Songea Native Tobacco Board, Nyamirembe Native Tobacco Board, BNCB, Central Province Creameries Board Government General Notice No. 1836, November 3<sup>rd</sup> 1961were scrapped too.

At the political level the ruling party (then Tanganyika African National Union (TANU) and later Chama Cha Mapinduzi (CCM) engineered the formation the co-operative movement apex body, the Co-operative Union of Tanganyika (CUT) in 1963 and setting up of Moshi Co-operative College, which were both part of the First Three Year Development Plan. The CUT placed regional co-operative unions under its umbrella and therefore facilitated incorporation into the government and ruling party machinery. This was finalised in 1979 when the CUT was renamed *Jumuiya ya Washirika* (Union of Co-operative Societies - UCS) and officially became an arm of

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<sup>&</sup>lt;sup>105</sup> Tanganyika Territory, Annual Report on Co-operative Development 1960), p.1.

the ruling party, Chama cha Mapinduzi (CCM) charged with mobilisation, providing guidance and supervision of growers.

The co-operative development strategy during the post - colonial era in Tanzania was an integral part of the overall national economic development strategy aimed at addressing national inequality. By the late 1950s and early 1960s a similar idea was held by the International Labour Organisation (ILO), the United Nations Organisation Agency which had a responsibility to promote co-operatives and self-help organisations as they advocated for the role of government in the promotion co-operative of various types in developing countries so that could be used to improve the livelihoods of the poor, control and enhancement of the economy. This was designed to realise the structural transformation of subsistence through modernising the agricultural economy in developing countries in which the co-operative movement was considered to play a significant role. The attempt towards this direction was envisioned and embedded under the ArD.

Against the background, it is clear that, the government intervention was inspired by the modernisation theory which maintained that the movement could play a key role in rural development and national economic growth. This top-down strategy and intervention by the government was employed in the promotion of co-operatives across the country. The government contributed resources in terms of human and finance towards accomplishing the strategy that bears similarities with colonial authority strategy after 1945; but an attempt to the promotion of the mass co-operative societies across the country was too ambitious to be realised.

In an attempt to realise such ambition, 857 societies were registered in 1961 and by 1966 there were 1616 in agricultural marketing alone. Certainly, this was a significant achievement, this increase did not see a commensurate increase in government staff to serve societies. Hence, officers were under enormous pressure

<sup>106</sup> ILO Co-operatives (Developing Countries) Recommendation No. 127 made at its 50<sup>th</sup> Session, held in 1966.

<sup>&</sup>lt;sup>107</sup> Pius Ngeze, *Ushirika Tanzania*, (Dar Es Salaam: Tanzania Publishing House, 1975) p. 14; Ann Seidan, (1972), p.222.

with financial resources overstretched and by 1966 the movement had plunged into chaos as proved by the 1966 Presidential Committee.<sup>108</sup>

The encouragement of the co-operative movement during the post - colonial era was accompanied by an attempt to redefine and shape its needs based on the national and rural development plans designed to modernise rural communities. In an attempt to realise mentioned plans, each region was supposed to have one co-operative union as provided under the Co-operatives Societies (Amendment) Act, No. 15 of 1968. This empowered the Registrar of Co-operative Societies to sanction the amalgamation and splitting up of societies. As a result, all co-operative unions in the country were compelled to adopt the government recommended administrative structure in which a region where more than one union existed had to amalgamate; this, however, did not take into consideration the consent of the members.

Following the Arusha Declaration of 1967 in Tanzania was restructured into a socialist state. Co-operatives were envisaged by the ruling party to be inclined towards the socialist ideology. Nyerere's policy paper on rural development laid down the guiding principles based on self-help, production and self-reliance and signified a departure from dependence on unreliable foreign. A self-reliance policy provided under the ArD was emphasised in response to the termination of funds from Western powers particularly Britain due to the diplomatic and political row over the question Zimbabwe over the Rhodesian Unilateral Declaration of Independence (UDI) in 1965;<sup>109</sup> and West Germany over Tanzania decision to establish a

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<sup>&</sup>lt;sup>108</sup>URT, Report of the Presidential Special Committee of Inquiry into the Cooperative Movement and Marketing Boards, (Dar Es Salaam: Government Printer, 1966), p.40-53.

<sup>&</sup>lt;sup>109</sup> Andrew Coulson, (1982), p. 143; Alicia Altofer-Ong, Southern African Liberation Struggles and Nation Building: The Case of Tanzania-UK Relations 1965-74, <a href="http://www.lse.ac.uk/IDEAS/programmes/africaProgramme/events/conferences/africaCWMay2829/papers\_pdfs/pallotti.pdf">http://www.lse.ac.uk/IDEAS/programmes/africaProgramme/events/conferences/africaCWMay2829/papers\_pdfs/pallotti.pdf</a>, Accessed in December 2014; Alicia Altorfer-Ong, Tanzanian 'Freedom' and Chinese 'Friendship' in 1965: laying the tracks for the TanZam rail link, a Paper presented at the LSE Cold War Studies Programme in December 2003.

http://www.lse.ac.uk/IDEAS/publications/workingPapers/altorferOng.pdf, Accessed in December 2014

diplomatic relations between Tanzania and East Germany. Tanzania was making an attempt to address the issue of neo-colonialism which was detrimental to the economic development of the country. This also signified the influence of modernisation theories coming to an end. The co-operative movement was employed not only as ideological instruments, but an instrument for reinforcement of national economy. As a result, the government's motivation did not correspond to growers' interests; it signified a deprivation of their autonomy and freedom provided under the co-operative principles. This again was in contrast to the development of the co-operative movement in western countries where attempts were made to provide a linkage between democratic control of societies by members and economic goals.

Tanzania's co-operative model and crop handling during the post - colonial era, as during the colonial period, was structured by the authorities in a manner which was compatible with the existing marketing policies. Economic crisis in the 1970s saw the Tanzanian government replace the co-operative movement in crop marketing by drafting in Crop Authorities to handle crops from growers through villages which became their crop collecting agents. This was done to reduce handling costs, increase efficiency in crop production by growers and to enable the government accumulate surpluses which formerly were accrued by the co-operatives. All these were achieved through legalising a village as a co-operative and production entity through collectivisation and control by the government provided under the 1975 the *Ujamaa* Village (Registration, Designation and Administration) Act. Under the Act,

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<sup>&</sup>lt;sup>110</sup> Andrew Coulson, (1982), p. 142; Alicia Altofer-Ong, Southern African Liberation Struggles and Nation Building: The Case of Tanzania-UK Relations 1965-74, <a href="http://www.lse.ac.uk/IDEAS/programmes/africaProgramme/events/conferences/africaCWMay2829/papers\_pdfs/pallotti.pdf">http://www.lse.ac.uk/IDEAS/programmes/africaProgramme/events/conferences/africaCWMay2829/papers\_pdfs/pallotti.pdf</a>, Accessed in December 2014; Alicia Altorfer-Ong, Tanzanian 'Freedom' and Chinese 'Friendship' in 1965: laying the tracks for the TanZam rail link, a Paper presented at the LSE Cold War Studies Programme in December 2003.

http://www.lse.ac.uk/IDEAS/publications/workingPapers/altorferOng.pdf, Accessed in December 2014.

<sup>&</sup>lt;sup>111</sup> Alex F. Laidlaw, Cooperatives and the Poor: A Review from within the Cooperative Movement, In *Co-operatives and the Poor,* (London: ICA, 1978), pp. 51-90.

the colonial inherited co-operative model was completely abandoned only to adopt a cocktail of the Chinese communal farming and Israel's *kibbutz* or *Moshav*.

Under the new model, the growers were required to market their produce directly to villages which became crop purchasing stations. The village, which was the government unit at the grassroots level, had to play a major part in the practical operations of buying and assembling of crops at village level whereby the statutory boards which were converted into the Crop Authorities controlled and directly undertook export and sale. In this regard the government took on the function of the merchant in the form of Crop Authorities. Thus, the co-operatives were rendered redundant being bypassed by villages and Crop Authorities. In 1976 co-operatives were officially abolished by the government so as it could gain greater control over the growers and revenues. The abolition of co-operatives resulted in having the government taking the role of the merchant which was a move towards nationalisation of the agriculture sector whereby the growers were detached from his or her assets and make them more public. This proved ruinous as it created apathy and low level commitment among the growers to the new village co-operatives, growers uprooted coffee trees to plant other crops so that they could maintain their earnings from farming;<sup>112</sup> or abandoned them because the Crop Authorities did not pay them. Also, there was no supply of farm inputs (fertiliser, pesticides, fungicides and equipment) and declined extension services that led to decline of coffee produce in Kilimanjaro from a minimum of 250 to 50 kilograms per season. 113 All these, resulted in the revenue decline. As a result, the government was forced to reinstate co-operatives in 1982.

This section shows that the co-operative movement has existed in different economic and political systems. It has also presented co-operative theories that emerged partly as a result of the economic and political systems where it operated; thus, formed a significant part in the historical development of co-operative movement in Britain and Germany as well as India and other Asian countries. In

<sup>&</sup>lt;sup>112</sup> Interview with Emanuel Kitely Mbowe, Joseph Mchomba, John Joseph Munishi, October 24<sup>th</sup> 2012

<sup>&</sup>lt;sup>113</sup> Interview with Emanuel Kitely Mbowe, Joseph Mchomba, John Joseph Munishi, October 24<sup>th</sup> 2012

order to generate in-depth understanding of the Tanzania's co-operative agricultural marketing this study is guided by five key research questions:

- 1. How were the agricultural and crop marketing policies linked to the promotion of the co-operatives during the period under investigation?
- 2. In what ways did the colonial authority influence and shape the emergence of the co-operative movement?
- 3. Why was the concerted effort for promotion and registration of the cooperatives by the colonial authority uneven?
- 4. To what extent was there continuity in policy towards co-operatives in the trans-colonial period?
- 5. In what ways did the changing political and ideological influences of the emerging Tanzanian state shape the co-operative movement during the first two decades of independence?

## 1.5: RESEARCH METHODS AND EVIDENCE GATHERING

This section presents the research methodology employed in addressing the questions. This study employs a qualitative research methodology by selecting cases for the study, interviews and a documentary review. The study employs a qualitative research methodology for a number of reasons; first, its suitability in examining relevant policies and decision-making for this study. Secondly, due to its effectiveness in providing detailed accounts of the context, the activities and key players in exploring the historical development of the co-operative movement. Thirdly, it allows the incorporation of multiple cases for exploration regardless of their locality and conditions, and thus accommodates comparability.<sup>114</sup>

The study is structured around three small-scale growers' marketing co-operatives case studies. These are two secondary coffee marketing co-operative societies, namely, the BCU which was established in 1950 and the KNCU which was established in 1933; and cotton marketing apex co-operative society, the VFCUS which was established in 1955. The establishment of these co-operatives are traced by exploring interlocking forces and policies that led to their growth and development throughout the period under study. Their development is then examined against the changing political and ideological influences of the emerging Tanzanian during the first two decades of independence. The cross-case analysis and comparability has

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<sup>&</sup>lt;sup>114</sup> Robert K. Yin, *Case Study Research Design and Methods*, (Sage: London, 2003), p.34.

generated a new understanding of how each of the selected cases historically evolved.

The primary sources for this study were generated by the British government, Tanzania's colonial and post-colonial administration, co-operative movement officials and local chiefs that provide an account of both colonial and post-colonial policies regarding cash crop production, marketing, and co-operative movement generally. This was achieved through identification and evaluation of relevant policies, the driving forces behind them, and the effects of their implementation.

The search for sources of evidence began with wide reading of preliminary materials, including both published and unpublished sources from libraries and the internet. This led to the identification and selection of sources relevant on the topic being studied from books and journal articles. The identified and selected secondary sources were accessed from the UK Co-operative College in Manchester, where the researcher also had access to some primary sources on the BCU, KNCU and VFCUS and the Plunkett annual reports on co-operative development from the 1940s to 1960s.

Most of the primary evidence for this study was collected from the Tanzania National Archive (TNA) in Dar Es Salaam. These include those which were documented from 1916 to 1961. Similarly, the Colonial Office (CO) policies, memoranda and circulars on agricultural crop production, marketing and development; the colonial government's Co-operative and Agriculture Department's Annual Reports, Policies, Memoranda, Orders, meeting minutes and Circulars on agriculture, marketing and co-operative promotion and legislations; also, the Agricultural and Natural Resources Committee reports as well as policy documents. The Provincial and district reports also Provincial and District books were accessed and utilised.

Numerous sources were collected and utilised on Agricultural Production and produce processing. These included correspondence between the Governor, CS and the Provinces, as well as the Provincial annual reports, memoranda, and meeting minutes. The correspondences between the Provinces, districts, and Native Authorities was also very useful as being letters between the PCs or DCs and various groups regarding permission to market crops and formation and registration of co-operatives.

The thesis has utilised the British Cotton Growing Association (BCGA), Empire Cotton Growing Corporation (ECGC), and the marketing board's annual reports, newsletters, bulletins, meeting minutes and correspondences which were obtained from the Ukiliguru Agriculture Research Institute near Mwanza town. This also includes the archived paper reports or articles related to cash crop marketing; cooperatives and views connected to co-operative and cash crop marketing legislation. The evidences generated from the mentioned sources provide an insight on crop marketing agriculture and promotion of the movement from Colonial Office at national and local levels.

Given that secondary sources on agriculture and co-operative movement in Tanzania are scarce and frequently struggle to illuminate developments at the local level, official records, interviews, discussion and oral testimonies were extensively used for gathering information crucial for this study. These explore—the historical experiences, policies and knowledge of the movement. The respondents were employed as eyewitness evidence or indirect witnesses from people who were not present on the scene but heard of the events. The interviews and document reviews conducted in two phases. Interviews and group discussions were conducted during the first phase. These involved individuals who served the co-operative movement in various capacities between 1932 and 1982. The interviewees comprised of members, committee and former movement administrators; also the former marketing boards, staff and government officials such as Ministers and Commissioner responsible for co-operative societies.

Prior to a discussion and interview of each session the researcher informed respondents the objectives of the study, why they are part of the study, and how the collected information would be used. The researcher explained to respondents the discussion and interview procedure. The respondents were informed about the use of tape recording of the interview proceedings and they were assured that collected information would be confidentially treated. Witten consent was obtained from respondents for recording. The age range of the respondents was between 70 and 90. Some of the respondents presented their co-operatives society membership cards, which indicated that they were active participants in the co-operative movement during 1940's to 1960's.

In an attempt to ensure desired information was collected, semi-structured and unstructured questionnaires were prepared days before sessions for use for interviews. These were in English, but interviews and discussions were conducted in Kiswahili. The modality for discussions and interviews was face-to-face and further follow-ups were through telephone if necessary. The approach facilitated the capturing in-depth understanding and exploration of the cases from respondents' experiences.

Interviews time average was between 2 and 2.30 hours long and were undertaken in Mwanza (VFCUS) where primary society members were interviewed at Magulanja and in Shinyanga at Guliguli. In Kagera interviews were held at Kitendagulo; also in Kilimanjaro (KNCU) at Lyamungo, Uru and Kibong'oto (see a list of interviewees Appendices 1a, b and c). The focus of discussion was mainly to gain an in-depth understanding of some policy aspects that the researcher came across in the course of literature reviews.

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<sup>&</sup>lt;sup>115</sup> This was not a condition for being a participant.

Focus group discussions and interviews were conducted in Kiswahili; and were tape recorded and later translated into English for use in this study. The tape recording was helpful to provide focus and follow up questions for interviewers. Written notes were taken during interviews as it simplified the identification of issues that required further clarification from interviewees. But tape recording was employed basically because relying on taking notes during interviews would have not have allowed for the accurate capture of all responses.

Key informants (KI) were used as one source of information for discussion and interviews. The key informants (see Appendix 1a, 1b and 1c) were eye witnesses and individuals that had served as managers of societies at different levels (4), ex-Presidents of Co-operative Unions (1) and staff (2); the ex-Minister responsible for co-operative development (1), ex-Bank of Tanzania Governor (1) experts, authors and academic (4) and the former Commissioner of Co-operatives and the co-operative college principal (1); also 16 members of co-operative societies. These provided clarification on some aspects and policies.

Purposive sampling method was used to identify the key informants and eye witnesses' respondents. The snowball research technique was selected as it is particularly effective in a situation where a sample is difficult to locate. This study encountered difficulties in identifying co-operative members, ex-committee and government officials who served during the period covered in this study. Thus, it was through asking and visiting villages that they were reached. These respondents formed a significant source of information and their experiences were useful in establishing issues that needed further investigation when a visit was made to the TNA. A selection of eye witnesses' respondents took into consideration their involvement in the movement in various capacities, mainly members, staff and leaders. Government officials who served the colonial and post-colonial governments were also interviewed.

### 1.6: FIELD WORK

The field work was split into two phases. The first phase comprised of a general review of the literature on the history of the movement globally and in Tanzania which was conducted from October 2011 to September 2012. During this period, relevant secondary sources were reviewed at the University of Central Lancashire (UCLan), the UK Co-operative College in the United Kingdom and Moshi University Co-operative University (then Moshi University Co-operative College of Business Studies - MUCCoBS), University of Dar Es Salaam in Tanzania, where reports, published and unpublished theses, and dissertations regarding co-operative theories, practices and policies as well as agriculture production and marketing policies; and relevant newspaper articles that were published during and after colonial rule were reviewed. The review of literature was primarily aimed at shedding light on the topic to establish gaps or areas that required further research.

The second phase of the research consisted of fieldwork in Tanzania. This was split into two phases. First, from October 2012 to January 2013, the second from November 2013 to March 2014 when the focus was reviewing primary evidences, mainly the official records, memoirs and government (colonial and post-colonial) policy documents, correspondences minutes, circulars, memorandums, legislations and reports on agriculture and co-operative movement were reviewed at the Tanzania National Archive (TNA) in Dar Es Salaam and Dodoma. The TNA is the main repositories of primary sources for this study.

### 1.7: STUDY JUSTIFICATION

The co-operative movement in Tanzania is the oldest in East Africa. From 1932 Africans were legally allowed to form and register co-operative societies. The Tanzanian co-operative movement is to some degree well documented mostly in such disciplines as economics, sociology, and rural development studies. But, there is a limited secondary literature on the movement's history in Tanzania. Those that are available lack a linkage with key policies such as crop production and marketing as well as external influences on the emergence and development of the co-operative movement.

Despite the prominent role played by the co-operative movement in Tanzania it is largely neglected in both the historical and in the contemporary literature. This neglect is more critical given the current renaissance of co-operatives in Africa and increasing international interest in co-operative development models in the 21<sup>st</sup> century. This thesis makes an attempt to address the identified deficiency by examining of the growth and development of the co-operative movement from 1932 to 1982 by drawing not only policies but also the historical evolution of the three cases, the KNCU, BCU, and VFCUS.

### 1.8: ORGANISATION OF THE THESIS

This thesis is divided into six more chapters outlined as follows; Chapter 2 examines the history and policies connected to the development of the coffee industry among small-scale growers in Kilimanjaro and Kagera regions; also cotton in the WCGA. The establishment of coffee and cotton went hand in hand with setting up marketing systems and policies. The marketing policies for both, coffee and cotton are examined during the inter-war and post-war years as well as during the post independence era. Coffee and cotton production and marketing policies are critically examined to provide comprehensive linkages in the emergence of native cooperative organisations in Tanzania.

Chapter 3 examines the policy developments, implementation and impact on development of co-operative movement in Tanzania during the period under examination.

Chapters 4, 5 and 6 examine the historical development of the three major cooperative movement cases drawn from coffee and cotton producing areas. These are the KNCU and BCU which were engaged in coffee marketing; and the VFCU which was cotton marketing society. Specifically, processes and policies that led to their emergence and growers reactions are examined. It also draws their developments, continuity during the post - colonial era. An account is also given on the effects to their development owing to policy and ideological changes.

Chapter 7 provides a conclusion of the study.

In short, this chapter has introduced the history and theory of co-operative movement. It sketches out the historical and the theoretical formation of the co-operative movement in the developed world and its transplantation of co-operative models in developing countries with emphasis on Tanzania. It has also presented methodology employed in gathering evidence for this study. The following chapter critically examines coffee and cotton production and marketing policies during interwar, Second World War and post-war periods. It examines how both policies were linked to the growth, development the co-operative movement; also the impact of continuity and change of both policies to the co-operative movement during the post - colonial era.

# CHAPTER TWO: PRODUCTION AND MARKETING OF COFFEE AND COTTON IN TANZANIA

#### 2.1: INTRODUCTION

This chapter examines cash crop production and marketing policies during British colonial rule and post-colonial era in Tanzania. This thesis explores the two policies to understand how and why the small-scale growers were incorporated in coffee and cotton production and marketing of their produce. This chapter draws case by case in terms of crops, that is coffee and cotton are examined. The approach taken is historically covering each region in turn, that is coffee Kilimanjaro and Kagera as well as cotton in the WCGA showing such developments. The relevant literatures on the topic that have documented such policies which are examined in the following section. This thesis and this chapter in particular attempt to fill the gap by the utilisation of primary evidence to draw up a new and comprehensive relationship. It also shows why the colonial agriculture marketing and co-operative development policies interlock to each other. Again, this chapter provides a departure from disjointed and punctuated approach in examining the two which are dominant existing literature where growers and their cash crop production industry are treated separately or one is neglected altogether.

### 2.2: REVIEW OF LITERATURE

Existing literature on the cash crop production and marketing indicates that in Tanzania the colonial authority encouraged small-scale growers to cultivate coffee and cotton. However, the existing literature has not emphasised production, marketing and co-operative movement policy linkages.

Pim has presented an overview of development regarding the contribution made by native growers in the colonial agricultural production. 116 However, his emphasis is mainly on the agricultural policy and the transition from German to British colonial rule and neglects the development that took place in Kilimanjaro, Kagera and in the WCGA that this thesis offer to expand. Coulson examined the engagement of cash crops among small- scale growers in Tanzania by the colonial authority. 117 For him, the colonial administration's motivation was to ensure supply and export of raw materials in demand in industrial Europe with his findings mainly based on secondary sources. Authors Philip Curtin, 118 Owusu, 119 Tosh also, Kelemen, Meredith and Sunderland have published their findings on cash crop production, 120 with a focus on Sub Saharan Africa but, with limited emphasis on Tanzania. They also tend to treat such development in isolation from changing economic and policy developments in Britain. They have presented the agriculture policy and development in general and they have not shown the mechanisms by which the colonial authority engaged growers in cash crop production nor the growers' responses. These neglected aspects are critically examined in this chapter in order to generate a new understanding of the growers' interest/stake in the marketing of their produce. Schuknetcht's research on cotton marketing in the Sukumaland, that

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<sup>&</sup>lt;sup>116</sup> Alan Pim, Colonial Agricultural Production: The Contribution Made by Native Peasants and by Foreign Enterprise, (London: Oxford University Press, 1946), pp. 159-160.

<sup>&</sup>lt;sup>117</sup> Andrew Coulson, (1982); Göran Hydén, *Beyond Ujamaa in Tanzani: Underdevelopment and an Uncaptured Peasantry*, (London: Heinemann, 1980).

<sup>&</sup>lt;sup>118</sup>Philip Curtin, 'The Colonial Economy', In Philip Curtin, Steven Feierman, Leonard Thompson, Jan Vansina, *African History: From Earliest Times to Independence*, (London: Longman, 1995), pp.446-464.

<sup>&</sup>lt;sup>119</sup> Maxwell Owusu, Agriculture and Rural Development since 1935, In Ali Mazrui (ed.) *Africa Since 1935*, (Oxford: James Currey Ltd., 1999).

<sup>&</sup>lt;sup>120</sup> J. Tosh 'The Cash Crop Revolution in Tropical Africa: An Agricultural Reappraisal', *African Affairs*, 79, (1980); W.E.F Ward and L.W. White, *East Africa: A century of Change 1870 – 1970*, (London: George Allen and Unwin Ltd, 1971); Paul Kelemen, 'Planning for Africa: The British Labour Party's Colonial Development Policy, 1920-1964', in *Journal of Agrarian Change*, Vol. 1, No. 7, (January, 2007); Michael Havinden and David Meredith, (1993); David Sunderland, *Managing British Colonial and Post-Colonial Development: The Crown Agents*, 1914-1974 (Woodbridge: The Boydell Press, 2007).

is, the WCGA<sup>121</sup> lacks historical background as his focus is on post-WWII. Fuggles-Couchman discusses the production and marketing of cashew nut, coffee, cotton, and sisal marketing through private outlets and the co-operative movement as well as Kongwa groundnut scheme. 122 But, Fuggles-Couchman has not illuminated the early initiatives in developing mentioned crops in Tanzania that this study makes a significant attempt to provide a background and development throughout the British colonial period and early post independent years. Yoshida documented coffee and cotton marketing. 123 But, he is not specific about who produced them and has not engaged with how production was promoted. Yoshida's study is too broad as he covers the three East African countries, Kenya, Uganda and Tanzania. Thus, hardly provides a detailed account of development and that fails to justify its conclusion on Tanzania. Ruthenberg discusses agricultural development during British colonial rule. 124 He examines various production and marketing policies in Tanzania by citing how they were applied among small scale cash crop producers and their impacts. His work offers relevant and useful ideas on such policies. However, coverage of most policies is too general and lacks specificities particularly where and why cash crop production and marketing policies were applied.

In examining the coffee production and marketing in Kagera region and cotton in the WCGA one has to examine some interlocking factors. For example, the two areas are located around Lake Victoria in the North West Tanzania. When the British took over, this location was remote from Tanga and Dar–Es-Salaam ports. The existing roads were poor and railway transport was not in existence until 1928 when a line connecting Mwanza and Dar-Es-Salaam was built. Before the railway link to Dar Es Salaam, export from these two locations was by steamships to Kisumu and then by

<sup>&</sup>lt;sup>121</sup> Ronald Schuknetcht, *British Colonial Development: The Case of Sukumaland, Tanganyika After the Second World War*, (LIT: Verlag Münster, 2010); John Iliffe, (1979).

<sup>&</sup>lt;sup>122</sup> N.R. Fuggles-Couchman, *Agriculture Change in Tanganyika:* 1945 – 1960, (Stanford, California: Food Research Institute, Stanford University, 1964).

<sup>&</sup>lt;sup>123</sup> Masao Yoshida, *Agricultural Marketing Intervention in East Africa,* (Tokyo: Institute of Developing Economies, 1984).

<sup>&</sup>lt;sup>124</sup> Hans Ruthernberg, *Agricultural Development in Tanganyika*, (Berlin: Sringer-Verlag, 1964).

train to Mombasa. Thus, they were remote from Tanga and Dar Es Salaam ports and had some challenges in administering agricultural policies. Since they had geographical proximity advantage with Uganda that, the Tanganyika government mandated the Ugandan government to formulate and implement marketing policy for coffee and cotton produced in Kagera and the WCGA. 126

The consideration of coffee and cotton marketing in the existing literature by Yoshida, <sup>127</sup> and Leubuscher <sup>128</sup> compare development in Kagera and the WCGA and Uganda. But, have not established why the Ugandan government was involved in dictating agricultural marketing policies and use of its transportation infrastructure for shipment of crops for export. Cotton export in Uganda was under the control of the Uganda Cotton Growers Association (UCGA) which was an effective lobby organisation with connection to the Manchester Chamber of Commerce as well as the colonial authority.

This section provides an analysis based on the underutilised primary materials related to the policy by providing a detailed account of agreements between with Ministry of Food and Marketing Boards also traders in Tanzania from time of outbreak of Second World War to 1950s when the agreements came to an end. Leubuscher has downplayed important developments regarding coffee production and marketing in Kagera, similarly cotton in the WCGA in which Uganda appears to dominate. As a result, just as Yoshida, a debate is inconclusive and could not show the effects of the policy on growth of co-operatives in the two locations.

This chapter uses the underutilised primary sources in its attempt to shift away from the generalisation common in existing literature. It discusses specific and interlocked dimensions and intricacies related to the coffee production marketing in Kilimanjaro,

<sup>&</sup>lt;sup>125</sup> PC, Lake Province to CS, Ref. No. 694/197, August 3<sup>rd</sup> 1939, TNA 26298.

<sup>&</sup>lt;sup>126</sup> The Defence (Control of Cotton) Order of 1944, Section 4.

<sup>&</sup>lt;sup>127</sup>MasaoYoshida, (1984).

<sup>&</sup>lt;sup>128</sup>Charlotte Leubuscher, Marketing Scheme for Native-Grown Produce in African Territories, *Journal of the International Institute of African Languages and Cultures*, Vol. XII, Number 2, (April, 1939), pp. 163-188; Charlotte Leubuscher, *Bulk Buying from the Colonies: A study of the Bulk Purchase of Colonial Commodities by the United Kingdom Government*, (London: Oxford University Press, 1956).

Kagera and cotton in the WCGA during colonial and post-colonial era. In particular, it will provide crop and location comparisons within Tanzania. The chapter attempts to explore coffee and cotton production produced by small-scale growers and marketing by addressing the following questions;

- To what extent did the colonial agricultural policies give rise to small-scale growers?
- How the agriculture and crop marketing policies were linked to the promotion of the co-operatives during the period under investigation?

## 2.2: BACKGROUND TO THE AGRICULTURAL POLICY

This section presents the motivation behind the colonial agriculture development policy with a focus on small scale growers in Tanzania which was a German colony before the outbreak of First World War. From 1916 when the British defeated the German army and took over Kagera and Kilimanjaro regions, they immediately began encouraging the small-scale growers into the cash crop economy. In the WCGA, cotton was promoted strongly. The first challenge the new colonial power in Tanzania had to address was the reconstruction of the economy and renovation of transport infrastructure destroyed during the war. At the same time, Britain had its own problems. It also found itself in huge financial burden resulting from war expenses.

Arguably, this was Britain's opportunity to utilise colonial resources for its own economic benefits. Under Article 3 of the Mandate Agreement Britain responsibility was to safeguard the material well-being, native interests and social progress of the Tanzanian population. He Britain administered Tanzania just like any other colony whereby financial self-sufficiency was emphasised to cover administration costs so as to avoid draining the United Kingdom Treasury. Self-sufficiency was to be achieved under two important interrelated policies. First, the development and increase in agricultural production for export; and secondly,

Extract from minutes of meeting of the Directors of Agriculture for East African countries (Kenya, Tanganyika and Uganda, held in Nairobi in June 12<sup>th</sup> 1946, TNA 26054; Billy Frank, (2002), p.16.

<sup>&</sup>lt;sup>129</sup> L.Hadden-Guest, *The Labour Party and the Empire* (London, 1926), p13, pp. 83-90.

<sup>&</sup>lt;sup>130</sup> Billy Frank, (2002), p.16; Alan Pim, (1946), p.155.

<sup>&</sup>lt;sup>132</sup> Melville J. Herskovits, (1952), p. 219; Michael Havinden and David Meredith, (1993), pp. 299 -301; Billy Frank, (2002), p.16.

encouragement of small-scale growers in cash crop cultivation to provide growers with opportunities for income. To realise both policies, the small-scale growers had to have access to or ownership of land. Land ownership was provided under the Mandate Agreement, Article 22<sup>133</sup> which was used by small-scale growers to grow cash crops.

The Great Depression heightened the need for the colonial power to assist colonies. This led to the setting up of the Colonial Development fund in 1929.<sup>134</sup> The fund was aimed at aiding colonial economic development.<sup>135</sup> It was made available by the colonial power basically to increase her foreign trade so as to create employment in Britain which was seriously affected by the economic depression.<sup>136</sup> In Tanzania the fund was utilised in coffee research in which of £23,000 of a grant was made available in 1933<sup>137</sup> for the development of facilities at Lyamungo near Moshi town.

This section provides a motivation behind cash crop production policy with attention being given to small scale producers in an attempt to realise financial self-sufficiency policy. To achieve the objective the colonial authority employed various approaches to encourage small-scale growers to produce cash crops as discussed in the following section.

## 2.3: COFFEE PRODUCTION AND MARKETING POLICIES

This section examines coffee cultivation policies and the employment of modernisation theory by the colonial authority in an attempt to modernise farming practices among small-scale cash crop growers in Kilimanjaro and Kagera. In examining the two aspects, two issues are taken into account. First, it assesses methods employed by the colonial authority and; secondly, assesses responses from growers. These aspects in Kilimanjaro and Kagera are treated separately to demonstrate the specific power relations and the stakeholders involved.

<sup>&</sup>lt;sup>133</sup> Permanent Mandates Commission, Minutes, 3<sup>rd</sup> Session, 1922, p.280.

<sup>&</sup>lt;sup>134</sup> Billy Frank, (2002), pp.17-20.

<sup>&</sup>lt;sup>135</sup> Meredith and Havinden, (1993) pp. 140-206.

<sup>&</sup>lt;sup>136</sup> Billy Frank, (2002), p.17.

<sup>&</sup>lt;sup>137</sup> G. B. Masefield, *A Short History of Agriculture in the British Colonies*, (Oxford: Oxford University Press, 1950), p.73.

In Kilimanjaro coffee growers planted Arabica (*Coffea Arabica L. var bourbon*) they obtained from Missionaries who introduced it at Kilema in 1898<sup>138</sup> followed by the settlers, who employed them as labourers and trained growers in the appropriate cultivation techniques resulting in the spread of the crop across Moshi district. The development of the crop was disrupted during the First World War. In 1919 the British colonial government began providing support to small-scale WaChagga coffee growers on the slopes of Mount Kilimanjaro in an attempt to revive the industry.<sup>139</sup>

In Kilimanjaro a policy was implemented by Sir Charles Cecil Farquharson Dundas<sup>140</sup> when he was the DC of Moshi (1919 to 1924)<sup>141</sup> not only for export but also to enable growers to pay poll tax.<sup>142</sup> His efforts were very successful that he was honoured as *Wasahuye O WaChagga* i.e. the elder or grandfather of WaChagga<sup>143</sup> (see photograph No. 1 below).

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 $<sup>^{138}</sup>$  Interview with Mzee Tesha (aged 99 on date of the interview) who served KNCU at various capacity as supervisor and General Manager (1961 – 1971) and advisor after retirement.

<sup>&</sup>lt;sup>139</sup> Pennington Report, TNA13060, p.4

<sup>&</sup>lt;sup>140</sup> Charles Dundas was the Secretary for Native Affairs from 1925 to 1929. In 1929 was appointed as Governor for the Bahamas.

<sup>&</sup>lt;sup>141</sup> Coffee Ordinance and Regulations Attitude of the KNPA, TNA, 13060; R.J. M. Swynnerton, A.L. B. Bennett and H.B. Stent, *All About KNCU Coffee*, (Moshi: KNCU, 1948), p.4; John Iliffe, (1979),p.154.

<sup>&</sup>lt;sup>142</sup> Dundas to the Chief Secretary June 1924, TNA3864/2; DC to PC Ref. No. 23/13 of April 21<sup>st</sup> 1936, TNA 26207.

<sup>&</sup>lt;sup>143</sup> Charles Dundas, *Africa at Crossroads*, (London: Greenwood Press, 1955), p.125.

Photograph 1: Moshi's DC, Prominent Coffee Growers and KNCU's Manager



Sir Charles Dunda (L), August Ndoro (M) and A.L. Bennett (R) Source: KNCU

In an effort to revive the industry, from 1921 Dundas, accompanied by Joseph Merinyo, an employee in the Administration Department visited and had meetings with growers. 144 It was during their visits and meetings the growers became more interested in coffee cultivation, after many abandoned it due to low demand during the First World War. During the visits growers were asked to replace their aging coffee trees. Joseph Merinyo was responsible for supplying coffee seedlings and was permitted by the DC to start nurseries with a start-up capital at a cost of only 25

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<sup>&</sup>lt;sup>144</sup> Pennington Report, TNA13060,p.4

rupees.<sup>145</sup> Seedlings from Merinyo's nurseries which were in Old Moshi with the help of the Chief (*Mangi*) Abraham of the area were sold to interested growers and Chiefs across the district.<sup>146</sup>At this juncture, the role played by chiefs was mobilisation and enforcement of coffee farming practices among its subjects (see Appendix 12 on coffee producers, acreages and price between 1944/45 and 1953/54; Appendix 13 on Coffee Producers, Acreages and Price between 1960/61 and 1972/73

As the demand grew, Merinyo could not cope and chiefs were granted permission from Dundas to start nurseries in their respective areas of jurisdiction.<sup>147</sup> The encouragement by Dundas from his time when he took office as the DC of Moshi, coupled with the chief's enthusiasm to use their land to grow coffee led to the tremendous and rapid growth of acreage in production. This growth is summarised in table 2 below.

Table 2: Number of Coffee Growers and Acreage 1923 – 1961 in Kilimanjaro

Period (June - July)	Number of growers	Acreage in thousands
1923/24 – 1927/28	5,500	2,200
1928/29 – 1932/33	10,700	4,500
1933/34 – 1937/38	21,300	10,100
1938/39 – 1942/43	26,700	15,800
1943/44 – 1947/48	29,800	17,900
1948/49 – 1952/53	33,000	23,500
1953/54 – 1957/58	39,000	29,200
1958/59 – 1960/61	44,800	33,700

Source: Compiled from KNPA and KNCU reports from 1923 - 1960

The growing number of coffee growers and acreage in Kilimanjaro was partly the result of the DC, the colonial government policy, the leadership of the KNPA which was formed in 1925 and later Kilimanjaro Native Co-operative Union (KNCU) and its

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<sup>&</sup>lt;sup>145</sup> Coffee Ordinance and Regulations Attitude of the KNPA, TNA 13060; (German and Indian Rupee was a currency in circulation until 1925 when the conversion of circulating rupees was completed and replacement by florins and shillings currencies which was carried out by the British colonial power East Africa Currency Board.

<sup>&</sup>lt;sup>146</sup> Dundas to the Chief Secretary June 1924, TNA3864/2; DC to PC Ref. No. 23/13 of April 21<sup>st</sup> 1936, TNA 26207.

<sup>&</sup>lt;sup>147</sup> Dundas to CS June 1924, TNA 3864/2.

affiliated societies' encouragement since 1933 (see Chapter 4, Section 4.2 and Appendix 4a on the KNPA's *Wawakilishi*, Members, Number of Coffee Trees and Acreage). By 1936 the volume of coffee produced by growers surpassed that of the European planters. It has to be clear that, such expansion did not necessarily imply opening up new farms or additional land because coffee was often grown on the same farm with banana trees under the intercropping system.

The parallel existence of two competing agricultural sectors split between the European plantation/settlers and African small-scale growers led to tension. Settler farmers resented the growth of African coffee production and in response they exerted pressure on the colonial administration to rescind the policy because they believed African growers could not be entrusted with the industry due to their inexperience and a lack of technical know-how. In particular, settlers argued that 'illinformed growers in the industry would lead to the spread of coffee diseases into their trees'. 149 European planters attempted to displace the growers from the coffee industry in order to force them to become labourers in their plantations while the native growers struggled to maintain their economic autonomy. Yet, some of the settlers' concerns were relevant should have been addressed by establishing extension services to growers such as the use of insecticides/pesticides to eliminate insects that were damaging coffee plants. The use of insecticides/pesticides would have eliminated without creating tension. In reality, the settlers' main concern was not a fear of the spread of diseases, but the shortage or curtailment of cheap labour in their farms as local Africans were not available to provide labour as were attending their own crops; and surely settler farmer resentment was also based on the fact that African farmers were competing with them. It was obvious that, the settlers underpaid growers for laborious and long hours farm work at a point where they had to concentrate in their farms where they were earning a reasonable income.

The settlers' views were opposed not only by Dundas himself, but also by Sir Horace Byatt, the first British Governor of Tanzania, 1919-25, on the basis that were not

<sup>&</sup>lt;sup>148</sup> DC to PC Ref No 23/13 of April 21 1936, TNA 26207.

<sup>&</sup>lt;sup>149</sup> Pennington Report, TNA13060,p.4

economically convincing.<sup>150</sup> Horace Byatt, felt that Africans should be encouraged to utilise their land to grow coffee, which was in demand in European markets.<sup>151</sup> The colonial policy on the protection of the growers maintained that:

Suppression of coffee planting was out of the question. The British government could not suppress development initiated by the Germans and no rules for suppression of the Native enterprise would ever have been permitted by the government or countenance by the League of Nation (UNO). Moreover, no government could set out to root up trees which had stood for 15 years and were bringing in secure and ample income. It is clear therefore that before the British government entered in the administration of Tanganyika certain of the WaChagga had already seen and experience of benefits to be derived from the cultivation of coffee.<sup>152</sup>

Increasingly, the colonial government support enabled for the WaChagga to expand coffee cultivation further primarily geared towards fiscal advantages given the fact so as to contribute to the colony in realisation of financial self-sufficiency. As a result of settler agitations the growers banded together, forming the Kilimanjaro Native Planters Association (KNPA), (later KNCU) in 1925 to protect their interest in coffee and the development of the industry and to access colonial government support including management provided by the colonial civil servants (see Chapter 4, Section 4.3). The Association's representatives (wawakilishi) were made responsible for providing practical educational instructions on coffee cultivation, spraying insecticides and pesticides to protect trees from being damaged and infected (see Chapter 4, Section 4.3).

In Kilimanjaro, coffee marketing was briefly under the control of Indians, Greeks, Missionaries and some civil servants before the formation of the KNPA in 1925 when the growers began to be directly involved (see Chapter 4, Section 4.3 and 4.4). The involvement of the KNPA in crop purchase was emulated by growers from coffee bulk marketing scheme which was being undertaken by the settler's organisation, the Kilimanjaro Planters Association (KNPA). The association received

<sup>150</sup> Charles Dundas, (1955), pp. 123-25.

<sup>&</sup>lt;sup>151</sup> Coffee Ordinance and Regulations Attitude of the KNPA, TNA, 13060.

<sup>&</sup>lt;sup>152</sup> The History of the KNPA, TNA 13060.

<sup>&</sup>lt;sup>153</sup> Memorandum of Disturbances in the Moshi District, pp. 208 – 209, TNA 25400; Government of Tanganyika, Annual Report, Northern Province. (Dar Es Salaam: Government Printer, 1937), pp. 9 -10.

government technical support that included developing a co-operative marketing scheme to help members sell their produce.<sup>154</sup>

However, during 1925 the government withdrew its support. This was due to criticism from settlers that the colonial authority was directly engaging in business through the KNPA that forced its leaders who were civil servants to resign in December 7<sup>th</sup> 1925.<sup>155</sup> Their positions were taken over by the end of 1925 by Joseph Merinyo<sup>156</sup> who became its first African President and Stefano Lema as Secretary of the Association.<sup>157</sup> Consequently, coffee cultivation and marketing was placed under control of Africans and the support from the government was maintained for example in protecting the Association from completion. The protection of the Association was provided with effect from April 1<sup>st</sup> 1929, when the colonial authority granted the coffee marketing monopoly under Section 15 of the Native Authority Ordinance No.18 of 1926.

However, the colonial authority was not in favour of KNPA (see Chapter 4, Section 4.3). In 1932 co-operative legislation was passed leading to the restructuring and replacement of the KNPA by KNCU (see Chapter 4, Section 4.2). Under Section 36 of this legislation growers were compelled to be members of a society primarily to deprive the KNPA membership as all growers had under mentioned Section of the legislation to be members of the co-operative societies. The growers also as per section, were compelled to sell their produce through co-operatives that deprived KNPA supply of coffee from African growers (see Chapter 4, Section 4.4).

Whereas the legislation was designed to suffocate the KNPA access to the coffee produced by Africans as linked to marketing by the colonial authority to control coffee through co-operatives as linked to marketing by the colonial authority to control coffee through co-operatives. The compulsion coffee marketing to co-operatives was

<sup>&</sup>lt;sup>154</sup> The History of the KNPA, TNA 13060.

<sup>&</sup>lt;sup>155</sup> Extract from the Report on the Reorganisation - Pennington Report, TNA 13060; Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Cooperative Union*, (Dar Es Salaam, Government Printer, 1937), p.5 TNA 19005.

<sup>&</sup>lt;sup>156</sup> Merinyo was a civil servant working at the Agriculture Department in Moshi

<sup>&</sup>lt;sup>157</sup> KNPA's History, p.5, TNA 13060.

were strongly recommended by Strickland who maintained it was universal to cooperative societies<sup>158</sup> as the British Agricultural Act contained a similar provision that came amid the collapse of the Hopgrowers Limited in Britain that strengthened a feeling in its favour. Pennington who indicated that would guarantee business and revenue to a society. 159 As mentioned the compulsion produce marketing was incorporated under Section 36 of the co-operative legislation. However, the Section was a concern to the colonial authority as once pointed out that, 'its effects may be obtained by forcing non-members to sell through the society' 160 as the settlers who were categorised as minority coffee producers were trapped too. Against the backdrop, the colonial authority, however, was hesitant to apply the sections as the settlers were also supposed to abide. Thus, it was strongly maintained by the colonial authority that, the policy desired to be modified only to target the native growers. 161 Consequently, in 1934 a new legislation, the Chagga Rule; described by Coulson simply as a compulsory marketing order; 162 and Rajagopalan distorts its background as he described it as part of Section 36 of the co-operative legislation. 163 Both they have not established its impact on the natives produced crops and the agriculture marketing policy as a whole. For example, the Chagga Rule excluded European planters, but, compelled the native growers to sell their coffee through the KNCU. It has to be noted here that the Chagga Rule segregated the natives from non-natives, mainly European planters. Strickland seems to concur with the idea as he argues that, it was unreasonable to expect these different types of coffee to be bulked and marketed through the same agency. 164 In the speech to the East African countries governors, Strickland pointed 'the ordinance for Europeans should exclusively be for them as one for the natives does not suit them and it is necessary to have the same there should be clauses that separates the two. 165 Therefore, in implementation of the Chagga Rule policy, the settlers had to form an exclusive

<sup>&</sup>lt;sup>158</sup> Minute No. 261, April 14<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>159</sup> Minute No. 223, April 14<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>160</sup> Minute No. 261, April 14<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>161</sup> Report on the Reorganisation of the KNPA, p.8, TNA 13060.

<sup>&</sup>lt;sup>162</sup> Andrew Coulson, (1982), p. 62.

<sup>&</sup>lt;sup>163</sup> S. Rajagopalan, Co-operation in Foreign Countries: A Brief Outline of the Working of Co-operative Movement of the World, (Madras: V.S.N. Chari and Company1955), p. 227.

<sup>&</sup>lt;sup>164</sup> C.F. Strickland, (1945), p.78.

<sup>&</sup>lt;sup>165</sup> Extract of C.F. Strickland's Speech to the conference of the Governors of the British East Africa Territories, January 17<sup>th</sup> 1932, TNA 19005.

European only co-operative society so that their coffee produce could be sold through a non-native only society, the Tanganyika Coffee Growers Association (TCGA) was formed in 1935 for this purpose under Mr Ames Mauran who was its President until 1947.<sup>166</sup>

When coffee prices fell growers rioted because under the Chagga Rule they were not free to sell their coffee on the open market. Coulson attempted to explain about these riots. However, his narration lacks the measures that were taken by the colonial authority.<sup>167</sup> To quell the riots the government was prompted to pass yet another racially based legislation, the native coffee control Ordinance, No 26 of 1937 which created the government's native coffee control Boards, the Moshi Native Coffee Board (MNCB) in November 1937. Consequently, native coffee cultivation in Kilimanjaro was placed under control of the government. The MNCB's purpose was to advance and improve the cultivation of coffee grown by natives through management of coffee nurseries by instructing growers in methods of planting, cultivation harvesting or preparation and marketing of native coffee. 168 The MNCB recruited some of wawakilishi to work as extension staff to provide guidance to growers. The government intervention in agriculture production was defined by the function that the marketing board had to play. Clearly, this did not lead to direct government involvement in production. Crop production/cultivation responsibility remained in the hand of growers, but under control of the colonial authority.

Immediately after the outbreak of the Second World War the British government embarked upon measures to keep the supply of food and raw materials supply stable. In Britain as farmers were encouraged to produce more food. Rationing was introduced to help maintain stocks; and price control was put in place to protect consumers from being exposed to profiteering.<sup>169</sup> Other measures included the establishment of the sterling-area in 1939 designed to control transactions within the

<sup>&</sup>lt;sup>166</sup> Tanganyika Coffee Board Meeting, Agenda and Minutes, TNA 24304.

<sup>&</sup>lt;sup>167</sup> Andrew Coulson, (1982), p. 64.

<sup>&</sup>lt;sup>168</sup> TNA 24/13 KNCU School (Lyamungo), from MNCB to the Secretariat Members of Agricultural and Natural Resource, Ref. No. 75/273, February 20<sup>th</sup> 1954

<sup>&</sup>lt;sup>169</sup> United States Department of Agriculture (USDA), *United Kingdom Market for United States Agricultural Products Agriculture Information Bulletin No. 104*, (Washington, D. C.: The USA Government Printing Office, 1953), p.2.

member countries, mostly colonies, which had to trade in sterling so as to maintain foreign exchange reserves;<sup>170</sup> this was also to ensure that, Britain maintained trade and economic engagement with her colonies. The sterling-area was a significant measure in facilitating the supply of goods and services without immediate payment. The result was that Britain's debts were in the form of sterling balances and when payments were made were credited to London accounts.<sup>171</sup> Furthermore, in an attempt to maintain war effort, Britain required massive external financial support which was made available under the USA's Lend-Lease programme of 1941 that covered military assistance, food and raw materials needed by Britain as it was short of hard currency to pay for them during the Second World War; also, Britain it was forced to sell its assets to meet its for war efforts.<sup>172</sup>

The British economy became critical in 1942-3, for example, in 1942 it began losing her Asia colonies to Japan expansionism and occupation; the Suez Canal was almost captured by the enemy that jeopardised its trade route to India and its economic strategies were also under threat. All these posed a critical threat in a loss of important sources of raw materials. Hence, government control and supervision of the economy increased because of the necessity to organize production for war efforts. Tanzania and East African colonies of Kenya and Uganda were expected to contribute to the war effort by supplying food and raw materials. This was carried out by the Ministries of Food and Supply in collaboration with the CO and colonial authorities on behalf of the colonial power. The Ministry of Food declared coffee produced in the British colonies which made 50 percent of entire supply to Britain as essential commodity and all colonies were required to ensure steady supply of coffee to Britain.<sup>173</sup> The colonial authorities appointed agents to handle food and raw materials supply in the colonies. 174 In East Africa an inter-government Joint Economic Council was set up to co-ordinate purchase of crops and raw materials. The Council was formed following the publication of a Circular by the Colonial Office

<sup>&</sup>lt;sup>170</sup> Michael Havinden and David Meredith, (1993), pp.271-298; United States Department of Agriculture, p.11.

<sup>&</sup>lt;sup>171</sup> USDA, (1953), p.11.

<sup>&</sup>lt;sup>172</sup> USDA, (1953), p.15.

<sup>&</sup>lt;sup>173</sup> Ministry of Food to the British Empire Producer Organisation, Ref. No. CF/5, September 26<sup>th</sup> and October 2<sup>nd</sup> 1939, TNA 28359/3.

<sup>&</sup>lt;sup>174</sup> Lord Listowel, *Commonwealth Future*, Fabian Tract 308, (London: The Fabian Society, July 1957), p. 24, TNA 23218.

(CO) in 1939 that emphasised the need for a uniform policy and collaboration between groups of British colonial territories based on geographical locations for example, East Africa and West Africa.<sup>175</sup>

The colonial authority in Tanzania had to adjust its marketing policies and established the administrative machinery to provide for the supply of commodities under bulk purchase agreement. The native coffee industry in Tanzania was included in the bulk purchase provided under long term contracts and the produce was sold to the Ministry of Food which had exclusive control of food and raw materials imports in Britain. Under the legislation food and raw materials produced by Africans with that effect had to be compulsorily sold to the British Ministry of Food through the recommended outlets, mainly marketing boards. Against this background, the food crop and raw materials, supplies were secured from the level of growers in the colonies to consumers in Britain through the bulk-purchase contracts under the Defence Ordinance and Orders of 1939 and 1940, which reinforced the existing coffee and cotton control and marketing.

Bulk-purchase was characterised by short, medium or long-term contracts with producers in the colonies through marketing boards or co-operative societies in which purchase was in fixed quantities; and prices, which were low were fixed and reviewed on a year-to-year basis<sup>176</sup> as per Section 7 of the contract.<sup>177</sup> Under the contract between 1940 and 1952, the MNCB supplied coffee to the Ministry of Food. The KNCU also became an agent for the Ministry of Food during this period and was required to supply 4,000 tons.<sup>178</sup> The Ministry of Food was responsible for determining the prices for commodities bought from the native growers was fixed at between 80/- and 105/- shillings. The TCGA was appointed as the agent of the Mild

<sup>&</sup>lt;sup>175</sup> The CO Circular dispatch, August 23<sup>rd</sup> 1939, TNA 29585.

<sup>&</sup>lt;sup>176</sup> The Long Term Contracts Policy on the United Kingdom Departments and Colonial Agriculture Producer, TNA 25147; Standard Newspaper September 28<sup>th</sup> 1948, TNA 25147.

<sup>&</sup>lt;sup>177</sup> A Contract on the Local Arrangement for Handing of Ministry of Food Coffee, Director of East Africa Produce Disposal and Supply Council (Nairobi), March 13<sup>th</sup> 1947, TNA 37200.

<sup>&</sup>lt;sup>178</sup> Extract from minute of meeting of the Standing Committee held in April 1947, TNA 11969.

The Ministry of Food approached the KNCU for an extension of the contract when it expired in the early 1950s as provided by Section 7 of the long-term contract; but it was declined (see Chapter 4, Section 4.5). The KNCU declined because price determined by the Ministry of Food inflicted a loss on growers who were paid 80 per cent of the freight on board (fob) value of their coffee after deduction expenses, taxes, levies under which they earned only £30 annually. This indicates that the KNCU was not prepared for any further loss and were determined to ensure that growers enjoyed a profit for coffee cultivation. Significantly, under clause 14 of the long-term contract, price could be revised in the view of devaluation of sterling; 183 but the Ministry of Food was prepared to pay only two thirds of the free market price during the 1951/52 season'. The KNCU declined owing to the depreciation of sterling and preferred to sell in more profitable dollar markets.

<sup>&</sup>lt;sup>179</sup> Tanganyika Territory, *Report on Co-operative Development*, Dar Es Salaam: Government Printer, 1950), TNA 37192; TCGA Tanganyika Coffee Board: Meetings Agenda and Minutes, TNA 24304.

<sup>&</sup>lt;sup>180</sup> Tanganyika Territory, *Report on Co-operative Development*, Dar Es Salaam: Government Printer, 1950), TNA 37192.

<sup>&</sup>lt;sup>181</sup> DA to CS, Ref. No. C/133/330, December, 17<sup>th</sup> 1942, TNA 37200; Ministry of Food to CS, Telegram, No. WB/293, November 21<sup>st</sup> 1946, TNA 37200.

<sup>&</sup>lt;sup>182</sup> KNCU to Ministry of Food, TNA 37200.

<sup>&</sup>lt;sup>183</sup> East Africa High Commission, London to East Africa Joint Economic Commission (Nairobi) Confidentila Telegram, Ref. No. 4142/458, October 28<sup>th</sup> 1949, TNA 37200. <sup>184</sup> KNCU to Ministry of Food, TNA 37200.

<sup>&</sup>lt;sup>185</sup>One of the causes for the sterling depreciation in terms of United States of America (USA) dollar was economic slowdown, economic depression in the USA and capital flight in Britain as a result of the Second World War that sterling pound sharply depreciated to \$4.03.

In 1951 the Defence Orders were revoked as they were deemed no longer necessary. <sup>186</sup> It has to be recalled that, during the time compulsion policies that provided for a relaxation export and price control <sup>187</sup> and setting up of auctions in Moshi in 1953 where KNCU coffee was sold. All these developments took place when Conservative government took power in 1951. <sup>188</sup> The Conservative policy was against restrictive Labour Party's policies, including rationing. <sup>189</sup> It championed a reduction in state intervention in the economy.

Unlike in Kilimanjaro, in Kagera two varieties of coffee, Robusta and Arabica were grown. The earliest variety is Robusta coffee (*Coffea Canephora* or *Bukopensis*) which is an indigenous crop and Arabica was introduced at the same time in Kilimanjaro by Missionaries in 1898<sup>190</sup> to Christian converts.<sup>191</sup> Although Robusta was produced for many years, it was not for commercial purpose, as was cultivated by growers who were strictly not allowed to consume; but it was only consumed by the royal, Mukama families.<sup>192</sup> Realising the economic possibilities of the crop a shift to commercial production was introduced by the German colonial government, which intervened in cultivation of Arabica among the growers as it was highly priced in the European markets on account of its aroma and regarded as better quality than

<sup>&</sup>lt;sup>186</sup> Tanganyika Legislative Council Debates, Hansard, 1950, 29<sup>th</sup> Session, para. 241, TNA 37200.

<sup>&</sup>lt;sup>187</sup> The Decontrol of Coffee, Press Notice by Ministry of Food August 20<sup>th</sup> 1952, TNA 37200.

<sup>&</sup>lt;sup>188</sup> The Decontrol of Coffee, Press Notice by Ministry of Food August 20<sup>th</sup> 1952, TNA 37200.

<sup>&</sup>lt;sup>189</sup> USDA, *United Kingdom Market for United States Agricultural Products Agriculture Information Bulletin No. 104*, (Washington, D. C.: The USA Government Printing Office, 1953), p.56.

<sup>&</sup>lt;sup>190</sup> Heinrich Brode, *British and German East Africa: Their Economic and Commercial Relations*, (London: Edward and Arnold, 1911), p.100; R.C. Northcote, Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, 1936, TNA 24545.

<sup>&</sup>lt;sup>191</sup> R.C. Northcote Inquiry Report on Bukoba Coffee Industry, 1936, p.4, TNA 24545.

<sup>&</sup>lt;sup>192</sup> C. Harvey (undated), Coffee Cultivation in Bukoba, TNA 11969 Vol. II.

Robusta,<sup>193</sup> that that led to increase of export from 214 tons in 1906 to 681 in 1913.<sup>194</sup>

It was the Germans who persuaded the Mukama to extend permission to their subjects to cultivate coffee. Some Chiefs, such as Kahigi of Kianja, encouraged his subjects to produce coffee, mainly Arabica variety for commercial purposesand other Mukama in the region followed suit.<sup>195</sup> Consequently, the Kianja Chiefdom, the largest in terms of land size and population became the biggest producer of Arabica, and also contained the highest number of coffee traders and co-operative societies (see Chapter 5, Section 5.3 and Appendix 16).

Coffee production in Kagera was also affected during the WWI because growers could not attend their farms due to lack of market. The colonial authority's encouragement of coffee cultivation among small-scale growers in Kagera took a different dimension compared to Kilimanjaro. In Kagera, forced coffee planting was a dominant feature from the onset of British occupation in which each household was required to plant 100 seedlings on their farms which were made available from Kilimanjaro and Uganda. <sup>196</sup> In the four years following the British occupation planting was given a great impetus which was initiated by Denis Lynch Baines <sup>197</sup> the British Administrator when the district came under the British rule in 1916. <sup>198</sup> Reports shows that many seedling from Kilimanjaro and Uganda failed to grow properly due to variation of climatic conditions that prevailed in Kagera. Thus, to avoid the difficulty new coffee nurseries were established almost in every village where the village headmen were charged with supervision role. <sup>199</sup> However, this also proved

<sup>&</sup>lt;sup>193</sup> C. Harvey (undated), 'Coffee Cultivation in Bukoba', TNA 11969 Vol. II; T.S Jervis, The Control of the Coffee Berry Borer in Bukoba, in *the East Africa Agricultural Journal*, September 1939, pp.121-124, Bukoba District Book.

<sup>&</sup>lt;sup>194</sup> T.S Jervis, The Control of the Coffee Berry Borer in Bukoba, *in the East Africa Agricultural Journal*, September 1939, pp.121-124, Bukoba District Book.

<sup>&</sup>lt;sup>195</sup> T.S. Jervis, Bukoba Coffee: Inspection and Grading in Bukoba District Book.

<sup>&</sup>lt;sup>196</sup> C. Harvey (undated), 'Coffee Cultivation in Bukoba', TNA 11969 Vol. II.

<sup>&</sup>lt;sup>197</sup> Baines was Bukoba DC from 1916 to 1919 and then from October 1920 to February 1923

<sup>&</sup>lt;sup>198</sup> T.S Jervis, The Control of the Coffee Berry Borer in Bukoba, in *the East Africa Agricultural Journal*, September 1939, pp.121-124, Bukoba District Book.

<sup>&</sup>lt;sup>199</sup> Director of Agriculture to CS, Ref. No. 416/6810, November 1<sup>st</sup> 1928, TNA 24545; C. Harvey (undated), 'Coffee Cultivation in Bukoba', TNA 11969 Vol. II.

disastrous.<sup>200</sup> Instead, between 1925 and 1927 the DA had to provide supervision to new nurseries that were set up at Nyamihanga in Karagwe Chiefdom/district that led to a significant improvement as shown in Table 3 below.<sup>201</sup>

The motivation for encouraging small-scale growers remained the same as in Kilimanjaro, which was to attain territorial financial self-sufficiency. Although compulsion was a key characteristic in coffee planting, the whole exercise was marked good progress that in 1928 a total of 1,019 of Robusta and 1,693 of Arabica were exported;<sup>202</sup> and in 1929 tons of Robusta rose to 1,767 and Arabica it was 1,118.<sup>203</sup> A significant expansion was evident in Table 3 below which shows a number of coffee trees in the region by 1937.

Table 3: Number of Coffee Trees in Kagera Region by 1937

Chiefdom	Robusta	Arabica	Total
Kianja	620,271	2,381,818	5,002,089
Ihangiro	2,012,763	1,271,337	3,284,100
Kiziba	1,462,927	262,176	1,725,103
Karagwe	195,203	121,1670	1,406,873
Kiamtwara	28,7051	143,316	430,367
Buyobo	499,539	25,681	525,220
Kanyangereko	167,695	92,327	260,022
Misenyi	11,071	66,794	176,865

Source: Coffee Cultivation in Bukoba, TNA 1196/19

Although coffee cultivation in Kagera was successful, it experienced challenges due to a shortage of extension staff. Only two officers had to attend growers who in total had 64,000 acres and 25,250,000 coffee trees by 1928.<sup>204</sup> This lack of coffee

<sup>&</sup>lt;sup>200</sup> Director of Agriculture to CS, Ref. No. 416/6810, November 1<sup>st</sup> 1928, TNA 24545; C. Harvey (undated), 'Coffee Cultivation in Bukoba', TNA 11969 Vol. II.

<sup>&</sup>lt;sup>201</sup> Director of Agriculture to CS, Ref. No. 416/6810, November 1<sup>st</sup> 1928, TNA 24545; C. Harvey (undated), 'Coffee Cultivation in Bukoba', TNA 11969 Vol. II..

<sup>&</sup>lt;sup>202</sup> Director of Agriculture to CS, Ref. No. 416/6810, November 1<sup>st</sup> 1928, TNA 24545; R.C. Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, TNA 11969/19 Vol II, p.4

<sup>&</sup>lt;sup>203</sup> Assistant Director of Agriculture to CS, March 1929, TNA 11969; R.C. Northcote 1936 Inquiry Report on Bukoba Coffee Industry, TNA 11969/19 Vol II, p.4

<sup>&</sup>lt;sup>204</sup> Coffee Cultivation in Bukoba: Governor to DA, Ref. No. 11969/23, May 23<sup>rd</sup> 1928, TNA 11969/9.

husbandry education resulted in low productivity that threatened the projected revenue collection. The shortages of extension staff had to be filled by local chiefs and headmen who lacked relevant knowledge and experience. In response, the colonial authority introduced a series of Ordinances, Regulations and Orders in 1927 geared towards coffee improvement and better husbandry. This led to increase of the degree of coercion enforced by the chiefs and headmen. However, the Native Authorities<sup>205</sup> were not effectively and enthusiastically enforcing Regulations and Orders given the fact they too who were coffee growers charged with a responsibility to supervise coffee cultivation;<sup>206</sup> but, their plots were poorly managed;<sup>207</sup> thus, they failed to be a good example that the rest of growers learn from.<sup>208</sup> Having their plots being poorly managed was yet another example to growers, but was unacceptable to colonial authority. The engagement of the Chiefs and headmen did not take into account that, most of them were illiterate and could not understand the guidelines. They were not trained in extension services to execute the colonial government's prescribed crop husbandry and management practices.

Evidence shows that, growers who failed to attend their coffee plots were punished and in most cases they had to pay fines.<sup>209</sup> However, payment of fines mostly among 'rich' growers did not lead to the improvement. So to say, the imposition of fines was a failure as 'rich' growers cheerfully and not annoyed to pay. So far, 'payment of fine was regarded as a guarantee of certain period of immunity from attention of unwelcome village headmen.<sup>210</sup> For example, since growers lacked proper guidance on prescribed crop husbandry and management practices also were not distracted with payment of fines they did not take a good care of banana trees which were transplanted with coffee but were not pruned (see Photograph No. 2 below).

<sup>&</sup>lt;sup>205</sup> Confidentila Report on Agriculture Policies, June 1932, TNA 26054.

<sup>&</sup>lt;sup>206</sup> Northcote Report, TNA 24545 p.6.

<sup>&</sup>lt;sup>207</sup> Report on Bukoba Coffee Marketing, TNA 24545 p.6.

<sup>&</sup>lt;sup>208</sup> Northcote Report, 1936, TNA 24545 p.6.

<sup>&</sup>lt;sup>209</sup> District Agriculture Officer (L.C. Edwards) to DA, Ref. No. 34/81/272, October 4<sup>th</sup> 1930, TNA 11969/9.

<sup>&</sup>lt;sup>210</sup> District Agriculture Officer (L.C. Edwards) to DA, Ref. No. 34/81/272, October 4<sup>th</sup> 1930, TNA 11969/9.

Photograph 2: Banana before and after the annual cleanup

Banana (left) before and after (right) the Annual Clean up



Source: Bukoba District Book, October 1937

Under such poor condition coffee trees were exposed to diseases and pest risks that prompted the colonial authority intervention. The colonial authority, particularly the DA intervened to improve the situation. For example, in 1933 an Assistant District Officer were deployed in Kagera to assist the agricultural officer to deal with coffee

problems in the region, little headway was achieved.<sup>211</sup> Thus, in 1937 the DA introduced comprehensive extension services such as guided methods of sowing, planting, cultivation and thinning overcrowded banana trees and pruning leaves. The measures culminated in widespread fear among growers of the outbreak of famine as banana was their staple food and ingredient for making beer, rubisi.<sup>212</sup> The coffee improvement measures faced resistance from growers in the form of riots in 1937 at more or less the same time as Coffee riots in Kilimanjaro. None of existing literature mentioned the colonial authority reaction towards the riots in Bukoba. This study has established that the DO, Major O.A. Flynn, boasted that, 'I ably handled by removing two Chiefs who supported the rioters from their position and ring leaders were punished that led to the restoration of order that persisted throughout the colonial era and led to the adoption and expansion of the crop'. 213 The removal of disobedient Chiefs by the colonial authority to ensure that law and order was maintained. No matter how successful the colonial authority was in arresting riots there was an oversight on a need and necessity to have experts to assist growers to improve the cultivation methods.

The challenge was also experienced in the way coffee was processed. Photograph No 3 below shows a grower in Bukoba processing coffee on the outcrops of flat rock with a boulder attached to rope pulled round and round to crush coffee<sup>214</sup> referred as (*olwazi ne ibalelyokusa* in Kihaya).<sup>215</sup> The *olwazi ne ibalelyokusa* demonstrates a low level of processing,<sup>216</sup> that resulted into damaging or breaking into pieces coffee beans hence, loss of interest from foreign buyers and for those who kept on buying

<sup>&</sup>lt;sup>211</sup> DA to CS, Ref. No. 1410/20, April 15<sup>th</sup> 1937, TNA 24545

<sup>&</sup>lt;sup>212</sup> R.A. Austen, *Northern Tanzania Under German and British Rule,* (New Haven: Yale University Press), p. 225; Göran Hydén, (1980), p.115; Iliffe, (1979), p.295.

<sup>&</sup>lt;sup>213</sup> PC, Lake Province to CS, Ref. No. 694/319, December 15<sup>th</sup> 1939, TNA 26298/8.

<sup>&</sup>lt;sup>214</sup> C. Harvey (undated) 'Coffee Cultivation in Bukoba', TNA 11969/19 Vol II; Iliffe, (1979), p. 282; Charles D. Smith, D: Did Colonialism Capture the Peasantry: A case Study of the Kagera District Tanzania. (Scandinavia Institute of African Studies, Uppsala, 1989) pp. 19 – 20.

<sup>&</sup>lt;sup>215</sup> An interview with Godwin Ruguma, Charles Rugachwa, Josephat Rwakatare and Michael Mwombeki Bagyukura held in Kitendaguro, Bukoba in November 9<sup>th</sup> 2012.

<sup>&</sup>lt;sup>216</sup> T.S Jervis T.S. Jervis, Bukoba Coffee: Inspection and Grading in Bukoba District Book.

were ready to pay poor prices.<sup>217</sup> A low demand and poor price paid for Kagera coffee forced the colonial authority to intervene. This was in 1929 when the Agriculture Department involved itself in coffee marketing in Bukoba, mainly in a supervisory role.<sup>218</sup> In the year, the Bukoba Produce Export (Coffee) Rules and the Export Inspection was promulgated. Also the Coffee Industry (Registration and Improvement) Ordinance coupled with the Grading and Inspection Regulations provided under Ordinance No. 7 of 1929 also the 1929 Coffee Export Rules set out by the DA. All these were strongly opposed by Indian traders<sup>219</sup> and provincial authority<sup>220</sup> whose pressure to the Colonial authority was forced to request the CO for an intervention<sup>221</sup> that, prompted an approval to withdraw the policies.<sup>222</sup>

## **Photograph 3: Traditional Coffee Hulling Method**

<sup>&</sup>lt;sup>217</sup> C. Harvey (undated) 'Coffee Cultivation in Bukoba', TNA 11969/19 Vol II. Iliffe (1979), p. 282; Charles D. Smith, (1989) pp. 19 – 20.

<sup>&</sup>lt;sup>218</sup> DA to CS, Ref. 10430/415, November 5<sup>th</sup> 1930, TNA 11969/9.

<sup>&</sup>lt;sup>219</sup> Bukoba Chamber of Commerce to CS, April, 22<sup>nd</sup> 1929, TNA 41011; Indian Association Memorandum to CS, May 8<sup>th</sup> 1929, TNA 41011; An extract of Indian Association Memorandum to the Governor, June 6<sup>th</sup> 1929, TNA 41011.

<sup>&</sup>lt;sup>220</sup> Lake Province to CS, Ref. No. 71/A/73, April, 22<sup>nd</sup> 1929, TNA 41011; Lake Province to CS, May 23<sup>rd</sup> 1929, TNA 41011.

Governor to Secretary for the Colonies, Dispatch No. 424, April, 29<sup>th</sup> 1929, TNA 41011; Lake Province to CS, May 31<sup>st</sup> 1929, TNA 41011.

<sup>&</sup>lt;sup>222</sup> The Secretary for the Colonies to Governor, Ref. No. 71/A/73, April, 22<sup>nd</sup> 1929, TNA 11969/9; Lake Province to CS, May 31<sup>st</sup> 1929, TNA 41011.



Rock - Hulling (Olwazi ne Ibale Lyokusa) at Kitobo - Bukoba Source: TNA – Bukoba District Book

The withdrawal of the policies marked a critical challenge of the industry as it resulted in the decline of coffee demand.<sup>223</sup> This prompted the Provincial authorities to intervene by invitation in 1936 of Northcote, the Registrar of co-operatives basically to investigate coffee industry problems and to recommend measures to address them. In his investigation, Northcote pointed out that, 'it is evident that the marketing of coffee in Kagera is not in accordance with modern standards and it is in far worse state than the produce market in the Sukumaland (WCGA) prior to the establishment of Native Authority markets'<sup>224</sup> whereby barter trade was dominant<sup>225</sup> (see cotton marketing in the WCGA for details). He further pointed out that, coffee in

 $<sup>^{223}</sup>$  C. Harvey (undated) 'Coffee Cultivation in Bukoba', TNA 11969/19 Vol II. Iliffe (1979), p. 282; Charles D. Smith, (1989) pp. 19 – 20.

Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, TNA 24545.

<sup>&</sup>lt;sup>225</sup> Tanganyika Territory Annual Reports on Co-operative Development Annual Reports (1948).

Kagera was illegally bought by Indian traders at night. Most of the traders were operating *dukas* (retails shops) that led to completion among traders that crop quality was compromised.<sup>226</sup> Thus, Northcote recommended the establishment of the control marketing board charged with coffee marketing and extension provision. This coincided with the promulgation of the Native Coffee (Control and Marketing) Ordinance No. 26 of 1937 that provided for control of coffee produced by Africans in Kilimanjaro. The legislation was envisaged to invigorate the growers' interests in the industry and bring further development of the crop.

Under the Native Coffee legislation the Bukoba District Coffee Board (BDCB) was formed under General Notice No 329 of April 8th 1941 to oversee coffee produced by the Africans. In 1942 the (BDCB) was replaced by the Bukoba Coffee Control Board (BCCB) which was established under the General Notice No. 329 on April 8<sup>th</sup> 1941. The BCCB oversaw the cultivation and marketing of the native- produced coffee just the same as MNCB in which the industry was brought under the control of government; and marketing policy for native produced coffee was harmonised. On October 31st, 1947 the BCCB was renamed the Bukoba Native Coffee Board (BNCB). The BNCB was required to address declining coffee productivity as most of coffee trees were between 26 to 35 years old that they became unproductive.<sup>227</sup> In 1949 the Board distributed 300,000 seedlings to growers;<sup>228</sup> and 500,000 seedlings were supplied in 1950.<sup>229</sup> The BNCB collaborated with the BCU in the supply of 210,000 seedlings to growers 1950 and 1951 respectively.<sup>230</sup> In 1951 few seedlings were made available due to adverse weather conditions; more were supplied from 1957 to 1961 as shown in Table 4 below. More seedling distribution was implemented by the co-operatives; this was partly devolution of BNCB function in handling and management nurseries also the distribution of seedlings.<sup>231</sup> Also, with

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<sup>&</sup>lt;sup>226</sup> Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, TNA 24545.

<sup>&</sup>lt;sup>227</sup> The BNCB Report on Development of Coffee Industry of 1951, Reorganisation of Bukoba Coffee Industry, TNA 25777/1

<sup>&</sup>lt;sup>228</sup> The 1951 Report on the BNCB Development Scheme (a225/2), TNA 25777/1.

<sup>&</sup>lt;sup>229</sup> The 1951 Report on the BNCB Development Scheme (a225/2), TNA 25777/1.

<sup>&</sup>lt;sup>230</sup> The 1951 Report on the BNCB Development Scheme (a225/2), TNA 25777/1.

 $<sup>^{231}</sup>$  The Co-operative Development Department to BNCB, Ref. No. 112/G/199, February 14th 1957, TNA 25777/1



 $<sup>^{232}</sup>$  The BNCB Report on Development of Coffee Industry of 1951, Reorganisation of Bukoba Coffee Industry, TNA 25777/1

Table 4: Coffee Seedlings Distribution in Kagera region 1957 – 1961

Year	Nurseries	Kimwani	Ihangiro	Kianja	Bukara	Kamtwara	Bugabo	Kiziba	Misenyi	Karagwe	Total
1957	31	-	125,762	98,547	5,118	5,561	8,142	41,916	16,737	97,798	399,581
1958	32	30,092	149,636	191,881	4,764	10,970	19,712	77,577	42,594	344,603	871,829
1959	34	15,840	152,935	206,981	6,699	10,412	31,492	67,581	71324	278,701	841,965
1960	33	-	90,097	105,940	1,769	15,532	7,530	25,990	29,469	258,047	534,374
1961	11	-	46,238	64,622	6,411	3,699	3,360	26,284	23,396	210,128	384,138
Total		45,932	564,668	667,971	24,761	46,174	70,236	239,348	183,520	1,189,277	3,031,887

Source: The BCU's Annual Reports for 1959/60 and 1960/61, p.29.

The exercise was further reinforced during the post - independence era and various campaigns to improve the husbandry of coffee were conducted which demonstrate a continuity of policy. A new approach such as demonstration coffee plots were employed by the Union and post-colonial government as an educational campaign (See Table 6 below). The demonstration plots were established in most of the affiliated societies in all divisions (formerly Chiefdoms) so that could reach many growers in order to spread modern coffee farming practices such as application of manure. The BCU cultural section's staff and those from Department of Agriculture provided practical training in demonstration coffee plots where growers learnt some practical methods on coffee husbandry attempted in these campaigns.<sup>233</sup> The demonstration coffee plots are summarised in Table 5 below.

**Table 5: Coffee Demonstration Plots 1968** 

Division <sup>234</sup>	A number of Demonstration plots	Districts
Ihangiro	19	Bukoba
Kianja	17	Bukoba
Bukara	2	Bukoba
Kiamtwara	5	Bukoba
Bugabo	6	Bukoba
Kiziba	14	Bukoba
Missenyi	3	Bukoba
Karagwe	7	Karagwe
Kimwani	1	Biharamulo

Source: BCU 1968/69 Annual Report

Other activities such as spraying insecticide and tree pruning were carried out by the post-colonial government extension services and the BCU staff primarily to improve productivity as summarised in Table 6 below.

**Table 6: Coffee Husbandry (Sprayed and Pruned Trees)** 

Year	Trees sprayed insecticides and pesticides <sup>235</sup>	Pruned trees
1961/62	229,819	43,304
1962/63	318,189	107,668
1963/64	406,257	261,668

Source: Compiled from the BCU 1961 to 1964 reports

<sup>233</sup> BCU Annual report for the year 1968/69, (Bukoba: BCU Printing Unit), p.9.

<sup>&</sup>lt;sup>234</sup> Chiefdoms boundaries were granted divisions administrative status following abolition of Chiefdoms in 1963

<sup>&</sup>lt;sup>235</sup> T BCU Annual Reports for 1959/60 and 1960/61, (Bukoba: BCU Printing Unit), p.6.

Development of coffee production in Kagera region went hand in hand with the commercialisation of the crop. This began at a time of encouragement during the German era. This was noticeable when the Mombasa - Uganda railway reached Kisumu in December 20<sup>th</sup> 1901. When the British occupied the district in coffee production revival was introduced and so on; the resumption of commercial activities that growers were making gainful revenue generated from their coffee sales as summarised in Table 7 below.

Table 7: Coffee (Arabica and Robusta) Marketing Data from 1923 – 1935

	Arabic	a		Robusta		
Year	Tons	Percent age	Value (£)	Tons	Percent age	Value (£)
1923	790	30.8		1773	69.2	N/A
1924	624	17.7		2911	82.3	N/A
1925	1572	57.9		2578	62.1	N/A
1926	1058	22.8	80,388	3579	77.2	244,504
1927	1374	34.9	89,089	2569	65.1	127,373
1928	2582	33	180,122	5244	67	297,785
1929	2073	30.5	138,321	4721	69.5	260,732
1930	2708	36.7	89,115	4660	63.3	104,732
1931	1738	26.4	42,540	4848	73.6	90,721
1932	1401	19.7	58,182	5710	80.3	206,602
1933	2868	36.2	92,170	5054	63.8	134,836
1934	3311	32.4	124,453	6899	87.6	205,230
1935	3409	31.3	88,956	7473	68.7	160,688

Source: R.C Northcote Report on Bukoba Coffee Marketing, (Appendix A), TNA 24545

However, coffee marketing in the Kagera which was controlled by the NA was chaotic despite the existence of marketing reforms introduced in 1932 under the Cooperative legislation (see Chapter 5, Section 5.3 for further details). This was because control of marketing, and quality assurance assigned by the NA was not fully managed due to lack of expertise. Additionally, coffee marketing in the region was controlled from Uganda which was mandated by Tanzania colonial authority to manage the industry in the region owing to geographical proximity and transport infrastructure. Just as in Uganda, the Indian agents, mainly from Mombasa and

Uganda, controlled the export of coffee.<sup>236</sup> The coffee collection and marketing networks in the village were managed by the *abalanguzi i.e.* itinerants who were hired to collect coffee beans from households/growers (see Appendix 15a: Licensed Coffee Dealers in some Gombolola in Kianja Bukoba District; Appendix 15b: Licensed Coffee Dealers in some Gombolola in Ihangiro, Kiziba, Kaimatwara, Bugabo, Kanyengereko, Karagwe and Misenyi Chiefdoms in Kagera region). The *abalanguzi* were a vital network as they lived within a village and occupied an important place as were well-known to growers.

An attempt of an organised form a co-operative society was made by the Native Growers Association (NGA) in the 1930s, but it received some support from the colonial authority. This was an indication that co-operative marketing was disregarded (see Chapter 5, Section 5.4 for details). This also contributed to the coffee marketing policy which was in place which was generally in favour of private traders. It can also be recalled that in the process of developing the co-operative legislation, it was made clear by the colonial authority that it targeted the KNPA mainly to suffocate it and an attempt to such direction in Kagera was not a priority because it was thought to pose a threat to the political establishment (see Chapter 3, Section 3.2).

When the colonial authority invited Northcote to Kagera in 1936, they also gave him terms of reference to study and make recommendations on processing, marketing and control of adulteration of coffee. To improve coffee marketing and crop quality Northcote recommended establishment of the centralisation buying posts.<sup>237</sup> This was envisaged to end itinerant traders from collecting coffee from farms as many growers would not travel long distances to deliver his/her crop. Northcote also recommended the introduction of bulk of marketing (see table 8 and Appendix 12 for a summary of licensed coffee dealers in Chiefdoms and Gombolola).

<sup>&</sup>lt;sup>236</sup> Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, TNA 24545, pp.11- 12.

<sup>&</sup>lt;sup>237</sup> R.C. Northcote, Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, 1936, pp.14 - 15, TNA 24545.

Following the outbreak of the Second World War the Bukoba Coffee Control Board (BCCB) and later BNCB with effect from 1942 charged with supplying coffee to the Ministry of Food under a long-term contract under the Defence Ordinance and Orders of 1939 and 1940. The Bukoba Coffee Control Board (BCCB) which supplied 4,000 tons of coffee<sup>238</sup>as provided under Section 7 of the contract.<sup>239</sup> The evidence shows that such price for Robusta produced in Kagera which was pegged at a price not less than £60 and not exceeding £75.240 In an attempt to ensure supply of coffee was maintained, marketing zones were set up and agents were appointed to handle coffee from growers (see Table 8 below). However, Coulson in his work has indicated that, the agents and these zones were created in 1954241 which is incorrect. It has to be noted that, the agents licence expired in November 30th 1954 when the coffee purchase contract between the Board and Ministry of Food expired.<sup>242</sup> This was in compliance with the CO's policy regarding crop marketing which was published in June 1937 in which it was stressed that local agencies should to be involved. This contributed to a fading away of interest in co-operative societies. For agents, co-operatives meant deprivation of the opportunity that they enjoyed over the years.

<sup>&</sup>lt;sup>238</sup> The Long Term Contracts Policy on the United Kingdom Departments and Colonial Agriculture Producer, TNA 25147; Standard Newspaper September 28<sup>th</sup> 1948, TNA 25147.

<sup>&</sup>lt;sup>239</sup> A Contract on the Local Arrangement for Handing of Ministry of Food Coffee, Director of East Africa Produce Disposal and Supply Council (Nairobi), March 13<sup>th</sup> 1947. TNA 37200.

<sup>&</sup>lt;sup>240</sup> DA to CS, Ref. No. C/133/330, December, 17<sup>th</sup> 1942, TNA 37200; Ministry of Food to CS, Telegram No. WB/293, November 21<sup>st</sup> 1946, TNA 37200..

<sup>&</sup>lt;sup>241</sup> Andrew Coulson, (1982), p. 66.

<sup>&</sup>lt;sup>242</sup> Extracts from BNCB Meeting, October 15<sup>th</sup> 1952, TNA 29585.

Table 8: Coffee Marketing Zones, Locations and Appointed Agents in Kagera

S/N	Zone	Sub - Chiefdoms/Locations	Appointed Agents
1	Muleba	Kahengere, Bukoba, Ilamera, Mubunda, and Karambo	Sherrif Jiwa and Co Ltd
2	Nshamba	Kashasha, Mbatama, Kishanda, Nshamba, And Birabo	Messers. M. N. Patel and Co Ltd
3	Kamachumu	Ibuga And Kamachumu	Messers. Rashid Maledina and Co Ltd
4	Muhutwe	Izigo , Muhutwe, Rwagati, and Minazi	J. s. Patel and Co Ltd
5	Ikimba	Kabirizi, Mikoni, Ibweru, Kishogo, and Kaibanja	Messers. Rashid Maledina and Co Ltd
6	Maruku	Kanyangereko Chiefdom	J.S. Patel and Co Ltd
7	Kiziba	Kiziba Chief	Messers. J. S. Patel and Co Ltd
8	Bugabo	Bugabo Chiefdom	Sheriff Jiwa and Co Ltd
9	Kyaka	Misenyi Chiefdom	Messers Shah and Co Ltd
10	Karagwe	Karagwe Chiefdom	Messers Shah and Co Ltd
11	Bukoba	Kyantwara Chiefdom	Mr Kassamali Allarakhusa and Co Ltd
12	Bumbire	Ihangiro	The BCU (from 1950)

Source: BCNB 1948 and 1950 Annual Reports

Britain presented a proposal for extension of the bulk purchase contract for a supply of coffee, which was about half of the British home needs up to 1954<sup>243</sup> which was 2,000 tons of Robusta coffee to Ministry of Food for 1952/53 and the same tonnes for 1953/54<sup>244</sup> on much the same price terms as previous contracts. The remaining stock was sold in auctions and Robusta was sold £100 per ton contrary to £65 on the same weight paid by the Ministry of Food<sup>245</sup> and led to an escalation in smuggling (for further details see Chapter 5, Section 5.5).

In summary, coffee cultivation was encouraged by the district commissioner in both Kagera and Kilimanjaro immediately after Britain took over Tanzania to help realise financial self-sufficiency. However, it has been shown that, the approaches in promoting coffee cultivation to native growers differed as compulsion dominated in Kagera whereas persuasion was dominant in Kilimanjaro. Coffee cultivation among small-scale growers was generally a success despite some challenges in Kagera that prompted government intervention. The passage of coffee improvement legislation enhanced coffee improvement in both regions in which the government had to intervene from 1937 through the MNCB for Kilimanjaro and the BNCB in Kagera that led to further entrenching government control over native produced coffee. Cotton production and marketing in the WCGA is examined in the next section. It traces the background and policy related to the development by highlighting the role of ECGC, engagement of growers in cotton production and traders in the marketing of the crop.

## 2.4: COTTON PRODUCTION AND MARKETING POLICY

This section examines the development of the cotton crop in the WCGA. In an attempt to illuminate the policy development, this section is subdivided into sections and subsections in which the policy and legislation related to the production and marketing of cotton during colonial era are explored. It also shows the extent to which the local chiefs and small-scale growers were engaged by the colonial

<sup>&</sup>lt;sup>243</sup> The Decontrol of Coffee, Press Notice by Ministry of Food August 20<sup>th</sup> 1952, TNA 37200.

<sup>&</sup>lt;sup>244</sup> Ministry of Food to DA, Ref. No. CS/CP 30G, April 23<sup>rd</sup> 1952, TNA 37200; DA to CS, Ref. No. C/135/836, December 17<sup>th</sup> 1946, TNA 37200.

<sup>&</sup>lt;sup>245</sup> Charlotte Leubuscher, (1956), pp.53-66.

authority in cotton production and demonstrates the support mechanisms provided by the colonial authority.

Unlike coffee, cotton production was mainly influenced and co-ordinated from Britain, which depended on imports from other countries. Cotton cultivation, just the same as coffee policy, employed small-scale growers. The cultivation of cotton was meant to promote financial self-sufficiency and supply of raw materials to Lancashire textile industries with the additional benefit of reducing dependence on imports from the USA. 246 To achieve this goal, the ECGC was charged with developing production in the WCGA 247 where it injected in 1934 it committed between £6,850 and £3,740 on recurrent account annually for five years from 1934 to 1939 to assist cotton development mainly research in Ukiliguru and Lubaga. 248 It also appointed 10 cotton experts to develop the industry aimed at strengthening the local Department of Agriculture. One of its experts was appointed as the Assistant Director of Agriculture who was stationed in Mwanza charged with a responsibility to promote and oversee cotton production in the WCGA; 250 and Mr Phillip Watson Briggs was hired as District Agriculture Officer from the BCGA, Uganda's office. 251

The reinforcement of the Department was crucial given that agriculture was not only potential but it was also the mainstay of the economy of the colony. The DCs were

<sup>&</sup>lt;sup>246</sup>East Africa Railways and Habours Magazine, June, 1956, Vol. 2 – 9, p.305, TNA 215/655 Vol. I.

<sup>&</sup>lt;sup>247</sup>Report to the Board of Trade of the Empire Cotton Growing Committee Presented to the Parliament by Command of His Majesty in 1920, (London: His Majesty Stationary Office), p.33, TNA 215/655 Vol. I.

<sup>&</sup>lt;sup>248</sup> Memorandum by the DA regarding Assistance from ECGC, August 21<sup>st</sup> 1931, TNA 19496; Government Policy on Agriculture Development, p.2, TNA 26054.

<sup>&</sup>lt;sup>249</sup> N.R. Fuggles-Couchman, *Agriculture Change in Tanganyika:* 1945 – 1960, (Stanford, California: Food Research Institute, Stanford University, 1964), p.17.

<sup>&</sup>lt;sup>250</sup> Bulletin of the Imperial Institute, A Quarterly Record of Progress in Tropical Agriculture and Industries and the Commercial Utilisation of the Natural Resources Of the Dominions, Colonies and India, VOL. XX. 1922 (London: Hasell, Watson and Viney, Ltd., 1922), p.176, TNA 215/665, Vol. I

<sup>&</sup>lt;sup>251</sup>BCGA's Chairman and Managing Director (W.H. Himbury) to Under-Secretary of State, CO, December 17<sup>th</sup> 1934, TNA21032; Employment Agreement Between BCGA and Phillip Watson Briggs, October 19<sup>th</sup> 1934, TNA21032; DA to BCGA (Uganda), Ref. No. 281/512, January 19<sup>th</sup> 1935, TNA 21032.

also considered as important officials to facilitate cotton production.<sup>252</sup> A team of agricultural instructors were recruited, of which three of them were European foremen and twenty-four African, specialised in cotton on temporary/part-time basis.<sup>253</sup> The recruitment of staff continued throughout the colonial period. The extension officers received training at the Ukiliguru cotton experiment station. Their training was conducted regularly to update them with new developments in cotton growing. For example, from 1940 new courses were established for agriculture instructors at the Ukiliguru Cotton Research Centre. Funds for training were made available from wartime sales of cotton.<sup>254</sup>

African instructors conversant in Kisukuma, Kizinza, Kikerewe or Kijita, which are some of the local languages, were deployed in the districts of Kwimba, Musoma, Mwanza, Ukerewe and Shinyanga, all within WCGA where they were charged with advising growers on suitable land, when to plant, and methods of sowing and weeding. These extension staff supervised African cotton farms. Such instructions were informed by specific guidelines that were issued by the officers to growers aimed at control of cotton quality. Such guidelines defined cotton cultivation policy for small-scale growers.

The colonial authority also had a role to play in promoting the industry by passage of legislation under Government Notice No. 84 in 1931 that provided a basic guideline on cotton cultivation.<sup>258</sup> The Rules were amended in 1933 under Government Notice

<sup>&</sup>lt;sup>252</sup> Bulletin of the Imperial Institute, A Quarterly Record of Progress in Tropical Agriculture and Industries and the Commercial Utilisation of the Natural Resources Of the Dominions, Colonies and India, VOL. XX. 1922 (London: Hasell, Watson and Viney, Ltd., 1922), p.176, TNA, 215/665, Vol. I

<sup>&</sup>lt;sup>253</sup> Lake Province, PC, Lake Province to CS, Ref. No. 26298/29, February 14<sup>th</sup> 1940, TNA 26298/8.

<sup>&</sup>lt;sup>254</sup> Agriculture Policies, TNA 26054.

<sup>&</sup>lt;sup>255</sup> PC, Lake Province to CS, Ref. No. 694/205, August 17<sup>th</sup> 1939, TNA 26298/8.

<sup>&</sup>lt;sup>256</sup> Maswa DC to PC, Ref. No. 301/2 of October 9<sup>th</sup> 1933, TNA 215/665, Vol. I.

<sup>&</sup>lt;sup>257</sup> PC, Lake Province to CS, Ref. No. 694/205, August 17<sup>th</sup> 1939, TNA 26298/8; Maswa DC to PC, Ref. No. 301/2 of October 9<sup>th</sup> 1933, TNA 215/665, Vol. I.

<sup>&</sup>lt;sup>258</sup> Government notice 84, Co-operative Cotton Buying and Ginning in the Lake Province, TNA 1423C.

Number 78 in 1936. <sup>259</sup> Under the Rules it was made compulsory for growers to tend their crop from planting to harvest. The Chiefs were made responsible for compulsory cotton cultivation policy enforcement. Bonuses were given to the Chiefs and village headmen who were exemplary in stimulating cotton growing. <sup>260</sup>

Davidson's work illustrates the great economic crash and its consequences in Africa from 1929 to the early 1930s. He demonstrates it caused a substantial fall in government revenue. This section establishes that the growers were adversely affected due to the low price for their produce, something that demoralised growers. Measures undertaken by the colonial government to bolster the territory's finances involved an 'Increase Production Campaign' to offset depression deficits. The campaign covered food crops as well and involved forced labour. The growers were heavily engaged as it was compulsory to increase farm size for both cotton and food crops for export in order to maintain their income at the levels in previous seasons/years owing to shortage in other parts of the world. As a result, growers organised themselves in informal work/farming groups referred to as *luganda*, *uinyabeleja*, *lukoba or salengekilimo* in Kisukuma language to work in turn in members farms.

To achieve this objective, new regulations were put in place,<sup>265</sup> forcing growers to tend their crop from planting to harvest. Rodney in his analysis on extraction of resources outlined measures employed by the colonial authority to compel growers to cultivate cotton.<sup>266</sup> In his work, Bowles also mentions compulsory measures

<sup>&</sup>lt;sup>259</sup> Government Notice Number 78, Co-operative Cotton Buying and Ginning in the Lake Province, TNA 1423C.

<sup>&</sup>lt;sup>260</sup> Maswa DC to PC, Ref. No. 301/2 of October 9<sup>th</sup> 1933, TNA 215/665, Vol. I.

<sup>&</sup>lt;sup>261</sup> Basil Davidson, *Modern Africa: A Social and Political History*, (London: Longman, 1984), pp.51-52.

<sup>&</sup>lt;sup>262</sup> Interview with K.K. Nangale, November 13<sup>th</sup> 2012

<sup>&</sup>lt;sup>263</sup> Government Notices Number 84, 1931, No. 78, 1933 also in 1936;

<sup>&</sup>lt;sup>264</sup> DA to CS, Ref. No. 35/1237, February 15<sup>th</sup> 1946, TNA 26054.

<sup>&</sup>lt;sup>265</sup> Government Notices Number 84, 1931, No. 78, 1933 also in 1936

<sup>&</sup>lt;sup>266</sup> Walter Rodney, *How Europe Underdeveloped Africa*, (Dar Es Salaam: Tanzania Publishing House, 1973), p. 259.

imposed to growers to produce cotton.<sup>267</sup> However, both Rodney and Bowles lack specific details and cases/examples which this section has been able to establish. For example, there was compulsory planting of minimum cotton acreage for each household. For example, in Uzinza Chiefdom it was 25 percent in 1931 which was increased to ½ acre in 1933 in which the policy was enforced by the Chiefs.<sup>268</sup> The compulsion powers were provided under the NA (Extension Power) (Cultivation of Cotton) Order, 1935 and Government Notice No. 75 of 1935. Under such legislation growers who failed to comply with the orders were punished.<sup>269</sup>

Better farming implements were important in increasing cotton cultivation. Usually, growers used rudimentary tools for farming. An English hoe had to replace the native *jembe* (hand hoe) which was light and fragile that could not break up the dry/hard soil to any real depth, something necessary for commercial production. 'Progressive growers' were persuaded to use light ploughs drawn by their trained oxen that were introduced in the district in 1923 by the Director of the Game and Preservation Department, Mr C.F.M Sweynnerton as part of experiments in connection with tsetse control work<sup>270</sup> with funding from the 1929 Colonial Development Act.<sup>271</sup>

The colonial authority was also responsible in collaboration with Uganda's colonial government in arrangements, policies and legislations connected to the processing (ginning) marketing and transportation of the of the cotton crop. The two governments played a role in attracting investments in cotton processing and attracting buyers. A monopoly was granted to cotton merchants who had the financial capital to handle the entire crop produced in the WCGA on annular basis.

<sup>&</sup>lt;sup>267</sup> B. D. Bowles, Export Crops and Underdevelopment in Tanganyika 1929-61, In Udated, p.76,

http://archive.lib.msu.edu/DMC/African%20Journals/pdfs/Utafiti/vol1no1/aejp001001 005.pdf Accessed in December 18<sup>th</sup> 2014.

<sup>&</sup>lt;sup>268</sup> Maswa DC to PC, Lake Province, Ref. No. 402/3676 of May 16<sup>th</sup> 1933, TNA 215/665, Vol. I.

<sup>&</sup>lt;sup>269</sup> PC, Lake Province, to CS Ref. No.665/631, October 5<sup>th</sup> 1948, TNA 29121.

<sup>&</sup>lt;sup>270</sup> Lake Province Districts' Reports Book I

<sup>&</sup>lt;sup>271</sup> L. P. Mair, *Welfare in the Colonies*, (Bombay: Oxford University Press, 1944), p.85.

As a result, the natives were not considered because were not financially capable and lacked knowledge and experience. The practice was applied throughout the interwar years with limited government intervention by the Native Authorities which were assigned control and quality assurance.<sup>272</sup> However, the system proved a failure in ensuring control of quality because it was compromised, traders pushed cotton price below the government recommended amount and cheating of growers was widespread.<sup>273</sup> Also, barter trade dominated whereby cotton was exchanged with manufactured goods despite an attempt to discourage it by introduction of cash trading.<sup>274</sup> There was concern about the spread of diseases such as black boil, *fusarium* wilt and bacterial blight and pests risks as cotton bollworm and spinney bollworm from one village to the other that could curtail production in the entire WCGA, thus leading to serious implication on the industry and the country's economy.

The critical problem was that, the ginning of cotton was marred by defects that led to the deterioration of quality. The situation prompted intervention by the colonial government which conducted an investigation in 1923 and subsequently recommended solutions.<sup>275</sup> The intervention was put in place in marketing as this could no longer left to ginners alone.<sup>276</sup> It was recommended that cotton marketing has to be allocated to ginneries/ginning zones<sup>277</sup> provided under the 1931 Cotton Ordinance, which was amended in 1933 that provided for the control of cultivation, marketing, and ginning. The Ordinance reorganised cotton growing areas into zones to curb spread of diseases, and purchase licensing was introduced that confined

<sup>&</sup>lt;sup>272</sup> DA to CS, Ref. No. 6/5389, July 24<sup>th</sup> 1935, TNA 23218; DC Shinyanga to PC Lake Province, Ref. No. 62/38, February 1936, TNA 23218.

<sup>&</sup>lt;sup>273</sup> PC Lake Province to DA (copy to CS), Ref. No. 1302/150, August 24<sup>th</sup> 1935, TNA 23218.

<sup>&</sup>lt;sup>274</sup> Tanganyika Territory Annual Reports on Co-operative Development Annual Reports (1948).

<sup>&</sup>lt;sup>275</sup> PC Lake Province to DA (copy to CS), Ref. No. 1302/150, August 24<sup>th</sup> 1935, TNA 23218

<sup>&</sup>lt;sup>276</sup> DA to CS, Ref. No. 6/5389, July 24<sup>th</sup> 1935 in response to CS to DA, Ref. No. 10844/533, TNA 23218.

<sup>&</sup>lt;sup>277</sup> PC Lake Province to DA (copy to CS), Ref. No. 1302/150, August 24<sup>th</sup> 1935, TNA 23218.

buyer's operation to a specific production zone.<sup>278</sup> The cotton rules were introduced to curb indiscriminate buying and to control uneconomic competition that could adversely affect cotton quality. They also granted permission to ginners for erecting ginneries in which in 1933 Ladha Meghji erected ginneries in Luguru;<sup>279</sup> also in Uzinza in 1938 and Mugango in 1936.<sup>280</sup> The Mugango ginnery was meant to serve cotton produced in Busegwe, Ikizu, Ushahi and Bukwaya; and the British East Africa Corporation which was an agent of the BCGA in East Africa erected a ginnery in 1933 at Usogore in Shinyanga district, but, in 1940 it transferred ownership to Ladha Meghji.<sup>281</sup> Baghwaji Sundweji and Company had five ginneries and also erected a ginnery in Uzinza that became the biggest ginner in the WCGA.<sup>282</sup>

In the 1920s the NA were given responsibility for overseeing cotton marketing.<sup>283</sup> In some cases quality of the produce cotton delivered for marketing was compromised by cotton growers.<sup>284</sup> As a result, cotton buying posts and later zones were created for quality control in the 1930s in an attempt to control the spread of pests and diseases;<sup>285</sup> importantly, quality control of the produce. Throughout the colonial period, cheating was widespread by underweight, under grading their delivery and underpaying them that partly demoralised grower participation in cotton production.<sup>286</sup> This proved challenging due to their inability to control cheating by Asian traders.<sup>287</sup> All this increased mistrust of the officers by growers and NA that

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<sup>&</sup>lt;sup>278</sup> Government Notice No. 84 of 1931 which were amended in 1933 under Government Notice No. 78

<sup>&</sup>lt;sup>279</sup> Ladha Meghji to DA, March 15<sup>th</sup> 1935, TNA 215/772.

<sup>&</sup>lt;sup>280</sup> A. Willis on behalf of Ladha Meghji to DA, January 9<sup>th</sup> 1935, TNA 215/772

<sup>&</sup>lt;sup>281</sup> Chairman (E.H.M Legget), British East Africa Corporation to DA, November 14<sup>th</sup> 1933

<sup>&</sup>lt;sup>282</sup>Baghwaji Sundweji and Company to DO Mwanza District, March 13<sup>th</sup> 1935, TNA 215/772.

<sup>&</sup>lt;sup>283</sup> DA to CS, Ref. No. 6/5389, July 24<sup>th</sup> 1935, TNA 23218; DC Shinyanga to PC Lake Province, Ref. No. 62/38, February 1936, TNA 23218.

<sup>&</sup>lt;sup>284</sup> PC Lake Province to DA (copy to CS), Ref. No. 1302/150, August 24<sup>th</sup> 1935, TNA 23218

<sup>&</sup>lt;sup>285</sup> PC Lake Province to DA (copy to CS), Ref. No. 1302/150, August 24<sup>th</sup> 1935, TNA 23218.

 $<sup>^{286}</sup>$  Popat Ranji to Lake Province PC June 20th 1947 and August 19th 1947 and Dec  $22^{\rm nd}$  1947 to Bishop of Mwanza, TNA 215/1423/C; Uzinza Farmers Association to Ibanza (Council of Chiefs), October 2nd 1950, TNA 215/1423/A. .

<sup>&</sup>lt;sup>287</sup> DA to CS, Ref. No. 1312, February 22 1935, TNA 22813.

created to find a solution through the formation of weighing groups after the Second World War (see Chapter 6, Section 6.4).

In her work Gorst shows that following the outbreak of WWII the government had to intervene in cotton marketing.<sup>288</sup> However, she has just shows this was through the Defence (Control of Cotton) Regulation. But, she has not shown how the process and legislation was applied that this section attempts to expand her findings that after the outbreak of WWII, an Export Group was appointed to handle the crop on behalf of the colonial government and the Ministry of Food. The measure was not only to ensure supply of cotton to Britain but also marketing of growers' produce. These developments demonstrate that growers had no stake in the marketing of their produce. This was marked policy shift in agriculture marketing from inter-war marketing strategies discussed earlier. This was geared to suit the colonial power interventions and control of agriculture marketing following the outbreak of WWII in 1939 to 1950s cotton was also subjected under the Defence (Control of Cotton) Regulation of 1939,<sup>289</sup> 1942 and 1943<sup>290</sup> under which the Colonial Office assured the Colonial government in Tanganyika<sup>291</sup> that it was committed to purchase 45,000 bales (see Appendix 2 for a number of cotton bales produced from 1935 to 1946) of cotton from WCGA<sup>292</sup> at a fixed price of 12/- shillings (£10) per a bale for a five year contract.293

Crucially, in the WCGA there was no control Board for cotton as there was for coffee, thus the DA had to assume the role of Cotton Controller. A Cotton Advisory Board, which was set up in 1927, which was charged with responsibility for approving and

<sup>288</sup> Sheila Gorst, (1959), pp.171-172.

<sup>&</sup>lt;sup>289</sup> Government Notice No. 325, TNA 34953.

<sup>&</sup>lt;sup>290</sup> DA to CS, Ref. No. 100/43, March 25<sup>th</sup> 1943, Cotton Control and Marketing during Wartime, TNA 34953.

<sup>&</sup>lt;sup>291</sup> DA to CS, Ref. No. 100/42, March 25<sup>th</sup> 1942, TNA 34953

<sup>&</sup>lt;sup>292</sup> DA to Lake Province Ginners Association, Ref. No. 252/5, January 22<sup>nd</sup> 1943, TNA 34953.

<sup>&</sup>lt;sup>293</sup> Telegram CS Uganda to CS Tanganyika, December 17<sup>th</sup> 1942, TNA 34953; The Tanganyika Standard, December 2<sup>nd</sup> 1941, TNA 28259/21; DA to CS, Ref. No. 1007/4839, October 2<sup>nd</sup> 1941, TNA 28259/21.

issuing of the cotton marketing licenses.<sup>294</sup> The co-ordination of marketing was handled by the East African Exporters Group,<sup>295</sup> which was set up by the colonial government as the administrative machinery designed for the execution of the contract arrangements. According to the Emergency Powers (Defence) Acts of 1939 and 1940 also Sections 7 and 8 of the 1943 Regulations each group member was allocated by the DA the quantity or a number of bales to supply during the basic seven years. The Exporters Group came into long term agreement with the Ministry for purchase of the whole cotton crop produced in the Lake Province/WCGA<sup>296</sup> on fixed price of 12 cents per lb in 1943.<sup>297</sup> By 1950 this had risen to 34 and by 1960 to 54 cents per lb;<sup>298</sup> and it was increase to 1.06 shillings for AR grade and 0.51 cents for BR grade by 1968.<sup>299</sup>

The administrative machinery to handle cotton exports during and post-war years was reinforced by a cotton marketing policy that did not consider promotion of the co-operatives. Instead, it reinforced the East African Exporters Group role in handling cotton. The position of the East African Exporters Group in Uganda was weakened following the setting up of the Lint and Seed Marketing Board (LSMB) which, took over the Group's functions in 1949.<sup>300</sup> Ugandan Cotton Board handed over its functions to the Tanzanian Board, the Lint and Seed Marketing Board (LSMB) in 1952 following its formation which was provided under the Lint and Seed Marketing Ordinance No. 11 of 1952 that provided for setting up of the LSMB in April 1st 1952 with John Ballemy as its first Manager. This was a year when the supply of

<sup>&</sup>lt;sup>294</sup> DA to CS, Ref. No. 473/3878, July 23<sup>rd</sup> 1927, TNA 34953.

<sup>&</sup>lt;sup>295</sup> The Uganda Gazette, Vol. XXXVI, No. 13, January 12<sup>th</sup> 1943 (signed by Max Nurok – the deputy CS, TNA 34953; Members of the East African Exporters Group were Messrs Dakin Chairman), Collins, Paraschis, Paarekh, Clarke and Hassan Kassim) – Tanganyika Standard, December 19<sup>th</sup> 1942, TNA 34953.

<sup>&</sup>lt;sup>296</sup> The Defence Regulation (Control of Cotton) Order, 1943, TNA 34953.; Extracts from the meeting of the Cotton Board, held in Dar Es Salaam, May 4<sup>th</sup> 1944, TNA 34953 Vol. II.

<sup>&</sup>lt;sup>297</sup> CS Uganda to CS Tanganyika, December 17<sup>th</sup> 1942, TNA 34953 Vol. II.

<sup>&</sup>lt;sup>298</sup> IBRD, *The Economic Development of Tanganyika*, (Baltimore: Johns Hopkins University Press, 1961), pp. 12, 13 and 202.

<sup>&</sup>lt;sup>299</sup> The World Bank, Tanganyika Agriculture and Rural Development Sector Study, Vol. II, December 10<sup>th</sup> 1974, (Baltimore: Johns Hopkins University Press), p. 4.

<sup>&</sup>lt;sup>300</sup> Masao Yoshida, *Agricultural Marketing Reorganisation in Post War East Africa, In Agricultural Marketing Intervention in East Africa: A Study in the Colonial Origins of Marketing Policies* 1900 – 1965, (1980), pp. 252 – 254.

cotton on contract basis to Britain came to an end. However, the until the Board 1958 exported Tanzania's cotton through the Uganda Cotton Board that is why the VFCUS could not be appointed as agent just the same of the KNCU until when it acquired the export status with effect from 1959.

In summary, this section has examined coffee and cotton marketing and provided an analysis of the administrative machinery designed for execution bulk purchase of the two crops on long-term contract arrangements provided under the Defence Ordinance and Orders. Under these arrangements both crops were handled by the appointed agents on behalf of the Ministry of Food and Supplies. This provided assurance to growers to sell their produce during the war and post-war period, but the price paid was determined by the buyer. The handling of coffee by the KNCU further reinforced its monopoly position, whereas in Kagera appointed agents weakened the desire to promote co-operatives. Similarly, cotton handling and marketing in the WCGA under control of the appointed agents who by then were experienced in crop handling as the co-operatives were unlikely as the war circumstance pressurised for utilisation of available networks.

The success of bulk purchase proved economically important to the colonial power. However, the policy functioned on a contract basis that had obviously to be discontinued at a certain point. In an attempt to ensure sustained economic recovery, the post-war economic policies such as intensification of state intervention in agriculture were put in place as examined in the following section.

## 2.5: THE POST - WWII AGRICULTURE DEVELOPMENT POLICIES

The previous section discussed the financial crisis during the Second World War and the measures undertaken by Britain as the war efforts which were all characterised by government intervention. Such interventions affected the colonies that are discussed in this section with focus on Tanzania, where there were three policy approaches that were employed in an attempt to recover the British war-ravaged

economy.<sup>301</sup> Britain's export industries had been destroyed during the war or production was diverted to the war effort. The net earnings from foreign investments and services such as shipping were drastically reduced and it had war debts, mainly to countries of the sterling area; and had huge debts to pay to the government of United States of America (USA).<sup>302</sup> This required new efforts for the reconstruction of the British economy.<sup>303</sup> This enhanced a need to exploit colonial resources within the sterling bloc to pay debts and to have a stable balance of payment.<sup>304</sup>

The Colonial Development and Welfare Act passed in 1945 Acts was envisaged to raise the standard of living of the colonial peoples. Under the Act funds were made available by the colonial power as assistance to colonial governments. Funding was augmented in 1948 by the Overseas Resources Development Act that led to the formation of the Colonial Development Corporation (CDC) and Overseas Food Corporation (OFC). The OFC was responsible to the Ministry of Food and set up primarily to increase production of dollar-earning or dollar-saving commodities by the processing and marketing of agricultural products anywhere outside the United Kingdom. The OFC brought about the first example of direct government intervention in agriculture production in the colonies. However, it has to be noted that, the direct government intervention in agriculture production is not a core part of this study.

Some of the examples of colonial government intervention were the groundnut scheme<sup>305</sup> in which the first project to be undertaken was in Kongwa, Urambo and Nachingwea, Tanzania to supply to the international market, all these which was managed by the OFC until 1955 when it came under the Tanganyika Agriculture Corporation (TAC).<sup>306</sup> The government groundnut production in Kongwa is well

<sup>&</sup>lt;sup>301</sup> Billy Frank, (2002), p.1.

<sup>&</sup>lt;sup>302</sup> Billy Frank, (2002), p.75.

<sup>&</sup>lt;sup>303</sup> CO, Colonial Agricultural Policy, (London: The Colonial Office, (1945), p.3, TNA 27317; DA Circular despatch to Directors (Veterinary, Tsetse Research), Ref. No. 27317/33, August 15<sup>th</sup> 1946, TNA 27317.

<sup>&</sup>lt;sup>304</sup> Billy Frank, (2002), pp.26, 75.

<sup>&</sup>lt;sup>305</sup> The Minister of Food, Memorandum on the East African Groundnut Scheme, (London: HMSO, January 14<sup>th</sup>1948).

<sup>&</sup>lt;sup>306</sup> Ann Seidman, (1972), p. 178.

documented as a failure.<sup>307</sup> Such schemes are noted here due to their significance especially, the tenancy scheme in Urambo which was adopted by the post-colonial government in an attempt to promote tobacco production. Also, the cultivation of dollar earning crops such as cotton, rice and wattle.<sup>308</sup> At the same time, state intervention was considered vital and the private sectors such as banks were encouraged to take part by making capital available for development projects.<sup>309</sup> It has to be noted that important driving force behind colonial development policy was the reconstruction of the British economy. In this regard it was believed that the improvement in agricultural production would increase dollar earnings.

The second approach was intensification in the utilisation of the small scale producers mainly cotton in the WCGA as well as coffee in Kagera region (see Table 6 and 9). Funds were made available in the colonies as development assistance envisaged to strengthen the capacity of the colonial economies to be more productive and in realising development of colonial resources to facilitate the regeneration of the British economy. For example, funds were made available under the Colonial Development and Welfare Act of 1945 for the Maruku coffee research station in Kagera for the development of the infrastructure.<sup>310</sup>

The use of the small scale producers in the WCGA was categorised in the two approaches; first, the continuation of the inter-war policy whereby the small scale producers were forced to produce cotton under the Government circular No.28 of 1939 which provided for intensive 'Plant More Crops Campaign' targeting small scale growers. Also the 1942 Government Notice No. 177 was that provided for the cotton planting compulsion policy which was provided under the Defence and Emergence

<sup>&</sup>lt;sup>307</sup>Alan Wood, *The Groundnut Affair*, (London: Bodley Head,1950); Andrew Coulson, Agricultural Policies in Mainland Tanzania, in *Review of African Political Economy* 10, 1977, pp. 75-76; J.S. Hogendorn, K.M. Scott, The East African Groundnut Scheme: Lessons of a Large-Scale Agricultural Failure, in *African Economic History*, 10, 1981, pp. 81-115; Matteo Rizzo, What Was Left of the Groundnut Scheme? Development Disaster and Labour Market in Southern Tanganyika 1946–1952, in *Journal of Agrarian Change*, 6, 2, 2006, p. 208.

<sup>&</sup>lt;sup>308</sup> Billy Frank, (2002), p.208, 210.

<sup>&</sup>lt;sup>309</sup> Billy Frank, (2002), pp.8, 36-58.

<sup>&</sup>lt;sup>310</sup> Horace Plunket Foundation, *Year Book Agricultural Co-operation*, (London: Basil Blackwell, 1961), p.221.

Orders.<sup>311</sup> The compulsion practices were further reinforced under Ordinance No. 57 of 1951 in response to concerns over the slow expansion of cotton cultivation in the WCGA.<sup>312</sup> The compulsion measures were justified as in order to target 'the indolent anti-social few who have to be dealt with'.<sup>313</sup>

Secondly, £520,000 was made available between 1947 and 1956 for the Sukuma Development Scheme, which was one of the largest development projects in the WCGA. The scheme was the most comprehensive of all the post-war colonial development schemes, which aimed to increase colonial production of goods and raw materials through state intervention. It was also envisaged providing for economic use of the land and modernisation of agriculture by targeting the 'progressive farmers' that formed the third policy approach. Under the policy, coordination was put in place to introduce a new system of agriculture with better farming methods, improved crop seed strains by and large to strengthen the flow of revenue and to raise the standard of living of the natives.

The progressive farmers were exposed to rigorous extension services and training revolved around individualised technical support so as to orient them towards increasing productivity.<sup>315</sup> It was also envisaged to forestall future discontent by broadening the middle class collaborative base to enhance political stability and create conducive conditions for extraction of resources. The scheme also involved resettling of the population in 8,000 square miles of unoccupied land in Geita and Maswa Districts specifically in the current Meatu district from densely populated areas of Kwimba district. The resettlement had an impact on increase cotton production in the WCGA as shown in Table 9 below.

<sup>&</sup>lt;sup>311</sup> PC, Lake Province to CS, Confidentila, Ref. No 665/631, October 5<sup>th</sup> 1948, TNA 28259/21.

<sup>&</sup>lt;sup>312</sup> PC, Lake Province to PC, Lake Province Member of Local Government, Confidentila, Ref. No 29121/41, December 10<sup>th</sup> 1951, TNA 28259/21

<sup>&</sup>lt;sup>313</sup> Member of Local Government to PC, Lake Province, Confidentila, Ref. No 29121/41, December 24<sup>th</sup> 1951, TNA 28259/21.

<sup>&</sup>lt;sup>314</sup> Memorandum on Proposals for agricultural Investigation, p.2, TNA 26054.

<sup>&</sup>lt;sup>315</sup> Tanganyika Territory, *Review of Land Tenure Policy* (Dar Es Salaam: Government Printer, 1958).

**Table 9: Development of Cotton Production in the WCGA (1950 – 1963)** 

Year	Cotton Bales produced (1000)	Price in cents per lb.
1950	40	34
1951	40	50
1952	39	50
1953	70	50
1954	91	62
1955	109	62
1956	121	57
1957	151	54
1958	152	54
1959	183	52
1961	161	54

Source: IBRD, *The Economic Development of Tanganyika*, (Baltimore: Johns Hopkins University Press, 1961), pp. 12, 13 and 202.

The progressive farmers, who were selected based on their good production performance as compared to the majority of small scale producers. They enjoyed access to agricultural credit and were supplied with high-yield cotton seed varieties,<sup>316</sup> culminating in the emergence of kulaks/wealthy growers. Among these progressive farmers who were the beneficiaries were 22 from Kakebe, 22 from Mahina and 11 from Isega all in Mwanza Chiefdom; another 61 were from Kishili, 62 from Mwananga, 63 from Bujigwa in Bunegeji Chiefdom.<sup>317</sup>

In summary, the post-WWII the colonial power and colonial authority were occupied with intervention in agriculture production to meet the demand for agricultural commodities and take advantage of increasing prices in the world markets. Against this backdrop the government was directly engaged in production. The focus was also in the modernisation and improvement of agricultural production among small-scale cotton growers in which emphasis on progressive farmers' encouragement

<sup>&</sup>lt;sup>316</sup> South Lake County Council to Chiefs of Mwanza, Ilemera and Bunegeji, Ref. No. P/LEG, November 22<sup>nd</sup> 1956, TNA 215/A3/1.

<sup>&</sup>lt;sup>317</sup> Agriculture Policy, from South Lake County Council to Chiefs of Mwanza, Ilemera and Bunegeji, Ref. No. P/LEG, November 22<sup>nd</sup> 1956, TNA 215/A3/1.

approach. All these were geared towards increasing cotton production. When Tanzania attained independence in 1961 the TANU leadership initially adopted the colonial policy representing continuity rather than change.<sup>318</sup> The adoption of the policy forms an integral part of the next section's discussion.

# 2.6: THE POST-INDEPENDENCE AGRICULTURE POLICY

This section examines the continuity of the agricultural production and marketing policies during the post - colonial era. It begins by highlighting the general development of agriculture in Tanzania. It is followed by an examination of the inherited policies and its changes in an attempt to further modernise agricultural production among small-scale growers. Lastly, it examines marketing policies.

When independence was achieved the industrial economy and agriculture was dominated by small-scale growers and large plantations were under control of the private sector. Such growers were practicing shifting cultivation and were subsistence farmers with production being geared mainly towards consumption and not for exchange/marketing.<sup>319</sup> Also, what they sold was to enable them get money to buy basic household necessities.

In an attempt to address and improve agricultural production among the subsistence growers the post-colonial government adopted the tenancy scheme Urambo for tobacco production also in WCGA for cotton production where the transformation approach was adopted (see Appendix 19 on cotton production targets - Lake Province/WCGA).<sup>320</sup> The transformation approach signified the continuation of promoting progressive farmers with emphasis on the production of cash crops, an idea that was also encouraged by the World Bank.<sup>321</sup> The transformation approach comprised of a number of the supervised and co-operative settlement schemes. The settlement schemes were supervised by the government and provided credit and

<sup>&</sup>lt;sup>318</sup> Kjell Havnevik, *Tanzania: The Limits of Development from Above*, (Uppsala: Nordik Africa Institute, 1993), pp.31, 33.

<sup>&</sup>lt;sup>319</sup> D. Forde and R. Scott, *The Native Economies of Nigeria*, (London: Faber and Faber, 1947), pp.32-33

<sup>&</sup>lt;sup>320</sup> South Lake County Council to Chiefs of Mwanza, Ilemera and Bunegeji, Ref. No. P/LEG. November 22<sup>nd</sup> 1956, TNA 215/A3/1.

<sup>&</sup>lt;sup>321</sup> IBRD, (1961), pp. 101-28.

specialized extension services to growers. Under the scheme growers were grouped in the village settlements to grow crops such as tobacco. Other supervised schemes included irrigation in villages that surround Lake Victoria which were supported by Israeli government; also, the block cotton farming and in the WCGA. The co-operative settlement schemes that growers were encouraged to voluntarily come to engage in agricultural production; these comprised of youth volunteers most of whom were managed by TANU Youth League and *Ujamaa* settlements such as Ruvuma Development Association. Such development is well illustrated by Hodge who demonstrates the continuities between late colonial policies and post-colonial development strategies; this idea dates back to the colonial supervised tenancy settlements. The policy was based on the premise that that it would assist growers to improve agricultural production practices and output eventually a departure from subsistence practices.

When Tanzania attained independence in 1962 it inherited clear social and economic disparities among its rural population. The disparity was obvious between cash crop and non-cash producing areas. In an attempt to address such disparities, Julius Nyerere, Tanzania's President proclaimed *Ujamaa* as the country development policy. *Ujamaa* was described by Nyerere to imply family hood by stressing that Tanzania's socialism, which is rooted in our past which was envisioned further, beyond the tribe to the nation.<sup>327</sup> In essence, *Ujamaa* as a new development model envisioned a process of modernisation of pre-colonial social elements among the Tanzania population; and this was envisioned that the country be developed along socialist lines within a framework of its unique social and cultural heritage.<sup>328</sup>

<sup>&</sup>lt;sup>322</sup> Ann Seidman, (1972), pp. 178-179.

<sup>&</sup>lt;sup>323</sup> Ann Seidman, (1972), p. 178.

<sup>&</sup>lt;sup>324</sup> Ann Seidman, (1972), p. 180

<sup>&</sup>lt;sup>325</sup> Ann Seidman, (1972), pp. 182-183.

Joseph Morgan Hodge, *Triumph of the Expert: Agrarian Doctrines of Development and the Legacies of British Colonialism*, (Athens: Ohio University Press, 2007), p. xi.

<sup>&</sup>lt;sup>327</sup> Julius K Nyerere, *Freedom and Unity,* (Dar Es Salaam: Oxford University Press, 1966), p.170.

<sup>&</sup>lt;sup>328</sup> Umma Ulele, *The Design of Rural Development: Lessons from Africa*, (Baltimore: John Hopkins University Press,1975), p.151.

*Ujamaa* aimed to address the disparities with priority being those in rural areas and regions which had been neglected during the colonial era.<sup>329</sup>

However, the policy was fused with western values so as to modernise rural society in Tanzania, particularly in agricultural production in which co-operatives would undertake the process. When independence was attained there were great expectations for a fast economic growth and social development. To achieve the "take-off" the aid of Western development assistance, know-how, and investment capital were expected to facilitate the process in the agricultural sector as well as in industrialisation. Disappointingly, the flow of aid from Western countries was unreliable. As a result various development programmes were put in jeopardy some of which were the improvements and transformation of agriculture sector.

Yet, the approaches were generating class differentiations which did not reflect the ideology inherent in Ujamaa. This was evident in 1966 when evaluations for both the improvement and progressive approaches were conducted in which it was learnt that there was a burgeoning of rural inequality, the majority who were poor were becoming landless and a handful number of kulaks.<sup>331</sup> Although kulaks were few of whom majority were Arabs and few Africans were getting richer who owned huge tracks of land that threatened the rural social fabrics were on threat and racial and class tension was emerging.

Despite both approaches having economic merits, they were both considered socially irrelevant. This suggests that, there was an unclear strategy in employment and implementation of *Ujamaa* policy objectives. Thus, the rural development strategy had therefore reconsidered and redefined policy under the *Ujamaa* policy to fit into a new pattern of development.<sup>332</sup> Hence, the Arusha Declaration (ArD) was

<sup>329</sup> J.K. Nyerere, (1967), p. 170.

Mai Palmberg, Introduction in Mai Palmberg (ed.), *Problems of Socialist Orientation in Africa*, (Uppsala: Nordiska Afrikainstitutet, 1978), p.11.

<sup>&</sup>lt;sup>331</sup> Umma Ulele, (1975), p.151.

<sup>&</sup>lt;sup>332</sup> TANU, *The Arusha Declaration, (*Dar Es Salaam: Government Printers, 1967).

brought into effect by the TANU Government in February 1967 and marked a watershed for socialist development in the country.

Importantly, unlike the improvement and transformation approaches the ArD was the locally bred strategy as it delineated clear and specific steps in the creation of a socialist state under which existing private sectors such as banks, plantations, manufacturing, and transport were all nationalised. Such sectors were handed over to the parastatals, mainly, the agricultural marketing boards, and also to cooperatives to manage. Adoption of socialism was based on the contention that capitalism was unsuitable for Africans as it reflected a continuation of colonialism. It was also envisioned that socialism was relevant in providing a solution to the challenges facing rural communities by the introduction of communal ownership of the means of production with emphasis on the collective production envisaged to realisation of self-reliance and provided a new direction for rural development strategy based on the *Ujamaa* villages. This was envisaged to stimulate growers under the government control to produce a surplus to sustain the state bureaucracy and to help inculcate the TANU's socialist (*Ujamaa*/family hood)<sup>333</sup> ideology in rural areas.<sup>334</sup>

The post-colonial government adopted colonial agriculture marketing policies. It initiated and strengthened control over crop marketing of all agricultural products produced in the country by amending the colonial legislation on marketing of agricultural products which was basically designed for natives, the African Agricultural Products (Control and Marketing) Ordinance, 1949. The legislation was replaced by the National Agricultural Products Board (Control and Marketing) Act in 1962 that provided for the establishment of the National Agricultural Products Board (NAPB). The colonial Agricultural Products legislation was replaced because the

<sup>&</sup>lt;sup>333</sup> Julius K Nyerere, (1966), p.170.

<sup>&</sup>lt;sup>334</sup> URT, First Five-Year Plan for Economic and Social Development, (1964-1969), Vol. I. (Dar Es Salaam: Government Printer, 1964), pp. 31-35

The National Agricultural Products (Control and Marketing) Act, 1962 was amended in 1964 (39 of July 30<sup>th</sup> 1964) to include both Tanzania mainland (Tanganyika) and Zanzibar and in No 3 of February 16<sup>th</sup> 1967 to incorporate nationalised firms into government machinery

post-colonial authority viewed it as discriminatory as it targeted only crops produced by the Africans/Natives but not so to those produced by settlers and Indians.

The policy, however, did not make a significant shift in employment of Section 36 of the co-operative legislation. This translates the facts that, the co-operative were important and were viewed as an integral part of the government in an attempt to control agriculture which was the mainstay of the country's economy. This is viewed by Albaum and Rutman as the anti-free market attitude of the government. Both, policy continuity and discontinuity was brought by the government's desire not only to control Asian traders, but on the understanding that the country's economic largely depended on cash crops to generating revenues. In this regard, the NAPB provided for the centralisation and coordination of crop marketing and pricing in government hands. The policy objective was to facilitate revenue generated from exported cash crops in order to:

- Increase the tax revenue of Tanganyika so that the unavoidable governmental and development expenditures can be more satisfactorily covered by the state itself;
- Create additional possibilities for industrial processing of agricultural products; and
- Increase the market possibilities for the consumer industry by strengthening the buying power of the production, i.e. of rural families.

However, a new development emerged in the 1970s, when marketing boards were renamed as Crop authorities, largely to widen the government's revenue. The rural development policy, *Ujamaa Vijijini*, provided a legal identity under the Village and

1966), p.47.

<sup>&</sup>lt;sup>336</sup> Gerald Albaum and Gilbert L. Rutman, The Cooperative-Based Marketing System in Tanganyika, *Journal of Marketing*, Vol.31, No 4, Part 1 (October 1967), pp.54-58 <sup>337</sup>URT, Report of the Presidential Special Committee of Inquiry into the Cooperative Movement and Marketing Boards, (Dar Es Salaam: Government Printer,

<sup>&</sup>lt;sup>338</sup> The World Bank, *Tanganyika Agriculture and Rural Development Sector Study, Vol. II*, December 10<sup>th</sup> 1974, (Baltimore: Johns Hopkins University Press, 1974), pp.17- 20; URT, *Tanzania Second Five-Year Plan for Economic and Social Development*, 1<sup>st</sup> July 1969 to 30 June 1974, Vol. I, (Dar Es Salaam: Government Printer, 1969), pp.133-134.

Ujamaa Village (Registration) Act of 1975.<sup>339</sup> The legislation gave village powers to control of the growers. At this juncture, communal farming in the village Ujamaa farms was strongly stressed. Under the legislation the villages were recognised and defined as multi-purpose co-operative societies and ultimately paved the way for dissolving primary co-operative societies which operated on a village basis. Primary co-operative societies, in accordance to the legislation had to wind up businesses and dispose assets and liabilities to the village council. The legislation also provided the groundwork for the abolition of co-operatives in 1976.

# 2.7: CONCLUSION

Tanzania was a theatre of the First World War, which caused widespread damage. Cash crops, mainly coffee and cotton were brought into stand still in terms of both, production and marketing. The first task was the reorganisation economy in which the British colonial administration had to embark upon was the revival of both crops so as to meet British industrial and consumer demand by utilising small-scale crop production. The encouragement of cash crops production among small-scale growers by the colonial government was primarily geared towards fiscal advantages given the fact that had to attain financial self-sufficiency.

The small-scale growers were encouraged to fulfil the objective to produce for market. In this regard, it was clear that the future of Tanzania's economy was through developing cash crop cultivation among the small-scale growers which was achieved through persuasion, particularly in Kilimanjaro; whereas coffee cultivation in Kagera and cotton in the WCGA was achieved through coercion as the foundation for stimulating cash crops production for export that reinforced dependency on foreign markets as consumption locally was not a priority to the colonial authority.

The success in the encouragement of the small-scale growers to produce cash crops was anchored on access to land by growers which were exploited by the colonial

<sup>&</sup>lt;sup>339</sup> Under the Act, the customary land allocation a power was handed over to elected village elected councils.

authority to encourage them in the cash crop economy as a means to promote economic modernisation to the colonial subjects. Land access to small-scale growers was in compliance with the British government that provided for development of small-scale cash crop production because was the cheapest way to obtain raw materials for export. Promotion of small-scale growers provided entry into a cash economy eventually were integrated to overseas markets.

In the post-war years Britain, intensified agricultural commodity production in her colonies including Tanzania. This was to ensure adequate supply of cheap raw materials to facilitate reconstruction of a devastated economy. Consequently, improvement of cotton production under the progressive approach was employed. The policy was rooted in the belief that the progressive farmers would increase production by adoption of improved farming techniques that in the long run the rest of growers to emulate production, hence the widespread adoption in improved farming practices. The progressive farmers, in this case were envisioned to be the key players not only in production but also in the marketing of their produce, mainly export crops. Against this background, the policy was envisaged to promote not only co-operatives, but a class of native rich farmers in rural areas who would have a contribution to the reconstruction of war-ravaged British economy.

The adoption of agricultural policy prescribed for the post-colonial government by the World Bank, which was convinced that tenancy schemes and improvement approach on the same grounds that it would assist growers to improve production practices and output. The policy proved to be a foundation for the post-independence *Ujamaa* villagisation (*Ujamaa Vijijini*) strategy which involved by settling growers in villages. However, the process was top-down imposed and lacked participation of the targeted rural population.

The colonial marketing authority effectively employed the 1932 Co-operatives Ordinance, (section 36) to promulgate the Chagga Rule and the native coffee control and marketing legislation in Kilimanjaro and Kagera to compel small-scale growers to sell their produce through co-operatives or appointed agent mainly the native marketing boards. This did not only dictate what small growers should produce for

export but also a control over crop marketing. In principal the mentioned sections of the co-operative legislation were the bedrock to the cash crop marketing policy in Tanzania which was utilised following the outbreak of WWII when bulk purchase contract were brought into place.

The bulk purchase of coffee and cotton during and after the Second World War was implemented through the administrative machinery under the contract arrangements provided. Under the arrangements, the native produced coffee also cotton was handled by appointing agents. This culminated in extensive state control over the marketing of growers' produce. It was made compulsory that, coffee produced by natives should be sold through that board or an agency appointed by the board, which were the co-operatives where they existed and private traders where the Boards and co-operatives did not exist for example, the Cotton Exporter's Group in the WCGA. Under the policy there was no room was provided for the growth of the co-operative movement. This might have been based on the thesis that the appointed agents were more experienced. Consequently, implementation of the policy was a further delay in promotion of co-operatives in Kagera and in the WCGA on one hand. On the other the KNCU position was further reinforced because it was granted monopoly over coffee produced by natives in Kilimanjaro.

The cash crop marketing policies formulated during colonial period have in fact been inherited and remained unchanged at independence when were utilised to facilitate marketing of crops through an agency appointed by the government. At this juncture, the post-independence authority was unwilling to encourage Asian traders to step in. For example, it rapidly moved into eliminating the private merchant, particularly, Asian traders from the agricultural commodity marketing under the National Agricultural Products Board legislation. In this regard, the government created a monopoly over crop marketing and the co-operatives were encouraged to handle crops through the villages that signified the continuity of the colonial agricultural marketing policies.

This chapter has explored the background to the coffee and cotton production and marketing policies and incorporation of small-scale growers in the cash economy before and after the Second World War. The chapter has examined how the policies contributed to the emergence of the co-operative movement. It has also examined the continuity and change of the post-independence and their contribution to the encouragement of the co-operative movement. The following chapter critically examines policy and political decisions that led to the promulgation of the co-operative legislation in 1932 eventually, the promotion of co-operatives were incorporated into the agriculture and crop marketing policies in the trans-colonial period. It also shows the extent to which marketing policies, as well as political decisions formed bedrock to the emergence and expansion of the movement footprint during and after the colonial rule.

# CHAPTER THREE: THE HISTORICAL OVERVIEW OF THE CO-OPERATIVE MOVEMENT IN TANZANIA

# 3.1: INTRODUCTION

This is a core chapter of this thesis. It focuses on some fundamental policy aspects that lay a foundation for an understanding of the development of the co-operative movement from 1932 to 1982. Despite the prominent role the co-operative movement in development policy, it is largely neglected in both the historical and contemporary literature on African development. This neglect is becoming more critical given the current renaissance of co-operatives in Africa and increasing international interest in co-operative development models.

#### 3.2: THE LITERATURE REVIEW

This section analyses the promotion of the co-operative movement within the agriculture and crop marketing policies. It also examines the colonial government's motivation and methods in promoting the co-operatives. By examining these policies the chapter will fill the gap the literature, particularly in the historical background of Tanzania's agriculture marketing co-operatives. Although existing sources contain some historical coverage; they are fragmented into a number of disciplines. For example, Rhodes<sup>340</sup> and co-operators as Digby<sup>341</sup> and Strickland<sup>342</sup> all these, have a lot in common regarding the co-operative movement in the British colonies. But, Rhodes not only ignored, but also not mentioned the growth and development of the co-operative movement in Tanzania despite its impressive progress. Digby has covered the development in a nutshell and fails to illuminate the colonial authority's policy and political intervention aspect. Her discussion of Tanzania is predominantly about the KNCU, NGOMAT. The BCU which was established in 1950 is not mentioned and the VFCUs affiliated societies are not covered largely because they were formed and registered in the same year when her work was published. Gorst illuminates the background to the development and progress that took place in Tanzania but, her presentation lacks an analysis of the historical development.<sup>343</sup>

<sup>340</sup> Rita Rhodes, (2012).

<sup>341</sup> Margaret Digby, (1960).

<sup>&</sup>lt;sup>342</sup> C.F. Strickland, (1945).

<sup>&</sup>lt;sup>343</sup> Sheila Gorst, (1959), pp.165-182.

Similarly, Kimario<sup>344</sup> is a historical narrative that covers the colonial and post-colonial periods. However, it lacks a historical analysis about the general policies on the cash crop marketing and those that led to the growth and development of the co-operative movement in Tanzania during the colonial era.

Baldus<sup>345</sup> supports and argues that the co-operative movement was part and parcel of political struggles with the marginalisation of initiatives by growers to have control over marketing of what they produce. He further stresses that, the co-operative movement from 1967 was part and parcel of implementation of Arusha Declaration socialist policy; but, no details are given for the failure to incorporate the co-operative movement in building a socialist state that forced the post-colonial authority to embark upon the socialist villagisation policy that prompted the abolition of the co-operative societies which were replaced by villages as a co-operative society entity.

Andreas Eckert<sup>346</sup> generalises that, the co-operative movement in Tanzania was mainly the result of initiatives from the local rural population. She emphasises that, such a move is 'from below'. She also maintains and refutes a contention that, the co-operative movement was generally imposed upon the colonised by the British.<sup>347</sup> Such arguments, generalises and distortions a history of the co-operative movement in Tanzania.

Develtere is in a critical of the proposition against the colonial authority initiatives and intervention policy in promotion of co-operatives.<sup>348</sup> For him, this was primarily a

<sup>&</sup>lt;sup>344</sup> Ally M. Kimario, 1992).

<sup>&</sup>lt;sup>345</sup> Rolf D. Baldus, (1980, pp. 63-64.

<sup>&</sup>lt;sup>346</sup> cited Donald Barton, Some Problems in Local Government, Manuscript, January 1962 (Rhode House MSS/Afr./S.1230.

<sup>&</sup>lt;sup>347</sup>Andreas Eckert, Useful Instruments of Participation? Local Government and Cooperatives in Tanzania, 1940s to1970s, *The International Journal of African Historical Studies*, Vol. 40, No. 1, Continuities in Governance in Late Colonial and Early Postcolonial East Africa (2007), pp. 97-118, URL: <a href="http://www.jstor.org/stable/40034792">http://www.jstor.org/stable/40034792</a> Accessed in July 15th 2013.

<sup>&</sup>lt;sup>348</sup> Patric Develtere, Cooperative Movements in the Developing Countries: Old and New Orientations, *Annals of Public and Cooperative Economics*, Vol. 64, Issue 2, pp. 179-208, April 1993.

prejudice policy which viewed the colonised as incapable to initiate. The primary evidence has also shown that, the colonial authorities viewed as the only stimulating source that could trigger promotion of the co-operative movement because the colonised were conceived backward, illiterate, apathy and inexperience has prevented them not only from forming co-operatives but also managing them.<sup>349</sup>

Nevertheless, a critical gap remains in the overall background regarding political and policy decisions that led to the promulgation of the co-operative legislation, the promotion of the co-operative, and restructuring them during colonial and post-colonial era. This study utilised primary evidence to generate new ideas regarding the development of co-operatives during the period in question. Additionally, none of the existing literature has examined or assessed the factors that led to myriad geographical differentiations in the development of the movement in the country and timing of the emergence of co-operatives. This study and specifically this chapter provides a new historical encounter that addresses mentioned gaps through three selected cases.

In order to have in-depth understanding of the development of co-operative movement in Tanzania, this chapter is sub-divided into four main sections. The first and second sections examine co-operative development prior and after the promulgation of co-operative legislation covering a period from 1925 to 1945. Section three examines co-operative development in the post-war years; and section four evaluates post-colonial policies on the co-operative movement. Within the mentioned sections it critically addresses them through following key questions;

- In what ways did the colonial political decisions influenced and shaped the emergence of co-operatives?
- Why the concerted effort for promotion and registration of the co-operatives by the colonial authority was uneven?
- In what ways did the changing political and ideological influences of the emerging Tanzanian state shape the co-operative movement during the first two decades of independence?

<sup>&</sup>lt;sup>349</sup> CS to Plunket Foundation, November 21<sup>st</sup> 1930, TNA 13698.

# 3.2 THE CO-OPERATIVE DEVELOPMENT DECISIONS

This section provides a historical analysis of how the colonial authority promoted cooperatives in Tanzania. The analysis revolves around two major aspects; first, the background to co-operative promotion the policy. Again, the political decisions are taken into account in which focus is on the restricting of the KNPA and promulgation of the co-operative legislation and to the extent to which this formed bedrock for overall agricultural marketing and the eventual control of growers and co-operatives by the colonial and post-colonial authority.

The promotion of the co-operative movement in Tanzania took centre stage in October 1929 when the colonial authority convened a conference in Dar Es Salaam which was attended by District Officers (DOS) and District Administrators (DAS) with co-operative development as key agenda. In his speech presentation the Secretary for Native Affairs (SNA) stressed a need for promotion of the co-operative in the territory by citing of successful cases of the KNPA and similar arrangement for rice crop in Mahenge district. The SNA strongly stressed the significance of the co-operative movement in the modernisation of colonial subjects. The SNA further stressed on the priority to training of civil servants, particularly the DOs in Sri Lanka on the co-operative methods and management so that to provide proper guidance to members in managing their societies.

The conference identified some aspects necessary for the promotion of the cooperative movement. The co-operative legislation was envisaged to provide both, legal and policy ground towards implementation of the agenda. The legislation was necessary to provide for the control of the co-operatives. There was also a need for preparing colonial officials in promoting the co-operatives that could be effectively

<sup>&</sup>lt;sup>350</sup> Extracts from Minutes of conference of Senior Administration Officers, October 21<sup>st</sup> to 24 1929, TNA 13698.

<sup>&</sup>lt;sup>351</sup> Memorandum of the SNA on the Agricultural and Credit co-operative Societies, TNA 13698.

<sup>&</sup>lt;sup>352</sup> Memorandum of the SNA on the Agricultural and Credit co-operative Societies, TNA 13698.

implemented by the trained staff. It was decided at the conference that the DOS and DAS would encourage the formation of co-operative societies in their areas of jurisdiction so as to facilitate the agriculture development.<sup>353</sup> This confirms Develtere idea that, 'different actors were involved in this process, all of whom were part of the colonizing force, the administrators and business interests in the colony as well as the politicians in the metropolitan and administrators'.<sup>354</sup>

In a drive towards implementing the commitment to the policy the colonial authority dispatched a memorandum to the Provincial Commissioners (PCS) aimed at preparing them to implement the policy. The memorandum was also sent to the Colonial Office (CO) for policy approval. Generally, the CO was impressed by the steps taken by the Tanzanian colonial authority and indicated commitment to provide support. Subsequently, the CO circulated a memorandum to all British colonies in which it was pointed out that 'time was thought to be ripe for development of cooperative methods of agriculture'. The CO emphasised the importance for each colony to consider providing staff qualified for the purpose: 'staff should be of first class to provide supervisory function and must have a specialised training in cooperation and inspection; In which such countries as Ceylon (Sri Lanka), Malaya (Malaysia), and Gold Coast (Ghana)' were cited as an example from which other colonies need to learn from. In the province of the purpose of the

<sup>&</sup>lt;sup>353</sup> Extracts from Minutes of conference of Senior Administration Officers, October 21st to 24 1929, TNA 13698.

Development Towards a Social Movement Perspective, *Occasional Paper Series, #92-03*,(Centre for the Study of Cooperatives University of Saskatchewan), p.41.

<sup>&</sup>lt;sup>355</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (His Majesty Stationery Office - HMSO, May 21<sup>st</sup> 1930), TNA 13698.

<sup>&</sup>lt;sup>356</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

<sup>&</sup>lt;sup>357</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

Furthermore, the evaluation has indicated that in some colonies where the cooperative movement was in existence, but it was poorly performing.<sup>358</sup> It was, therefore, recommended in the CO's memo that more training of co-operative officers and societies' staff,<sup>359</sup> primarily to invigorate the performance. It was further stressed that, the Horace Plunkett Foundation should open its door to train colonial staff in cooperation as well as research in the field.<sup>360</sup> The CO's memorandum was a significant step in outlining a roadmap to the promotion and development of cooperatives in the colonies.

The Tanzania's initiatives had an impetus not only to the CO but also to the British Labour Party regarding the co-operative movement policy in her Africa colonies. This was a time when the Labour Party in power and Sidney Webb (Lord Passifield) was the Secretary State for the Colonies. In 1930 Webb chaired the Conference of Colonial Governors, which affirmed that:

Development of co-operation within the colonial empire is a subject to which the Secretary of State wishes to direct the special attention of colonial government it was emphasized that co-operation relieves the indebtedness burden on small producers and provide for training on the responsibilities of a simple form of self-government.<sup>361</sup>

It was insisted by the CO that since small-scale growers could not compete against large units, the co-operatives would facilitate such capabilities. It was emphasised that co-operation should not be disruptive to the local customs and conditions; also the members should be trained and assigned the duty and responsibility for proper

<sup>358</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

<sup>&</sup>lt;sup>359</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

<sup>&</sup>lt;sup>360</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

<sup>&</sup>lt;sup>361</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

execution of their functions.<sup>362</sup> At this juncture, the CO clearly saw that co-operatives were important, but they were cautious about transplanting them to growers in the colonies because by doing so would have been against voluntary participation as provided under the co-operative principle.

The 1930 colonial Governors' conference provided confidence and approval for policy implementation of the co-operative development to Tanzania's colonial authority<sup>363</sup> that embarked upon two major processes.<sup>364</sup> To start with, a committee was appointed charged to consider the marketing organisation of native and nonnative produce (see terms of reference Appendix 5). This committee's report was racially biased as demonstrated in its recommendation that, 'we consider that the actual line of advance for Africans is through the channel of co-operative societies.<sup>365</sup> It was insisted by the Committee that, the co-operative movement should be in the 'continual guidance and supervision of a trained officer'; 366 thus, it was strongly recommended that the co-operative legislation to provide for a control of the native co-operatives by the Registrar or Director of Co-operative Societies. It was further argued that, legislation must be granted in the same way as in various European and Asiatic countries.<sup>367</sup> Clearly, the Committee provided a sketch as to how the cooperative movement should be and indicated its disfavour of how the co-operatives are fairly treated in Britain to be replicated in Tanzania. The committee was on the opinion that, 'the Ordinance will no doubt make these powers applicable to

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<sup>&</sup>lt;sup>362</sup> CO Memorandum: Co-operation in the Colonies, Protectorates and Mandated Territories, (HMSO, May 21<sup>st</sup> 1930), TNA 13698.

<sup>&</sup>lt;sup>363</sup> Conversation between the Secretary for Native Affairs with Mr C.F Strickland on the organization of co-operative societies in Tanganyika in March 21<sup>st</sup> and 23<sup>rd</sup> 1931, TNA 13698.

<sup>&</sup>lt;sup>364</sup> CS to PCs of Tanga, Northern and Lake Provinces, Ref. No. 13698/97, December 10<sup>th</sup> 1930, Co-operative Societies Ordinance, TNA 19595.

<sup>&</sup>lt;sup>365</sup> Extract from a report of a committee appointed to consider the marketing organisation of native and non-native produce, Application of Co-operative Methods in Economic Development of the Territory, December 1930, TNA 19595.

<sup>&</sup>lt;sup>366</sup> Extract from a report of a committee appointed to consider the marketing organisation of native and non-native produce, Application of Co-operative Methods in Economic Development of the Territory, December 1930, TNA 19595.

<sup>&</sup>lt;sup>367</sup> Extract from a report of a committee appointed to consider the marketing organisation of native and non-native produce, TNA 19005.

European<sup>368</sup> (see Chapter 4, Section 4.4 about compulsion crop marketing as provided by the 1932 co-operative legislation). The policy did not segregate the African societies as it was stressed that, consideration for promotion of co-operative societies would be to 'wherever groups of Africans capable of understanding the simple principles of such bodies'.<sup>369</sup>

The support was also sought by the colonial authority from the CO which, liaised with Claude Francis Strickland (popularly, C.F. Strickland) the former Registrar of Cooperative Societies in Punjab<sup>370</sup> to help in the reconstruction of the KNPA (see Chapter 4, Section 4.3 for further details) and overhaul coffee marketing in Kilimanjaro<sup>371</sup> and to draft the co-operative legislation bill and Rules, and involved in the formation of a co-operative Department and advise the government where to locate the Co-operative Department or Registrar's office.<sup>372</sup>

All mentioned policy aspects were discussed by Strickland and Phillip E. Mitchell,<sup>373</sup> who was the CS, and the Attorney General (AG), Joseph Alfred Sheridan in Dar Es Salaam<sup>374</sup> that Coulson does not mention in his work though he made an attempt to show the role played by Strickland in advising over the co-operative legislation to the Tanzania's colonial authority.<sup>375</sup> The Attorney General (AG) was involved due to the fact that, the legislation was the responsibility of his office. In the discussion, the Tanzania's authority indicated their favour for agriculture marketing co-operative

<sup>&</sup>lt;sup>368</sup> Extract from a report of a committee appointed to consider the marketing organisation of native and non-native produce, TNA 19005.

<sup>&</sup>lt;sup>369</sup> Extract from a report of a committee appointed to consider the marketing organisation of native and non-native produce, TNA 19005.

<sup>&</sup>lt;sup>370</sup> Secretary of State (Passfield) for the Colonies to Governor, Dispatch No 867 (Confidentila), November 8<sup>th</sup> 1930 and further confirmation provided in January 29<sup>th</sup> 1931, TNA 19595.

<sup>&</sup>lt;sup>371</sup> Telegram No. 252 from the Governor to Secretary of State for the Colonies, December 1930, TNA 13698.

<sup>&</sup>lt;sup>372</sup> Extract from Conversation between the SNA and C.F Strickland, TNA 19005.

<sup>&</sup>lt;sup>373</sup> Phillip E. Mitchell also served as the Secretary for Native Affairs for eight years

<sup>374</sup> Extracts from the conversation between the Secretary of Native Affairs and C.F. Strickland, TNA 19005.

<sup>&</sup>lt;sup>375</sup> Andrew Coulson, (1982), p. 62.

rather than credit societies which were dominant in Asia. This was so because, the credit service among the natives was restricted to engage in commerce under the Credit to Natives Ordinance of 1931; <sup>376</sup> and the cash crop economy was developing that required a legislation for agriculture marketing co-operatives to provide legal ground compulsion crop marketing by growers.

Strickland who as mentioned assigned the legislation he managed to submit a draft in March 1931 that, heavily borrowed from the Indian Co-operative Act No 2 of 1912; and the 1927 Act of Myanmar (Burma), particularly on agricultural marketing clause. The clauses with modifications were borrowed from British Columbia, Malaysia (Malaya's 1922 Co-operative Societies Ordinance), Sri Lanka's Co-operative Societies Ordinance no 34 of 1921, and other elements were drawn from Jamaica, and also Queensland Australia; The as well as South Africa's 1922 co-operative legislation, particularly a clause that provided for the compulsion of growers to sell their produce to co-operatives. It also took into consideration to accommodate all types of co-operatives just the same as the 1912 Indian Co-operative Act. This clearly shows that, legislation sections were considered given their relevance to Tanzania and successful experience in the mentioned countries.

The draft legislation was circulated to the Provincial Commissioners in the country for comments. It was made clear in the attached letter that the legislation was not intended for the whole territory, but 'primarily for application to the coffee growing area around Kilimanjaro'.<sup>379</sup> In principle, it was aimed at weakening the power of the KNPA (see Chapter 4, Section 4.3 for details). Again, this was a political intention rather than commitment to promote co-operative movement in Tanzania. A month later, in April the draft was sent to the Secretary of State for Colonies by the

<sup>&</sup>lt;sup>376</sup> Andrew Coulson, (1982), p.61.

<sup>&</sup>lt;sup>377</sup> Co-operative Societies Ordinance, Note on the Draft Ordinance, TNA 19595 Vol. I.

<sup>&</sup>lt;sup>378</sup> CS to PC and Lake, Ref. No. 19595/55, May 1931, TNA 25777.

<sup>&</sup>lt;sup>379</sup> CS to PC and Lake, Ref. No. 19595/55, May 1931, TNA 25777.

Tanzanian colonial authority for approval.<sup>380</sup> At the same time, the Bill was presented to the LEGCO where it was made clear by the colonial officials that, 'the immediate necessity is to save the KNPA (so as) to organize itself in a manner known to the law and under a certain amount of control'.<sup>381</sup>

When the legislation was presented to the Colonial Office, the Governor, George Stewart Symes, appealed to the CO to support the Tanganyika Colonial authority objective to weaken the powers of the KNPA and to have a control over native produced coffee in the region. The Governor further proposed that the Ordinance be enacted at the January 1932 LEGCO's session, demonstrating a determination to restructure the KNPA. The same message was conveyed in Douglas James Jardine, the CS's dispatch arguing that to enable this to be done I seek your approval to the early enactment of a co-operative Ordinance on the lines of the Ordinance draft submitted on dispatch No. 372 April 23rd 1931. Sidney Webb was impressed by the draft, but and he did not approve it and instructed the Tanzania colonial authority not to proceed with passage of the legislation on the view until when the Registrar was available to facilitate guidance to co-operatives'.

However, as the British Labour Party was defeated in October 1931, Webb lost his position as Secretary of State for the Colonies. This coincided with a change of Governorship in Tanganyika with George Stewart Symes taking over in 1931 from Donald Cameron and Sir Douglas James Jardine was appointed as CS. He advised

<sup>&</sup>lt;sup>380</sup> The Secretary of State for Colonies Dispatch No. 413, June 15<sup>th</sup> 1931,TNA 19005; Governor to the Secretary of State for the Colonies (Confidentila), April 23<sup>rd</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>381</sup> LEGCO Proceedings February 1932,TNA 13060.

<sup>&</sup>lt;sup>382</sup> Governor to the Secretary of State for the Colonies (Confidentila), November 20<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>383</sup> Governor to the Secretary of State for the Colonies (Confidentila), November 20<sup>th</sup> 1931, TNA 13060

<sup>&</sup>lt;sup>384</sup> Douglas James Jardine was Deputy Chief Secretary 1927 – 29, CS from 1928 – 1934 and also acted as Governor in 1929, 1931, 1933, 1934

<sup>&</sup>lt;sup>385</sup> Governor to the Secretary of State for the Colonies (Confidentila), November 20<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>386</sup> Passifield to Governor Dispatch No. 507, July 22<sup>nd</sup> 1931 TNA 13060.

the Colonial Office 'to discontinue incorporation of the KNPA as a company in accordance with the amended provisions of the Companies Ordinance (No. 46 of 1931) because it does not appear to be practicable and it is quite clear to me (him) that the correct course is formally to constitute the enterprise as a co-operative society'.<sup>387</sup>

The development that were taking place in Tanzania was due to the departure of Webb's that created an opportunity for the colonial authority in Tanzania to pursue a new approach through pressurising the CO. Although the Governor in his dispatch to the Secretary of State for the Colonies<sup>388</sup> seemed to concur with Webb's earlier recommendation who maintained that any attempt to develop the co-operative must await the availability of a fully informed Registrar. They successfully persuaded Sir Phillip Cunliffe-Lister (later Lord Swinton) to approve the implementation what they viewed as proper and in favour of the prosperity and development of the cooperative movement that led to an approval of the application of the Ordinance in May 23<sup>rd</sup> 1932.<sup>389</sup> Consequently, the colonial authority immediately took the opportunity to restructure and replace of the KNPA by Kilimanjaro Native Cooperative Society (KNCS) that was followed by the registration of the KNCU and its affiliated societies with effect from January 1st 1933 (see Chapter 4, Section 4.3); and the appointment of Mr Arthur Leslie Brice Bennett<sup>390</sup> as the Association's Manager in April 1st, 1932 by the Governor, 391 (see Chapter 4, Section 4.3). This demonstrates the extent to which the colonial authority employed their power in bringing the co-operative legislation in operation and intervening in the process of restructuring of the KNPA; subsequently in the registration of the co-operatives in Kilimanjaro (see Chapter 4, Section 4.3).

<sup>&</sup>lt;sup>387</sup> Governor to the Secretary of State for the Colonies (Confidentila), November 20<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>388</sup> Governor to the Secretary of State for the Colonies (Confidentila), November 20<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>389</sup> Approval of the Co-operative Societies Ordinance No. 7, 1932, TNA 19595.

<sup>&</sup>lt;sup>390</sup> On retirement from KNCU in 1945 he was appointed as MNCB's Executive Officer also worked as Assistant Registrar of Co-operative Societies in 1948.

<sup>&</sup>lt;sup>391</sup> Governor (G.S. Symes) to Secretary of State for the Colonies, (Confidentila) November 20<sup>th</sup> 1931, TNA 13060.

The approval of the Ordinance by Cunliffe-Lister demonstrates policy inconsistency on the part of the CO which ignored the Webb's recommendation; and obviously better preparation and planning was required to embark upon the development of cooperatives. It also illustrates approval was a matter of urgency to both CO and the colonial authority with no regard of availability of qualified staff.

The policy from the onset was frustrated by a lack of trained staff to guide cooperatives. The position of the Registrar of Co-operative Societies was very important and it was agreed that this position had to be filled by a qualified person. Since co-operatives were expected to be formed in many districts it was agreed that the District Officers be assigned a position of Assistant Co-operative Societies Registrars in their respective administrative locations.<sup>392</sup> In an attempt to fill the gap, in March 4th 1932 the CS, Jardine on behalf of the Governor appointed Acting Registrars of Co-operative Societies and then Acting Land Officer. The Moshi's DO, Mr C.A. Flynn, became Assistant Registrar of Co-operative Societies provided under Government Notice No.61 of 1932 issued in March 4th under section 3 of the Cooperative Societies Ordinance, No. 7 of 1932. The appointment of Flynn, became Assistant Registrar of Co-operative Societies was described by Strickland as an ad hoc Registrar.<sup>393</sup> This demonstrates the desperate situation that the colonial authority faced in trying to instigate the policy, appointing whoever they considered could help. Flynn's appointment was the most important to facilitate the formation and registration of the KNCU affiliated primary co-operative societies in Kilimanjaro.

A clear policy on the appointment of the Registrar became obvious as early as 1931 when the government decided to take the essential preliminary steps recommended by Strickland. It was decided to select an officer and send him abroad to study for training in the co-operative methods with a view as Registrar of Co-operative Societies in 1931/32. It was then envisaged that an officer to be appointed must serve for 4-6 years.

<sup>&</sup>lt;sup>392</sup> Extract from Conversation between the SNA and C.F Strickland, March 21<sup>st</sup> and 23<sup>rd</sup> 1931, TNA 19005.

<sup>&</sup>lt;sup>393</sup> C.F. Strickland, (1945), pp.55.

As pointed out earlier, training of staff on co-operation was a priority for both the CO and colonial authority; and it was one of the key policy aspects in the development of the co-operative movement. By August 1930 the Tanzania's colonial authority decided to send an officer to study co-operatives<sup>394</sup> in Sri Lanka and the Federated Malay States (Malaysia) as they had many years of experience, particularly in agricultural marketing.<sup>395</sup> In October 1931 the colonial Governors and CS had a conference from which it was further suggested that, the colonies should emulate Malaysia and Sri Lanka.<sup>396</sup> In response the Tanzania colonial authority contacted these recommended countries as well as the Horace Plunkett Foundation for guidance, indicating a commitment to 'establish co-operatives in primitive and ignorant societies.<sup>397</sup> In a letter to Sri Lanka's CS, the Tanzania's CS pointed out that 'our problem is rather to harness co-operation as to influence an experience that proved successful in South America among the Negro'. 398 This indicates that, the colonial authority was committed to addressing backwardness and ignorance by employing the co-operative movement to modernise the colonised. The intervention clearly suggests an intention to promote the movement through a top-down approach by borrowing ideas from other countries. This stance was contrary to the position being held by the CO, which encouraged voluntary participation that had to follow after awareness on the co-operative movement among the growers.

It was considered necessary that the co-operative officer should be recruited from among the local colonial civil servants or recruit trained officers from London. Mr Mitchell, who was a key player in the whole process proposed two colonial civil

<sup>&</sup>lt;sup>394</sup> CS to DA, Ref. No. 19005/15, May 8tht 1930; Colonial Office Memorandum, TNA 13698.

<sup>&</sup>lt;sup>395</sup> CS Sri Lanka to CS Tanganyika, Ref. No. A.141/29, October 31<sup>st</sup> 1929, TNA 13698

<sup>&</sup>lt;sup>396</sup> CS Sri Lanka to CS Tanganyika, Ref. No. A.141/29, October 31st 1929, TNA 13698

<sup>&</sup>lt;sup>397</sup> CS to Plunkett Foundation, November 21st 1930, TNA 13698

<sup>&</sup>lt;sup>398</sup> SNA to Sir Charles Campbell Woolley (Sri Lanka), December 6<sup>th</sup> 1929, TNA 13698

servants, Mr Ronald Cecil Northcote and Mr Martin Kayamba Mdumi.<sup>399</sup> Mitchell personally knew Kayamba<sup>400</sup> from Tanga Province, where he served as a Senior Provincial Commissioner.

Further discussion on the co-operative movement in the country was held between the Secretary of Native Affairs, Mr Mitchell and C.F. Strickland in which they indicated their optimism of success due to support from Sidney Webb, who was described as a person keenly interested in co-operation. 401 It was out of this discussion that the key characteristics or the profile of the Registrar was agreed. They also discussed where to locate the co-operative department in Moshi once is established was considered as a right place given the experience gained from the KNPA in crop marketing; whereas Mpwapwa, Tabora and Morogoro were rejected because they lacked a lesson to learn from. 402

All in all, the challenge was to earmark an officer with the desired attributes. In an attempt to address the challenge, the CS decided to contact the Provincial Commissioners of the Central, <sup>403</sup> Lake <sup>404</sup> and Tabora <sup>405</sup> provinces in an attempt to broaden his options. In response, both the Central, <sup>406</sup> Lake <sup>407</sup> Provincial Commissioners replied with regrets that they had no suitable officers in their respective Provinces. The Western (Tabora) PC proposed Mr R.C. Northcote as a suitable man for the post; <sup>408</sup> a proposal that was accepted by P.E. Mitchell then the

<sup>&</sup>lt;sup>399</sup> DA to CS, Ref 639/67/8, August 18<sup>th</sup> 1930, TNA 19005.

<sup>&</sup>lt;sup>400</sup> Martin Kayamba was Chief Clerk in Tanga Province and founder of Tanganyika Territory African Civil Service Association (TTASCA) in 1921 with its headquarter in Tanga town

<sup>&</sup>lt;sup>401</sup> P.E. Mitchell report on conversation with C.F. Strickland on organisation of cooperative societies in Tanzania, March 23<sup>rd</sup> 1931, TNA 19005.

<sup>&</sup>lt;sup>402</sup> P.E. Mitchell report on conservation with C.F. Strickland on organisation of cooperative societies in Tanzania, March 23<sup>rd</sup> 1931, TNA 19005.

<sup>&</sup>lt;sup>403</sup> CS to Central PC Ref. No. 19005/20, September 9<sup>th</sup> 1930 TNA 19005.

<sup>&</sup>lt;sup>404</sup> CS to Lake PC Ref. No. 19005/18, September 9<sup>th</sup> 1930 TNA 19005.

<sup>&</sup>lt;sup>405</sup> CS to Tabora (West Province) PC, Ref No 19005/22 TNA 19005.

<sup>&</sup>lt;sup>406</sup> Central PC to CS, Ref. No. 1/1/26, October 6<sup>th</sup> 1930 TNA 19005.

<sup>&</sup>lt;sup>407</sup> PC, Lake Province to CS, Ref. No. P./18/37/4, October 9<sup>th</sup> 1930, TNA 19005.

<sup>&</sup>lt;sup>408</sup> Tabora PC to CS Ref.No P./18/37/2, October 9<sup>th</sup> 1930 TNA 19005,

CS<sup>409</sup> who subsequently appointed Nortchcote for training. Northcote accepted the offer and confirmed his availability.<sup>410</sup> Countries to be visited were proposed, which included the United Kingdom, Sri Lanka, and Malaysia. The same approach had been employed by Malaysia before co-operatives were introduced. The training fund was supposed to be made available by the British government.<sup>411</sup>

The Governor, Sir George Stewart Symes informed Sidney that Mr Northcote was selected by the government to undertake a study tour on co-operation in the mentioned countries. In the letter the Governor presented a funding request to facilitate Northcote's study. Regrettably, in response the Colonial Office in London informed the Governor and Northcote that there were no funds at that particular time; apparently, this was due to the economic depression of which training could not be a priority. The Governor was advised to postpone the trips as efforts to establish funding sources were underway. For Northcote this was a time when he had to undertake a literature review on the co-operative movement worldwide that helped him to write important reports as discussed in the following section. In 1932 the CO applied funds from the Carnegie Corporation Scheme's for the training of Registrar; Carnegie agreed but could only fund one candidate. Thus, Northcote was selected and Martin Kayamba was not.

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<sup>&</sup>lt;sup>409</sup> CS (P.E Mitchell) to R.C. Northcote, Ref 19005/27, November 18<sup>th</sup> 1930, TNA 19005.

<sup>&</sup>lt;sup>410</sup> R.C. Northcote to CS, Ref. No. 22/28, December 6<sup>th</sup> 1930, TNA 19005.

<sup>&</sup>lt;sup>411</sup> CS to PCs and copy to R.C. Northcote with Ref 19005/27, November 18<sup>th</sup> 1930, TNA 19005.

<sup>&</sup>lt;sup>412</sup> Governor to the Secretary of State for the Colonies, Ref. No. 372, April 23<sup>rd</sup> 1931TNA 19005; Governor to the Secretary of State for the Colonies, telegram No. 205, July 3<sup>rd</sup> 1931, TNA 19005.

<sup>&</sup>lt;sup>413</sup> Owing to economic depression funding was a challenge. A priority was to serve the country from financial difficulties by providing a loan applied to the British Treasury when Sir Stewart Symes took office.

<sup>&</sup>lt;sup>414</sup> Colonial Office (signed by Passfield) to CS Dispatch No 507, July 22 1931. TNA 19005.

<sup>&</sup>lt;sup>415</sup> Governor of Tanganyika to Secretary of State for Colonies, Dispatch No. 1235, and December 23<sup>rd</sup> 1932; Extract from Secretary of State for Colonies to the Governor of Tanganyika, Confidentila, January 23<sup>rd</sup> 1933, TNA 19005.

Although the administrators were occupied with setting up co-operative models, technicalities, vetting on the Registrar of Co-operative Societies they also had in mind to have a Kiswahili term for co-operative too. The research to establish a term was assigned by the authority of the Inter-Territorial Language Committee, which originally identified two terms, Ushirika and Ujima. It was finally concluded that Ushirika was appropriate which by then was translated as work of the activities of the society also participation in the results of the activities. 416 Literally, ushirika is a Kiswahili term that implies co-operation. Whereas *Ujima* was viewed as unsuitable as it translated to work done with the assistance e.g. crop cultivation, house building.417 The expression given on *Ujima* by 1930s was misleading or incorrect and Ushirika was more appropriate as Ujima implied a primitive mode of production. Therefore, adoption of Kiswahili word, Ushirika signified an appreciation and understanding that co-operation in Tanzania has been part and parcel of the Tanzanians existing lifestyle. The official incorporation of the term by the government provided co-operation a unique stature and status that was not only accepted in Tanzania but also, across the Kiswahili speaking countries.

To sum up, the political decisions and policy development explained in this section indicated a road map for overall development of co-operative movement in Tanzania. It has been shown that there was close collaboration between the colonial authority and the CO in the matter. The implementations of their decisions and their impact are discussed in the following section.

# 3.3: THE IMPACT OF POLITICAL AND POLICY DECISIONS

This section draws on primary evidence to assess the impact of the decisions of the overall co-operative movement during the interwar period. The decisions were made to revolve around colonial officials' responses to recommendations provided by

<sup>&</sup>lt;sup>416</sup> Secretary Inter Territorial Language Committee to CS, Dar Es Salaam, Ref. No 139/119, January 14<sup>th</sup> 1933; Memo 19005/125 January 23<sup>rd</sup> 1933, TNA 19005.

<sup>&</sup>lt;sup>417</sup> Secretary Inter Territorial Language Committee to CS, Dar Es Salaam, Ref. No 139/119, January 14<sup>th</sup> 1933; Memo 19005/125 January 23<sup>rd</sup> 1933, TNA 19005.

Northcote, then the Registrar of Co-operative Societies. The promotional approaches employed and their implications are also identified and are critically discussed.

The promotion and control of the co-operative movement was the responsibility of the Registrar of co-operative societies; but Tanzania has been yet to appoint one. Therefore, it was agreed that had to be recruited and trained for the functions. It was thought that whoever is appointed for the post must be one of the colonial civil servants and has to receive training to enhance the ability and knowledge for the position. This was an important policy and technical decision in providing administrative machinery for the co-operative movement. The functions and duties of the Registrar were clearly defined most of which were replicated from India and Strickland's personal experience. The functions and duties of the Registrar found support from the co-operative sector school, which emphasised that co-operatives were economic entities that required a regular mechanism by the government through the Registrar.

The colonial authority identified a qualified personnel for the post in which Northcote was appointed. However, Northcote had no background training for executing his duties. Again, Tanzania had no funds to send Northcote for training. Therefore, it had to apply for funds from the CO but with no success for. The colonial authority with an approval from the Colonial Office managed to get funds from Carnegie training scheme that assisted the Registrar designate to have a six month study tour from August 1934 to April 1935. His study tour took him to India, Burma, Zanzibar and Sri Lanka that lasted for 102 days. This was a time when the government clearly remained whole heartedly prepared to spare an officer for the purpose.

<sup>&</sup>lt;sup>418</sup> Phillip Cunliffe-Lister, the Secretary of State for the Colonies to CS Dispatch No. 695, September 29<sup>th</sup> 1934 TNA 22929.

<sup>&</sup>lt;sup>419</sup> Report on Co-operation by Mr R.C. Northcote, a letter from CS to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, p.19, TNA 22919.

On his return in May 1935 the Registrar designates published a report<sup>420</sup> that, recommended a clear road map for co-operative development in which he proposed types of co-operatives and introduction of credit, dairy and livestock for the colony. He also emphasized co-operative education. Importantly, the setting up of the Co-operative Department and tertiary (apex body) society were proposed.

In his report, he criticised Section 36 of the co-operative legislation that provide for the compulsion of membership of a co-operative societies; similarly compulsion marketing of the produce by growers to a co-operative society. This provision was borrowed from the South Africa 1925 compulsory principle mainly for co-operative marketing. However, its application in South Africa was to control adulteration by a minority of growers who ruined sale schemes. Additionally, in South Africa the legislation empowered the Minister of Agriculture to declare or compel particular product/s to be sold through co-operatives. When it was realised by the colonial authority that the Section had detrimental effects to the settlers, new legislation was passed to provide for their exclusion (see Chapter 4, Section 4.3 for further details). These Sections were criticised by Northcote in his report<sup>423</sup> that this study supports

<sup>&</sup>lt;sup>420</sup> Report on Co-operation by Mr R.C. Northcote, a letter from CS to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, p.19, TNA 22919.

<sup>&</sup>lt;sup>421</sup> ILO, 'Union of South Africa: A Review of the Co-operative Movement', In Co-operative Information, No. 1-12, 1936, p.73, TNA 24870; C. F. Strickland, (undated), The co-operative movement in South Africa, <a href="http://afraf.oxfordjournals.org/content/XXXVI/CXLV/461.full.pdf">http://afraf.oxfordjournals.org/content/XXXVI/CXLV/461.full.pdf</a>, pp.461 – 468, <a href="http://afraf.oxfordjournals.org/">http://afraf.oxfordjournals.org/</a> Accessed in July 19, 2013; R. Rhodes, Empire and Co-operation: How the British Empire used Co-operatives in its Development Strategies 1900 – 1990, (Edinburgh: John Donald, 2012), p.142; Lord Hailey, An African Survey: A Study of Problems Arising in Africa South of the Sahara, (London: Oxford University Press, 1938), p. 1471.

ILO, 'Union of South Africa: A Review of the Co-operative Movement', In Co-operative Information, No. 1-12, 1936, p.73, TNA 24870; C. F. Strickland, (udated): The co-operative movement in South Africa. <a href="http://afraf.oxfordjournals.org/content/XXXVI/CXLV/461.full.pdf">http://afraf.oxfordjournals.org/content/XXXVI/CXLV/461.full.pdf</a>, pp.461 – 468, <a href="http://afraf.oxfordjournals.org/">http://afraf.oxfordjournals.org/</a> Accessed in July 19, 2013; R. Rhodes, Empire and Co-operation: How the British Empire used Co-operatives in its Development Strategies 1900 – 1990. (Edinburgh: John Donald, 2012), p.142; Lord Hailey, (1938), p. 1471.

on the ground that the compulsion provision was against the co-operative principle of voluntary association.

However, at this time the government official's mind and policy was not the same as senior colonial officials who supported him were transferred. For example, P.E. Mitchell, who was the Secretary for Native Affairs and CS, was appointed Governor of Uganda in 1935 and later to Kenya. New officers were Sir Harold MacMichael, the Governor and the acting CS was W.E. Scupham until when Henry Charles Donald Cleveland Mackenzie-Kennedy<sup>424</sup> took office in 1935. The new colonial authority officials were irritated by such criticism. For example, in his comments on Northcote's report<sup>425</sup> the acting CS, Gerald Fleming Sayers, was highly sceptical about co-operative policy and pointed out 'it must be understood that the government has no doctrinaire (or other) predilection for co-operation and has no wish to urge it on anyone,<sup>426</sup> nor on any group, European, Asiatic or African; and no Co-operative Department be set up, nothing of that kind (whatsoever) is needed, at any rate but, if there is a genuine local desire on the part of anybody'.<sup>427</sup>

This was a significant policy shift as it indicates that the colonial authority had no interest in promoting co-operatives regardless of interests shown and the provision of education to instil an understanding was ruled out. This decision brought to an end the enthusiasm shown in the late 1920s and early 1930s. Furthermore, the CS opposed Northcote's recommendation to set up the Co-operative Department and for him 'to establish such a Department will only result in drowning a possibly useful development in ink'. Against the backdrop, Northcote's proposals were rendered inoperative and it became difficult for the co-operative movement to be promoted. So

<sup>&</sup>lt;sup>424</sup> Mackenzie-Kennedy was CS in Tanzania from 1935 to 1939.

<sup>&</sup>lt;sup>425</sup> Extract from Minute C.8, May 23<sup>rd</sup> 1935, Marketing of Colonial Produce in the United Kingdom and Overseas, TNA 25147.

<sup>&</sup>lt;sup>426</sup> CS – Acting, (C.F. Sayers) to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, Marketing of Colonial Produce in the United Kingdom and Overseas, TNA 22929.

<sup>&</sup>lt;sup>427</sup> CS (C.F. Sayers) to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936; Extract Minute from CS to the Governor, May 23<sup>rd</sup> 1935, TNA 22919.

<sup>&</sup>lt;sup>428</sup> Extract Minute from CS to the Governor, May 23<sup>rd</sup> 1935, TNA 22919.

to say, Northcote ambition was brought to an end and failed to be a game changer as far as the development of the co-operative movement in Tanzania is concerned. This was partly due to lack of policy or policy consistency and non-existence of planning strategies.

The policy direction of Tanzania's new officials, especially the CS, was significantly different from his predecessors. In the first place, the colonial authority and officials, particularly, the CS disassociated itself from the Northcote's report. Specifically, it was argued that 'the government would like to make (it) clear that the opinions formed and views expressed by the author (Northcote) do not necessarily indicate the policy which the government consider should be followed and sending him for study does not imply a desire on the part of government to impose co-operatives on anyone'. Also like to made clear by the CS that neither staff nor funds would be made available for the purpose.

In one instance Northcote was invited by the Central Provincial Commissioner to his Province to initiate creamery co-operatives. <sup>431</sup> But his invitation was put on hold by the CS who authoritatively disclaimed any attempt for co-operation or any official to wish to urge it on anyone. <sup>432</sup> It was alleged by the CS that this would remain the position pending an approval from the Secretary of State. <sup>433</sup> An alleged need for approval mentioned was just an excuse to stamp out any emerging interest from the Provincial and districts officials; it was insisted it has to emerge spontaneously from the growers. <sup>434</sup> This demonstrates the single minded character of the CS who put forward an excuse that had an unequivocal detrimental effect not only on the envisioned creamery co-operatives, but to the development of an entire movement in

<sup>&</sup>lt;sup>429</sup> Report on Co-operation by Mr R.C. Northcote: Minute by the CS, folio 83, TNA 22919.

<sup>&</sup>lt;sup>430</sup> W. K. H Campbell, Report on Development and Reconstruction Establishment of co-operative societies visit by July 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>431</sup> Central Province, PC to CS Ref. No 20/32/4, June 14th 1935, TNA 22919.

<sup>&</sup>lt;sup>432</sup> CS to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, TNA 22919.

<sup>&</sup>lt;sup>433</sup> CS to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, TNA 22919.

<sup>&</sup>lt;sup>434</sup> CS to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, TNA 22919.

the country. The CS was determined to suppress any initiatives from the Provincial Commissioners who were informed by CS that 'Northcote was assigned other duties (not co-operation) in which more of his time has to devote to'. 435 It was emphasised by the CS that Northcote would be available to help with advice and organisation, but he was employed merely in a consultative capacity. 436 With such a limited role assigned to the Registrar, the movement could hardly take off.

The CS's letter to the Secretary of State for the Colonies, he further demonstrated his averseness in promoting the co-operatives. He pointed an accusing figure to Northcote's report which was of contentious nature as a basis. In some respect, Northcote was responsible for paying no attention to non-natives mainly, Europeans and Indians and too much on natives that, seems was viewed as racist. This suggests that the CS was delivering political manoeuvres to neglect the co-operative development policy. The CS further argued that, 'to be frank, his report is disappointing and contain some extraordinary opinions to which this government could not subscribe and paid no attention to non-natives mainly, Europeans and Indians and too much on natives that would raise sorts of misunderstandings'. 437 In bolstering the decision, the CS sent the same contents in a letter to Carnegie Foundation in which he made clear that, 'Mr Northcote's report contained a good deal of matter of theoretical and contentious nature that, the government cannot subscribe to'. 438 Additionally, it was maintained by the CS that, 'there was no question to setup Department or Organisation to deal with co-operation'. 439 It was also strongly emphasised that, 'Northcote would only be able to act in a consultative capacity, mainly to advice when a genuine local desire for co-operation emerged'.<sup>440</sup> He ordered that such matters should be referred to him regardless of Northcote's appointment.441 Clearly, this indicates that, Northcote's support from the colonial

<sup>&</sup>lt;sup>435</sup> CS to PCs, Ref. No. 22919/84, June 29 1935, TNA 22919.

<sup>&</sup>lt;sup>436</sup> CS (acting) to all PCS, Ref. No. 22919/79, June 1935, TNA 22919.

<sup>&</sup>lt;sup>437</sup> CS to Carnegie, Ref. No. 22919/423, September 12<sup>th</sup> 1935, TNA 22919.

<sup>&</sup>lt;sup>438</sup> CS to Carnegie, Ref. No. 22919/423, September 12<sup>th</sup> 1935, TNA 22919.

<sup>&</sup>lt;sup>439</sup> Clerk of Executive Council minute, August 1935 In Report on Co-operation by Mr R. C Northcote, District officer, 1935, TNA 22919.

<sup>&</sup>lt;sup>440</sup> Clerk of Executive Council minute, August 1935 TNA 22919.

<sup>&</sup>lt;sup>441</sup> CS (W.E. Scupham) to all Provincial Commissioners, Ref. No. 22919, October 28<sup>th</sup>, 1936, TNA 22929.

authority for co-operative development was halted as the CS stressed that, 'there would be no suggestions that any special Department should be set up and no financial help or subsidy, direct or indirect would be given. Northcote's recommendation was made useless and an attempt to reform the way co-operative movement was being developed was crippled. This is a clear indication that, there was a lack of commitment in promotion of co-operatives within the colonial administrators and colonial power or the CO as there was no action taken against the Tanzania's colonial authority. The emphasis by the CS refutes Develtere's critical proposition against colonial authority interventionist policy in promotion of co-operatives; and such development indicates that Develtere generalised his assumption and lacks substantive evidence as he does not identify a specific time and country where his assumptions was applied.

An emphasis by the CS was that, 'co-operatives should emerge spontaneously';444 again, this was a failure to acknowledge the low knowledge level of growers to co-operation in Tanzania's rural areas. The spontaneous growth of co-operative movement is desirable, but the colonial authority had to address the difficulties facing the growers. Having the CS maintaining co-operative spontaneous growth policy illustrates an attempt by the colonial authority to distance itself from providing growers a chance and creating the necessary conditions, under which co-operation could be propagated, thrive and develop. Therefore, by limiting the Registrar's role to a consultative capacity the CS hindered the growth of co-operatives throughout his tenure in office. This shows that, the policy that encouraged the spontaneous growth of co-operatives did not make a significant impact. Historically, the spontaneous growth principle belongs to the 19th during the *laissez faire* epoch in Europe, where the Rochdale and Raiffesein pioneers commandeered high levels of exposure (see Chapter 1, Section 1.2 for details). For example, Strickland pointed out in 1933 that

<sup>&</sup>lt;sup>442</sup> CS (acting) to all PCS, Ref. No. 22919/79, June 1935, TNA 22919.

<sup>&</sup>lt;sup>443</sup> Patric Develtere, Cooperative Movements in the Developing Countries: Old and New Orientations, *Annals of Public and Cooperative Economics*, Vol. 64, Issue 2, April 1993, pp. 179-208.

<sup>&</sup>lt;sup>444</sup> CS to Carnegie, Ref. No. 22919/423, September 12<sup>th</sup> 1935, TNA 22919.

'it appears that Co-operation is almost unknown in tropical Africa'. 445 That suggests conditions that led to the emergence of co-operatives in Europe did not exist in the colonies like Tanzania where most societies commanded subsistence economy (*ujima*) and the Rochdale, Raiffesein co-operative principles were unheard of among the illiterates rural growers.

All in all, promotion and registration were taking place in a number of places; but progress was slow. For example, in Kilimanjaro which was the colonial authority's interest it was disappointing. In his report the Acting Registrar pointed out that, 'for two years since the Co-operative Societies Ordinance was passed only 21 societies have so far been registered and in the last 12 months only one application was submitted from European society which was also based in Moshi'. By 1944 a number of societies in Moshi District were 27. Outside Moshi district there were some developments for example, the tobacco marketing co-operative Union, the NGOMAT in Songea district (and current Mbinga district) was established in 1936 with thirteen (13) affiliated societies and 6,640 members. The Bugufi co-operative society which marketed coffee was established in the same year and by 1944 had 6,000 members. The Colonial Development Fund made available £5,000 to facilitate their formation of the two, the NGOMAT and Bugufi. Also, various types of societies, including credit societies were registered by 1947 (See names of

<sup>&</sup>lt;sup>445</sup>C. F. Strickland, Co-operation for Africa, in *Journal of the International Africa Institute*, Vol. 6, No. 1 (January 1933), pp. 15-26, TNA 24870.

<sup>&</sup>lt;sup>446</sup> Minute from Ag Registrar to the CS, November 5<sup>th</sup> 1934, TNA 19005.

<sup>&</sup>lt;sup>447</sup> Northcote to J.D Rheinallt Jones, the Director of South African Institute of Race Relations, Ref. No. Co-op/1058/17, December 11<sup>th</sup> 1944, Co-operative Development Annual Reports, 1946 – 1950, TNA 37192.

<sup>&</sup>lt;sup>448</sup> Northcote to J.D Rheinallt Jones, the Director of South African Institute of Race Relations, Ref. No. Co-op/1058/17, December 11<sup>th</sup> 1944, TNA 37192

<sup>&</sup>lt;sup>449</sup> Tanganyika Government, Report on Co-operative Development, (Dar Es Salaam: Government Printer, 1947), Appendix 1-6, TNA 37192.

<sup>&</sup>lt;sup>450</sup> Tanganyika Government, Report on Co-operative Development. Dar Es Salaam: Government Printer, (Dar Es Salaam: Government Printer, 1947), Appendix 1-6,TNA 37192.

<sup>&</sup>lt;sup>451</sup> Northcote to J.D Rheinallt Jones, the Director of South African Institute of Race Relations, Ref. No. Co-op/1058/17, December 11<sup>th</sup> 1944, TNA 37192.

<sup>&</sup>lt;sup>452</sup> A minute from Northcote to CS, May 6<sup>th</sup> 1935, TNA 22919.

societies in Appendix 3c and 3e). Generally, growth of co-operative movement failed to reflect the enthusiasm expressed by the colonial authority in the late 1920s and lobbying to the CO for approval of the legislation. Nevertheless, the limited growth is an illustration of colonial authority reluctance also refused to support the Registrar's initiatives. Regardless of how the expansion took place, the record remained disappointing which indicated there were areas or growers who were deprived of an opportunity.

This section has examined policies and political decisions that provided an impetus to the development of the co-operative movement in Tanzania. Some of the political decisions taken by the colonial officials undermined the growth of the co-operatives resulting in their uneven distribution in the country. The post-war years saw the expansion of the co-operative movement footprint as discussed in the following section.

# 3.4: POST-WAR CO-OPERATIVE RENAISSANCE

This section examines post-war colonial policies on co-operative development. In the discussion, an attempt is made to evaluate to what extent the co-operatives were established at the behest of the British colonial government. Against the backdrop, there was clearly a global enthusiasm for the encouragement of the co-operative movement worldwide. But to what extent did it address uneven development or bias in promotion of co-operatives in other parts of the country?

In his thesis Dondo examined development of co-operative movement in the post-war period, but only regards the UNO as a key player to such development. Dondo does not indicate how and why the UNO influenced a policy towards the promotion of co-operatives and ignores other key players. This study has established that, the interest in co-operative development was discussed at the UNO Conference held at Hot Springs in 1943. This was due to the role played by the co-operative movement in assisting the UNO agencies in relief, rehabilitation and reconstruction

<sup>&</sup>lt;sup>453</sup> Awour M. Dondo, The Co-operative Model as an Altenative Strategy for Rural Development: A Policy Analysis Case Study of Kenya and Tanzania 1960-2009, unpublished PhD Thesis, University of Atlanta, May 2012.

programmes during and post war.<sup>454</sup> The conference examined how co-operatives could be employed in post-war reconstruction efforts. It was during this period when co-operative movement was internationally accepted as an instrument for invigoration of development in poor countries. However, Dondo has not mentioned the significance of the ILO in its 26<sup>th</sup> Session conference recommendations that stressed the colonial authorities to play an integral part in promoting the co-operative movement<sup>455</sup> which was dominant in the post-war years.

In general terms, the colonial authority intervention in promotion of co-operatives, in Tanzania was impressive compared to other East African countries where it faced opposition in the 1930s. However, no matter how impressive the progress was in Tanzania, this was a matter of concern in the Colonial Office which in 1944 appointed Mr W.K.H. Campbell to conduct an investigation into opportunities for cooperative development in East African countries. In his report on Tanzania Campbell identified five key factors that led to the slow progress in Tanzania which were: shortage of staff, the KNPA experience as well as nervousness created by the 1937 coffee riots in Kilimanjaro, the inability of growers to manage societies, and fears that the movement would interfere with affairs of the NA.456 In his report it was made clear that, 'time was ripe to embark in promotion of co-operatives owing to prevalence of embryonic associations that suggested some degree of spontaneous growth that required legislation and government guidance for their promotion, formation and registration'. 457 He also emphasised that, co-operatives should be formed to accommodate soldiers returning from WWII battle fields in Ethiopia and Asia. This was widely viewed as important policy to defuse or divert their interest in engaging in the struggle against the colonial rule.

<sup>&</sup>lt;sup>454</sup> ILO, (1955) pp.149, 173-176.

<sup>&</sup>lt;sup>455</sup> ILO, *Problems Relating to establishment of Co-operative Movements in Non-Self Governing Territories and Government Solution for their Solution*, (Geneva: ILO, 1950), TNA 24870.

<sup>&</sup>lt;sup>456</sup> W.K.H. Campbell's Report of Visit to Tanganyika, (July 16<sup>th</sup> to 24<sup>th</sup> 1944), July 29<sup>th</sup> 1944, TNA 35783.

<sup>&</sup>lt;sup>457</sup> W.K.H Campbell's Report of Visit to Tanganyika, (July 16<sup>th</sup> to 24<sup>th</sup> 1944), July 29<sup>th</sup> 1944, TNA 35783; S.K. Kobia, (2011), p.31.

In his report, Campbell recommended the encouragement of growers to form the cooperative societies. Ideally, he argues that, 'the co-operation ought to spring spontaneously from the people themselves and the government should have no need to help in its propagation'.<sup>458</sup> However, he indicated the inability of growers to form co-operatives without the government's encouragement and support. In this case, he believed that, 'the government intervention is justified' in but cautioned for the greatest care to be taken not to devitalise the co-operative movement that lack the lifeblood of belief by their members.<sup>459</sup>

In response to the Campbell recommendation on the spontaneous growth of the cooperatives, the Tanzania colonial authority challenged the policy on the view that it cannot succeed owing to lack of knowledge about co-operation;460 also, the experience that Tanzania had in the years between the two wars when the spontaneous policy failed to bring about changes. This signified a policy shift and justification of top-down approach employed in the formation and registration of the KNCU and BCU (see Chapters 4, Section 4.3 and Chapter 5, Section 5.5). In this case, it was strongly held by the colonial authority that, the government should intervene in the formation of co-operatives.<sup>461</sup> This confirms the commitment Tanzania's colonial authority's training policy towards promotion and performance of the co-operative movement. This was part and parcel of the colonial authority's post war approach that justified previous attempts in which top-down approach was employed in the promotion and formation of co-operative societies. But, uncertainties as to how could the co-operatives be established remained a critical challenge to the colonial authority. This is reflected in their perception that they had to be formed at every centre of native authority in the country where various types of co-operatives should be formed such as agricultural and animal products as well as consumer societies resulting to the registration of such societies in the country, 462 as the Mwanza African Traders Consumer Co-operative Society (MATCS) in 1946 which

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<sup>&</sup>lt;sup>458</sup> Report of the Central Development Committee, April 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>459</sup> Report of the Central Development Committee, April 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>460</sup> The co-operative movement and Post-War Planning, July 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>461</sup> Tanganyika Territory Report on the co-operative Development for the year 1948, TNA 37192.

<sup>&</sup>lt;sup>462</sup> The co-operative movement and Post-War Planning, July 29<sup>th</sup> 1944, TNA 33017.

became a driving force and significant impetus to the growth of the cotton marketing co-operatives in the WCGA (See Appendix 5 and chapter 6, Section 6.3).

The Tanzania's colonial authority position was that the co-operative movement was of the greatest value in the construction of a prosperous African community. 463 It was argues that, *Ushirika* popularity had been growing year after year among progressive farmers. 464 However, there was a lack of knowledge in formulating plans for social and economic progress that required government intervention. 465 In principal, the colonial authority attempted to focus its attention specifically on the progressive farmers who were the minority. This suggests that, the delay in promotion of cooperatives in the WCGA was partly due to the priority given to develop progressive farmers who would be handed over marketing co-operatives without taking into consideration the interests of small scale cotton growers who were the majority. The progressive farmers were envisioned as key players not only in production but also in the marketing of their produce, mainly export crops.

Furthermore, Campbell's report coincided with influence from the Fabian Colonial Bureau to the Colonial Office. As the War neared its end they established a Special Committee in 1941 to report on what co-operatives had already achieved and what they might achieve in the future. A member of the Special Committee was Arthur Creech Jones, MP who became Colonial Secretary in the Labour Government. Its report, published in 1945, described the co-operative movement as being 'all but non-existent in the majority of the British colonies' and recommended the setting up of a co-operative department with central department in the Colonial office. He Fabian report helped influence British colonial policy in relation to co-operatives by outlining the advantages of co-operatives as: 467

- a) Lowering of the costs of production;
- b) Distribution and marketing;
- c) Obtaining credit on reasonable terms;

<sup>&</sup>lt;sup>463</sup> The co-operative movement and Post-War Planning, July 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>464</sup> The co-operative movement and Post-War Planning, July 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>465</sup> The co-operative movement and Post-War Planning, July 29<sup>th</sup> 1944, TNA 33017.

<sup>&</sup>lt;sup>466</sup> Fabian Colonial Bureau, (1945), pp. 14, 193.

<sup>&</sup>lt;sup>467</sup> Fabian Colonial Bureau, (1945), pp. 14, 193.

- d) Ending the monopolization of trading by big European firms; and
- e) Improving agriculture by the use of better stock and seeds, and by the use of fertilisers, machinery.

The advantages outlined clearly attempt to address the disadvantaged position of majority of small-scale growers not only in Tanzania but also in many other developing countries in a situation where they remained side-lined. The Fabian propositions maintained the modernisation ideals under which the co-operative movement was envisioned to spread modern agricultural practices. In general terms, the advantage listed attempt to end the confinement of growers of agricultural production and broaden their participation in other economic spectrum by having growers participate in the marketing of their produce acknowledging their exploitation by middlemen and powerful traders. However, an emphasis remained in the promotion of agriculture co-operatives. Further emphasis and impetus for the promotion of agriculture co-operatives were given by the post WWII planning committee. 468

In the wake of the Report, the greater emphasis was placed on co-operatives. For example, in 1947 the Colonial Office appointed an Advisor on the co-operative movement. He was B.J. Surridge who had served as Registrar of Co-operatives in Cyprus between 1934 and 1943 and later became a Vice Chair and Trustee of the Plunkett Foundation. The impetus for the promotion of co-operatives in British African colonies was accelerated by the Labour Party's victory in the 1945 General election. From the beginning the Labour government was overburdened with unprecedented difficulties regarding colonial questions, economic and political. India was on the way to independence with other Asian colonies following suit. Another is the so-called dollar crisis. Britain had to repay its war debts in dollars, but the export capacity of the damaged economy was still limited.

In order to lessen the burden of external debts and to finance its domestic move to a welfare state, the Labour government opted for a policy of massive "export drive"

<sup>&</sup>lt;sup>468</sup> The report of the Central Development Committee on Co-operatives, paragraph 303, TNA 33017.

<sup>&</sup>lt;sup>469</sup>Billy Frank, (2002), p.1.

<sup>&</sup>lt;sup>470</sup> Michael Havinden and David Meredith, (1993), pp. 266-269.

<sup>&</sup>lt;sup>471</sup> Billy Frank, (2002), p.75.

from the colonies. Africa and the Caribbean suddenly turned out to be valuable assets for the ailing British economy<sup>472</sup> and this perception led to hasty, reckless agricultural projects such as the highly mechanized groundnuts production scheme in Tanganyika, only to produce disastrous failure.

The Labour Party's victory was an impetus for development of the co-operative movement, especially with the appointment of Arthur Creech Jones from Fabian Colonial Bureau to the position of the Secretary of State for the Colonies. Creech Jones greatly reorganised and reshaped the Colonial Office to reflect the demand for changes in the colonies and to respond to both international and local pressure for the encouragement of co-operatives. This was achieved by pressuring colonies to pass or amend co-operative legislation to enable the establishment of the Co-operative Departments which were pivotal in fostering the co-operation. At this juncture, the Colonial Office policy towards the co-operatives was that 'the value of co-operative societies is no longer a matter of any dispute' and it should be used as an instrument for the construction of a prosperous African community. Against the backdrop, colonial authorities in British colonies were called upon to realise a planned development of co-operative associations and enterprises by employing them as instruments in introducing an appropriate and modern agricultural policy.

The colonial authority in Tanzania took the Campbell's recommendations seriously to further efforts to promote the co-operatives in which, among its recommendations was to employ the co-operatives to absorb the returning soldiers who served Britain in the Second World War. For example, between 1945 and 1948 co-operative and native agriculture marketing policy was reviewed leading to the adoption of Northcote's previously rejected proposals mentioned previously except setting up of the co-operative apex body due to shortage of staff;<sup>476</sup> when Northcote retired the government had to appoint the Director of Lands and Mines, Mr R.S.W. Malcom to

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<sup>&</sup>lt;sup>472</sup> Billy Frank, (2002), pp.26, 75.

<sup>&</sup>lt;sup>473</sup> The Bombay Co-operative Quarterly, October 1950, p.90, TNA 24870

<sup>&</sup>lt;sup>474</sup> Co-operative Movement in the Colonies, (London: HMSO, 1946), Col. No. 199, TNA 19005.

<sup>&</sup>lt;sup>475</sup> Extract from speech by Lord Winster in the House of Lords March 1, 2 or 3 1944, TNA 33017

<sup>&</sup>lt;sup>476</sup> Tanganyika Territory, *Report on Co-operative Development*, Dar Es Salaam: Government Printer, 1947), paragraph 6, TNA 37192; T.R. Sadleir, (1963), p.7.

act as the Registrar. 477 This was in addition to his responsibility as Director of Lands and Mines. As his predecessor, he had no staff to assist him that raised a concern to the CS 'I feel that I have neither time to spend in Kilimanjaro' to supervise societies which were experiencing some management problems.<sup>478</sup> This was the earliest impact as a result of rejecting Northcote proposal in the mid-1930s and beginning to adopt them. The co-operative legislation was amended in 1945 in accordance to the guide provided by George Hall and Northcote in the mid-1930s to provide for setting up of fully fledged the Department mooted from the Departments of Lands and Mines, and placed under the Registrar of Co-operative Societies.<sup>479</sup> The Registrar was charged with giving advice to and promotion of the producers' societies. The Department employed two European staffs in 1945, also three African clerks and two co-operative inspectors.<sup>480</sup> Moshi became the Department headquarter and training and education for the Department as well as of the co-operative movement staff was unveiled;<sup>481</sup> and a training college was opened at Mzumbe to train native Department and co-operative societies staffs from 1947.<sup>482</sup> This signified a major post-war policy shift in favour of co-operative development, unlike during Northcote era when such policies were primarily rejected by the colonial authority.

Therefore, a combination of both supportive policies and the availability of individuals who were committed to execute the policy was not only an impetus, but also unveiled a new era of the co-operative renaissance in Tanzania. All these provided for expansion of the movement footprint that covered more geographical areas (see Table 10 below) and growers that for years were starved of or viewed as deserts due to lack or limited number of societies. But again, to facilitate marketing of agricultural

<sup>&</sup>lt;sup>477</sup> W.K. Campbell, Practical Co-operation in Asia and Africa, (Cambridge: W.Heffer and Sons Ltd., 1951), p.194.

<sup>&</sup>lt;sup>478</sup> Director of Land and Mines to CS, Ref. No. Co-op.1006/17, August 18<sup>th</sup> 1944, TNA 35783.

<sup>&</sup>lt;sup>479</sup> Tanganyika Territory, *Report on Co-operative Development*, Dar Es Salaam: Government Printer, 1947), paragraph 6, TNA 37192; T.R. Sadleir, (1963), p.7.

<sup>&</sup>lt;sup>480</sup> Tanganyika Territory, *Report on Co-operative Development*, Dar Es Salaam: Government Printer, 1948), TNA 37192.

<sup>&</sup>lt;sup>481</sup> Tanganyika Territory, Report on Co-operative Development. Dar Es Salaam: Government Printer, 1948), TNA 37192.

<sup>&</sup>lt;sup>482</sup> Tanganyika Territory Report on the co-operative Development for the year 1948, TNA 37192.

produce, most of which were exported to Britain as mentioned in the previous chapter.

In early 1946 George Hall, the under-Secretary of State for the Colonies, dispatched circular to the colonies detailing a roadmap for co-operative promotion. This is when serious attempts were made by the CO in promoting the co-operative movement in the colonies. A model co-operative Ordinance, which was based on the India Co-operative Societies Act of 1912 was circulated to all British colonies including Tanzania. To ensure the policy was enforced co-operative adviser and advisory committee was appointed in 1947. The adviser operated from the Colonial office charged with a responsibility to monitor progress in the colonies. Similarly, the Co-operative Departments were established.

The colonial strategies of co-operative development were designed based on the modernisation thinking of the colonised. This was an assumption that was strongly underscored by the colonial authority in promotion of co-operative movement was that it would be beneficial to the overall development process in transforming the rural population;<sup>484</sup> it was envisioned to provide a forum for increasing agricultural productivity and preserve the communitarian basis of traditional Africa.<sup>485</sup> The contention was also held by Digby who posits that co-operation provides for a transition from the primitive to the modern economic and social worlds.<sup>486</sup> This was a significant departure from a position held by the Labour in the 1930s, which the co-operatives were envisaged to could be employed for preserving traditional Africa.<sup>487</sup>

Along with the argument put forward for promotion of the co-operatives the Circular by Hall was important because it provided impetus and confidence in the course taken by the colonial authority in Tanzania in amending co-operative legislation and adoption of the Northcote proposals. This came at an important time when post-war

<sup>&</sup>lt;sup>483</sup> Colonial Office to Colonial Administrations, Circular Dispatch No. 199, March 20<sup>th</sup> 1946 p. 4-5, TNA 33017.

<sup>&</sup>lt;sup>484</sup> Develtere, Occasional Paper Series, #92-03, pp.41-42.

<sup>&</sup>lt;sup>485</sup> Fabian Colonial Bureau, (1945).

<sup>&</sup>lt;sup>486</sup> Margaret Digby, (1953), p. 162.

<sup>&</sup>lt;sup>487</sup> Paul Kelemen, Modernising Colonialism: The British Labour movement and Africa, *The Journal of Imperial and Commonwealth History*, October 2011.

policy on agricultural produce marketing emphasis was primarily geared towards rationalization and synchronisation of crop purchase in favour of a single government appointed buyer which was in line with bulk purchase (discussed in Chapters 2, Section 2.3 and 2.4 and Chapter 4, Section 4.4, also in the following paragraphs).

In the post-war years there was a widespread understanding that the co-operative movement as an essential tool for development that required the CO to play its part; for example, this was demonstrated in its Circular dispatch that gave detailed guidance in regard to the establishment and management of the co-operative societies. Models of the co-operative Ordinance, Regulations and Rules were circulated to colonies in which it was stressed that they had to be adopted in accordance with local conditions and culture. However, the circular did not prescribe approaches under which co-operatives could be promoted; but, the ILO's 1944 recommendation on the government intervention<sup>488</sup> was seemingly in mind among the colonial officials. This suggests that, individual territories had a mandate to assess the best way to promote co-operatives. This clearly indicates that local conditions implies a response from growers may dictate the colonial authority policy strategy as seen in Kagera where the top-down approach was employed because of a lack of enthusiasm. It is obvious that, the circular ushered the British policy regarding co-operative development in her colonies. The circular emphasised the role that the government had to play, embodied in the office of the Registrar not only in encouraging the movement but also controlling and supervising societies.

The models of the co-operative Ordinance, Regulations and Rules might have been prompted by a desire to have a uniform approach throughout her colonies. The policy came at a time when Britain and the colonial authority in Tanzania were encouraging production of cash crops and funds were made available under the 1945 Colonial Development and Welfare legislation. This was entailed to invigorate the economic development of the country based on modernisation thinking. The encouragement of agriculture marketing co-operatives and intervention by the CO

<sup>&</sup>lt;sup>488</sup> ILO, *Problems Relating to Establishment of Co-operative Movements in Non-Self Governing Territories and Government Solution for their Solution*, (Geneva: ILO, 1950), TNA 24870.

clearly illustrates that the intention was mainly to salvage Britain from economic ruin caused by the war.

The promotion of co-operative movement policy was embedded in the Colonial Office post-war Marketing Policy for Colonial Primary Products which was circulated to the colonies<sup>489</sup> stressing that; first, to ensure that producers were organized either in producers' associations or under some form of Government statutory marketing organization so that they could market their produce in an orderly manner and to obtain the best possible price. Secondly, there is no doubt that the policy took into consideration the success and weakness of the bulk purchase system (see Chapter 2, Section 2.3 and 2.4) with its emphasis on marketing and production was neglected. It is clear that, the marketing boards played a part in the supervision of production but, they were limited as they were not directly in contact with growers. Thirdly, the success of the agriculture improvement or modernisation policy had to be linked to the employment of the co-operatives as an instrument to facilitate improvement in cultivation methods was strongly held as outlined by Fabian Colonial Bureau.<sup>490</sup>

The achievement of explained policies had one critical challenge which was a lack of co-operative movement promotion policy. This is evident by the inconsistent approach in promotion of co-operatives as analysed in Sections 3.2 and 3.3. The 1937 Native Coffee Control legislation did not facilitate the improvement crops other than coffee. Thus, a comprehensive agriculture and marketing policy was vital. This was realised when the Colonial Office unveiled its post-war policy on agriculture development (see Chapter 2, Section 2.5).<sup>491</sup> The CO policy on agricultural crop marketing prompted the amendment of the marketing legislation by the colonial authority that provided for integration of the co-operatives in the marketing.

<sup>&</sup>lt;sup>489</sup> The Colonial Office, the Confidentila memorandum on General Price and Marketing Policy for Colonial Primary Products, (London: The Colonial Office, February 1947), TNA 37192.

<sup>&</sup>lt;sup>490</sup> Fabian Colonial Bureau, (1945), pp. 14, 193.

<sup>&</sup>lt;sup>491</sup> CO, Colonial Agricultural Policy, (London: The Colonial Office, 1945), p.3. TNA 27317; DA Circular despatch to Directors (Veterinary, Tsetse Research), Ref. No. 27317/33, August 15<sup>th</sup> 1946, TNA 27317.

In developing the policy the Registrar of Co-operative Societies was accorded powers to draft of legislation, the African Agricultural (Control and Marketing), Ordinance No. 57, 1949 that provided for a forum for exerting pressure to existing Marketing Boards, mainly the BNCB to promote the co-operatives. The object of the legislation was to foster co-operation;<sup>492</sup> the marketing boards were instituted largely as an interim measure pending the formation of producers' co-operatives and definite steps had been taken by Boards which were instruments of the government to promote such societies starting at the primary level for crop marketing. Under the legislation, the marketing boards were required to disburse part of profits accrued from sales of coffee in accordance to Section 10 of the Ordinance to neither the government, nor to Indians, but to growers through co-operative societies as incentive to encourage production among the growers with effect from January 1950.<sup>493</sup> Clearly, the policy was a step in crippling the boards financially and this was a significant in compelling the BNCB to provide support to co-operative societies. In a further development, all the Provincial Commissioners were informed that, the Secretary of State for the Colonies has instructed that with effect from 1951 the Commissioner of Co-operative Development became the liason officer between his Department and the Boards in all matters regarding co-operatives, marketing and commercial accounting.<sup>494</sup> The CO's intervention an approach was reinforced further the control over control and marketing of the native produce by the Co-operative Department and weaken the status of the boards. This commitment formed a basis for promotion of co-operative of the BCU (see Chapter 5, Section 5.5).

Digby posits that the co-operative movement prevents the exploitation of the less advanced individuals or groups. Digby's argument supports the Tanzania's co-operative legislation, Section 36 in particular. However, she fails to admit that the Section provided a legal basis for the exploitation of growers through the co-operatives as it denied them a bargaining power in regard to price for their produce.

<sup>&</sup>lt;sup>492</sup> Registrar of Co-operative Societies to BNCB, September, 22<sup>nd</sup> 1949, TNA 24545; DA to Members of Agriculture and Natural Resources, Ref. No. 1368/7561, May 19<sup>th</sup> 1952, TNA 28585.

<sup>&</sup>lt;sup>493</sup> Registrar of Co-operative Societies to BNCB, September, 22<sup>nd</sup> 1949, TNA 24545.

<sup>&</sup>lt;sup>494</sup> The Member of Agriculture and Natural Resources (C.E.J. Biggs) to All Provincial Commissioners, Ref. No. 40657, May 12<sup>th</sup> 1951, TNA 40657.

<sup>&</sup>lt;sup>495</sup> Margaret Digby, (1953), p. 162.

It also provided for them to be controlled by the government through marketing boards. Against the backdrop, the use of the movement was a viable way to provide for exploitation of colonial resources by pooling them with an excuse to promote and encourage co-operatives which were controlled by the government through the marketing boards and they had no power to bargain price for commodities.

The African Agricultural (Control and Marketing) Ordinance, 1949 was not only a key prime mover but also wider in terms of crops involved, unlike the 1937 legislation which provided only for the coffee industry. Thus, it was a facilitating policy for the growth of co-operative movement as it compelled the Marketing Boards to promote the co-operatives which under the previous legislation had immersed power in control of crop marketing (see further details in chapter 5). Its application proved effective and successful. While development of co-operative movement was uneven, the legislation led to expansion of the co-operative footprint as demonstrated by a number of societies in new locations such as Rungwe district in the Southern Highlands of Tanzania and Kagera regions (then Bukoba district) see Table 10 below.

Under the marketing legislations, the boards were charged with crop marketing. They had power to appoint an agency in which co-operatives were a priority because unlike private enterprises, they did not offer conflicting interests with those of the Board. The functions of the Boards were complementary to the work of agriculture marketing co-operatives. Under this relationship the colonial authority employed the co-operative as the principal tool for crop collection points. This resulted in the expansion in the cash crop producing areas as a result of intensified involvement of marketing boards, support that also had an effect on the growth of co-operatives in Kilimanjaro, Bukoba, the WCGA and Southern Province (Mbeya, and Iringa) and Southern (Ruvuma region) but also regional inequality emerged as shown in Table 10.

Table 10: Geographical Distribution of Co-operative Societies in 1959 and 1960

S/No	Provinces	Total
1	Northern	61
2	Southern	33
3	Southern Highlands	59
4	West Lake	79
5	Lake	341
6	Tanga	8
7	Eastern	34
8	Western	1
9	Central	1
Total		617

Source: Annual Report on Co-operative Development 1959, Dar Es Salaam, 1960

This section has examined the development and expansion of co-operatives in the post-war years. This was partly due to pressure from external forces and the Colonial Office that paved for creation of a Co-operative Development Department, which was allocated staff, funding and challenged to promote co-operatives across the country. It has also discussed the promulgation of the marketing board's legislation and its impact and impetus upon the growth of the co-operative movement. In the next section provides an evaluation of the on co-operative movement policy continuity and changes during the post - colonial era.

# 3.5: THE POST-COLONIAL CO-OPERATIVE POLICY CONTINUITY AND CHANGE

This section examines three major aspects of the co-operative movement's development in the post-colonial era. Firstly, it lays a background on the post-colonial co-operative development policy. Secondly, it discusses the co-operative development policy continuity. Finally, the section provides a critical analysis on the development of co-operative movement in relation to the changing political and ideological inclination in shaping the co-operative movement during the first two decades of independence.

Tanzania attained independence in December 1961 under TANU inheriting the economy from colonial rule that was governed by capitalist policies. It has to be noted that the only asset that was at the disposal of Tanzanians was the co-

operative movement. The government vowed to effectively utilise them, which signified an important policy commitment and a continuity of the co-operative renaissance era. At this juncture, the co-operative movement was envisioned to meet similar policy goals, mainly to control of the marketing of the agricultural produce.

The post-colonial government saw the co-operative movement as an instrument for Africanisation of important economic sectors such as processing and marketing of agricultural produces in an attempt to consolidate itself, 496 provided under the National Agricultural Products Board Act, 1962 which was primarily envisioned to control of the crops marketing (See Section 2.6). It embarked upon setting up co-operatives not in every part of the country, but also for every economic sector where urban and rural community could be involved. Such co-operatives ranged from credit, industrial and supplier of consumer goods, and transport, which were traditionally under the control of Asians. 497 Against this view, it was considered that Africans would have control of the economy that for many years had been under the control of the expatriates. 498

It has been pointed out in this thesis that the colonial post-war signified co-operative renaissance era in Tanzania. However, the inherited co-operative movement footprint was limited in some regions and not-existent in most parts of the country. The regions that were underserved or co-operatives were non-existent was a concern to the post-colonial government had to address accordingly. It was envisaged that transplanting was a suitable approach and a success of such initiatives required deliberate political efforts. In promoting co-operatives politicians and government officials were deployed in rural areas where they encouraged

<sup>&</sup>lt;sup>496</sup> Kjell Havnevik, (1993), p.29.

<sup>&</sup>lt;sup>497</sup> Muungano wa Vyama vya Ushirika, *Ushirika Wetu*. (CUT: Dar E Salaam, 1977),p.55

<sup>&</sup>lt;sup>498</sup> URT, Report of the Presidential Committee of Enquiry into co-operative movement and marketing Boards. (Dar Es Salaam: Government Printer, 1966), p.5.

growers to set up co-operatives in public meetings.<sup>499</sup> This demonstrated political commitment and policy continuity in regard to the top-down promotion of co-operatives. But, such transformation was meant to suit the interest and to fit new national development plans in which co-operatives were envisaged to play part particularly to help the government in handling cash crops that are vital for the economy of the country.

Given the desire of the politicians to comply with national policy the growers had limited, to accumulate knowledge and interest to form their own societies that would serve their interests. <sup>500</sup> In this, there was disregard for members' interests and need as the basis for forming new co-operatives. The 'potential' members had to be passive and accept organisations imposed on them from above which did not serve their interest but implemented the national policy. As a result of political efforts, there was a surge and burgeoning number of the co-operative movement and expanded footprint unlike in 1960 in handling a wide range of agricultural commodities as shown in Appendix 2 on distribution of co-operatives in 1965 in regions. <sup>501</sup> This was a crash programme and hastily prepared since did not adhere to certain basic aspects. As pointed out, at independence TANU regarded the co-operatives as suitable rural institutions that would facilitate economic independence. It was certainly viewed that, in the absence of the government intervention social change and agricultural transformation were unlikely. <sup>502</sup>

To achieve this, the government amended Section 50 of the co-operative legislation in November 1962<sup>503</sup> by substituting the responsibilities of the Registrar of co-

<sup>&</sup>lt;sup>499</sup> Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

<sup>&</sup>lt;sup>501</sup> Regions are new political administrative area that replaced Provinces in 1962

<sup>&</sup>lt;sup>502</sup> Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

<sup>&</sup>lt;sup>503</sup>Under the Co-operative Societies Ordinance (Amendment) Act, No. 72 of 1962, Cap. 211 the amendments were made in sections 37, 49, 50, 55, of by deleting a word registrar" and substituting therefor the word 'Minister' Section 45 of the Ordinance is hereby amended by deleting the words 'Governor in Council' wherever

operative societies which were handed over to George Kahama who was the Minister responsible for co-operatives until 1965.<sup>504</sup> Under the amendment the then Registrar's powers and functions were vested in politicians. Registration and promotion of the co-operatives became a political issue and a priority dominated by a desire to expand the footprint. At this juncture, the Minister approved societies and the Registrar's role was reduced to record keeping for registered societies and membership. This undermined the ICA procedures that commend the co-operative movement should remain as an economic aspect that aims to serve members' interests.

Furthermore, the idea behind the promotion of the mass co-operative societies across the country served both a political and economic agenda. The policy aimed to utilise co-operatives as a tool to unify the Tanzanians from the divisions created during colonial rule. To achieve national unity, saw the government and the ruling party TANU (CCM since 1977) directly engaged in a policy move by appointing some co-operative movement leaders to Ministerial positions. Such leaders were George Kahama from the BCU (Home Affairs Ministry), Paul Bomani from the VFCUS (Agriculture and Co-operatives), Asanterabi Zaphaniah Nsilo Swai from Meru Co-operative Union (Commerce and Industries), and Jeremiah Christina Kasambala from Rugwe Co-operative Union (Transport and Buildings, under the 1965 reshuffle he became Minister for Co-operative and Community development). At this juncture, state consolidation was clear and foundation for the post-colonial government making an attempt to compromise with potential opponents.

Having the co-operative movement incorporated in the government machinery a unity remained wide open until when the government sponsored the formation and registration the apex co-operative body the Co-operative Union of Tanganyika (CUT) in 1962<sup>506</sup> that drew membership from all co-operative unions in the country and a

they appear therein except where they form part of the expression 'Governor in council of Ministers and substituted therefore in each case the word 'Minister'.

<sup>&</sup>lt;sup>504</sup> Interview with George Kahama in November 27<sup>th</sup> 2012.

<sup>&</sup>lt;sup>505</sup> Interview with George Kahama in November 27<sup>th</sup> 2012

<sup>&</sup>lt;sup>506</sup> Horace Plunkett Foundation, *Year Book of Agricultural Co-operative*, (London: Basil Blackwell, 1962), p.242; Interview with George Kahama in November 27<sup>th</sup>

total of 760 primary societies.<sup>507</sup> Despite, the government role in the creation of the CUT was very important in some aspects. The organisation was charged with providing co-operative education and advisory services replicated the from the British's co-operative union. Also, this was a significant step as it can be recalled that Northcote proposed for its formation, but the colonial authority rejected it (see Section 3.3).

In accordance with expansion policy, the co-operative unions were also encouraged by the government (see table 11 below). This was a significant development given that this was only four years after independence. These Unions and those formed before independence were assigned by the government a number of functions such as distribution and control of agriculture credit to societies ultimately to growers. The newly registered Unions are listed in Table 11 below.

**Table 11: The Co-operative Unions Registered after Independence** 

Union	Region	Year
Njombe	Iringa	June 1962
Mbeya	Mbeya	April 1963
Tarime	Mara	June 1963
Ulanga	Morogoro	October 1963
Mtwara	Mtwara	December 1963
Kilosa	Morogoro	February 1964
Singida	Singida	July 1964
Tanga	Tanga	July 1964
Kigoma	Kigoma	February 1965
Nguvumali	Tabora	June 1965
Igokelo	Kagera	1965 <sup>509</sup>
Tunduru	Ruvuma	June 1965

Source: Muungano wa Vyama vya Ushirika Tanganyika, *Ushirika Wetu*, (CUT: Dar Es Salaam, 1977), p.51

It is evident from Table 11 above that there were no additional Unions in Kilimanjaro and WCGA as they were already saturated; but, two primary societies were

<sup>2012;</sup> Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

<sup>&</sup>lt;sup>507</sup> Horace Plunkett Foundation, *Year Book of Agricultural Co-operative*, (London: Basil Blackwell, 1962), p.242.

<sup>&</sup>lt;sup>508</sup> URT, *Annual Report on Co-operative Development for Tanganyika*,(Dar Es Salaam: Government Printer, 1965), p. 1.

<sup>&</sup>lt;sup>509</sup> URT, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1965), p.22.

registered in Kagera, which were Itongo and Ilemera.<sup>510</sup> Igokelo was formed to handle cotton in Biharamulo which was one of the districts in Kagera and Livestock Union, Wafugaji Co-operative Union was formed in Tarime district in Mara region in the WCGA.

The post-colonial government viewed the co-operative movement as the vehicle to achieve the government's rural development also to facilitate unity among growers. At independence the NAs were abolished, hence creating a vacuum in regard to the implementation of rural development. This necessitated the promotion of co-operatives to take over development function at grassroots level to administer projects by targeting individuals who are not organized in groups; also to facilitate in raising production and productivity in agriculture. This represents the continuity of colonial agricultural policies. The co-operative movement was envisioned to play a part in the modernisation of agriculture as a medium for provision of knowledge and skills under which growers to improve would learn modern farming practices.

The First Five-year Plan<sup>511</sup> marked a beginning of the political shift away from capitalism towards socialism unveiled in the Arusha Declaration of February 5<sup>th</sup> 1967.<sup>512</sup> Under the ArD the major means of production and exchange were extensively nationalised and placed under the control of the workers and peasants through the government and co-operatives. With the nationalisation of estates and plantations the government could not cope with managing nationalised farms due to lack of staff and funding. Therefore it had to rely on the co-operatives. For example, the KNCU which was given nationalized coffee plantations. Thus the movement became an integral part in the control of all the major means of production and exchange. It was argued that:

To build and maintain socialism, it was essential that all the major means of production and exchange in the nation were controlled and owned by

<sup>510</sup> The BCU Report for years 1961/62, 1962/63 and 1963/64, (Bukoba: BCU Printing Unit), p.1.

<sup>&</sup>lt;sup>511</sup> URT, First Five-Year Plan for Economic and Social Development, (1964-1969), Vol. I. (Dar Es Salaam: Government Printer, 1964), p. 43.

<sup>&</sup>lt;sup>512</sup> J.K. Nyerere, *Ujamaa: Essays on Socialism, (*Dar Es Salaam: Oxford University Press, 1968), pp.13-37.

peasants through the machinery of their government and their cooperatives.<sup>513</sup>

To this effect, the government strengthened the administrative apparatus responsible for co-operation, adjusted co-operative legislation to fit the new strategy, and became subject to strictly political and ideological imperatives under the Government and rulling party. Against the backdrop, it was also envisioned that the under the policy the co-operative movement will facilitate in engaging Tanzanians towards economic independence and self-reliance.

Within the implementation of the First Five-Year Development Plan, the Presidential Special Committee of Enquiry into the Co-operatives Movement and Marketing Boards was appointed by the President Nyerere in January 26<sup>th</sup> 1966 amid complaints from growers and co-operative members about the terms of payments on their produce. The Committee was given terms of reference that was entailed:

To review the staffing and, where necessary, the organisational structure of the co-operative movement and Marketing Boards in order to recommend what steps should be taken to strengthen them for the maximum benefit of producers and consumers alike.<sup>514</sup>

The 1966 Commission of Enquiry recommended strengthening of the Co-operative Unions. Consequently, a number of developments took place; firstly, Paper No.4 of 1967 was published that provided a new policy direction that the movement should embark upon. Secondly, the policy recommended the creation of multi-purpose co-operative societies intended to replace 14,000 Asians who majority controlled retail and 4,000 in wholesale businesses and a number of Africans was negligible. All in all, the marketing was retained as the backbone of the movement. It was envisaged that for effective utilisation and profit realisation the co-operative movement had to diversify their businesses to include marketing food crops, processing plants and

pp.54-58.

<sup>&</sup>lt;sup>513</sup>J.K. Nyerere, *Freedom and Socialism*, (DUP: Dar Es Salaam, 1968), pp.233 - 234 URT, The Presidential Special Committee of Enquiry into Co-operatives Movement and Marketing Boards, (Dar Es Salaam: Government Printers, 1966), p.1. Gerald Albaum and Gilbert L. Rutman, 'The Cooperative-Based Marketing System in Tanganyika', In *Journal of Marketing*, Vol.31, No 4, Part 1 (October 1967),

agriculture production so that they become multi-purpose.<sup>516</sup> This signified a shift of emphasis by having co-operatives undertake new businesses. However, this was in addition to serving affiliated primary societies that overburdened their plans, performance and progress. This overburdened their managerial and financial capacity and exposed a lack of knowledge to execute some of the new business.

In January 1968 the VFCUS was dismantled (see Chapter 6, Section 6.6 for further details). The government's position was that the VFCUS had divorced itself from the grassroots members, societies and the Unions.<sup>517</sup> The reorganisation of the VFCUS into the Nyanza Co-operative Union (NCU) was followed by the Government's order to form the co-operative unions in each region in the country. The policy was backed by Government Notice No 3 of 1966 that called for the amalgamation of co-operative unions in each region into one.

It has to be noted that the passage of the 1968 co-operative legislation stemmed from the 1966 Presidential Committee recommendation that co-operatives have autonomous status and political interferences should be minimized if not eliminated. The legislation justified the government decision to dismantle and split up the NCU, which was the predecessor of the VFCUS which it was also illogical for a secondary society, the VFCUS to operate in three regions. Moreover, the BCU and KNCU were also affected (see Chapters 4, Section 4.5, Chapter 5, Section 5.6 and 6, Section 6.6); logically, policy consistency could be derived by having one Union in each region.

The amalgamation of the Unions was viewed by the government as costs effective and helped or a measure to resuscitate poor performing unions.<sup>519</sup> The government's policy was politically motivated because cost effectiveness was a question to be

<sup>&</sup>lt;sup>516</sup> URT, *The Second Five-Year Plan for Economic and Social Development*, (1964-1969), (Dar Es Salaam: Government Printer, 1969), p.31 – 32.

<sup>&</sup>lt;sup>517</sup> Muungano wa Vyama vya Ushirika Tanganyika, (1977), p.36.

Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

<sup>&</sup>lt;sup>519</sup> Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

considered by unions themselves and not to be told or instructed by the government. The forced amalgamations were carried out without the consent of the members. In implementing this order the authority considered regional administrative boundaries as a primary factor and totally neglected key aspects such as business risks and prospects, and importantly, members' interest and their commitment to the cooperative ideal.

The post-Arusha Declaration, especially the Second Five Year Development Plan (1969 – 1974) supposedly revolved around the ArD policy. At this juncture, the salient feature of the co-operative policy was that the movement was perceived as a key instrument for the implementation of socialist policy as well as rural development. This was a shift away from having co-operatives serve the interest of its members to save local to development plans and the ideology propagation of which they were engaged in affairs beyond their establishment. It also suggests that, their functions were being hijacked and were falling under control of the party and government.

The basis for the promotion of co-operatives and development explained above was in practice an integral part of the government's socialist policy that aimed to promote the welfare of the poor, mostly growers in rural areas. Since the Tanzania development policy was anchored upon *Ujamaa*, the involvement of the government was justified as provided by the ILO's 1966 Recommendation No 127 that calls for the state intervention in the promotion of the co-operative movement throughout developing countries. On the other hand, Nyerere asserted that the government was active for two reasons, first, because it was strongly held that it was only through co-operatives that growers could defend themselves against exploitation, something echoed by the socialist co-operative school. Secondly, it was geared towards achieving the modernisation of rural communities. This was reinforced under the Government Paper No.4 of 1967 which stated that:

<sup>&</sup>lt;sup>520</sup> Alex F. Laidlaw, Cooperatives and the Poor: A Review from within the Cooperative Movement, In *Co-operatives and the Poor,* (London: ICA, 1978), pp. 51-90.

There was no other type of organisation (than co-operatives) which was so suited to the problems and concept of rural development. The reutilisation of the co-operative movement in Tanzania was therefore vital to any programme of rural development. It was also emphasised that a co-operative society was basically a socialist institution and a considerable strength for the growth of socialism. This underlined a push by the government of the co-operatives core orientation from their original crop marketing purpose to concentration on serving the party's *Ujamaa* ideological objectives.<sup>521</sup>

This was a significant break from the ICA co-operation model, supposedly to be more appropriate and specific to the national context and by enlisting them to suit in country's ideological orientation. The co-operatives obliged to be production oriented;<sup>522</sup> and were expected fully participate and become a machinery in the building and propagating modern production techniques based on the socialist ideals in rural areas where they had a strong base among the growers. The movement was utilised because it was the only institution with a rural stronghold and had thousands of members to whom socialist/*Ujamaa* ideals could be passed. It was argued by the government that:

There was no other type of organisation which was so suited to the problem and concept of rural development; it would be impossible for government's administrative machinery to deal with individuals requiring government assistance and services, including credit for raising production and productivity. Without the use of co-operatives, the number of people wanting government help would make the dissemination of government services and assistance financially very expensive and administratively almost impossible. <sup>523</sup>

A further shift was signalled in a policy document, Socialism and Rural Development (*Ujamaa na Maendeleo Vijinini*) in September 1967 which aimed to address social and economic inequality in rural areas and bring to an end exploitation of man by man. The policy was a framework for rural and national development that was further underlined in the Second Five Year Development Plan (1969-74) and the Presidential Circular No. 1 of 1969. This stressed the importance of rural

<sup>522</sup> URT, Tanzania Second Five-Year Plan for Economic and Social Development, 1<sup>st</sup> July 1969 to 30<sup>th</sup> June 1974, Vol. I, (Dar Es Salaam: Government Printer, 1969), p.31.

<sup>&</sup>lt;sup>521</sup> J.K. Nyerere, (1968), pp. 67, 352.

<sup>&</sup>lt;sup>523</sup> URT, Paper No. 4, (Dar Es Salaam: Government Printer, 1967).

transformation under<sup>524</sup> the *Ujamaa* villages where people in rural areas should live together, own means of production and work communally. The *Ujamaa* villages were a model that borrowed some elements from the colonial era settlements schemes, and also echoed the Chinese and Israeli rural development programmes which in 1962 experimented with the support of the Israel experts in the WCGA to assist in the development of agriculture particularly co-operative farming,<sup>525</sup> as well as Indian community development programmes. Powerful Unions such as the KNCU, BCU and VFCU resisted the implementation of the government plans as was viewed they would harm some of its members who had accumulated wealth, for example land, through progressive and transformation approaches.<sup>526</sup> This heightened friction between the government and movement. It also indicates the failure of the government to subdue or win over the co-operatives and the difficulty of drafting them into implementing its policies as well as having them to play a role in propagating its ideology.

The *Ujamaa* Villages Act of 1975 was passed to provide legality to all newly established villages. The Act designated villages as agents and basic crop collection points for crop authorities for Coffee, Cotton (formerly referred as the marketing boards) also newly formed institutions such as the National Milling Corporation (NMC), GAPEX (General Agricultural Export Company) all created in 1973 with much wider vertical responsibilities for production, development, and eventually the state itself, took on the role of the merchant in the form of crop authorities. Under the new marketing arrangement the primary co-operative societies and Unions were made redundant.

The Act rendered previous co-operative legislation redundant as primary cooperative societies that were a dominant feature in villages were replaced by villages which were recognised as the co-operative entities responsible for and acting as

<sup>&</sup>lt;sup>524</sup> Presidential Circular No. 1 of 1969, The Development of Ujamaa Villages, State House, Dar Es Salaam, March 20<sup>th</sup> 1969, (Mimeo), p.3.

Abel Jacob, Foreign Aid in Agriculture: Introducing Israel's Land Settlement Scheme to Tanzania, (Undated), <a href="http://afraf.oxfordjournals.org/content/71/283/186.full.pdf">http://afraf.oxfordjournals.org/content/71/283/186.full.pdf</a>, Accessed in

December 22<sup>nd</sup> 2014

<sup>&</sup>lt;sup>526</sup> Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

sub-agent of marketing boards charged with multi-purpose functions (marketing or collection of crops and input distribution). Against this background, the regional cooperative unions could no longer have access to crops. This was also an indication of declining government interest in the traditional model of co-operative as both agents of social and economic change as well as for political purposes.

Practically, the effect of the Act was to by-pass and eventually makes the primary cooperative societies and the regional co-operative unions redundant as it provided the villages opportunity to buy crops from producers and market their produce directly to the statutory crop authorities on the one hand and denied the primary co-operative societies to do so. The village as the lowest level in the government's hierarchical structure were unlike co-operatives and more suitable to be incorporated in both political control of the rural community and engaged in supervision of crop production as well as marketing.

It has to be realised that under the villagisation membership for all adults became compulsory. This certainly suggests that, the commitment to build a socialist state by the post-colonial state by use of the inherited co-operative system was in jeopardy. At this juncture the co-operative movement with capitalist oriented elements characterised and guided by accommodation of the principles that encourages individualism based on voluntary membership. Such features failed to deliver envisioned a communal way of life that enshrined under *Ujamaa*. Additionally, each village became a political and ideological unit. This failed short of the principles that govern that co-operative movement that need to be established as a result of felt needs of the members which have to voluntarily join the society. Importantly, politics became part and parcel in the daily function of the co-operative movement which was contrary to the co-operative principles.

However, the co-operatives raised concerns over the engagement of crop authorities in crop marketing. This was viewed by the movement as disruptive. As a result, in the 1975 the government appointed a Massomo Committee mainly to address

impending challenges.<sup>527</sup> The Commission was also charged with a task to identify ideal economic plans and economic viability of all co-operative unions and recommend for deregistration of uneconomic unions. The Committee recommended deregistration of four unions and strengthening of sixteen of them to attain economic viability.<sup>528</sup> However, the government shelved Massomo recommendations; instead, the co-operatives were dissolved in May 15<sup>th</sup> 1976. This was an unfortunate moment for co-operatives which were the most advanced and biggest in Africa and oldest in East Africa. This was nothing other than nationalisation exercise propagated under the 1967 Arusha Declaration that aimed at control over the agricultural economy by the state. This was also an attempt by the government to distance itself from its policy that maintained the economy of the country would be under the control of workers through trade unions and by the peasants through co-operatives. It also demonstrates that, a failure of government to exploit and use the co-operative as its tool to propagate socialist ideology. Again, this was an exercise of power by the authority against any element that posed a stumbling block to its policies. It should be realized that, the government's decision to dissolve the agricultural marketing cooperatives did not affect consumer, industrial and savings and credit co-operatives; thus, it was a vengeance against agricultural marketing co-operatives.

The dissolving of the movement was, however, a shock to growers as the agencies were imposed on them were not their choice but dictated by government. This marked a beginning of villages and entire rural community coming under direct control of the government through its parastatals. This political decision culminated in the move towards nationalisation of major means of economy of which the agriculture sector was finally placed under the government's socialist-planned and controlled economy. With such background, the government installed socialistic cooperatives at the village level, the socialization of the means of production, whereby the growers were detached from his or her assets. The growers were separated from

<sup>&</sup>lt;sup>527</sup> Interview with George Kahama in November 27<sup>th</sup> 2012; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Pius Ngeze November 5<sup>th</sup> 2012.

<sup>&</sup>lt;sup>528</sup> Cited in URT., Report on the Special Presidential Committee on Reviving, Strengthening and Developing the Co-operatives in Tanzania, (Dar Es Salaam: Government Printer, 2005), p.11

their property in a new co-operative arrangement at the expense of household private capital accumulation. This pattern of capital accumulation at the local household level created apathy and a low level of commitment to the new village co-operatives. This state mobilization could not produce genuine membership and genuine co-operative organizations in Tanzania.

There were other factors that prompted and reinforced the government to take such decision; for example, with the wake of the 1973 oil crisis and drought in the early 1970s Tanzania experienced economic crisis. The imposition of village based cooperatives societies was a legalistic government measure for the exploitation of rural resources. Membership was compulsory and automatic at 18 years old. This meant a lack of incentive because membership was not free and voluntary. When cooperatives are externally driven and mobilized by the government we cannot expect genuine membership. The leadership and governance was not a product of democratic practice, but was imposed by the government.

Other factors were, declining price for agricultural products in the international markets and worsened terms of trade<sup>530</sup> which had far reaching effect on Tanzania's balance of payments. Government control over the entire economy was thought could salvage it from the crisis. For example, the dissolution of the co-operatives was a stepping stone towards access and control of levy accrued by the co-operatives for every kilogram sold by every grower in the country.

The government was obvious trying to exploit an increase in coffee price in the world market which was 217 per cent between 1969/70 and 1978/79 which was an

<sup>529</sup> Interview with Edwin Mtei, March 14th 2014

<sup>530</sup> S. Ponte, "Trading Images: Discourse and Statistical Evidence on Agricultural Adjustment in Tanzania (1986-95)," in P.G. Forster and S. Maghimbi (eds.), *Agrarian Economy, State and Society in Contemporary Tanzania*. (Aldershot: Ashgate, 1999), pp.3-25; Benno Ndulu, *Stabilization and Adjustment Policies and Programmes. Country Study 17 Tanzania*. (World Institute for Development Economic Research of the United Nations University, 1988), pp. 1-2.

increase from 7.224 shillings to 22.899 shillings per kilogram; but growers price increased only by 90 per cent which was 5.816 shillings to 11.025 shillings per kilogram.<sup>531</sup> The increase of coffee price in the world market led to an increase of marketing board's running costs too, for example during the 1969/70 it was 0.435 shillings per kilogram and in 1978/79 it rose to 4.037 shillings per kilogram which was 6 per cent to and 18 per cent increase respectively.<sup>532</sup> This indicates that the abolition of co-operatives in 1976 was not a relief to the growers, but intensified deductions which were siphoned by the crop authorities on behalf on the government.

The policy also disempowered growers who were left without institutional arrangements or forum where they could meet, discuss and decide on the fate of their general welfare. Understandably, such functions were handed over to the village government and were expected to operate like Israel's *kibbutz* and *Moshav*. The *Ujamaa* villages were designed to be production co-operatives, ideal for economies of scale by pooling resources together such as land in which to farm together by use of modern farming machinery. Ideally the primary objective was to meet the political need and commitment of the ruling party. In this the party was committed to eradicate all types of exploitation of man by man But, the village leadership in this respect paid more attention to the ruling party's interests than those of the co-operatives. To this effect, issues regarding co-operatives were neglected by the leadership; thus the village as a co-operative or *kibbutz* and *moshav* concept failed to nurture from the outset as they were more geared for political ends managed by ruling party branch leaders who lacked skills, training and knowledge of the co-operative business.

<sup>&</sup>lt;sup>531</sup> Moshi Co-operative College, A Paper to the Government on the Revival of Co-operative Unions, Moshi, December 31<sup>st</sup> 1980, p. 20.

<sup>&</sup>lt;sup>532</sup> Moshi Co-operative College, A Paper to the Government on the Revival of Co-operative Unions, Moshi, December 31<sup>st</sup> 1980, p. 20.

Maxwell Owusu, (1999), p.323; Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012; Abel Jacob, Foreign Aid in Agriculture: Introducing Israel's Land Settlement Scheme to Tanzania, (Undated), <a href="http://afraf.oxfordjournals.org/content/71/283/186.full.pdf">http://afraf.oxfordjournals.org/content/71/283/186.full.pdf</a>, Accessed in December 22<sup>nd</sup> 2014.

The village co-operative had neither legal mechanisms nor by-laws that provided for managing village co-operative businesses. The only guidance available was based on the village's party branch powers that had nothing to do with the co-operative. In a critical case, the government did not utilise the managerial competence that could be offered by ousted staff and committees if co-opted village government. The co-operative model was shredded, crippled and became meaningless and was paid only lip service by the ruling party. Furthermore, the co-operatives held up as a draconian political approach in suppressing growers' interests.

This transformation was against the original Rochdale's or ICA's co-operative philosophy. Under the new model, the village had to reorganise into a multi-purpose producer co-operative society responsible for agricultural production and marketing. Such societies established under the legislation were merely pseudo co-operatives with leaders appointed by the government as well as the political party, TANU which was in 1977 renamed Chama cha Mapinduzi (CCM) following amalgamation with the Afro Shiraz Party (ASP) of Zanzibar which was in power. At this juncture, the co-operative principles were marginalised and completely replaced by the political features, structures and political objectives were slotted in.

Moreover, looking at such structure and function prescribed one could make a clear judgment that this was not a co-operative organisation, but a political and government entity. These pseudo co-operatives were established and legally entrenched in rural areas. The government installed a completely new structure that the villagers did not demand; but forcefully installed on them just in the same manner as were forced to settle in the new villages prescribed by the government. The installed co-operatives were politically motivated to meet the interests of political leadership in which member control did not exist. Consequently, a different structure was developed and operated differently from co-operatives in the West. The ICA principle of the centrality of democracy in a member based organisations such as co-

<sup>&</sup>lt;sup>534</sup> Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012.

operatives, was clearly subverted as the secretary of a society was a government appointee appointed by the government as a village executive officer.

Villages became an administrative and political unit of the party and government with elected representatives at lower levels of the party hierarchy imposed on growers – serving the political interests rather than economies. One of the changes that were brought in by this Act was the direct and immediate takeover of crop marketing function by the villages to the grounds that regional Unions were too bureaucratic and expensive middlemen had to be replaced by direct transactions between villages and crop authorities. Villages were appointed agents of the crop authorities and Boards. The multi-purpose producer co-operative societies sold crops to crop authorities and boards which were directed by the government to do so. Under this new arrangement the co-operative societies and unions were sidestepped and made redundant.

The dissolution of the co-operative movement in 1976 left the farmers without organisations to which they could turn for credit, agricultural inputs, extension services and marketing. As previously mentioned, the co-operative apex body, the Co-operative Union of Tanganyika (CUT), had been formed in 1962 by the government. In 1979 under the *Jumuiya ya Washirika* Act of 1979 the CUT was renamed the Union of Co-operative Societies (UCS) *Jumuiya ya Washirika* it officially became the arm of the ruling party responsible for mobilising, providing guidance and supervision of growers and villages as well as to propagate all types of co-operatives.<sup>535</sup>

A measure culminated into employing it as an integral part of the ruling party and this was further reinforced in the 1982 Co-operative and Societies Act whereby all villages in the country became members marking the climax in integrating the movement in the ruling party structure. It also provided for considerable government interference in the affairs of co-operatives, for example, the relevant Minister or Registrar of Co-operative societies could appoint the party members in key co-operative positions. Against this backdrop, the movement became a political wing for

<sup>&</sup>lt;sup>535</sup> Interview with Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012, Pius Ngeze November 5<sup>th</sup> 2012, George Kahama, 27<sup>th</sup> November 2012.

control of the entire movement members. It is obvious that the co-operative legislations are important for the development of the movement only if they are complementary to the co-operative principles. Contrary to that 1982 co-operative legislation created no room for growth and development of independent movement free from government interference.

However, these measures did not solve the Tanzania's economic crisis that gripped the country in early 1973. The intensity of the crisis was still evident in the 1980s, when there was a severe deterioration of social services. Shop shelves were empty as industries could not produce commodities due to lack of raw materials most of which were imported and government's parastatals responsible for importing consumer goods were short of foreign exchange to pay for goods. Worse, the country was in acute balance of payment deficit. These problems generated a political rift on means to resolve the crisis. The first group was the die-hards, which were led by the President Nyerere and some followers as the Party ideologists and cadres such as Kingunge Ngombale-Mwiru, the ex-Prime Minister Rashidi Kawawa and the economist Kighoma Malima.

This group maintained the crisis was primarily due to factors such as rise of oil price, Uganda war, and unfavourable commodity price in the world market, which for them were all temporary, thus promoting a 'wait and see' policy. For them status quo dominated their position whereby they were in favour of self-reliance which was embedded in ArD policy as way for economic recovery through utilisation of internal resources under the National Economic Survival Programme (NESP) instead of embarking on reforms which were prescribed by the Bretton Wood institutions, the International Monetary Fund (IMF) and the World Bank, such as privatisation of economy that would sway the country towards capitalism. <sup>536</sup> In so doing, *ujamaa* policy was compromised.

<sup>&</sup>lt;sup>536</sup> Interview with Edwin Mtei, March 14<sup>th</sup> 2014.

The pro-economic reform groups were led by Paul Bomani (see Chapter 6, Section 6.4 for details about him) and Cleopa Msuya, previously Minister of Finance. This group was in favour of the market-oriented approach. For them socialist policy has failed and was unworkable. This group had support from donor countries that pressurised the government and eventually gave in to accept to implement the Structural Adjustment Programme (SAP) from 1982 in which it became obvious for the government to loosen its noose against agricultural marketing policy and the economy in general. The implement of SAP paved the way for the reinstatement of the co-operative movement provided under the 1982 Co-operative Societies Act. However, the Acts objectives stated that the co-operative movement should strive in accordance with its democratic socialist and co-operative outlook which implied that they remained under ruling party influence and control.

This section has examined post-colonial policies and political decisions as well as the motivations of the co-operative movement which was both economic and political. Political motivation was geared towards achieving political unity and facilitating a common socialist ideology. However the ideological goal created friction between the ruling party and kulaks that emerged out of progressive and improvement approaches and believed their interests were threatened; in the long run the movement had to be abolished in 1976. The economic motivation was geared towards rural development and control over the rural economy by the co-operatives; on the contrary the ruling party and the government's interest were priority that led to the abolition of the co-operative movement whose functions were taken over by the government with effect from 1976 to 1982.

## 3.6: CONCLUSION

This chapter has shown how the colonial policies during the interwar and post-war periods engaged in the promotion of the agricultural marketing co-operatives. From

<sup>&</sup>lt;sup>537</sup> Interview with Gabriel Kagaruki November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012, George Kahama, 27<sup>th</sup> November 2012.

<sup>&</sup>lt;sup>538</sup>Kjell J. Havnevik, (1993), p. 61; Andrew Salehe Zuakuu Kiondo, *The Politics of Economic Reforms in Tanzania 1977-1988*, Ph.D. Thesis, University of Toronto, 1989), pp. 199-200.

the early stages in 1929 it was evident that political motivation was a driving force, mainly to justify the suffocation the KNPA which was viewed by the colonial authority as a threat as it was consenting and mobilising the growers against some policies. To achieve this goal, the colonial authority pressed and conspired for the passage of the co-operative legislation that brought the KNPA rule to an end and paved the way for the KNCU in 1933. This clearly indicates the extent to which the co-operatives were established at the behest of the colonial government with no regard to member interests. But, at the time the colonial authority maintained that the growth of cooperatives outside Kilimanjaro had to be spontaneous. But the approach failed to materialise because the conditions for spontaneous growth did not exist in a colonised country like Tanzania; where it happened the colonial authority obstructed such as the case of the NGA in Bukoba and KNPA in Kilimanjaro which were suppressed on the pretext that they were of a threat to the establishment. These developments were also held back by lack of trained personnel for inculcation of cooperative ideals and for the teaching business methods. However, during the same period some District Officers promoted and registered societies which were contrary to the advocated policy. Generally, the policy towards promoting co-operatives within and outside Kilimanjaro was erratic and as top-down.

In other areas excuses were given by the colonial authority regarding their disfavour of co-operatives. This was not only double standards, but also a deliberate move by the colonial authority to arrest of the growers' initiatives, particularly where they demanded for the formation of the co-operative societies. The cases demonstrate a lack of policy consistency and political commitment in promoting co-operative societies and non-existence of plans whatsoever.

Additionally, the growth of societies was limited in some regions which was a concern to the Colonial Office but, it recommended for spontaneous growth of cooperatives which proved a failure also growers lacked the knowledge in formulating plans for social and economic progress that required government intervention for stimulation of co-operatives of various types. This signified a policy shift and a justification of the top-down approach employed in the formation and registration at the behest of the colonial government with no regard to members' interests.

These developments were primarily geared towards exploiting Tanzania's economic resources. For this, the post-war years witnessed the colonial authority persistently encourage agricultural marketing co-operatives with more attention given to the progressive farmers. Notably, the progressive farmers were envisioned to play a part in the modernisation of agriculture among small-scale growers. The encouragement of the co-operative societies was mainly to facilitate marketing and in aiding and sustaining the British economy. At this juncture, the growers and Tanzania agriculture industry as a whole was increasingly linked directly to address the colonial power's post-war reconstruction. Against the background, the existing co-operative societies maintained and new ones had to be promoted in the course of enabling Britain to accelerate its access to export crops which were important in facilitating the repayment loans and credits to the USA through sales in dollar-earning markets.

Following independence, the post-colonial government vowed to support cooperatives signifying the continuity of colonial policy. It increased recognition as a major and the driving force in invigoration of rural development and economy of the country. The post - colonial government had to demonstrate its commitment by adopting a policy that provided for increased and expansion of the co-operative movement footprint in the country that implied more members being drafted in. This was undertaken through similar approach experienced during the colonial rule. However, this was viewed important mainly to mobilise and modernise agricultural and rural development which was in disarray following years of colonisation and perpetuated inequality that fostered inequality which were a threat to the national unity and stability. The policy was also geared towards eliminating Asian traders from crop marketing. The success of the policy brought the government into direct involvement in agricultural marketing. Importantly, the intervention undermined members' interests which were relegated to secondary level that demonstrated the continuity of the colonial policy approach not only in the promotion of the cooperatives but also in the control over their produce.

In 1967 Tanzania embarked upon building a socialist state after the Arusha Declaration. The purpose of co-operatives was envisaged to implement government's social and economic development plans. The purposes were also diverted to the support of political objectives in building a socialist state, hence, fell short of the ICA's principle governing voluntary and open membership.

The amendment of legislation in 1968 culminated into amalgamation all the cooperative unions into one for each region, and within regional political and
administrative boundaries. This signified a serious intervention in the affairs of the
co-operatives. The policy was a shift away from the colonial policy that encouraged
such co-operatives as the VFCUS to cover a number of districts in the WCGA. A
drive behind such policy was motivated by political rather than economic
considerations. Co-operatives were deprived of autonomy status and subjected to
the control by government as instruments of state economic policy.

A further shift from colonial policy was brought in through the passage and implementation of the Villages Act (1975) that deemed villages in the form of the collective settlements in rural areas as a co-operative entity. Clearly, a new cooperative model was brought in place. Hence, this marked a watershed in the replacement of the colonial inherited co-operative model and structure. The measure was followed by the subsequent abolishment of established agricultural cooperatives and their unions by the Government in 1976. At this juncture, the cooperative principles were marginalised and the political features, structures and political objectives were slotted in that marked a significant shift from the colonial model pattern of co-operation. A new co-operative model in the collective settlements that, was supposedly according to the post-colonial authority was more appropriate in the specific national socialist context and deprived growers of their institutions and their interest were further undermined. This generated a completely new organisation, quasi-co-operatives that were designed to serve political interests rather than the economy and thus the growers were brought under control of the state; and the co-operative movement marginalised. The co-operative movement was reinstated in 1982. However, the legislation essentially meant that co-operatives were still integral to the construction of a socialist state. This marked a shift away

from core crop marketing business to politics without consultation of the members who were supposed to undertake the task.

This chapter has critically explored the history of the co-operative movement in Tanzania from 1925 to 1982. It identified specific policy aspects and political decisions that led to passage of co-operative and compatible marketing legislations that gave rise to the movement and integrated them into crop marketing system. It also examined the changing political and ideological influences of the emerging Tanzanian state shape the co-operative movement during the post-colonial era. The following three chapters provide the a practical implication of the policies by exploring how were translated and transpired in the specific co-operative organisations with reference to the three cases which are, the KNCU, BCU and VFCUS.

#### CHAPTER FOUR: KILIMANJARO NATIVE CO-OPERATIVE UNION

#### 4.1: INTRODUCTION

This chapter explores the birth of the first co-operative movement in Tanzania, the Kilimanjaro Native Co-operative Union (KNCU), based in the Kilimanjaro region. This chapter analyses the factors that led to the KNCU's emergence following the colonial authority's restructuring of the KNPA into the Kilimanjaro Native Co-operative Society (KNCS) in 1932 and its renaming as the KNCU in 1933. It also analyses the significance of coffee marketing compulsion legislation provided under the 1934 Chagga Rule that plunged the KNCU into chaos following the collapse of coffee prices. Furthermore, the chapter examines the 1932 Co-operative Ordinance, which provided under Section 36 the basis for colonial and post-colonial control of native coffee growers of, their produce through the KNCU and its affiliated societies. Importantly, Section 36 formed a watershed for Tanzania's colonial and post-colonial agriculture marketing policy until 1976 when the co-operative movement in Tanzania was abolished and its functions were replaced by villages at grassroots or primary society level. As a result, of the abolition of the KNCU, its functions were taken over by the government's Coffee Crop Authority, which remained in operation until 1982. Historiography regarding the development of the KNCU is examined in the literature review in the following section.

### **4.2: LITERATURE REVIEW**

This section reviews the literature regarding the origins of the KNCU. There is a consensus that the KNPA was the first ever indigenous small-scale coffee marketing co-operatives in Tanzania. The native coffee growers formed the KNPA in a struggle against the monopoly of European settlers over the crop and to help them defend their interests in the coffee industry.<sup>539</sup> But, the literature does not fully identify the factors that led to its establishment. McCarthy provides a legal assessment of the

<sup>&</sup>lt;sup>539</sup> Göran Hydén, (1973), p.9; Andrew Coulson, (1982), p.61.

formation of the KNCU.<sup>540</sup> However, his work literature is predominantly based upon secondary sources. Dubell, rejects a fact that, the KNPA was restructured then renamed KNCS in April 1932 and renamed the KNCU when it was registered in January 1933. He is also in rejection that it was taken over by the colonial authority by deceitful means. For him, the KNPA was self-reorganised through a split up.<sup>541</sup> He further suggests that, the KNCU was a breeding ground of the co-operative movement in Tanzania.<sup>542</sup> For him, policy factor is negligible. Andrew Coulson in his attempt to present the growth and development of the co-operatives in Kilimanjaro does not illustrate how and why the KNPA was restructured into the KNCU; <sup>543</sup> he also, fails to provide a linkage between the co-operative legislation and registration of the KNCU and its affiliated societies.<sup>544</sup>

Manga's unpublished Masters Dissertation devotes substantive discussion to the development of co-operative movement in Tanzania and Kilimanjaro region with a focus on Same district.<sup>545</sup> Furthermore, Eckert argues that the co-operatives in Tanzania were generally not imposed upon Africans by the British.<sup>546</sup> Eckert indicates that 'it was the colonial state that gave these organisations a specific shape, one fitted to colonial economic and political interest'.<sup>547</sup> The mentioned

<sup>&</sup>lt;sup>540</sup> Dennis M.P. McCarthy, The Bureaucratic Manipulation of Indigenous Business: A Comparative Study in Legal Imposition from Colonial Africa, *Business and Economic History*, Second Series, Vol. 19,1 990 (pp.123- 132), pp.128 – 131.

<sup>&</sup>lt;sup>541</sup> F. Dubell, (1970), p. 7.

<sup>&</sup>lt;sup>542</sup> F. Dubell, (1970), p. 7.

<sup>&</sup>lt;sup>543</sup> Andrew Coulson, (1982), pp. 61-62.

<sup>&</sup>lt;sup>544</sup> Andrew Coulson, (1982), p. 62.

<sup>&</sup>lt;sup>545</sup> Ikamba Robert Elias Mjema Msanga, Co-operative Policy and Law in Tanzania with Spoecial Reference to Multi-Purpose Co-operative Siocieties: The Case of Same District, unpublished Masters Dissertation, (University of Dar Es Salaam, 1972).

<sup>&</sup>lt;sup>546</sup>Andreas Eckert, Useful Instruments of Participation? Local Government and Cooperatives in Tanzania, 1940s to1970s, *The International Journal of African Historical Studies, Vol. 40, No. 1*; Andrew Burton and Michael Jennings, Continuities in Governance in Late Colonial and Early Postcolonial East Africa (2007), pp. 97-118, URL: <a href="http://www.jstor.org/stable/40034792">http://www.jstor.org/stable/40034792</a> Accessed in July 15<sup>th</sup> 2013

<sup>&</sup>lt;sup>547</sup>Andreas Eckert, Useful Instruments of Participation? Local Government and Cooperatives in Tanzania, 1940s to1970s, The International Journal of African Historical Studies, Vol. 40, No. 1; Andrew Burton and Michael Jennings Continuities

literature lacks the primary evidence regarding the reorganisation of the KNPA and the eventual emergence of KNCU. This chapter addresses the lack of primary evidence by drawing on a cross-section of previously under used and unused archival evidence.

In contrast, Roger's thesis is rich in primary sources, focusing primarily on KNPA and the extent to which Chagga or tribal nationalistic politics has limited the evolution of the co-operatives in Kilimanjaro as well as coffee marketing policies. <sup>548</sup> A thesis by the political scientist such as Susan Geinger Rogers is one of comprehensive literature that extensively utilised primary sources on co-operative movement in Kilimanjaro. <sup>549</sup> The focus of her thesis is on a focus is primarily on KNPA and the WaChagga or tribal nationalistic politics with limited historical development of the co-operatives in Kilimanjaro and native coffee marketing policies in the region. Unlike Rogers, this study traces the development of the native coffee industry in Kilimanjaro. It also examines colonial authority intervention in the affairs of the KNPA eventually its replacement by the Kilimanjaro Native Co-operative Union (KNCU); and examines coffee marketing through the Chagga Rule and native coffee control and marketing legislation that provided for the formation of the MNCB and its significance of the marketing legislation upon the marketing policy in Tanzania from 1937 to 1980s.

Furthermore, Lyimo has discussed the formation of the KNPA and the subsequent transfer of its function to the KNCU. However, his thesis lacks clarity regarding the

in Governance in Late Colonial and Early Postcolonial East Africa (2007), pp. 97-118, URL: http://www.jstor.org/stable/40034792 Accessed in July 15<sup>th</sup> 2013

<sup>&</sup>lt;sup>548</sup> Susan Geinger Rogers, The Search for Political Focus on Kilimanjaro: A History of Chagga Politics, 1916 – 1952, with Special Reference to the Co-operative Movement and Indirect Rule, unpublished PhD Thesis, (University of Dar Es Salaam, 1972).

<sup>&</sup>lt;sup>549</sup> Susan Geinger Rogers, *The Search for Political Focus on Kilimanjaro: A History of Chagga Politics*, 1916 – 1952, with Special Reference to the Co-operative Movement and Indirect Rule, unpublished PhD Thesis, University of Dar Es Salaam, 1972.

reorganisation of the KNPA.<sup>550</sup> Leubuscher provides a misleading interpretation of the KNPA by emphasising that financial difficulties and misappropriation of funds as being the key factors for its restructuring.<sup>551</sup> She also does not show its political activism that triggered the promulgation of the Co-operative legislation that laid a ground for the restructuring of the KNPA.

Maaga has recently published an article that exploits secondary sources; <sup>552</sup> similarly, W.K.H. Campbell, <sup>553</sup> but, both provide a misleading interpretation on how the KNCU evolved. For example, Campbell misinforms readers that, the KNPA was not a registered organisation and was formed in 1923 and it was reorganised because it was realised it was faulty. <sup>554</sup> Maanga utilised unreliable and contradictory secondary sources to explain how the KNCU evolved. <sup>555</sup> Maanga illustrates that, KNCU was formed by Merinyo. Maanga's article is an autobiography of Merinyo that focuses on a coffee grower in Marangu, and does not provide a detailed history of the industry and KNCU. <sup>556</sup> Campbell has mentioned these disputed clauses, but, has not identified them. <sup>557</sup> Iliffe has produced a well-documented history of the KNPA and KNCU; however, he has not established the reasons for its reorganisation and how the process was carried out. <sup>558</sup>

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<sup>&</sup>lt;sup>550</sup> Francis Lyimo, (1984, p. 57.

<sup>&</sup>lt;sup>551</sup> Charlotte Leubuscher, (April, 1939), pp. 163-188.

Godson S. Maanga, Joseph Merinyo: A Patriotic Chagga Nationalist and Adamant Champion for Justice and Human Rights, Global Journal of Human-Social Science: D History Archaeology and Anthropology, Volume 14 Issue 3 Version 1.0 Year 2014, <a href="https://globaljournals.org/GJHSS Volume14/7-Joseph-Merinyo-A-Patriotic.pdf">https://globaljournals.org/GJHSS Volume14/7-Joseph-Merinyo-A-Patriotic.pdf</a>, Accessed in September 9<sup>th</sup> 2014.

<sup>&</sup>lt;sup>553</sup> W.K. Campbell, (1951), p.194.

<sup>&</sup>lt;sup>554</sup> W.K. Campbell, (1951), p.195.

Godson S. Maanga, (2014), Accessed from <a href="https://globaljournals.org/GJHSS">https://globaljournals.org/GJHSS</a> Volume14/7-Joseph-Merinyo-A-Patriotic.pdf, September 9<sup>th</sup> 2014

<sup>&</sup>lt;sup>556</sup> Edwin S. Munger, African Coffee on Kilimanjaro: A Chagga Kihamba, Economic Geography, Vol. 28, No.2 (April, 1952), pp181-185.

<sup>&</sup>lt;sup>557</sup> W.K.H. Campbell, (1951), p.195.

<sup>&</sup>lt;sup>558</sup> Iliffe, (1979), p. 273-279.

These oversights and gaps are addressed in this chapter, which offers fresh insights into the formation of the KNCU and its operation as provided by marketing legislations. The chapter establishes a clear historical linkage between the establishment of the KNCU and the promulgation of the 1932 Co-operative Ordinance (see Chapter 3, Section 3.2). This chapter is based on the following research questions;

- In what ways did the colonial authority influence and shape the emergence of the KNCU?
- How far did the co-operative and coffee marketing legislation strengthen colonial control over the KNCU?
- How did the local communities respond to colonial coffee marketing policies?
- To what extent was there continuity in the structure, personnel and objectives between the colonial and post-colonial periods?

## 4.3: THE GROWTH OF THE KNCU

This section examines the emergence of the KNCU. Its history is further examined to bridge gaps that exist in the literature reviewed in the section above. This study, however, concurs with most of the authors on the KNCU's historical background (see Appendix 6. 6a, 6b on membership and the objects of the KNCU and affiliated societies). It emerged from a restructuring of the KNPA which was registered in 1925<sup>559</sup> under the Indian Companies Act No. 6 of 1913. The formation of KNPA was motivated by a threat to African/native coffee growers from the settler community who strongly opposed Africans produce coffee (see Chapter 2, Section 2.3).

The senior commissioner in Moshi district, Lt. Commander A.M. Clark, who succeeded Major Charles Dundas following his appointment as assistant Chief Secretary as a Secretary for Native Affairs, 560 acted as its first President and Secretary until when Mr G.D. Patterson was appointed as honorary secretary. 561 Appointment of civil servants to manage the KNPA was prompted by what was thought as lack of qualified or sufficiently educated WaChagga/natives to act as

<sup>560</sup> In 1934 this office was merged with that of Deputy Chief Secretary, the reason given being that the supervision of native affairs should be the concern of the whole administration rather than of a specialist officer.

<sup>&</sup>lt;sup>559</sup> Its inaugural ceremony was attended by association representatives (*wawakilishi*) from all Wachagga Chiefdoms

<sup>&</sup>lt;sup>561</sup> R.J.M Swynnerton and A.L.B Bennett, (1948), p.4; Minutes of the Inaugural KNPA's Meeting held on January 15<sup>th</sup> 1925, TNA 13060.

officers. The employment of civil servants was targeted to manage the Association and provide supervision and help for growers to market their produce was an additional burden on the colonial government. Importantly, this denied the native growers full autonomy (see Chapter 2, Section 2.3). Politically, civil servants were considered suitable due to an ethnic rivalry among the WaChagga groupings which was deemed to require a central organisation so as to unify them under one umbrella. <sup>562</sup>

The KNPA operated as a central organisation without branches at village levels. This shows that the Association had a pan-district character with individual membership from all chiefdoms on the slopes of Mount Kilimanjaro. The Association and its leaders were influential among the growers across all the WaChagga's chiefdoms. In this respect, the colonial government viewed it as appropriate institution and platform to enforce the provisions of the Coffee Industry (Registration and Improvement) Ordinance and Plant Pest and Disease Regulations of 1928. This legislation provided for promotion of good coffee husbandry largely to control coffee diseases and pests. The KNPA was appointed by the government to implement and supervise the policy throughout the district.

Apart from provision of the agricultural extension services the KNPA managed to influence the government to grant it a monopoly in the coffee market in the Moshi District. This opportunity was granted following the KNPA's leaders request, to market coffee produced by native growers. The request was based on four reasons. First, to emulate the European Planters Association that was the settlers' coffee bulk marketing association. Secondly, to allow the Association to generate revenue, and generate funds to purchase pesticides and insecticides that were supplied to growers. The application was accepted by the colonial authority that resulted in the promulgation of coffee marketing monopoly legislation provided under Section 15 of the Native Authority Ordinance (No.18, 1926). Under the legislation, the KNPA was granted exclusive control over native produced coffee in Kilimanjaro.

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<sup>&</sup>lt;sup>562</sup> KNPA's History, p.5, TNA 13060.

It was clear that the KNPA and growers were facing a threat from Asian traders owing to their cheating practices. In ensuring the growers were protected against this threat their produce was placed in the 'safe hands' of coffee marketing agents. In this regard, the KNPA appointed C.C. Monckton and Company to facilitate marketing of their coffee in European markets with effect from 1927/28 season.<sup>563</sup> The company assigned J.P. Molloy to handle the Association's shipments. This was in response to colonial government policy that encouraged non-partisan relationship with the association mentioned previously.

Importantly, the marketing agent was geared towards guiding the growers on processing coffee; and was responsible for enforcing coffee quality for the world market by involving various stakeholders in ensuring that growers complied with the required standards. Such stakeholders were government's coffee inspectors, the NA and coffee instructors. Similarly, the growers were able to learn from the settlers about the best coffee processing practices which enabled them to be successful.

However, the Association was distrusted by the colonial authority as well as chiefs. This led to its restructuring. Iliffe has discussed the restructuring of the KNPA into KNCU.<sup>564</sup> Nevertheless, he has not identified the factors that prompted the restructuring. This chapter harnesses hitherto unused evidence that demonstrates that reorganisation can be traced to the KNPA's conflict with the establishment.

As mentioned the Association had a pan-district character as it was operating across all WaChagga Chiefdoms, and had power to supervise coffee cultivation. In this regard, it had control over all coffee growers in the district; and as mentioned earlier, it had the monopoly on marketing of the native-produced coffee and rights to collect revenue just in the same way as the NA. Yet it was a paymaster for coffee in its operating area.

The KNPA's cross-political boundary operation in all WaChagga chiefdoms and mentioned vested powers obviously created a friction between it and local chiefs who were losing power to the Association, and being incorporated into its

<sup>&</sup>lt;sup>563</sup> Extract from the Report on the Reorganisation - Pennington Report, TNA 13060.

organisation. For example, the Chiefs were required by law to enforce the mentioned coffee disease and pest control legislation with supervision of the KNPA's *wawakilishi*. This meant that the KNPA was administering and controlling the Chiefs just in the same manner as growers. For the Chiefs this infringed upon their political authority. The colonial authority was equally concerned; it viewed the Association's activities and behaviour as shifting away from its core business to politics. For example, one official lamented that;

'I heard frequently and observed also that Merinyo, Clerk in the District Office and the President of the Association was politically ambitious and was suing the Association to further his own influence; I regard his activities with tolerance not unmixed with amusement except when he wrote me a scurrilous letter against Europeans in which he stated that he regarded it as his duty to champion the rights of the WaChagga'. 566

Therefore, the colonial authority in the Province sought to disallow the KNPA from engaging in politics. The Northern Province PC and Moshi DC advocated disbanding the Association in 1928.<sup>567</sup> This was not achieved immediately. Instead, the Coffee Industry Ordinance was passed in September 1928. Among several aspects of the Ordinance was registration of the WaChagga coffee farms and their land.<sup>568</sup>

Registration of land was intended to facilitate land tax collection specifically those who had excess farm plots. The announcement of land registration was made by Hallier and Northern Province Provincial Commissioner in June and July 1928 respectively. However, the message was not effectively communicated. Additionally, the attempted introduction of the policy came at a difficult time when tension between the growers and the settlers was not yet resolved.

Against the backdrop, land registration was strongly opposed by growers who were led by the KNPA.<sup>569</sup> Opposition to land registration was based on the fear that the

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<sup>&</sup>lt;sup>565</sup> Government of Tanganyika (LEGCO), *Annual Report on the Kilimanjaro Native Co-Operative Union*, (Dar Es Salaam: Government Printer, 1937), p.6.

<sup>&</sup>lt;sup>566</sup> Northern Province to the CS, October 20<sup>th</sup> 1928, TNA 12809.

<sup>&</sup>lt;sup>567</sup> Government of Tanganyika, *Annual Territorial Report*, (London: Her Majesty's Stationary Office, 1928), Appendix I, Paragraph 11, TNA 12809.

<sup>&</sup>lt;sup>568</sup> Government of Tanganyika, Annual Territorial Report, (London: Her Majesty's Stationary Office, 1928), Appendix I, Paragraph 13, TNA 12809.

<sup>&</sup>lt;sup>569</sup> KNPA to the SNA, October 6<sup>th</sup> 1928, TNA 12809.

government was preparing a list of plots for confiscation which was not the reason behind the policy. The policy was aimed at identifying and registering land to facilitate land taxation; but this was not communicated to the KNPA either by the colonial authority or NA. In an attempt to oppose the policy the KNPA leadership successfully pressed the CS to withdraw the policy.<sup>570</sup> This heightened tension amongst the Provincial Authority which requested the CS's approval for abolition of the Association. The idea was made public to all Chiefs who were assured that it would be placed under the control of government;

I can assure you that we will successfully take the Native Coffee Industry from the hands of the Association, disband it, and bring the organisation effectively under the proposed new paramount Native Authority.<sup>571</sup>

The intention to disband the Association was leaked to the KNPA and Merinyo sought help from J.P. Molloy<sup>572</sup> to oppose its disbandment. They presented a petition to the CS against the Northern Province PC's proposal to disband the Association. The CS and Governor rejected the idea of disbandment because it would escalate tension further and would have a negative effect on the development of the coffee industry of which the Association was a key player. Interestingly, the decision by the Governor was interpreted as a triumph for the KNPA against its enemies (District and Provincial authorities).<sup>573</sup>

As a result the KNPA gained further popularity among the growers for opposing and protesting against land registration. This was so because their concerns were not being aired by the Chiefs. In this, the KNPA leadership viewed themselves as more committed to serve and defend the growers than the Chiefs. In this regards, the Chiefs were regarded by their subjects as colonial collaborators. The Northern Province PC was also unhappy with it due to its opposition against land alienation.<sup>574</sup>

<sup>&</sup>lt;sup>570</sup> KNPA to the CS, October 11<sup>th</sup> 1928, TNA 12809.

<sup>&</sup>lt;sup>571</sup> KNPA to the CS, October 23<sup>rd</sup> 1928, TNA 12809.

<sup>&</sup>lt;sup>572</sup> Mr Molloy was the Nairobi based C.C. Monckton and Company's representative in Moshi responsible for handling and export of KNPA coffee

<sup>&</sup>lt;sup>573</sup> Government of Tanganyika, Annual Territorial Report, (London: Her Majesty's Stationary Office, 1928), Appendix I, Paragraph 15.

<sup>&</sup>lt;sup>574</sup> Northern Province, PC to CS, August 25<sup>th</sup> 1931, TNA 26038.

However, in order to minimise the possibility of disbandment, the KNPA leaders vowed to refrain from politics and focus on crop marketing business. The commitment to business was unveiled in March 1931 when the KNPA indicated its desire to recruit a manager which was considered more economic or cost effective. Molloy was offered the position, which meant abandoning employment of an agent to market coffee produce.<sup>575</sup>

The newly unveiled Association's policy was accidentally leaked to the Northern Province PC and was confirmed by the Association when he inquired about it during the meeting with the Association's committee members. The PC acted upon the matter by reporting it to the CS. At the same time Molloy was ordered not to take the appointment until it was decided and approved by the CS.576

The government decision to discourage Molloy was based on criminal allegations that he was facing. At the same time a criminal investigation was launched by government against Merinyo and Molloy for their collusion in misappropriations of the KNPA funds. But such allegations could not be substantially proven, and when the Northern Province PC asked the Association to dismiss Merinyo, his request was rejected by the members pending publication of the KNPA's own investigation, 577 which established there was no discrepancy in the Association financial records. Thus, the PC's demand had no ground for implementation.

However, the C.C. Monckton and Company management was displeased with Molloy's involvement in KNPA's politics. The company launched an investigation against him and audited his transactions which revealed some mismanagement and

<sup>&</sup>lt;sup>575</sup> J.P. Molloy, London to Under Secretary of State, Colonial Office July 29<sup>th</sup> 1931, TNA 13060, Coffee Ordinance and Regulations: Attitude of the KNPA; PC, Northern Province to CS, Ref. No. 80/iii/178 (Confidentila), TNA 13060.

<sup>&</sup>lt;sup>576</sup> J.P. Molloy, London to Under Secretary of State, Colonial Office July 29<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>577</sup> Report of the General Meeting of the KNPA held in June 30<sup>th</sup> 1931, TNA 13060.

the misappropriation of funds especially on some coffee shipments to London. <sup>578</sup> Molloy could not account for the misappropriation of funds. As a result, he was sacked. <sup>579</sup> C.C. Monckton and Company's intent was to maintain credibility with the Tanzania colonial authority with future contracts in mind. It also demonstrates its authority to punish an employee who dared to engage in politics against the government as well as company policy.

On the other hand the government seemed determined to criminalise Merinyo. It launched a new investigation against misappropriations of the KNPA funds which, once again, could not be substantially proved.<sup>580</sup> Immediately, Merinyo was suspended from signing cheques;<sup>581</sup> and he was charged with misappropriation of 420.22 shillings which led to his imprisonment on August 4<sup>th</sup> 1931 for six months.<sup>582</sup> On his release from jail was appointed by the government in October 1934 as tax collector in Monduli, then Maasai District, tens of miles away from Moshi district that led to the end of his career in co-operative movement.

Throughout the crisis surrounding the KNPA's political activism the government found itself in a dilemma regarding the need to organize the growers. This dilemma surrounded the Colonial Office and colonial authority's obligatory commitment to the Mandate conferred by the League of Nations, (later the UNO) in protecting the economic interests of the natives. There was also its role in protecting African producers from the settler community who strongly opposed seeing Africans producing coffee. In justification of relevance and suitability of the Association the PC pointed out that 'its existence is significantly important as it offers protection of growers from competition as they are likely to be offered a fair price for their

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<sup>&</sup>lt;sup>578</sup> Messrs C.C. Monckton, Nairobi to Messrs C.C. Monckton, Moshi, July 25<sup>th</sup> 1930, TNA 263034.

<sup>&</sup>lt;sup>579</sup> Sessional Paper no. 4, 1937, p.6

<sup>&</sup>lt;sup>580</sup> Northern Province, PC to CS, August 25<sup>th</sup> 1931, TNA 26038.

<sup>&</sup>lt;sup>581</sup> Minutes of Pennington meeting with KNPA's committee, November 20<sup>th</sup> 1930, TNA 19126, TNA 26038.

<sup>&</sup>lt;sup>582</sup> Northern Province, PC to CS, August 25<sup>th</sup> 1931, TNA 26038.

produce'.<sup>583</sup> Moreover, the colonial government position was that the KNPA was the appropriate institution and cost effective mechanism employed by the government to enforce the provisions of the Coffee Industry (Registration and Improvement) Ordinance and Plant Pest and Disease Regulations, 1928.<sup>584</sup> All this suggests support for African organisation, but the KNPA's opposition to government policies led to it being deemed a subversive organisation. Restructuring was, therefore, considered as the best option as this would enable it to maintain the same services, pave the way for the co-operative organisation and it would not create suspicion among the growers.

To achieve restructuring, the initial attempt was made by the Governor who appointed a caretaker manager to run the Association<sup>585</sup> Mr A.L. Pennington, the Assistant District Officer who was seconded for special duty<sup>586</sup> which was primarily to prepare a roadmap towards restructuring and take over the KNPA from its leaders and *wawakilishi* (see a list of wawakilishi who attended Pennington meeting Appendix 4c). The Northern PC applauded the Governor's decision that 'I am grateful that the Governor has appointed Mr A.L. Pennington to take over management of the Association'.<sup>587</sup> In executing its duties, the colonial authority gave Pennington terms of reference. The official was given responsibility to investigate the Association affairs and produce a recommendation for restructuring. In its report, Pennington pointed out that 'the KNPA was deeply in debt';<sup>588</sup> therefore, help was necessary to rescue it from the financial crisis, which ironically

<sup>&</sup>lt;sup>583</sup> Northern Province, PC to Chief Secretary, Ref. No. P.224/B/2, November 26<sup>th</sup> 1928, TNA 13060.

<sup>&</sup>lt;sup>584</sup> The KNPA History, TNA 13060.

<sup>&</sup>lt;sup>585</sup> Extract from Minutes of Conference of Senior Administration Officers held in Dar Es Salaam in October 21<sup>st</sup> – 24<sup>th</sup>, 1929 in which the Governor mentioned the idea to appoint European manager for the KNPA, TNA 13698; Minutes of Pennington meeting with KNPA's committee, November 4<sup>th</sup> 1930, TNA 19126, TNA 19126.

<sup>&</sup>lt;sup>586</sup> Governor to Secretary of State for the Colonies, May 16<sup>th</sup> 1931, TNA 25777.

<sup>&</sup>lt;sup>587</sup> PC, Northern Province to CS, Ref. No. P.A377/248, September 3<sup>rd</sup> 1930, TNA 13060.

<sup>&</sup>lt;sup>588</sup> Mr A.L. Pennington to PC, Northern Province, Ref. No. B/2, September 23<sup>rd</sup> 1930, TNA 13060; Minutes of Pennington meeting with KNPA's committee, November 4<sup>th</sup> 1930, TNA 19126.

occurred during the economic depression of the 1930s, when the KNPA failed to pay coffee growers on delivery of coffee due to lack of a market.

This presented an opportunity for the colonial authority to provide free services to the Association as a pretext to infiltrate it. Joseph Maliti, the Association's Chairperson, was appointed as the new President at a meeting chaired by A.O. Flynn, the DO of Moshi. New KNPA committee members were also appointed to replace those who supported Merinyo on the condition that they collaborated with the colonial authority. Pennington and Maliti's appointments were crucial in asserting government control of the organization and were justified on the basis that they would reinforce its commercial management.

The recruitment of managerial team was considered by the colonial authority because it was also argued that financial crisis was not the only a challenge that faces the Association. Other challenges were ignorance of business, lack of organisational experience and misfortune in the choice of collaborators that brought the Association in the difficulties.<sup>591</sup> A vacancy was advertised and it drew a number of applicants for the position. These applicants were; Molloy, Major Perkins, Mr Bennett and Mr H.P. Smith. Bennett who was the ex-colonial labour officer in the Northern Province, was the colonial authority's favoured candidate. However, some of the government reports extensively shows that, Bennett was appointed following a consultation of the Association with the colonial authority.<sup>592</sup> In the KNPA's early stages of restructuring he served the Association on a voluntary basis.<sup>593</sup> The Governor saw the appointment of Bennett as a significant achievement and he sounded so optimistic in his letter to the Secretary of State for the Colonies in which

<sup>&</sup>lt;sup>589</sup> Governor (G.S. Symes) to Secretary of State for the Colonies, (Confidentila) November 20<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>590</sup> CS to the Secretary of State for the Colonies, Confidentila, November 20th 1931, TNA 13060.

<sup>&</sup>lt;sup>591</sup> Tanganyika Territory, *Report of the Co-operative Development*, (Dar E Salaam: Government Press, 1948), p.1, TNA 37192.

Tanganyika Territory Annual Reports on Co-operative Development Annual Reports (1948), TNA 37192; Governor (G.S. Symes) to Secretary of State for the Colonies, (Confidentila) November 20<sup>th</sup> 1931, TNA 13060.

<sup>&</sup>lt;sup>593</sup> Governor (G.S. Symes) to Secretary of State for the Colonies, (Confidentila) November 20<sup>th</sup> 1931, TNA 13060

explained that 'it is anticipated that he will be a thoroughly satisfactory Manager and a great assistance and future progress of the Association is assured'. <sup>594</sup> He was also described by the Northern Province Commissioner as 'whole heartedly and able to co-operate with the government and thus, he has confidence that the Association was on good hands which is an essential factor for a successful society'. <sup>595</sup> The Moshi DC described him as 'being a man of absolute integrity, with long business training and experience equitable temperament knowledge of Kiswahili in addition his know and liked by a large number of WaChagga. <sup>596</sup> It was argued also that the KNPA was fortunate to obtain his service'. <sup>597</sup> The WaChagga honoured him as *Mbuya-o-WaChagga* (the intimate friend of the WaChagga). <sup>598</sup>

Describing the appointment of Bennett, the PC of Northern Province wrote 'the future of the Association is now, I hope, assured, but it is a matter of urgent importance that it should be accorded legal status without further delay'. Bennett's appointment accelerated the restructuring. From April 1932 campaigns were underway for the formation of primary societies conducted by the Chiefs, KNCS committee. During the campaigns Mr Bennett assured the growers that the society would address all problems that the KNPA failed to resolve. It was made clear that societies would help coffee producers within a short walking distance and facilitate coffee marketing at village level. The passage of the Co-operative Societies Ordinance was intended to give the restructuring legal backing because the Co-operative Ordinance under which the Association was registered proved unsuitable for co-operative societies; thus, had to be disregarded. It also proved difficult to restructure the KNPA while maintaining colonial control as the Ordinance provided for registration of a company in which the Registrar could not directly intervene. Against this legal backdrop, the

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<sup>&</sup>lt;sup>594</sup> Governor to the Secretary of State for the Colonies (Confidentila), November 20<sup>th</sup> 1931, TNA, 13060.

<sup>&</sup>lt;sup>595</sup> Northern Province, PC, to CS, (Confidentila), Ref. No. P. 377/416 of September 18<sup>th</sup> 1931, TNA 20378.

<sup>&</sup>lt;sup>596</sup> Extracts from reports on the reorganisation of the KNPA, Confidentila of September 14<sup>th</sup> 1931, and TNA 20378.

<sup>&</sup>lt;sup>597</sup> Extracts from reports on the reorganisation of the KNPA, Confidentila of September 14<sup>th</sup> 1931, and TNA 20378.

<sup>&</sup>lt;sup>598</sup> C. F. Dundas, *Africa at Crossroad*, (London: Macmillan and Co., 1955), p.125.

<sup>&</sup>lt;sup>599</sup> Governor to the Secretary of State for the colonies (Confidentila), November 20<sup>th</sup> 1931, TNA 13060.

colonial authority had to conspire to achieve the restructuring of the KNPA (see Chapter 3).

It has to be realised that the infiltration and takeover of the Association by the government was approved by growers through appropriate avenues. The extraordinary general meeting which was held in November 4<sup>th</sup> 1930 was a platform that provided consent of members to withdraw the leaders' powers (President and Committee) and Pennington was accorded powers to control funds was obtained. This was easily achieved when members were promised that the action was temporary and the changes were presented as an opportunity to rescue its business from collapse. However, this marked the beginning of the loss of the Association's independence to the government (see a list of meeting attendees Appendix 2c).

The developments shown preoccupied the colonial Government from 1929 (see Chapter 3, Section 3.2). Plans for restructuring began during a Senior Administration Officers conference which was called by the Governors; also Permanent Mandate Commission conferences. <sup>601</sup> It is noteworthy that the conference minutes (mentioned in chapter 3, Section 3.2) were dispatched to the Colonial Office in London, requested an expert to provide guidance in drafting co-operative legislation, <sup>602</sup> so as to provide a legal basis for restructuring the KNPA. <sup>603</sup> In implementing the policy, the colonial authority took care to avoid a crisis in handling the KNPA. It was obvious the matter had to be handled by an appointed committee which was in addition to Pennington to recommend on the co-operative model appropriate for Tanzania. The committee appointed in 1931 to recommend on the future of the co-operative

<sup>&</sup>lt;sup>600</sup> CS to Northern Province PC, Ref. No. 80/121 (Confidentila), November 29<sup>th</sup>, 1930, TNA 13060, p.5.

<sup>&</sup>lt;sup>601</sup> Extract from Minutes of 15<sup>th</sup> Session of the Permanent Mandate Commission held in Geneva from July 1<sup>st</sup> to 19<sup>th</sup>, 1929, TNA 13060.

<sup>&</sup>lt;sup>602</sup> Dispatch No 867 from the Secretary of State for Colonies, November 8<sup>th</sup> 1930, TNA 13060; Despatch No. 867 (Confidentila from the Secretary of State for Colonies, November 13<sup>th</sup> 1930, TNA 13060; Telegram No 252 from the Governor to the Secretary of State for Colonies, December98<sup>th</sup> 1930, TNA 13060.

<sup>&</sup>lt;sup>603</sup> Senior officer in the SNA's office to Sir C.F. Strickland, March 4<sup>th</sup>, 1931 TNA 13060; PC, Northern Province to Sir C.F. Strickland, Ref. No 13698/122, February 6<sup>th</sup> 1931, TNA 13060.

movement in Tanzania presented its recommendations by stressing a number of aspects. 604

The committee proposed a new structure different from that of the KNPA.<sup>605</sup> It was decided to reduce its size and its geographical coverage by creation of affiliated societies that would operate at the village levels. Hence, to be restructured into a cooperative society and have buying posts within a village. It was viewed by having societies at a village level weaken the KNPA's independence were envisioned they would be under the Chief who would monitor and control their movement and behaviour. The report also recommended that, the Association be registered under the co-operative legislation. This was not a move towards fully dismantling the KNPA, as it was to play a new role as the central body (the Union)<sup>606</sup> to which primary societies would affiliate. In this regard, the restructuring followed the Unified co-operative model.

The colonial government's interference in the management of the Association was concealed from the members. For example, during the elections to the committee, of which the government played a part in the nomination of candidates, the impression was conveyed that the Association was owned and controlled by members. 607 However, the evidence clearly demonstrates that the Association was controlled and its policies determined by the government. This development signified an important step in dissolving the KNPA. A number of safeguards were made by the government to ensure every step was properly and carefully handled.

While waiting for the approval of the co-operative legislation the colonial authority renamed the KNPA as the KNCS in May 30<sup>th</sup> 1932.<sup>608</sup> With legal backing the KNPA was forced to cease trading and dispose of its assets and liabilities to the KNCS. The

<sup>&</sup>lt;sup>604</sup> Extracts from Reports on the Reorganisation of the KNPA, TNA 20378; Report on the Reorganisation - Pennington Report, TNA 13060.

<sup>&</sup>lt;sup>605</sup> PC, Northern Province to CS, August 25<sup>th</sup> 1931, TNA 26038.

<sup>&</sup>lt;sup>606</sup> Land Department to SNA, Ref. No. E. 1407/12663, June 25<sup>th</sup> 1932, TNA 13698.

Extracts from reports on the reorganisation of the KNPA, Confidentila of September 14<sup>th</sup> 1931, and TNA 20378.

<sup>608</sup> *Uremi*, No. 2, June 1932.

culmination of the restructuring was the approval of the Co-operative Societies Ordinance on June 15th, 1931 by Sir Phillip Cunliffe-Lister, the Secretary of State for the Colonies (see Chapter 3). This justified rendering the KNPA as null and void given that it had been registered under the Indian Companies Act of 1913; thus would no longer operate as a co-operative organisation.

The transfer of functions was timely and cautiously undertaken to ensure that it did not cause disruption to coffee marketing which began in June. At the same time the KNCS requested to the PC, Northern Province that it be granted coffee marketing monopoly. The request was forwarded to the CS for approval. The PC suggested publication of an order in the government gazette instructing all Native coffee growers in Moshi to have coffee sold to or through the KNCS as per section 36 of the Co-operative Societies Ordinance. Application of the Section implied that the KNPA would not have legal approval to market coffee in the district, a function that had to be undertaken by the KNCS. This development marked a final suffocation of the Association as it was deprived of revenue by restricting it from marketing coffee.

However, the request could not be implemented because the co-operative rules were not in place. It has to be noted that Section 36 (i and ii) of co-operative legislation required native produced coffee to be sold through one agency. It also provided for co-operatives to be incorporated in the government marketing policy. Also, co-operatives which were reluctant to sell the produce through the agency were subdued and to help weak co-operatives by providing a monopoly over coffee marketing. In this respect, this was viewed by the government an appropriate approach in promoting societies; such approach contravened the ICA voluntary principles by application of the measure that compelled growers sell their produce to co-operatives.

<sup>&</sup>lt;sup>609</sup> CS to Northern Province, PC, Dispatch No. 413, May 23<sup>rd</sup> 1932, TNA 20378.

<sup>&</sup>lt;sup>610</sup> CS to Northern Province, PC, Dispatch No. 413, May 23<sup>rd</sup> 1932, TNA 20378.

<sup>611</sup> Land Office (Registrar of Co-operative Societies) to CS, Ref. No. E.852/12501 413, May 27<sup>th</sup> 1932, TNA 19595.

Importantly, Section 36 of the 1932 co-operative legislation provided for registration of societies, but it did not mention establishing a Union. The KNCU was registered under Section 4 as the facilitating body for primary societies. This clearly illustrates that the KNCU was imposed onto the growers and under Section 6 of co-operative legislation they were compelled to be members and sell their produce to affiliated societies; in this, any competitors to it were not accommodated. Regardless of its imposition the growers accepted it because it offered an opportunity for them to sell their coffee produce.

A prerequisite for a society to be registered were set out by the KNCU in addition to the Co-operative Ordinance and Rules. This was intended to facilitate control of affiliated societies. The Union was a key player in policy formulation and its managing committee had an extremely large say in the affairs of affiliated societies<sup>612</sup> which became coffee collecting or buying points. In its role as leading organization, the KNCU's leaders submitted a registration application in October 1932.<sup>613</sup> Registration began in January 1933 in which the KNCU and registration of 12 affiliated co-operative societies began in January 1933 (see Appendix 8a, 8b, 8c on the Primary Co-operative Societies Affiliated to the KNCU that were registered in 1930s, 1940s, and in 1950s); that had to operate in an area of approximate 800 square kilometres.<sup>614</sup> As table 12 below shows these were the first 12 registered societies not only in Kilimanjaro but also in Tanzania. According to the by-laws the native coffee growers should be the members of the KNCU affiliated co-operative societies.<sup>615</sup> Registration began in January 1<sup>st</sup> 1933 out of which Kibong'oto Co-operative Society Limited was the first registered society).

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<sup>&</sup>lt;sup>612</sup> Northcote to J.D Rheinallt Jones, the Director of South African Institute of Race Relations, Ref. No. Co-op/1058/17, December 11<sup>th</sup> 1944, TNA 37192.

<sup>&</sup>lt;sup>613</sup> KNCU to CS, May 8<sup>th</sup> 1933, TNA 25777.

<sup>&</sup>lt;sup>614</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), p.5, TNA 19005.

<sup>&</sup>lt;sup>615</sup> By-laws of the KNCU and affiliated societies, p.10, TNA 25828

Table 12: Co-operative Societies Registered (1.1.1933) and Membership in 1935

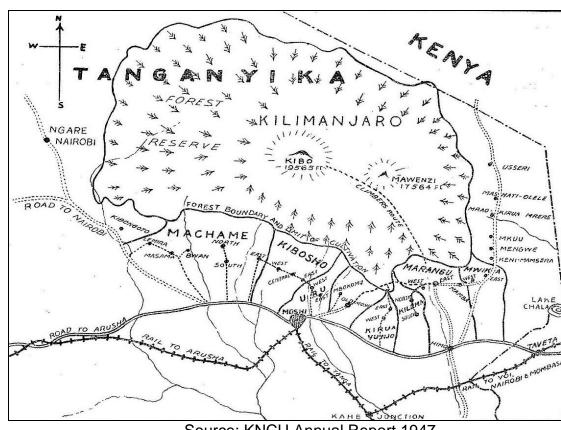
S/No	Name of the Society	Date of registration	Reg. No.	Members in 1935
1	Kibong'oto Co-operative Society Limited	1.1.1933	1	441
2	Machame Lyamungo Co-operative Society Limited	1.1.1933	9	5057 <sup>616</sup>
3	Kibosho West Co-operative Society Limited	1.1.1933	8	920
4	Kibosho East Co-operative Society Limited	1.1.1933	7	2,045
5	Uru East Co-operative Society Limited	1.1.1933	14	1,299
6	Mbokomu Co-operative Society Limited	1.1.1933	6	392
7	Old Moshi Co-operative Society Limited	1.1.1933	5	852
8	Kirua Vunjo West Co-operative Society Limited	1.1.1933	4	2385 <sup>617</sup>
9	Kilema	1.1.1933	3	1589
10	Marangu West Co-operative Society Limited	1.1.1933	20	892
11	Marangu East Co-operative Society Limited	1.1.1933	18	900
12	Mamba Co-operative Society Limited	1.1.1933	2	1225
13	Mwika West Co-operative Society Limited	1.1.1933	21	1345
14	Uru West Co-operative Society Limited	1933	14	646
16	Keni Mriti Co-operative Society Limited	1933	15	623
18	Mwika East Co-operative Society Limited	1933	17	855
19	Mwika West Co-operative Society Limited	1933	21	460
20	Mengwe Co-operative Society Limited	1933	22	335

Source: *Uremi*, No. 15. November 1<sup>st</sup> 1933. Moshi, KNCU; also compiled from KNCU Reports and Tanganyika Territory Annual Reports on Co-operative Development Annual Reports (1947, 1948), TNA 37192.

<sup>616</sup> When split in 1935 to form new societies (Machame West had 2,173, Machame East had 1,1105 and Central had 1,779 members respectively).

<sup>&</sup>lt;sup>617</sup> When split in 1935 to form new societies (Kirua Vunjo West had 569, Kirua Vunjo West had 591 members respectively).

By November 1933 a total of 20 societies were registered<sup>618</sup> and the number remained the same by March 1934.<sup>619</sup> The number increased to 24 in the late 1940s most of which were set up after the WWII and 18 of them were registered in 1950s (see Appendices 8a, b and c; also Appendix 9 on the: KNCU membership and coffee trees by 1930s; Appendix 10 on coffee production (in tons) and amount paid to the KNCU growers from 1932 – 1946 and Appendix 9b on membership of the affiliated societies by June 1947) located across the slopes of Mount Kilimanjaro as shown in map 1 below;



Map 1: Registered Primary Co-operative Societies Affiliated to KNCU

Source: KNCU Annual Report 1947

The restructuring of the KNPA had several ramifications as far as supervision of coffee cultivation is concerned. The setting up of the KNCS then registration of the KNCU led to the dismantling and the uprooting of the KNPA network that was established through the *wawakilishi* (see a list of *wawakilishi* from various locations

<sup>&</sup>lt;sup>618</sup> Uremi, No 15, November 1<sup>st</sup> 1933.

<sup>&</sup>lt;sup>619</sup> Uremi, No 19, March 10<sup>th</sup> 1934.

in Kilimanjaro, Appendix 4b). It can be recalled that the *wawakilishi* among others, were responsible for supervision of coffee cultivation. In this regard, a vacuum was created that was not filled until when the agriculture officers were deployed when the native coffee (control and marketing) legislation was passed in 1937 in which extension services and supervision of coffee cultivation became a responsibility of the government in the same way as in Kagera region and in the WCGA. This clearly indicates that the government extension policy was put in place and further reorganised. It also shows that the co-operatives were no longer responsible for providing extension services, but their tasks were limited to crop handling, payment of growers on delivery of coffee and supply of agriculture inputs (seeds, seedlings, insecticides, pesticides, and spraying pumps) to its members.

This section shows that, the restructuring of the KNPA to form the KNCU was a result of a struggle between the Association leadership and the political establishment mainly over its resistance against colonial land policy. The KNCU was set up and imposed by members of the colonial authority. Its management was appointed by the government involvement and its bylaws were prepared in conformity with government interests. The affiliated societies were set up by the KNCU with the support of the government. The affiliation of each society had to be approved by the KNCU. The affiliation process was not clearly elaborated to the members. The conditions imposed on affiliated societies removed their independence because they were required to show allegiances to the Union. The allegiance to the Union was made compulsory under both co-operative and the native coffee marketing legislation of 1937 as discussed in the following section.

## 4.4: THE COFFEE COMPULSION MARKETING LEGISLATIONS

This section critically analyses coffee marketing policy and control of growers through the KNCU provided under Section 36 (i and ii) of the 1932 co-operative legislation. The background to the growers' response to KNCU and affiliated societies and marketing legislation is also laid. It has been mentioned earlier that KNCS, later KNCU requested the colonial authority to approve compulsory legislation over a monopoly on coffee produced in Kilimanjaro. The application of the legislation was embedded in the co-operative societies' legislation of 1932 Section

36 (i). Under the Section all growers in the region were compelled to sell their produce through KNCU.

The colonial authority established measures to control coffee marketing in Kilimanjaro. The policy was incorporated under section 36 (ii) of the 1932 Cooperative Ordinance, which laid down that if 75 per cent of the producers in an area had to sell through one agent. In principle the mentioned sections formed the bedrock to the cash crop marketing policy in Tanzania but, its significance is seriously neglected in the existing literature and where attention is paid is treated in isolation with native produced crop marketing policies. The legislation's section provides also that non-members of the organisation are automatically members of the society and should sell to the organisation or its affiliated societies. Strickland, who drafted the legislation for example, points out that, this section provides for obligatory membership that cannot be described as a native co-operative. 620 However, he has not shown why obligatory membership was necessary. The clauses prohibited growers to sell their produce at other places than established co-operatives or any other appointed agent which created a marketing monopoly and the policy facilitated the bulk purchase from a given point.

Kimario, 621 Gorst, 622 Leubuscher 623 and Strickland 624 they discussed the compulsion marketing arrangement and legislation in Moshi. However, Kimario has not established its source; Leubuscher utilised one source, the 1937 Tanganyika Territory's Legislative Council (LEGCO) report on the Kilimanjaro Native Cooperative Union. This is the colonial authority report on an investigation of the riots. As a result, Kimario's, Gorst and Leubuscher's analysis does not go far enough to identify the background to the passage of the Native Coffee (Control and Marketing) legislation resulting in a knowledge gap that this section fills by use of various

<sup>620</sup> C.F. Strickland, Co-operation for Africa, *Africa Journal*, January 1933, Vol. 6. Issue No. 01, pp. 15-26, TNA 19005.

<sup>621</sup> Ally M. Kimario, (1992), p. 6.

<sup>&</sup>lt;sup>622</sup> Sheila Gorst, (1959), pp.165-169.

<sup>623</sup> Charlotte Leubuscher, (April, 1939), pp. 163-188.

<sup>&</sup>lt;sup>624</sup> C.F. Strickland, (1945), pp. 78-79.

primary evidences such as correspondences among the colonial officials regarding the policy; and policy implication to rioters as well as co-operatives societies are not covered. All mentioned weaknesses are in-depth discussed in this section.

In 1933 KNCU applied from the colonial authority to employ Section 36 (i and ii) of the co-operative legislation. However, the colonial authority was hesitant to approve its implementation in Kilimanjaro due to the existence of both the settlers mostly Europeans and small-scale Chagga/native growers. The hesitation was obviously due to its impact on European coffee planters who had to sell their produce through the KNCU and its affiliated societies. Separate legislation was the only option to keep European planters safe and immune from the provision. However, implementing separate legislation was a violation of the Order of Mandate that prohibited racial segregation. Yet, it was viewed as impractical by the colonial authority to have members comprising of both the natives and non-natives as stressed by Strickland who drafted the legislation on the basis that, it was unreasonable to expect these different types of coffee to be bulked and marketed through the same agency. Strickland indicates to everyone that, the provision in undisputable and the emphasis was, not only who produces; but also, what is produced should be separated based on race.

In an attempt to get over such defect in the co-operative ordinance, the government had to bring forward a specific section for the WaChagga growers. It was decided that an ordinance, the Coffee (Moshi District) Rules popularly referred as the Chagga Rule or *masharti* in Kiswahili should be made under section 15 of the Native Authority (NA) Ordinance (see Appendix 7 on the Native Authority Ordinance popularly known in Kilimanjaro as the Chagga Rules).<sup>628</sup> Accordingly, the Chagga

<sup>&</sup>lt;sup>625</sup> KNCS to Chief Secretary in April 22<sup>rd</sup> 1932 signed by Joseph Maliti (President), Stefano Lema (Secretary) and A.B. Bennett (Manager), TNA 20378.

<sup>&</sup>lt;sup>626</sup> Extract from Lord Winster in his speech March 1, 2 or 3 to the House of Lords, TNA 357883.

<sup>&</sup>lt;sup>627</sup> C.F. Strickland, (1933), p.78.

<sup>&</sup>lt;sup>628</sup> Legislation on Control Native Agriculture and Industry, History of the Chagga Rule, TNA 25038.

Rules were drafted in August 1934 and passed on October 1<sup>st</sup>, 1934 by the Chagga Council to compel native growers to sell coffee through the KNCU.

It has to be noted here that the idea originated with the colonial government. However, the Chagga Council was persuaded by the colonial government to pass it. This demonstrates an attempt by the colonial government to delegate powers for promulgation of native legislations in accordance to the Indirect Rule policy primarily on the pretext of protecting the native coffee growers. In reality it was intended to protect the European settlers from being compelled to market their produce to the co-operative societies, the memberships of which were predominately natives. The policy was justified by the colonial authority as a necessary measure that;

No satisfactory marketing arrangements can be made until every native grower is compelled to sell his coffee through the Association as this would eliminate the local buyers from competing with the Association. It also ensures that the association remained in existence. 629

It is obvious that, engagement of the NA was to keep the colonial authority from being implicated with racial policies which went against the Mandate policy. The Chagga Rule was rooted in racial segregation policy and compelled native growers only to marketing the coffee to the co-operatives. All in all, the colonial authority was responsible for creating racial barriers by pressuring to the NA to promulgate the legislation. In this view, the NA and Chiefs found themselves embroiled in the affairs of growers and societies without their participation. The compulsion/automatic membership contravened the ICA and Rochdale voluntary co-operative principles. This clearly suggested a violation of the co-operative principles regardless of the pretext that it was designed to protect growers from unscrupulous traders and intention to develop the native coffee industry.

The employment of the Rule coincided with the collapse of the coffee price in the world market in which Kilimanjaro especially the WaChagga coffee was not spared. Table 13 below shows a decline and decrease of coffee paid to growers. In 1934/35

<sup>&</sup>lt;sup>629</sup> Report on the Reorganisation of the KNPA, TNA 13060.

coffee season suffered a drastic fall of coffee price in the world market<sup>630</sup> which was triggered by the flooding in the market of the produce from Brazil.<sup>631</sup> Table 13 below shows a decline and increase of coffee price paid to growers.

Table 13: Coffee Production and Amount Paid to the KNCU (1932 – 1946)

Season	Coffee crop	Amount paid in £	Price	per	lb.	paid	to
	parchment (in tons)	to growers	growers				
1932/33	1,072	35,426				29	.55
1933/34	1,167	35,384				27	.03
1934/35	1,587	35,456				19	.85
1935/36	1,684	33,995				16	.94
1936/37	882	18,707				18	.95
1937/38	1,472	33,336				20	.16
1938/39	1,959	58,747				26	.78
1939/40	2,680	72,275				24	.17
1940/41	4,063	84,798				18	.53
1941/42	1,948	52,184				23	.97
1942/43	3,103	145,399				41	.96
1943/44	2,114	131,012				57	.49
1944/45	3,974	276,380				62	.96
1945/46	3.102	173,032				49	.81
Total	30,807	1,186,131					

Source: Moshi District Book I 1939/40 to 1943/44 seasons and the KNCU 1946/47 Annual Report. Appendix B

Table 13 above shows payment trends in which 1934/35 season advances paid were only -/16 cents per lb. (Pound) of parchment coffee delivered. <sup>632</sup> It shows a sharp fall in 1935. The crisis was so serious that the KNCU could not pay growers a second instalment ('*mabaki*' in Kiswahili). The KNCU issued a communiqué through the KNCU Monthly bulletin, the Uremi on 22<sup>nd</sup> August 1935 of the members on impending problem that could not sell most of coffee in London market. <sup>633</sup> However, the message did not show why coffee could not fetch a buyer and the reason for the fall of prices. However, the growers showed trust in the KNCU and there was not reaction from them. At the same time the KNCU had to embark upon measures to

<sup>630</sup> Fabian Colonial Bureau, (1945), p. 76.

<sup>&</sup>lt;sup>631</sup> T.S. Jervis, 'Marketing of Coffee' in the *East Africa Agricultural Journal*, May 1957, pp.459- 464, in Bukoba District Book.

<sup>632</sup> *Uremi*, August, 22<sup>nd</sup> 1935.

<sup>633</sup> Uremi on 22<sup>nd</sup> August 1935.

resolve financial problems to meet its commitments to pay growers in 1934/35 season.

On the other hand, the settlers, especially of German origin, were not affected by the crisis since they exported their coffee directly to German and fetched a higher price that was fully paid in cash.<sup>634</sup> At the same time there were several traders, mostly Asian, German and British settlers, missionaries and traders paid better prices than the Union. For example, the KNCU paid 15 cents per a lb. While such companies as Sheriff Jiwa paid 20 cents and H. Bueb paid 21 to 25 cents, depending on the quality of the delivered coffee.<sup>635</sup> The German settlers offered between 10 and 15 per cent above the market price on condition that part of the payment was spent to purchase agricultural implements that they were selling<sup>636</sup> and exported coffee to Germany. <sup>637</sup> In this effect, the growers demanded to sell coffee wherever and to anyone provided s/he is ready to pay them well and promptly.<sup>638</sup>

Therefore, growers could not see the KNCU justification for paying them lower prices. For them, they felt that they were being cheated. This generated criticism and by November 1936 growers/members had lost patience and pressed for implementation of various alternatives to resolve the problem; first, that they pull out of the KNCU for an open market alternative where they could fetch a better price; and secondly, removal of societies leaders from office for failure to defend their interests and welfare in the Union forums. The societies in question were Machame Central and East, Marangu Central and East but the members alternatives were dismissed by the KNCU because they were contrary to the Chagga Rule. The permission was briefly granted by the end of 1935 but was cancelled before a start of

<sup>634</sup> Fabian Colonial Bureau, (1945), p. 76.

<sup>&</sup>lt;sup>635</sup> Coffee Ordinance and Regulations Attitude of the KNPA: History of the KNPA, TNA 13060.

<sup>636</sup> Lord Hailey, (1938), pp.1472 -1473.

<sup>637</sup> W.K.H Campbell, (1951), p. 196.

<sup>638</sup> Lord Hailey, (1938), pp.1472 -1473.

<sup>&</sup>lt;sup>639</sup> Bennett to Chief Shangali of Machame and Marrealle of Marangu, Folio 34, TNA 5/243.

the 1937 coffee marketing season.<sup>640</sup> This fuelled further discontent and dissatisfaction amongst the WaChagga coffee growers. It was pointed out that discontent was widespread over the whole mountainside engineered by some individuals;<sup>641</sup> but more so in Machame Central and East and Marangu East societies that composed of about 3,784 members in all and owned 24 percent of the total crop produced in Kilimanjaro. <sup>642</sup> On September 15<sup>th</sup>, 1937 riots broke out in these societies. Between September 16<sup>th</sup> and 17<sup>th</sup> 1937 there was rioting in Marangu East, where growers replaced existing leaders with members who 'refused to recognise the existing bylaws'.<sup>643</sup>

The riots popularly referred to by growers as 'Coffee Riots' also occurred in 27 other primary societies in Lyamungo, Masama, and Machame North. During the riots the primary society's stores were ransacked.<sup>644</sup> The rioters complained that owing to heavy overhead expenses the Union paid lower prices than they could obtain outside.<sup>645</sup> The Chiefs were also accused by growers of conspiring in the passage of the Chagga Rule; therefore the Chiefs were viewed as being against their economic interests and welfare. The Fabian Bureau report<sup>646</sup> and Campbell<sup>647</sup> have analysed the riots. The Fabian Bureau report has defended the Chagga Rule as it offered a solution to existing complications in similar manner as Strickland by arguing that it has to be applied given the fact that 'the Chaga area (Kilimanjaro) was complicated by the juxtaposition of small scale growers and the settlers'<sup>648</sup> by treating the two

<sup>&</sup>lt;sup>640</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), p.9 TNA 19005.

<sup>&</sup>lt;sup>641</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), a speech to the Registrar of Co-operative Societies from the President of the KNCU, Appendix J, p.59.

<sup>&</sup>lt;sup>642</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), p.9, TNA 19005.

<sup>&</sup>lt;sup>643</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), p.9, TNA 19005.

<sup>&</sup>lt;sup>644</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), p.9

<sup>645</sup> Lord Hailey, (1938), p.1472.

<sup>646</sup> Fabian Colonial Bureau, (1945), p. 76.

<sup>&</sup>lt;sup>647</sup> W.K.H Campbell, (1951), pp. 196-197.

<sup>&</sup>lt;sup>648</sup> Fabian Colonial Bureau, (1945), p. 76.

separately; whereas Campbell has not shown how they related to crop marketing policy or how they were resolved.

The government restored order by drafting in the police and air force.<sup>649</sup> Around 70 rioters were apprehended and sentenced to jail.<sup>650</sup> Some of the ring leaders were imprisoned and about 14 others were deported to Singida, Iringa and Sumbawanga in the Southern highlands of Tanzania (see Appendix 11).<sup>651</sup> The KNCU also suspended sending money to all societies where riots had taken place.<sup>652</sup> These actions were intended to ensure that growers accepted the coffee price paid by KNCU regardless of how low it was. These measures to reinforce Section 36 of the 1932 co-operative legislation sought to secure the loyalty of members of co-operative movement through force.

Other societies disaffiliated themselves from the KNCU over its failure to meet its obligations. This created an impasse that forced the PC and Moshi's DC to intervene. The PC had meetings in Marangu and Machame which successfully ended by restoration of societies' committees. In 1939 efforts were initiated by the Moshi District officer, Mr Bruce Hunt for reorganisation of such societies and get them back to the KNCU framework. In one instance the DO wrote to Mangi Addiel Solomon of Mwika asking him to facilitate the exercise for West Mwika Primary Cooperative Society which was in his Chiefdom.

<sup>649</sup> Interview with Edwin Mtei, March 20th 2014.

<sup>&</sup>lt;sup>650</sup> PC, Northern Province to CS, Re. No. 377/7/180, November 10<sup>th</sup> 1941, MNCB Vol.II, TNA 255442; Disturbances at Moshi in Connection to KNCU, TNA 25400.

<sup>&</sup>lt;sup>651</sup> Report to the League of Nations on Tanganyika Territory, 1937, TNA 5/243 pp. 206-13; PC, Northern Province to CS, Ref. No. 25442/30 December 22<sup>nd</sup> 1937, TNA 25442.

<sup>&</sup>lt;sup>652</sup> Tanganyika Territory LEGCO, A Report on the KNCU, (Dar Es Sa salaam: Government Printer, 1937), p. 9 TNA 19005..

<sup>&</sup>lt;sup>653</sup> Government of Tanganyika, Annual Report, Northern Province. (Dar Es Salaam: Government Printer, 1937), p. 40.

<sup>&</sup>lt;sup>654</sup> Tanganyika Territory LEGCO, A Report on the KNCU, (Dar Es Sa salaam: Government Printer, 1937), p. 9 TNA 19005.

<sup>655</sup> DO to Mangi of Mwika Abdiel Solomon, Ref. No. 237/7 June 29<sup>th</sup> 1939, TNA 25777.

It was viewed by the colonial administrators that the riots were politically motivated because of a number of the German settlers, about 882 in total for the whole district and Missionaries in the area. The accusation against the traders illustrates the belief that the growers were too ignorant to protest and on the same premise were expected to be obedient to the Chagga Rule. In an investigation of the causes of the riots it was reported by the Registrar of Co-operative Societies, Mr R.C Northcote, that they were instigated by the agitators, mostly Asian traders as well as German settlers, Greeks, teachers and missionaries has been supported by the poor price paid by the KNCU as an avenue for them to accumulate coffee.

Additionally, Northcote's accusations about the riots have been linked to Germany's campaigns for the return of some of her colonies which were mentioned by Hitler in conversations with Sir John Simon on March 25, 1935. At the same time Germany was lobbying victor power to be considered for membership in the League of Nations so that it could qualify to administer colonies. However, did Britain rejected Germany's proposal, as by returning its former colonies Britain would have been sacrificing sources of raw materials and foodstuff supply to a potential enemy.

Northcote allegations were adopted by Leubuscher in her argument. 658

Lord Winster in his speech to the House of Lords misleadingly asserted that one of the reasons for the riots was the failure to educate the members of the Union in cooperative principles, 659 which led members to refuse to adhere to the society by-

<sup>656</sup> LEGCO Session Paper No. 4, 1937, p.9; Memorandum of Disturbances in the Moshi District, pp. 208 – 209, TNA 25400; Government of Tanganyika, Annual Report, Northern Province. (Dar Es Salaam: Government Printer, 1937), pp. 9 -10. 657 LEGCO Session Paper No. 4, 1937, p.9; KNCU School Lyamungo, TNA 5/375C 24/13; Memorandum of Disturbances in the Moshi District, pp. 208 – 209, TNA 25400; Government of Tanganyika, Annual Report, Northern Province. (Dar Es Salaam: Government Printer, 1937), pp. 9 -10; Interview with Emanuel Kitely Mbowe, Joseph Mchomba, John Joseph Munishi (October 24<sup>th</sup> 2012).

<sup>658</sup> Charlotte Leubuscher, (April, 1939), pp. 163-188.

<sup>659</sup> Extract from Lord Winster in his speech March 1, 2 or 3 to the House of Lords, TNA 357883.

laws.<sup>660</sup> The KNCU reacted by suspending such societies and suspended coffee payments, advances though the Chagga Rule was applicable.<sup>661</sup>

In a communiqué the DC informed and ordered the members to rejoin the society which was the only option available for them to sell their 1939 produce. This was clear government interference and an obvious compulsion that became a dominant factor. It was stressed that its only if a society affiliated back to the Union could they sell produce in accordance to the law. This message was communicated in Kiswahili that 'ni lazima wafahamu ya kwamba ni lazima wote wawe chini ya masharti ya KNCU na basi hawataweza kukifungua chama chao na Union' through a memo read aloud by the Mangi at a growers meeting held on July 1st 1939.

At the meeting the Mangi managed to convince his subjects convinced and it was decided to elect new leadership 'dedicated' and committed to comply with the KNCU by laws. Marua bin Kishimbo was elected as Chairperson, Abel bin Maktano, the vice-Chairperson and Yohanne bin Manaseh as Secretary. <sup>663</sup> To this effect Mangi asked the DO to restore West Mwika Primary Co-operative Society into the list of the KNCU affiliated societies; and asked for permission for that case to have the society's office opened for business to serve his subjects. A decision to elect new faces by rejecting the old ones to take society's office was translated by Mangi Abdiel Solomon as a significant step towards restoration of confidence in the Union<sup>664</sup> at a point where growers had lost trust on it. However, it should be highlighted that affiliation was initiated by the Chiefs and the government, which demonstrates a lack of member agency.

<sup>&</sup>lt;sup>660</sup> Extract from Lord Winster in his speech March 1, 2 or 3 to the House of Lords, TNA 357883.

<sup>&</sup>lt;sup>661</sup> Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Sa salaam: Government Printer, 1937), pp. 9 -10, TNA 19005.

<sup>662</sup> DO to Mangi of Mwika Abdiel Solomon, Ref. No. 237/7 June 29<sup>th</sup> 1939, TNA 25777.

<sup>&</sup>lt;sup>663</sup> Mangi of Mwika, Abdiel Solomon to DO, Ref. No. L. 9/6/39 July 14<sup>th</sup> 1939, TNA 25777.

<sup>&</sup>lt;sup>664</sup> Mangi of Mwika, Abdiel Solomon to DO, Ref. No. L. 9/6/39 July 14<sup>th</sup> 1939, TNA 25777.

All in all, the riots generated nervousness amongst the colonial authority regarding the co-operative movement. There was also a fear for repetition and spread of such and smilar troubles where societies existed. This was also viewed as a political risk, particularly if growers throughout the country were to rebel against the colonial authority managing their produce. This study is of the opinion that this was a contributing factor that led to uneven and delays of promotion or accommodation of co-operatives in other parts of the country. The lesson learnt was sufficient to warrant the colonial authority to bring about appropriate legislation that Lyimo has also discussed on formation of the MNCB in 1937, 665 but he has not explored factors that prompted its establishment, an aspect that is discussed in this section.

As a result of the riots the government decided to alter how it exercised control over the native coffee industry. In October 1937 the Native Coffee (Control and Marketing) Ordinance No. 26 was passed to replace the Chagga Rule. The Ordinance provided for the control of the native coffee industry and compulsory marketing of the produce, but it did not compel growers to sell their produce through a specific organisation. Promulgation of a new policy can, therefore, be viewed as a victory for the growers. But it was embarrassing to Chiefs and central government when the Chagga Rule was revoked by the Governor on December 21<sup>st,</sup> 1937 in response to the recommendation made by a committee that was formed to investigate the crisis/riots that faced the KNCU.<sup>666</sup>

Nevertheless, the legislation did not make a significant departure from the Chagga Rule as it restricted growers from selling coffee to the open market. The important contrast with the Chagga Rule in the Native Coffee Ordinance was that did not specify to which organization the growers were compelled to sell their produce, but only mentioned an agency that the Board may suggest. In Moshi the KNCU was recommended. KNCU maintained its monopoly over native produced coffee because

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<sup>&</sup>lt;sup>665</sup> Francis Lyimo, (1984, pp. 57-58.

<sup>&</sup>lt;sup>666</sup> CS to PC, Northen Province, December 21<sup>st</sup> 1937, TNA 25442; Tanganyika Territory, LEGCO, *A report on the Kilimanjaro Native Co-operative Union*, (Dar Es Salaam, Government Printer, 1937), p.41, TNA 19005.

it was the only coffee marketing organization in Moshi due to the Chagga Rule. This provided an indirect integration of the co-operatives into marketing policy. Similarly, no organisation apart from the KNCU and affiliated societies was allowed to operate coffee marketing in the district.

The legislation targeted Native coffee growers and ensured that European growers were not compelled to sell their produce through the KNCU and its affiliated societies. Thus, the native coffee industry was one that was brought under more direct control than that attainable by Co-operative Societies Ordinance Section 36 (Part 1), which required the compulsory sale of produce through a registered society. As pointed out in Chapter 2 the Ordinance led to the formation of the Moshi Native Coffee Board (MNCB), in which under Section 6 all producers of native coffee in the Moshi District were compelled to sell coffee produce to the agency chosen by the Board.

Under the native coffee industry legislations the MNCB became a sole buyer of native produced coffee and it was empowered to appoint an agent/s. As a result, legal ground was provided for application of section 6 that appointed the KNCU as the agent of the MNCB which was set up in November 20<sup>th</sup> 1937.<sup>667</sup> Under the monopoly system provided under the legislation growers had no choice or alternative sell their produce other than co-operatives. Clearly, upon appointment of the KNCU by the MNCB it was integrated into the government marketing machinery. This illustrates that, the KNCU was created and organised by the government so that to facilitate coffee handling and marketing under legal protection. Thus, this does not imply KNCU was an independent business entity, but became the government facilitating machinery for handling the coffee produced by the native growers.

This clearly demonstrates that the co-operative legislation violated the voluntary cooperative principles. However, it was justified by the colonial authority as necessary measure that, 'no satisfactory marketing arrangements can be made until every

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 $<sup>^{667}</sup>$  CS to Secretary of the Colonies, February 7<sup>th</sup> 1938, TNA 25038 Legislation to Control Native Agriculture and Industry.

native grower is compelled to sell his coffee through the Association.<sup>668</sup> A compulsion measure was pursued by the government on view that the members would remain loyal due to the KNPA and later KNCU's efforts to defend growers from coffee growing suppression attempts by the settlers, but the introduction of the policy was ill timed as it coincided with coffee prices plummeting.

A three tier marketing system was established whereby primary societies were at the bottom, KNCU in the middle and the MNCB at the top of the structure. Under the system primary societies collected the produce from growers and sold it to the KNCU which forwarded them to the Board. This was applauded by the Agriculture Secretariat, who pointed out that 'the MNCB now has a weapon to use'. 669 This illustrates the colonial authority had meant for the economic subjugation of the growers. It was also pointed out that the Chagga Rule was an embarrassment as it had placed the NAs on the same footing as the Department of State. 670 The establishment of the MNCB rendered the Chagga Rule inoperative.

The Coffee Industry Ordinance marked the official end of the application of Chagga Rule in Dec 21st 1937. The replacement of the Chagga Rule was considered as a decisive step in restoring growers' confidence in Chiefs and the NA and thereafter no immediate challenge to their authority arose. This could be explained by the intimidation growers experienced when the government intervened to quell the riots. Moreover, replacement of Chief Abdiel Shangali as paramount Chief of WaChagga for his support of the grower's demand for better coffee price and the subsequent 'riots' may have encouraged other Chiefs to collaborate with colonial authority and support its policies.<sup>671</sup> Of course, although the legislation replaced the Chagga Rule it strengthened government's grip over the KNCU, and ultimately the affiliated societies and growers through the MNCB. The control of marketing by the Boards

<sup>&</sup>lt;sup>668</sup> Coffee Ordinance and Regulations: Attitude of the KNPA in Report on the Reorganisation of the KNPA, TNA 13060.

<sup>&</sup>lt;sup>669</sup> Secretariat to PC, Northern Province, Ref. No. 25442/30, December 22<sup>nd</sup> 1937, TNA 25442.

<sup>&</sup>lt;sup>670</sup> Secretariat to PC, Northern Province, Ref. No. 25442/30, December 22<sup>nd</sup> 1937, TNA 25442.

<sup>&</sup>lt;sup>671</sup> Kathleen M. Stahl, *History of the Chagga People of Kilimanjaro*, (London: Mouton and Company, 1964), p.37.

implied that co-operatives were denied the necessary independence to operate as member controlled organisations.

To avoid future unrest the growers were kept well informed by Provincial officials, especially, C.F. Hallier, about this new development and the appointment of the KNCU as MNCB's agent. Such information was communicated to growers in public meetings and articles in the Uremi. The PC made tours in Kilimanjaro where he informed the Chiefs and growers in meetings on the government decision to abolish the Chagga Rule. He also informed them of setting up of the Moshi Native Coffee Marketing Board whereby KNCU would be appointed as its agent.<sup>672</sup> This announcement was met with great satisfaction by growers because it was interpreted as a sign that the government was ready to listen and implement their concerns. Chiefs were equally pleased as they had long been conscious of the anomaly of their positions as sponsor of the Rule which brought them into conflict with their subjects.<sup>673</sup> Due to meetings and Uremi publication of articles the PC concluded that 'the withdrawal of the Chagga Rule and its replacement by the MNCB are fully and widely understood in Kilimanjaro'.<sup>674</sup>

Coincidentally, the setting up of the statutory board came at a time when the coffee price was improving and generated and restored confidence of both co-operatives and the board to growers (see Table 13 above). It was the view of the government officials that such development was met with great satisfaction since it was seen as protection of growers' interest as well as of their organization by the government.<sup>675</sup> Importantly, unlike Chagga rule the MNCB members were drawn from the

<sup>&</sup>lt;sup>672</sup> F.C. Hallier, Northern Province PC to CS, Ref. No 377/7/96, December 28<sup>th</sup> 1937, TNA 25442

<sup>&</sup>lt;sup>673</sup> F.C. Hallier, Northern Province PC to CS, Ref. No 377/7/96, December 28<sup>th</sup> 1937, TNA 25442

<sup>&</sup>lt;sup>674</sup> Northern Province, PC to CS, Confidentila, Ref. No. 377/7/96, December 28<sup>th</sup> 1937, TNA 25442.

<sup>&</sup>lt;sup>675</sup> PC, Northern Province to CS, Confidentila, Ref. No. 377/7/96, December 28<sup>th</sup> 1937, TNA 25442.

government and growers as well as co-operative societies<sup>676</sup> of which growers felt were represented. It also appointed according to the November 28<sup>th</sup> 1941, November 6<sup>th</sup> 1942 and January 19<sup>th</sup> 1943 Government Gazettes one of the deportees, Daudi Ngamini<sup>677</sup> as a Board member.

Additionally, compulsion of growers to sell his coffee through the agency (societies) appointed by the Board was a feature that dominated for decades. The post-riots era and legislation saw the colonial authority being directly involved through the MNCB in which those who did not adhere were liable to penalty or imprisonment or both under Section 14 of the Native Coffee Ordinance, No. 26 of 1937. In this regard, the KNCU became part of the government machinery for organizing the compulsion marketing of native produce that was utilised by the colonial power and colonial authority during WWII and for almost a decade after the outbreak of the war to handle coffee from growers (see Chapter 2, Section 2.3). The control of coffee by the post-colonial government through the co-operatives envisioned to facilitate development of the industry for national development as presented in the following section.

## 4.5: POLICY CONTINUITY IN THE POST-COLONIAL PERIOD

The post-colonial government asserted its support of co-operatives as the driving force in the invigoration of rural development and the national economy. The Co-operative Act was amended in 1963 (see Chapter 3 for details). The amendment basically provided for the formation of co-operatives in regions where they hardly existed. Thus the legislation had no significant impact to the KNCU as societies already existed in all locations for coffee marketing.

The post-colonial government policy on rural development was an added advantage to the KNCU and Moshi district, regardless of the limited coffee cultivation area in which production increased from 20 per cent in 1955 to 35 per cent in 1964, of the total Tanganyika crop. In 1961/62 growers under the KNCU accounted for more than

<sup>676</sup> PC, Northern Province to CS, Confidentila, Ref. No. 377/7/96, December 28<sup>th</sup> 1937, TNA 25442.

<sup>677</sup> The MNCB's Board member, PC, Northern Province to CS, Re. No. 377/7/180, November 10<sup>th</sup> 1941, TNA 255442 Vol.II

half of the Arabica coffee produced in the country. The number of growers also increased from 45,000 in 1961<sup>678</sup> to 65,000 in 1968 representing a 44 per cent rise, while the rise in acreage in the same period was from approximately 34,000 to 35,000 acres representing a 4 per cent rise. In 1963/64 and 1964/65 it made up approximately 60 per cent of the total small scale producers of Arabica from 1968 the approximate number of growers rose from 65,000 to 87,060.<sup>679</sup> By 1973 a rise of 35 per cent had occurred, but the number of growers remained constant at 87,060 growers because the pieces of land could no longer be divided. Young men now realized the shortcoming; as a result, most of them migrated to urban areas. Also, as production remained constant the land suitable for coffee cultivation was exhausted after years of mono crop cultivation. Increasing population density, coupled with redistribution of the limited land among male family members started to stagnate coffee production.

In 1967 and 1968 the government introduced a policy in which agricultural marketing co-operatives had to be multipurpose. For example, they engaged in other agricultural production, for example on its Gararagua estate which has 3,429 acres. The coffee estate was granted to KNCU by the government following nationalization exercise implemented under the ArD policy. Thus, it became apparent that the co-operatives had to be an integral part in rural and national development and building a socialist state.

In response to government policy KNCU started to engage in a wide range of businesses such as hospitality (hotels) and insurance, which were largely in Asian business spheres. This was an attempt by the government to utilize co-operatives to Africanise businesses and the economy as a whole. Thus, implementation of mentioned policies demonstrates that KNCU became part of the government machinery for organizing production and the marketing of consumer goods.

<sup>&</sup>lt;sup>678</sup> Horace Plunkett Foundation, *Year Book of Agricultural Co-operative*, (London: Basil Blackwell, 1961), p.241.

<sup>&</sup>lt;sup>679</sup> URT, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1964), p.3.

<sup>&</sup>lt;sup>680</sup> Interview with Mzee Phillip Tesha (October 22<sup>nd</sup> 2012).

In this regard, the KNCU business venture increased, the business volume also increased. To introduce new businesses had an implication to the KNCU budget and it had to recruit new employees to run new ventures. Due to the realization that coffee export is controlled by world market the union took measures to diversify its activities like dairy projects so as to focus on local consumers.

In 1968 the co-operative legislation was amended to provide for amalgamation of Unions to create a position in which one Union existed in every region (see Chapter 3, Section 3.3 and 6, Section 6.6 for further details). The good performing cooperatives, the KNCU, was compelled to amalgamate with cotton marketing, Tambarare Co-operative Union which had 10 affiliated societies; but 7 of them were incorporated in the amalgamation.<sup>681</sup> Regardless of the status or economic viability they were required to amalgamate that came at cost of Tambarare losing assets and financial burden to the KNCU which had to absorb new employees. Additionally, in 1974, the KNCU consisted of 49 primary co-operative societies; 42 of these are coffee handling societies and 7 of them are cotton handling societies.<sup>682</sup>

Unlike most locations in the country villages on the slopes of Mount Kilimanjaro were resettled because of limited land and the government did not want to disrupt coffee cultivation. However, the Village Act (1975) was applicable whereby villages were recognized as the co-operative entity. The primary co-operative societies which operated within the villages were required to close their businesses and dispose assets and liabilities to the village council. The villages with that effect became responsible for marketing crops produced in a respective village; hence, leading to the end of co-operative societies.

The government abolished co-operative movement in 1976 (see Chapter 3, Section 3.5 for details). A couple of days before the abolition of the co-operatives in May 1976 information was leaked to the KNCU. It took drastic measure to rescue its

<sup>&</sup>lt;sup>681</sup> Interview with Mzee Phillip Tesha (October 22<sup>nd</sup> 2012).

<sup>&</sup>lt;sup>682</sup> Interview with Mzee Phillip Tesha (October 22<sup>nd</sup> 2012).

properties and assets by convening an extra-ordinary board meeting. It was resolved in the meeting that the formation of a company, the Kilimanjaro Uremi Corporation Limited, to which properties, assets as well as functions were transferred. It was through change of ownership that the KNCU circumvented the government confiscation process. It was pointed out that, 'when the abolition announcement was made public by the government, it was then too late as the government had nothing to grab from us, and it was out of intelligent and drastic decision that all properties remained under the growers'.<sup>683</sup>

The replacement of the Tanganyika Coffee Board (TCB) by Coffee Authority of Tanzania (CAT) took place in 1977. The CAT began coffee marketing directly from growers through villages and it was involved in auctioning of coffee produced in the country. Abolition of the Union and affiliated societies had a serious impact. For example, there was no supply of farm inputs (fertiliser, pesticides, fungicides and equipment) and declined extension services that led to decline of coffee produce from a minimum of 250 to 50 kilograms per season.<sup>684</sup> Both led to deterioration of incomes among the majority of growers who could not afford inputs such as insecticides and also had social repercussions like failure to meet social services costs such as school fees for children in both secondary and primary schools as well health services.<sup>685</sup>

Under new marketing arrangements the peasants were subjected to cheating by crop authority's staff through underpayment by use of low coffee grade prices. The officials in some instances used incorrect scales. In most cases the growers' payments were delayed. In response, passive resistance was wide spread among coffee growers who uprooted coffee trees to plant other crops. Some of them who had capital diverted their production activities to other crops such as fruits and vegetables so that they could earn income and maintain their livelihood. Those who

<sup>&</sup>lt;sup>683</sup> Interview with Mzee Phillip Tesha (October 22<sup>nd</sup> 2012).

<sup>&</sup>lt;sup>684</sup> Interview with Emanuel Kitely Mbowe, Joseph Mchomba, John Joseph Munishi, October 24<sup>th</sup> 2012.

<sup>&</sup>lt;sup>685</sup> Interview with Emanuel Kitely Mbowe, Joseph Mchomba, John Joseph Munishi, October 24<sup>th</sup> 2012.

<sup>&</sup>lt;sup>686</sup> Interview with Emanuel Kitely Mbowe, Joseph Mchomba, John Joseph Munishi, October 24<sup>th</sup> 2012.

had no capital and depended on the CAT were exposed to financial difficulties to manage their coffee farming as they could not afford agricultural inputs. As a result cash crops decline among the growers was widespread. This was a serious setback for an agriculture dependent country in generating foreign revenue.

In 1982 the co-operative legislation was passed that provided for the reintroduction of co-op unions. The KNCU was re-registered in March, 9<sup>th</sup> 1984 under mentioned legislation; hence, it became KNCU (1984) Ltd. Although the Unions were reinstated in 1982 they were not allowed to handle crops because the legislation that provided for the Crop Authority to handle crops from the villages was still in place. In this regard, coffee from growers in Kilimanjaro was handled by societies until 1984 when marketing board legislation was amended (see Chapter 2, Section 2.3 for details).

## 4.6: CONCLUSION

It is evident that the transformation of the earliest growers association, the KNPA into the KNCS and eventually the KNCU was motivated by the colonial authority's desire to curtail the KNPA's activities and involvement in the coffee industry. The colonial authority's promulgation of the co-operative legislation in 1932 was intended to suffocate the KNPA by ceasing its activities related to the coffee industry. This demonstrates the government's motivation was not only to control the movement, but also to discourage the development of voluntary and independent societies. In this regard, restructuring of the KNPA and formation of the KNCU provided a political expedient solution to the colonial authority. But, it operated primarily in the colonial authority's interests, hence, and constrained the independence and agency of the growers.

The restructuring process was by and large dominated by the colonial government with approval from the CO. The process was participatory, but lacked transparency as the government's ultimate intention was not made open to the KNPA's *wawakilishi* and members. In the process of accomplishing its mission the radical KNPA leaders were side-lined by the government. The collaborators were embraced and the

government influenced the appointment of a suitable candidate as the manager. This was crucial to securing internal control of the organisation.

Section 36 of the co-operative legislation brought growers into primary societies and compelled them to sell their produce through the co-operatives. This further brought the KNCU under the control of the colonial authority. The Chagga Rule and the native coffee control and marketing legislation underscored this process by prescribing who growers could sell their produce through. The price was determined by the buyer which facilitated exploitation of labour.

Understandably, such colonial control and monopolisation of native produced coffee through the KNCU generated serious unrest. To restore order and native growers' faith in the KNCU the colonial government passed the Native Coffee (Control and Marketing) Ordinance of 1937. The legislation also reinforced the KNCU position on one hand, but suppressed growers' interests on the other particular by having it appointed by the Board to handle coffee grown by African on the slopes of Mount Kilimanjaro. It was out of this restructuring that KNCU emerged as a dominant and unchallenged organization. It effectively employed self-imposed powers to promote and endorse new societies to the Registrar for registration. It was out of promotion and endorsement policy the KNCU managed to increase its footprint by establishing primary societies throughout the slopes of Mount Kilimanjaro. Committee members and leadership of affiliated primary societies were closely vetted by the KNCU and Chiefs as in the case of those in Mwika.

Such colonial intervention into the affairs of the affiliated societies undermined their autonomy and violated the ICA and Rochdale voluntary co-operative principles. The imposition of the KNCU on grower-members generated a feeling that they did not own the primary societies, which came to be viewed as KNCU branches. Policy and decision making was centralised from the KNCU's inception whereas societies and members were reduced to responding to dictates from committee members of the Union based in Moshi town.

Following independence, the post-colonial government asserted its support for the co-operatives as the driving force in the invigoration of rural development and the national economy. This signified a continuation of the colonial policy in supporting the movement. The KNCU was used by the post-colonial government during the phase of Africanisation of the economy immediately after independence. It was appointed as the NAPB agent in 1962 and also became important in implementing socialist policy from 1967. In both phases just as during the colonial era, it became part of the state apparatus. Following the passage of the 1968 Co-operative Act, KNCU was forced to amalgamate with the Tambarare Co-operative Union to form Kilimanjaro region Union. Unlike the BCU although it became one of the government institutions in the region, it retained some of its former identity and a very limited amount of autonomy. In this regard, KNCU's fully fledged independent status lasted for only ten years between 1951 when it began auctioning coffee produced by individual members of affiliated societies until early 1962 when the post-colonial government reasserted state control.

The next chapter on the BCU evaluates early growers' initiatives to form marketing co-operative and examines government coordinated initiatives that prompted the formation and registration of co-operatives in Kagera region. It explains why the co-operative movement did not emerge at the same time as in Kilimanjaro given that the colonial authority launched coffee cultivation encouragement at the same period. The chapter also explores the extent to which the policies that led to the formation of the KNCU influenced the formation of the BCU and its development through the post-colonial period.

### CHAPTER FIVE: THE BUKOBA CO-OPERATIVE UNION

## **5.1: INTRODUCTION**

This chapter explores the history of the Bukoba Co-operative Union (BCU) in Kagera region (the then Bukoba District and West Lake region). The BCU is a peculiar co-operative in terms of how it evolved as the only co-operative society that handled Arabica and Robusta coffee varieties. Although coffee farming in the region began at the same time as in Kilimanjaro, co-operative societies were not involved. This chapter analyses the colonial authority's role in undermining the development of the co-operative movement in Kagera region during the inter-war periods. Thereafter, it examines the top-down strategy of promoting and establishing co-operative societies in the region from 1950. The strategy was spearheaded mainly by the Co-operative Department and the BCU's first two managers were colonial authority appointees. Furthermore, it explains the process through which the BCU was granted a monopoly which was maintained until 1982 when it was abolished. As the following section reveals, the few academics who have researched the BCU have not adequately addressed the research questions considered in this chapter.

## **5.2: LITERATURE REVIEW**

The history of the BCU has been neglected and most of the literature has been produced by political scientists and sociologists, such as Rwegoshora<sup>687</sup>and Lyimo<sup>688</sup> Curtis is the only historian to have published on the development of cooperatives in Kagera region.<sup>689</sup> The existing literature contains oversights and misinterprets the BCU's historical development. Kimaro failed to illustrate its historical development.<sup>690</sup> Smith misinterprets its historical growth as it is argued it

<sup>&</sup>lt;sup>687</sup>A.G. Rwegoshora, 'The Bukoba Cooperative Union: A Success?' In Göran Hydén, (et al.), *Cooperatives in Tanzania: problems of organisation building*, (Dar Es Salaam: Tanzania Publishing House, 1976), pp. 63 – 77.

<sup>&</sup>lt;sup>688</sup> Francis Fanuel Lyimo, *Rural Cooperation: In the Cooperative Movement in Tanzania*, (Dar Es Salaam: Mkuki na Nyota, 2012), p.37.

<sup>&</sup>lt;sup>689</sup> Kenneth R. Curtis, Cooperation and Cooptation: The Struggle for Market Control in the Bukoba District of Colonial Tanganyika, *The International Journal of African Historical Studies*, Vol. 25, No. 3 (1992), pp. 505-538.

<sup>&</sup>lt;sup>690</sup> Ally M. Kimario, (1992), pp. 8-9.

was 'bottom up' in response to class struggle.<sup>691</sup> This study concurs with Curtis, who posits that the Co-operative Department organized or promoted co-operatives,<sup>692</sup> which is a vertical co-operative style or 'top-down approach'. However, Curtis has not explained why the top-down approach was applied in Kagera. Moreover, Smith and Curtis have not explained why co-operatives did not formed at the same time as the KNCU given that coffee cultivation was encouraged by the colonial authority at the same time (see Chapter 2, Section 2.3).

Iliffe examines the NGA and its leadership<sup>693</sup> Again, little attention is given in regard to its failure to transform into a full-fledged co-operative society and has disregarded the historical findings as to why the co-operative movement was overdue in Kagera where the encouragement for coffee cultivation began at the same time as in Kilimanjaro; and the formation of the BCU does not feature. The growth and development of the co-operative movement in the WCGA is neglected and misinterpreted.<sup>694</sup>

The Co-operative Union of Tanganyika (CUT) in its volume on the history of co-operative movement in Tanzania, has distorted the historical aspect of the BCU and other stakeholder involved in coffee marketing that this chapter attempt to correct by use of underutilised primary evidences. For example, the CUT distorts that the origin of the BCU as shows that it emerged from reorganisation of the NGA in the same manner as the KNPA in Kilimanjaro <sup>695</sup> and the BCPA was an attempt by some growers in Ihangiro and Kamachumu to defect from the BCU. <sup>696</sup> None of the literature has shown why the embryonic societies could not be transformed into fully fledged co-operative societies given that co-operative legislation was in place.

<sup>&</sup>lt;sup>691</sup> Charles David Smith, *Did Colonialism Capture the Peasantry: A case of the Kagera District, Tanzania*, (Upsala: Scandinavian Institute of African Studies Uppsala, Research Report No. 83, 1989), pp.21 – 24; <sup>691</sup> Kenneth R. Curtis, (1992), p. 516.

<sup>&</sup>lt;sup>692</sup> Kenneth R. Curtis, (1992), pp. 527.

<sup>&</sup>lt;sup>693</sup> John Iliffe, (1979), pp. 279-181.

<sup>&</sup>lt;sup>694</sup> John Iliffe, (1979), pp. 464-465.

<sup>&</sup>lt;sup>695</sup> Muungano wa Vyama vya Ushirika, (1977), p.10. <sup>696</sup> Muungano wa Vyama vya Ushirika, (1977), p.10.

This chapter attempts through the use of primary evidence to address these contradictions and oversights to generate new understanding on the co-operative movement in Kagera region as a whole. In the course of the discussion, this chapter establishes why external pressure and influence was necessary to set up the BCU and affiliated societies. In so doing, it illustrates the evolution of the co-operative movement in Kagera from 1936 to 1982 by examining its connections with coffee industry marketing. Against this background the focus of discussion in this chapter revolves around three key questions;

- 1. How the agriculture and crop marketing policies were linked to the promotion of co-operatives during the interwar period?
- 2. In what ways did colonial political and policy decisions influence and shape the emergence of the co-operative movement?
- 3. In what ways did the changing political and ideological influences of the emerging Tanzanian state shape the co-operative movement during the first two decades of independence?

# 5.3: THE INTER-WAR AGRICULTURE AND CROPS MARKETING POLICIES

This section explores three interrelated issues regarding the growth and development of co-operatives in Kagera region. Firstly, it discusses why the natives were incorporated into the colonial coffee marketing policies as to how and why the natives were incorporated. The factors that delayed the emergence and development of the co-operatives in Kagera are also identified and examined. Secondly, it demonstrates how the colonial political decisions undermined the emergence of co-operatives. Thirdly, it explores why the embryonic societies emerged and analyses the factors that prompted the collapse of the NGA. Thirdly, it examines the role played by the Co-operative Department in the formation of the BCU and affiliated societies.

Coffee marketing in Kagera region began at the same time as in Kilimanjaro in the 1920s following maturity of coffee trees which were planted four years earlier (see Chapter 2, Section 2.3). From the outset, coffee produced in Kagera was bought by merchants from outside the region. Most of the traders were from Uganda and as far afield as Mombasa, Kenya. It has to be understood that, the attraction of the coffee buyers (merchants) was a key policy in encouraging coffee cultivation. It has also been noted that, owing to geographical proximity with Uganda special arrangements

were put in place in which the Ugandan colonial authority controlled the policies that governed coffee marketing in the region.<sup>697</sup>

Importantly, a free market policy was the dominant feature in the region whereby traders mainly Indians, Arabs and Africans were encouraged into coffee marketing as summarized in Appendix 14 and Table 14 below. 698 There were 393 licensed dealers in Kagera who were categorised as bigger buyers of which some were operating in 9 trading centres. 699 The two European were planters and had traditionally purchasing a small quantity of coffee that they exported in various markets overseas and Indians sold their purchase to merchants in Mombasa.700 It has to be realised that, most Indians and Arabs traders were licenced and were operating their business in various trading settlements/centres of which 31 of them were licensed whereas African traders were operating outside settlements, mostly as roadside and village buyers or bought coffee from growers that they sold it to Indians and Arabs.<sup>701</sup> Again, most of the Arabs and Africans traders were itinerant traders.<sup>702</sup> The itinerant traders had well established trade relations and were well utilised big buyers locally to collect coffee, a task that was easily done by the local traders owing to their acquaintances and trust from growers.

Significantly, one effect of the participation of natives in coffee purchase regardless of their status either licensed or as itinerant traders in Kagera created a harmonious relations that minimised conflicts with Indians and Arabs. This limited native demand for the formation of co-operatives unlike in Kilimanjaro and WCGA. Although this clearly illustrates that, native traders were granted licences to operate in the villages, they were not issued a licence for exporting coffee to the world markets and had no chance to learn and practice international business. Such exporting licences were

<sup>697</sup> The Defence (Control of Cotton) Order of 1944, Section 4.

<sup>&</sup>lt;sup>698</sup> Kenneth R. Curtis, (1992), pp.506, 508, 509.

<sup>&</sup>lt;sup>699</sup> R.C. Northcote Report on Bukoba Coffee Marketing, 1936, p.2, TNA 24545.

<sup>&</sup>lt;sup>700</sup> R.C. Northcote Report on Bukoba Coffee Marketing, 1936, p.2, TNA 24545.

<sup>&</sup>lt;sup>701</sup> R.C. Northcote Report on Bukoba Coffee Marketing, 1936, p.2, TNA 24545.

<sup>&</sup>lt;sup>702</sup> R.C. Northcote Report on Bukoba Coffee Marketing, 1936, p.2, TNA 24545.

reserved for Asians who kept a watchful eye on whether or not they were granted to Africans.<sup>703</sup>

Table 14: Licensed Coffee Dealers in all Eight Chiefdoms in Bukoba District

	European	Indian	Arab	African	Total
Kianja	2	50	34	11	97
Ihangiro	-	8	23	45	76
Kiziba	-	13	7	36	56
Kinyengereko	-	2	23	25	50
Kiamtwara	-	24	14	36	74
Karagwe	-	1	7	4	12
Bugabo	-	1	-	14	15
Misenyi	-	2	-	4	6

Source: R.C. Northcote Report on Bukoba Coffee Marketing, 1936, p.2, (Appendix H), TNA 24545

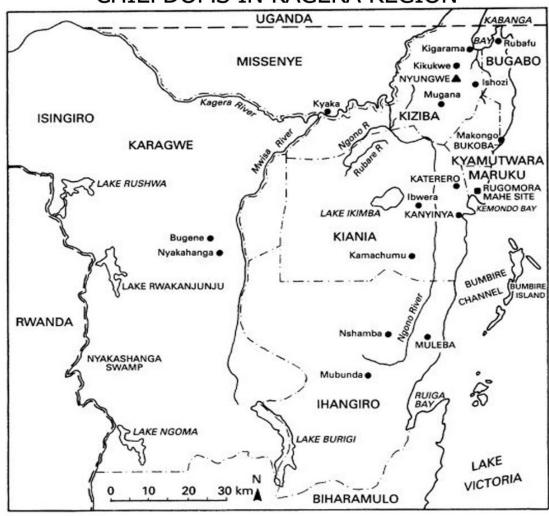
In this regard, a division of function and role was clear that the local traders were accommodated at local level as they could use local languages, Kihaya or Kinyambo for business transactions; all in all, their livelihood was not at threat. The mentioned traders were operating in all eight Chiefdoms (see Map No. 2, below).

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<sup>&</sup>lt;sup>703</sup>John Iliffe, (1979), pp. 374- 375.

Map 2: Chiefdoms in Kagera Region

# CHIEFDOMS IN KAGERA REGION



Source:

Peter R. Schmidt, Archaeological Views on a History of Landscape Change in East Africa in the Journal of African History, Vol. 38, No. 3 (1997), pp. 393-421, p. 379

The coffee traders of Indian and Arab background from Uganda and as far as Mombasa could easily be attracted in the region by the colonial authority which kept the opportunities open for them. Curtis argued that Africans were introduced to coffee marketing by Asians as agents as well as porters because transport within the region was difficult and it remained so even when the transport infrastructure improved.<sup>704</sup> The Indian coffee dealers were either agents of traders based in Kagera or were self-employed, some of whom like Sheriff Jiwa transferred businesses from Moshi in the 1920s following the granting of the coffee marketing

<sup>&</sup>lt;sup>704</sup> Kenneth R. Curtis, (1992), pp.506, 508, 509.

monopoly to the KNPA and later KNCU. There were also big coffee exporters based in Bukoba town either as principal buyers and major exporters or acting as company branch managers or agents of big merchants and companies based in Mombasa where coffee was auctioned.<sup>705</sup>

Coffee marketing in Kagera experienced a number of challenges. For example, there was laxity in control as there was no legal institution empowered for quality assurance. Among the challenges were that, coffee marketing was marred by an intensive struggle among the traders which compromised coffee quality. For example, the growers were marketing broken processed coffee beans whereby 50 per cent of the entire crop was hulled by growers on wooden mortar/huller (*kinu*); <sup>706</sup> and rock outcrop (see Photograph No. 2 above). In addition the growers were mortgaging their produce before harvest, which led to them being paid an unfair price. Cheating was widespread and sporadic marketing was also common. Concerned by this the colonial authority in the district and province invited Northcote to investigate and recommend measures required to improve coffee marketing (see Chapter 2, Section 2.3).

In an attempt to improve coffee processing and marketing Northcote recommended the establishment of central marketing/buying posts, as to achieve by pointing out that, 'any improved marketing, it seems fundamentally necessary for the grower to sell coffee to a central deports or collecting stations'. This was meant to change the prevailing market system whereby traders collected coffee directly from growers. Secondly, it was stressed that licences for coffee buying be introduced which would eliminate and control the itinerant traders. Finally, in a minute to the Provincial Commissioners by Northcote presented his evaluation of the NGA that 'the NGA can successfully operate bulking, grading and pooling their crop and becomes an

<sup>&</sup>lt;sup>705</sup> Report on Reorganisation of the Bukoba Native Coffee Industry, March 31<sup>st</sup> 1949, TNA 23752.

<sup>&</sup>lt;sup>706</sup> R.C. Northcote Report on Bukoba Coffee Marketing, p.18, TNA 24545; TNA 24545 Bukoba Chamber of Commerce to CS, 22<sup>nd</sup> 1929.

<sup>&</sup>lt;sup>707</sup> Report on Bukoba Coffee Marketing, p.19, TNA 24545.

<sup>&</sup>lt;sup>708</sup> Report on Bukoba Coffee Marketing, p.19, TNA 24545.

automatic check on the unscrupulous buyers'. Based on the evaluation of its capability, Northcote recommended the reorganisation of the NGA by pointing out that 'the Associations should be encouraged with concomitant formation of a cooperative society is a matter of policy'. Northcote's recommendation for the reorganisation of the NGA was accepted by the Colonial authority in the Province.

One of the measures recommended by Northcote was the promotion of cooperatives to ensure improved coffee hulling. Northcote took the view that undoubtedly the co-operatives would be the easiest form that Africans to understand and more adapted to his financing and organisation capabilities'. He argued that 'the first step towards improvement in marketing should be by small co-operative power hullieries in order to improve coffee quality which would secure a better price. These co-operatives were, according to Northcote to serve growers at a family or household levels. This suggests that, co-operatives were mainly envisaged as family enterprises, focusing specifically on hulling to improve the quality of coffee. For him, the hulling co-operatives were envisaged not only to process coffee, but also to facilitate the collection of the produce for marketing which they could then develop into a district co-operative union for bulk coffee handling'. This approach was likely to reinforce the existing division of activities between coffee traders and merchants who concentrated on marketing and natives who focused on cultivation and processing.

However, Northcote sounded cautious in his recommendation as he argued that 'any attempt to effect many changes all at once might be fraught with disaster and cause serious disorganisation in the disposal of the crop during the transition period'.<sup>714</sup> He

<sup>&</sup>lt;sup>709</sup> A minute to the Lake Province Provincial Commissioner by Northcote May 18<sup>th</sup> 1936, TNA 25777/1

<sup>&</sup>lt;sup>710</sup> A minute to the Lake Province Provincial Commissioner by Northcote May 18<sup>th</sup> 1936, TNA 25777/1

<sup>&</sup>lt;sup>711</sup> Lake Province Provincial Commissioner to CS, Ref. No. 976/233, July 6<sup>th</sup> 1936, TNA 25777/1

<sup>&</sup>lt;sup>712</sup> Northcote Report on Bukoba Coffee Marketing, p.21, TNA 24545.

<sup>&</sup>lt;sup>713</sup> Northcote Report on Bukoba Coffee Marketing, p.13, TNA 24545.

<sup>714</sup> Report on Bukoba Coffee Marketing, p.13, TNA 24545.

also warned that 'there are little prospects of success since there was no widespread desire for any co-operative selling agency; nor is there yet any external pressure so strong towards the direction to stimulate interest. This could be achieved through propaganda and explanation over a period of two years or more to encourage interest. During propaganda growers need to be convinced of the resulting financial advantages so that they could willingly form societies to handle the crop and later stage to form a co-operative union; however, he argued that, 'I do not visualise this to happen in a considerable period'.716

The implementation of his proposals was unlikely given that, his superiors were against such an approach (see Chapter 3, Section 3.3). It can be recalled that Northcote was restricted from stimulating interest in co-operatives to growers, but they could be provided as guidance only when they spontaneously emerge (see Chapter 3, Section 3.3). It was further argued that, given growers' lack of exposure to modern co-operatives it was unlikely that societies would emerge spontaneously. Northcote provided a road map that emphasized sensitisation of the growers, which illustrates a desire to instil an understanding that was presumably expected to generate a spontaneous need for the formation of co-operatives. Moreover, Northcote's proposal was unlikely to succeed because there was no department, funds and staffs to facilitate the propaganda.

Northcote emphasised that the Chiefs could be informed, but they should not be actively engaged in the promotion of co-operatives;<sup>717</sup> and idea that Strickland had in mind NA but, he suggested that, Chiefs/NA should have a limited control over the co-operative societies.<sup>718</sup> This demonstrates that, both Strickland and Northcote were committed to a top-down approach that would ensure the loyalty of societies to the colonial establishment and ran contrary to the voluntary co-operative principle.

<sup>&</sup>lt;sup>715</sup> Report on Bukoba Coffee Marketing, p.21, TNA 24545.

<sup>&</sup>lt;sup>716</sup> Report on Bukoba Coffee Marketing, p.21, TNA 24545.

<sup>717</sup> Northcote 1936 Inquiry Report on Bukoba Coffee Industry, p. 2, TNA 24545

<sup>&</sup>lt;sup>718</sup> C.F. Strickland, *Co-operation for Africa*, (London: George Allen and Unwin Co. Ltd., 1932), p.36.

However, his recommendations were seriously affected by decisions taken by senior colonial officials as discussed in the following section.

## 5.4: THE INFLUENCE OF POLITICAL DECISIONS ON THE CO-OPERATIVES

The previous section has examined coffee marketing that was in place and its discrepancies. It highlighted Northcote's recommendation which was in favour of promotion of co-operatives in Kagera for coffee marketing. This section provides analysis on the response to the report and the position which senior colonial officers adopted towards his recommendations. In the course of discussion it will outline the impact of such decisions on the NGA which was an embryonic organisation. The section also examines policies that promoted co-operatives and the role played by the Co-operative Department in the formation of the BCU and affiliated societies.

The Northcote report attracted attention from various government officials at Provincial and territorial levels who vehemently opposed. For example, the Director of Agriculture (DA) commented that 'I cannot recommend a drastic change in dealing with Bukoba coffee, the co-operative scheme is not important but where necessary has to be implemented slowly and grow as a result of its value on the industry'. The was his opinion that, 'co-operative societies are not desirable'. The DA was cautious owing to the existence of numerous stakeholders such as Arab and Indian traders who are engaged in the industry and concluded that, establishing co-operatives 'would threaten their livelihoods thus, may lead to the eruption of riots'.

However, the DA ruled out encouraging the co-operatives by pointing out that, 'a family can own a huller and sell their processed coffee to buyers'. He further maintained that, 'efforts and interest should entirely be focused on the groups to instil a co-operative spirit; therefore, the necessity for co-operative societies and

<sup>&</sup>lt;sup>719</sup> DA to CS Ref No. Confidentila 1/29/36, November 28th 1936, TNA 24545.

<sup>&</sup>lt;sup>720</sup> DA to CS Ref No. Confidentila 1/29/36, November 28th 1936, TNA 24545.

<sup>&</sup>lt;sup>721</sup> DA to CS Ref No. Confidentila 1/29/36, November 28th 1936, TNA 24545.

<sup>&</sup>lt;sup>722</sup> DA to CS Ref No. Confidentila 1/29/36, November 28th 1936, TNA 24545.

organised marketing is not of the primary importance'.<sup>723</sup> The DA's view clearly demonstrates that, the colonial authority opposed any attempt for development of cooperative movement. Their preference was maintaining the status quo regardless of the prevailing chaotic marketing system. Coffee quality was their priority by encouragement of family hulling. This illustrates also that, a desire was to ensure that, growers were not organised outside a family unit. This again, was evidence that, Northcote's recommendation was virtually downgraded to the litter bin.

Despite the DA's opposition to the organisation of growers into co-operatives by 1936 some Africans in Kamachumu were organised under the Native Growers Association (NGA),<sup>724</sup> which was under the leadership of Herbert Rugazibwa who was the President, and Clemens Kiiza as Secretary. Both were the local TAA committee members. In spite of its affiliation to TAA the NGA was predominantly engaged in coffee marketing, unlike the KNPA which concentrated on the extension services and coffee marketing.

During his investigation, Northcote had discussions with the NGA leaders. It was established that the NGA had 970 members who produced and marketed an average of 360 lbs. or 156 tons of coffee per annum. Such records indicate that the members were coffee producers who were interested in selling their produce in bulk. These members were from all eight Chiefdoms. In Kianja there were 186 members, Ihangiro had 111, and Kiziba had 524 while in Kiamtwara, 93 in Kinyangereko, 29 in Bugabo and 27 members were from two other Chiefdoms. Such as the Association had some affiliations, regardless of how small across the regions.

<sup>&</sup>lt;sup>723</sup> DA to CS, Ref. No. Confidentila 1/29/36, November 28<sup>th</sup> 1936, TNA 24545.

<sup>724</sup> The NGA was unregistered society

<sup>&</sup>lt;sup>725</sup> PC Lake Province to CS, Ref. No. 976/233 of July 6<sup>th</sup> 1936, Native Growers Association Bukoba, TNA 23752; PC, Lake Province to CS, Ref. No. 9756/233, July 6<sup>th</sup> 1936, TNA 41011.

<sup>&</sup>lt;sup>726</sup> Northcote, Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, 1936, pp.28, TNA 24545.

It is obvious that, the Association was in competition with coffee merchants. This was reflected in their request in a discussion with Northcote that the colonial authority should 'prohibit the middlemen from buying coffee'. This indicates that, they hoped to be granted a monopoly like the KNPA and KNCU. They assured Northcote that they were capable of efficiently operating a marketing monopoly if granted. This illustrates that, the Association envisioned focusing on the collection of coffee from growers through Section 36 of the 1932 co-operative legislation.

It was intended to operate in a similar way to the KNPA with no affiliated societies at grassroots level. In a discussion with the NGA's leaders, the colonial authority made it clear that, the NGA would not be allowed to outright purchase coffee from non-members. Again, this demonstrated a double standard in providing the necessary support to growers who have shown interest and desire in marketing their produce and undermining section 36 (1) of the co-operative Ordinance (explained in chapter 4, Section 4.4).

The NGA did not envisage being transformed into a co-operative society, instead preferred to operate as a company. This did not correspond with Northcote's vision, and he dismissed the NGA on the grounds that, 'it is insignificant given that there was no widespread desire for any co-operative selling agency, nor there yet any interest for growers to take joint action to save their own interests'. However, Northcote's arguments were baseless given that the NGA regardless of its size had managed to establish itself in some Chiefdoms where it had members and support from the NA.

<sup>&</sup>lt;sup>727</sup> PC Lake Province to CS, Ref. No. 976/233 of July 6<sup>th</sup> 1936, TNA 23752.

<sup>&</sup>lt;sup>728</sup> PC Lake Province to CS, Ref. No. 976/233 of July 6<sup>th</sup> 1936, TNA 23752.

<sup>&</sup>lt;sup>729</sup> Appendix M, Summary of Northcote's conversation with the President of the NGA, TNA 25777/1.

<sup>&</sup>lt;sup>730</sup> Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, p.21, TNA 24545.

Northcote also asserted that, the NGA was financially weak with little knowledge of accountancy/bookkeeping and that its business was poor. <sup>731</sup> However, the report by Northcote did not suggest how to address these weaknesses (see Appendix 14 on a summary of a conversation with the President of the NGA). This was an obvious neglect of his duties as Registrar of Co-operative Societies, as he should have been guiding the association to improve its business knowledge, although it was uncertain whether the NGA could be transformed into a fully-fledged co-operative society, <sup>732</sup> Northcote devised a roadmap for the development of the co-operative movement in Kagera.

Following discussions with Northcote and the NGA leaders consulted the PC and in June 1936 presented a request for a loan amounting to £500 which was equivalent to 10,000/ shillings to enable it to trade coffee supplied from its hulling factory. 733 The loan application by the NGA sought to raise capital following the financial crisis it experienced during the collapse of coffee caused by the oversupply of coffee from Brazil during 1934/35 season. 734 When the PC received the NGA's loan application letter he indicated that funding would be available. Northcote seemed ready to consider the NGA's loan application in an attempt to build its business capacity. But, the PC disapproved the application as he stated that 'will be simply throwing money away'. 735 However, the PC did not let the NGA leaders know his position. He pretended to be supportive by setting out conditions to the NGA to qualify to be considered for a loan. One of attached condition was that, the NGA should disassociate itself from politics. 736 However, all these were impossible to implement given the fact that money lending to natives was prohibited under the 1923 Credit to

<sup>&</sup>lt;sup>731</sup> Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, TNA 24545, pp.29

<sup>&</sup>lt;sup>732</sup> Northcote 1936 Inquiry Report on Bukoba Coffee Industry in Report on Bukoba Coffee Marketing, p.13, TNA 24545.

<sup>&</sup>lt;sup>733</sup> Report on Bukoba Coffee Marketing 'Confidentila', TNA 24545

<sup>&</sup>lt;sup>734</sup> T.S. Jervis, 'Marketing of Coffee' in the *East Africa Agricultural Journal*, May 1957, pp.459-464, in Bukoba District Book

<sup>&</sup>lt;sup>735</sup> Report on Bukoba Coffee Marketing 'Confidentila', TNA 24545

<sup>&</sup>lt;sup>736</sup> PC, Lake Province to CS, Ref. No. 9756/233, July 6<sup>th</sup> 1936, TNA 41011.

Natives (Restriction) Ordinance,<sup>737</sup> that restricted Africans from access to credit unless specific permission from the colonial authority at Provincial levels. Nonetheless this was not so, as had been the case with KNCU when it experienced financial problems in 1934/35. After the NGA agreed to be politically neutral, the PC requested the police to investigate the activities of NGA officials to identify any connections to the TAA. The police report indicated that the Association had no connection with the in Dar Es Salaam based TAA, and that Rugazibwa and Kiiza had resigned all positions with the TAA.<sup>738</sup> All in all the colonial authority did not approve a loan. This demonstrates that the government never intended to support growers' initiatives to engage in crop marketing through either business knowledge or funds to purchase coffee. In reality, it had used the funding request as a lever to remove NGA office bearers from political activity in order to protect the stability of the colonial administration.

The then PC, Lake Province Mr C. MacMahon, remained suspicious of the NGA's involvement in politics, but was optimistic that if subjected to supervision the NGA would be more effective at marketing than traders. He, therefore, urged support for the NGA for economic and political reasons as 'any efforts to guide the Association at infancy stage will be of great assistance not only to the coffee industry, but will also enable us (colonial authority) to restore confidence between the Chiefs (NA) and many other educated Wahaya who have lost confidence in their NAs'. This suggests that, the colonial authority was anxious to learn from its experiences in Kilimanjaro where the KNPA had challenged the chiefs and the colonial authority.

<sup>&</sup>lt;sup>737</sup> Tanganyika Territory, *Report of the Co-operative Development*, (Dar E Salaam: Government Press. 1948)

<sup>&</sup>lt;sup>738</sup> Commissioner of Police to PC, Lake Province, September 17<sup>th</sup> 1936, TNA 23752.

<sup>&</sup>lt;sup>739</sup> PC, Lake Province to CS, Ref. No. 9756/233, July 6<sup>th</sup> 1936, Organisation of Bukoba Coffee Marketing, TNA 41011.

<sup>&</sup>lt;sup>740</sup> PC Lake Province to CS, Ref. No. 976/233, July 6<sup>th</sup> 1936, Native Association Bukoba, TNA 23752.

Thereafter, the colonial authority argued that 'it would be a fallacy to regard the NGA as marketing organisation, it has done little and had not substantial experience in marketing'.<sup>741</sup> That was a basis to suggest that the NGA had no business potential or credibility. This conclusion was based on evidence that it marketed only 11 tons in 1934, 6 tons in 1935 and none in 1936.<sup>742</sup> Thus, it was concluded that it had no prospect for becoming a successful marketing organisation.<sup>743</sup> This was a new twist just in less than a year since his indication to support the idea following a recommendation from Northcote.

The PC, Lake Province warned that the Chiefs and NA would regard the NGA as a new centre of political power if it was registered for coffee marketing. He reassured the CS that the NGA would automatically vanish when its members joined newly formed co-operatives.<sup>744</sup> The PC argued that the co-operatives should initially be formed as hulling groups that would gradually grow into larger societies, but he emphasised that the private buyers should remain the only outlet for coffee marketing.<sup>745</sup>

In addition, it has been highlighted that the coffee merchants, mainly those who were members of the Chamber of Commerce successfully managed to influence the colonial authority to disregard the promotion of co-operative marketing societies in the region (see Chapter 3, Section 3.2). <sup>746</sup> For example, they strongly presented their case in their conference held in Tabora and Dodoma in 1935 that, 'encouragement of co-operatives will create artificial barriers against free trade as the case of Kilimanjaro by registration of the KNPA and later KNCU in which the WaChagga were granted coffee marketing monopoly provided under the Chagga

<sup>&</sup>lt;sup>741</sup> Confidentila Report on Bukoba Coffee Marketing, TNA 25777/1.

<sup>&</sup>lt;sup>742</sup> Confidentila Report on Bukoba Coffee Marketing, TNA 25777/1.

<sup>&</sup>lt;sup>743</sup> Confidentila Report on Bukoba Coffee Marketing, TNA 25777/1.

<sup>&</sup>lt;sup>744</sup> PC, Lake Province to CS, Ref. No. 1110/80 April 23<sup>rd</sup> 1937, TNA 24545; PC Lake province to CS, Ref. No. 14/0/80, December 22<sup>nd</sup> 1937, Northcote 1936 Inquiry Report on Bukoba Coffee Industry, TNA 24545.

<sup>&</sup>lt;sup>745</sup> PC, Lake Province to CS, Ref. No. 1110/80 April 23<sup>rd</sup> 1937, TNA 24545.

<sup>&</sup>lt;sup>746</sup> Extracts from Resolutions the Chamber of Commerce Conference held in Tabora during 1935 Easter, TNA 19005.

Rule and the native coffee control and marketing legislation; such policy resulted in the displacement of the trading population (Indian traders) from Kilimanjaro only to flock in Kagera to conduct coffee marketing business.

The mentioned pressure from Asian coffee traders forced the PC to become more sceptical about promotion of the NGA as they feared that, if it was allowed into coffee marketing the Asian traders would resist eventually creating political and racial tension in Kagera that would threaten the stability of the colonial authority.<sup>747</sup> For him, the NGA represented an inherent threat to the establishment which would ferment political awareness and eventually challenge both the Native Authority and central government. They also realised that unorganised growers were easier to exploit than the organised who would possess more bargaining power in the marketing of their produce. The Lake Province PC opposed the immediate creation of co-operative societies as they 'would create opposition from groups comprised of Arabs and Asians who had a vested interest in the industry and they would be a threat to the Chiefs as they would be a centre for fermenting political unrest'. 748 This suggested that, the idea to promote or to register spontaneous grower organisations like the NGA was ruled out in favour of established stakeholders in coffee marketing; and it was declined for fear that they could pose a threat to the establishment and ostensibly that would disrupt the whole industry. The position of the PC, Lake Province reinforces further his support for Asian traders in Kagera which was obvious when he protested against the 1929 coffee export legislation (see Chapter 2, Section 2.3). This indicates the role, powers and influence of the Provincial administration in matters of interest and priority in its jurisdiction. Clearly, the Provincial administration lacked political will and commitment to independent growers' organisations as it feared the Indian and Arab coffee traders being eliminated from the coffee marketing as had occurred in Kilimanjaro.

Importantly, under the League of Nations Mandate the Provincial administration should have promoted all traders regardless of race to have a stake in coffee

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<sup>&</sup>lt;sup>747</sup> DA to CS Ref No. Confidentila 1/29/36, November 28<sup>th</sup> 1936, TNA 24545.

<sup>&</sup>lt;sup>748</sup> PC Lake Province to CS Ref 14/0/80 of 22<sup>nd</sup> December 1937, TNA 24545.

marketing. Incredibly, the protection of Indians and Arabs coffee traders was a policy that the Provincial administration strongly defended against co-operative societies on the grounds of maintaining racial harmony in coffee marketing in the region. The protection of Indians and Arabs coffee traders in the region demonstrates policy inconsistency in the promotion that led to uneven development of co-operative movement in Tanzania. It also indicates that, the colonial officials had powers and options at their disposal in deciding whether to accept or reject an attempt to promote co-operative societies.

Other government officials who commented on Northcote's report failed to come up with a time frame and strategy for encouraging co-operatives among the growers. The growers were not consulted on the matter. Thus, the official decisions remained inadequate and bias in addressing the whole question regarding the modality for encouraging co-operatives and a strategy to develop and guide the NGA based on the co-operative principles. Under these circumstances, it was very difficult for the Association to survive.

The disapproval of a loan and colonial officials' scepticism had nothing to do with discouraging the NGA to pursue its business strategy on self-reliance basis. For example, it imported hulling plant for coffee processing bought out of members' contributions, which was installed in the Mbatama village in Ihangiro Chiefdom at the invitation of Chief Ruhinda. The members' contribution to purchase hulling machine was obviously based on the understanding that, properly processed coffee beans fetches better prices than those processed by the *olwazi ne ibale lyokusa*. The NGA business thrived following installation of hulling machine. However, its license was withdrawn by the government in 1939 due to its involvement in protesting against coffee rules passed by the colonial authority in 1937. This demonstrates that the colonial officials and administrators were solely concerned with maintaining the peace and the status quo.

<sup>&</sup>lt;sup>749</sup> Report on Bukoba Coffee Marketing, TNA 24545 p.9

<sup>&</sup>lt;sup>750</sup> Report on Bukoba Coffee Marketing, TNA 24545 p.9

<sup>&</sup>lt;sup>751</sup> PC, Lake Province to CS. Ref. No. 14/0/80, December 22<sup>nd</sup> 1937, TNA 24545.

By 1938 the Lake Province PC remained unmoved regarding promotion of marketing co-operatives in Kagera. He argued against establishing marketing co-operatives 'even if were shown to be desirable on economic grounds'. 752 To him, so long as there were traders buying coffee from growers, marketing co-operatives were irrelevant. He insisted that 'it was not necessary and consider that would be politically unwise to eliminate the present licensed buyers who are too ready to provide the service'. 753 He further argued that, 'promotion of co-operatives are nothing other than brewing unrest as it has been the case with coffee riots in Kilimanjaro', by stressing that, 'this would add to unrest in case growers are paid low prices for their produce'.754 The policy was not only maintained at Provincial level but also by senior colonial officials in a move to create business security in Kagera. One of such officials was the DA who throughout the interwar period maintained his position against an attempt to promote the coffee marketing co-operatives period. In so doing he kept on assuring coffee traders in Kagera and those in Mombasa by stressing that, 'they should remove any fear or misapprehension that their interests were in endangered in the same way as in Kilimanjaro'. 755

Consequently, the prospects for the development of the movement in Kagera were placed on hold and further delayed due to the outbreak of the Second World War. During the war direct government intervention was commenced under Emergency Order. The matter was aggravated even further by adoption of the Native Coffee (Control and Marketing) Ordinance No 26 of 1937 that led to setting up of the Bukoba Coffee Control Board in 1941. Implementation of this policy came at an important time when the emphasis was primarily geared towards rationalization and synchronization of crop purchase in favour of a single government appointed buyer (discussed in chapter 2). At this juncture, the opportunity began to open up for the promotion of the co-operatives.

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<sup>&</sup>lt;sup>752</sup> PC, Lake Province to CS, Ref. No. 24545/95, May 18<sup>th</sup> 1938, TNA 25777.

<sup>&</sup>lt;sup>753</sup> PC, Lake Province to CS, Ref. No. 24545/95, May 18<sup>th</sup> 1938, TNA 25777.

<sup>&</sup>lt;sup>754</sup> PC, Lake Province to CS, Ref. No. 24545/95, May 18<sup>th</sup> 1938, TNA 25777.

<sup>&</sup>lt;sup>755</sup> DA to CS Ref No. 416/5921, August 22<sup>nd</sup> 1938, TNA 25777.

This section, has demonstrated why the colonial authority was reluctant to promote independent growers' organisations and involve them in crop marketing during the inter-war years. The hesitation was by and large, politically driven and undermined early attempts by growers to develop the native coffee marketing organisation. All this changed after the Second World War, which was characterised by government involvement in the formation of the BCU and its affiliated societies and the appointment of its managers, as discussed in the following section.

### 5.5: THE POLICY DECISIONS ON THE CO-OPERATIVES

This section attempts to examine new development after the Second World War when a number of policy changes influenced the formation of the BCU and affiliated societies. Faced with identified challenges in the previous section, the colonial government through the Co-operative Department initiated the formation and registration of societies. Accounts of the colonial authority initiative in promoting cooperatives in Kagera regions have tended to misinterpret the developments. Eckert and Hydén posit that co-operatives in Tanzania were mainly the result of initiatives from the local rural population in reaction to the Asian traders' monopoly in the cash crop marketing, 756 and can thus be seen as a movement 'from below' and were not imposed upon Africans by the British. Similarly, Baldus and Manday posit that co-operatives were set up and charged with combating exploitation by traders; and Coulson fails to demonstrate the policy decisions that provided a road map in the promotion of co-operatives in the region. He does not illustrate the legal grounds that provided coffee marketing monopoly powers to the BNCB that obstructed the Co-operative Department intervention and how the Department managed such a challenge. These arguments can be challenged by using evidence from Kagera region.

<sup>&</sup>lt;sup>756</sup> Göran Hydén, (1973), p.9

<sup>&</sup>lt;sup>757</sup>Andreas Eckert, (2007), pp. 97-118.

<sup>&</sup>lt;sup>758</sup> Rolf D. Baldus, (1980, pp. 63-64.

<sup>&</sup>lt;sup>759</sup> Manday, E.A. "A New Structure for Co-operatives in Tanzania," in *Annals of Public and Co-operative Economy*, 48, 2 (June 1977), pp. 239-244, p.240. <sup>760</sup> Andrew Coulson, (1982), p. 64.

It has been noted that in an attempt to suffocate agents and rationalise and synchronise coffee marketing there was one important policy challenge. It has been highlighted earlier that coffee marketing policy in Kagera region was dictated from Uganda due to its geographical proximity on special agreement with Tanzania's colonial government. It has been mentioned that the crop traders in Uganda opposed a co-operative societies' bill in 1935 which had implications for Kagera region. This was almost the same time as when the NGA emerged, but was rejected by the colonial authority for reasons explained in section 5.2. However, pressure from the CO that led to passage of co-operative legislation in Uganda enhanced chances for the formation and registration of co-operatives in Kagera region.

Developments in Uganda reflected colonial officials' preoccupation with cooperatives during the 1940s and early 1950s. Pressure from the UNO and Colonial
Office following reports by the Fabian Colonial Bureau and Campbell (see Chapter 3,
Section 3.4) were also important in encouraging the formation of growers' cooperatives in Uganda from 1945. Such pressure had an impact in Tanzania.
Importantly, this was a period when colonial policies regarding co-operatives and
African produced marketing were being brought into line with the Colonial Office
post-war marketing and development policy (explained in chapter 3). Therefore, the
colonial authority in Tanzania had to play its part to ensure co-operatives were
formed in Kagera.

After the war creation of marketing boards was strongly encouraged by the Colonial Office. This was due to the success of the Cocoa Boards in West Africa in generating revenue for the colonial authority. The intention was to align the functions of the marketing boards with those of co-operatives. Emphasis was placed on co-operatives as they were viewed as more complementary to the work of the marketing boards than private traders. The British government intervention in crop marketing through bulk purchase was not challenged by co-operatives, such as the KNCU, which were more suited to this approach than the private traders in the Kagera. Importantly, both the co-operatives and colonial government shared the common goal of removing middlemen in crop marketing.

Therefore, the DA drew up a Memorandum in 1946 which earmarked the following preliminary issues.<sup>761</sup>

- a) Bukoba is ready for a co-operative effort which should be actively fostered before end of coffee agreement with the Ministry of Food expires on November 30<sup>th</sup> 1954;
- For rationalization of the industry coffee crop must be purchased by a single buyer i.e. the government/agent appointed by the government or co-operative society; and
- c) The government should provide assistance in teaching co-operative society's staff in Bukoba accountancy and bookkeeping.

This commitment signified a new chapter and a shift from the 1930s negative attitude of the colonial officials in the promotion of co-operatives in the region. This was a response to the colonial authority's post-war policy direction in promoting the co-operatives in Tanzania. Again, this was a significant step in replacing private firms in Kagera region and have the growers sell coffee to their societies. However, the DA's memorandum lacked a clear road map for implementation or acknowledgement of the legal obstacles to be overcome. BNCB had legal control of coffee marketing under the Native Coffee (Control and Marketing) Ordinance, 1937, but the legislation did not recognize co-operatives. It was on this legal basis that the BNCB delayed for over two years in accepting co-operatives into the coffee marketing system.<sup>762</sup>

The Co-operative Department viewed co-operatives as suitable organisations to operate a marketing monopoly as by replacing private firms they would assist the colonial authority in controlling profits. Private traders could not be controlled by the government in the same manner as co-operatives, to which the Board could dictate prices. Private traders were familiar with global commodity prices as they had well-established marketing networks (see Chapter 2, Section 2.3), unlike the co-operatives whose committee members lacked knowledge of external markets.

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<sup>&</sup>lt;sup>761</sup> Extract of Minutes of the 14<sup>th</sup> meeting of BNCB held in May 4<sup>th</sup> 1949, TNA 25777/1.

<sup>&</sup>lt;sup>762</sup> Registrar/Commissioner of Co-operative Development to Chairman, BNCB, Ref. No. Co-op. 29585/IL/485a, September 22<sup>nd</sup> 1949, BNCB, Bukoba District, TNA 29585.

The Co-operative Department deployed, Mr J. S. Elliott, the co-operative officer to Bukoba in 1947 to launch co-operatives in collaboration with the BNCB which had been restructured and renamed in the same year (see Chapter 2, Section 2.3). However, the Board did not cooperate with him owing to its entrenched attitude regarding the legal recognition of co-operatives. The Board asserted that it was legally correct to reject Elliott's proposals, and continued to appoint agencies and contractors of its choice to market coffee produced by growers. Owing to this impasse the Registrar threatened to transfer Elliott to a region where his expertise could be utilised.<sup>763</sup>

The Registrar proposed the appointment of a co-operative officer, Mr A. Horley<sup>764</sup> to fill the post as Executive officer of the BNCB.<sup>765</sup> The Registrar managed to convince the government during the 1947 Provincial Commissioners conference to consider appointing Mr A. Horley as Executive officer of the Board, as 'here would be more reality in the aiding of co-operative societies'.<sup>766</sup> This demonstrated the Department's determination to overcome the obstruction that Elliott had encountered. It was envisioned that the appointment was an opportunity to stir enthusiasm within the Board and manipulate policies in favour of the Registrar and the Department to promote co-operative societies in the region. This development illustrates that the Department's intention to have Horley recruited would have far reaching impact on the Department of Co-operatives and the movement as a whole.

Nonetheless, a Secretariat meeting declined to appoint Horley as executive officer of the Board on the ground that the country had shortage of co-operative officers.

<sup>&</sup>lt;sup>763</sup> Registrar/Commissioner of Co-operative Development to Chairman, BNCB. Ref. No. Co-op. 29585/IL/485a, September, 22<sup>nd</sup> 1949. BNCB, Bukoba District, TNA 29585.

<sup>&</sup>lt;sup>764</sup> The Registrar of Co-operative Societies recommended the appointment of Mr A. Horley to the DA, Coffee Cultivation in Bukoba, TNA 11969/9; Registrar of Co-operative Societies to DA (Mr Biggs), Ref. No. Co-op. 1152/76, January 1950, TNA 11969/9

<sup>&</sup>lt;sup>765</sup> A post was advertised in Tanganyika Standard (a weekly edition) in January 7<sup>th</sup> 1950, TNA 11969/9.

<sup>&</sup>lt;sup>766</sup> Registrar of Co-operative Societies to PC, Lake Province and Chairman BNCB, Ref. No. Co-op. 1153/8, January 11<sup>th</sup> 1950, TNA 11969/9.

Instead, Mr T.M. Revington was recruited.<sup>767</sup> The Registrar was assured the Board would now facilitate promotion of co-operative societies.<sup>768</sup> However, the Board remained reluctant to foster co-operatives. All in all, this was not an isolated incident given the reluctance of the Provincial administration to promote co-operatives (see Section 5.3). As a result, the Registrar queried why 'the good intention and commitment of the Board to foster co-operation have paved the road to nowhere'.<sup>769</sup>

Since there was no prospect for policy change in the near future the Co-operative Department had to resort into a measure that propelled its determination. The new approach was unveiled under the African Agricultural (Control and Marketing) Ordinance, 1949, which was drafted by the Co-operative Department. This reflected the Co-operative Department's desire and commitment to control crop marketing and to compel the BNCB to co-operate in the course of promoting the co-operatives. To achieve this, the Department had to ensure that it produced a comprehensive legislation that had to deal with all native/African-produced cash crops, of which cooperative societies had to play a key role in handling/marketing them just as in Kilimanjaro and other areas in the country. Unlike the previous 1937 native coffee control and marketing legislation, the 1949 Ordinance recognised the existence of co-operatives and compelled the Marketing Boards to promote co-operatives. In this regard, the Department exerted its dominance over policy decisions and direction ultimately implementing them in favour of promoting co-operative societies. However, this was a significant step and necessary policy that provided for the weakening of the powers that the colonial Provincial administration and BNCB in preventing the promotion of co-operative societies. This represented the colonial government asserting its authority over the Provincial administration and BNCB. As a result, the Provincial administration and BNCB were both obliged to engage in promoting co-operatives. Under the Ordinance the Board's functions were further

<sup>&</sup>lt;sup>767</sup> PC, Lake Province to the Registrar of Co-operative Societies, Ref. No. C. 23/249, March 13<sup>th</sup> 1950, TNA 11969/9.

<sup>&</sup>lt;sup>768</sup> PC, Lake Province to Secretariat Members of Agriculture and Natural Resources, Ref. No. 29585/304, February 3<sup>rd</sup> 1950, TNA 11969/9.

<sup>&</sup>lt;sup>769</sup> Registrar to BNCB, September 22<sup>nd</sup> 1949, TNA 24545 Report on Bukoba Coffee Marketing

extended to include the promotion and development of the co-operative movement.<sup>770</sup>

Consequently, the marketing legislation weakened the Provincial administration and BNCB powers to impede the Co-operative Department's attempts to promote co-operatives by compelling Boards to appoint co-operative societies as their crop handling agencies. It has to be noted that, the policy shift was significant and necessary not only to control agricultural products, but also to ensure that production and marketing had to play a part in the recovery of the post-war British economy. This was part of the extension and perpetuation of the extractive bulk purchase policy on coffee from Kagera region by directly engaging the native growers through co-operatives. Additionally, the legislation went hand in hand with ensuring that, surpluses that were accrued by the Boards be returned to growers through the co-operatives.<sup>771</sup> Thus, the Boards no longer retained control of the surpluses, which were now to be distributed amongst growers as co-operative members in line with the ICA and Rochdale principles.

The policy shift was a clear victory for the Co-operative Department, which had been empowered by the colonial authority to engage itself directly in the promotion of the co-operative societies. To some extent this can be viewed as a renewal of such initiatives and commitment by the colonial authority seen in the late 1920s (see Chapter 3, Section 3.2). The promotion of the co-operative societies by the Co-operative Department under the legislation was also clearly advantageous to coffee growers in Kagera who were to benefit from the distribution of surpluses.

<sup>&</sup>lt;sup>770</sup> DA to the Secretariat Members of Agriculture and Natural Resources, Ref.No.1369/7561, May 1952, TNA 11969/9.

<sup>&</sup>lt;sup>771</sup> DA to the Secretariat Members of Agriculture and Natural Resources, Ref.No.1369/7561, May 1952, TNA 11969/9.

All in all, the whole exercise was implemented by the government on a top down basis. This approach was necessary due to the lack of enthusiasm from growers owing to some historical challenges from the outset of commercialisation of the coffee trade in Kagera explained previously (see Chapter 2, Section 2.3). The employment of Indian and Asian traders in crop marketing minimised racial tension in Kagera, unlike in Kilimanjaro where the settlers agitated against Africans growing coffee and in the WCGA where the Indian traders cheated growers to the extent of emergence of the *mabebete* (see Chapter 6, Section 6.4). This was further reinforced by the Provincial administration's reluctance in promoting co-operatives (see section 5.2).

Yet in setting up co-operatives, the colonial authority, mainly the Co-operative Department, did not conduct education amongst the members. There were no clear reasons for this. The establishment of co-operatives would likely have faced opposition from traders whose control over coffee marketing would be threatened. The government's move towards employment of this approach was also justified by its commitment or desire to have a single buyer for the region and attain policy consistency as in Kilimanjaro, and Ruvuma regions where societies were an integral part of marketing policy. A single buyer in this case implied a replacement of agents to whom it was obviously expensive to pay commission to all which was an arrangement governing contracts provided under the Ministry of Food; the commission rate as per contract was amounting to 3/- shillings per ton. 773 A single buyer was one of main motivation for the promotion of co-operatives in Kagera. This is contrary to the argument presented by Holmén that the co-operatives were formed by the colonial authority to facilitate tax collection.<sup>774</sup> However, the developments explained were not mentioned by Coulson, who simply pointed out that the decision to form co-operatives in Kagera region was reached in 1950.775

<sup>&</sup>lt;sup>772</sup> Tanganyika Government, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1951), paragraph 6.

<sup>&</sup>lt;sup>773</sup> Memorandum as agreed at special group on the hard coffee exporters, February 14<sup>th</sup> 1947, TNA 37200.

<sup>&</sup>lt;sup>774</sup> Hans Holmén, (1990), p.23.

<sup>&</sup>lt;sup>775</sup> Andrew Coulson, (1982), p. 65.

In achieving its objective, forty (40) co-operative societies were registered by March 1950 and the figure increased to 49 by the end of the year (see Appendix 16 for a list of registered societies). Nine registered co-operatives commenced operations prior March 1950 and handled 3,612 tons of coffee.<sup>776</sup> The newly registered societies were formed in various villages across the region.

It has to be noted that the formation and registration of the co-operative societies in Bukoba emerged during the renaissance era with an impetus prompted and stirred by the Registrar of Co-operative Societies. He had to do so owing to the prescribed mandate of his office. The initiative was taken as the growers seemed disinterested in co-operatives. Importantly, it was not an outcome of growers demand, but was essentially the act of Government anxious to set up co-operative societies for growers serve the colonial interest.

Develtere criticises colonial authority initiatives and intervention policy in promotion of co-operatives.<sup>777</sup> For him this was a prejudiced policy which viewed the colonised as incapable of taking the initiative. However, the reason for lack of enthusiasm was that Bukoba presented a unique case in which the indigenous were actively involved in coffee purchase. This was further demonstrated by a number of indigenous traders who were granted licences for this purpose in the 1930s.

At the time of the registration of co-operative societies there were 31,642 growers who were the members of whom 200 were women, which was only 31 per cent of

<sup>&</sup>lt;sup>776</sup> Co-operative Department Bukoba to Commissioner of Co-operative Development, BNCB, TNA 29585.

<sup>&</sup>lt;sup>777</sup> P. Develtere, Cooperative Movements in the Developing Countries: Old and New Orientations, *Annals of Public and Cooperative Economics*, Vol. 64, Issue 2, pp. 179-208, April 1993.

entire growers' population.<sup>778</sup> The number of societies increased to 58 in 1954 and 73 in 1964 with 58,765 members.<sup>779</sup> It has to be underlined that by 1950 membership and delivery of coffee produce to a co-operative society was compulsory. The compulsory membership of co-operatives was necessary because growers were responsible for the majority of coffee production and could deliver coffee to societies as to fill the vacuum that was due to emerge following the expiry of the zonal agents' contract (see Chapter 2, Section 2.3).<sup>780</sup> In understanding that a vacuum will be created a measure was provided under clauses 2 and 10 of the agreements with societies permitted to deal with or through the zonal agents at the will of the Board. The emphasis at this stage was ensuring coffee marketing was not disrupted such that there was neglect of viewing the movement as an essential tool for development.

The formation and registration of societies was a significant development that led to the functions of BCNB transferring to co-operatives. One of the BNCB responsibilities was to facilitate and induce growers to improve production by encouraging them to weed their coffee farms, pruning of coffee trees and spraying insecticides; all of these were intended to increase coffee productivity, an area that Coffee Cultural Section of the BCU oversaw (see Chapter 2, Section 2.3). It was obvious that this could effectively be delivered through co-operatives. <sup>781</sup> The African Agricultural Products (control and Marketing) Ordinance, 1949 provided for devolution of some of the Board functions and directed such functions to be handled by the co-operatives. In 1956 the BNCB provided BCU with a sum of 875,000 shillings as a free loan to purchase the BNCB 51 per cent share from the Bukoba Coffee Curing Plant<sup>782</sup> (BUKOP). <sup>783</sup> In this respect, the BCU was able to buy the BNCB shares <sup>784</sup> that provided for control of marketing and coffee processing.

<sup>&</sup>lt;sup>778</sup> Tanganyika Government, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1951), paragraph 6.

<sup>&</sup>lt;sup>779</sup> The BCU Report for years 1961/62, 1962/63 and 1963/64

<sup>&</sup>lt;sup>780</sup> Member for Tanzania's Finance, Trade and Economic to Director of East Africa Produce Disposal and Supply Council (Nairobi), Ref. No 37200/701, March 1948; Note on Coffee Licensing, June 1950, TNA 37200; Foreign Agriculture, September, Vol. XII, No.9, 1948, p.102, TNA 37200.

<sup>&</sup>lt;sup>781</sup> Coffee in Bukoba, Coffee Cultivation Bukoba, TNA 11969 Vol. II.

<sup>&</sup>lt;sup>782</sup> Uganda War destroyed much of Tanzania's coffee output from Kagera.

The registration of the BCU was followed by a process for the appointment of supervising manager. The process has not been documented in any existing literature; this includes in the autobiography of one of its former managers, Sir George Kahama.<sup>785</sup> When the BNCU was registered Mr A. Horley<sup>786</sup> was appointed by the Governor as the first BCU supervising manager up to 1951. The power to make such appointment was provided under Section 36 Cap 211 of the African Agricultural Products (Control and Marketing) Ordinance of 1949. Mr Chapman<sup>787</sup> replaced Horley from 1952. Intervention by the colonial authority in the appointment of the BCU's supervising manager involved the Governor on two occasions. On both occasions the colonial officials (co-operative officers) were appointed to the post. The government intervention, however, reflected its realisation that in Bukoba there was insufficient enthusiasm amongst growers to foster co-operation. What this illustrates is that the BCU was an extended body of the government with a growers face. Furthermore, this sent a strong signal that the Governor supported the BCU and proved to the BNCB that the Department had no staff shortage. It also signals the extent to and attention that the Department provide to development of cooperative movement by deploying their staffs to manage the BCU. It also indicates the colonial authority's political will and renewal of its commitment in supporting the co-operative movement in compliance to the CO's policy (see Chapter 3, Section 3.5).

As mentioned, both Horley and Chapman had once served as co-operative officers in the Bukoba District before their appointments. In an effort to reinforce the Union's personnel, in 1955 it recruited a Treasurer, Sir George Kulwa Kahama who received

<sup>&</sup>lt;sup>783</sup> Secretariat, Agriculture and Natural Resources, Ref. No. AN. 1/29/09/66, April 10<sup>th</sup> 1956. TNA 71/A.3/18 Vol. II, TNA 41011.

<sup>&</sup>lt;sup>784</sup>Interview with George Kahama (27<sup>th</sup> November 2012)

<sup>&</sup>lt;sup>785</sup> Joseph Kulwa Kahama, *Sir George: A Thematic History of Tanzania Thorough His Fifty Years of Public Service*, (Beijing: Foreign Lagunage Press, 2010), pp.23-25. <sup>786</sup> Co-operative Department to the Secretariat Agriculture and Natural Resources, Ref. No. Co-op.144/F/1, October 11<sup>th</sup> 1951, TNA 28585.

<sup>&</sup>lt;sup>787</sup> Co-operative Department to the Secretariat Agriculture and Natural Resources, with Ref. No. Co-op./144/166 on March 20<sup>th</sup> 1952, TNA 28585.

management training from his superiors. <sup>788</sup> When his training was complete, Kahama was appointed to a managerial position in 1956 to replace Mr Chapman. Following his appointment, Sir Kahama became the first African manager who served until 1961 when he took Ministerial position in the independent government. <sup>789</sup> Thereafter, Kahama's position was filled by Mr G. M Rugarabamu who was the BCU's Head of Coffee Cultural Section. <sup>790</sup> He was later replaced by G. Ishengoma following his appointment soon after independence as Assistant Permanent Secretary to the Ministry of Agriculture. <sup>791</sup>

The funds that were accumulated by the BNCB were set aside as a stabilisation fund to act as a buffer against possible falls in coffee prices. The BNCB accumulated 9,328,911.18 shillings and 20,553,267.31 shillings in 1949 and 1950 respectively. The BNCB societies were financed by the BNCB from its accumulated surplus from coffee sales, which amounted to 25,000,000 shillings from 1945 to 1952. Some funds were made available to newly established societies for purchase of crops and construction of storage facilities. This was in accordance to the 1949 African Agricultural Products (Control and Marketing) Ordinance in which the Registrar of cooperatives were empowered to recommend the Board to advance a loan for newly and existing co-operatives as working capital and purchase of equipment in an understating that the co-operatives had insufficient funds. Under this relationship the colonial authority employed its funds loaned to the co-operative as the principal tool for collection and handling of the coffee produce.

A fund accumulated by the Board was made available to co-operative societies for purchase of coffee a total loan of 302,913.32 shillings were provided to societies.<sup>794</sup> A loan breakdown for buildings was 225,000.00 shillings, equipment 75,100.47

<sup>&</sup>lt;sup>788</sup> Interview with George Kahama Ex-manager BCU, 27<sup>th</sup> November 2012

<sup>&</sup>lt;sup>789</sup> Interview with George Kahama Ex-manager BCU, 27<sup>th</sup> November 2012

<sup>&</sup>lt;sup>790</sup> The BCU Report for years 1961/62, 1962/63 and 1963/64, p.7.

<sup>&</sup>lt;sup>791</sup> The BCU Report for years 1961/62, 1962/63 and 1963/64, p.7.

<sup>&</sup>lt;sup>792</sup> Co-operative Department Bukoba to Commissioner of Co-operative Development, TNA 29585.

<sup>&</sup>lt;sup>793</sup> Andrew Coulson, (1982), p.65.

<sup>&</sup>lt;sup>794</sup> Extracts from BNCB Minutes No 322, 340 and 371, TNA 29585.

shillings and 226,913.85 shillings as working capital<sup>795</sup> for crop finance at one per cent interest<sup>796</sup> that enabled them in 1951 to handle 80 per cent of the coffee crop.<sup>797</sup> Having societies proved able to perform their duties satisfactorily, the colonial authority relived the BNCB function to promote co-operatives.<sup>798</sup> The facilitation of the funds by the Board illustrates a cordial business relationship. It also shows that, the co-operatives were by and large complementary to the work of agriculture marketing policy. However, through the Board and co-operatives the colonial authority controlled the marketing of coffee produced by Africans. A relived the BNCB function to promote co-operatives opened a new chapter as it was stressed that, 'a closer co-operation with growers organisation remained vital for development of the industry'.<sup>799</sup>

The practice in Kilimanjaro was that, the co-operatives were granted a marketing monopoly on the produce produced by natives as provided under the Chagga Rule and later the native coffee marketing legislation (see Chapter 4, Section 4.4). This maximized profit and protected growers from middlemen. However, this was not the case in Kagera when co-operative societies were registered in 1950. There was a strong case for not granting them a monopoly as from 1949 the government began speedy decontrol.<sup>800</sup> It was argued that co-operatives had limited capacity and experience, and were not establish across the region. It has been mentioned that co-operatives were operating parallel with zonal agents who had a long term contract with between the agents and the Ministry of Food, which was in operation until 1954. On this ground, the Commissioner of Co-operatives Development declined a

<sup>&</sup>lt;sup>795</sup> Extracts from BNCB Minutes No 322, 340 and 371, July 20<sup>th</sup> 1951, TNA 29585.

<sup>&</sup>lt;sup>796</sup> Extracts from BNCB Minutes No 322, 340 and 371, July 20<sup>th</sup> 1951, TNA 29585; Tanganyika Government, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1950), p.6.

<sup>&</sup>lt;sup>797</sup> Extracts of the 25<sup>th</sup> meeting of the BNCB held on October 25<sup>th</sup> 1951, TNA 11969/9.

<sup>&</sup>lt;sup>798</sup> DA to Members of Agriculture and Natural Resources, Ref. No. 1368/7561, May 19<sup>th</sup> 1952, TNA 29585.

<sup>&</sup>lt;sup>799</sup> Extracts from BNCB Minutes held in November 6<sup>th</sup> 1952, TNA 29585.

<sup>&</sup>lt;sup>800</sup> Tanganyika Legislative Council Debates, Hansard, 1950, 29<sup>th</sup> Session, para. 241, TNA 37200.

requested by the BNCB to compel traders under the African Agriculture Products (Control and Marketing), cap.211 of 1949 to sell through the BCU.<sup>801</sup>

Nevertheless, by 1955 the co-operative societies had secured a majority share in coffee marketing at 51 per cent. This would probably have been a much higher percentage share if it had not been for the parallel marketing system with zonal agents, which gave growers more options to choose from when selling their produce. The existence of the parallel marketing system had its effects on the co-operatives. For example, the growers and traders response to co-operatives were by and large uncertain and mixed. Firstly, the conditions created by the accommodation of a parallel marketing system and having all races competing in coffee marketing had far reaching impact as various stakeholders reacted differently upon establishment of the co-operatives. Under such conditions the response towards the co-operative movement was largely detrimental to the colonial marketing policies and co-operative movement in region as a whole.

This was evident when co-operatives were introduced as coffee smuggling (*okutwala emwani oumagendo*) sprung up from Bukoba to Uganda where Robusta fetched a better price than in Tanzania (for further details see Chapter 2, section 2.4).<sup>802</sup> Indian and Arab traders exploited their networks to smuggle coffee as far as Mombasa where it was sold in the auction with the Board and had Bukoba Native Plantation fair average quantity (FAQ) mark.<sup>803</sup>

It has to be noted that non-natives were also cultivating coffee in Bukoba but the African Agricultural (Control and marketing) legislations exempted them from being subjected to the NA regulations and were not required to sell coffee through the

801 BNCB to Members of Agriculture and Natural Resources, Ref. No. C.13/4, February 23<sup>rd</sup> 1953, TNA 41011.

<sup>802</sup> Tanganyika Territory, *Annual Reports on Co-operative Development*, (Dar Es Salaam: Government Printer, 1956), p.9.

<sup>&</sup>lt;sup>803</sup> The illegal Traffic in Bukoba coffee- Confidentila letter 45/46 of the 13<sup>th</sup> August 1952, TNA 29585.

BNCB.<sup>804</sup> Smuggling in Bukoba was facilitated by geographical proximity with some districts in the southern part of Uganda, the border being long and porous. Along the border in both countries' communities share the same ethnic background and family ties, which made it possible for people to travel or visit each other. It is believed that during such visits they carried coffee with them to sell in Uganda where 25 per cent of the crop was smuggled to.<sup>805</sup> An attractive price was an incentive for coffee smuggling to Uganda where the price was bolstered by a price stabilization fund.<sup>806</sup> In contrast, as coffee from Kagera had to be sold under contract to the Ministry of Food, its price was low. At the same time, coffee auctions were set-up in Kampala which offered better prices than co-operatives. Such conditions prompted smuggling from Kagera by traders so that they could fetch better prices. Thus, *okutwala emwani oumagendo* practices emerged as traders paid growers better prices compared to the co-operatives.

The non-native produced coffee could be sold and exported with no restrictions but was strictly monitored by the colonial authority in an attempt to ensure quality was adhered to and to curb smuggling. BNCB records show that the non-native annual coffee production per year was only 10 tons of Arabica and 50 tons of Robusta which they exported and auctioned in Mombasa.<sup>807</sup> However, in 1951 the non-natives exported 315 tons, 450 tons in 1952 and 844 tons in 1953. These records confirm that most of their exports were bought from growers.<sup>808</sup> This was also an indication that smuggling practices were taking place in which non-natives were involved who exploited their trading network to facilitate such malpractices. This led to a

<sup>&</sup>lt;sup>804</sup> Bukoba Coffee, Bukoba Coffee: Marketing Organisation, TNA 41011.

<sup>&</sup>lt;sup>805</sup> Tanganyika Territory, *Annual reports on Co-operative Development*, (Dar Es Salaam: Government Printer, 1956) p.9.

<sup>&</sup>lt;sup>806</sup> Interview with George Kahama, the Ex-manager BCU, 27<sup>th</sup> November 2012.

<sup>&</sup>lt;sup>807</sup> BNCB to Commissioner of Co-operative Development, Confidentila, Ref. No. 45/46 August13<sup>th</sup> 1952, TNA 29585.

<sup>&</sup>lt;sup>808</sup> BNCB to Commissioner of Co-operative Development, Confidentila, Ref. No. 45/46 August13<sup>th</sup> 1952, TNA 29585.

considerable quantity estimated around 3,155 tons between 1959/60 and 1960/61 seasons being smuggled across the border to Uganda.<sup>809</sup>

It was possible to terminate the licences of traders of whom about 200 were non-natives and 400 Africans<sup>810</sup> under Section 44 of cap 211 of the African Agricultural Products (Control and Marketing) Ordinance, 1949, which provided for the compulsory sale of produce through a registered co-operative society which the BNCB attempted to exploit. But, this required the co-operative societies in compliance with the Government Notice No. 200 of 1951 regarding the African produced coffee crop to request the Commissioner of Co-operatives to invoke Section 44 of cap 211.<sup>811</sup>

The Commissioner of Co-operative Department clearly believed that the traders had good intentions and any drastic change would lead to problems; but the way in which traders 'advanced credits' to growers was nothing other than advanced purchase of the product before it was harvested. This was popularly referred as *okuguza obutula*<sup>812</sup> in Kihaya or *kuchumbia kahawa* in Kiswahili which implies mortgaging of coffee produce. The Bukoba DC shared a similar view to the Commissioner of Co-operatives that there should not be an abrupt discontinuation of coffee traders' licences even after the expiry of the Zone Agent agreement in October 1954<sup>813</sup> due to concerns that if the co-operatives could not efficiently handle the crop this would ferment agitation to the detriment of the movement.<sup>814</sup> On the other hand, however, it was perceived by the BNCB that the Co-operative Department policy was creating

<sup>&</sup>lt;sup>809</sup> Tanganyika Government, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1960), p. 7.

<sup>&</sup>lt;sup>810</sup> BNCB to the Chairman, the Coffee Licensing Board, Confidentila, C.1/64, August 2<sup>nd</sup> 1951, TNA 29585; Confidentila Report No. 45/32 on Illegal Purchase and Smuggling of Coffee Produced in Bukoba District, TNA 29585.

<sup>&</sup>lt;sup>811</sup> BNCB to the Members for Agriculture and Natural Resources, (Confidentila) Ref. No. c.13/4, February 23<sup>rd</sup> 1953, TNA 41011.

<sup>812</sup> Interviews and Kihaya translation by Edmund Zakayo, March 10th 2014.

PC, Lake Province to the Members of Agriculture and Natural Resources
 Secretariat, Confidentila, Ref. No. CA3/1/1358, November 19<sup>th</sup> 1953, TNA 7/4011.
 PC, Lake Province to the Members of Agriculture and Natural Resources

Secretariat, Confidentila, Ref. No. CA3/1/1358, November 19<sup>th</sup> 1953, TNA 7/4011.

space for traders to escalate coffee smuggling to the detriment of the industry and the movement.<sup>815</sup> At this juncture, the BNCB appeared to support the co-operatives because the rate of smuggling was increasing placed its existence in jeopardy. Moreover, failure to collect a levy was feared could lead the BNCB into bankruptcy and prevent the NA from meeting its development goals and obligations.<sup>816</sup>

In an attempt to reassure stakeholders' in the co-operative movement the BCU launched a strategy to curb smuggling by increasing coffee prices.<sup>817</sup> It also sought to raise awareness of the risks of smuggling through a newspaper named the Buhaya Co-operative News in 1957,<sup>818</sup> which was printed in two languages, Kiswahili and Haya editions. *The Bukoba Monthly* was launched in the same year, selling 3,500 copies. In 1967, the paper was renamed Bukoba Co-operative News. However, smuggling persisted until the early 1960s when world coffee prices fell drastically.<sup>819</sup>

In addition to smuggling the BCU and its affiliated societies experienced a challenge from the Buhaya Coffee Planters Association (BCPA) which was formed in 1954 in Bukoba under the leadership of Mr H. Rugizibwa who in the 1930s led the NGA. Rugizibwa was the chairperson of TANU, Bukoba branch from 1954, and utilized TANU to resuscitate the NGA interests in the late 1950s to react against the failure of the BCPA leadership to recall and appreciate the difficulties faced by the NGA regarding registration due to its affiliation to politically motivated organisations.

Its object was to serve 800 non-co-operative individual growers in Bukoba and to help them export and sell their coffee produce directly to Mombasa so as they could

<sup>815</sup> BNCB to the Members for Agriculture and Natural Resources, Ref. No. C/10/44, August 1<sup>st</sup> 1953, TNA 7/4011.

<sup>816 &#</sup>x27;Bukoba Coffee' TNA 7/4011,

<sup>&</sup>lt;sup>817</sup> Tanganyika Territory, *Annual Reports on Co-operative Development*, (Dar Es Salaam: Government Printer, 1956), p. 9.

<sup>818</sup> Interview with George Kahama 27th November 2012

<sup>819</sup> Interview with George Kahama 27th November 2012

benefit from a better price. It was also meant to address the smuggling problem that was growing following decontrol of coffee marketing. BCPA challenged BNCU by instilling in farmers a sense that it was a better alternative for coffee marketing and income. It also presented itself as a non-exploitative organisation as farmers could hold their crop for some time before selling. The BNCU responded by launching a successful campaign to convince farmers that it was not exploitative, which made clear that the price offered by the BNCU was dictated by the world market.<sup>820</sup>

The BCPA's idea was timely and coincided with the amendment of Section 6 of the 1949 African Agricultural Products (Control and Marketing) in July 1951, which repealed the boards' powers to appoint agents and the requirement that growers market their produce through co-operatives. The amended Section 6, which provided for free marketing policy, was interpreted by the BCPA as an opportunity to be granted a license. The BCPA targeted its members from Kamachumu and Ihangiro where Arabica coffee was produced. Apart from serving non co-operative members the association was meant to challenge both, the BCU and BNCB by creating a new and alternative coffee marketing outlet. However, it was declined registration by the colonial authority on the grounds that the Bukoba and Kimwani Native Coffee (compulsory marketing) order of 1954 that was published as government Notice No. 199 of 1954 still empowered BNCB to control coffee produced by the natives in the BCPA targeted villages.<sup>821</sup>

Moreover, the Order was further enforced by the BNCB which declared that all coffee must be sold by producers to BNCU and in that case the registration of BCPA was null and void.<sup>822</sup> In this respect, the BCPA intention to have a control of coffee industry could not materialise as the monopolistic marketing regulation embedded in the Order was granted to the BCU and BNCB. The legislation was introduced by the

<sup>&</sup>lt;sup>820</sup> Tanganyika Government, *Annual Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1960), p. 5.

<sup>&</sup>lt;sup>821</sup> DC, Bukoba to TANU Branch Bukoba, Ref. No. A.6/16/49, July 17<sup>th</sup>1956, TNA 7/2348/B.

<sup>822</sup> BNCB minute number 677 notes number 8 dated 1st November 1954, TNA 7/2348/B.

colonial authority to protect the BCU which it created from facing competition from an organisation formed from below, and to secure a cheap supply of coffee.

Rugazibwa made several national appeals and to the UNO against the declined registration. For example, he pursued registration of the BCPA with the CS following a declined registration approval at Provincial level. In his appeal letter he alleged that BCU was involved in gross misconduct, cheating its members and growers and employed compulsion approach to non-co-operative members to sell their produce through BCU affiliated societies which he viewed as a violation of human rights. 823 However, the CS rejected his appeal because he produced a fabricated complaint that the BCU was cheating growers. 825

Despite the rejection of his application, Rugazibwa continued to pursue registration. He took his appeal to the UNO arbitration but it was not discussed. The matter became more serious as it was decided by the colonial government to deregister the TANU Branch in Bukoba on the ground that 'the society was being or was likely to be used for purposes prejudicial to or incompatible with the maintenance of peace, order and good government'.<sup>826</sup>

The closure of TANU, Kiberezo branch in Bukoba displeased its members. This led to intervention by TANU at Provincial level. In 1958 TANU discussed Rugazibwa's BCPA and abuse of office in demanding registration of a co-operative society or a company that aimed at marketing coffee with no consensus from the TANU members. Rugazibwa was given two options by TANU; first, to remain in TANU leadership or concentrate on the BCPA. He opted to concentrate on BCPA instead of politics. His aim of using TANU to accelerate the BCPA's popularity was put on hold, and denied him a vehicle to build popular support. The TANU decision culminated in

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<sup>&</sup>lt;sup>823</sup> TANU Branch Bukoba to CS, Lake Province, Ref. No. TANU/BK/29/6, August 18<sup>th</sup> 1956, TNA 7/2348/B.

<sup>824</sup> CS to TANU Branch Bukoba, Ref. No. ANC.17/43/020/198, November 11<sup>th</sup> 1956, TNA 7/2348/B.

<sup>&</sup>lt;sup>825</sup> TANU Branch Bukoba to CS, Lake Province, Ref. No. TANU/BK/29/8, October 10<sup>th</sup> 1956, TNA 7/2348/B.

<sup>&</sup>lt;sup>826</sup> Registrar General to BNCPA, Ref. No. G.2/28/122, June 5<sup>th</sup> 1958, TNA 7/2348/B.

Rugazibwa's loss of an anchor that he depended upon. The TANU's decision demonstrates that it prioritised its own political development in Bukoba which was being exposed to a tug of war with the colonial authority by Rugazibwa. It was evident that TANU wished to keep politics away from the co-operative movement to avoid jeopardising its right to engage in political activity.

At this stage Rugazibwa considered a new option to register BCPA as a company and presented an application to the Lake Province, PC.<sup>827</sup> Once again, his application was rejected. The Registrar of Co-operative Societies sent a letter to the BCPA explaining that its application 'could not be registered because it contravened the provision of section 352 of the Companies Ordinance (1921) that requires a company to have not more than 20 members but BCPA had 800 members'.<sup>828</sup>

In summary, this section has examined the rise of the BCU. It has demonstrated the concerted top-down approach used by the colonial authority in its promotion and registration. The promotion of co-operatives and efforts to provide them with a monopoly over coffee handling however, experienced mixed results. On one hand, growers sold coffee to co-operatives but a substantial number also sold to private traders. This was mainly due to the free market policy. The policy provided grounds for an unsuccessful attempt by Mr Rugazibwa to form a co-operative society to market coffee in competition with the BCU. Rugazibwa was not successful because the colonial government had to intervene to pass legislation that provided the BCU with a monopoly on coffee produced in Kagera. The monopoly policy was extended after independence as discussed in the following chapter.

## **5.6: POST-COLONIAL GOVERNMENT POLICIES**

This section discusses post-colonial co-operative development policy in the early 1960s. It also examines the continuity of the colonial era policies and changes which were influenced by the political and ideological reforms which shaped the co-operative movement.

<sup>&</sup>lt;sup>827</sup> TANU Branch Bukoba to PC, Lake Province, Ref. No. TANU/BK/29/4, July 27<sup>th</sup> 1956, TNA 7/2348/B.

<sup>&</sup>lt;sup>828</sup> Registrar General to BNCPA, Ref. No. G.2/28/122, June 5<sup>th</sup> 1958, TNA 7/2348/B.

The amendment to the Co-operative Act in 1963 had generally no significant impact on BCU as societies existed in almost all villages. However, the post-colonial government would implement policies that ran contrary to the internationally accepted co-operative principles and values. In particular, they failed to support a co-operatives business model guided by voluntarism, democratic member control and return of surplus to members.

For example, the Union and its affiliates were in 1964 appointed as agent of the NAPB for marketing maize in the district as well as a sole supply of sugar. Best This provided it with monopoly in grain. With enforced multipurpose functions cooperatives' volume of business increased, which required the recruitment of some new employees to manage the BCU. Simultaneously, the Union diversifies its activities into the dairy and pineapple projects to cater for local consumers. The Union became responsible for 100 acres of banana and pineapples in Kishunjo and Ihangiro. The new projects were implemented as a response to the ArD policy in which all 74 BCU affiliated societies were engaged in co-operative communal production. This was agreed at a general meeting that each society should have 10 acres for banana and pineapple cultivations. However, pineapple projects failed and were ultimately abandoned as they were planted in unsuitable soil and climatic conditions. Where cultivation proved successful the stumbling block was the lack of market and storage facilities.

The 1968 Co-operative Societies Act culminated in amalgamations to create one co-operative unions for every regional political and administrative boundary. This involved strangulation of the BCU by the government on the pretext of amalgamating to enhance efficiency and productivity. The BCU had to disappear as it was amalgamated with two other Unions in June 28<sup>th</sup> 1974 to form the West Region Co-operative Union (WERECU). The Unions were Bugufi (see appendix 18 for a list of Bugufi affiliated societies) registered in 1959 with five affiliated societies and Igokelo with 14 cotton marketing affiliated societies registered in 1965 (see appendix 17 for a

<sup>&</sup>lt;sup>829</sup> The BCU Annual Report for the Year 1968/69, (Bukoba: BCU Printing Unit), p.8. <sup>830</sup> The BCU Report for years 1968/69, (Bukoba: BCU Printing Unit), p.8.

list of Igokelo affiliated societies).<sup>831</sup> At this juncture, the co-operative principles were marginalised and the political features, structures and political objectives were slotted in that marked a significant shift from the colonial model pattern of co-operation which was supposedly inappropriate in the specific national socialist context. This generated a complete new organisation, quasi-co-operatives that were designed to serve political interest and thus, marginalised those of the movement.

Since the Village Act (1975) deemed villages as a co-operative entity, it was a milestone that backed the government policy reorganising the co-operative movement. The Act rendered previous co-operative legislation redundant as primary co-operative societies that were a dominant feature in villages had to be replaced by the village which was responsible for and acted as sub-agent of marketing boards charged with multi-purpose functions (marketing or collection of crop and agricultural inputs distribution). As a result, the primary co-operative societies, in accordance to the legislation had to wind up businesses and dispose assets and liabilities to the village council. The measure was followed by the subsequent abolition of the WERECU in 1976. Under such changes the WERECU marketing functions and all assets such as coffee processing plants including the backup mill and the Tanganyika Instant Coffee Company (TANITA) were handed over to the Coffee Authority of Tanzania (CAT) established under the coffee Industry Act of 1977.

Two years after the abolition the WERECU Tanzania went into war against Uganda following the occupation of part of the region, north of river Kagera in October 1978.<sup>832</sup> The Tanzania forces managed to push Ugandan forces out of Tanzania by early 1979. This is an indication that the region was a theatre of war for over four months with devastating effects in terms of human suffering, property, infrastructure and destruction. This disrupted coffee production as growers were either killed or could not engage in cultivation. As a result of the war, which continued until 1980,

<sup>831</sup> Muungano wa Vyama vya Ushirika Tanganyika, (1977), p.11.

<sup>&</sup>lt;sup>832</sup> Gabriel Kagaruki, Ex-Moshi Co-operative College Principal, ex-commissioner of Co-operative Development, (November 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> 2012); Pius Ngeze, Author, Politician (November 5<sup>th</sup> 2012); Festo Ganzila Ex-manager Bugerebe Growers Co-operative the VFCUS's affiliated Union and Ex-manager WERECU (October 29<sup>th</sup> 2012).

coffee production and the co-operatives' marketing was disrupted and dislocated. Since the co-operatives were disbanded there was no specialised organisation to provide growers with agricultural inputs resulting in declining crop production. The government's support was non-existent, as the focus was the war.

The end of the war generated a new serious problem, HIV and AIDS. Kagera region was at the epicentre of the spread of the disease. The disease led to loss of human labour as far as coffee production is concerned as farms were abandoned mainly by families which were affected. At the national level, the war inflicted a great toll on the economy of the country because of mobilisation of resources, human and financial for the war. <sup>833</sup> It was this war that accelerated the country's economic collapse, which was already facing a slowdown from 1973 due to the oil crisis and the collapse of commodity price. <sup>834</sup> In an attempt to recover from further agriculture production decline reinstatement of the co-operatives was necessary to facilitate the country's economic recovery. The co-operative was reinstated under the 1982 Co-operative Act. The WERECU was renamed Kagera Region Co-operative Union (KCU) which had 178 affiliated primary societies over 75,000 members.

This section has examined the post-colonial policies which during the first seven years was characterised by support and protection of the BCU against private traders. This was also to ensure that the revenue accrued from coffee was protected for the interests of the national economy. From 1968 amalgamation of co-operative unions in each region was made obligatory. This depicted state interference on the co-operatives. In 1976 the union that was created by government was banned. A war against Uganda 1979 led to the near collapse of the coffee industry in the regions as

<sup>833</sup> Interview with Edwin Mtei, the former Governor of Bank of Tanzania (March 14<sup>th</sup> 2014); World Bank, *Tanzania at the Turn of the Century: from Reforms to Sustained Growth and Poverty Reduction; A World Bank Country Study.* Washington D.C: World Bank, 2001), p.50; URT; A Study on Integration of Employment Issues on Development Frameworks. (Dar Es Salaam, Ministry Of Labour, Employment And Youth Development and ILO 2010), p.iii; Benno Ndulu; *Stabilization and Adjustment Policies and Programmes: Country Study 17 Tanzania*, World Institute for Development Economics Research (WIDER, 1987), p.11.

<sup>834</sup> Benno Ndulu, (1987), p.11; Stefano Ponte, (1999), p.5.

inputs could not be supplied. The collapsing coffee industry and other external economic shocks forced the government to reinstate the Union in 1982.

## 5.7: CONCLUSION

This chapter has shown that the inter-war period was characterised by an attempt by the colonial authority to streamline coffee marketing in Kagera region. This preoccupation did not take into consideration the promotion of the co-operatives to market native produced coffee as the focus was on private traders. It has to be noted that although the 1932 co-operative legislation was in place the colonial officials did not use the legislation as the basis for strategising the promotion of co-operative movement in the region. This clearly suggests that the colonial authority in the region, therefore, promoted the interests of the coffee merchants at the expense of native coffee growers.

The colonial authority's motivation was clearly dominated by political agenda as they viewed co-operatives as a threat to the establishment and a stepping stone to disorder and lawlessness. This was demonstrated by rejection of Northcote's proposals to promote the NGA to a fully-fledged co-operative society. The colonial authority accused the NGA of representing a threat just as its leaders were members of the TAA. The political excuses were well manipulated to deny the NGA technical and financial support to facilitate its collapse. Basically, the NGA, particularly its leaders did not qualify the colonial test to become collaborators. Additionally, the colonial authority was unwilling to pass legislation that would provide the NGA with a monopoly over the coffee marketing. All these were not technical reasons but rather political excuses which were meant to accelerate its failure which did not occur until 1937 when it was implicated with coffee improvement riots that warranted its abolition. Failure of the NGA to gain approval from the colonial authority was a serious blow to establishing a co-operative society in Kagera region by 1930s. Nevertheless, the treatment of the NGA by the government disregarded Section 4 of the Co-operative Societies Ordinance that permitted the Registrar to register cooperatives which had objects to promote the economic interest of its members in accordance to the co-operative principles. This was also a defiance of its own commitment to provide guidance and to satisfy any spontaneous demand for cooperatives. It was only supportive in circumstances where co-operatives could be formed on top-down approach regardless of growers' reactions.

The post-war years saw an attempt to promote the co-operative movement mainly through external influence from the CO which stressed that development should take into consideration of the country's prevailing condition. For example, in their response to external pressure from the CO, the Tanzania colonial authority through the DA issued a policy directive that dictated the promotion of the co-operatives in Kagera. The policy directives were merely an attempt to prepare ground for engagement of the co-operatives to take over coffee marketing when the long-term contract between the Ministry of Food and its agents in Kagera, the BNCB and agents came to an end. Importantly, the policy directives were designed to meet the colonial power and colonial authority's needs in maximisation of coffee supply whereas those of growers were not primary for example improvement of their income.

The Co-operative Department deployed an officer to promote co-operatives only to face a stumbling block in promoting the co-operatives. In this, the BNCB which had exclusive powers in coffee marketing as well as the contract to supply coffee to the Ministry of Food undermined the Co-operative Department initiatives. The stumbling block was removed through passage of the African Agricultural (Control and Marketing) Ordinance in 1949 which compelled all marketing boards to promote and appoint co-operatives as its agents. However, the growers were not prepared to form the co-operatives and the task was carried out by the Co-operative Department and the Governor who had to appoint the first two managers. Such appointments were, by and large political despite the fact that the appointees were qualified co-operative officers.

Additionally, the way the BCU and its affiliated societies were formed characterised the top-down approach; and the appointments of the co-operative officers to manage

the BCU and its affiliated societies represented an extended arm of the government attempting to control coffee marketing. However, it must be underlined, that cooperatives could not have made headway if they had faced opposition among the growers. It was on this premise that, when the BCPA was formed with interest to compete against the co-operatives or become an alternative outlet, the monopoly was granted to the BCU and its affiliated societies by and large to deny BCPA access to coffee.

Interestingly, when Tanzania achieved independence the colonial policies were further extended. The BCU was from that effect utilised by the post-colonial government to realise the same goal which was extraction of coffee revenue from growers. During the period the colonial model pattern of co-operation was adjusted to suit specific national policies. In general terms, the BCU was meant to handle crops from growers which were then exported by government's marketing boards. To this effect, the post-colonial governments strengthened the administrative apparatus responsible for co-operation, and adjusted the co-operative legislation to fit the new era. But the approach and pattern employed during the 1950s by the colonial authority was the same during the post-independence era.

The next chapter is on the VFCUS in which it evaluates why the early demands to form did not succeed. It also examines efforts involving a number of stakeholders and pressure exerted to the government that prompted formation and registration of co-operatives in the WCGA.

## CHAPTER SIX: THE VICTORIA FEDERATION OF CO-OPERATIVE UNIONS

### **6.1: INTRODUCTION**

This chapter explores the history of the VFCUS which was the first and only apex agricultural marketing organisation in Tanzania. The VFCUS had 20 affiliated unions and over 500 primary societies all of which emerged on the bottom-up basis. Its background can be traced to 1946 when the colonial authority intervened in the formation of co-operatives such as consumer societies that resulted into the registration of the Mwanza African Traders Consumer Co-operative Society (MATCS). The MATCS leaders played a key role in bringing various grassroots forces under the Lake Province Growers Association (LPGA) by pressurising the colonial authority which made an attempt to exclude the cotton growers and other stakeholders from collective action to the register cotton marketing co-operatives from 1953 that under the VFCUS were by 1959 marketing 90 per cent of the smallscale growers produced cotton in Tanzania that brought to an end the dominance of Indian traders in the Industry which began as early as 1920s. By mid-1960s it was marketing and ginning the entire cotton produced in the WCGA only emerging as the largest co-operative organisation in the Sub-Saharan Africa. Despite this achievement, the post-colonial government viewed the VFCUS and its structure as undesirable, inefficient and exploitative. Hence, in 1968 the government decided to dismantle it. This development has been misinterpreted by a number of authors as discussed in this chapter.

# **6.2: LITERATURE REVIEW**

Despite its importance to the business economy of the country and growers, no historical literature has documented the history of the VFCUS. There is limited literature on the co-operative development in the WCGA with none examining the VFCUS. The work by Maguire<sup>835</sup>and Magotti<sup>836</sup> is based on political science. However, they have an enormous contribution as they have discussed the role

<sup>&</sup>lt;sup>835</sup> G. Andrew Maguire, *Towards 'Uhuru' in Tanzania: The Politics of Participation* (Cambridge: Cambridge University Press, 1969), pp. 81-111.

<sup>&</sup>lt;sup>836</sup> John Machumu Jay Magotti, A History of the Co-operative Movement in Mara Region 1945 - 1976, Unpublished Masters Dissertation, University of Dar Es Salaam, 1984

played by various stakeholders such as traders that led to the rise of movement in the WCGA.

In examining the co-operatives and politic relationships, Maguire's analysis is dominated by the role played by personalities such as Paul Bomani; the growers are neglected. Maguire's focus is clearly about Bomani's autobiography, thus, provides a limited history of the movement in the WCGA. Magotti's dissertation narrowly focuses on the Mara region, which is part of the WCGA, with a small number of societies, only three unions and its business volume was low. In this regard Magotti does not explore the VFCUS. Carl's dissertation<sup>837</sup> misleads and distorts development in the WCGA. For example, he indicates that the growers played a part in the formation of the LSMB under the leadership of TANU. He is also of the view that the emergence of co-operatives was partly prompted by their opposition against cotton price. Dubell misleads the history of the growth of the co-operative movement in the WCGA as he points out that the VFCUS affiliated Unions were formed in 1953.838 He is also on denial as to how the co-operative movement emerged in the area and the role played by various stakeholders in the entire process that led to the bottom up emergence of the co-operative societies. Coulson work which is political science based is also characterised my misleading ideas and arguments regarding the emergence of the mabebete and avapimi va magafu as well as the growth and development of the co-operative movement in the WCGA. For Coulson, the mabebete and avapimi va magafu mabebete were formed by Paul Bomani<sup>839</sup> which is untrue, a matter which this chapter addresses at length; and it also corrects misinformation in which he shows out that, the VFCUS was formed in 1953.840

<sup>&</sup>lt;sup>837</sup> Josephs, Norman Carl Tanzania and the World Bank Group: socialism and self-reliance? MA Dissertation, pp.139-140, Durham University, (1977), http://etheses.dur.ac.uk/9748/ Accessed on December 26<sup>th</sup> 2014.

<sup>838</sup> F. Dubell, (1970), p. 7.

<sup>839</sup> Andrew Coulson, (1982), p. 67.

<sup>840</sup> Andrew Coulson, (1982), p. 67.

Thus, activities/events that revolved in the WCGA are neglected. Lyimo has discussed the rise of co-operatives in the WCGA;<sup>841</sup> but there is a lack of clarity as to how they evolved. Lyimo also failed to provide a detailed account on the dismantling of the VFCUS which was replaced by the Nyanza co-operative Union. Unlike Maguire, Lyimo and Magotti, this chapter shifts away from profiling a biographical approach, incorporation of other groups, events, policies that led to the historical evolution of co-operative movement in the WCGA.

Additionally, Lyimo's work is disconnected and fails to provide a comprehensive account the VFCUS's history. Maguire linked the development of the movement to the independence (*Uhuru*) struggle;842 and Magotti are inclined on political science whereas Lyimo focus is on rural sociology. So to say, all are non-historians. Lyimo has exclusively relied on secondary sources. Maguire has a well-documented chapter, but linked its development on the politics related to independence (*Uhuru*) struggle mainly for political science discipline.843 This chapter utilises previously unused primary sources to provide a more comprehensive historical account of the VFCUS. This chapter analyses the impact of colonial political decisions and cotton marketing policies on the growth of the cotton marketing co-operative movement in the WCGA. The chapter demonstrates the background and the role played various stakeholders in pressurising the Co-operative Department to register co-operative societies. It demonstrates why the colonial authority was not pro-active during interand post-war years in promoting co-operatives. It also demonstrates why it became proactive and its significance to the development and response from cotton growers. Thus, in an attempt to address identified aspects, the discussion in this chapter is guided by three key research questions:

<sup>&</sup>lt;sup>841</sup> Francis Lyimo, (1984, pp. 59.

<sup>&</sup>lt;sup>842</sup> G. Andrew Maguire, pp.45 – 149; Göran Hydén, The Politics of Cooperatives in Tanzania, In Göran Hydén (et al), *Cooperatives in Tanzania: problems of organisation building*, (Dar Es Salaam: Tanzania Publishing House, 1976), pp.7-19; George Bennett, Tribalism in Politics in P.H. Gulliver (ed.), *Tradition and Transition in East Africa: introduction*, (Berkeley: University of California Press, 1969), p. 81.

<sup>843</sup> G. Andrew Maguire, (1969), pp.45 – 149; Göran Hydén, (1976), pp.7-19; George

Bennett, (1969), p. 81.

- 1. How were the agriculture and crop marketing policies linked to the promotion of the co-operatives during the interwar period?
- 2. How did the colonial political and policy decisions influenced and shaped the emergence of co-operatives?
- 3. In what ways did the changing political and ideological influences of the emerging Tanzanian state shape the co-operative movement during the first two decades of independence?

## 6.3: THE POLITICAL DECISIONS ON THE CO-OPERATIVE

This section analyses various aspects of how the co-operative movement that emerged in 1930s was arrested for political reasons; similarly in the 1950s. It has been mentioned in Chapter 2, Section 2.4 that the WCGA is a vast geographical area which has produced 90 per cent of the cotton in Tanzania (see map No 3 below). The area in the north-west of the country which comprised of such regions as Mwanza, Mara and Shinyanga, formerly were part of Lake Province. The area shares more or less similar agro-climatic conditions favourable for cotton production.

Map 3: Chiefdoms and Western Cotton Producing Area

#### Lake: Victoria Masanzall MUSOMA Dutwa Ujashi Karumo Ntuzu Kanadi Usmao Serengeti Geita National Park Urima Usambiro Itilima Buyombe Nunahu Mwingiro Malampaka M Nyalikungu Sanga Bugarama Salawe Mwagala S Shinyanga Kimali L.EYASI Nindo Shinyanga District boundaries Uduhe Usiha ..... Chiefdom boundaries Samuve +++++ Railroad Principal roads SINGIDA 40 Miles NZEGA 60 Km

# Some Chiefdoms in the WCGA

Source: G. Andrew Maguire, Towards'Uhuru' in Tanzania: The Politics of Participation (Cambridge: Cambridge University Press, 1969)

Since 1920s Indian traders flocked in and dominated cotton purchase from growers at established/centralised cotton market and engaged in ginning.<sup>844</sup> The industry was closely supervised by the Department of Agriculture, the ECGC, as well as the Provincial and District authorities and the NA (see Chapter 2, Section 2.4 for details), to ensure that the quality of the produce was met.

The Indian traders' domination of the market was obvious because the growers had no knowledge of cotton markets beyond their villages or neighbouring towns and they had no capital; but were interested in having a stake in marketing that demonstrated through their struggle against the Indian monopoly. In their struggle,

<sup>844</sup> DA to CS, Ref. No. 6/5389, July 24th 1935, TNA 23218.

various attempts for entry into marketing were made. These attempts differed according to the district and they lacked cohesion as examined below.

The primary evidence shows that Chiefs in the WCGA initiated the earliest cotton marketing co-operatives. In May 1932 by Chief Mgemela of Bakwimba in Kwimba District approached the DC to present a formal request on behalf of his subjects for establishing a co-operative society. His request came at a time of economic recession, when growers' income was seriously affected by the falling price of cotton. For him, co-operatives offered a solution to the problem as he envisioned it would improve their income. The economic crisis also had an impact on government revenue, which led it to withdraw funds for building a planned hospital in his Chiefdom.

The existing literature is unable to account for the colonial authority's decision. For example, Iliffe points out that, the reasons for Chief Mgemela 'unsuccessful proposals are not clear'.848 This study has established that Kwimba DC gave two reasons for declining his request. Firstly, the co-operative legislation was yet to be approved by the Colonial Office (see Chapter 3, Section 3.2 for details).849 Clearly, Chief Mgemela's proposal was unlikely to succeed because the colonial authority's policy at the time was against registering co-operatives outside Kilimanjaro (see Chapter 3, Section 3.2 and chapter 4, Section 4.3 for details). Secondly, the DC indicated that it was not necessary to have a co-operative society, as the Native Treasury had effectively been playing the same role;850 an argument that was accepted by Chief Mgemela. In an attempt to stimulate the growth of co-operative

<sup>&</sup>lt;sup>845</sup> Extracts from meeting between P.M. Huggis, the DO of Kwimba and Chief Mgemela, May 20<sup>th</sup> 1932, TNA 20999 Economic Development: Agriculture Production in the Colonies; Iliffe, (1979, p.295).

<sup>&</sup>lt;sup>846</sup> Extracts from meeting between P.M. Huggis, the DO of Kwimba and Chief Mgemela held in May 20<sup>th</sup> 1932, TNA 20999.

<sup>&</sup>lt;sup>847</sup> DC, Kwimba to PC Lake Province, Ref. No. 2/15/16/2, May 30<sup>th</sup> 1932, TNA 20999 Economic Development: Agriculture Production in the Colonies.

<sup>848</sup> John Iliffe, (1979), p.295.

Extracts from meeting between P.M. Huggis, the DO of Kwimba and Chief Mgemela of Bakwimba, held in May 20<sup>th</sup> 1932, TNA 20999.

<sup>&</sup>lt;sup>850</sup> Extracts from meeting between P.M. Huggis, the DO of Kwimba and Chief Mgemela of Bakwimba, May 20<sup>th</sup> 1932, TNA 20999.

movement in Africa, Strickland had idea to utilise NA but, with limited control of cooperative societies. This suggests that, Strickland had an idea of top-down
imposition of co-operatives to the colonised; but, the DC was not interested
altogether as he indicated the disadvantages of the co-operatives that co-operative
societies would lead to the loss of the NA treasuries revenue by taking over cotton
marketing. The advantages were all accepted by the Chief that highlights his
(Chief's) ignorance of matters relating to co-operatives and local government given
that, the two were not the same but, the DC and managed to convince Chief
Mgemela to abandon his idea. For example, a co-operative society is a membersbased business organisation; the native authority is a government institution at local
level charged with executing law and order, and provision of services from funds
generated from taxes.

However, the DC forwarded the matter to the PC who sent it<sup>852</sup> to the CS for further action.<sup>853</sup> The CS was against the formation of the co-operative society in Kwimba district as the KNPA threat was still fresh in the mind of colonial authority officials. In his reply to the Kwimba, the DC pointed out that 'if the society is allowed, it must progress with care, and with great care without conflict among the members of the Chiefs.<sup>854</sup> The CS pointed out further that:

as you are aware, owing to absence of trained staff, this government is at present not in a position to give assistance or encouragement to the development of co-operative societies; however, there are some natives who are capable of managing societies, but it is not possible to contemplate the immediate registration of co-operative societies either in Kwimba or anywhere else with the exception of the KNPA owing to peculiar circumstances.<sup>855</sup>

However, the following year A.A. Wills, a Mwanza based barrister representing the BCGA's in the WCGA, noted that 'the idea of co-operatives and ginning was tickling in the minds of some of Natives'.<sup>856</sup> This was an attempt by Wills to convince the

<sup>&</sup>lt;sup>851</sup> C.F. Strickland, (1932), p.36.

<sup>&</sup>lt;sup>852</sup> DC, Kwimba to PC Lake Province, Ref. No. 2/15/16/2, May 30<sup>th</sup> 1932, TNA 20999.

<sup>853</sup> PC Lake Province to the CS, Ref. No. 510/8 June 24th 1932, TNA 20999

<sup>854</sup> CS to PC, Lake Province, Ref. No. 2099/15, July 19th 1932, TNA 20999.

<sup>855</sup> CS to PC, Lake Province, Ref. No. 2099/15, July 19th 1932, TNA 20999.

<sup>&</sup>lt;sup>856</sup> A.A Wills to the Secretary for Native Affairs, July 12<sup>th</sup> 1932, TNA 21032.

government to enable the NA in the WCGA to purchase three of its two ginneries based at Nyambiti and Nyanguge in Kwimba district and one in Biharamulo district.

The BCGA initiative was prompted by trading difficulties it faced due to intense competition from Indian traders. However, the idea was rejected by the SNA who pointed out that 'time to accommodate them (co-operatives) was not ripe'.<sup>857</sup> However, two years earlier Chief of Bukwimba showed interest. It also indicates that the authority had inconsistent answers to whoever approached them. As a result of the SNA decision, the BCGA was forced to hand over the ginneries to Native Authorities in Biharamulo as a gift.<sup>858</sup> The progress and number of societies mentioned demonstrate clear evidence that there was an unsupportive environment for growth and development of co-operatives in other parts of the country.

Apart from internal challenges highlighted above, the WCGA's remoteness from Tanga and Dar–Es-Salaam ports, poor roads and lack of railway transport until 1928 from Mwanza to Dar-Es-Salaam prompted the Tanzania colonial government to mandate the Ugandan government to dictate marketing policy for cotton produced in the WCGA. It was on the same premise that cotton marketing was dominated by Indian traders from Uganda.

Development in Uganda in regard to the co-operative movement had far reaching effect in the WCGA. Tanzania had its co-operative legislation in 1932 that Kenya and Uganda showed interest to have the same.<sup>859</sup> The Ugandan colonial government had had a co-operative bill in place in 1935 but it was rejected by the LEGCO on the ground that, it was too early to promote co-operative movement, as this would led to the participation of the colonial authority in commerce and the natives were not

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<sup>&</sup>lt;sup>857</sup> Secretary for Native Affairs to A.A Wills, Ref. No. 21032/3, July 25<sup>th</sup> 1932, TNA 21032.

<sup>858</sup> PC, Lake Province to CS, Ref. No. 476/191, November 26th 1934, TNA 21032.

Appendix II, the Governor Conference meeting minutes 21<sup>st</sup> to 24<sup>th</sup> October 1929, TNA 19005; A Confidentila letter from the Governor of Tanganyika Sir Donald Cameroon to Sir Passifield on 21.5.1930, TNA 19005.

capable to handle cotton marketing;<sup>860</sup> thus, this implied that, the sphere should left to Asian traders without interferences. It was insisted in the 1935 that, further investigation and consultations need to be carried out so as to justify the passage of the legislation that in 1937 it as presented to the LEGCO for a second time but was dropped due to strong opposition mainly from Asian LEGCO members<sup>861</sup> on the grounds that time was not ripe to accommodate the co-operatives.

The outbreak of WWII led to a further delays as cotton marketing was handled by Exporters Group under Bulk purchase contract in which the Ugandan role was dominant. At this stage, the cotton marketing policy favoured of private traders; thus, promotion of co-operatives was not a priority as it was in Uganda. However, new policy development began to emerge in 1944 when Mr W.K.H. Campbell was sent by the Colonial Office to conduct an investigation into opportunities for co-operative development in East African countries.

In his report, Campbell made clear that the time was ripe to promote co-operatives owing to the prevalence of embryonic associations that suggested some degree of spontaneous growth that required legislation and government guidance.<sup>862</sup> It was out of his recommendations that the legislation was passed in Uganda in 1946 leading to the creation of the Department of Co-operatives and registration of societies.

Nevertheless, this policy change in favour of co-operatives in Uganda had minimal effect in the WCGA. A lack of effect in the WCGA was compounded by a lack of a Cotton Marketing Board; also the Cotton Ordinance of 1937 neither provided for the formation of the Board nor encouragement of co-operatives. The same was with the Africa Products (Control and Marketing) Ordinance of 1949. The Lint and Seed Marketing Ordinance No. 11 of 1952 that provided for setting up of the LSMB in April

<sup>&</sup>lt;sup>860</sup> W.H. Campbell, A report on a visit to East Africa, Kenya, Tanganyika and Uganda (July 1944) published on July 1944, TNA 35783; Okoro Okereke, *The Economic Impact of Uganda Co-operatives*, (East Africa Litarure Bureau, 1974), p.20.

<sup>&</sup>lt;sup>861</sup> A report on a visit to East Africa, Kenya, Tanganyika and Uganda (July 1944) published on July 1944, TNA 35783; S.K. Kobia, (2011), p.31.

<sup>&</sup>lt;sup>862</sup> A Report on a Visit to Tanganyika (July 16<sup>th</sup> to 24<sup>th</sup> 1944) July 29<sup>th</sup> 1944, TNA 35783; S.K. Kobia, (2011), p.3.

1<sup>st</sup> 1952 was a significant watershed for the development towards the promotion of the co-operatives. Nevertheless, the formation of the LSMB was not an automatic guarantee for promotion of co-operatives largely because of contracts with the Ministry of Food in which the East African Group was still handling the WCGA-produced cotton (see Chapter 2, Section 2.3). Obstructions from Tanzanian colonial authority contributed to further delay as highlighted below.

It has to be noted that, for decades, the cotton buyers in the WCGA exploited various loopholes to manipulate their dirty tricks. For example, they exploited growers because majority of them were illiterate and could not read scales and price provided by the cotton price reckoner;<sup>863</sup> they could not differentiate cotton grades and counting money paid to them. They were disadvantaged as the existing regulations and restrictions were inadequate to curb the practices;<sup>864</sup> this was so because, in some cases colonial civil servants in Geita District were bribed by Indian traders to collude in cheating of growers.<sup>865</sup> In other instances growers were intimidated if they questioned traders' tricks.<sup>866</sup> It is obvious that the growers were intimidated growers as to silence them from raising an alarm over their tricks.

Ruthernberg argues that cheating of growers by Indian traders was non-existent and mere campaigns to tarnish their reputation. Ruthenberg's findings and conclusion are based on a small sample out of hundreds in the WCGA. He cites evidence from Ukerewe that he generalised as the practice and trend throughout the WCGA. The evidence from Ukerewe shows that '50 per cent of scales from 9 buying posts used by avapimi va magafu were defective'. Evidence shown by the Ukerewe DC shows that there were 7 and not 9 defective scales that were being used by avapimi

<sup>&</sup>lt;sup>863</sup> The DA's Minutes records of a meeting to review strategies for improvement in cotton marketing, (January, 1949), TNA 215/1423/A.

<sup>&</sup>lt;sup>864</sup> DA to CS, Ref. No. 1312, February 22 1935, TNA 22813.

<sup>&</sup>lt;sup>865</sup> Uzinza Farmers Association to Ibanza (Council of Chiefs), October 2<sup>nd</sup> 1950, TNA 215/1423/A.

<sup>&</sup>lt;sup>866</sup> Popat Ranji to Lake Province PC June 20<sup>th</sup> 1947 and August 19<sup>th</sup> 1947 and Dec 22<sup>nd</sup> 1947 to Bishop of Mwanza, TNA 215/1423/C; Uzinza Farmers Association to Ibanza (Council of Chiefs), October 2<sup>nd</sup> 1950, TNA 215/1423/A.

<sup>&</sup>lt;sup>867</sup> Hans Ruthernberg, (1964), p.57.

<sup>&</sup>lt;sup>868</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

va magafu at Murutunguru and Bwilo cotton buying posts.869 These are some of the scales that were supplied by the Lake Province Ginners Association which was comprised of Indian cotton traders. According to DC, the defects were not intentional.870 Ruthernberg conclusion clearly misleads and downplays the magnitude and cheating extent. Again, he did not take into account that traders kept the two types of scales (kapani<sup>871</sup> in Kisukuma).<sup>872</sup> It was one recommended by the government and working perfectly, but not regularly used in the absence of inspectors and there were also those which were defective that were regularly used to weigh growers' produce.<sup>873</sup> Additionally, there is evidence by individuals like Popat Ramji and the Sukuma Federation Council of Chiefs shows cheating practice by India traders was widespread. Minutes records of a meeting held between the Assistant DA and ginners in Mwanza town shows cheating during and after the Second World War was widespread, this was due to monopoly granted to buyers in zones.<sup>874</sup> Control of the practice was difficult because government officers were bribed by buyers.<sup>875</sup> The practices were critical and were reported by some whistle blowers to colonial authority in the WCGA. For example, Popat Ramji who was one of cotton buyers pointed the magnitude of the practice that 'only 75 per cent of the

<sup>&</sup>lt;sup>869</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

<sup>&</sup>lt;sup>870</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

<sup>&</sup>lt;sup>871</sup> Interview with E.Y. Masele, John Richard Madata (October 30<sup>th</sup> 2012) and John Joseph Kabado (November 12<sup>th</sup> 2012).

Agriculture Office and Ginnery Inspector, Ref. No. 262/1310, May 4<sup>th</sup> 1950; DO Maswa Dstric to Pc, Lake Province, Ref. No. 286/90, February 19<sup>th</sup> 1949; Popat Ranji to Lake Province PC June 20<sup>th</sup> 1947 and August 19<sup>th</sup> 1947 and Dec 22<sup>nd</sup> 1947 to Bishop of Mwanza, TNA 215/1423/C; Uzinza Farmers Association to Ibanza (Council of Chiefs), October 2<sup>nd</sup> 1950, TNA 215/1423/A; BNCB Annual Report, November 1947 – 1948, pp. 14 – 16.

<sup>&</sup>lt;sup>873</sup> Agriculture Office and Ginnery Inspector, Ref. No. 262/1310, May 4<sup>th</sup> 1950; DO Maswa Dstric to Pc, Lake Province, Ref. No. 286/90, February 19<sup>th</sup> 1949; Popat Ranji to Lake Province PC June 20<sup>th</sup> 1947 and August 19<sup>th</sup> 1947 and Dec 22<sup>nd</sup> 1947 to Bishop of Mwanza, TNA 215/1423/C; Uzinza Farmers Association to Ibanza (Council of Chiefs), October 2<sup>nd</sup> 1950, TNA 215/1423/A; BNCB Annual Report, November 1947 – 1948, pp. 14 – 16.

Minutes records of a meeting held between the Assistant DA and ginners, (undated, 1949) TNA 215/1423/C.

<sup>&</sup>lt;sup>875</sup> Minutes records of a meeting held between the Assistant DA and ginners, (udated, 1949) TNA 215/1423/C.

government's set price was paid to growers';<sup>876</sup> he specifically cited buyers employed by Messrs Ladha Meghji and Sons Ltd in Ukerewe.<sup>877</sup>

Other whistle blowers were the Uzinza Farmers Association under the leadership of Masanje Shija Mabenga and Luka Chimani who presented their complaints to the Sukuma Federation Council of Chiefs (Ibanza) by arguing that the Buchosa ginnery which had a monopoly over the purchase cotton of which its cotton buying clerks cheated farmers in the Buchosa Zone.<sup>878</sup> In response, the government established the centralised cotton markets which were placed under the NA<sup>879</sup> to facilitate supervision, checking weight and quality control. Government officials as Messers N.V. Rounce who was the Provincial Agriculture Officer, Renman and E. Drankley who were the Agricultural and Ginnery Inspector respectively were deployed to conduct inspections and to ensure cheating was minimized. But curbing the practices by government officials was either poor or inadequate due to shortage of staff that it was too difficult to arrest. Thus, the control of the practice was difficult because government officers responsible to control cheating were bribed by buyers.<sup>880</sup> These officers were on some occasions seen in bars by traders.<sup>881</sup> This proves again that Ruthernberg conclusions were unfounded.

The government response was viewed as a deliberate by growers and they responded forming informal groups, the *mabebete first* in the Magulanja village in Nassa among the Wasukuma then spreading to other villages and districts, also the

<sup>&</sup>lt;sup>876</sup> Popat Ranji to Lake Province PC June 20<sup>th</sup> 1947 and August 19<sup>th</sup> 1947 and Dec 22<sup>nd</sup> 1947 to Bishop of Mwanza, TNA 215/1423/C.

<sup>&</sup>lt;sup>877</sup> Popat Ranji to Lake Province PC June 20<sup>th</sup> 1947 and August 19<sup>th</sup> 1947 and Dec 22<sup>nd</sup> 1947 to Bishop of Mwanza, TNA 1423/C.

<sup>&</sup>lt;sup>878</sup> Uzinza Farmers Association to Ibanza (Council of Chiefs), October 2<sup>nd</sup> 1950, TNA 215/1423/A.

<sup>&</sup>lt;sup>879</sup> Memorandum on the establishment of Permanent export cotton market, TNA 23218.

<sup>&</sup>lt;sup>880</sup> Minutes records of a meeting held between the Assistant DA and ginners, (udated, 1949) TNA 215/1423/C.

<sup>&</sup>lt;sup>881</sup> Minutes records of a meeting held between the Assistant DA and ginners, (udated, 1949) TNA 215/1423/C.

avapimi va mangafu in Nansio, Ukerewe among the Wakerewe.<sup>882</sup> Most authors refer these groups as independent weighers. These groups comprised of volunteers who provided some help to growers to read scales all over Sukumaland and the Ukerewe Island. Moreover, these groups did not confine their functions to reading scales and weighing services in cotton buying posts managed by Indian cotton buyers, they also checked the quality of cotton delivered by farmers and helped them to grade it. They also helped the illiterates to count their money paid by the cotton buyers.<sup>883</sup>

The colonial authority in the WCGA was not happy with the *mabebete* and *avapimi* vamagafu as were labelled by some of the colonial officials as being troublesome.884 But, they were not declared illegal. Gorst in her illustration of the Cotton Ordinance points out that, the mabebete and avapimi vamagafu were licenced throughout the WCGA.885 This was not the case as the Cotton Ordinance provided for cultivation marketing and ginning. Again, the Ordinance had nothing to do with these groups, but separate regulations and by-laws were passed in 1949 by the NA to provide for their operations and control mainly in Buchosa and Nassa.886 Under regulations and by-laws they were not allowed to operate within 400 yards of cotton buying posts in most of the WCGA. But in Ukerewe they operated in the Indians' buying posts. The regulations and bylaws obliged use of government recommended scales which were supplied by the cotton Ginners Association, the Tanganyika Africa Association (TAA) and NA for correct weighing of cotton. However, these groups primarily addressed cheating. Their objective did not, however, provide a sustainable solution as far as entry of growers into cotton market, but laid a foundation for organised groups that expressed their concern over cheating and curbing the practice with the support of TAA, NAs and Ginners Association. The existence of these groups was

<sup>&</sup>lt;sup>882</sup> Co-operative Buying and Ginning in the Lake Province, TNA 1423C; O. Gottfried, and M.B. Lag, Problems of Social and Economic Change in Sukumaland, Tanganyika, *Anthropological Quarterly*, Vol. 35, No.2, April (1962), p. 86-101.

<sup>&</sup>lt;sup>883</sup> Interview with E.Y.Masele (October 30<sup>th</sup> 2012), Festo Ganzila (October 29<sup>th</sup> 2012) and John Richard Madata (October 30<sup>th</sup> 2012); John Joseph Kabado (November 12<sup>th</sup> 2012) and K.K Nangale (November 13<sup>th</sup> 2012).

<sup>&</sup>lt;sup>884</sup> Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge, July 6<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>885</sup> Sheila Gorst, (1959), p.172.

<sup>&</sup>lt;sup>886</sup> A Report on the Co-operative Development, TNA 215/1423C.

fundamentally important in the growth of co-operatives in the WCGA as shown in the next section.

### 6.4: PRESSURE FROM BELOW

This section sheds light on developments leading to the registration of co-operatives in the WCGA. Unlike in the previous cases, the pressure in the WCGA was dominated by cotton growers at different capacity; but political decisions played a part in slowing down the pressure from below. After years of uncertainties and lack of activities as shown in the section above, new developments emerged from 1949 to early 1950s. These are presented separately in this section covering one district to the other and at Provincial level, involving Chiefs, growers, and the MATCS who exerted pressure on the colonial authority for registration of co-operative societies in the WCGA. In February 8<sup>th</sup> 1952 Chief David Kidaha Makwaia of Usiha approached the Lake Province Commissioner to pressurise for co-operative development in the WCGA.<sup>887</sup> In the discussion with the PC he was informed that, the difficulty lay in the lack of trained staff to facilitate guidance of the co-operatives.

New plans were in place by 1951, proposed by the Lake Province Council,<sup>888</sup> which met to evaluate the development of the cotton industry and to review implementation of the Governor's memorandum to expand cotton production that was issued a year earlier.<sup>889</sup> At the meeting it emerged that cotton production was 39,000 bales which was disappointingly below the previous year and the government estimates which had envisaged an excess 40,000 bales (see Table 6 for more statistics). The Provincial Council speculated a number of reasons for poor production at a point when conditions were favourable.

Additionally, growers received reasonable prices which were 53 cents per lb. in 1951 from 34 cents in 1950.<sup>890</sup> The price increase was prompted by a boom due to the

<sup>888</sup> Annual Report of the Lake Province Council on Agricultural and Natural Resources Committee 1951, TNA 21032.

<sup>&</sup>lt;sup>887</sup> PC to Provincial Council, TNA 21032.

<sup>&</sup>lt;sup>889</sup> PC, Lake Province to PC, Lake Province Member of Local Government, Confidentila, Ref. No 29121/41, December 10<sup>th</sup> 1951, TNA 28259/21 <sup>890</sup> John Iliffe, (1979), p.453.

Korea War, which broke out in June 1950 that heightened a panic among raw material and food stuff importers also and widespread build-up of strategic inventories in industrialised countries who anticipated shortages which added to demand and pushed up prices for such crops as sisal, tea and coffee.<sup>891</sup> The earnings from export of mentioned crops were directed into improvement of communication network and extension of the Tanga railway line from Korogwe to Moshi.<sup>892</sup>

As a result of increased demand for the mentioned crops, two policy options to stimulate and increase cotton production were considered. First, compulsion measures were reintroduced under Ordinance No 57 of 1951 for growers to cultivate minimum cotton acres and make sure they are well attended; and the second option was that, such performance would have been much better if the co-operative movement were in place.<sup>893</sup> However, promotion of co-operatives was a long term plan unlike compulsion measures which had to be implemented immediately.

Consideration of co-operatives by the Provincial Council meeting was a secondary option but its recognition illustrates the movement was becoming significant within colonial authority circles. At the meeting Africans who were unofficial members of the Lake Province Council seized this opportunity to exert pressure on the government to promote co-operatives.<sup>894</sup> As a result, it was unanimously agreed that the co-operatives of the peasant to be encouraged. A resolution was immediately circulated to all districts in the WCGA for implementation. This suggests that the policy was not part of the national plan and it was not mandatory and legally binding as shown in a discussion below.

<sup>&</sup>lt;sup>891</sup> Billy Frank, (2002), pp.213-214.

<sup>&</sup>lt;sup>892</sup> Billy Frank, (2002), pp.218-219.

<sup>&</sup>lt;sup>893</sup> Annual Report of the Lake Province Council on Agricultural and Natural Resources Committee, 1951, TNA 21032.

<sup>&</sup>lt;sup>894</sup> Note from PC, Lake Province to Commissioner to Commissioner of Co-operative Development who was on official visit in Bukoba, November 16<sup>th</sup> 1951, TNA 215/1423/C.

Interestingly, Geita District responded positively, 895 anticipating that co-operatives would enhance the local economy and standards of living. They framed their support in the context of Article 10 of the Trusteeship Agreement and Article 76 of the UN Charter, which emphasises the promotion of political, economic, social and educational advancement of the inhabitants of Tanganyika. They also perceived that the Sukuma people were lagging behind their counterparts in Bukoba and Kilimanjaro where the movement was already advanced stage. 896 Clearly, the colonial authority in Geita district viewed the international agreement as the viable commitment that the Provincial administration was obliged to adhere to; and it casts doubts on the colonial policy and commitment regarding the promotion of cooperatives which proved to bias coffee marketing.

The efforts undertaken in Geita District regarding the co-operative movement were echoed in the Lake Province Council Memorandum for Natural Resources. However, doubts were raised about the feasibility of co-operative development; that clearly illustrates that the colonial authority had not prioritised to use co-operatives for any purpose ranging from marketing of cotton to utilise them as instruments for invigoration of development as championed by the UNO, CO as well as Fabian Colonial Bureau. It was the view of the Council that such a development has to wait until the co-operative officer was deployed to provide guidance to societies. <sup>897</sup> This reticence was ultimately due to the decisions made by the colonial authority in the 1930s, when it declined to establish the Co-operative Department, recruitment as well as training of staff. The Council was also influenced by Ugandan experience where co-operatives proved a failure owing to lack of funds when were introduced in 1949. <sup>898</sup>

<sup>&</sup>lt;sup>895</sup> DO, Geita District to Chairman Lake Province Council, November 10<sup>th</sup> 1951, TNA 215/1423/C.

<sup>&</sup>lt;sup>896</sup> DO, Geita District to Chairman Lake Province Council, November 10<sup>th</sup> 1951, TNA 215/1423/C.

<sup>&</sup>lt;sup>897</sup> Note from PC, Lake Province to Commissioner to Commissioner of Co-operative Development (on official visit in Bukoba), November 16<sup>th</sup> 1951, TNA 215/1423/C.

<sup>&</sup>lt;sup>898</sup> Note from PC, Lake Province to Commissioner of Co-operative Development who was on official visit in Bukoba, November 16<sup>th</sup> 1951, TNA 215/1423/C.

A lack of support from the Provincial Council did not deter colonial officials in Geita district. For example, in a meeting of the Geita District Team held in January 7<sup>th</sup> 1952 it was stressed that the PC should 'facilitate availability and the services of a cooperative Officer as soon as possible'.<sup>899</sup> Thereafter, the Commissioner of Cooperative Development,<sup>900</sup> who was responsible for deployment of an officer, was informed that the growers were becoming more vocal and more interested in the controlling marketing of their crops especially following the introduction of the zone scheme that led to monopoly buying and increased cheating.

However, the Commissioner was sceptical regarding the prospects for co-operatives in the WCGA and cited Uganda's difficulties as an example.901 He disregarded the Lake Province government officials' efforts to promote co-operatives and rejected the proposal for the formation of cotton marketing co-operatives by pointing out that 'I do not see clearly what is envisaged and I am not in faith (favour) with cotton marketing organisation in Tanganyika as the Africans are not easily traceable and they do not have postal address that would render society's meetings impossible'.902 The Commissioner's position was contrary to the prevailing idea to use co-operatives as instrument for development advocated by the UNO, and Fabian Colonial Bureau. This indicates also that, the idea was out of the question in the Tanzania's colonial policies that appears to support the promotion of coffee marketing co-operatives as the case of Kilimanjaro and Kagera on the one hand and discards co-operatives for cotton marketing. In an extreme case, it shows that there was a lack of informed policy making and discrepancies between the CO policy intent and policy outcome in Tanzania, which emerge in the process of policy implementation or the colonial officials who were the key policy implementing agents who had either distanced themselves or had no idea of how to implement the policy.

<sup>&</sup>lt;sup>899</sup> DO (signed by Edward Hawlenge), Geita District to PC, Lake Province, Ref. No. 1/19/1, February 23<sup>rd</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>900</sup> PC, Lake Province to DC, Geita District to, Ref. No. TNA 215/1423/A/303, March 1<sup>st</sup> 1952

<sup>&</sup>lt;sup>901</sup> Commissioner of Co-operative Development to PC, Lake Province, Ref. No. Co-op.1038/3/191, February 18<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>902</sup> Registrar of Co-operative Societies to PC, Lake Province, Ref. No. Co-op.1058/3/191, February 18<sup>th</sup> 1952, TNA 215/1423/C.

The Commissioner's stance reflected the government policy of supporting the private sector. It also illustrates the absence of local co-operative development policies and disregard of the CO circular that required colonial authority to encourage co-operatives where were non-existent. The Commissioner might have had some justification for being hesitant given that the LSMB was only formed in 1952; too young to provide support to co-operatives. However, the Commissioner's position was contradictory as he agreed to provide support in Bukoba where government officials from across neighbouring districts were mobilised to facilitate formation of co-operative societies.<sup>903</sup> The policy implementation and the colonial officials' attitude, demonstrate the double standards which brought the whole approach into disrepute.

Regardless of the administrative and procedural difficulties detailed above, the societies kept on growing in Geita District, where development was independent from those in other districts (Mwanza, Ukerewe and Kwimba). This illustrates the commitment to meet the aspirations of the growers regardless of any impediments from the Co-operative Department. The evidence from Geita District shows that in 1952<sup>904</sup> there were emerging embryonic growers' associations mainly in Buchosa and Karumo Chiefdom such as *Wakulima wa Kiafrika*, Wafikiri African Union Association of Sengerema, *Wakulima Stadi*, Sukuma Union and Zinza Union; also the MATCS which had 200 members. <sup>905</sup>

Some of these societies formed a secondary society called the Mweli Co-operative Union which had 1,700 members. 906 The Mweli Co-operative Union was formed in

<sup>&</sup>lt;sup>903</sup> DO (signed by Edward Hawlenge), Geita District to PC, Lake Province, Ref. No. 1/19/1, February 23<sup>rd</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>904</sup> Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge on July 6<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>905</sup> Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge on July 6<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>906</sup> Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge on July 6<sup>th</sup> 1952, TNA 215/1423/C.

July 1952 for all societies in Buchosa and Karumo Chiefdoms<sup>907</sup> to pursue their aspirations for registration and start cotton marketing and ginning. The Union was more vibrant and active in Geita District. In addition to pursuing registration it presented several demands to the district authority government which were: <sup>908</sup>

- a) Scrapping of the zoning system because it created a monopoly and undermined free marketing competition and it was of no use in the post WWII era
- b) Stamp out cheating in cotton marketing
- c) Reconsideration of the cotton rule that required *mabebete* to be stationed 400 yards from buying post as it stimulated cheating.

For Official's like Mr Halwenge this was a development worthy of recognition and support. Indeed, the Mweli Farmers Union enjoyed support from Colonial Officials in Geita District (see location on map 3 below). Halwenge reiterated that 'the delay to register it was a politically motivated agenda and unnecessary punishment to Wasukuma who were not troublesome, in favour of the non- native in the cotton industry'. For him, the Provincial administration should register co-operatives as resources and experiences to do so were available, the same as in Kagera where colonial officials were mobilised from the neighbouring districts for a registration of societies exercise. 910

The frustration expressed by Hawlenge demonstrates that the government, particularly the Co-operative Department, had no plan in place for immediate action. The engagement of Hawlenge was likely viewed by the colonial authority as an important delaying tactic and as absorption of the growers' frustrations. In other WCGA locations such as Mwanza, Ukerewe and Kwimba districts (see locations on map 4 below) there were also a growing number of embryonic societies that emerged spontaneously.

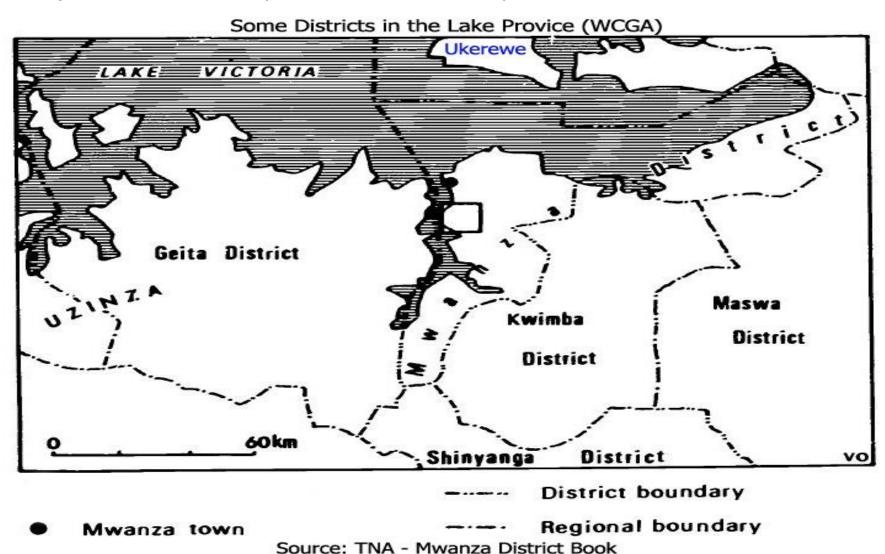
1952, TNA 215/1423/C.

DO (signed by Edward Hawlenge), Geita District to Administrative Office In charge Sukuma Council/Ibanza, Ref. No.30/1/39, July 6<sup>th</sup> 1952, TNA 215/1423/C.
 Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge on July 6<sup>th</sup>

<sup>909</sup> DO, Geita District to Chairman Lake Province Council, November 10<sup>th</sup> 1951, TNA 215/1423/C.

<sup>&</sup>lt;sup>910</sup> DO, Geita District to Chairman Lake Province Council, November 10<sup>th</sup> 1951, TNA 215/1423/C.

Map 4: Some WCGA Districts (Mwanza, Ukerewe and Kwimba)



Unlike in Geita, societies in other WCGA's districts had cohesion under the umbrella of the Mwanza based Mwanza African Traders Co-operative Society (MATCS) and had registration number 61. The MATCS was established in 1946 by African traders in Mwanza town following the outbreak of the Second World War. This was the first African consumer co-operative society in the WCGA. It was formed to facilitate wholesale purchase of rationed consumer goods on behalf of shopkeepers in the WCGA or Lake Province.911 Its formation was necessitated after the colonial authority regulated supply of consumer goods through rationing. This was so because production during the war in Britain, which was main supplier, was mainly geared to War needs rather than exports leading to a shortage of supplies. It can be recalled that rationing was employed in Britain during the war, but in Tanzania it was marred by some corrupt practices mainly by Indians traders who sold in black markets to African consumers. The MATCS was a significant impetus to the growth of agriculture marketing co-operative ideals in the WCGA and had branches in towns and villages across the WCGA attracting a significant number of members among traders and local chiefs. Such membership was important when it was envisaged to engage in cotton marketing as it has been shown in Appendix 19.

The increased number of societies in Mwanza, Ukerewe and Kwimba districts, some of which were affiliated to the MATCS, alarmed the Provincial authority. In 1952 the Lake PC in a confidential letter<sup>912</sup> instructed all the DCs to conduct reconnaissance on the growth and development of societies in the Province in order to identify their specific activities. The reconnaissance was deemed necessary at that time due to the Mau 'rebellion' in Kenya. In this case it was aimed at establishing whether their activities were political and if so, and to devise strategies to arrest them. The government investigation revealed that there were many associations with hundreds of members, some of which were unregistered independent or clandestine societies as summarised in Appendix 19.

<sup>&</sup>lt;sup>911</sup> Interview with E.Y. Masele, and John Richard Madata (October 30<sup>th</sup> 2012).

<sup>&</sup>lt;sup>912</sup> PC Lake Province to the DCS Lake Province, Confidentila Ref. No. 1423/C/56 of July 19<sup>th</sup> 1952, TNA 215/1423/C.

The listed societies had the by-laws and its own elected leadership; but the command centre was in Mwanza led by MATCS. However, Maguire posits that Bomani was pivotal in influencing development in Ukerewe;<sup>913</sup> but, this study has learnt from primary evidence that unregistered societies in Ukerewe openly and independently conducted its activities from any force outside the district. The most prominent society was the Ukerewe Famers Society, which had members among the growers and traders who were seeking primarily a greater share in the proceeds of the cotton industry.

Unlike in Geita district colonial officials did not provide support to any embryonic society in Ukerewe. The DC in particular was not accommodating and was sceptical about such societies, perceiving the co-operatives as an unreliable means for the natives to undertake their own cotton marketing. He claimed, 'such a scheme in Ukerewe would be calamitous'.<sup>914</sup> He was of the opinion that, it would lead to exploitation by a few individuals for private gain.<sup>915</sup> Therefore, the DC supported the continuation of marketing under Indian traders as that guaranteed the government revenue as it was 'not much financial losses.<sup>916</sup>

The Ukerewe DC was strongly against the *avapimi va magafu* (independent weighers groups), viewing them as troublesome and thye were 'a nuisance to buyers and they have made trouble in buying posts as a national sport in the district'. He pointed out that, they are 'manned by semi-illiterates who frequently made errors and that 50 per cent of their scales were proved defective when they were checked on August 24<sup>th</sup> 1948'; an evidence that Ruthernberg capitalised to support his conclusion against a widespread notion that, growers were being cheated by Indian cotton buyers. For Ruthernberg this suggests that, not only Indian cotton buyers cheated the growers, but the practice was being employed by the *avapimi va* 

<sup>&</sup>lt;sup>913</sup> G. Adrew Maguire, (1969), p. 94.

<sup>&</sup>lt;sup>914</sup> Ukerewe DC to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 215/1423/C.

<sup>&</sup>lt;sup>915</sup>. Ukerewe DC to PC in September 3<sup>rd</sup> 1948, TNA 215/1423/C.

<sup>916</sup> Ukerewe DC to PC in September 3rd 1948, TNA 215/1423/C.

<sup>&</sup>lt;sup>917</sup> Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge, July 6<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>918</sup> Geita's DC to Sukumaland (Ibanza) Administrative Officer Incharge, July 6<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>919</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

magafu. All this was an attempt by the DC to degrade and undermine the credibility of the Ukerewe Famers Society. The DC's position against the promotion of the cooperative movement was clear. He strongly argued that 'I offer the opinion that such scheme would be a calamitous failure if introduced in Ukerewe because there is no spirit of co-operation among the people'. People' He further argued that, 'cultivators would suffer under a co-operative scheme'. People' He clearly indicated that 'although cultivators suffer (exploited by traders) but financial loss incurred is exaggerated'. People This expresses his opinion against cheating practices mentioned earlier, including those raised by an insider, who whistle blew the practices to the Provincial authority. On the other hand, he appeared hypocritical in supporting the avapimi va magafu on the ground that 'they provide employment and revenue'. People He stressed further that, 'if we forbade them we are likely to be accused of being in the same league (collusion) with the cotton buyers and may raise eyebrows or distrust of the NA by growers'.

The leaders of societies in Ukerewe remained committed to their objectives despite the opposition. Their determination was shown in their attempt to provide services as cotton buying agents for the Tanganyika Cotton Company and Ukerewe Cotton Company<sup>925</sup> by using the MATCS license owing to its affiliation. The application was rejected because the MATCS's registration licence was for the bulk purchase of consumer goods for African traders which were in short supply during the WWII and shortly afterwards.<sup>926</sup>

However, arising from this, the Ukerewe Famers Society and the Growers Cooperative Society Ltd were to operate in various buying and ginning in the Mwanza Cotton Company and Ukerewe Cotton Company facilities in order to gain some

<sup>&</sup>lt;sup>920</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

<sup>&</sup>lt;sup>921</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

<sup>&</sup>lt;sup>922</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

<sup>&</sup>lt;sup>923</sup> DC, Mwanza to PC, Lake Province, September 3<sup>rd</sup> 1948, TNA 1423/C.

<sup>924</sup> DC, Mwanza to PC, Lake Province, September 3rd 1948, TNA 1423/C.

<sup>&</sup>lt;sup>925</sup> Ukerewe DC to the Lake Provincial Commissioner with Ref. No. 5/129, May 22<sup>nd</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>926</sup> Tanganyika Government, *Report on Co-operative Development*, (Dar Es Salaam: Government Printer, 1947), Appendix, p.4.

experiences and familiarize their staff and members with the business. <sup>927</sup> These societies were accommodated in buying facilities, although they were unregistered. The decision to accommodate them in buying facilities was reached in meetings with mentioned firms on behalf of the Tanganyika Cotton Corporation (TCC). However, when the agreement was forwarded to the Commissioner of Co-operative Development it was declined on the ground that; first, the MATCS's consumer goods marketing license was not transferable and second, it could not be used for the purchase of cotton. <sup>928</sup> Again, the CUT misinterpreted this policy as a restriction imposed by Ukerewe DC to MATCS to handle cotton. <sup>929</sup>

As a result of the Commissioner of Co-operative's decision, the Ukerewe DC, R.K.M. Battye, banned the Growers Co-operative Society Ltd<sup>930</sup> from engaging in cotton marketing as per Notice No. 5/119 published in the 16<sup>th</sup>, May 1952 since it was not a registered organisation. The prohibition/ban was viewed by the Ukerewe Growers Co-operative Society Ltd as racially motivated and unjustified discrimination against Africans in favour of non-Africans. This was reiterated in their letter to the DC in which it was (in Kiswahili) pointed out that, 'kwa sababu unapinga Waafrika ama kama ingekuwa mataifa mengine usingejaribu kupinga' (your Notice undermines the rights of Africans to engage in business; and this could not be so in case it was other races). The Society further and angrily reacted against the notice and demanded its withdrawal, concluding that 'na inaonyesha wazi kuwa serikali haina nia ya kutuendesha' (an impression is obvious that, there is lack of political will and commitment on part of the government to promote co-operatives). <sup>931</sup> In an attempt to resolve this misunderstanding, the DC called a meeting<sup>932</sup> to elaborate the reason

<sup>&</sup>lt;sup>927</sup> Extracts of the meeting between Ukerewe DC and Ukerewe Farmers Society delegation held in May 23<sup>rd</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>928</sup> PC, Lake Province to Tanganyika Cotton Company Ltd, June 18<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>929</sup> Muungano wa Vyama vya Ushirika, (1977), p.11.

<sup>&</sup>lt;sup>930</sup> Ukerewe Growers Co-operative Society Ltd which was a branch of MATCS under the chairmanship of Mr Eupharazi Mahunde

<sup>931</sup> Ukerewe DC to PC, September 3<sup>rd</sup> 1948, TNA 215/1423/C.

<sup>&</sup>lt;sup>932</sup> The meeting held between 20 and 23 May 1952 was attended by Mr Eupharazi Mahunde, Ibrahim Tanganyika, Mfalme Gataki and Mzee Seff from the Ukerewe Growers Co-operative Society Ltd, also representatives of the Ukerewe Cotton Company and Mwanza Cotton Trading Company.

behind publication of the notice and why it was illegal for them to engage in cotton marketing based on the Co-operative Ordinance Section 65.

The Ukerewe Growers were not satisfied. Further consultations were made by the Commissioner of Co-operative Development after a meeting in which it was made clear that 'the MATCS is debarred by its by-laws, from trading cotton'. Thus, the traders affiliated to the MATCS considered other means that would provide entry into cotton marketing business. Hence, the Lake Province Growers Association (LPGA) was formed in 1952 in which Mustafa Shija Mabenga became its President and Paul Bomani as the Secretary.

However, the challenge that faced the LPGA was that it was inexperienced and had no license to allow them to engage in cotton marketing. They were denied access to marketing facilities to acquire knowledge of cotton handling. Therefore, the LPGA decided to conduct a study tour in Ugandan cotton marketing co-operatives. The tour team consisted of Paul Bomani, Stefano Sanja and Ndaki Italiacha. The TAA's Nassa branch financed the tour. The experience Bomani, Sanja and Italiacha gained from Uganda was fully utilised in sensitising the producers all over Sukumaland, Ukerewe, Geita, Musoma district (mainly areas which are within Bunda district) as well as the Ntuzu Chiefdom in Maswa that laid a platform for spontaneous growth for co-operatives and leadership that spearheaded the development of societies in the WCGA.

The support from Chiefs demonstrated their readiness to address the exploitation of their subjects by Indian traders. This also demonstrates that entry into cotton marketing was a factor that unified the interests of the commoners, traders and Chiefs. In this respect it posed no political threat to the NA as has been the case of the NGA in Bukoba and KNPA in Kilimanjaro. Such convergence of interest created

<sup>933</sup> PC, Lake Province to Tanganyika Cotton Company Ltd, June 18<sup>th</sup> 1952, TNA 215/1423/C.

<sup>934</sup> G. Andrew Maguire, (1969), p.91.

a strong force towards a common agenda in establishing cotton marketing cooperatives.

Such convergence of interest was at an advanced stage in Buchosa and Geita where co-operative societies were formed much earlier with the support of district officials, mainly Edward Halwenge. The LPGA saw a need for growers in the Geita district to join them. But, Geita growers were initially hesitant fearing domination by non-Geita personalities. After some consultations and dialogue between the LPGA leaders and Mweli Farmers Union distrust came to an end. 935 As a result, the LPGA managed to gain influence in Geita, which brought its embryonic co-operatives under one umbrella and common front.

The LPGA was therefore further strengthened in all Wasukuma chiefdoms; <sup>936</sup> it became an umbrella and guiding organisation for informal groups (the *mabebete* and *avapimi va magaafu*). Clearly, at this stage its footprint growth managed to cover most of the WCGA by galvanising groups with a common goal that justified its pressure for the formation and registration of co-operatives that was envisaged to bring to an end cheating of growers by traders; importantly handling or marketing of cotton. In this respect, the LPGA became a formidable organisation with significant energy and credible support to pressurise the colonial authority for entry into the marketing of cotton.

The backing and influence gained by the LPGA in the WCGA was an impetus for launching its campaigns for registration of co-operative societies through official channels at District and Provincial level as well as in the Lint and Seed Marketing Board (LSMB) through dialogue. It has to be realised that, this was necessary

<sup>935</sup> Interview with E.Y. Masele, and John Richard Madata (October 30th 2012)

<sup>&</sup>lt;sup>936</sup> Such Chiefdoms were Nassa, Ukerewe, Massaza I and II, Magu, Dutwa, Ntuzu, Itilima, Karumo, Kanadi, Nunghu, Sima, Ndagalu, Usmao, Bukoli, Uduhe, Nera, Kome, Buchosa, Ushashi, Buyombe, Mwanza, Bujashi, Bukumbi, Bugeneji, Ikizu, Usiha, Sukuma, LPGA to PC, Lake Province, November 19<sup>th</sup> 1953.

because the colonial authority had shown no commitment despite the consensus to promote co-operatives in the Provincial Council a year earlier. On April 30th, 1952 the Association had a fruitless meeting with DC of Mwanza to discuss the registration of co-operatives and another fruitless meeting was with the PC in May 1952. The failure was due to lack of the co-operative officer to guide them.<sup>937</sup> It was, however, agreed that they should meet the Commissioner of Co-operative Development in Moshi; <sup>938</sup> see their names of delegation in Table 15 below.

Table 15: The LPGA's Member Delegation

S/N	Name	District
1	Petro Kazi	Maswa
2	Jacob Mtiro	Ukerewe
3	Stephen Sanja	Mwanza
4	John Katorusa	Geita
5	Paul Bomani	Mwanza

Source: TNA 215/1423/C a letter to the Lake Province from the LPGA of June 21<sup>st</sup> 1952 and from Commissioner of Co-operative Development to PC, Lake Province, Ref. No. Co-op.1038/3/A/25, July 10<sup>th</sup> 1952

The meeting prompted the PC to write a letter to the Commissioner of Co-operative Development stressing the urgency to register co-operatives due to the 'undoubtedly growing demand throughout Sukumaland and Ukerewe District for the formation of co-operative societies to handle cotton'. He argued that 'There is undoubtedly a growing demand for the formation of co-operative societies in the WCGA mainly in Sukumaland and Ukerewe district to handle cotton. My chief fear is that, if the posting of a co-operative officer is too long delayed the producers may attempt to form societies on their own and without guidance with probably disastrous results'. He Provincial Commissioner for Lake Province sounded cautions and pressed for

<sup>&</sup>lt;sup>937</sup> PC, Lake Province to Commissioner of Co-operative Development, Ref. No. 1423/C/27, May 1<sup>st</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>938</sup> PC, Lake Province to Commissioner of Co-operative Development, Ref. No. 1423/c/27, May 1<sup>st</sup> 1952, TNA 215/1423/C. Paul Bomani to PC, July 5<sup>th</sup> 1952, TNA 215/1423/C; Gottfried, O. and Lag, M.B. Problems of Social and Economic Change in Sukumaland, Tanganyika. *Anthropological Quarterly*. Volume 35, No.2, April. (1962), p. 86-101.

<sup>&</sup>lt;sup>939</sup> PC, Lake Province to Commissioner of Co-operative Development, Ref. No. 1423/C/27, May 1<sup>st</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>940</sup> PC, Lake Province to Commissioner of Co-operative Development, Ref. No. 1423/C/27, May 1<sup>st</sup> 1952, TNA 215/1423/C.

the deployment of the Co-operative Officer. This was partly to poor and slow response shown by Commissioner of Co-operative Development. This might have been his reaction given a number of societies formed by MATCS. It was also an alarm due to a growing number of the *mabebete* and *avapimi va magafu* in the WCGA that was seen as an imminent threat to the establishment and to a proper growth and controlled co-operative movement.

A meeting with the Commissioner of Co-operatives attended by delegates mentioned in Table 15 above was held between July 8<sup>th</sup> and 9<sup>th</sup> 1952. However, the meeting did not produce the desired results. For example, the Commissioner asked the delegates to recommend individuals from WCGA with some secondary school education for co-operative course training. This appeared to be a good idea in the long-term, but would not resolve the immediate need. However, this was a positive development, but prevented an immediate engagement of producer co-operatives in cotton marketing.

The Commissioner informed the PC that 'it was not able to obtain assistance for the 1952 cotton season, but the Government would deploy the co-operative officer in 1953'. 941 In addition to the campaigns, and meetings with various authorities Bomani, effectively utilised his Board membership to articulate growers' aspirations to be considered in marketing cotton. He aired such aspirations at the LSMB meetings in Dar Es Salaam on May 19<sup>th</sup>, 1952, in which possibilities for engaging co-operatives became obvious, but its implementation would depend upon the availability of the co-operative officer in the WCGA. 942

All these resulted in a disappointment for the LPGA's delegation and growers in general for not seeing a possibility for societies being registered in the year as expected. At this stage Bomani presented the growers concerns in the LSMB that were becoming more vocal and threatened to boycott selling their produce unless co-operatives were registered so that they could have control over handling their

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<sup>&</sup>lt;sup>941</sup> Commissioner of Co-operative Development to PC, Lake Province, Ref. No. Ref. No. Co-op.1038/3/A/25, July 10<sup>th</sup> 1952, TNA 215/1423/C.

<sup>942</sup> Extracts from Second LSMB meeting held in May 19th 1952, TNA 215/1423/C.

produce.<sup>943</sup> All in all, there was no evidence that suggests growers were about to withhold cotton, but, the matter was taken seriously by the Commissioner of Cooperative Development who was present in the LSMB meeting. The threat and mounting pressure unexpectedly forced the Co-operative Development Department to deploy co-operative officers. This was a positive development, but it was an indication that the colonial authority was driven by events. Most of the deployed officers were seconded from other departments with no background on cooperatives. The action had to be taken because the Department had a shortage of staff largely to defuse a threat and calm down mounting pressure in the WCGA.

The first officer was Mr Garvin B.J. Green from Provincial Co-operative Development Department who was deployed on 1952 October 16<sup>th</sup> in Mwanza and eight more co-operative officers were also deployed in 1953 to assist him.<sup>944</sup> Mr Green was seconded from the Provincial Administration and two other officers (one seconded from the Department of Agriculture and Juma Maharage was from Health Department).<sup>945</sup> The six newly trained assistant co-operative inspectors were also deployed charged with the responsibility to foster the movement<sup>946</sup> as discussed in the following section.

# 6.5: THE POLICY DECISIONS ON THE CO-OPERATIVE DEVELOPMENT

Gottfried and Lang have discussed the process that led to the registration of the cooperative societies in the WCGA.<sup>947</sup> Their article is basically anthropological in nature and rich in knowledge/information which is partly credible as argued in the previous section but their article lacks supporting evidence. Also, the article misleads as it demonstrates that the LPGA was either secondary or apex co-operative society of which registered societies were affiliated to it. They are attempts to show in their article that the growth of these societies took the same development as in

<sup>&</sup>lt;sup>943</sup> Extracts from Second LSMB meeting held in May 19<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>944</sup> Muungano wa Vyama vya Ushirika, (Dar Es Salaam: CUT Press, 1977), p.12.

<sup>&</sup>lt;sup>945</sup> G. Adrew Maguire, (1969), p. 98

<sup>&</sup>lt;sup>946</sup> G. Adrew Maguire, (1969), p. 98

<sup>&</sup>lt;sup>947</sup> O. Gottfried and Martha B. Lang, Problems of Social and Economic Change in Sukumaland, Tanganyika, *Anthropological Quarterly*, Vol. 35, No. 2, East and Central Africa (N. Rhodesia, Sudan, Tanganyika) (Special Issue), (April, 1962), pp.86-101.

Kilimanjaro where the unions were a leading institution in promoting societies which was not the case as partly demonstrated in this an in the previous section.

This chapter and this section in particular shifts away from Gottfried and Lang to provide an explanation of the growth and development of co-operatives in the WCGA based on historical perspectives and extensive utilisation of primary evidences. From the moment of his appointment, Mr Green and his team worked closely in 1953 with the LPGA leaders. The LSMB made available 3,000,000/- shillings, which were part of balances reserved by the colonial power during the WWII<sup>948</sup> and from the cotton price stabilisation funds for development of co-operatives.<sup>949</sup> The earliest task was conducting a feasibility study of the co-operatives and those that qualified were registered. However, due to the shortage of staff, some villages had priority over others. Thus, in 1953 only 38 societies were registered in Kwimba, Mwanza, Geita and Ukerewe districts where they began handling cotton in their respective zones in June (see Appendix 20).

Registration of these societies ended the era of uncertainty and marked the beginning of formal co-operative marketing. Again, given that the cotton buying season was about to start, registration activities for Musoma and Shinyanga districts was postponed until later months<sup>950</sup> to avoid disruption of cotton buying.<sup>951</sup> The majority of these societies were in Nassa, in Magu district (the then Kwimba District), where there were ten, of which six were formerly *mabebete*. Other *mabebete* were as follows; two in Nyamililo and Nyambiti zones respectively. Also, one group, *avapimi va magaafu*, was registered in Ihale zone in Ukerewe. Such numbers demonstrate the rapid spread of *mabebete* in providing services to growers prior to the registration of the co-operatives, which reinforced the need for marketing societies.

<sup>&</sup>lt;sup>948</sup> Billy Frank, (2002), pp.23-24.

<sup>&</sup>lt;sup>949</sup>DC, Geita to Sukumaland (Ibanza) Administrative Officer Incharge on July 6<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>950</sup> G. Andrew Maguire, (1969), p.98-99

<sup>&</sup>lt;sup>951</sup> interview E.Y. Masele, John Richard Madata, (October 30<sup>th</sup> 2012) Thomas Ntegwa (November 12<sup>th</sup> 2012), Festo Ganzila (October 29<sup>th</sup> 2012), Kulwa King Nangale (November 13<sup>th</sup> 2012)

Apart from *mabebete* and *avapimi va magafu* the formation and registration of societies, a volume of cotton produced at a given location was the priority and important element for their economic viability. It was also considered that each society had to have a maximum of between 500 to 600 members;<sup>952</sup> presumably, given the Mau Mau uprising in Kenya, the Tanzania colonial authority has to take precaution measure that considers the members are from the same village or two where they are confined within its boundaries for close monitoring and easy control. Although the measure was a political strategy it had its implication as it shortened the members' travel distance to the cotton marketing posts.

Registration of these societies ended the era of uncertainty and marked the beginning of legality for co-operatives in cotton marketing. From the 1953/54 season they proved their worth by managing 13.5 per cent of the total crop. <sup>953</sup> This involved 38 co-operative societies in 8 zones. In 1954/55 season the highest collection was recorded at Nassa in which 1954/55 it was 77.1 percent, Luguru was 58.5 per cent, Buchosa it was 24.8 per cent, Mwanza it was 16.60 per cent, Murutunguru was 18.3 per cent, Nyambiti it was 10.60 per cent also Ihale and Bukumbi it was 9.6 and 3.8 per cent respectively. <sup>954</sup> Similarly, for 1956/57 the highest collection was recorded at was at Nassa (see Table 16 below) producing 5,722,936 lbs. (2,861.47 tons or 2,595,880.104 kilograms) of cotton. <sup>955</sup>

<sup>952</sup> G. Andrew Maguire, (1969), p.99.

The Co-operative Union of Tanganyika Annual and Balance Sheet 1963/64 Report, p.17 – 18 O. Gottfried and Martha B. Lang, (April, 1962), pp.86-101.

<sup>&</sup>lt;sup>954</sup> Cotton Collection in 8 zones for 1954/55, TNA 28259/5.

<sup>&</sup>lt;sup>955</sup> LSMB end of the year Report, June 30<sup>th</sup> 1954, TNA 215/1423/A.

Table 16: Cotton Purchased in 1956/57 by Societies and Ginners in various Zones

Zone	Purchaser	Seed Cotton Purchased	Total	Percentage
Buchosa	(a)Ginnery (b)Societies	2,407,554 10,119,335	12,526,554	19.22 80.78
Bukumbi	(a)Ginnery (b)Societies	5,845,815 7,389,088	13,034,903	43.31 56.69
Ihale/Kibara	(a)Ginnery (b)Societies	4,496,467 7,069,170	11,565,637	38.88 61.12
Kasamwa <sup>956</sup>	(a)Ginnery (b)Societies	1,350,132 7,291,690	8,641,822	15.62 84.38
Luguru	(a)Ginnery (b)Societies	3,954,727 7,202,125	11,156,852	35.45 64.55
Manawa	(a)Ginnery (b)Societies	3,016,291 6,381,805	9,398,096	32.10 67.90
Mugango	(a)Ginnery (b)Societies	7,338,844 9,778,302	17,117,146	42.87 57.13
Nassa	(a)Ginnery (b)Societies	2,124,985 9,767,313	11,892,298	17.87 82.13
Nyambiti	(a)Ginnery (b)Societies	9,543,676 10,009,036	19,552,712	48.81 51.19
Ukerewe	(a)Ginnery (b)Societies	3,731,733 1,864,931	5,596,664	66.68 33.32
Uzogole	(a)Ginnery (b)Societies	5,811,522 3,161,244	8,972,766	64.77 35.23
			148,001,453	

Source: Assistant DA, Lake Province to All DCs in the Lake Province, Ref. No.

C/COT/BP April 23rd 1957, TNA 215/1423/C

Year after year, the co-operatives gained ground by capturing a greater share in the cotton market. Appendix 21 summarises the percentage of cotton handled by societies in every zone in the WCGA. It shows a decline of volume and percentage of cotton purchased by ginners and a corresponding increase by co-operative societies. It has to be stressed here that this success was not prompted by the compulsion measures as there had been revoked in July 1951 and this facilitated the existence of the parallel marketing system. At this juncture, the growers voluntarily sold their produce unlike in Kilimanjaro where the KNCU was provided with monopoly under the 1937 native coffee industry and 1949 African agricultural products legislations.

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<sup>956</sup> Kasamwa ginnery was bought, owned and installed by the VFCUS in 1956

Consequently, the 1957 report on co-operative Development<sup>957</sup> indicates that, societies in Maswa District that were affiliated to the Lukubanija Growers Cooperative Union, which was operating in Luguru zone and Isangijo in Malampaka Zone, had a total of 33 affiliated primary societies. The co-operative societies in Luguru handled 75 per cent of cotton produce in the zone; whereas Lukubanija affiliated societies handled 63 per cent of 10,000 bales produced in the zone. In some zones, the trend was attributed to the availability of co-operatives which appeared to be credible buyers. It is obvious that the growers sold cotton to cooperatives owing to years of perpetual cheating by traders and the ginners. Subsequently, the ginners decided to abandon buying posts located outside ginneries because it was uneconomic.958 The Department of Agriculture responded immediately by asking the DCs in the WCGA to persuade the co-operatives fill the gap left by ginners.959 The abandoned buying posts were taken over by the cooperatives, reinforcing their position in marketing of cotton monopoly. Such developments led in 1959 to the appointment of the VFCUS by the LSMB as its agency, which marked a climax in the integration of the co-operatives into cotton marketing policy. By 1960 the movement had secured a monopoly, a remarkable achievement for the newly formed societies. A summary for a number of societies and a volume of marketed cotton from both members and non-members are shown in table 17 below.

Table 17: Number of societies, cotton purchased and membership (1953 -1959)

				I ( )
Year	No of societies	% of cotton collect	Societies' members	Non societies members
1953/54	38	13.5	15,334	144,276
1954/55	65	32.5	33,935	149,845
1955/56	113	45.2	53,282	165,568
1956/57	198	60.1	86,627	158,373
1957/58	235	70.1	92,400	175,600
1958/59	275	85.4		248,546
1960	360	100		

Source: The Co-operative Union of Tanganyika Annual and Balance Sheet 1963/64 Report, p.17

<sup>&</sup>lt;sup>957</sup> Maswa District Report on Co-operative Development for 1957, TNA 215/1423/C.

<sup>&</sup>lt;sup>958</sup> Cotton Cultivation: Orders under Section (8) of Native Authority from DC Mwanza to Native Authority Bulima, Ref. No. A.3/4/500, October 1957, TNA 29121.

<sup>&</sup>lt;sup>959</sup> The Department of Agriculture to DCS of Mwanza, Maswa, Kwimba, Geita, Shinyanga, Musoma, Ukerewe and Biharamulo, Ref. No. NOC/COT/BP, April, 23<sup>rd</sup> 1957, TNA 29121.

Table 17 above shows an annual increase in the number of co-operative societies before and after independence in the WCGA (Mara, Mwanza, and Shinyanga). They also proved formidable in confronting the competition from the ginners. The success of the co-operatives in handling cotton in their first season was likely to have been attributed to years of cheating by traders and advocacy role played by the *mabebete* and *avapimi va magafu*. The increased number of societies at this time reflected an increase in the volume of cotton collected and marketed.

The capacity for co-operative societies to gain ground in marketing cotton was given an impetus by the government backing as well as financial and logistical support from the LSMB.<sup>960</sup> The sum of £32,500 was made available to registered co-operative societies in 1953, repayable over 5-10 years with an interest of 4 per cent, for the purchase of equipment such as cash boxes, safes, and tarpaulins.<sup>961</sup> A total of £3,900 was allocated to purchase trucks for the transportation of cotton.<sup>962</sup> In 1954 the LSMB provided a loan to 65 societies to erect cotton stores as well as to purchase capital equipment.<sup>963</sup> Further, in 1957 the LSMB made a loan amounting to 540,000/- shillings to two societies in Maswa district.<sup>964</sup> The support provided by the LSMB and Co-operative Department was by and large to enable them to market cotton efficiently.

The increase of primary co-operative societies created a need for a secondary co-operative society (Union) for each zone, which would look after the needs of primary societies in, for example, the marketing of their crop. This was geared towards reinforcement of primary societies' capacity. This was also to ensure that primary

<sup>&</sup>lt;sup>960</sup> Commissioner of Co-operative Development to LSMB, Ref. No. Co-op. B/9/24 and Co-op. B/9/26, April 11<sup>th</sup> and April 24<sup>th</sup> 1953, TNA 215/1423C.

<sup>&</sup>lt;sup>961</sup> Commissioner of Co-operative Development to LSMB, Ref. No. Co-op. B/9/24 and co-op. B/9/26 of April 11<sup>th</sup> and April 24<sup>th</sup> 1953, TNA 215/1423C; Tanganyika, Annual Report on Co-operative Development, 1954, p.11; LSMB Annual Report, June 30<sup>th</sup> 1954, TNA 215/1423/A.

<sup>&</sup>lt;sup>962</sup> Ag Regional Assistant Director of Agriculture, Lake Province to the Secretary LSMB Ref. No. 247/35, June 1<sup>st</sup> 1953,TNA 215/1423C.

<sup>&</sup>lt;sup>963</sup> LSMB Annual Report, June 30<sup>th</sup> 1954, TNA 215/1423/A.

<sup>964</sup> Maswa District Annual Report, 1957, TNA 215/1423/C.

societies were not susceptible to the ginners influence and competition because they had limited experience in managing and organising growing cotton marketing. The decision to form secondary societies was a significant departure for primary societies' reliance on assistance from government institutions, the LSMB and the Cooperative Development Department. In an attempt to move away from depending on government support and cotton traders also the ginners' intimidations, the process of forming Unions was co-ordinated by the LPGA that brought in significant reforms in the creation of the cotton marketing structure in each cotton production zone. Such reforms went hand in hand with recruiting personnel to manage the cotton marketing process.

The Unions were charged to supervise the activities of affiliated societies. They became a link between societies and the ginners, and control over the movement of crops from buying post to a ginnery. The Unions operated within cotton producing zones some of which were set up in 1930s. In 1955, seven Unions were formed and registered. The names of most Unions were intimidating or discouraging Indians and others called for unity mostly against the traders (see Table 18 below).

Table 18: The Secondary and affiliated Societies, Registration and membership

Union	Translation	Zone	Year	Societi es <sup>965</sup>	Memb ers <sup>966</sup>
Ikumbo	Broom	Manawa - Kwimba	1956	24	14,648
lyungilo	Filter	Bukumbi – Mwanza	1960	15	8,894
Kimisha	Awakening	Nyambiti – Kwimba		29	14,648
Chenge cha Balimi	Torch/firebrand	Uzogole – Shinyanga	1956	37	23,117
Kipyena Bayanda	Exorcize children	Bukumbi, Buyagu – Geita	July 1956	22	9,150
Kigunabahabi	Sponsor of the poor	Nassa – Mwanza	1955	25	9,991
Nyamagana	One who give birth to hundreds	Ngasamo - Mwanza			
Kishamapanda	Road builder	Mhunze A & B Shinyanga	1960 &1964	39	21,370
Tupendane	To love each other	Ushashi – Mara			
Mweli/Ng'weli	Western Farmers	Geita – Mwanza	1954	25	7,313
Mugango	-	Mugango - Musoma	1955		
Namuzuna	Supporter	Kibara - Ukerewe Mainland	1955		
Buchililo	A place to Recuperate	Nyamililo - Geita	1954	18	6,927
Idetenya Bageni	Terror to aliens/aliens	Kasamwa - Geita	1955	22	9,150
Isangijo	Meeting place	Malampaka - Maswa	1955	31	15,114
Kilagabageni	Parting with strangers/aliens	Sola – Maswa	1960		
Lukubanija	Concern for others	Luguru – Maswa	1955	34	16,772
Engabo <sup>967</sup> (Bukerebe)	-	Murutunguru - Ukerewe Island	1955/1961	23	4,212
Kilelamhina	One who cares for the poor	Ihale-Mwanza	1956	8	4,212
Gwaging'olo Bageni	Disappointment of strangers/aliens	Magu-Kwimba	1960	24	11,383

Source: Tanganyika Annual Reports on Co-operative Development 1959 – 1961 (Dar Es Salaam: Government Printer); Local language to Kiswahili translations<sup>968</sup> and English translations by Researcher

<sup>965</sup> URT, Annual Reports on Co-operative Development, (Dar Es Salaam: Government Printer, 1965), pp.16 – 19.

<sup>&</sup>lt;sup>966</sup> URT, Annual Reports on Co-operative Development, (Dar Es Salaam: Government Printer, 1965), pp.16 – 19.

<sup>&</sup>lt;sup>967</sup> Engabo was liquidated and was replaced by Bukerebe

<sup>968</sup> Interview with K.K Nangale (Maswa); Kabado (Shinyanga), E.Y. Masele, Festus Ganzila, Mayala and Bomani (Mwanza)

Animosity against the traders was exploited by growers to support the movement. By 1964 the number increased to 20 scattered through the three cotton growing areas that cover Mwanza, Shinyanga and Mara regions<sup>969</sup> as summarised in Appendix 25. The setting up of the Union created a need for an umbrella organisation to look after the interest of affiliated primary and secondary societies, and to facilitate negotiations on behalf of the cotton growers with the Government and the ginners which were at that time dominated by Asian traders. This culminated in the LPGA transforming into an apex organisation which was renamed the Victoria Federation of Co-operative Unions (VFCUS) in May 15th 1955 and was registered in July with its funding accrued from a levy of 2 cents per lb. of cotton collected by societies by members.<sup>970</sup> At this time the first seven Unions were affiliated to the Federation, but the number increased as more unions were formed in various zones as shown in Table 18 above.<sup>971</sup> This was a significant blow to the Indian cotton traders as the LSMB ceased to use them as agents to handle cotton.972

In terms of personnel, Mr Mustafa Shija Mabenga became the first President of the Federation and Paul Bomani became its General Manager. This signified a smooth transfer of power from the LPGA to VFCUS. The General Manager was responsible for the administration and coordination activities and was aided by a committee elected from the Unions. The Federation recruited highly skilled personnel to work in various departments such as marketing, accounting and production.

When the co-operatives emerged, they did not own a ginnery, and so had to rely on the Indian owned ginnery, which was costly. The ginners had high charges, and this necessitated the need for Unions have their own ginneries. The first ginnery was purchased and imported in 1956 for £88,000 from a loan provided by the LSMB. It was installed at Kasamwa in Geita District where cotton production has risen from

<sup>&</sup>lt;sup>969</sup> CUT, 1962/63 Annual Report, p.18

<sup>&</sup>lt;sup>970</sup> Tanganyika Territory, Annual Reports on Co-operative Development, (Dar Es Salaam: Government Printer, 1955), p.5.

<sup>&</sup>lt;sup>971</sup> Tanganyika Territory, Annual Reports on Co-operative Development, (Dar Es Salaam: Government Printer, 1955), pp.9 – 11.

<sup>972</sup> N.R. Fuggles-Couchman, Agriculture Change in Tanganyika: 1945 – 1960, (Stanford, California: Food Research Institute, Stanford University, 1964), p.50.

1,000 in the late 1940s to 3,000 bales in 1952. The increase of production was a result of resettling of population in the district in the implementation of the Sukuma Development Scheme. The Kasamwa ginnery was officially opened by the Governor, Edward Twining, in June 1956. The second ginnery was bought in 1958 and installed at Ushashi. In 1959 four more ginneries were bought and installed in Sola, Muhuze, Magu and Buyagu (see Table 19 below).

<sup>&</sup>lt;sup>973</sup> Co-operative Marketing in the Lake Province, extracts from record of meeting held on February 22<sup>nd</sup> 1954, TNA 25066.

<sup>&</sup>lt;sup>974</sup> East Africa Railways and Habours Magazine. June, 1956, Vol. 2 – 9, p.302, TNA 215/1423/C.

<sup>&</sup>lt;sup>975</sup> The Co-operative Union of Tanganyika Annual and Balance Sheet Report 1962/1963, p.18.

**Table 19: The Ginneries, Year of Installation and Ownership in the WCGA** 

Ginnery/Zone	Union	Installation Year	First Owner	Second owner
Buchosa	Mweli	1938	Indian	VFCUS - 1965
Bukumbi	Kipyenabayanda	1958	VFCUS	
Buyagu		1960	VFCUS	
Kasamwa	Mweli Farmers Co-operatives Union Ltd	1956	VFCUS	
Magu		1960	VFCUS	
Manawa	Ikumbo	1924	Indian	VFCUS - 1964
Nassa	Kigunabahabi	1924	Indian	VFCUS - 1964
Nyambiti	Kimisha	1935	Indian	VFCUS - 1965
Nyamililo	Kilelamhina	1930	Indian	VFCUS - 1965
Ukerewe	Bukerebe	1932	Indian & White Fathers	VFCUS - 1965
Kahama	Igembesabo	1967	VFCUS	
Luguru	Lukubanija	1933	Indian	VFCUS - 1965
Malampaka	Isangijo	1933	Indian	VFCUS - 1965
Mhunze "A"	Kishamapanda	1960	VFCUS	
Mhunze "B"	Kishampanda	1964	VFCUS	
Sola	Kilabageni	1960	VFCUS	
Uzogole	Chenge cha Balimi	1940	Indian	VFCUS - 1965
Kibara	Namzuna	1952	Indian	VFCUS - 1965
Mugango		1936	Indian	VFCUS - 1964
Ushashi	Tupendane	1958	VFCUS	

Source: The VFCUS annual reports; Tanganyika Territory Annual Reports on Co-operative Development, (Dar Es Salaam: Government Printer, 1955), pp.9-11; Interview with K.K Nangale (Maswa); Kabado (Shinyanga), E.Y. Masele, Festus Ganzila, Mayala and Bomani (Mwanza).

In summary, the registration of co-operative societies from 1953 was a significant step in tackling the Asian traders' monopoly on the cotton market. Such success had an impetus from growers as well as financial support from the LSMB. Such development in seven years proved that the Commissioner of Co-operative was wrong to assume growers in the WCGA were incapable. The role the Board was important for achievement attained by the co-operatives in handling cotton eventually wresting the traders who had been in business for decades in which secondary societies and apex body, the VFCU were formed to provide services to primary societies. The VFCU enjoyed a brief support from the post-colonial government, which was followed by its dismantling it discussed in the following section.

# **6.6: POST-COLONIAL POLICIES**

This section shows the extent to which the post-colonial authority depended on the VFCUS to fostering cotton production in the WCGA. When Tanzania attained independence in 1961, the government attempted to exploit the VFCUS to deliver government targets in cotton production. This demonstrates the continuity of colonial policy as production was geared towards export commitments, such as to the Chinese government who had an agreement from 1962 to import the top grades of cotton. Other countries importing Tanzanian cotton were West Germany, Japan and Hong Kong that boosted prices to around 6 cents a pound. These were new additional markets out of India and Britain, which where main cotton buyers during the colonial era.

In order to meet these export commitments, support was provided by the post-colonial government. Such support comprised of provision of 168 tractors for modernisation of cotton farming, supply of fertiliser; and introduction of block farming, which was part of the modernisation of cotton cultivation through irrigation. These projects were envisaged to engage the VFCUS into cotton production

Department of Agriculture, Mwanza to the VFCUS, Ginners Association, TANU, Government Departments And Districts Teams, March 7<sup>th</sup> 1962, TNA 215/1423/A.
 Department of Agriculture, Mwanza to the VFCUS, Ginners Association, TANU, Government Departments And Districts Teams, March 7<sup>th</sup> 1962, TNA 215/1423/A.
 Section 13 of the Defence (Control of Cotton) Regulation of 1942 and 1943.

mechanisation and modernisation of cotton cultivation,<sup>979</sup> in which the target was to produce 161,000 bales in 1961 to 323,000 in 1966<sup>980</sup> (see Table 20 below and Appendix 20 on cotton production targets).

Table 190: Volume of Cotton Handled by VFCUS's Affiliated Unions

Region	No of Unions	No of Primary societies	Membership	Cotton seed handled (tons)	Bales produced	Payment to growers (£)
Mwanza	11	254	102,247	92,722	173,806	4,862,625
Shinyanga	5	175	92,560	54,797	109,596	3,178,881
Mara	3	78	23,384	17,637	8,769	924,884
	19	507	218,191	165,156	292,171	12,966,390

Source: URT, Annual Report on Co-operative Development, (Dar Es Salaam: Government Printer, 1965), pp.10, 36-37.

The post-colonial government also provided support to the VFCUS with the view that it would play a part in the Africanisation of the economy, which was aimed to displace the Indian traders in the WCGA. The support provided help the VFCUs to build a business empire that comprised of cotton marketing, processing (ginning) and cooking oil processing-which were formerly the Indian traders' spheres. Local businesses outside of cotton production were sisal marketing, whole and retail businesses, as well as hardware. Entry to the mentioned ventures was encouraged by the government in an attempt to circumvent Asian traders which were of financial benefit to the VFCUS which was able to amass profits. Part of the costs for importation of tractors through the Agricultural Credit Agency under a hire purchase scheme and block farming projects funded by the government as part of its development plans. During the time it handled 90 per cent, which was 165, 156 tons of unprocessed cotton that produced 292,171 bales as summarised in table 21 below. But, the VFCUS was forced to undertake the projects by the government in

Department of Agriculture, Mwanza to the VFCUS, Ginners Association, TANU,
 Government Departments And Districts Teams, March 7<sup>th</sup> 1962, TNA 215/1423/A
 Increase Cotton Production Programme, Appendix M, TNA 215/A3/1

<sup>&</sup>lt;sup>981</sup> International Bank for Reconstruction and Development International Development Association Agricultural Credit Project Tanzania, Report No. TO-498a, November 15<sup>th</sup>, 1965, p.4.

<sup>&</sup>lt;sup>982</sup> Mwanza, DO to the VFCUS, Ginners Association, TANU, government departments and districts teams, October 1<sup>st</sup> 1963, TNA 215/1423/A.

which they had to spend part of its unplanned budget. However, the VFCUS was reluctant and coincidentally, it incurred loss amounting to £160,000 during 1962/63 and 1963/64 seasons that it decided to abandon the projects.

Consequently, the government became increasingly suspicious of the VFCUS and launched an investigation into its activities in 1966 undertaken by the Presidential Special Committee of Enquiry into the Co-operative Movement and Marketing Boards (briefly described in chapter 3) produced a special and separate interim report regarding the VFCUS. The report identified a number of issues. Nepotism was one concern, ranging from recruitment of staff, embezzlement of funds and corruption. All these were supported by Saul.<sup>983</sup> Some of these accusations may have had substance. For example, Paul Bomani had family members employed in the VFCUS some of whom were in-laws his own father Lazaro Bomani who was Kimisha Co-operative Union Manager and his brother, Emmanuel who was deputy manager at Buyagu ginnery at the Kipyanabayanda Co-operative Union;<sup>984</sup> but, Saul either failed to mention any.<sup>985</sup>

Under good governance criteria the recruitment of relatives on this scale might be seen as a demonstration of nepotism. However, the VFCUS recruitment policy had been clear since its inception in 1955. Throughout this period, it maintained a tradition of recruiting staff from within its operational area. The idea was to create employment for qualified individuals with an understanding of the culture, mainly local languages spoken by the people in the Province since Kiswahili was not popular in rural areas among the growers. It was also considered important to employ staffs that were knowledgeable of the cotton industry. However, it has to be noted that staff were paid as per its scheme of service. Generally, salary and fringe benefits offered were far better than what was paid to civil servants. All these were a concern of the Committee that led to inequality within the Federation. It was thought

<sup>&</sup>lt;sup>983</sup> John S. Saul, Reorganisation of the VFCUS, in Lionel Cliffe (et al), *Rural Cooperation in Tanzania*, (Dar Es Salaam: Tanzania Publishing House, 1975), pp.212-220.

<sup>984</sup> Interview with Jonathan Bomani in Mwanza (November 16th 2012).

<sup>&</sup>lt;sup>985</sup> John S. Saul, (1975), pp.212-220.

that the Federation exploited growers only for the benefit of a small section of staff who were enjoying a luxurious life contrary to *Ujamaa*/socialist policy.

The Federation Manager at the time of the investigation was Emanuel Bomani, who was personally accused of corruption and wealth accumulation. The Board members were also accused of nepotism. The VFCUS was viewed by the government as a centre of corruption. However, neither investigation pursued led to prosecution. The entire leadership had to be removed from office by the government not only contrary to the co-operative principles but also the VFCUS's own policy. The measure was described by Saul as the setting in of a democratic process; <sup>986</sup>this can be explained as Saul became the government's mouthpiece.

This dramatic change took place on January 1st 1968 when it was abolished by the Government. Homeolistely, Maharage Juma, the Co-operative Officer responsible for Mwanza, Bukoba and Geita was appointed by the government as new manager. Maharage appointment led to a reorganisation of the VFCUS which resembled the experience of the KNPA in 1932 into the KNCU despite the government's claim to establish a democratic state. Maharage was replaced by Mr Iddi Mtingwa who was the government appointee with effect from 1969. But, Mtingwa remained under Maharage's close watch so as he adheres to government guidelines and to ensure that corrupt practices do not resurface. Mtingwa was, however, not new to the VFCUS, having been manager of the VFCUS's industries and had served as the CUT Deputy Secretary. Mtingwa was replaced by John Malongo following his transfer to MWATEX as Manager. Mtingwa was replaced by John Malongo following his individual could be transferred from a co-operative union to the crop boards or any other government institutions.

<sup>986</sup> John S. Saul, (1975), pp.212-220.

<sup>&</sup>lt;sup>987</sup> URT, *The Presidential Special Committee of Enquiry into Co-operatives Movement and Marketing Boards*, (Dar Es Salaam: Government Printers, 1966), p.3 <sup>988</sup> Interview with Massele, Mayala, K.K. Nangale (November 30<sup>th</sup> 2012; Jonathan Bomani in Mwanza (November 16<sup>th</sup> 2012); Jonathan Bomani in Mwanza (November 16<sup>th</sup> 2012); Ambassador Juma Maharage Mwawado (August 21<sup>st</sup> 2014)

<sup>&</sup>lt;sup>989</sup> John S. Saul, (1975), pp.212-220.

<sup>&</sup>lt;sup>990</sup> Interview with Jonathan Bomani in Mwanza (November 16<sup>th</sup> 2012).

The changes that affected the VFCUS administration were also the same as its structure, whereby under it there were 20 Unions and hundreds of affiliated primary societies in which most of its staff were made redundant. The government's restructuring was based on the contention that the VFCUS had divorced itself from the grassroots members, societies and the Unions. Moreover, it was also illogical for a secondary society to operate in three regions where they could have their own societies and perform the same functions at reduced costs.

The VFCUS was seen by the government and the Presidential Committee as being too big and too costly to run; therefore it recommended to be restructured. It was also considered as a burden on the producers whose faced deductions (levy) from cotton sales for administrative purpose. This was viewed by the government as being squandered by the officials. However, the accusations on misappropriations of the Federation funds were unfounded and none was prosecuted for the allegations. This was likely meant to instigate divisions within the Federation and probably to have affiliated Unions to break away to weaken it.

It was the Government's view that the secondary society and the VFCUS were managerial and inefficient. Such allegations and accusations were basically unsubstantiated. But what was clear is that the Federation was successful in managing business that enabled it to emerge as the biggest and richest growers' managed organisation in Sub-Saharan Africa.

Consequently, it was decided to adopt a new name, the Nyanza Co-operative Union (NCU), which operated under Government supervision.<sup>991</sup> The reorganization left the VFCUS with a fraction of the power it once had. This demonstrated the government's desire not only to control the movement, but also, to destroy any institution that appeared to the government as being troublesome. This was the beginning of the state's intervention in the movement during the post-colonial era. Its autonomy was

<sup>&</sup>lt;sup>991</sup> Interview with Massele, Mayala (November 30<sup>th</sup> 2012); K.K. Nangale (November 13<sup>th</sup> 2012), and Kabado (November 12<sup>th</sup> 2012)

eroded and the participation of its members marginalised in decision making processes and regarding the future of the VFCUS.

Owing to the restructuring of the VFCUS and its affiliated Unions all functions were delegated and handed over to the cotton production zones, some of which were created in the 1930s as previously explained and were reinforced further in 1949 when the Ministry of Food and Supply had a contract to purchase all cotton from the WCGA. The primary societies affiliated to the Nyanza Co-operative Union were grouped into zones (see Appendix 22a to 22n and Table 22 below).

Table 21: The Districts, Zones and Co-operative Societies under a Two-Tier Marketing System

Districts	Zones	Number of societies
Geita	Buchosa	38
	Buyagu	23
	Kasamwa	25
	Nyamililo	21
Kwimba	Magu	23
	Manawa	23
	Nyambiti	28
Mwanza	Nassa	24
	Ngasamo	26
	Sanjo	32
Ukerewe	Ukerewe	22
Shinyanga	Kishamapanda	39
	Change cha Balimi	30
Maswa	Lukubanja	32
	Kilabageni	30
Malampaka	Isangijo	31
Musoma	Mugango	32
Musoma	Ushashi	31
Musoma (Bunda)	Kibara	17

Source: Massele, Mayala (November 30<sup>th</sup> 2012); K.K. Nangale (November 13<sup>th</sup> 2012), and Kabado (November 12<sup>th</sup> 2012)

Given that the structure that formed the VFCUS was demolished, by-laws were also rendered null and void and new by-laws were enacted to better suit the structure and the government's aspirations. These amendments affected some positions/titles such as the President of the Union was changed to the chairperson/chairman. This affected all the co-operative unions in the country. The governing Board that comprised of members of the Unions was rendered useless. Since the Unions were not in existence and by-laws were null and void it was recommended by the Presidential Special Committee that society members should elect new board members. The government prescribed by-laws disowning the members of their societies. This was nothing other than installing state control which conflicted with the co-operative principles of independent member control.

According to the Presidential Special Committee the ginneries and processing plants were placed under the industrial wing of the 'Federation'. Under the new institutional organisation, the NCU several business subsidiaries were set up so that it could enhance efficiency in providing services. One such subsidiary was the Nyanza Industrial Company (NICO) Ltd., which was established in May 1968 to manage ginneries. NICO began its operations from July 1968. A second subsidiary was the Nyanza Distributors Company, which was set up in response to the call by the Ministry of Agriculture, Food and Co-operative that Co-operative union, not only to handle and supply of seeds, fertilizers, and insecticides and farm implements. They were supposed ion this effect to supply consumer goods.

The disbanding of the VFCUS by the government was expected to provide space for societies in each region that would easily translate into participation of members by broadening democracy. A new structure was installed by the government, which reduced it to a fraction of what was once the largest growers' organisation in sub-Saharan Africa. The fragmentation process as recommended by the Commission, the three-tier marketing structure that created under the VFCUS was dismantled with

<sup>&</sup>lt;sup>992</sup> URT, *The Presidential Special Committee of Enquiry into Co-operatives Movement and Marketing Boards*, (Dar Es Salaam: Government Printer, 1966), p.3.

immediate effect only to be replaced by a two tier structure. This recommendation was implemented by the government by dissolving all twenty (20) Unions that were affiliated to the Federation on the January 1st 1968.

The restructuring of the VFCUS had far reaching effects. For example, the grouping lost its majority representation in the national apex, the CUT. From a political perspective, regions also lost representation in the apex body was reduced to one of 11 unions for Mwanza, from 5 in Shinyanga and from 3 in Mara region. Thus, their vote in the CUT was affected by which their policy and decision making influence was affected too. The gap was identified by the policy makers and politicians who had to influence the amendment of the co-operative legislations to provide for this representation. In so doing, the 1968 co-operative legislation provided for the formation of co-operatives based on political and administrative regional boundaries (see Chapter 3, Section 3.6). Consequently, the policy provided for the further disintegration of the VFCUS to provide for Mwanza, Mara and Shinyanga regional co-operative unions.

In the WCGA there were several other types of co-operatives such as livestock keepers, the *Wafugaji wa Mara* Co-operative Union and the Tarime Wakulima Co-operative Union. They amalgamated these unions in 1970 to form the Mara Co-operative Union. In June 1971, the primary societies affiliated to the Nyanza Co-operative Union, but they decided to break away to join the Mara Co-operative Union; but a year later after its inception, that is, in 1972 it was dissolved by the government due to factionalism and mismanagement. <sup>994</sup> Two months later, in August 8<sup>th</sup> 1971 the Prime Minister made an announcement that primary societies in Shinyanga have shown interest to break away from Nyanza to form Shinyanga Regional Co-operative Union. Nonetheless, a year later after its inception, that is, in

<sup>&</sup>lt;sup>993</sup> Interview with Massele, Mayala, K.K. Nangale (November 30<sup>th</sup> 2012; Jonathan Bomani in Mwanza (November 16<sup>th</sup> 2012); Jonathan Bomani in Mwanza (November 16<sup>th</sup> 2012); Ambassador Juma Maharage Mwawado (August 21<sup>st</sup> 2014).

<sup>&</sup>lt;sup>994</sup> Göran Hydén, The Politics of Co-operatives in Tanzania, in A.Z. Mutaha (et. Al), *Co-operatives in Tanzania: Problems of Organisation*, (Dar Es Salaam: Tanzania Publishing House, 1976), pp.7-20.

1972, the Mara Co-operative Union was dissolved by the government due to factionalism and mismanagement.<sup>995</sup>

It was obvious that, the Government's desire was to have a co-operative union in each region, regardless of the economic viability and type of business. Moreover, this shows that the Government was directly involved in the creation of secondary societies without the consent of the members. In this respect the co-operative ceased to be a voluntary organisation. Additionally, political decisions and authority prevailed over economic logic which illustrates the government was more interested in economic failure and scrambling a part of growers' organisations than their success which was demonstrated in 1976 when the co-operative movement, including the newly created co-operative Unions were abolished.

## 6.7: CONCLUSION

The chapter has shown the role played by various stakeholders engaged in marketing of cotton. The participation of each group was prompted by the exploitation they suffered from selling their produce to Indian cotton buyers under which they were being cheated. Cheating by cotton buyers was widespread and was known to the colonial authority that could not curb it. This prompted a desire from cotton growers and other stakeholders to find a solution. However, each stakeholder attempted its own approach which was viewed most suitable that ranged from weighing cotton deliveries, counting money paid by the cotton buyers to negotiation on helping out in purchasing cotton in the buying posts. Others, they went as far as setting up co-operative societies. All these demonstrate the diversity of groups that had a common objective which was entry into cotton handling and a commitment to do away with cheating.

This chapter has demonstrated the extent to which the colonial authority responded against the groupings mentioned. The reaction differed from the district to the other. In Geita district they enjoyed support from the district's colonial officials. But, it was

<sup>&</sup>lt;sup>995</sup> Göran Hydén, (1976), pp.7-20.

contrary in Ukerewe. The development in Ukerewe and Geita generated a necessity to forge an alliance, the LPGA that operated throughout the WCGA under the leadership of Paul Bomani. The formation of the umbrella organisation came up with broader objective that included the registration of co-operative societies.

The colonial authority in the WCGA saw the relevance of the idea, but it was hesitant fearing the rise of a political force that could be a threat to the establishment. In an attempt to frustrate and demoralise them from exerting further pressure for registration of co-operatives such by the colonial authority which insisted that cooperatives could not be registered because there was no co-operative officer who in principle was expected to control co-operatives from becoming political organisation. The delaying tactics were frustrating as far as growers and the LPGA leadership was concerned; but it was advantageous to the LPGA in its efforts to campaign and educate growers to join co-operatives as an alternative to cotton buyers. Unlike in Kagera and Kilimanjaro primary societies were first registered followed by secondary and apex organisation, the VFCU three years later. This shows how the cooperatives grew from below. This growth was an indication of positive response from growers and members that within six years the cotton buyers lost business. The growth of co-operatives might have been a political strategy in which every step had to be closely watched by the colonial authority to ensure that societies remained fragmented at grassroots level. This is illustrated by a refusal by the colonial authority to register the LPGA though it allowed it to carry some co-ordinations which was closely watched by the co-operative officer.

Nevertheless, this does not suggest that, the VFCU and its affiliated societies evaded the government's control as they were part and parcel of the cotton marketing mechanism in which the LSMB had an upper hand whereas the cooperatives were merely the Board's agents charged with cotton collecting from growers. When Tanzania attained independence in 1961, the government made an attempt to exploit the VFCUs to execute government plans that generated financial loss which was translated as misappropriation of funds; hence, its reorganisation that demonstrated the continuity and discontinuity policy towards the co-operative

movement and the ways political decisions influenced and undermined democratic member controlled organisation.

The following chapter provides an overall conclusion of this thesis.

## **CHAPTER SEVEN: CONCLUSION**

# 7.1: THE CO-OPERATIVE DEVELOPMENT POLICIES

This thesis is a historical study which examines the growth and development of cooperative movement in Tanzania from 1932 to 1982. Since its inception in 1932 has
proved important to the small-scale coffee and cotton producers as it provided them
with access to market for their produce. Importantly, it has also established the
economic importance to a successive Tanzanian authorities in generating revenue
from coffee and cotton exports. The perpetuation and encouragement of the cooperative movement was a success that by mid-1970s the co-operative movement
was the biggest in Africa and the oldest in East Africa. Despite such achievement, for
decades, the Tanzania co-operative movement history has received very little and
punctuated attention that this thesis attempts to fill the gap by drawing a new
knowledge regarding its growth and development.

This study has examined five histrorical phases of the Tanzania's co-operative movement. The study has revealed the significance unlike any other that, of the interlocking forces, policy and political decisions during all five phases that provided for the growth of co-operative movement during colonial and post-colonial periods. It has been shown that, the first phase that spanned between 1929 and 1931 there was the collective and co-ordinated policy and political decisions making among the colonial officials in collaboration with the CO that led to the promulgation of the co-operative legislation in 1932 and then training of Registrar in 1935. Under such co-ordinated policies an impetus was provided that led to the formation of co-operatives in Kilimanjaro that replaced the KNPA which was viewed by the colonial authority as a threat. Evidently, the development was driven by the political motivation mainly to suffocate the KNPA. However, this was a significant step in having not only the formation and registration of co-operatives at the behest of the colonial government but also, the coffee industry was placed under the control of the colonial authority.

However, this thesis has established that, the second phase was characterised by having policy decisions by some senior colonial officials that undermined or

distracted the implementation of the co-operative legislation and recommendations made by the Registrar. The officials stressed spontaneous growth of co-operatives was a viable policy. This failed because the growers lacked the knowledge; and the growers were deprived of government support where interest was obvious. This marked an era of the policy implementation inconsistencies. In many instances some of the colonial officials had excessive powers and utilised any options at their disposal either to accept or reject promote and form co-operative societies to serve small-scale growers. During the time the Registrar's position and functions were undermined by the CS who used his position and capacity to deliberately neglect the co-operative development policy. The CS did so by suggesting that, the Register recommendations such as setting up of the co-operative department, a union and recruitment of staff, which were envisaged to stimulate and create an enabling condition for the growth and development of co-operatives were contentious. This demonstrated that, the co-operative legislation was not binding and individual decisions were paramount and above the law. It also depicts that, the colonial authority made its own co-operative development policy useless. As a result, a slow, stunted growth and uneven development became evident during interwar period that persisted until late 1940s.

This thesis has highlighted a third phase that marked by a significant development that covers the post-war to the late colonial period. This was partly due to pressure from external forces and the Colonial Office in particular that paved for creation of a Co-operative Development Department, recruitment of staff and allocation of funds so as to promote co-operatives across the country. This was a significant step in addressing the effects of over a decade neglect. The phase coincided with critical economic difficulties that Britain was facing a resulted of its engagement in the war. Under such difficulties the colonial power had to intervene by unveiling the post-war colonial development policy. The war effects led to an increased pressure from colonial power to the colonies to increase production and promote co-operatives to facilitate marketing of the produce. The colonial power envisioned that the co-operative movement as one of the most important element is raising the standard of life the colonised. In invigorating economic development in the colonial power in an

attempt to resolve its ailing economy. Apparently, the growers and Tanzania agriculture industry as a whole was increasingly linked directly to address the colonial power's post-war economic reconstruction. Against the background, the existing co-operative societies had to be maintained and new ones had to be promoted in the course of enabling Britain to accelerate its access to export crops.

The development of co-operative movement was vital to facilitate crop handling from growers. Thus, a policy has to be brought in place to promote agriculture production and marketing of produced crops. In Tanzania was implemented under the African Agricultural (Control and Marketing) Ordinance, 1949 which immersed colonial power in control of crop marketing further. The legislation was not only a key prime mover but also necessitated for integration the growers through the co-operatives by setting up organisations as the BCU for Kagera coffee growers which like KNCU was granted exclusive monopoly to buy their coffee produce. The policy shift justified the top-down approach which was employed in the formation and registration at the behest of the colonial government with no regard to members' interests. The policy however, was a smokescreen incentive to growers as it was employed to encourage crop production and as a viable means for exploiting them so as in principle salvage Britain from economic difficulties. Such economic difficulties had to be tackled by a number of policies that comprised of the expansion the co-operative footprint in Tanzania and other colonies. This marked an end of an era of inconsistent policy in promoting co-operatives and clearly demonstrates that, the post-war British economic difficulties were a key facilitating factor to the policy shift. Obviously this was not in the interest of the growers, but was primary only to solve the British economic difficulties purposes and restore its economic powerproductive ability.

Despite the highlighted policy inconsistency during interwar period and a significant development after the war the co-operative movement was consistently entangled within Section 36 of the co-operative legislation as far as marketing policy is concerned. The Section provided for dictation of the native produced crop marketing policies. The Section overrides the co-operative the role of growers who were compelled to sell their products through the co-operatives. The policy was first and further reinforced by three policies, the 1934 Chagga Rule in Kilimanjaro. Other

legislations were the 1937 Native (control and marketing) Ordinance and the Defence Ordinance, Orders of 1939 and 1940; and the African Agricultural Products (Control and Marketing) Ordinance, 1949. The post-Chagga Rule policy formed the backbone of Tanzania crop marketing policies that reinforced the government's control over the co-operative movement and the native cash crop producers. The Defence Ordinance, Orders of 1939 and 1940 as well as the African Agricultural Products (Control and Marketing) Ordinance, 1949 were effectively used to address and dictate the British post-war colonial agricultural extraction resources policies, particularly small-scale produced coffee and cotton from Tanzania. In this regard, the KNCU and BCU were appointed by local marketing boards, the MNCB in Kilimanjaro and BNCB in Kagera to supply coffee to the Ministry of Food at a fixed quantity and price which was determined by the buyer so as it could maximise its revenue generation, particularly the dollar earnings; hence resolved the post-war sterling pound crisis. Clearly, the legislations provided for utilisation of co-operatives as the colonial power machinery in extracting resources and exploiting small-scale growers.

The study, unlike any other has provided a motivation behind a comprehensive continuity and change during the fourth phase whereby the marketing policies during the post-colonial era. Clearly, the post-colonial authority perpetuated the colonial policies in promoting co-operatives. It also perpetuated state intervention in produce marketing through state controlled marketing institutions so as to have a control over the agricultural export revenues provided under the 1962 and expand its tax collection base and sources. The policy was derived from the colonial the 1949 African Agricultural Products (Control and Marketing) Ordinance by renaming it as the National Agricultural Products Board (Control and Marketing) Act that monopolised agricultural product marketing by the state of which the co-operatives were appointed as agents. The new legislation, unlike the colonial ones incorporated the settlers and planters under the Africanisation of the economy policy.

The National Agricultural Products Board (Control and Marketing) Act scrapped the locally based native marketing boards and provided for the establishment of nation-wide boards. The legislation provided for scrapping of the natives boards which in

some way, under Section 36 of the co-operative legislation was brought into force as the settler produced crops were incorporated. This partly formed a stepping stone for the 1967 nationalisation of major means of production in which plantations were affected.

The control over the agricultural export was a continuation of the colonial policies that was characterised by intensified intervention over the co-operative movement by expanding the footprint so as to have a control over the rural economy envisaged to address social and regional imbalances; importantly, to realise the national development plans. This was implemented and achieved through political decisions and mechanisms. All these were achieved by amending and repealing co-operative legislations to provide for the political and economic purposes to facilitate to run the state. As a result, during independence the co-operative movement never attained the autonomous status just as during colonial rule.

The fifth phase was characterised by the realisation of the goals culminated in the strangling and restructuring and political control of the co-operative movement which became a political entity and part of the government machinery in extracting resources and controlling the small-scale growers and entire rural population. This depicted an increased politisation and infiltration of the movement's function to the extent of transforming them to become an integral part of the propagation of the socialist/ujamaa ideology particularly, the 1976 villagisation policy. Under the villagisation the co-operative movement was abolished. The established crop authorities were granted direct access to handle crops from growers. In essence, the colonial inherited marketing system overhaul and the government monopolised crop marketing and took over the function of the merchant.

This thesis has not only focused on the general policy aspect but also comprehensively looked at three major case studies, the KNCU which was formed in 1933, BCU in 1950 and VFCUS in 1955. The study has provided the analysis of their growth and development, and how they have been used by successive authorities for their own purposes and advantages. The time gap in the formation of the mentioned co-operatives is one of the most ignored aspect as there is a lack of

explanations in the existing literature. This was partly due to the colonial authority neglecting its own co-operative development policy.

By drawing the variations in the policy implementations the thesis has revealed inconsistencies regarding their growth from one case to the other. The policy implementations in the investigated cases has resolved the misconceptions, distortions and contradictions that are prevalent in the existing literature; thus, the revelations has filled, broadened and improved the knowledge gap about the cases. The KNCU and BCU were formed at the behest of the British colonial government in a move to control the native coffee industry. Whereas, the VFCUS growth which was the cotton apex marketing co-operative in the WCGA was bottom-up. The identified approaches have addressed a widespread distortions, misleading and contradicting conceptions in the existing literature. However, just as the KNCU and BCU they were all appointed as the agents of the local or/and specific crop control marketing boards in handling crops provided under the 1932 and the 1937 and 1949 marketing legislations. The study has shown as a result of the policy the co-operatives area of operation was essentially local and sometimes provincial in case of the VFCU. The confinement policy was also provided under the post-colonial 1968 co-operative legislation that confined the co-operative unions within a specific political and administrative boundaries. Under the confinement policy the Unions in the country were all not only confined within geographical boundaries but had to operate as part of the government machinery.

This study has ironed out the co-operative development policy aspect by addressing the misconceptions, distortions and contradictions that are prevalent in the existing literature. The study is of the opinion that, the Ismailia credit societies, and cop marketing societies, particularly NGOMAT and Bugufi which were formed in 1930s as well as the TCGA and Rungwe Co-operative Union which are by and large neglected in the existing literature. The mentioned societies aspect have been highlighted in this research however, their neglect provides the potential lines for further investigation primarily to get a more rounded picture of the policy and their growth and development. It is also important future research to consider a study that examines the extent the external agencies support to the co-operative movement

and co-operative education and training at the post-colonial era contributed to a sustained growth and development despite policy changes.

## 7.2: THE KILIMANJARO CO-OPERATIVE UNION

The evolution of the KNCU is presented in the existing literature as an overnight development. This study gone further by demonstrating how the KNCU evolved. It has clearly been shown that, it was imposed to growers by the colonial authorities. Again, the process was predominantly guided by political decisions designed to undermine the voluntary participation of growers in the process of building a cooperative organisation.

The KNCU emerged from the restructuring of the KNPA in 1932. Most of the authors demonstrate that, this was a smooth transition. Mostly, they do not take into account how and who was involved in the restructuring process. This study has shown, unlike any other, that, the restructuring was undertaken by the colonial government with approval from the CO and the growers were tricked by being falsified about the crisis that the KNPA was facing. Clearly, the restructuring and ultimate replacement of the KNPA was a political expedient solution to the challenges the colonial authority was facing from the Association. This was achieved through the legal mechanism by the passage of the co-operative ordinance in 1932 under cynical and deceitfulness circumstances deluding the growers as well as the CO which was consistently by pressurised on the urgency to approve the legislation. The urgency was geared towards placing the Association, growers and their produce, coffee under the control and was necessitated owing to its financial difficulties.

The restructuring and dismantling process of the KNPA was to some degree participatory but, it lacked transparency from the colonial authority. It was also maintained by the colonial authority that a change was necessary and the only viable solution to resolve the crisis. In so doing, the leadership, *wawakilishi* and members were made to believe by the colonial authority that status of the Association remains unchanged which was not the case. This was a strategy to ensure that the coffee

growers maintain allegiance largely to ensure that the KNCU have control over the native produced coffee and the KNPA lose access. This was envisaged to strengthen the KNCU economically and crippling the KNPA's economic ability which was implemented under Section 36 of the co-operative legislation by compelling growers to sell their produce to the KNCU and its affiliated societies and not to the KNPA. The KNPA was not declared illegal, but under the clause this implied it was null and void. All these are neglected by secondary sources. This thesis examines the policy and provided an analysis of its impact as it shows, in principle that, the policy was designed to control and monopolise the coffee marketing by the government through the co-operative movement. It has been demonstrated that, the section could not be employed until 1934 when a new and separate legislation, the Chagga Rule, which was a compulsory marketing policy was promulgated. The Rule provided KNCU monopoly over native-produced coffee in Kilimanjaro. The thesis, unlike any other source has revealed that, the legislations were employed by the colonial authority to ensure that KNCU became part of the government machinery for the control, organising the marketing of native produce. In examining its impact, the thesis clearly indicated that the Chagga Rule faced mixed responses from coffee growers following the decline of coffee price which led to widespread riots in 1937 that hardly documented in the existing literature.

By and large, the KNCU was not a democratic organisation as one expects. Its membership was compulsory membership perpetuated by Section 36 of the cooperative legislation and reinforced under the compulsory marketing legislations. It was out of the power that the KNCU emerged as the dominant and the unchallenged organisation with excessive government intervention through market monopoly legislations. This, clearly, depicts that without compulsion measures the KNCU was unlikely to survive; therefore, the government had to ensure its survival by all means demonstrating that its success was through use of force and compulsory marketing legislation. Under the legislation, the KNCU position was reinforced on one hand, but suppressed growers' interests of the other particular by having it appointed by the Board to handle all native produced coffee.

The KNCU position was further reinforced following the passage of the Native Coffee (Control and Marketing) 1937 Ordinance that empowered boards to appoint KNCU was the sole coffee handling agent of the MNCB; also under the Defence Ordinance and Orders of 1939 and 1940 which came into effect following the outbreak of the Second World War. Conversely, the existing literature justifies the legislations by portraying them as relationship or partnership building policies. This study has revealed that, under the legislations, the KNCU was obliged to play a central role in facilitating the bulk-purchase contract. The legislation reinforced the control over the native produced coffee throughout the war and post war periods. This was in principal placing coffee marketing under military and war orders by having the colonial authority in Tanzania utilising the KNCU and MNCB as its administrative machinery and as implementing agencies to provide for the supply of coffee which was compulsorily in fixed quantities throughout the period. Coffee was sold at low a price that was determined by the buyer, the British Ministry of Food which demonstrated the determination of the colonial power to extract cheap resources from the poor small scale growers. This was contrary to the British post-war commitment to welfare development on increasing income and social benefits aimed to raise the standard of life of the colonial subjects.

Following attainment of independence, the post-colonial government asserted its support to the co-operative movement as a major and the driving force in invigoration of rural development and economy of the country. This signified a continuation of the colonial policy in supporting the movement. The KNCU was used by post-colonial government during the phase of implementing Africanisation of the country's economy immediately after independence. This was a period when it was appointed as the NAPB agent in 1962. It also became important in the phase of implementation of socialist policy from 1967. The study has shown that, at this juncture, the KNCU was supposedly to function as a socialist organisation. This was a significant step in which the post-colonial government was committed to build a socialist state under which the co-operative movement in the country was to spearhead the drive towards such a direction in addressing social equality in the region.

It was obvious that, neither social equality nor socialist expectations were attained. As a result, the government introduced a new model, a village as a co-operative entity where growers had to work communally so as to stimulate equality and social progress that the western model failed to deliver owing to solely its focus to its members. All in all, the village co-operative model miserably failed as growers resisted. Consequently, the government was prompted to re-establish the western co-operative model as provided under the 1982 co-operative legislation that signified a step towards the abolition of a village as a co-operative model.

## 7.3: THE BUKOBA CO-OPERATIVE UNION

As pointed out in chapter 6 the historical development of the co-operative movement in Kagera region is scanty as far as secondary sources are concerned. Apparently, this is due to the fact that, historians have shown no interest in documenting it. This has created a critical knowledge gap that, this thesis has built a keen interest in exploring and utilising primary evidences that were accessed from the TNA and in the UK.

A limited secondary sources are in place that have, nonetheless, failed to trace coffee marketing policy historical roots, development and its impact on the cooperative movement in the region. They also failed to establish why was the cooperative movement in the region was overdue despite the fact that the British colonial administrators encouraged small-scale growers to grow coffee at the same time as in Kilimanjaro, but the natives did not manage to have a viable marketing organisation. Against the backdrop, this study generates from primary sources a new knowledge about the historical trends, power relations involved and interlocking policies by highlighting why the growth of co-operative movement was overdue and eventual the interventions by the colonial authority that led to the formation of the co-operatives in the region.

This study has established that Kagera did not attract settler as Kilimanjaro. This was so largely because of its remoteness. As a result of lack of competition the

natives were not in need of the organisation to protect themselves from any threat to the industry. An attempt to form coffee marketing organisations, like the NGA in the mid-1930s was by and large prompted by individual's personal entrepreneurial interests. As in Kilimanjaro they could be exploited by the colonial authority as a platform towards encouragement of the co-operative movement in the region.

The evidence presented in this thesis, unlike any other source shows that, the colonial policy neglected the natural growth of co-operatives like the NGA because it was viewed to pose a threat to the establishment and likely to disrupt Indian businesses. This was a complete degradation of the interest spontaneous co-operative society growth attempt and discard of the early co-operative impulses. None of the literature has shown why the embryonic societies could not be transformed but some maintains the colonial description that the Association was involved coffee riots in 1937 that warranted the colonial authority to abolish it.

The monopoly that the BNCB had over the handling of the native produced coffee as well as the Defence Ordinance and Orders of 1939 and 1940 employed during the post-war era reinforced the board's position that it employed to undermine attempt to form co-operatives. The policy and board's official's attitude against co-operatives had a serious detrimental effect in the development of co-operative movement in Kagera. However, the existing literature has tended to view the BNCB as a supportive instrument towards the course. The study has established that the BNCB was instrumental towards the course following the repeal of its monopolistic policy in 1949 that compelled the board to promote the co-operative movement that laid a concrete foundation not only to the Registrar but also, the BNCB to promote the co-operative in Kagera region.

The study has revealed, however, that, the policy implementation has been impractical since the colonial authority created legal conditions without the growers/local initiatives and preparedness. This emanated from licensing natives to purchase coffee. Against the background, there was no struggle and class conflict

for the native access in coffee marketing as a result, there was a lack of interest from the majority of growers to form co-operative societies as purported by some authors. The colonial authority had to take an interest on their behalf by stimulating an interest. However, the strategy proved difficult. Hence, the colonial authority took a responsibility to form and impose co-operative societies to members who were not well prepared. Such intervention approach demonstrates the co-operative societies did not organically grow as were not demanded by the growers. Understandably, the BCU emerged through the top-down in which it was imposed by the colonial authority to growers. This was also for the managerial positions appointed by the Governor to manage the BCU on behalf of the colonial authority. This depicts that, the BCU was an extended arm of the government. Such appointments were clearly political despite the fact that the appointees were qualified co-operative officers. Under such circumstance the BCU did not emerge from the reorganisation of the NGA as suggested in some existing literature.

The imposition of the BCU and its affiliated co-operative societies to coffee growers manifested in the emergence of the BPCA in Kimwani Chiefdom of Biharamulo which was committed to handle coffee grown by natives. Nevertheless, the colonial authority declined its registration. As the BCPA emerged as a threat the BCU was granted a monopoly on the coffee marketing provided under the compulsion legislation. Consequently, a voluntary element was undermined and clearly indicates that the colonial authority was not in favour of free coffee trade by providing the BCU with monopolistic and protectionist policy. It demonstrates also that, any attempt for the spontaneous emergence of coffee marketing organisation was not accommodated and tolerated by the colonial authority.

The intolerance of spontaneous emerged organisation which are free from colonial authority control in coffee marketing witnessed an escalation in 1950s of coffee smuggling in the region. The traders were involved in smuggling. This suggests that they were not ready to offer their trading skills and knowledge to co-operatives, but to resist that was demonstrated by black marketing. It also illustrates that, the

problem was not lack of enthusiasm for co-operatives, but the growers were comfortable with the pre-co-operative marketing system.

Interestingly, when Tanzania achieved independence the colonial policies were further extended. The BCU was from that effect utilised by the post-colonial government to realise the same goals which were extraction of coffee revenue from growers. In general terms, the co-operatives were meant to handle crops that were exported by government marketing boards. To this effect, the governments strengthened the administrative apparatus responsible for co-operation, adjusted the co-operative legislation to fit the new era. But the approach employed was the same as one used by the colonial authority.

During the post - independence period the colonial model pattern of co-operation was adjusted supposedly more appropriate to the specific national context, for example, the BCU was forced to amalgamate with all co-operatives in the region and were supposed to implement ideological goals provided under the ArD. These were macro national and political goals that the co-operative movement was supposed to meet. At this stage, the BCU and its affiliated societies ceased to function as organisations which were owned by the members. They also supposed to implement national policies and party, then TANU ideals. Thus, their functions were step by step were being taken over from the members for national and TANU interests.

The takeover of the BCU and its affiliated societies, for example, amalgamation was an attempt by both the government and TANU was meant to inflict a sense of regional co-operative union unity through the co-operative movement. Such unity, which was the regional co-operative union, might have been a stepping stone in engaging the members into the socialist oriented organisation. Nevertheless, the attempt failed as demonstrated by the abolition of the movement and creation of the new model, the village as a co-operative society.

Yet, the village was short of qualification as a co-operative society as it lacked key economic and social development drivers embedded under the co-operative values. The village lacked policies oriented towards the promotion and expansion of

business, but merely to inculcate the socialist ideology on the one hand; and hampered the development of a concerted economic strategy which is a core tradition of the co-operative movement on the other. Hence, a failure, of an attempt to employ as a co-operative movement model that resulted in reinstatement of the western co-operative organisation model in 1982.

#### 7.4: THE VICTORIA FEDERATION OF CO-OPERATIVE UNIONS

This thesis has comprehensively shown the development of the cotton industry in the WCGA. It has been illustrated that, when the British took over Tanzania it encouraged cotton cultivation among small-scale growers in the WCGA. The colonial, BCGA and later ECGC were charged with task cotton development mainly on farming practices, policy development and implementation, research and expertise; and native authorities were charged with enforcing cultivation of the crop. Since the natives proved financially capable; yet, they had not expertise in cotton marketing. The Asian cotton merchants were encouraged by the colonial authority to invest in the industry to invest in the industry largely because they had the expertise and qualified as were had capital for purchase of cotton, processing (ginning) and export; ultimately they had a control and monopoly created through a series of cotton marketing legislations and regulations were put in place by the colonial authority in an attempt to create viable business monopolistic environment for the merchants. The effects of such monopoly contributed to an endless cheating of growers. All this, purposefully created a specialised functions envisaged to stimulate and to ensure that the cotton industry is successful. The specialisations mentioned have all along treated separately in the existing literature that generates difficulty in seeing the linkages between one and the other and how the power relations involved in the power relations involved led to the emergence of the co-operative movement in the WCGA.

The specialisation generated power relations under which the natives were recognised natives core cotton producers. The colonial authority was set up and enforcing marketing policies and of course prices favourable to investors. The marketing policies created a monopolistic business environment for the merchants

that resulted in difficulty in the rise or promotion of the co-operatives before and after the Second World War. Clearly, under the policies the opportunities for the growers to penetrate the marketing and processing became more and more limited. Most of the existing literature places more emphasis and capitalises on the colonial justification which revolved around lack of capital, experience and illiteracy that the growers were side-lined. However, the growers their engagement in production warranted them entry in marketing that led to several entry attempts characterised by numerous and diversified interest groups into cotton marketing highlighted in the thesis; but snubbed and translated by the colonial authority as an attempt to fuel troubles.

This thesis has illustrated such attempts in Geita, Ukerewe district were not coordinated and each had varied objectives. The earliest attempt to form cotton marketing societies in the WCGA was engineered by Chief Mgemela of Bakwimba was rejected by the colonial authority. A limited number of authors have pointed out such an attempt. However, has not been able to establish why an attempt failed to materialise. This thesis has managed to expand the findings further by presenting evidence which shows that, the DC who received an application from the Chief rejected the idea. The DC discouraged the Chief from pursuing the project further by misleading him that a co-operative society plays the same function as the NA thus, having it in place was not necessary and would be a duplication of activities and will squeeze down the revenue collection.

Unlike existing literature, this study has established step-by-step and interlocking policies regarding the discouragement attempts to form a co-operative society was by and large temporary, but was further distracted under the Defence Ordinance and Orders of 1939 and 1940. The Defence Ordinance and Orders were brought in place following the outbreak of Second World War in 1939 when cotton marketing monopoly was placed under the Cotton Exporter Group; thus, the restriction was in place for any other organisation to operate under emergency circumstances.

The thesis has shown also that, the Defence Ordinance and Orders were employed along compulsory measure to produce cotton by the colonial authority in the WCGA following the outbreak and after the Second World War in which growers positively responded. However, these were years when cheating of growers by cotton traders was extremely high and widespread by and large owing to the monopoly they had. It is obvious that traders took advantage to sabotage the government's initiatives. The growers had to respond to poor response over cheating practices from the colonial authority. The overexploitation of growers intensified hostility against the traders and desire to address the problem so as they could benefit from their work that practices that gave rise to the *mabebete* and *avapimi va magafu* in the 1940s to curb cheating practices.

The existing literature simply treated the *mabebete* and *avapimi va magafu* as just cotton weighing groups. These groups have extensively documented as far as control of cotton purchase cheating is concerned. However, most of the researches have failed to show their significance as they treat them in isolation as far as the cotton industry and growth of the co-operative movement in the WCGA. Some of the authors snubbed them and labelled them as illiterate trouble makers who also cheated the growers by using defect weighing scales. This study has proven that fills the knowledge vacuum. The confidence vested in these groups in arresting cheating practices was one of the factors that kept on motivating growers to keep on producing cotton because, they managed to minimised and in some areas was put in check. Importantly, the vested confidence laid a ground for the rise of interest among the growers to embrace the co-operative movement.

The *mabebete* and *avapimi va magafu* were not only grassroots groups that emerged in the WCGA during post-war years. Numerous and diversified other interest groups emerged primarily to protect the interest of cotton growers. The most prominent was consumer co-operative society, the MATCS which had members and branches across the WCGA. However, there is a tendency in the existing literature to down play the MATCS. Most of the research has ignored its role as an organisation by placing more emphasis and discussion around MATCS employees or profiling

individuals, particularly Paul Bomani in exerting pressure to the colonial authority to promote and register co-operative societies in the WCGA. This undermines the commitment of the MATCS committee to use the organisation as a stepping stone towards transformation of the cotton marketing in the WCGA.

This study has presented a new development regarding the MATCS rejection in its attempt to market cotton by the colonial authority because that would be a cultivation of chaos policy. It was out of the frustration, it was ultimately transformed into a vibrant pressing force in policy changes, by and large that led to the formation of the largest co-operative movement in Tanzania. The rejection of the MATCS into cotton marketing triggered its transformation into the LPGA.

The formation of the LPGA emerged as galvanising organisation of the cotton growers throughout the WCGA. For example, it managed to bring similar groups from all districts under its umbrella. The unity created under the LPGA formed a formidable force in pressurising the colonial authority to promote the co-operative movement in the WCGA. The LPGA managed to defeat the colonial authority attempts to frustrate and demoralise them from exerting further pressure for registration of co-operatives. Having placed the Registrar of co-operatives under constant pressure he deployed the officer who initiated the formation and registration of co-operative societies in 1953, then secondary societies and apex organisation, the VFCUS in 1955 that successfully managed to shift and wrestle power from Indian cotton traders in the favour of growers and the co-operative movement. These developments and activism came at a time when growers were readily prepared to embrace and exploit a change. The success was generated through their collective strength, and co-operative power and relationship which was created by entire hierarchy from primary to secondary and apex societies with a foundation that was erected by the mabebete and avapimi va magafu.

The explained development in the WCGA was unique as far as the growth of cooperative movement history in Tanzania is concerned. Nonetheless, most of the authors misleads by asserting that, the process was stimulated by the colonial authority. However, this study concurs that, in some respect the colonial authority played part, for example, in Geita district, but the LPGA played a key role in the whole process. The evidence shows that, the process emerged from the grassroots, but faced a number of obstructions from colonial officials who abused their position by snubbing and backtracking the initiatives. In this regard, the study has demonstrated that, the process was a bottom-up approach in the WCGA.

However, the bottom-up approach growth does not suggest that, the VFCU and its affiliated secondary and primary societies evaded the government's control as they were part and parcel of the cotton marketing mechanism in which the LSMB had an upper hand whereas the co-operatives were merely the Board's agents charged with cotton collecting from growers. Some literature that has taken an interest in the history of the co-operative movement in the WCGA is of the opinion that, the appointment of the VFCUS was a reflection of its business success. This study has clearly shown that such contention is bias, misleading and failure to understand the fact that, under cotton marketing legislation the co-operatives were merely crop handling agents as the LSMB had monopoly powers over control and used its jurisdiction powers to appoint the co-operatives in the WCGA as its cotton handling agencies. This was facilitated both, the colonial and post-colonial government access over the control over export earnings. For example, under the policy, the post-colonial authority had access to 90 per cent of cotton produced in the country and the revenue generation that signified its strategic and economic importance.

The economic significance of the cotton industry prompted a political control of the VFCUS. Clearly, the takeover of the VFCUS in 1968 by the post-colonial authority was taken seriously under the malpractices allegations by installing its own manager. In overview this can be translated as a measure taken when it was felt that the practices were jeopardising the economic interest of the country. This might have also been a deliberate move to undermine the VFCUS economic power amid implementation of the ArD economic nationalisation policy. However, many authors became the government's mouthpiece in defending unfounded corruption practices

that prompted the dissolution of the VFCUS and played down a desire and the interest to have direct access to revenues generated from the largest cotton producing area in the country.

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**APPENDICES** 

# Appendix 1a: A list of Interviewees and Group Discussions in Kilimanjaro Region and Dar Es Salaam

Mzee Phillip Tesha	Ex-manager KNCU	Uru Village	October 22 <sup>nd</sup> 2012
Emanuel Kitely Mbowe	Co-operator	Mulama, Lyamungo	October 24 <sup>th</sup> 2012
Joseph Mchomba	Co-operator	Mulama, Lyamungo	October 24 <sup>th</sup> 2012
John Joseph Munishi	Co-operator	Mulama, Lyamungo	October 24 <sup>th</sup> 2012
Sam Mshiu	Co-operator		
Edwin Mtei	Ex-Governor Bank of Tanzania and Minister of Finance, currently member of opposition political party CHADEMA		March 14 <sup>th</sup> 2014
George Kahama	Ex-manager BCU, member of LEGCO, Minister, Ambassador	Dar Es Salaam	27 <sup>th</sup> November 2012

Source: S.M.L. Seimu (2012 and 2014)

Appendix 1b: A list of Interviewees and Group Discussions in Kagera Region

Name	Occupation	Place	Date
Gabriel Kagaruki	Ex-Moshi co-op college Principal, excommissioner of Co-operative development	Bukoba Municipality	November 8 <sup>th</sup> , 10 <sup>th</sup> and 11 <sup>th</sup> 2012
Pius Ngeze	Author, Politician	Bukoba Municipality	November 5 <sup>th</sup> 2012
Josephat Rwakatare	Coffee growers, co-operator	Kitendaguro, Bukoba	November 9 <sup>th</sup> 2012
Godwin Ruguma	Coffee growers, co-operator	Kitendaguro, Bukoba	November 9 <sup>th</sup> 2012
Charles Rugachwa	Coffee growers, co-operator	Kitendaguro, Bukoba	November 9 <sup>th</sup> 2012
Michael Mwombeki Bagyukura	Coffee growers, co-operator	Kitendaguro, Bukoba	November 9 <sup>th</sup> 2012
Festo Gataya	KCU employee	KCU, Bukoba Municipality	November 8 <sup>th</sup> 2012
Edmund Zakayo	MA student MUCCoBS	•	March 10 <sup>th</sup> 2014

Source: S.M.L. Seimu (2012 and 2014)

Appendix 1c: A list of Interviewees and Group Discussions in WCGA

Festo Ganzila	Ex-manager Bugerebe Growers Co-operative Union	Kirumba, M City	lwanza	October 29 <sup>th</sup> 2012
E.Y. Masele	Ex-Manager Nyanza Co-operative Union		lwanza	October 30 <sup>th</sup> 2012
John Richard Madata	Ex-Auditor, VFCUS and VUASU	Nyamagana, My City	lwanza	October 30 <sup>th</sup> 2012
Kulwa King Nangale	Co-operator	Ngulinguli V Maswa	∕illage,	November 13 <sup>th</sup> 2012
Magaka Majingwa	Co-operator	Ngulinguli V Maswa	∕illage,	November 13 <sup>th</sup> 2012
Michael Yonga	Co-operator	Shinyanga Municipality		November 30 <sup>th</sup> 2012
Thomas Ntegwa	Co-operator	Shinyanga Municipality		November 12 <sup>th</sup> 2012
John Singu	Co-operator	Shinyanga Municipality		November 12 <sup>th</sup> 2012
Peter Sondo	Co-operator	Shinyanga Municipality		November 12 <sup>th</sup> 2012
John Joseph Kabado	Co-operator	Shinyanga Municipality		November 12 <sup>th</sup> 2012
Jonathan Bomani	Ex-VFCUS staff	Kirumba, Mwanz City	za	November 16 <sup>th</sup> 2012

Source: S.M.L. Seimu (2012 and 2014)

Appendix 2: Cotton Bales sold by Ginners in the WCGA from 1935 – 1946 (each bale had 400 lbs.)

F F									•			<u>,                                      </u>
Zones	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946
Nassa	5,212	5,755	3,137	1,700	5,717	5,708	4,859	3,253	2,844	2,242	3,814	4,220
Nyambiti	3,078	5,074	2,764	1,429	4,336	4,257	4,235	2,562	2,515	2,121	3,520	3,665
Malampaka	2,507	4,274	3,539	3,905	6,599	6,340	6,969	4,657	1,550	250	3,033	1,067
Ihale	3,870	2,808	1,848	909	2,870	3,349	3,831	2,414	1,751	1,185	1,902	2,830
Bukumbi	2,611	3,836	2,527	2,240	1,924	2,972	2,625	1,560	1,018	405	1,417	1,335
Mwanza	7,373	5,362	4,222	2,073	3,648	4,579	4,139	2,953	2,795	1,404	2,472	2,670
Pambani	4,582	3,743	2,557	2,620	3,448	3,054	3,3446	1,441	1,342	410	3,081	3,385
Usogore	4,620	5,137	4,974	2,943	4,407	4,757	9,046	6,705	4,183	863	4,590	1,235
Murutunguru	3,871	3,997	2,968	1,706	5,021	4,708	5,081	2,171	3,151	4,076	4,035	5,900
Mugango	1,501	2,302	1,580	488	1,703	774	2,002	1,102	590	749	2,063	2,900
Buchenzi						775	3,882	1,932	2,303	2,081	2,983	3,510
Luguru								2,971	761	1,385	2,468	1,100
Total	39,226	42,288	30,116	20,103	39,643	40,273	50,115	33,721	24,713	17,171	35,378	33,817

Source: TNA 215/1423/A, Cotton Marketing

Appendix 3a: Societies Affiliated to Ngoni- Matengo Co-operative Marketing Union Ltd., Reg No 27, 1936

Number	year of registration	Name of society
24	1936	Ndirima
23	1936	Liula
26	1936	Msindo
29	1937	Matogoro
30	1937	Namtumbo
31	1937	Likuyu(Fusse)
32	1937	Litola
33	1937	Lipamba
34	1937	Mbinga
35	1937	Lumecha
36	1937	Gumbiro
40	1938	Mlali
49	1938	Mbangamawo
50	1938	Tingi
53	1941	Ligera
66	1947	Lusewa
79	1947	Mbinga coffee Growers' Coop. Society Ltd.

Appendix 3b: Interwar and Post-war Registered Consumer Co-operative Societies

61	1946	Mwanza African Traders' Co-operative Society
59	1946	Dodoma Cooperative Society Ltd.
52	1941	Chagga Transporters Cooperative Society Ltd.

Appendix 3c: interwar Registered Credit Co-operative Societies

41	1938	Ismailia Coop Society Limited, Mwanza	
38	1938	Tanganyika Ismailia Coop Society Ltd.	
42	1938	Tanga Ismailia Cooperative Society Ltd.	
42	1938	Tanga Ismailia Cooperative Society Ltd.	

Appendix 3d: Post-war Registered Co-operative Societies

62	1946	Moshi Union Growers' Co-op Society Limited
56	1945	Tanganyika Coffee Growers' Association Ltd.
60	1946	Northern Province Farmers' Cooperative Society Limited.
67	1947	Unyiha Coffee Growers' Coop. Society Ltd.
68	1947	Mwakaeli Coffee Growers' Coop. Society Ltd.
69	1947	Suma Coffee Growers' Coop. Society Ltd.
70	1947	Masebe Coffee Growers' Coop. Society Ltd.
71	1947	Katumba Coffee Growers' Coop. Society Ltd.
72	1947	Kiwira Rungwe Coffee
73	1947	Itete Paddy Growers' Coop. Society Ltd.
74	1947	Kilwa Paddy Growers' Coop. Society Ltd.
75	1947	Mwaya Paddy Growers' Coop. Society Ltd.
76	1947	Ndamba Paddy Growers' Coop. Society Ltd.

Appendix 3e: the War and Post-war Registered Co-operative Societies

55	1945	East African Co-operative Trading Co-operative Society
58	1946	Tanganyika Co-operative Trading Co-operative Society
63	1946	Tanga African Cooperative stores Ltd.
57	1946	Chagga Traders' Cooperative Society Ltd.
52	1941	Chagga Transporters Cooperative Society Ltd.

Appendix 4a: KNPA's Wawakilishi, Members, Number of Coffee Trees and Acreage

Names	Locations	Growers	Coffee trees	Square yards	Acres
Simon	Kibong'oto	198	29597	133186.5	27.2283.5
Ruben	Masama	1128	632013	2844056.5	587.4378.5
Baranabas	Machame	1694	746467	3372331.5	696.3891.5
Alphonce	Kindi	111	42255	192847.5	39.4087.5
Stanslaus	Kibosho	1579	2062001	9276018	1917.738
Bernard	Uru	1005	416151	1885179.5	389.4839.5
Petro	Mbokomu	568	78482	104800	21.3210
Elisa	Old Moshi	568	78482	353169	72.4580
Alphonce	Kirua Vunjo	874	237610	1079245	26.3481
Jacob	Kilema	1010	324745	14613352.5	3019.2785.5
Ndesanjo	Mamba	686	182710	821195	169.3235
Zebedayo	Mwika	574	85269	3882110.5	81.1511.5
Michael	Mengwe	53	10413	46858.5	9.6597.5
J. Maringa	Keni R	168	32300	145350	30.150
Victori	Mkuu	260	394225	877413	35.1013
Masika Nganisho and M. Ndemasi	Mrao	27	5402	24309	5.109
A.Kirita	Kirua R	190	2308	58270	12.190
Karisia	Mashati	31	3912	17604	3.3054
Inyasi	Olele	57	2440	10880	2.1300
Bernard	Useri	85	1058	4761	0.4761
Athumani	Usangi p	255	46246	208107	42.4827
Ahemeleki	Ugweno P	85	12840	57780	11.4540
Simon	Gonja S.P	125	25226	113530.5	23.2210.5
Total		12025	5949902	40482343.5	8064.2590.5

Source: TNA 19126, Minutes of KNPA June 8<sup>th</sup> 1930

Appendix 4b: The KNPA's Committee members

Committee membe	rs	Secretaries	
Name	Locations	Name	Locations
Mohamed Mita	Marangu	Simon	Kibong'oto
Ndaskoi Matinga	Machame	Ruben Swai	Masama
Sawaya Mawala	Marangu	Barnabas	Masama
Tobia Lema	Machame	Aliphonce	Kindi
Johanes Elaika	Uru	Stanslaus	Kibosho
Wihelm Kesi	Kirua Vunjo	Bernard	Uru
Anton Moshi	Old Moshi	Petro	Mokomu
Petro Masamu	Old Moshi	Eliza	Old Moshi
Sefania Mbua	Machame	Aliphonce	Kirua
Josefu Kendo	Masama	Anton Masaia	Kilema
Nderingo Ngula	Masama	Alois nde	Marangu
Hadji Ahamadi	Masama	Ngiya Mongi	Marangu
Sebastian Kisinde	Kibosho	Ndesanjo	Mamba
Kayus	Kiboho	Zebedayo	Mwika
Manase Kawishe	Mamba	Merinyo	Keni
Pauli Ngotio	Kilema	Pento Nau	Mkuu
Phillip Kibebe	Kirua Vunjo	Karisia	Mashati
Noe Minja	Marangu	Bernard	Useri
Josefu Ndekimo	Kilema	Elmeleki	Ugweno (Pare)
Jacobo	Mbokomu	Athumani	Usangi (Pare)
Merinyo Shirima	Keni and Rombo		

Source: TNA 19126, Minutes of KNPA, June 8<sup>th</sup> 1930

Appendix 4c: The KNPA's Committee members in attendance to Pennington meeting

Committee members		Secretaries	
Name	Locations	Name	Locations
Bernard Swai	Kibong'oto	Ruben Swai	Kibong'oto
Barnabas Swai	Machame	Barnabas	Machame
Stanlaus Madicha	Kibosho	Stanslaus Madicha	Kibosho
Bernard Lemunge	Uru	Bernard Lemunge	Uru
Petro Mangalili	Mbokomu	Stanslaus Madicha	Kibosho
Wihelm Selekio	Kirua Vunjo	Bernard Lemunge	Uru
Eliza Macha Olutu	Old Moshi	Petro Masngalili	Mbokomu
Aliphonce Ndekio	Kirua	Eliza Macha Olotu	Old Moshi
Jacobo Ndeiya	Kirua Kilema	Aliphonce Ndekito	Kirua Vunjo
Ndesayo Shayo	Mamba	Anton Masaia	Kilema
Alois Ndekiria	Masama	Alois Ndekuria	Marangu
Zebedayo Mawase	Mwika		
Mohamed Mita	Marangu		
Josefu Ndekimo	Kilema		
Hadji Ahamadi	Masama		
Karugha Kitambachuo	Marangu		
David Moshi	Machame		
Shadrak Gidion	Machame		
Josefu Kendo	Masama		
George Koromia	Machame		
Sebastian Kisinde	Kibosho		
Ngoiya Mongi	Marangu		
Johanes Ndesika	Uru		
Bonaventura	Kirua Vunjo		
Antoni Masaia	Kilema		
Faraji	Machame		
Wilheim Salekio	Kirua Vunjo		
Wilheim Mrekereke	Mkuu Rombo		

Source: TNA 19126, Minutes of KNPA, November 4<sup>th</sup> 1930

# Appendix 5: Terms of Reference of the Committee on formation of Cooperatives in Tanzania (1930)

- To consider the kinds of the agricultural produce, both native and non-native, including the products of the animal husbandry, which are produced in the territory and appear to be such as may advantageous be dealt with by a central or local marketing organisation.
- 2. To examine the question of inspection before marketing, or other measures designed to raise the quality of such produce and to afford to buyers a guarantee of quality.
- 3. To investigate actual and potential markets for such produce, their present consuming capacity and the probability of expansion.
- 4. To examine the present system of distribution for local consumption and shipment of such produce.
- 5. To consider the advisability of establishing a marketing organisation, either on a co-operative basis or otherwise for all or any of such produce, and the extent, if any, to which such organisation should be under Government control.
- 6. To advise upon the steps which should be taken to give effect to any recommendations which may be made, and particularly to examine the method of providing such financial assistance as may be required either from public funds, from the producers, or otherwise, and to furnish estimates of the revenue which may be expected in each case, and of the total sums involved
  - a) For capital expenditure
  - b) For annually recurrent expenses, and to make recommendations

#### Appendix 6: The objects of the societies affiliated to the KNCU

The objects of the societies affiliated to the KNCU are to promote the economic interests of the members in accordance with cooperative principles and are particularly;-

- To arrange the delivery of the produce of members of the society for marketing through the KNCU in such manner as shall be decided by the union, and to that end to provide services including factories, storage accommodation and transport as may be required
- 2. To do all things may be necessary for the care of the plantations of members and for the prevention and eradication of pests and diseases of crops and animals as required by the KNCU
- 3. To receive and bulk the orders of members for seed agricultural and building requirements and arrange their purchase through the KNCU
- 4. To receive deposits of members on behalf of the KNCU and to repay them when ordered by the union

- 5. To advance loans if necessary to members on the security of their produce delivered to the society god owns.
- 6. To encourage in the members' the spirit and practice of thrift mutual help and self help

# Appendix 6a: The KNCU Membership

- 5. The Members Shall Consist Of; 996
  - a) Registered Societies Who Join In The Application For Registration;
  - b) Registered Societies Affiliated In Accordance With The By-Laws

# Appendix 6b: The Objects of the Societies Affiliated to the KNCU

The objects of the societies affiliated to the KNCU are to promote the economic interests of the members in accordance with cooperative principles and are particularly;-

- 7. To arrange the delivery of the produce of members of the society for marketing through the KNCU in such manner as shall be decided by the union, and to that end to provide services including factories, storage accommodation and transport as may be required
- 8. To do all things may be necessary for the care of the plantations of members and for the prevention and eradication of pests and diseases of crops and animals as required by the KNCU
- 9. To receive and bulk the orders of members for seed agricultural and building requirements and arrange their purchase through the KNCU
- 10. To receive deposits of members on behalf of the KNCU and to repay them when ordered by the union
- 11. To advance loans if necessary to members on the security of their produce delivered to the society god owns.
- 12. To encourage in the members' the spirit and practice of thrift mutual help and self help

<sup>&</sup>lt;sup>996</sup> The By-laws of the KNCU and affiliated societies. (Dar Es Salaam: Tanganyika Standard, 1932), p.2.

#### **Appendix 7: The Native Authority Ordinance (The Chagga Rules)**

#### Coffee (Moshi District) Rules, 1934

In exercise of the powers conferred upon Native Authorities by Section 15 of the Native Authority Ordinance, the following rules are hereby made:

- 1. These rules may be cited as the Coffee (Moshi District) Rules, 1934 and shall apply to Moshi District. They shall come into force on the first day of ....193...
- Every native planter of coffee shall market his crop through the Kilimanjaro Co-operative Union and for this purpose deliver his crop at such place as the Union require
- 3. Any person who contravenes any of the provisions of the rules shall be liable to a fine not exceeding one hundred shillings or default of payment to imprisonment of either description for a period not exceeding one month for a first offence, and for subsequent offences to fine not exceeding shs 200/- or to imprisonment of either description for a period not exceeding two months, or both fine and imprisonment.

Appendix 8a: The Primary Co-operative Societies Affiliated to the KNCU (registered in 1930s)

1930s)			
Reg. No	Name of a Society	Date of registration	
1	Kibong'oto Co-operative Society Limited		1.1.1933
9	Machame Lyamungo Co-operative Society Limited		1.1.1933
8	Kibosho West Co-operative Society Limited		1.1.1933
7	Kibosho East Co-operative Society Limited		1.1.1933
19	Uru South Co-operative Society Limited		7.12.1934
14	Uru East Co-operative Society Limited		1.1.1933
6	Mbokomu Co-operative Society Limited		1.1.1933
5	Old Moshi Co-operative Society Limited		1.1.1933
4	Kirua Vunjo West Co-operative Society Limited		1.1.1933
434	Kirua Vunjo East Co-operative Society Limited		26.7.1939
20	Marangu West Co-operative Society Limited		1.1.1933
18	Marangu East Co-operative Society Limited		1.1.1933
2	Mamba Co-operative Society Limited		1.1.1933
21	Mwika West Co-operative Society Limited		1.1.1933
44	Mkuu Central Co-operative Society		26.7.1939
48	Useri Co-operative Society Limited		1.7.1939

Source: KNCU Annual Report 1957 – 1958 and 1958 – 1959

Appendix 8b: The Primary Co-operative Societies Affiliated to the KNCU (registered in 1940s)

19405)		
Reg. No	Name of a Society	Date of registration
54	Kibosho central Co-operative Society Limited	28.9.1944
87	Machamne Lemira Co-operative Society Limited	23.12.1948
88	Masama Mula Co-operative Society Limited	23.12.1948
64	Machame North Co-operative Society Limited	12.2.1947
65	Machame South Co-operative Society Limited	12.2.1947
77	Mraoakairua and Mrere Co-operative Society Limited	1.7.1947
78	Mashati Olele Co-operative Society Limited	1.7.1947

Source: KNCU Annual Report 1957 – 1958 and 1958 – 1959

Appendix 8c: The Primary Co-operative Societies Affiliated to the KNCU (registered in 1950s)

19305)		
Reg. No	Name of a Society	Date of registration
146	New Mwika East Co-operative Society Limited	2.1.1951
147	Keni Mamsera Co-operative Society Limited	2.1.1951
22	Mengwe Co-operative Society Limited	2.1.1951
151	Kilema North Co-operative Society Limited	15.8.1951
152	Kirua South Co-operative Society Limited	15.8.1951
202	Mkuu East Co-operative Society Limited	
219	Machame Narumu Co-operative Society Limited	19.10.1953
449	Masama Roo Co-operative Society Limited	11.5.1957
448	Masama Sonu Co-operative Society Limited	11.5.1957
332	MasamaSawe Co-operative Society Limited	1.9.1955
333	Machame Shari Co-operative Society Limited	1.9.1955
331	MachameUswaa Co-operative Society Limited	1.9.1955
542	Kibosho Kirima Boro Co-operative Society Limited	25.4.1958
430	Kibosho Mweka Sungu Co-operative Society Limited	5.7.1956
191	Uru North Limited	10.6.1953

Source: KNCU Annual Report 1957 – 1958 and 1958 – 1959

# Appendix 9a: KNCU Membership and Coffee Trees by 1937

Society	Members	Number of coffee trees
Kibongoto	441	127,653
Machame West	2,173	878,472
Machame East	1,105	647,392
Machame Central	1,779	904,723
Kibosh West	920	519,555
Kibosh East	2,045	787,642
Uru West	1,299	1,060,110
Uru East	646	240,953
Mbokomu	392	147,968
Old-Moshi	852	206,016
KiruaVunjo West	569	318,768
KiruaVunjo East	591	500,858
Kilema	1,227	478,817
Marangu West	892	205,429
Marangu East	900	355,389
Mamba	1,225	600,862
Mwika West	460	128,279
Mwika East	855	395,867
Mengwe	335	60,738
Keni – Mriti	623	139,570
Mkuu	727	140,367
Mrao	192	46,848
Kirua Rombo	333	215,306
Mrere	366	66,588
Mashati	188	34,907
Olele	174	15,494
Usseri	428	46,424
Total	21,737	9,270,996

Source: Tanganyika Territory, LEGCO, A report on the Kilimanjaro Native Co-operative Union, (Dar Es Salaam, Government Printer, (1937),p.46.

Appendix 9b: Membership of the KNCU's Affiliated Societies by June 1947

Registration Number	Society	Members
1	Kibong'oto	760
11	Machame West	2,803
9	Machame East	1,644
10	Machame Central	1,779
8	Kibosho West	1,083
7	Kibosho East	1,168
16	Uru West	1,726
12	Uru East	743
6	Mbokomu	420
5	Old Moshi	867
4	Kirua Vunjo West	729
3	Kilema	1,589
17	Marangu West	1,213
15	Marangu East	1,402
2	Mamba	1,266
18	Mwika West	595
14	Mwika East	1,104
19	Mengwe	632
13	Keni-Mriti	963

Source: TNA 5/976: Co-operative Development Reports, 1947

Appendix 10: coffee production (in tons) and amount paid to the KNCU growers from 1932 - 1946

Season	Coffee crop tons)	parchment (in	Amount paid growers	in £ to	Price per growers	lb	paid to
1932/33		1,072		35,426			29.55
1933/34		1,167		35,384			27.03
1934/35		1,587		35,456			19.85
1935/36		1,684		33,995			16.94
1936/37		882		18,707			18.95
1937/38		1,472		33,336			20.16
1938/39		1,959		58,747			26.78
1939/40		2,680		72,275			24.17
1940/41		4,063		84,798			18.53
1941/42		1,948		52,184			23.97
1942/43		3,103		145,399			41.96
1943/44		2,114		131,012			57.49
1944/45		3,974		276,380			62.96
1945/46		3.102		173,032			49.81
Total		30,807		1,186,131			

Source: KNCU 1946/47 Annual Report, Appendix B

Appendix 11: Deportees from Kilimanjaro following 1937 riots

s/n	Name	Place of deportation
1	Daudi Ngamini	Iringa
2	Asseri Eupraim Shuma	Iringa
3	Tobia Msaki	Kahama
4	N. Gadi Msue	Iringa
5	Toma bin Mafalu	Tabora
6	Joshua Mashuka	Tabora
7	Mose Kirenga	Singida
8	Anderson Anandumi	Singida
9	Samueli Nderingo	Tabora
10	Kimatare Senta	Tabora
11	Israel Mtunga	Singida
12	Anas Masika	Iringa
13	Touder Mchau	Iringa
14	Leonardi Kiwera	Iringa

Source: Edwin Mtei; TNA 255442 Vol.II MNCB from PC, Northern Province to CS, Re. No. 377/7/180, November 10<sup>th</sup> 1941; TNA 25400 Disturbances at Moshi in Connection to KNCU

Appendix 12: coffee producers, acreages and price between 1944/45 and 1953/54

Season	Growers	Acreage	Tonnage	Valuein £	£
July-June	Approx	Approx			Per ton
1944/45	29310	16980	3275	343474	105
1945/46	29600	16830	2512	256449	102
1946/47	30450	17380	1834	203543	111
1947/48	31670	22460	3384	439573	130+
1948/49	32050	22400	2623	373803	143
1949/50	31590	23540	3359	954713	284
1950/51	32030	23010	5049	1214634	241
1951/52	34390	23620	5670	1596310	246
1952/53	35280	25100	1949	685680	352
1953/54	36880	27660	6304	+3724184	591

Source: KNCU 1944-1954 Annual Reports

Appendix 13: Coffee Producers, Acreages and Price between 1960/61 and 1972/73

Season	Growers	Acreage	Tonnage	Value in £	£
July/June	Approx	Approx			Per ton
1960/61	45000	34000	8739	2499892	286
1961/62	50000	34000	5853	1676513	287
1962/63	50000	34000	5182	1306135	252
1963/64	53000	35000	9600	3105315	323
1964/65	55000	35500	9046	3039456	336
1965/66	55000	35500	16831	5159543	308
1966/67	65000	35500	14486	4043656	279
1967/68	65000	35500	11526	2862665	248
1968/69	87000	35500	14665	354611	244
1969/70	87060	35500	8780	3076352	354
1970/71	87060	35500	11786	3677121	312
1971/72	87060	35500	16798	5395419	321
1972/73	87060	35500	18474	7192500	389

Source: Source: KNCU 1960-1973 Annual Reports

#### Appendix 14: Summary of conversation with the President of the NGA

a) Outright purchase from non-members could not be permitted;

Summary of replies in conversation with Mr Herbet Rugazibwa, the NGA President and Mr Klemens Kiiza and two other representatives in the presence of Bukoba District DC, Mr W.F Page held in September 23<sup>rd</sup> 1936.

The representatives were informed that if a co-operative marketing society were registered:

- b) It would not be possible for a society to pay an outright price for coffee corresponding to what was paid by the middlemen
- c) An advance of not more than 50% or 60% of the local price at the place of payment would be permitted, presuming funds were available for advances;
- d) Registration entailed full compliance with the Co-operative Societies Ordinance, the Rules thereunder, and the bylaws of the society;
- e) The society would have to be conducted on a strict business footing;
- f) Outright purchase is usually not permitted, but, if permitted for satisfactory reason shown, would only be at a rate appreciably below the, market price;
- g) Outright purchase from non-members could not be permitted;
- h) A society must ordinarily deal only with its members, and strong reasons must be adduced for any departure from this principle;
- The profoma byelaws given them, were merely to show them what a cooperative society entitled;
- j) Before a society is registered a full explanation of what society means and entails be given to the members.

Appendix 15a: Licensed Coffee Dealers in some Gombolola in Kianja Bukoba District

Gombolola	European	Indian	Arab	African	Total		
Kianja							
Kamachumu	1	18	8	11	38		
Muhutwe	-	5	2	15	22		
Kabirizi	-	-	-	4	4		
Rwagati	-	-	-	16	16		
Ibwera	-	4	13	5	22		
Kishogo	-	-	1	3	4		
Mnazi	-	-	-	1	1		
Ibuga	-	-	-	8	9		
Izigo	1	3	2	3	8		
Mikoni	-	-	-	14			
Kaibanya	-	8	8	9			
Total	2	50	34	81	147		

Source: Northcote (appendix H)

Appendix 15b: Licensed Coffee Dealers in some Gombolola in Ihangiro, Kiziba, Kaimatwara, Bugabo, Kanyengereko, Karagwe and Misenyi Chiefdoms (Bukoba District)

			Ihangiro		
Buleza	_	10	2	1	13
Ilemela	-	-	-	1	13
	-				
Kasasha	-	3	1	10	14
Mbatama	-	-	-	13	13
Mbunda	-	-	-	1	1
Mshamba	-	2	1	7	10
Karambi	-	1	-	-	1
Birabo	-	-	-	5	5
Kashanda	-	8	16	2	26
Kahengere	-	-	3	1	4
Bumbire	-	-	-	4	4
Total		24	23	45	92
_			Kiziba	_	_
Gera	-	-	-	7	7
Bwanjai	-	3	-	3	6
Kitobo	-	-	-	4	4
Bugundika	-	1	-	16	17
Ishozi	-	1	-	-	1
Kanyingo	-	5	-	3	8
Bunyango	-	2	-	3	5
Kibumbiro	-	1	7	36	8
Total		13	7	36	56
			Kiamtwara		
Bukoba town	-	24	-	1	56
Kitendageru	-	-	-	6	25
Nyakato Katoma	-	-	-	4 2	6
Itawa	-	<u>-</u>	<u>-</u>	1	4 2
Kitwe	_	<u>-</u>	-	1	1
Total		24	-	14	38
			Bugabo		
Bwendangabo	-	-	-	5	6
Kahororo	-	-	-	2	2
Kaagya	-	-	-	1	1
Bushasha Lubafu	-	1 1	-	3 4	4 4
Total	-	I I		14	16
. Juli		K	Kanyengereko	1.7	10
Kanyengereko		2		23	25
			Karagwe		
Karagwe		1	4	7	12
Misenyi		2	Misenyi	4	6
		• )		Д	h h

Source: Northcote (appendix H)

Appendix 16: The Co-operative Societies Affiliated to the BCU

Cooperative Society	Registration number	Registration date	Chiefdom	Cooperative Society	Registration number	Registration date	Chiefdom
Muhutwe	94	15.8.1950	Kianja	Rabafu	97	15.8.1950	Bugabo
Rwagati	95	15.8.1950	Kianja	Kaibinja	100	15.8.1950	Bugabo
Mikoni Bushasha	96 101	15.8.1950 15.8.1950	Kianja Kianja	Buhendagado Buzi	145 226	2.1.1951 8.10.1954	Bugabo Bugabo
Minazi	102	15.8.1950	Kianja	Kaagya	118	16.9.1950	Bugabo
Izigo	106	15.8.1950	Kianja	Kanyigo	98	15.8.1950	Kiziba
Kabirizi	120	16.9.1950	Kianja	Gera	116	6.9.1950	Kiziba
Kamachumu	129	1.11.1950	Kianja	Kyaka	128	1.11.1950	Kiziba
Ibuga	130	1.11.1950	Kianja	Bugandika	131	1.11.1950	Kiziba
Ibwera	137	1.11.1950	Kianja	Buyango	132	1.11.1950	kiziba
Nyakibimbiri	174	29.4.1953	Kianja	Ishozi	133	1.11.1950	Kiziba
Ruhanga	175	29.4.1953	Kianja	Kitobo	134	1.11.1950	Kiziba
Bwera	223	8.10.1954	Kianja	Bwanjai	135	1.11.1950	Kiziba
Nyakahanga	224	8.10.1954	Kianja	Kyazi	299	23.3.1955	Kiziba
Lugongo	225	8.10.1954	Kianja	Kabumbiro	310	12.4.1955	Kiziba
Kasheru	300	23.3.1955	Kianja	Ruzinga	365	16.3.1956	Kiziba
Mbare	301	23.3.1955	Kianja	Ngorongoro	440	6.2.1957	Kiziba
Rwanda	606	28.3.1959	Kianja	Ishunju	518	12.2.1958	Kiziba
Kashsha	103	15.8.1950	Ihangiro	Nyakato	108	15.8.1950	Kiamtwara
Biirabo	110	15.8.1950	Ihangiro	Kitwe	109	15.8.1950	Kiamtwara
Bureza	115	6.9.1950	Ihangiro	Itahwa	119	16.9.1950	Kiamtwara
Kahengere	121	16.9.1950	Ihangiro	Kitendaguro	123	16.9.1950	Kiamtwara
Nshamba	124	17.10.1950	Ihangiro	Mabira	107	15.8.1950	Karagwe
Ngote	125	17.10.1950	Ihangiro	Bugene	112	25.8.1950	Karagwe
Kahororo	126	17.10.1950	Ihangiro	Nyaishozi	114	25.8.1950	Karagwe
Kishanda	127	17.10.1950	Ihangiro	Kituntu	142	1.12.1950	Karagwe
llemera	136	1.11.1950	Ihangiro	Nyabionza	143	1.12.1950	Karagwe
Mbatama	138	1.11.1950	Ihangiro	Ihambe	607	28.3.1959	Karagwe
Bumbire	140	1.12.1950	Ihangiro	Kasambya	105	15.8.1950	Misenyi
Mubunda	141	1.12.1950	Ihangiro	Minziro	111	15.8.1950	Misenyi
Rulongo	298	23.3.1955	Ihangiro	Nsunga	122	16.9.1950	Misemyi
Kabalala	540	5.4.1958	Ihangiro	Kimwani		28.10.1968	
Rulongo	298	23.3.1965	Ihangiro				
Itongo	757	25.2.1961	Ihangiro				
Makongora	674	1.4.1960	Kianja				

Source: Compiled from the BNCU 1956 Annual Report and 1961/62-1962/63, 1963/64 and 1968/69 Annual Reports

Appendix 17: The Co-operative Societies affiliated to Ikogelo Cooperative Union

S/No	Registration Number	Name of Societies affiliated Societies
1	886	Bikaka Farmers' Co-operative Society
2	751	Chato Farmers' Co-operative Society
3	1199	Bukome Wakulima Co-operative Society
4	1369	Masasi Farmers' Co-operative Society
5	1358	Mkungo Wakulima Co-operative Society
6	1687	Katendo Wakulima Co-operative Society
7	1689	Lubambangwe Farmers' Co-operative Society
8	1686	Migege Farmers' Co-operative Society
9	1507	Nyarumbugu Farmers' Co-operative Society
10	1782	Itare Wakulima Co-operative Society
11	1819	Ichagulilo Farmers' Co-operative Society
12	1834	Muganza Wakulima Co-operative Society
13	1854	Kachwamba Wakulima Co-operative Society
14	1855	Ilyamuchele (Kagunga) Wakulima Co-operative Society

Source: Compiled from the BNCU 1968/69 Annual Reports

Appendix 18: The Co-operative Societies affiliated to Bugufi Cooperative Union

S/No	Registration Number	Name of Societies affiliated Societies	
450	•	Kabanga Coffee Co-operative Society	
451		Mabawe Coffee Co-operative Society	
452		Shanga Coffee Co-operative Society	
453		Muhweza Coffee Co-operative Society	
454		Nyamiaga Coffee Co-operative Society	

Source: Compiled from the BNCU 1968/69 Annual Reports

Appendix 19: MATCS/LPGA affiliated and non-affiliated societies by August 1952

	District and Society	Membership
	Mwanza District <sup>997</sup>	
1	Nassa Growers Co-operative Society	3,000
2	Mwanza Agricultural Co-operative Society	400
3	Bukumbi Growers Co-operative Society	78
4	Massaza II Growers Co-operative Society	600
5	Sukuma Growers co-operative society	23
6	Mwanza II Growers co-operative society	203
	Ukerewe district	
1	Ukerewe Growers Association – affiliated to MATCS	718
2	J	n/a
	Maswa District <sup>998</sup>	n/a
1	Unnamed/unspecific society/societies in Itilima Chiefdom	600
2	Unnamed/unspecific society/societies in Ntuzu Chiefdom	600
3	Unnamed/unspecific society/societies in Dutwa Chiefdom	600
	Kwimba district <sup>999</sup>	
1	Kwimba Produce Marketing Co-operative Society - affiliated to LPGA	890
2	Kwimba African Traders	n/a
	Kwimba Native Traders	n/a
4		
4	The LPGA Kwimba branch	n/a

Source: TNA 215/1423C, Kwimba, Maswa and Mwanza Districts Commissioners to the PC, Lake Province

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<sup>&</sup>lt;sup>997</sup> Mwanza Districts Commissioners to the Lake Province PC (Ref. No. NA/45/18 of July 17<sup>th</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>998</sup> Maswa Districts Commissioner to the Lake Province PC, Confidentila Ref. No. C/16/165 of July 22<sup>nd</sup> 1952, TNA 215/1423/C.

<sup>&</sup>lt;sup>999</sup> Kwimba Districts Commissioner to PC, Lake Province, Confidentila Ref. No. C/16 of July 19<sup>th</sup> 1952, TNA 215/1423/C.

Appendix 20: Cotton Production Targets - Lake Province

Ginnery	Average 1960 – 1961	1962	1963	1964	1965	1966
Buchosa	10,283	12,500	14,500	15,000	15,500	16,500
Bukumbi	8,944	11,000	12,000	13,000	14,000	15,000
Buyagu	7,696	8,200	10,500	13,000	14,000	15,000
Ihale	2,133	2,500	3,500	4,000	4,500	5,000
Kibara	6,388	8,000	10,000	12,500	15,000	16,500
Kasamwa	9,102	12,000	143,000	15,000	18,000	24,000
Luguru	7582	10,000	11,000	12,000	14,000	15,000
Malampaka	9,472	11,000	12,500	14,000	16,000	18,000
Manawa	9,896	11,500	12,500	14,000	15,000	16,000
Mugango	7,445	9,000	11,500	13,500	14,500	16,000
Magu	8,281	8,000	10,000	12,500	14,000	15,000
Mhunze	10,351	11,000	14,000	17,000	19,000	20,000
Nassa	8,809	11,000	14,000	16,000	18,000	20,000
Nyambiti	10,705	12,000	15,000	17,000	10,000	20,000
Sola	8,308	9,000	11,000	13,000	16,000	16,500
Ukerewe	7,466	7,500	8,000	9,500	11,500	12,000
Ushashi	8,591	11,000	12,500	13,000	14,000	16,000
Usogore	12,510	14,000	15,000	16,000	18,000	20,000
Nyamililo	7,545	8,500	9,000	9,000	10,000	11,000
Manonga	2,329	5,000	7,000	9,000	11,000	15,000
Total	161,000	193,000	221,000	258,000	291,000	323,000

Source: Minister of Agriculture to VFCUS, March 7th 1962, TNA 215/A3/1 Appendix A

Appendix 21: Names of Registered Co-operative Societies (1953) in the WCGA

No	Famers' Co- operative Society	No of cotton buying posts	Zone	Registration number	Cotton buying post zone
1	Mwagulanja	15	Nassa	193	Nassa cotton
2	Nyabihale	18	Nassa	194	Ginners
3	Solima	130	Nassa	195	
4	Badugu	158	Nassa	196	
5	Kaloleni	129	Nassa	197	
6	Shigara	239	Nassa	198	
7	Igokelo		Nassa	211	
8	Ipililo		Nassa	212	
9	Yintwimila	9	Nassa	213	
10	Nsayu	16	Nassa	218	
11	Magu	60	Nyambiti	199	
12	Sima	59	Nyambiti	201	
13	Gabu		Luguru	203	
14	Buhamhala		Luguru	204	Luguru
15	Somanda		Luguru	205	, and the second
16	Nyakabindi	179	Luguru	206	
17	Mwamnuhu		Luguru	207	
18	Zagayu	90	Luguru	208	
19	Luguru	86	Luguru	209	
20	Dasina	127	Luguru	210	Nyambiti
21	Bumera	126	Luguru	216	ĺ
22	Namasambo	47	Ukerewe	182	Buchosa
23	Kibara	48	Ukerewe	183	
24	Muruti	175	Ukerewe	185	
25	Bwiro	49	Ukerewe	186	
26	Omurambo	231	Ukerewe	187	
27	Kibara	56	Ihale/Kibara	181	
28	Rumenya	34	Buchosa	176	Nyakasero
29	Kamilo	276	Buchosa	178	Í
30	Kakoma	35 and 274	Buchosa	188	
31	Bukokwa	234	Buchosa	180	
32	Kishinda	133	Buchosa	189	Bukumbi
33	Kahunda	268	Buchosa	190	Tcc Ltd
34	Nyamililo		Nyamililo	177	
35	Nyamazugo	12	Nyamililo	200	
36	Kasangamire	176	Nyamililo	214	
37	Chifunfu	132	Nyamililo	215	Taitu
38	Sima	42	Nyamililo	179	Ihale

Source: Compiled from the Co-operative Office, Mwanza (1953); TNA: 2825/5 Agriculture Produce Cotton Lint Disposal from PC, Lake Province to members of LGA Secretariat, Ref.No. 2416/21, October 19<sup>th</sup> 1953

## Appendix 22a: Societies in Buchosa Zone

S/No	Name of society	Registration Number
1	Rumeya Farmers Co-operative Society	176
2	Kamiloa Farmers Co-operative Society	178
3	Bukokwa Farmers Co-operative Society	180
4	Kishinda Farmers Co-operative Society	189
5	Kahunda Farmers Co-operative Society	190
6	Ligamba Farmers Co-operative Society	246
7	Kabarongo Farmers Co-operative Society	295
8	Kahaganga growers co-operative society	302
9	Lushamba growers co-operative society	303
10	Nzera wakulima co-operative society	304
11	Katema wakulima co-operative society	305
12	Karebeze wakulima co-operative society	308
13	Bugoro wakulima co-operative society	336
14	Kafunzo Farmers' Co-operative Society	348
15	Isaka growers Co-operative Society	347
16	Muharamba Growers Co-operative Society	349
17	Ruhama wakulima co-operative society	388
18	Lwenera farmers' co-operative society	460
19	Nkome Farmers' Co-operative Society	647
20	Muhengele Farmers' Co-operative Society	643
21	Katwa Farmers' Co-Operative Society	690
22	Kakoma Growers Co-operative Society	188
23	Nyakasungwa Farmers' Co-operative Society	296
24	Nyamazugo Farmers' Co-operative Society	200
25	Nyamzenda Wakulima Co-operative Society	297
26	Nyankongochoro Wakulima Co-operative Society	307
27	Butoga Farmers' Co-operative Society	313
28	Kashinda II Farmers' Co-operative Society	367
29	Sango farmers' Co-operative Society	455
30	Kongwa farmers' Co-operative Society	475
31	Mtakuja farmers' Co-operative Society	614
32	Buswedu farmers' Co-operative Society	617
33	Igwanzonzu farmers' Co-operative Society	708
34	Kakobo wakulima Co-operative Society	788
35	Mulaga growers Co-operative Society	686
35	Ibisabageni growers Co-operative Society	1031
37	Nyahitu wakulima Co-operative Society	1372
38	Nyamilyango wakulima Co-operative Society	1373

## Appendix 22b: Societies in Buyagu Zone

1	Buyagu Farmers Co-operative Society	306
2	Nyakukwa Farmers Co-operative Society	362
3	Nyang'wale Farmers Co-operative Society	382
4	Butalanda Farmers Co-operative Society	387
5	Nyijundu Farmers Co-operative Society	407
6	Nyachenche Farmers Co-operative Society	423
7	Igalula Farmers Co-operative Society	474
8	Bitoto Farmers Co-operative Society	477
9	Ipyagulabuhabi Growers Co-operative Society	486
10	Kaguga Farmers Co-operative Society	526
11	Kaboha Farmers Co-operative Society	527
12	Kakora Farmers Co-operative Society	528
13	Busisi Growers Co-operative Society	539
14	Mulaba Farmers Co-operative Society	597
15	Kabiga Farmers co-operative society	601
16	Isole Farmers Co-operative Society	691
17	Busolwa Farmers co-operative society	707
18	Nyanzumula Farmers Co-operative Society	711
19	Sota Farmers Co-operative Society	1198
20	Ng'wabasabi Growers Co-operative Society	1535
21	Bumanda Growers Co-operative Society	1677
22	Ng'wabasabi Growers Co-operative Society	1679

## Appendix 22c: Societies in Kasamwa zone

1	Nyakagomba Wakulima Co-operative Society	400
2	Bung'wangoko growers Co-operative Society	402
3	Nyaseke Farmers Co-operative Society	403
4	Ibanda farmers' Co-operative Society	404
5	Kasamwa growers Co-operative Society	405
6	Muhama Farmers' Co-operative Society	406
7	Nyakaduha Growers Co-operative Society	411
8	Ihega wakulima Co-operative Society	417
9	Busanda wakulima Co-operative Society	418
10	Bukondo growers Co-operative Society	419
11	Lukalanga farmers Co-operative Society	420
12	Buziransoga growers Co-operative Society	427
13	Kamhanga growers Co-operative Society	529
14	Nungwe growers Co-operative Society	530
15	Kagu farmers Co-operative Society	553
16	Katoro farmers Co-operative Society	602
17	Nyamigogo growers Co-operative Society	615
18	Shinyamwendwa growers Co-operative Society	618
19	Nyamalimbe farmers Co-operative Society	630
20	Nyalwanzaga growers Co-operative Society	689
21	Nyalikoma farmers Co-operative Society	699
22	Mpomvu growers Co-operative Society	710
23	Nyakang'waga farmers Co-operative Society	1160
24	Nyachiluluma farmers Co-operative Society	1197
25	Nyasalala wakulima Co-operative Society	1498

Appendix 22d: Societies in Nyamililo zone

1	Nyamililo Farmers Co-operative Society	177
2	Sima farmers Co-operative Society	179
3	Kasungamile growers Co-operative Society	214
4	Chifunfu growers Co-operative Society	215
5	Igambiro farmers Co-operative Society	232
6	Rugongo farmers Co-operative Society	247
7	Kasomeko farmers Co-operative Society	311
8	Katunguru wakulima Co-operative Society	312
9	Nyamizeze farmers Co-operative Society	314
10	Ibondo growers Co-operative Society	323
11	Nyamatongo growers Co-operative Society	350
12	Ipandikilo growers Co-operative Society	351
13	Nyanguganwa farmers Co-operative Society	360
14	Rubanda wakulima Co-operative Society	361
15	Kanyang'wanza farmers Co-operative Society	363
16	Kikoto farmers Co-operative Society	375
17	Rwenge farmers Co-operative Society	384
18	Tabaruka wakulima Co-operative Society	248
19	Mayuya farmers Co-operative Society	479
20	Ilekemilo farmers Co-operative Society	533
21	Tunyenye Co-operative Society Co-operative Society	596

## Appendix 22e: Societies in Magu zone

1	Puna growers Co-operative Society	293
2	Magu growers Co-operative Society	199
3	Sima (Kwimba) growers Co-operative Society	201
4	Kahangala growers Co-operative Society	249
5	Ng'haya growers Co-operative Society	260
6	Ihale growers Co-operative Society	395
7	Kisega growers Co-operative Society	397
8	Kipeja growers Co-operative Society	464
9	Yichobela growers Co-operative Society	514
10	Nyang'ahanga growers Co-operative Society	524
11	Budula growers Co-operative Society	550
12	Kitongo growers Co-operative Society	613
13	Ng'wabulenga Co-operative Society	772
14	Shishani growers Co-operative Society	773
15	Igombe growers Co-operative Society	941
16	Mahaha growers Co-operative Society	1207
17	Nkungulu growers Co-operative Society	1208
18	Mhobela growers Co-operative Society	1209
19	Isalo growers Co-operative Society	1580
20	Masengese growers Co-operative Society	1581
21	Nyasato growers Co-operative Society	1582
22	Chandalu growers Co-operative Society	1667
23	Ibalani growers Co-operative Society	1668

Appendix 22f: Societies in Manawa zone

1	Igogwa growers Co-operative Society	244
2	Kijima Co-operative Society	279
3	Kikubiji Co-operative Society	353
4	Isesa Co-operative Society	364
5	Kasololo Co-operative Society	368
6	Pambani Co-operative Society	369
7	Nyamanyinza Co-operative Society	380
8	Lubiri Co-operative Society	381
9	Mabuki Co-operative Society	383
10	Bugisha Co-operative Society	386
11	Chasalawi Co-operative Society	437
12	Nhunduli Co-operative Society	457
13	Salawe Co-operative Society	458
14	Buhingo Co-operative Society	491
15	Sumbugu Co-operative Society	506
16	Isungang'holo Co-operative Society	519
17	Kabala Co-operative Society	520
18	Buhunda Co-operative Society	641
19	Mbarika Co-operative Society	871
20	Kiliwi Co-operative Society	1161
21	China Co-operative Society	1670
22	Gulumwa Co-operative Society	1671
23	Gembe Co-operative Society	1745

# Appendix 22g: Societies in Nassa zone

1	Mwagulanja Growers Co-operative Society	193
2	Nyabihale Growers Co-operative Society	194
3	Solima Growers Co-operative Society	195
4	Badugu Growers Co-operative Society	196
5	Shigala Growers Co-operative Society	198
6	Igokelo Growers Co-operative Society	211
7	Ipililo Co-operative Society	212
8	Yitwimila Co-operative Society	213
9	Makoye Co-operative Society	414
10	Mwamanyili Co-operative Society	436
11	Ihabuyaga Co-operative Society	505
12	Ihehenaja Co-operative Society	512
13	Gasoil Co-operative Society	668
14	Nyamatembe Co-operative Society	682
15	Bukabile Co-operative Society	683
16	Mwasamaba Co-operative Society	695
17	Ng'waniga Co-operative Society	769
18	Bugatu Co-operative Society	803
19	Ng'wagindi Co-operative Society	940
20	N'wamulila Co-operative Society	1167
21	Bushigwamhala Co-operative Society	1426
22	Busani Co-operative Society	1606
23	Luguga Co-operative Society	1669
24	Wichamoyo Co-operative Society	1735

Appendix 22h: Societies in Ngasamo zone

1	Kiloleni Growers Co-operative Society	197
2	Nsayu Co-operative Society	218
3	Nyakabindi Co-operative Society	206
4	Imalakoye Co-operative Society	412
5	Nyabunsalu Co-operative Society	438
6	Imalamate Co-operative Society	489
7	Mukula Co-operative Society	548
8	Sapiwi Co-operative Society	622
9	Ihanjo Co-operative Society	676
10	Sanjo Co-operative Society	677
11	Lyolasabo Co-operative Society	678
12	Gininiga Co-operative Society	688
13	Kuleng'wa Co-operative Society	729
14	Nguga Co-operative Society	770
15	Chambutwa Co-operative Society	746
16	Kijilishi Co-operative Society	771
17	Ng'wang'wege Co-operative Society	932
18	Igegu Co-operative Society	933
19	Isebanda Co-operative Society	1165
20	Lutubiga Co-operative Society	1166
21	Isalan'hanya Co-operative Society	1371
22	Sanga Co-operative Society	1427
23	Masewa Co-operative Society	1780
24	Ng'wanhale Co-operative Society	1682
25	Ditina Co-operative Society	1901
26	Jisesa Co-operative Society	1902

Appendix 22i: Societies in Sanjo zone

1	Nyang'homango Growers Co-operative Society	269
2	Ng'wasongo Co-operative Society	270
3	Ng'wabagola Co-operative Society	271
4	Bullae Co-operative Society	272
5	Nyakato Co-operative Society	277
6	Bunegeji Co-operative Society	321
7	Ng'wagala Co-operative Society	337
8	Misungwi Co-operative Society	261
9	Kigara (Kwimba) Co-operative Society	385
10	Kitumba Co-operative Society	415
11	Ng'wakalima Co-operative Society	470
12	Kilalo Co-operative Society	490
13	Ng'wajombo Co-operative Society	532
14	Bujingwa Co-operative Society	679
15	Isamilo Co-operative Society	705
16	Kanyelele Co-operative Society	911
17	Nguge Co-operative Society	938
18	Igunamilo Co-operative Society	939
19	Mwambola Co-operative Society	1240
20	Iteja Co-operative Society	1672
21	Ng'walolela Co-operative Society	1674
22	Mwashilalage Co-operative Society	1626
23	Bujashi Co-operative Society	319
24	Nyamguge Co-operative Society	1676
25	Mwakusekwa Co-operative Society	488
26	Kongolo Co-operative Society	410
27	Ilalila Co-operative Society	552
28	Bugagwa Co-operative Society	274
29	Mang'welela Co-operative Society	1675
30	Mwalwingi Co-operative Society	802
31	Magaka Co-operative Society	258
32	Kabusungu Co-operative Society	426

Appendix 22j: Societies in Ukerewe zone

1	Makamwa Growers Co-operative Society	184	
2	Muriti Co-operative Society	185	
3	Bwiro Co-operative Society	186	
4	Omurambo Co-operative Society	187	
5	Masambo Co-operative Society	182	
6	Kigara Co-operative Society	183	
7	Kisorya Co-operative Society	249	
8	Lusozi Co-operative Society	281	
9	Kigaga Co-operative Society	287	
10	Iramba Co-operative Society	290	
11	Mansimo Co-operative Society	282	
12	Buhima Co-operative Society	327	
13	Mkoko Co-operative Society	356	
14	Mgara Co-operative Society	357	
15	Ngoma Co-operative Society	359	
16	Kameya Co-operative Society	485	
17	Hamuhula Co-operative Society	513	
18	Bugolora Co-operative Society	558	
19	Sunsi Co-operative Society	611	
20	Serema Co-operative Society	639	
21	Genge Co-operative Society	669	
22	Rubaga Co-operative Society	737	

## Appendix 22k: Societies in Ushashi zone

1	Bunda Growers Co-operative Society	233
2	Ichamo Co-operative Society	234
3	Nyamigunga Co-operative Society	236
4	Mahunda Co-operative Society	284
5	Nyakatokabasa Co-operative Society	354
6	Bitaraguru Co-operative Society	376
7	Changuge Co-operative Society	377
8	Hunyari Co-operative Society	378
9	Kirinero Co-operative Society	399
10	Nyamadoke Co-operative Society	424
11	Sazira Co-operative Society	425
12	Sariku Co-operative Society	502
13	Lukungu Co-operative Society	546
14	Bariria Co-operative Society	549
15	Kizomu Co-operative Society	654
16	Rwabu Co-operative Society	673
17	Kalisumba Co-operative Society	693
18	Nyasana Co-operative Society	694
19	Nyamasabeta Co-operative Society	703
20	Nyatwali Co-operative Society	909
21	Maginameru Co-operative Society	929
22	Miharo Co-operative Society	1163
23	Sarama Co-operative Society	1201
24	Wamuhini Co-operative Society	1200
25	Masangura Co-operative Society	1202
26	Nyiberekera Co-operative Society	1203
27	Buriga Co-operative Society	1567
28	Gegeya Co-operative Society	1628
29	Misisi Co-operative Society	642
30	Kitaramaka Co-operative Society	653
31	Nyamuswa Co-operative Society	284

Appendix 22I: Societies in Mugango zone

1	Nyambono Growers Co-operative Society	229	
2	Chumwi Co-operative Society	230	
3	Chirorwe Co-operative Society	231	
4	Musanja Co-operative Society	235	
5	Tegeruka Co-operative Society	245	
6	Busumi Co-operative Society	291	
7	Kurwaki Co-operative Society	370	
8	Suguti Co-operative Society	371	
9	Nyangurukuru Co-operative Society	389	
10	Seka Co-operative Society	499	
11	Mwiringo Co-operative Society	500	
12	Murangi Co-operative Society	543	
13	Wanyere Co-operative Society	544	
14	Ifurifu Co-operative Society	566	
15	Murugongo Co-operative Society	629	
16	Rusoli Co-operative Society	657	
17	Katario Co-operative Society	671	
18	Etaro Co-operative Society	696	
19	Kamugegi Co-operative Society	697	
20	Mwikoro Co-operative Society	702	
21	Nyamwiru Co-operative Society	704	
22	Kyawazaro Co-operative Society	747	
23	Rwanga Co-operative Society	758	
24	Jitirora Co-operative Society	904	
25	Mwibagi Co-operative Society	905	
26	Bukima Co-operative Society	379	
27	Kinesi Co-operative Society	1128	
28	Kisamwene Co-operative Society	1129	
29	Kiriba Co-operative Society	1583	
30	Ngereme Co-operative Society	1920	
31	Kiwasi Co-operative Society	672	
32	Mayani Co-operative Society	1905	

# Appendix 22m: Societies in Kibara zone

1	Kibara Growers Co-operative Society	181
2	Namalebe Co-operative Society	250
3	Kenkombyo Co-operative Society	278
4	Mwiseni Co-operative Society	355
5	Kasuguti Co-operative Society	358
6	Bugoji Co-operative Society	372
7	Guta Co-operative Society	501
8	Saragama Co-operative Society	545
9	Busambara Co-operative Society	612
10	Kaburabura Co-operative Society	655
11	Kabainja Co-operative Society	670
12	Namibu Co-operative Society	936
13	Kinabwiga Co-operative Society	935
14	Namitwebiri Co-operative Society	937
15	Masinono Co-operative Society	1439
16	Buzimbwe Co-operative Society	1440
17	Karukekere Co-operative Society	478

Appendix 22n: Societies in Nyambiti zone

2 Chamva Growers Co-operative Society 275 3 Bungulwa Co-operative Society 276 4 Nyamtala Growers Co-operative Society 283 5 Iseni Co-operative Society 373 6 Ngwasubi Co-operative Society 374 7 Ng'waniko Co-operative Society 394 8 Maligisu Co-operative Society 398 9 Bunyengeja Co-operative Society 401 10 Kishosha Co-operative Society 462 11 Shushi Co-operative Society 471 12 Igalukila Co-operative Society 495 13 Manda Co-operative Society 538 14 Ngudu Co-operative Society 588 15 Buhumbi Co-operative Society 590 16 Ng'waginghi Co-operative Society 684 17 Ibindo Co-operative Society 698 19 Kadashi Co-operative Society 910
4 Nyamtala Growers Co-operative Society 283 5 Iseni Co-operative Society 373 6 Ngwasubi Co-operative Society 374 7 Ng'waniko Co-operative Society 394 8 Maligisu Co-operative Society 398 9 Bunyengeja Co-operative Society 401 10 Kishosha Co-operative Society 462 11 Shushi Co-operative Society 471 12 Igalukila Co-operative Society 495 13 Manda Co-operative Society 538 14 Ngudu Co-operative Society 588 15 Buhumbi Co-operative Society 590 16 Ng'waginghi Co-operative Society 684 17 Ibindo Co-operative Society 698
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17 Ibindo Co-operative Society 698
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19 Kadashi Co-operative Society 910
20 Lifulilo Co-operative Society 912
21 Bugandando Co-operative Society 1093
22 Masaladi Co-operative Society 1156
Nyamikoma Co-operative Society 1357
Ng'wamalwilo Co-operative Society 1367
25 Kihoja Co-operative Society 1415
26 Shilanona Co-operative Society 1416
27 Isabilo Co-operative Society 1680
Ng'wahuchuma Co-operative Society 1685
29 Jinjimili Co-operative Society 1947