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Book review: political economy of Tanzania: decline and recovery

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**The Political Economy of Tanzania: Decline and Recovery Michael F. Lofchie
Philadelphia: University of Pennsylvania Press, 2014, Pp. 255**

While the political economy of Tanzania's socialist period has been extensively explored, an authoritative account of its evolving political economy over the last fifty years since independence has been missing from Tanzanian scholarship. Michael Lofchie's ambitious book is an attempt to provide this based on his 'deeply personal involvement with Tanzanian political studies' (p 265) since the 1970s. The core of Lofchie's argument is that Tanzania is dominated by a self-serving political elite that entrenched its power through state-led economic policies under Ujamaa. While liberalization peeled back the damaging economic policies of the Ujamaa period, the same elite was able to continue its control on politics and the economy through privatization and corruption. Lofchie argues that the dominance of this politico-economic oligarchy explains Tanzania's political stability during liberalization as well as the growing inequality of its contemporary development trajectory.

Lofchie explores Tanzania's political economy from the perspective of struggles that occurred within the state over economic policy since independence. The main focus, however, is the period from the early 1980s until the mid 1990s and the internal debates within the ruling party and government bureaucracy over the shift to liberalization. The detailed accounts of the internal fissures within the party over the liberalization agenda is where the book has the most to offer to existing scholarship on Tanzania. Half of the seven chapters are used to explore this period and, therefore, as an overall account of Tanzania's political economy since independence the book is somewhat unbalanced. The biggest omission is an adequate discussion of the most recent period where Tanzania's insertion into the global economy and the rise of mining, along with the continued lacklustre performance of the agricultural sector, requires a much more detailed examination.

Lofchie's state-centric argument about the politico-economic elite that dominates Tanzania is plausible but it is a pity that the book does not go further in describing the divisions within the group and their links beyond the state to the economic sphere in particular. As a political economy, the main weaknesses of the book stem from its underlying theoretical framework. Lofchie draws primarily on Anne Kruger's methodologically individualist rent seeking framework that portrays interventions of the state to create rents as inherently negative for processes of economic development. Lofchie briefly discusses the growing literature that has challenged these assumptions by arguing that state created rents have been critical for driving growth and political stability in many developing countries (p. 187). Unfortunately he does not use these critical theoretical insights to enrich his discussion of struggles over rents and their consequences. Lofchie's explanation for centralization of power under the politico-economic oligarchy rests on the argument that state-led interventions under socialism that created rents were the reason that elites were able to consolidate their enduring hold over the state. However, this narrow focus on rents precludes an engagement with broader socioeconomic features beyond formal state policies that have shaped the nature of power in Tanzania and hence its political economy since independence. The book will be useful for scholars and students for its detailed account of policy debates and its clear exposition of a particular approach to political economy. Yet, its theoretical limitations also mean that the authoritative account of Tanzania's political economy since independence remains awaited.

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