Strengthening the contribution of cities to growth

Strengthening the role of Africa’s urban areas as engines of growth remains a major challenge; while research can make a contribution, the focus needs increasingly to be on appropriate policies and the mobilisation of resources in support of those policies.

Tanzania, like other African countries is urbanising rapidly. But whereas in Asia, particularly China, urbanisation is a powerful engine of growth, this is rarely the case in Africa. The IGC project on ‘Population Growth, Internal Migration and Urbanisation in Tanzania’ investigates this issue with a view to better outcomes in future.

Using data from all 5 post-Independence censuses we track the growth and movement of people between rural and urban areas across mainland Tanzania’s 20 regions. By comparing actual populations with the populations that would be expected if each area grew at the national rate, the project has developed measures to compare the experience of different regions.

For example, the propensity for regional in-migration compares the expected population of a region with its actual population, finding a wide range of outcomes. At one end, the population of Pwani region (including Dar es Salaam) in 2012 was 44% higher than expected while at the other, the population of Lindi region was 30% lower, with other regions in between.

Similarly, the propensity for rural out-migration and urban in-migration revealed big differences in regions’ experience. This regional data offers a much richer basis than country level data for understanding what drives urbanisation.

Figure 1: Regional variation in migration and urbanisation in Tanzania

Tanzania 1978-2012: Regional variation in migration and urbanisation propensities
RPIM = Regional propensity for in-migration; PROM = Propensity for rural out-migration; PUIM = Propensity for urban in-migration

The economic drivers

Of course, urbanisation cannot be understood without at the same time considering what is happening in rural areas. Put crudely, is it ‘Rural Push’ or ‘Urban Pull’ that is mainly driving the process?

My own feeling is that ‘Rural Push’ is particularly important in Tanzania’s case: The rural population is now three times as large as it was 50 years ago, greatly increasing the pressure on land and other natural resources such as water. At the same time, there is some evidence that larger towns such as Dar es Salaam, Mwanza, Arusha and Mbeya were exerting ‘Urban Pull’, although in most regions smaller towns were growing more strongly than regional capitals.

Unfortunately, the evidence is not really good enough to support strong conclusions. However, the project finds indications that ‘Rural Push’ (as measured by density of rural population to cultivated land) was important in 1978-88 and 1988-2002; consequential rural out-migration however was lower the further away a region was from Dar es Salaam. There are also indications that regions with large urban populations attracted more in-migration, suggestive of ‘Urban Pull’ – despite burgeoning informal settlements and limited opportunities for formal employment. There is an urgent need for more case studies of Tanzania’s larger towns to flesh out this finding, as there has been very little research on towns other than Dar es Salaam.

What about institutions?

Another pertinent question is the relative importance of economic fundamentals (such as those considered above) and institutional factors (such as government policies and local administrative structures). It seems clear that the latter cannot be ignored in Tanzania’s case. The project finds evidence that villagisation (early 1970s) and state agricultural marketing (in the late 1970s and early 1980s) impacted adversely on rural areas, while over the same period policies for local government made it more difficult for urban areas to respond to the influx of migrants. In fact, local government was abolished between 1972 and 1982 and has only gradually been restored since. While the Local Government Reform Programme has now put a coherent framework in place for the administration of urban areas, urban authorities still face difficulties due to lengthy procedures and inadequate resources.

Lessons: What next?

Here then are some thoughts on lessons learned from this project and issues raised by it:

1. Research in Africa is often hampered by lack of data. Census data is more often used for demographic than economic analysis but this project has shown how useful it can be.
2. Cross country studies in Africa are now quite common (despite reservations about the comparability of data), regional studies much less so. Yet, in large countries like Tanzania, conditions can vary widely between regions and this regional variation may be more helpful in illuminating research questions than national aggregates. National aggregates hide much important local detail.

3. On the role of economic fundamentals, there can be little doubt that poor internal communications (particularly roads), the small size of the domestic market and difficulties accessing potential international markets (including port capacity) have all impeded economic growth in Tanzania. This shows up particularly in the relative weakness of the urban economy; it also points to areas that policy needs to address if the urban economy is to be strengthened.

4. It would have been good, if suitable data had been available, to harness the insights of New Economic Geography to better understand the role of transport costs and agglomeration economies in the urbanisation process. As more data becomes available, this would be a promising avenue for future research.

5. While rapid population growth is sometimes seen as a positive factor because it boosts the working age population, this view needs to be balanced by noting the downsides: In Tanzania, about half the population is under 17 years of age; and despite rapid urbanisation, the rural population has increased threefold. The pressure of population on land and other natural resources is creating severe strains in rural areas; at the same time urban areas have been overwhelmed by an 18-fold increase in population for which urban authorities simply do not have the capabilities and resources to provide even basic services. This suggests a role for a more active population policy in Tanzania.

6. Turning to local government, district administration has historically assumed a primarily rural context and given priority to rural development. However, as settlements increase in size and existing urban areas attract more people, the problems that need to be addressed are increasingly urban in character. Government officials in Tanzania recognise this and have adopted policies aimed at an orderly progression up the urban hierarchy. However, making these policies work well in practice is not easy, with particular difficulties being encountered in relation to land use change, procedural challenges and lack of resources to enable newly established urban councils to discharge their responsibilities – weak property taxation being a particular problem. These issues arise in many other African countries, suggesting scope for pooling experience to identify the best ways to resolve these problems.

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