

DEVELOPMENT AND MANAGEMENT

(SOME REMARKS)

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I. Introduction

In order to recognize the place of management in the process of development some definition of both terms is needed, not because definition will be water-tight, but to throw some light on the role of management in enhancing or hindering development. Once we know what is development and what is management we can avoid the exaggerated viewpoint that management is the most important single factor in achieving development, and we can put it in its right place.

Hence we will begin these introductory remarks by exposing some concepts of management and development, then sketching the domain of development to find out the role of the managers in that process. This would necessitate a look at management in the capitalist and socialist economies in order to know whatever differences might exist between them.

Thus we could test the conventional form of management, i.e. a sole manager with all the distinguished qualities attributed to him, to see if this is the only form, or there are different kinds of management when the responsibility is not that of one sole manager, but of committees, councils or groups of workers and peasants who take a positive part in the management of the enterprise. This would take us to an important issue, that is the participation of the masses in development.

II. Conceptual Framework :

(1) Management

One of the conventional definitions of management is that it is an activity aiming at achieving productive or economic (or

political, cultural, etc.) objectives by obtaining and orienting available material and human resources, the development of new resources, and putting them to productive uses. A similar definition is that management is the process of achieving particular objectives by using human effort and by using the available material resources.

Management efficiency in economic enterprises and other organizations which deal with production and services is considered to be one of the most effective factors in achieving higher rates of development. As management is the dynamic element which directs other productive factors, thus the effectiveness of the latter depends on the efficiency of the former. The importance of management in the development process is due to its ability to cope with change and development in the production conditions and the environment surrounding it on the one hand and the ability to innovate on the other. In other words, management is capable to predict future possibilities, and is ready for facing them if occurred. It also can influence the present situation, and act to change it in the direction which achieves certain objectives.

While we admit that efficient management plays an important role in the performance of the enterprise we do not go as some management writers⁽¹⁾ who contend that if there is one single basic factor to release economic growth forces in the underdeveloped societies of the world, this factor is management⁽²⁾. Indeed, the efficiency of management reflects itself on the skills and abilities of the manpower. By defining organization of work, incentives, designing the factory, and arranging its machinery, methods of supervision, naming the leaders, and determining the evaluation methods of workers, performance and by the general climate which the management creates in the enterprise, it can

(1) J.F. Mee, *Management thought in a dynamic Economy*. N.Y. New York, University Press, 1963.

duction reduction of costs, improve quality of goods, reduction of prices,
(2) The rôle of management is to achieve the following: increase in production, reduction of costs, improve quality of goods, reduction of prices, increase of wages, achieve surplus to be reinvested, increase in experts, enlarging markets, and increasing consumption.

influence the degree of the productive efficiency of the workers and their performance, provided the workers responded to these measures and co-operate with the management.

But this viewpoint mentioned above is definitely exaggerated, as will be elaborated later when we deal with economic development. It reminds us of the glorification of the "entrepreneur" in the literature on economic development. Following Schumpeter, some contemporary development writers maintained that the most important factor in development is the innovating, risk carrying, future forecasting "entrepreneur". The lack of a group of creative entrepreneurs in the underdeveloped countries, according to this viewpoint, constitutes the most intricate obstacle to economic development in these countries.

As has been demonstrated in the development literature that the "creative entrepreneur" is a myth, and the problem of development is much larger than the lack of this element, which can be found in the underdeveloped world, as proved by the Lebanese, Syrians, Indians, Pakistanis, Africans and Chinese. If there is lack of industrial entrepreneurs in the underdeveloped areas, it was for historical reasons and not for "intrinsic" ones, as some schools of thought maintained. The encroachment of big industrial companies of the metropolis on their colonies in the past, and the monopoly of the latter's market to sell manufactured good, resulted in that the underdeveloped "entrepreneur", concentrated in other spheres such as trade, money lending, crafts, real estate etc.

By the same token, one can apply the same argument on the lack of managers. As the fashion now is to concentrate on managers and "management revolution", instead of "entrepreneurs" to avoid ideological troubles, and to cope with reality that is the emergence of big and complicated companies, and multinational corporations, which are administered by a group of professional managers who are sometimes not the owners of a big proportion of the company's shares, although the higher levels of management are always, or at least very often, reserved to those who have a considerable quantity of shares.

If the relationship between the underdeveloped economy and the industrial economy continues to be relationship of dependency

even after the independence of the former, a particular kind of international division of labour will prevail where industrialization of the underdeveloped countries will be hampered, and they will continue their specialization in producing primary raw materials and agricultural products, exporting them to enhance the industrial progress in the industrial countries which supply the former with manufactured consumer and capital goods. Under these circumstances whatever activities left to the managers of the underdeveloped countries are trade, crafts, farms, real estate and other activities which are not decisive in development in which industrialization play an essential role. As the most important method to train a manager is to put him to work in an industrial enterprise, the absence of the latter because of dependency on the industrial world is the main cause of the lack of industrial managers and not the other way round.

(2) Development and Growth

To put the manager in his proper place we should turn now to the other concept : "economic development". It is obvious that the importance of the manager stems from his role in leading the enterprise, especially the "economic" or "productive" enterprise. Hence, the growth of that enterprise is supposed to add to the economic growth of the national economy of any country, and from this came the confusion of taking economic growth as if it is economic development. One should distinguish between the two terms which are very often mixed together in the development literature. One should use the term "economic growth" to mean the growth of the national output or the per capita output through time. One can also use the Gross National Product or Gross Domestic Product, total or per capita to measure economic growth according to his purposes. But while the per capita output can be a numerical measure to economic growth as it shows the capacity of the economy to produce goods and services, it can be misleading, and cannot be taken as proper measure of the standard of living or welfare of the people, which is the ultimate aim of economic development. Growth can take place in some sectors which are not decisive in the process of development, or do not provide the basic needs for the masses of population. Examples of these are the production of luxurious goods, expenditure on big armies, police, exaggerated and inflated administra-

tive sectors, services like brokers, speculators, money lenders, the many kinds of intermediaries, and those other so called services which are very far from contributing to economic development and a source of waste in the underdeveloped economy's resources. They artificially inflate the national income figures.

Another defect of these averages or aggregate figures is that they ignore the distribution of the output between the underdeveloped economy and the foreign economies on the one hand, and the distribution of income inside the underdeveloped economy itself. It is known that there are a significant amount of foreign investment, either direct or loans in the underdeveloped countries.

These foreign interests takes a sizable part of the underdeveloped country's output, in the shape of profits, commissions, interest, salaries, and other remittances which are transferred abroad, exhausting the economic surplus of these countries, depriving it from an important source to finance its development. The internal unequal distribution of income is another source of distribution of these GDP, or GNP figures which render them meaningless so far as real development and improvement in the real standard of living of the masses are concerned.

Thus these averages or aggregate figures, can be considered as measures of economic growth but not of economic development which has dimensions other than the mere growth of output. Before we attempt to define development, it may be useful to say that the word "economic" which is attached to "development" is also unfortunate, and may be also responsible for the confusion between growth and development. This would lead us to a wrong notion of development, and leave the impression that development is only "economic" which is neither scientifically correct nor is it realistic. This "economistic" approach would leave aside a great many problems which are not purely "economic", but social, religious, political, historical, traditional, cultural and other non economic issues which constitute the most intricate problems facing development in the underdeveloped countries.

Thus we use the word "development" without the adjective "economic" and define it broadly as the process by which man develops himself, his institutions, and utilize his available and potential resources to increase per capita output over time and to redistribute the product of his labour more equally.

We are not going to deal with all the dimensions of these attempted broad definition, but it may be worth while to raise some points or questions. The first question to be raised, and should be seriously looked at by the development strategists and planners of the underdeveloped countries is to ask themselves the following question : development for whom ? and by whom ? The answer to this question is very easy : development for the masses and by the masses.

If the masses constitute the vast majority of any country and represent the lowest income strata, and if they are the labour power which create wealth and output without whom no wealth or output can be produced, hence development is definitely carried on by them and for them. Development cannot possibly be for the national elite and foreign interests who are still dominating the underdeveloped scene even in the post-colonial period.

It follows from this that development is a socio-economic, political and cultural process, so it is not only the management of economic units, although we do not minimize the role of the latter in development.

Development should be oriented to satisfy the basic needs of the masses whether the needs are basic consumer goods or necessary capital goods needed for the reproduction process.

If the people are to be involved in the development process, as the main actors and receivers of its fruits, then they should have a say in its management in order to direct it to satisfy their objectives. This participation of the masses in development decision making will be dealt with later on. It is now practiced in a form or another in some of the industrial countries capitalist or socialist, and also in some of the underdeveloped countries.

Development by the people and for the people can strengthen the self-reliant strategy that is to lessen dependency on the outside world, direct production to satisfy the internal demand, hence lessening the reliance on abroad in trade, capital and technology. Relying on the masses, can also pave the way to develop domestic technology, release the creative capacity of the people, develop the simple techniques which can be mastered by them, encourage the labour - intensive methods, supplying labour with employ-

ment, and use local material. In this way, small and medium-size industries can be developed, their technologies can be mastered, and their management can be easily undertaken by the people. So, the highly complicated capital intensive techniques and management can be avoided, as they depend on foreign expertise, and on the formation of expensive national managers who may constitute a privileged group, hindering development, preventing the masses from taking a positive part in development, as happened even in some socialist countries.

It seems that the place of the manager in this huge development process has been spotted, and though important but is not the most decisive "single" factor in development. Management can be undertaken not only by the one manager (or executive), but can take other forms as will be exposed below.

However, the role of management, and the principle of one manager for the enterprise is applied in the socialist countries — except perhaps in China — on the same principles as in capitalist countries. The differences if any, is that there are some other bodies to cooperate with the manager to facilitate his task, and to help him solving workers' problems and achieve the objectives of the enterprise's plan.

In the Soviet Union, for instance, there are three bodies :

- 1 — The manager, one responsible manager.
- 2 — Factory's committee : This committee represents the workers and is elected by them. It participates in the management by taking decisions concerning the organization of work, determines responsibilities of production which is linked with working hours and the wage system. The committee participates in preparing the production plan, organising of the enterprises' activity, decide on the housing plan, help achieving the plan, proper use of machinery, apply piece wage system, provoke competition to improve production, reducing costs, raising productivity, and supervise the welfare and cultural and social services for the workers.
- 3 — Production congress : consists of members elected by the workers, and members appointed by the factory's com-

mitee and the party and the Committee Youth organization.

These bodies exercise control over production, and supervise the implementation of production plans, suggest methods to increase productivity, improvement of work organization. The management submits a report to the production congress on the implementation of the plan, and is responsible to execute its decisions. These bodies are subject, of course, to the Party's Committee.

Except for these bodies which help the management in the workers problems and plan fulfillment, and which have no authority in the direct management of the enterprise, no difference between the socialist countries in East Europe and the capitalist countries in the principles of management, and the techniques used by it.

III. The Participation of the People in Management

This would lead us to expose the different types of participation of the people in the decision making in the sphere of development. Even these forms of participation in the management of enterprises to which we referred to in the Soviet Union can be found in the capitalist world.

We will deal briefly with this phenomenon in the capitalist, socialist and third world countries.

1 — In the Private Enterprise Economy

In the private enterprise economies, the worker's participation is tolerated and even encouraged. It is adopted to contain industrial disputes and maintain the so-called harmony of interests of different classes in the capitalist system. Representatives of the trade unions are allowed to sit in the meeting of the executive boards to discuss problems of labour. Even workers' councils are tolerated. Several examples can be quoted here : In Germany, for instance, after the defeat of the Spartakist Rising when the Weimar Government established councils which were empowered to deal with bargaining and other labour problems. However, the Nazis dissolved these councils which appeared again at the end of the Second World War after the defeat of the Nazis. Recently,

a legislation has been issued giving the workers the right to participate with the executives in the management of the industrial enterprises. Although this is not direct management, and it is confined to some industries, the workers' votes are minority compared with the representative of capital and sometimes this participation is considered as consultative, nevertheless these measures are gains for the workers who struggled persistently to have an effective control over industry. In France, the same took place, when De Gaulle legalized the *de facto* committees established by the Communists at the end of the World War II to manage the enterprises, but gradually restricted their activities as organs of communication between managers and workers as well as agents of welfare and consultation. In 1968, the factories were occupied by workers and the self-management principle rose again.

2 — In the Socialist Countries :

The scope of this paper will allow a theoretical treatment of the different ideas of the socialist ideological groups such as the Utopian socialists and the anarchists. Suffice it to say that both groups opted for the control of the workers over the means of production. However, while the early Utopianists wanted the change to be carried through education, the anarchists developed a violent theory and practice against the state and pushed for its replacements by the workers' communities.

Workers and soldiers' councils in 1917 in Russia were established to get rid of the centralized and autocratic Tzarist state. In November 1917, they had complete managerial control over factories, but in 1918, they were turned into trade unions. The same struggle against the bourgeoisie took place in Poland where revolutionary workers' and soldiers' councils were established between November 1918 and July 1919, and again for a short time at the end of the Second World War.

In other Eastern European countries, the workers struggled against bureaucracy in the state apparatus, the enterprises and in the Party and against the complete centralization established in these countries after the Soviet model. This happened in Poland, Czechoslovakia and in Hungary. In Poland, for example, the workers revolted against bureaucracy and the centralized system.

The result was decentralization, and the establishment of councils in several factories, which were authorized to design the organizational structure of the enterprise and its work regulations, to fix wage rates and production norms and give advice on productivity. The Government still retains the control of the factories, decides upon the quality and quantity of products, total wage bill, etc. A senior management committee composed of the Council's members, the union top committee and the party cell, was established to which the council became a subordinate body. However, while the aim of the workers in 1956 was to obtain the right to participate directly in their political and economic life, things boiled down again to deprive the councils from any political and economic powers, and to change them to mere advisory bodies.

Yugoslavia is a famous case of the self-management system. management of the economic system in Yugoslavia went through an evolution which ended in the self-management of the enterprises by the workers. After the Second World War the workers' participation was undertaken by their representatives vis-à-vis the administration. In 1949, the consultation system was established between the director of the enterprise and the leaders of the workers. In December, the central council of trade unions recommended the establishment of the workers' council. In July 1950, a law was issued to manage the economic enterprise by the "working collectives". Workers and their enterprises have the right to organize production, use the social resources, distribute the revenue of the enterprises and organize work and work conditions. The State has become an organizational and coordinating body.

The workers under this system get income and not wages, these incomes depend on the revenue of their enterprises, and linked with their contribution to the achievements of objectives, i.e. it is linked with the worker's effort.

The enterprises are free in their work without intervention from the central authorities in its activities. The market is taken as the judge for efficiency, hence there is free play of the market forces, i.e. supply and demand. The motive for enterprises are profits for workers and material incentives, their remuneration is linked with the amount of work they do. It is obvious that if profits is the main motive of enterprises, and

the main criterion for their efficiency, if a significant part of the workers' income is not fixed, but depends on the success of the enterprises, this close connection between income and work done has led to an economistic type of workers' management.

The system is composed of three bodies :

- 1 — **Workers council**, to be elected by the workers, three quarters of which are manual productive workers and one quarter is engineers and other officials. (The director and his assistants are not members in the council). Its functions are to approve the work plan, the size of production and investment, to issue the work regulations and amend them to elect the management council, then decide the increase or decrease of capital.
- 2 — **Management council** : The Workers' council, in its first meeting, elects the chief of executives and the members, who execute the policies put by the former, 3/4 of its members are manual workers, who direct producers.
- 3 — **The Director**, is the chief executive who direct the enterprise activity.

It should be noticed that the workers management in Yugoslavia does not mean the technical and direct management of production. This is the task of the director who is appointed by a committee composed of representative of the workers' council and the commune. The workers' management means the participation of the workers in the general administrative issues, they put its policy, they supervise the management apparatus, they deal with the basic problems especially those concerning production relations, the increase and distribution of the enterprise revenue.

3 — In the Third World

The democratization of management and of industrial relations, has shown itself in two distinguished experiences in Africa, where workers and peasants participate in the management and control of their economic life, i.e. they have a say in the management of the enterprises in which they are working. One case is Algeria where the self-management (auto-

gestion) has spread as a *de facto* exercise and then legally institutionalized after the victory of the Algerian people in their national independence war. The other case is Tanzania, where the participation of the workers in the administration of the industrial and other non-agricultural activities has been introduced, and where, and this is more important, the Ujamma village system was adopted in a considerable part of the agricultural sector as the Tanzanian approach to establish socialism in the rural areas.

A. Self-Management in Algeria

It is out of the scope of this paper, and it will take us far afield, if we indulge in giving a complete historical picture developed up-to-date of the Algerian experience in establishing the "autogestion" in the factories and farms, their problems, defects, achievement and the like. If we choose to do so this will compel us to examine the objective and subjective conditions under which the attempt to establish the "autogestion" as the Algerian way towards socialism was made. This would necessitate that we should analyse the development of the productive forces during the colonial period and after independence, the social formation, the political parties or organizations which preceded, and from which the "National Liberation Front" (F.L.N.), which led the struggle for independence, was composed. We should also deal with the structure and evolution of the workers' councils, and then analyse the favourable and unfavourable conditions which resulted in their success or failure.

It is obvious that we cannot begin such an ambitious exercise. Suffice it to say that after the exodus of the "colons" on the eve of independence, industrial and agricultural enterprises were left idle, and in many cases, destroyed, as the French owners and managers left the country. The monopoly of the colons of different kinds of skills, left very few skilled people in the moslem traditional sector, as the latter suffered from illiteracy and a very low level of education. There was very few cadres left to manage the economy. In these circumstances, workers reacted to manage and control the enterprises, to operate them, satisfy their immediate needs, guarantee employment and save these national assets. This movement was institutionalized by the government in the Act of 22 October, and was

given full recognition by the "Décret de Mars", which declared the workers' economic management as the basis of "Algerian Socialism".

Structure of Self-Management

The state appoints a director to manage the enterprise in collaboration with three bodies to be elected by the workers. These are : the general assembly of workers, the workers' councils and the management committee.

The general assembly of workers is composed of all the regular full-time workers of the enterprise. The assembly elects the council, or the management committee in small enterprises. The workers' council is elected from members of the assembly, and the two thirds at least should be engaged in production work. The council elects the management committee, two thirds of which should be working in production ; (the director is *de jure* member).

The general assembly approves and adopts plans, policies or actions of other bodies of the enterprise. It is not a genuine democratic authority with real control by the workers of the means of production. The council makes decisions in the areas of purchase and sale of machinery, and on medium - or long-term loans. Like the assembly it has only an approving authority in the organization of the enterprise and its work and examines its accounts.

The management committee draws up the enterprise's medium plan, as well as its annual plans for equipment, production and marketing. It fixes short-term loans, buys raw materials and draws up accounts. The functions of the committee president were stated vaguely, and resulted in conflicts with the enterprise director.

The director was given full authority to check on all legal economic, financial and other activities of the enterprise, and veto all decisions which did not conform with the law. He keeps the enterprise accounts, holds daily operational funds, and signs financial documents.

Handicaps

The "autogestion" faced several ideological, organizational and historical defects which we cannot expose in this paper, but they hindered the development of the consciousness of the Algerian masses, which is the cornerstone for the success of the "autogestion". However, the stunning handicap was the emergence of a bureaucratic class which occupies strategic positions in the administration, public sector and the party.

Whether it is the director as representative of the state bureaucracy with full powers to manage the enterprise, or whether the defects came from the appointment of the committees by the government, and not to be elected by the workers, or whether it is the authoritarian tendencies of the chiefs of committees based on traditional and colonial heritage, or whether it is the attitude and behaviour of the bureaucrats of the government, the party, and the army towards them, all these have contributed to the ineffectiveness dissolving, and the *facto* death of the "autogestion" experience.

But there is some hope for reviving the system. In 1972, Boumedienne appointed a national committee, which will reconstruct the "autogestion" and try to remove the obstacles hindering it. The new Boumedienne campaign, which accompanies the last "stage" of agricultural revolution is to strike at the bureaucracy, which has been strengthened by a development strategy based on heavy industry, which was facilitated by State capitalism.

To give an idea of how the Algerian look at the new bureaucratic class, and how it is aware of their destructing the way of socialist development and of democratization of the sphere of production and distribution, some quotation from his speech would be telling. He called the bureaucrats "parasites", who sit atop the economic structures and the body of the state and who try to suck "the value of the labour of the toilers"... "In order to prevent their development, a revolution in the rural society must be created, where most of the people of the country live and where it becomes possible to begin a march to

besiege the cities and overthrow the resident bureaucratic bourgeoisie".⁽¹⁾

B. People's Participation in Tanzania

To give a proper picture of the mass participation in Tanzania, we must penetrate into the objective or historical conditions of the Tanzanian society but is out of the scope of this paper⁽²⁾.

The "Arusha Declaration" and "Mwongozo Guidelines" are the two important documents which try to introduce "Socialism", and mass participation in the socio-economic life of the Tanzanian society. The last charter "Mwongozo" is of more direct impact on the subject we are treating here. The document has provided the principles according to which the process of democratization in the field of economics, politics and administration should be pushed forward. It has offered the leaders progressive "Guidelines", and a behaviour "Code", and stressed the equality between them and the people they lead. "For a Tanzanian leader, it must be forbidden to be arrogant, extravagant, contemptuous and oppressive. He must respect the people etc..." "...The duty of our Party is to ensure that the leaders and experts implement the plans that have been decided upon by the people themselves...", and not the other way round.

The most important "Mwongozo" innovation, in so far as the theme of this paper is concerned, is the principle of the people's participation and control over their economic and political life.

We will mention very briefly the application of this principle in the industrial and other non-agricultural activities, and in the rural area by introducing the Ujamaa villages programme.

(1) Rossi, November 11, 1974, quotation in Caren Farsoune, op. cit., State capitalism in Algeria, MERIP, Reports No. 35 (Middle East Research and Information Project).

(2) See my paper on : "The Participation of the Masses in Development" a case study of Tanzania, United Nations African Institute for Economic Development and Planning, (IDEP) Dakar, 1974.

A system of workers' councils was established. There is no need to show in detail, the structure, the functions of these councils as they are more or less similar to those we mentioned above when we dealt with the Algerian case. The Mwongozo's letter and spirit are to give the workers the right to participate in the management of enterprises, and to manage their socio-economic life. The old bureaucratic story, we witnessed in Algeria, meets us again here. The bureaucracy looked upon the worker's participation as a part of good industrial relations and an important incentive to improve workers' efficiency and loyalty. Some excerpts from SENGA, the NDC (National Development Corporation) magazine, may be illuminating :

"...although most NDC companies have fulfilled the statutory requirements for the creation of workers' councils and committees, these bodies have, to a marked extent, faced disappointments, frustrations, and even doubts on the real value of the programme, and in most cases the concept has been misinterpreted and many workers' representatives have tended to use them as platform from which to air their personal grievances⁽¹⁾.

This reflects the attitude of the managers who were suspicious of the principle of mass participation and sought to water down the whole exercise. Workers' participation, for the bureaucrats, is a wrong method of work. Management for them is the work of managers who would give some information to the workers to quench their thirst about what is going on in the factory. In this way, managers played the dominant role and the workers' councils had merely advisory powers.

This was not only the attitude of the Managers or the Government bureaucrats, but also the government and the national corporations' advisors. An East European advisor to the NDC, for instance, stated that "the danger of confusion of rights and duties of management with social bodies is very real". I would strongly insist on the basic principle that management's re-

(1) SENGA, No. 11, 1972, quoted in I.g. shifji, Tanzania, The Class Struggle continues", memo IDEP, reproduction, 334, March 1974.

sponsibility should remain full and intact in any aspect, without mixing it with misty excuses.⁽¹⁾

C. The Ujamaa Vijijini

The collectivization of agricultural production through the Ujamaa village programme is one of the basic principles in Arusha Declaration, to achieve rural development and to create a socialist rural community, which, in Tanzania as in many third world countries, includes the great majority of the people. One cannot cover in this brief sketch, the principles on which the Ujamaa policy was based, the achievement of these villages, their structure and relations with other social and political organizations in the countryside, their shortcomings and contradictions⁽²⁾ etc...

Suffice to say that the principle on which the Ujamaa system was based were defined by Nyerere⁽³⁾. "The traditional African family lived according to the basic principles of Juamaa. They lived together and worked together... The creation of a society in which all can live in peace with their neighbours without suffering or imposing injustice, being exploited and in which all have a gradually increasing basic level of material welfare before any individual lives in luxury, is a foundation that should be laid on the three principles of the Ujamaa family, mutual respect, holding all basic goods in common and the obligations of all to work...

From the management and organization viewpoint — the main concern of this paper — there are two main bodies : the village development committee (VDC) and the TANU (Party) cell. The Chairman of the VDC (with a membership of 5 - 20) should be elected by the TANU Committee. The VDC is the main executive body and takes charge of the overall administration of the village⁽⁴⁾. The TANU cells were introduced in 1964. The

(1) See Mapolu Henry, "The organization and participation of workers in Tanzania", Economic Research Bureau Paper, 72.1. Dar Essalam, 1972, where he maintained that even the UNTA the official trade unions was hostile to the workers' councils.

(2) See Khalil, op. cit.

(3) In his paper on "Socialism and Rural Development", 1968.

(4) It has a number of sub-committees such as finance, education, health, etc. It can dispel non-conforming individuals although it rarely did.

basic administrative unit is the "ten house cell" (Kumi-Kumi) which is the smallest level of political organization. Each cell elects its leader who is a TANU member. Cell serves as links between the village development committee (VDC) and their cell members.

The VDC is responsible to the popular will of the village. It coordinates the work of the departments concerned with planning agriculture, marketing, welfare, security and communication⁽¹⁾

Alongside with this democratic management of the Ujamaa villages, there is another kind of bureaucratic leadership, the Extension Service⁽²⁾. It is composed of agencies such as Community Centre, and the Agricultural Office, staffed by specialists who are civil servants. This proved to be a source of conflict, and penetration of bureaucracy in the democratic management of the villages.

Successes and failures can be expected in these historical conditions prevailing in Tanzania in the colonial and post colonial period. The obstacles are bureaucratic, cultural organizational, low socio-economic levels, ideological vagueness, weak leadership, especially the middle and grass root leadership tribal, production relation in the rest of the agricultural sector and so on⁽³⁾.

These are the main features of the management by the people of their socio-economic life.

Conclusion :

From the foregoing analysis one would suspect that the manager, in its conventional sense, as glorified by the conventional literature, the talent and genius which are attributed to

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- (1) TANU cell leaders make up the membership of the VDC's. Local party Chairman is the VDC Chairman.
 - (2) Extension workers to educate them to improve their conditions, teach them to read and write, dispensers, nurses, administering medicine, elementary rules of health.
 - (3) See full analysis of these and other impediments.

him, and the lack of such a person in the underdeveloped countries, who was described as a rare product is not the most important problem facing the underdeveloped countries. It seems that this only fashionable in the age of the so-called "management revolution", while in the nineteenth century and first half of the 20th century, the fashion concentrated on the innovating "entrepreneur". The international division of labour between the underdeveloped and the developed countries, which is the outcome of the dependency relations between the former and the latter, which prevails even after independence imposes activities on the underdeveloped countries, which cannot produce industrial or development managers.

The second conclusion, is that there are many forms of management where the masses of the people are now participating in the management of the social and economic activities, which minimize the role of talented manager. This is particularly, so, in the age of planning, where all the society is (or should be) involved in taking part in the development effort, its direction, organization, management and its fruits.

Under these circumstances less glorification of the managers may be desirable and imperative. The group of managers constitute a distinguished, prestigious, powerful group, who can influence the socio-economic life of any society, and orient it to satisfy their vested interests or those of a particular group. In an underdeveloped context, another group of managers to be added to the national elite, can be wasteful to its economic surplus, part of which will cater for their privileges.

It took the Chinese four years of Cultural Revolution to get rid of such a group. The Algerian leadership is struggling against bureaucracy as a stunning handicap to development.

The problem of development is not management, nor is it lack of capital, of entrepreneurs, or sometimes of population explosion. It is something deeper than that. Some of the roots of backwardness may be found in the dependency relationship between the underdeveloped and developed countries, on the one

hand, and the socio-economic structure in the former, on the other.

Without a radical change in these two areas, and without the release of the creative power of the masses to carry on the burden of development whether it is by manual or management work, and to enjoy its fruits, nothing serious in the domain of progress can be achieved.

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