

## **Pathways in Local Economic Development in Tanzania. Institutionalisation of Collective Action. The Case of Mbulu and Karatu Districts – Teun van Dijk**

### **Abstract**

In the sustainable livelihoods framework, the interaction between livelihood assets and transforming structures and processes determines the effectiveness of policies and strategies. These form the basis upon which rural people address their vulnerability context, formed by seasonality, trends and shocks. A limitation of the framework is that it is household centred and bypasses collective action. Making use of the sustainable livelihoods framework I investigate what institutional developments occurred in the sphere of local collective action addressing a given vulnerability context. How did endogenous forces create an enabling institutional environment for collective action towards socio-economic development? How did collective action operate in an array of institutional settings? This part of the sustainable livelihoods framework, which is still under-investigated, is the focus of this research.

Over a period of more than 20 years household level development in eight villages in different agro-ecological zones in rural Tanzania were surveyed. Local reports were consulted and focus group discussions were conducted with actors in various types of collective action. Key changes among households were identified with reference to their level of education, agricultural production, use of natural resources, livestock ownership, ownership of agricultural and household implements, their sources of income and their household expenditure. These were in retrospect classified in terms of the livelihood framework. People organised themselves in various forms of collective action to enhance socio-economic development. This research examined the correlation between the average household's level of education, number of collective actions in the community, institutionalisation of collective action and the village's socio-economic development. A link was found between increased levels of education, increased collective action and higher household incomes. That last represents increased local economic development.

Village level collective action emerged to safeguard and/or exploit natural resources and/or to construct socio-economic and physical infrastructure. Feeder roads were constructed. Irrigation schemes dug and maintained. Schools and dispensaries were constructed and managed. Kilometres of pipes were laid down and domestic water supply was managed and maintained. Interests were advocated and lobbied for. Inputs were purchased jointly. Information was shared. Households saved money in small groups and gave each other credit under collective management. Sports were organised together. At the village level, the current study identified on average 40 to more than 60 instances of ongoing collective action. Some were linked with lower local government, though they operated largely independently. Collective action to establish socio-economic infrastructure or input supply was observed to be rather effective. However, collective action to manage such infrastructure to enhance socio-economic service delivery was identified as rather ineffective. Factors limiting the functioning of socio-economic service delivery related to its institutionalisation in conjunction with local capacity. Factors limiting the success of collective production, processing and marketing related to local capacity as well. In conjunction with local level capacity development, bottom-up institutionalisation of collective action helps communities to grasp top-down induced opportunities to enhance socio-economic development. The observed ineffective management of socio-economic service delivery was partly explained by the inability of local leaders and their constituencies to grasp the opportunities available. This is explained in part by the poor functioning of the 'decentralisation by devolution' government policy.

One general conclusion is that the institutionalisation of collective action was inadequately preceded or accompanied by the necessary capacity building of local leaders to make it a success.