

Challenge without transformation: refugees, aid and trade in western Tanzania

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ABSTRACT

Through a comparison of two rural Tanzanian districts, this paper traces the effects of a *humanitarian influx* – the arrival of refugees and international relief – on the economic practices of the host population in one western Tanzanian district (Kasulu). It argues that, despite popular and Government claims to the contrary, there is little evidence that the influx has effected a transformation of citizens' economic lives. While changes in exchange and resource use patterns have occurred in the five years since the influx began, they are not fundamental and many are better attributed to shifts in macro-economic policy than to the refugees, the presence of the relief agencies or the distribution of humanitarian aid. The fact that the influx has not induced a shift towards increased market activity and capitalist modes of production not only challenges government and popular pronouncements, but also reaffirms the resilience of localised modes of production against external market pressures.

INTRODUCTION

The rise of forced migration – of refugees, the internally displaced, and those escaping endemic poverty – as an increasingly prominent feature of the 'developing' world's social landscape has been accompanied by a growing recognition that the short and long-term socio-economic effects of forced migration are not limited only to those compelled to flee. While the links between forced migration, aid, and refugee communities have attracted a growing amount of attention, many questions remain unanswered (see Colson 1971; Hyndman 2000; Malkki 1992, 1995; Stepputat 1999). Among the most politically charged of these are explorations of the effects of refugees' survival strategies and humanitarian aid on the existing

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physical and social environments in which they intersect. Inspired in part by Chambers' (1993) pithily entitled 'Hidden Losers' article, a group of scholars are now directing their attention to how the arrival of refugees and aid – what I call a *humanitarian influx* – affects local people living outside refugee camps or inter-mixing with high densities of the displaced. While furthering our understanding of forced migration, these inquiries have largely drawn attention to these influxes' short-term impacts (see Black 1994; Damme *et al.* 1998; Hansen & Oliver-Smith 1982; Jacobsen 1996, 1997; Kok 1989; Kuhlman 1991). Moreover, the nexus of the current debate – determining whether the aggregate effects on host populations are positive or negative – leaves us needing an elaborate index of gains and losses and considerably more longitudinal data than are typically available for the often remote and poor areas involved. While past work has made important empirical contributions, it has left what may be more fundamentally significant and transformatory outcomes unrecognised.

Recent work, notably by Jacobsen (2002), Waters (1999) and Whitaker (1999), illustrates the value of exploring the often more subtle and longer-term influences that refugees and humanitarian relief have on host communities' socio-economic configurations. As all three of these authors note, these shifts' genesis is found in the considerable material and rhetorical resource influxes typically inject into what are often politically and economically peripheral areas. Echoing Chambers' earlier assertion, both Whitaker and Waters' inquiries into western Tanzanian communities detail how particular hosts use these resources to their economic advantage, while shifting economic exchange patterns further impoverish others. Neither of these works, however, goes far beyond Chambers' original assertion that some members of the host population gain while others (perhaps the majority) lose.

In examining the effects of central African refugees on the economy of one western Tanzania district, this paper strives to look beyond the influx's short-term impacts and engage with a broader set of debates about the nature of the African peasantry. To do this it employs a metric borrowed from Marxist work on rural transformation. Working from the presupposition that most rural Tanzanians largely rely on petty agriculture, this article is primarily concerned with whether the influx has precipitated a modal transformation: a significant and potentially lasting move towards integration in regional or national markets. This analytical lens challenges local understandings of the influx's short-term material effects, while providing insights into processes that are more theoretically and empirically significant than temporary price distortions or opportunities for temporary employment.

In the first instance, the analysis questions the widely assumed causal link between the influx of Burundian and Congolese refugees and aid into western Tanzania and that region's prices rises, changing employment patterns, and increased trade. It goes on to demonstrate that while there have indeed been economic effects, most of these changes have been in sectors affecting only a small percentage of the region's host population. What signs there are of a transformation, moreover, are not towards commodification or market integration, as both Marxist theory and Tanzanian government pronouncements would lead us to expect. Rather, perceptions of influx-related inflation, market volatility, and physical insecurity have at least temporarily suppressed residents' willingness to participate in commodity or labour markets. If there has been a change, it is that Kasulu residents are instead more vigorously exercising their 'exit option' from the cash and waged economy (see Hirschman 1970; also Gibbon 1995; Hyden 1980; Maliyamkono & Bagachwa 1990). Rather than the influx encouraging incorporation into a national, market-based economy, it appears to be increasing the likelihood of Kasulu residents relying on tested forms of subsistence agricultural production and localised petty trade.

Apart from documenting an emerging empirical reality, this inquiry is important for at least two theoretical reasons. First, it draws attention to the influence of domestic, in this case Tanzanian, policy on an influx's lasting material effects. In doing so it confirms Jacobsen's (2002) assertion that even governments with feeble administrative systems – a category to which Tanzania undeniably belongs – may exert considerable influence on the behaviour of relatively rich international bodies. While policy formulated in Dar es Salaam has not always strictly determined administrative practice in the country's refugee-affected areas (cf. Pressman 1973), government policies continue to be critical influences on refugee settlement patterns, the form of relief distribution, international agencies' behaviour within Tanzania, and the sites in which they operate. Although unplanned, the demographic configurations and patterns of resource flows resulting from domestic policy are in large part responsible for the effects that the influx has engendered.

Second, while this paper draws heavily on a rural political economy perspective, by highlighting the role of historical contingency it challenges the mechanistic thinking that often informs this field. Structuralist writing generally predicts that increased population and an influx of material resources will shift the local population's patterns of economic production from petty, peasant agriculture towards the market and cash economy (see, for example, Bernstein 1981; Marx 1950b; Moore 1966; Polanyi

1957).¹ Some post-structuralist authors – particularly those critical of the ‘Western aid regime’ – fortify these expectations by arguing that the critical involvement of international aid or relief agencies will, for better or worse, tend to propagate uniquely ‘Western’, often market-oriented, logics and practices (see Escobar 1995; Hyndman 1996; Malkki 1995; Stepputat 1999). Given these arguments, such theories are likely to predict a move away from self-reliance and petty production towards marketisation: the extension of capitalist and exchange logics into areas previously characterised by self-sufficiency and localised production. In fact, the evidence points towards changes to the contrary.

EVALUATING ECONOMIC TRANSFORMATION: INDICATORS OF
CHANGE AND RESEARCH DESIGN

Based on theory and experiences elsewhere in the world, there are good reasons to expect that a significant humanitarian influx should induce a significant transformation in a region’s material relations and disciplines. In the current case, the World Food Programme’s (WFP’s) food distribution programme alone (covering four western Tanzanian districts) was a million dollar a week operation (Ward 1999 int.). This says nothing of the resources brought in or exchanged by other aspects of the relief operation or by refugees and aid workers. While not all of these resources reached Kasulu district, even those that did dwarfed the district administration’s *annual* budget of approximately \$1.8 million (Mutamba 2000 int.).² The influx’s demographic weight also made it a particularly suitable candidate for overcoming many of the most cited factors that have retarded marketisation in Africa’s rural areas. The refugee camps’ proximity to Tanzanian villages, for example, not only provided a ready local market for agricultural products but also appeared, due to the refugees’ desperation, to offer a massive and untapped source of inexpensive labour.

Drawing from modernist theory and classical Marxism, I take increased marketisation or self-sufficiency as my primary measures of modal transformation (see Bernstein 1981; Marx 1950a, 1950b; Rostow 1960; Weber 1976). When it occurs, marketisation represents a dramatic shift in villagers’ economic engagements from family-based production and highly local trade and barter to a supra-local, cash based economy. One must also allow for the possibility of increased localisation of production and self-reliance.

The indicators used here to gauge economic transformation – inflation, magnitude of trade, use of labour, general wealth, and participation in the market (versus self-sufficiency) – are imprecise to be sure. Taken together,

however, they provide a general outline of transformational pressures and changing economic practices. For example, rapid inflation combined with increased trade, use of labour, and market participation are all likely signs of a move from relative self-sufficiency to a more market oriented economy. Taken individually, these indicators are still valuable in pointing to the sources and nature of change. Rapid increases in real costs, for example, suggest strong demands on existing resources and pressures for increased market-oriented production.

Identifying and describing a region's changing economic and material conditions does not in itself allow the observer to isolate an influx's causal effects. In a country undergoing rapid macro-economic *de jure* and *de facto* 'liberalisation', making such determinations is particularly difficult. To address this challenge, this study uses Mill's 'method of difference' (see King *et al.* 1994; Lieberson 1994) to undertake a longitudinal comparison of shifting material practices in two generally similar Tanzanian districts, Kasulu and Mpwapwa. Since 1995, the first of these – located on the Burundian border in western Tanzania's Kigoma region – has experienced the influx of tens of thousands of refugees, millions of aid dollars, and the proliferation of international and domestic NGOs and relief agencies. During the research period (September 1999–November 2000) over 85,000 Burundian and 51,000 Congolese refugees (142,886 total), and probably half that number again in temporary exiles or unregistered immigrants, resided in Kasulu district, home to approximately 320,000 Tanzanian citizens (figures and estimates provided by UNHCR offices in Dar es Salaam). The massive movements of people and aid into Kasulu make it an almost ideal site for investigating the transformatory effects of a humanitarian influx. Although Mpwapwa district is located in the centre of the country and rather closer to both supra-local markets and formal political structures, its historical, demographic, and economic similarities to Kasulu nonetheless allow it to serve as a suitable 'control'. The similarity of the two sub-samples' demographic profiles and responses to a wide range of questions further legitimises this comparison (see Landau 2003).

In evaluating changing material practices and logics I employed a mix of ethnographic and survey techniques. These involved more than 90 intensive interviews (44 in Mpwapwa, 52 in Kasulu) across six sites (four villages and the district capitals) using a pre-written questionnaire mixing demographic, economic, and attitudinal questions, both closed and open-ended. Although this did not create a randomised or statistically representative sample, both district sub-samples include considerable and comparable variations in gender (approximately 35% women) and

geography (villages and towns, and different areas within these). The findings are also informed by observations from numerous public events and informal discussions with local residents in a wide range of settings.

A formal written survey of civic attitudes administered in four secondary schools – replicating a 1966 exercise (see Koff & Von der Muhll 1967) – bolstered my investigations into chronological and geographic variances. In Kasulu district, one of these schools was located in Kasulu town while the other was located on the main road leading to the refugee camps (the district's remaining secondary school proved inaccessible). In Mpwapwa district I selected the only two available secondary schools, one located in Mpwapwa town and the other in Kibakwe, a smaller town three hours to the south. In all, 272 Form IV students participated in the 2000 survey (122 in Mpwapwa, 150 in Kasulu). Tanzania's national archives also provided considerable background information, as did interviews with over 100 government, UN, and NGO representatives in Kasulu, Mpwapwa, and Dar es Salaam. (Information drawn from these discussions is signified by 'int.' in the relevant citation.)

THE HUMANITARIAN INFLUX IN FACT AND POLICY

Understanding the causal links between a humanitarian influx and host communities' changing practices requires at least a preliminary understanding of pre-influx conditions, the magnitude of the current influx, and the actors and policy decisions that structured that influx (for more detailed background to the history of refugees in western Tanzania, see Armstrong 1988; Malkki 1995; Rutinwa 1996; Sommers 2001).³ On 6 April 1994, the shooting down of an airplane carrying the new Burundian president, Cyprien Ntaryamira, and his Rwandan counterpart, Juvénal Habyarimana, marked the beginning of one of the most gruesome episodes in recent history and precipitated the murders of between 500,000 and 1,000,000 Rwandans. Tutsi fear of the genocidal *interahamwe*, and later, Hutu fear of reprisals from the Tutsi-dominated and ultimately victorious Rwandan Patriotic Front (RPF) led to massive human displacement. When the RPF finally gained power at the end of 1994, approximately 4,000,000 Rwandans were displaced. About half of these had crossed international borders in search of sanctuary.

Tanzania, long a safe haven amidst the region's violence and instability, was the primary destination for the refugees fleeing Rwanda in 1994. By the end of May of that year, Benaco refugee camp (Ngara district, Kagera region) was the largest in the world. When the Tutsis returned home after the RPF victory, Hutus fearing reprisals soon filled many of the newly

vacated camps. By early 1995, there were nearly 600,000 Rwandan refugees living in Tanzania, almost all in Kagera region. Apart from a dip following the involuntary repatriation of many Rwandan refugees in December 1996, Tanzania's refugee population grew steadily between 1994 and 2000.⁴

Beginning in late 1995 and early 1996, political conflicts within neighbouring Burundi produced a steady flow of Hutu refugees into western Tanzania's Kibondo and Ngara districts. In July 1996, a coup toppling the democratically elected FRODEBU party and establishing the Tutsi military regime led by then President Pierre Buyoya resulted in further human dislocation. With the threat of death or forced relocation into concentration camps becoming increasingly likely,⁵ many Burundian Hutus fled the country. As a result of the conflicts, there were between 200,000 and 300,000 officially registered Burundian refugees in Tanzania by late 1999, almost all in internationally managed camps (see Table 1).

The real number of Burundians living in Tanzania during this period was considerably higher, perhaps reaching 400,000 to 500,000. The collapse of Mobutu's Zaïre in the late 1990s and the subsequent conflicts in the northeastern area of the newly renamed Democratic Republic of Congo (DRC) also resulted in considerable human displacement and an increased number of asylum seekers in western Tanzania. In the seven years between 1993 and 2000, the country received and hosted almost 1,500,000 refugees, most of them concentrated in western Tanzania (Kagera and Kigoma regions). Kasulu district, one of three rural districts in Kigoma region, has been a major destination for refugees from both DRC and Burundi (see Table 1). As further illustration of the magnitude of the post-1994 influx, it is worth noting that in the more than thirty years between 1961 and 1993, Tanzania only hosted about 400,000 refugees in 20 settlements throughout the country.

Combined, Kigoma and Kagera regions have an estimated population of about 2,500,000 Tanzanian citizens. The presence of 500,000 plus refugees means that one sixth of the two regions' total residents are non-citizens. The ratio is even more pronounced in Kasulu district, where an estimated host population of 320,000 shares the district with over 140,000 officially recognised refugees. Ignoring what may be an additional 60,000 Burundians living outside the camps, over a quarter of Kasulu's current residents are non-Tanzanian nationals. Any population increase of this magnitude is likely to affect existing local practices. The fact that a quarter of the district's population comprises expatriates housed in densely populated camps supported by a multimillion dollar international relief effort makes some form of change all but inevitable.

TABLE I
Refugees in Kasulu District and Tanzania^a

| Settlement ^b | 1990 | 1992 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 |
|----------------------------|---------|---------|---------------------|---------|--------------|---------|---------|---------|---------|
| Mtabila I & II | – | – | 9,664 | 7,400 | n.a. | 44,040 | n.a. | 56,386 | 56,169 |
| Muyovosi | – | – | – | – | Opened Sept. | 27,750 | n.a. | 29,261 | 34,857 |
| Nyarugusu | – | – | – | – | – | 39,211 | n.a. | 56,598 | 51,860 |
| Total in Kasulu | 0 | 0 | 16,175 ^c | 7,400 | n.a. | 111,001 | n.a. | 142,245 | 142,886 |
| Total refugees in Tanzania | 265,180 | 292,150 | 883,250 | 829,670 | 498,730 | 570,370 | 543,880 | 622,210 | 680,862 |

^a All demographic figures, both those provided in this table and those given later for the Tanzanian population, should be read as informed estimates. Refugee populations are notoriously difficult to quantify and the counting process is often highly politicised (see Crisp 1999; Harrell-Bond *et al.* 1992). Unless noted, figures on Tanzanian citizens cited here are based on the most recent (1988) census adjusted for population growth by the Tanzanian government's Statistics Department.

^b Mtabila (I and II) and Muyovosi camps are exclusively Burundian; Nyarugusu is Congolese.

^c This total is for February 1994. There is no record of where those refugees who were not in Mtabila were staying.

Source: UNHCR offices in Dar es Salaam & Kasulu and <<http://www.unhcr.ch>>. Kasulu figures are for July of each year. Total refugees in Tanzania are for 31 December of the given year.

It is useful to revisit a number of key assertions by way of summary. First, while Kasulu – and indeed much of western Tanzania – has hosted central African refugees for much of the last forty years, the post-1994 influx in many ways represents a qualitative shift in the scale and nature of human displacement and the relief operations they triggered. Where ‘old case load’ refugees either self-settled amongst Tanzanian villagers or were housed in purpose built settlements largely separated, both geographically and socially, from their Tanzanian hosts, the new refugees are in temporary camps in close proximity to Tanzanian villages. This has had important implications for host communities. While economic interaction between the refugees and Tanzanians occurred during previous inflows, nowhere were the concentrations of refugees high enough or their settlements in close enough proximity to host communities to fundamentally transform existing patterns of material exchange. The remainder of this paper seeks to determine whether this massive humanitarian influx has hastened market integration and precipitated a shift away from localised petty trade.

CHALLENGE WITHOUT TRANSFORMATION

The new caseload’s apparent effects are readily visible in the refugee-affected areas’ economic and physical landscape. Understanding the nature and cause of these effects, however, requires careful attention. The following section asks three questions in this regard. First, does the available evidence justify Tanzanian government claims that its citizens living outside the camps have, on aggregate, borne substantial economic costs resulting from the humanitarian influx? In addressing this query, this section also asks whether the effects are an inherent and unavoidable effect of an influx of this magnitude, or whether they are linked to official policy structuring the relief effort. The third question – and the one most directly tied to this paper’s overarching concern – is whether these observed changes constitute a fundamental or ‘modal’ shift in practice, or whether they are merely temporary distortions in Kasulu residents’ patterns of production and material exchange.

There are sound reasons to expect that Kasulu’s humanitarian influx would lead to local residents’ further engagement in supra-local material exchange and market logics. First, the failure of past economic and marketing initiatives meant that before the influx, residents’ involvement in supra-local markets tended to be occasional and limited (see Gibbon 1995; Hyden 1980). For perfectly rational reasons, the peasantry, in Hyden’s famous words, remained uncaptured. It would, therefore, not be surprising

for local residents to embrace market-oriented behaviour when faced with the new incentives associated with Kasulu's humanitarian influx. Increases in population – up by over 20 % in five years – and resource flows in and out of the district would seem to provide the incentives to make such a shift. As noted earlier, the WFP's refugee-feeding operation alone brought resources worth a million dollars into western Tanzania (Kigoma and Kagera regions) every week for a period of years. Expenditures from other aspects of the relief operation, the presence of new, resource rich actors (NGOs, the UN, aid workers), and improved transport infrastructure further raised the spectre of inflation and possibilities for commodification and supra-local exchange.

Many observers and aid-practitioners also note how a massive influx (like Kasulu's) typically encourages marketisation through expanding opportunities for trade, hiring labour, and direct employment (see Christensen 1985; Daley 1993; Waters 1999; Whitaker 1999). Not only do refugees often sell large portions of their aid disbursements (e.g. food, blankets, cooking implements, and the ubiquitous blue tarpaulins), but their presence also invariably heightens demand for other goods and services. When there are restrictions on refugees' income generating activities, as there are in Tanzania, they are often forced to compete (illegally) for waged jobs. While potentially suppressing wages and discouraging local participation in the labour market, lower labour costs may provide small-scale agricultural producers with opportunities to expand income-generating activities. Furthermore, an influx offers permanent residents new employment opportunities: with international organisations and NGOs; as domestic help for well-paid aid workers; or in one of the new businesses started to serve these affluent outsiders. Combined with higher costs for food and cooking fuel, these may well provide additional pressures for commodification. The following paragraphs explore these pressures and their effects on local material exchange.

Economic practices and disciplines

Inflation

Meeting basic material needs is a universal determinant of human behaviour. Rapid increases in prices for food and shelter will, therefore, almost necessarily have significant practical consequences for those relying on such commodities. Similarly, the depletion of essential natural resources will effectively require people to relocate or acquire those goods through other – usually market – mechanisms. Preliminary evidence suggests that the humanitarian influx has provided such pressures, resulting

in skyrocketing prices and resource scarcity. One Kasulu villager reflects such concerns:

Before the refugees arrived, this was a beautiful place, we had so many trees, there was fresh water and we had all of the crops and livestock that we needed ... Now many people have to travel far to their farms and there is much illness, and prices for our needs have gone up dramatically. A goat five years ago was 2–3,000 shillings, now it is 10–15,000. (Kohoye 2000 int.)

Buganga (1995) argues, in a report provided to me by the District government, that in its first year, the influx's by-products included price increases of 42 % for bananas, 57 % for goats, and 89 % for chickens. In an official document, the Tanzanian government claims that between 1993 and 1996, prices for a kilogram of beans climbed from 200 to 500 shillings (83 % per year) and carrots from 500 to 2,000 (133 % per year) in the country's refugee-affected areas (URT 1997: xii). Following a self-destructive corollary to the notion of the 'rational peasantry' (see Popkin 1979), the Tanzanian government goes on to argue that these higher food prices encouraged overselling, resulting in widespread food insecurity and heightened dependence on supra-local markets (URT 1997: xiii).⁶ Others cite massive increases in the prices paid for rental property as an indicator of substantive economic change (see, for example, Waters 1999).

Evaluating the sources of Kasulu's dramatic price rises is one task for which cross-district comparison is essential. If prices in the two research districts followed the same curve, for example, one could confidently dismiss government claims of influx-related inflation. Unfortunately, despite queries to the district, regional, and national Agriculture Departments, it proved impossible to obtain district level data on commodity prices. Even so, it is still possible to carefully consider the causal reasoning behind these claims, and their effects on locals' daily lives, in the light of available data. For example, because very few of Kasulu's permanent residents live in rental housing and even fewer own property suitable for rent to aid workers, real rises in the rates for rental housing and office space are only likely to be felt by international organisations, NGOs, and their relatively well-paid staffs (both Tanzanian and international). Despite massive increases in the rents charged for 'upmarket' properties in Kasulu town, the price for village property or building materials does not appear to have increased.⁷ Such a shift is not, therefore, likely to challenge the district's prevailing economic practices.

It is more difficult to dismiss, *a priori*, changing food prices. While food shortages may have occurred in some refugee-affected areas, and malnutrition is a recurrent problem, there is nothing concretely linking these concerns to the refugees. No one with whom I spoke, for example, indicated

TABLE 2

Comparative prices for basket of goods in unadjusted Tanzanian shillings^a

| | 1990 (Avg.) | 1995 (Avg.) | 2000 (High) | 2000 (Low) | 2000 (Avg.) | % increase 1990–2000 | Absolute increase 1990–2000 |
|---------|----------------|----------------|----------------|---------------|----------------|-------------------------|--------------------------------|
| Mpwapwa | 766.6 | 1,000.2 | 1,904.3 | 721.1 | 1,312.7 | 71.2 | 546.7 |
| Kasulu | 718.4 | 902.2 | 1,664.4 | 1,124.0 | 1,394.2 | 94.0 | 675.8 |

^a This index is based on a basket of goods including 1.5 kg of maize, 1 kg of beans, and a whole goat. Average prices for maize and beans were totalled and added to 10% of the price of a whole goat (to avoid the goat price dominating the index). The sample sizes for the various products vary greatly, from 3 for 1990 maize prices in Mpwapwa to 10 for current bean prices (10 was the target sample size). In all cases, not more than five people were able to provide price information for commodities sold in 1990. All information was collected from vendors in the districts' largest markets, the Sunday market in Mpwapwa (June 2000) and the 'New Market' in Kasulu (October 2000). An effort was made to collect information on cassava prices but no more than three people could be found selling cassava.

that they had gone without food as a result of trading with refugees or, for that matter, that they were selling more agricultural products to anyone than they had in years past. Much as raising rents may only affect those already relying on the cash economy, the high degree to which Kasulu's local residents (like most Tanzanian villagers) are nutritionally self-reliant has also served to temper the district's price rises' practical effects.

While my own attempts to collect retrospective data on commodity prices (presented here as Table 2) are far from resolving the issue, they do firmly contradict government assertions. Based on a small quantitative sample and qualitative evidence, the following paragraphs explore this challenge and other potential reasons for questioning the influx's role in Kasulu's inflation and food security concerns.

Accepting its very serious limitations (see note 18), Table 2 demonstrates that average prices for a typical basket of foodstuffs in Kasulu differ by only about 5% from those in Mpwapwa, a difference that might be dismissed as sampling error. Working on the assumption that Mpwapwa and Kasulu residents control the same financial resources (see Table 3 below), it would be incorrect to conclude that Kasulu residents who are currently buying marketed goods do so at a significant disadvantage. Conversely, Kasulu's markets provide no great advantage to those selling agricultural commodities. Table 2 also indicates tremendous short-term variance in commodity prices, with prices often fluctuating more dramatically within a single year than between years (see, for example, Mpwapwa 2000 (low) against Mpwapwa 1990 (average)). This comes as little surprise because without refrigeration, silos, or affordable transport, Tanzania's commodity markets are characterised by cycles of glut and shortage. In

Mpwapwa, for example, the price for maize can vary by as much as 300–500% between the harvest season, when supply is most plentiful, and planting season, when it is most scarce (Mnzava 2000 int.). Discussions with Kasulu shopkeepers indicate that goat prices are also known to jump almost 1,000% in the days before *Idd el Fitri* when the animals are most in demand. These shifts' severity and rapidity, which are obviously not influx-related, are likely to have a far greater impact on an average citizen's spending power and economic planning than slower longitudinal increases. These seasonal variations also illustrate the markets' ability to tolerate rapid price fluctuations without permanent structural change.

Given the government of Tanzania's interest in demonstrating the influx's negative effects on surrounding communities, their figures (for beans and carrots, cited above) may represent these seasonal (i.e. temporary) distortions, carefully selected to show maximal change, and not long-term trends. While Table 2 does seem to suggest that prices in Kasulu have climbed more quickly than in Mpwapwa over the last ten years (supporting the thesis linking the influx and inflation), these figures need to be further qualified. Spreading out these increases over a period of ten years (assuming the figures' accuracy), for example, makes the difference appear considerably less stark. Perhaps most important, these inflationary pressures appear only to have brought Kasulu prices in line with those in Mpwapwa, rather than vaulting them past their Tanzanian counterparts. Their status as either pressures for or indicators of influx-related transformation is, therefore, anything but certain.

Even a cursory examination of Kasulu district's macro-economic context further undermines causal claims linking the influx to price fluctuations. With socialism's end in 1985, Tanzania's political leadership initially attempted to liberalise the economy while maintaining many of the long-standing currency and financial controls and funding for basic public services (schools and clinics). When the more technocratic Benjamin Mkapa was elected president in 1995, in the midst of the Rwandan emergency, he pushed the process considerably further, liberalising currency markets and cutting public service funding. For the first time since independence, it was legal to exchange shillings for dollars at market rates and the shilling's value predictably collapsed, falling from \$1 = TSh17.4 to about \$1 = TSh175 between 1985 and 1990 (World Bank 2000). By 1995, the shilling had reached 587 to the dollar in informal markets (the official rate was 536), and by 2000, it was at 810 (World Bank 2000). This meant that many goods priced at 175 shillings just before the influx sold for over 800 shillings a decade later. With lagging wage adjustments, substantial cuts in public spending for social services, the introduction of cost

sharing for schools and hospitals, and the reintroduction of local development levies, these jumps have had tremendous effects on Tanzanians throughout the country (see Tripp 1997).⁸ More importantly for current purposes, the devalued shilling accounts for most of the district's inflation since 1995.

It is also important to consider the ways in which general environmental conditions have affected food availability and prices for basic commodities. As UNICEF's representative in Kasulu, Severin Kabakama (2000 int.), notes:

The real problem with food security over the last few years has had very little to do with the refugees. In 1998 there was *el niño* and the following year there was drought. Having extra people here makes these food shortages more severe, but there would have been serious problems regardless.

Indeed, during this same period Mpwapwa experienced acute food shortages, alleviation of which required international food aid and produced massive price distortions (McIlvenna 2000 int.). Given extreme price responsiveness to increases in supply or demand, the role of such meteorological phenomena in Kasulu's price rises should not be discounted.

While the influx has undoubtedly created distortions in the market, providing opportunities for some and disadvantages for others, there is no strong evidence linking the influx to the marketising pressures levied on Kasulu's population by inflation. Both quantitative and qualitative evidence suggests that people in Kasulu have not, on average, been required to spend more or less than the Tanzanian average for foodstuffs, nor are there particularly greater or lesser incentives for market participation. Despite this, Kasulu residents widely believe that the refugee presence is responsible for the inflation they observe in their daily lives, affecting the types of perceived 'solutions' needed and a popular sense of who (citizens, government, or aid workers) is responsible for their execution.⁹

Labour, Trade, and Cash Crop Production. Three additional indicators of potential influx related transformation need to be considered: new employment, increased trade, and the availability of inexpensive refugee labour. As with inflation, these indicators clearly reveal distortions and subtle shifts related to the influx. Examined more closely, however, they also suggest that the foundations of a largely self-sustaining, autonomous agricultural economy remain intact.

During interviews, aid workers and agencies regularly emphasise the employment benefits that the influx has brought to rural Tanzanian districts like Kasulu. At one level, the signs of change are obvious. Ten years

ago, there was little permanent paid work in Kasulu outside the government sector. As a result of the influx, Kasulu now hosts a wide selection of international agencies and NGOs staffed, and occasionally managed, by Tanzanians.¹⁰ A district that was once designated as a labour reserve has now become a major destination for Tanzanians from all over the country seeking waged employment with international and non-governmental organisations. Having an employed population with expendable income may have a multiplier effect, encouraging increased exchange throughout the district. Apart from new jobs, there are also claims that by providing cheap labour, the refugee presence has had significant impacts on the degree to which local residents are involved in cash-crop production (cf. Daley 1993; Koloseni 1999 int.).

I wish to first consider the issue of direct employment with the relief agencies arriving as part of the humanitarian influx. From speaking with agency representatives keen to highlight their contributions to locals' improved welfare, one could quite easily imagine that half of Kasulu is now in their employ. Closer examination reveals that these employment opportunities have, in fact, had a very limited effect on the district's permanent residents. As one former (Tanzanian) aid worker notes:

There are some positive benefits. I, myself, worked as a radio operator for World Vision, before coming to the University and during our vacation times. Many people get jobs with relief organizations, but Tanzania is a wide country ... The problem is people who are near the camps are not getting the employment. If they get it, it is as security guards and cleaners. (Kitambwa 1999 int.)

There are at least three reasons why permanent Kasulu residents have not capitalised extensively from new employment opportunities. First, these organisations hire relatively few people compared with the district's population. There are, to make a generous estimation, maybe 1,000 people directly employed by Kasulu's aid and relief organisations (most of those employed in the camps are refugees). Even if all of these were Tanzanians, which they are not, they would still represent a tiny fraction of the district's approximately 200,000 working-age adults. Although (or perhaps because) the benefits for those who are employed are subsequently redistributed through family and kin networks, the effect of these jobs remains remarkably limited. The inclusion of secondary employment (locals hired by well-paid aid workers to wash, cook, clean, etc.) expands the sphere of influence somewhat, but does not point to widespread transformation. These secondary positions are, after all, only available to the small number of people who can walk or cycle to their employers' residences, and the payment is relatively low. Only rarely have these wages enabled locals to make substantial capital investments in land or productive machines.

While these opportunities may help improve or transform individuals' lives, they will not effect a modal shift in the district's economic practice, bring people into a supra-local labour market, or encourage them to abandon their primary subsistence oriented activities.

The timing and location of the influx itself provides a second reason why the transformatory effects of direct employment have not been significant. A great number of the organisations now operating in Kasulu established their Tanzanian presence during the 1994 influx of Rwandans into Kagera region (particularly Ngara). At this point there was a great push to hire locals for positions that could not be filled immediately by international staff. The shortage of qualified applicants meant that some Tanzanians were trained to fill technical positions. Over time, many of these organisations developed good working relationships with a core set of employees. The final repatriation of the Rwandans in 1996 consequently created a surplus of newly retrenched staff who were qualified, trusted, and more than willing to move south to fill new positions in Kigoma's expanding relief operations. This further suppressed the number of new jobs available to Kasulu residents.

Kasulu residents' educational limitations provide the third reason why they have limited capacity to profit from economic opportunities that are available with the aid agencies and NGOs. With educational standards among the lowest in the country, most Kasulu residents cannot compete for jobs requiring English, functional numeracy and literacy, a driver's licence, or basic computing or accountancy skills (Magayana 2000 int.). Interviews with villagers support the claim that few Kasulu residents have capitalised on these new positions. Of the 52 Kasulu villagers interviewed, only one relied on someone engaged in full-time waged labour, and this individual was not paid by an influx-related organisation (see Table 3).

The general employment profiles for Mpwapwa and Kasulu residents are almost identical, a further indicator that new employment opportunities have not induced a shift in the primary means of economic production (see Table 3). In the survey of secondary school students, only 2% of Kasulu respondents indicated that one of their parents worked with an international or non-governmental organisation ($n = 150$). That the rate is so low among students, whose parents are relatively wealthy and best able to capitalise on new employment opportunities, suggests that the effects of the influx on the general population is likely to be minimal.

Kasulu residents' general impoverishment also limits their ability to capitalise on new influx-related business opportunities. The concentration of a group of relatively well-paid NGO and IGO staff in Kasulu town has expanded or created demand for a variety of products and services. In

TABLE 3
 Percentage of respondents by location and wage earner's primary occupation^a

| | Combined | Mpwapwa | Kasulu |
|----------------------------|----------|---------|--------|
| Farmer | 64 | 61 | 65 |
| Businessman, self-employed | 27 | 30 | 25 |
| Government employee | 3 | 5 | 2 |
| Church leader | 2 | 5 | 0 |
| Teacher | 1 | 0 | 2 |
| NGO/IGO | 1 | 0 | 2 |
| Employee, wage labourer | 1 | 0 | 2 |
| No job | 1 | 0 | 2 |
| n | 96 | 44 | 52 |

^a Totals do not equal 100 due to rounding.

response, whole streets of 'up-market' housing are being built on Kasulu's outskirts. In Kasulu's business district, small businesses have mushroomed, selling cold bottled beer and an odd array of packaged and prepared foods (cornflakes, canned mushrooms, chocolate, South African wines – beer was available in Mpwapwa, but these other consumer goods were not). While there has been no systematic survey of these businesses, discussions with owners and residents indicate that most of this growth has been financed by people from outside the district, and often from outside the region. Indeed, Mpwapwa's business owners share an ethnic profile similar to Kasulu's business elite: a significant number of Chaggas (from Kilimanjaro), but also groups from Kagera, Tabora, and Dar es Salaam. Although less than in years past, south Asians are also well represented. The preponderance of 'foreign' business owners indicates that the economic advantages garnered from the influx are considerably less likely to reach Kasulu's native residents or, consequently, to have a significant influence on their economic practices.

Despite influx related changes, informal trade and agriculture remain Kasulu residents' economic lifeblood. While a trade embargo and continued insecurity in Burundi has probably decreased cross-border trade, many assert that local (as opposed to trans-border) trade has increased as Kasulu's population has grown. A number of highly visible phenomena illustrate the emergence of influx-related practices. In the hours following the WFP's bi-monthly food distribution, bicycles carrying impossibly heavy sacks of yellow maize can be seen streaming out of the camp gates. Those exiting Mtabila Camp typically head directly to Mugombe village (2 km away) where the bags (many still emblazoned 'Gift of USA: Not for

Sale') are loaded on to waiting trucks for transport to markets elsewhere in the country. Other sacks are carried to Kasulu where they are sold through local market mechanisms. Many Tanzanians also participate in twice-weekly markets held just outside the camps, where agricultural commodities and locally made beer are traded, and they supply the small shops and kiosks operating within the camps themselves (Chuleha 1999 int.). In Kanazi village, 10 km from the refugee camps by footpath (further by road), refugees are regular participants in the village market, often selling part or all of the goods they have received as aid (maize, blankets, blue tarpaulins, etc.).¹¹

These trading practices are superficially indicative of a deeper economic change, and many local observers have assumed that they represent increased integration into supra-local economic networks. Although this has undoubtedly occurred to a certain extent, such conclusions must be severely qualified. While significant to the individuals involved, the aggregate effects of such trade are not impressive. When asked if general business conditions had substantially changed since the influx, the Kanazi (Kasulu) village chairman responded that the refugee presence was nominally beneficial to trade, but that over the past five years practical changes had not been that great (Dilunga 1999 int.). This sentiment was seconded by a Kanazi schoolteacher and businessman (interviewed informally in his shop during school hours), who dismissed the possibility that the refugees were a significant source of economic change:

The refugees have nothing, so they only come to sell what they are given. Maybe they buy a few things, but not much. They don't buy clothes, only some food, and not much of that. You know, if you have a family of five, you can buy enough cassava to feed all of them for a day for about 100 shillings [app. \$0.15]. You don't get rich selling things for 100 shillings. (Kasulu 17.12.1999)

As suggested earlier, trade with the refugees has created temporary price distortions and generally increased the amount of goods and money changing hands, but it has not had a transformatory effect even on the villages closest to the camps. As one moves further from the camp boundary, these effects become even less consequential. While the money changing hands is great by local standards, the wholesalers and major buyers are typically either residents of other districts or newcomers to Kasulu. Villagers are able to participate in this trade primarily as intermediaries, and their profits are therefore quite limited.

One must also consider the possibility that 'surplus' refugee labour has enabled the host population to expand its own agricultural production and sales. Whitaker's 1999 study suggests that refugees provide a cheap (albeit illegal) source of labour for clearing land, building houses, minding

livestock, and (particularly) harvesting local residents' crops. Even though 75% of the refugees are paid in kind (rather than cash), Whitaker maintains that the financial effects of this are significant: farmers expanded their farms and sold more crops for cash. The manager of Kasulu's newly privatised tobacco company (DIMON) supports these claims, reporting that since the influx began, many of the district's farmers are expanding their tobacco production by using refugee labour (Mbena 1999 int.). If this is true, a transformation may be taking place. While the refugees' eventual departure would certainly reduce the availability of cheap labour, their extended stay may allow farmers to accumulate sufficient capital to shift permanently from petty agriculture to cash crop production or some other form of economic activity. A conversion of land and resources for cash cropping at the expense of subsistence activities could also help 'lock-in' incentive structures for the continuation of an expanded market for wage labour, something that has not previously existed.

A number of factors give cause to question whether inexpensive refugee labour is in fact behind a substantial transformation in Tanzanians' economic practices. At the most basic level, restrictions on refugees' economic activity limit their ability to spend time away from the camps. While many move beyond the official 3 km perimeter set by the government, the threat of punishment undoubtedly suppresses the amount of economic activity outside the camp boundaries. Growing insecurity in the areas surrounding the camps has also acted as a brake on Tanzanians expanding agriculture production. As one Kasulu villager notes:

Some people may have the ability to farm up to ten acres, they can hire labour and they have the land. Then, they go out and plant the farm and tend the crops and just before the harvest, the refugees come and take everything. It is as if they have done nothing. So, next time, they don't plant so much. (Mugombe 29.02.2000, int.)

The effects of growing fear go beyond crop damage. Interviews suggest that to ensure their personal safety, farmers, who are mainly women, must now travel in groups, further limiting the area that can be farmed and potentially negating the productive potential of refugee labour (Kitambwa 1999 int.; Kohoye 2000 int.; Mtumwa 2000 int.).

One may also question the extent to which the refugee presence has swollen the local labour force. While it is not surprising that very few respondents admitted to contracting refugee labour – it is after all illegal – interviews indicate that over the last five years (i.e. since the start of the influx) the amount of labour hired by Kasulu residents has not substantially increased. Moreover, interviews with villagers indicate that the rate at which they employ labour does not significantly differ from Mpwapwa

TABLE 4
Percentage of respondents employing more or less temporary labour than
5 years ago

| | Combined | Mpwapwa | Kasulu |
|-----------------|----------|---------|--------|
| Increase | 14 | 16 | 11 |
| Decrease | 15 | 16 | 15 |
| Stayed the same | 5 | 5 | 7 |
| Hires no labour | 66 | 63 | 67 |
| n | 96 | 44 | 52 |

TABLE 5
Percentage of villagers employing temporary labour^a

| No. of labourers | Combined | Mpwapwa | Kasulu |
|------------------|----------|---------|--------|
| None | 66 | 63 | 67 |
| 1 | 9 | 5 | 14 |
| 2 | 8 | 7 | 10 |
| 3 | 5 | 9 | 2 |
| 4 | 3 | 7 | 0 |
| 5 | 2 | 0 | 4 |
| 6 | 2 | 2 | 2 |
| More than 6 | 4 | 7 | 2 |
| n | 96 | 44 | 52 |

^a Totals do not equal 100 due to rounding.

(see Tables 4 and 5). It is also important that wages paid to Kasulu's day workers are not noticeably lower than in Mpwapwa, as one would expect given a labour surplus.

The figures on the use of labour suggest that while refugees may have expanded the size of the workforce, their impact on Kasulu residents' economic practices has been minimal. Compared with their counterparts in Mpwapwa, Kasulu farmers seem somewhat less likely to hire temporary labour, and those that do hire fewer labourers. Furthermore, the number of farmers hiring temporary labour has climbed slightly less quickly in Kasulu than in Mpwapwa. While this difference in the rate of new labour hired can be dismissed on methodological grounds, were Kasulu residents taking full advantage of refugee labour, even a dull measure (such as that used here) could be expected to turn up a considerably higher rate in Kasulu.

Production statistics for tobacco, Kasulu's most significant cash crop, are perhaps the most damning challenge to assertions that refugee labour

TABLE 6
Tobacco production and sales in Kasulu District

| Season | Kilos farmed | Value ^a | Shillings per kg | No. of farmers |
|-----------|--------------|--------------------|------------------|----------------|
| 1996/97 | 57,757 | 27,723,360 | 480 | 286 |
| 1997/98 | 254,705 | 159,017,727 | 540 | 749 |
| 1998/99 | 250,178 | 117,391,798 | 470 | 308 |
| 1999/2000 | 116,631 | 56,028,300 | 481 | 335 |

^a The shilling has devalued from c.\$1 = TSh550 in 1998 to c.\$1 = TSh810 in 2000. This makes the decline shown in Table 6 even more severe.

Source: DIMON, Kasulu.

is the engine powering marketisation and the shift from petty agriculture to cash crop production (see Table 6). While the DIMON manager asserts that farmers are making extensive use of refugee labour (Mbena 1999 int.), this labour does not seem to have overcome other structural and technical weaknesses in the tobacco market. Instead of a positive correlation between the availability of labour and increased commercial agricultural activity, production seems more closely linked to falling real prices for tobacco (given inflation and currency devaluation) and environmental conditions. The fact that only 388 farmers participated in tobacco production in 1999, with only 802 acres under cultivation, may mean more-over that any significance afforded to levels of tobacco production is misplaced.¹² That tobacco remains the district's largest cash crop despite declining participation and production serves as further indication of the district's paltry levels of income-generating activity and the extremely limited marketisation that has taken place since the influx.¹³

The previous sub-section demonstrates that while the influx has undoubtedly influenced Kasulu's economic practices, its effects have not been fundamentally transformatory and have not led to a significantly greater integration into supra-local exchange relationships. In fact, the observed changes – to employment, the use of labour, and agriculture – reveal isolated, limited, and temporary distortions, not structural change. A brief, concluding look into changes in Mpwapwa and Kasulu districts' general economic conditions provides further support for this position.

Given the fact that Kasulu ranks as one of the country's poorest districts in both United Nations and Tanzanian government statistics, it is not surprising that Kasulu villagers report a slightly lower standard of socio-economic welfare (Mpwapwa appears a bit better off in most statistics). The standards of living in both districts are, however, generally comparable. Table 7 points to two other important characteristics of the respective

TABLE 7
Comparative index of changes in material welfare^a

| | Owms (Mpwapwa) | Owms (Kasulu) | New (Mpwapwa) | New (Kasulu) |
|-------------------|-------------------|------------------|------------------|-----------------|
| Farm ^b | 95.4 | 90.4 | 47.7 | 26.9 |
| House | 90.9 | 86.5 | 43.2 | 36.5 |
| Radio | 68.2 | 53.9 | 36.4 | 21.2 |
| Livestock | 65.9 | 51.9 | 34.1 | 23.1 |
| Bicycle | 38.6 | 68.8 | 15.9 | 28.8 |
| Sewing machine | 15.9 | 13.4 | 9.1 | 3.8 |
| Scooter | 9.1 | 1.9 | 2.3 | 1.9 |
| Grinding machine | 11.4 | 1.9 | 9.1 | 1.9 |
| Workshop | 4.5 | 7.7 | 4.5 | 5.8 |
| Television | 6.8 | 0.0 | 4.5 | 0.0 |
| Fridge | 6.8 | 1.9 | 2.3 | 0.0 |
| Car | 6.8 | 1.9 | 2.3 | 0.0 |
| Other | 29.6 | 21.2 | 11.4 | 21.2 |
| Total | 449.9 | 401.8 | 222.8 | 171.1 |

Total n=96; Mpwapwa n=44; Kasulu n=52, totals do not equal 100 due to exclusion of 'don't know' and blank responses.

^a The index was formed in the following way. Respondents were read a list of items that rural Tanzanians might typically possess. If they answered that they or someone with whom they lived had the item, their response was coded as 'owms'. If they had acquired that item in the last five years, their response was *also* coded as 'new'. In this way, the index is intended to demonstrate both general levels of material wealth and changes in economic status. The 'totals' were formed respectively by adding the percentage of people possessing items, and the percentage of people acquiring something new. These indices are unobtrusive and problematic, but are indicative and provide some comparative reference.

^b In evaluating self-reporting of increased farm size, Koloseni (1999 int.) warns that when people say the size of their farm has increased, they do not necessarily mean that they have expanded production. Often claims of increased farm size will simply indicate that new land has been cleared.

sample groups. First, the similarity of the possessions claimed suggests that both groups participate in similar economic activities. Were, for example, Kasulu residents more market oriented as a result of an influx-induced transformation, they would be more likely to report significant numbers of sewing machines, workshops, and grinders. (The last of these could prove quite profitable given the tons (literally) of effectively inedible whole grain flooding into the district on a bi-weekly basis.) The only substantial difference between the two districts, however, is Kasulu residents' proclivity for bicycles over radios. Given the economic potential of bicycle ownership (e.g. for transporting goods and commodities, additional employment opportunities garnered from commuting capacity), this could suggest a move away from agriculture and towards small business. The fact that over a quarter of cycle owners had acquired them in the last year might also speak to this. One can, however, plausibly explain this difference by

TABLE 8
Percentage of secondary school students believing:^a

| | 1966 | 2000 | 2000 Mpwapwa | 2000 Kasulu |
|---|-------|------|--------------|-------------|
| 1. that their lives will be better than their parents | | | | |
| My life will be better | 86.7 | 57.7 | 56.7 | 59.0 |
| My life will be the same | 4.9 | 20.2 | 22.1 | 18.7 |
| My life will be worse | 4.2 | 4.8 | 2.5 | 6.7 |
| Other/no information/Don't know | 4.2 | 16.9 | 15.6 | 18.0 |
| n | 1,276 | 272 | 122 | 150 |
| 2. that their children's lives will be better than theirs | | | | |
| Their life will be better | 85.5 | 54.4 | 56.6 | 52.7 |
| Their life will be the same | 6.1 | 21.7 | 21.3 | 22.0 |
| Their life will be worse | 3.6 | 4.8 | 4.9 | 4.7 |
| Other/no information/Don't know | 4.9 | 19.2 | 17.2 | 20.7 |
| n | 1,272 | 272 | 122 | 150 |

^a Totals do not equal 100 due to exclusion of 'don't know' and blank responses.

Mpwapwa's slightly more extensive public transport network and residents' somewhat less acute need for bicycles.

Table 7 also quantitatively indicates that the influx has not precipitated a substantial shift in general welfare or in the mode of production. Had such a transformation taken place, one would expect to see considerably more change in the number and types of possessions held by Kasulu residents as compared with Mpwapwa residents. Were such a transformation even in its early stages, one would expect to see a significant increase in acres farmed as residents sought to take advantage of expanded markets for agricultural commodities. If the number of 'new items' accurately gauges this, it appears that Mpwapwa residents have undergone more of an economic transformation, albeit a modest one, than their counterparts in Kasulu.

Evidence from my survey of secondary school students provides further evidence of the fundamental similarity in the two districts' current economic fortunes and transformational trajectories. Were a transformation in Kasulu's economic foundations taking place, one would expect to see either a great deal of optimism or pessimism as respondents looked forward to an uncertain but dynamic future. Table 8 does not support such a hypothesis. The data represented above show that across both districts, students are remarkably consistent in their opinions about what their economic futures hold, estimations that are considerably less optimistic than those expressed in 1966. The standardisation of these attitudes across the country further indicates that despite rural residents' general economic

marginalisation, macro-economic policy and trends probably have more to do with citizens' material well-being than the humanitarian influx. The two districts' parallel economic trajectories are further evidenced by student respondents' expectations about their post-school career options. When asked whether they expected farming to be their primary profession, almost exactly the same percentage of students in both districts responded in the affirmative (56.5% in Mpwapwa compared with 55.4% in Kasulu).¹⁴

Despite Kasulu's humanitarian influx engendering structural conditions that have elsewhere precipitated commodification, market integration, and agricultural transformation (higher population densities, improved infrastructure, and suppressed labour prices), there is no strong evidence indicating any form of material transformation (towards commodification or self-reliance). If anything, it appears that the influx has at least temporarily suppressed residents' willingness to participate in commodity or labour markets. Rather than the influx encouraging them to become more deeply incorporated into a national, market-based economy, perceptions of influx-related inflation, market volatility, and physical insecurity may be increasing the likelihood of Kasulu residents relying on tested forms of subsistence agricultural production, and highly localised petty trade. Such practices may potentially result in Kasulu permanent residents' further disengagement from regional or national markets. Whatever the influx-related effects may ultimately be, towards commodification or increased self-reliance, one cannot dismiss the importance of the Tanzanian government's choice to use camps, place them in close proximity to villages and the Burundian border, and restrict refugee employment.

CONCLUSIONS: THE PERCEPTION AND 'REALITY' OF CHANGING MATERIAL PRACTICE

This essay confirms two assertions often made about western Tanzania's contemporary political economy. First, the humanitarian influx has had both positive and negative benefits. The balance between these is largely determined by the metrics one employs and the sub-population group in which one is interested. Whether the effects of a comparable influx would be similar in a different environment depends, as Chambers (1993) notes, on a variety of structural factors.

Second, by determining whether the influx has precipitated a 'modal' transformation, this essay confirms Hyden's assertion about the resilience of the agrarian subsistence economy. Despite considerable economic, demographic, and environmental pressures raising challenges and

opportunities for Kasulu residents, the resultant economic shifts are best characterised as temporary distortions. On aggregate, prices have not skyrocketed as some have argued. Nor has inexpensive refugee labour triggered a rapid expansion of agricultural production, for either sale or immediate consumption. If anything, it appears that the influx has at least temporarily suppressed residents' willingness to participate in commodity or labour markets. The historical failures of the state's formal economic mechanisms (e.g., cooperatives, marketing boards, and the new tobacco wholesaler) combined with an ethos and ideal of self-reliance (*kujitegemea*) have meant that Kasulu residents continue to exercise what might be called an 'exit option' from the cash and waged economy (see Gibbon 1995; Hyden 1980; Maliyamkono & Bagachwa 1990). Rather than the influx encouraging them to become more deeply incorporated into a national, market-based economy, perceptions of influx-related inflation, market volatility, and physical insecurity may be increasing the likelihood of Kasulu residents relying on tested forms of subsistence agricultural production and highly localised petty trade. This does not necessarily mean that they subscribe to an 'economy of affection', nor that they are driven mechanically by economic incentives. Rather, economic rationality, perception, rhetoric, and habit all appear to contribute to local communities' response to the influx.

This article's findings also demonstrate, if largely implicitly, that even in a country as impoverished as Tanzania, state elites have important roles, however indirectly, in structuring the lives and livelihoods of their country's citizens. While policies formed in Africa's national capitals are not likely to achieve their intended effects in rural areas, local and national government officials and agencies still exert considerable influence on domestic economic policies and decisions about the placement and allocations of refugees and aid. A government decision to take no action when faced with a humanitarian emergency, or to manipulate donors and donor resources, may also have significant, if not always predictable, effects on remote rural populations.

As a final comment, this paper demonstrates the importance of carefully interrogating claims (by aid workers, relief agencies, governments, and the refugees themselves) about the causal effects of a humanitarian influx on communities living near refugee camps or amongst high concentrations of the displaced. While such analyses may use sophisticated techniques (epidemiological, econometric, or otherwise) to evaluate changing practices in a given location, only through comparison with either a similar unit of analysis or against national trends, does it become possible to isolate those effects that are indeed influx related. As this may not always be possible in

situations in which humanitarian influxes take place, this paper should serve as a warning to greet non-comparative analyses of refugee-affected areas, however compelling, with considerable scepticism.

NOTES

1. For Marxists (and others) inspired by Gramscian strains of thinking, the importance of perception is, however, well recognised (see Balibar 1991; Gramsci 1971).

2. This ratio would be even more skewed had the district not received an 80% subsidy from the Austrian government for 1999 and 2000.

3. As early as 1959, Tutsi refugees from violence in Rwanda fled into northwest Tanzania. Further south, Burundians sought protection and security among Kigoma's villages and villagers as refugees from a cycle of Hutu uprising and Tutsi purges (of Hutus) in 1968 and 1969. Although Tanzania was already hosting a considerable number of refugees before the 1993 influx (see Table 1), most of these refugees were from Mozambique, South Africa, and Somalia and were hosted in southern or north-eastern Tanzania. There were also almost 100,000 Burundians still residing at various locations in Tanzania.

4. The repatriation of the Rwandans was, and remains, a controversial policy. It was widely decried by human rights organisations as *refoulement* and a human rights violation by the Tanzanian government, even though it was undertaken with the blessing of the United Nations High Commissioner for Refugees (UNHCR), the organisation appointed by the international community to protect refugee welfare and rights (a joint policy statement between the UNHCR and the government of Tanzania was issued on 2.12.1996 announcing the policy).

5. The Burundian government refers to these settlements as 'regroupment camps'. While the government remains secretive about camp conditions (which escapees report to be abominable) the policy itself has been carried out quite publicly. A number of these camps are visible to the naked eye from the Tanzanian border.

6. Whitaker (1999) supports this claim, arguing that in Kagera and Kibondo prices for cassava and cooking bananas have skyrocketed and, citing an FAO report (FAO 1995), that such increases have indeed led to food shortages. Intra-family gender dynamics may help explain this seemingly implausible set of actions. Men, who typically make most decisions regarding cash sales, are not usually responsible for meeting the family's nutritional needs. While women may prefer to store grain for scarcer times, men are consequently more prone to capitalise on opportunities for quick gain.

7. If anything, the amount of building materials stolen from aid and development agencies in the area as a result of the influx may have increased supply, thereby lowering prices. This certainly appears to have been the case in Kibondo where the NGO CONCERN inadvertently became a primary supplier of ready-mix concrete to the surrounding communities (O'Brien 2000 int.).

8. As of 2001 primary school fees have once again been eliminated.

9. Such perceptions are not limited to Kasulu. Whitaker (1999), for example, found that many Kagera residents blamed the declining prices paid for the coffee crops on the refugee presence. Such claims have little or no empirical foundation, however, as refugees are neither buyers nor sellers of unprocessed coffee beans.

10. In another way that the government has sought advantage from the influx, Tanzanian labour law requires that after a certain period, most jobs must be offered to a Tanzanian national. In order to maintain good relations with the Tanzanian government (and to lower labour costs), many organisations have adopted such policies as their own standard operating procedures.

11. Sale of these blue tarpaulins has become an important income generator for the refugees and they can now be seen throughout the country. Indeed, my guesthouse in Mpwapwa, almost 2000 km away, was well equipped with table umbrellas fashioned from these materials.

12. The peak number of participants occurred in 1997/98 when DIMON distributed both seeds and farming implements. Many of these implements were, according to Mbeni (1999 int.), later sold for short-term cash gains. The sale of the implements, however, limited the farmers' ability to produce tobacco in subsequent years.

13. With funding from a consortium of UN agencies, the Diocese of Western Tanganyika is making a concerted effort to increase the cash cropping of beans in Kasulu district. In exchange for funding, the WFP has agreed to buy surplus beans at a fixed price that it will then give to the refugees. The idea is to eventually expand this programme to include farmers throughout the district. This programme is

still in its initial stages and has only limited participation. If it catches on, it could create significant changes in economic practice, although if the WFP and the refugees leave, such a shift is unlikely (Detiger 2000 int.; Sarr 1999 int.).

14. Interestingly, the number of students who felt that farming would not be their primary occupation had declined significantly since 1966. During the earlier survey, 45.7% said that they would probably or certainly not be farmers compared with only 29.4% in 2000. This may reflect the 'rural bias' of the 2000 survey or a kind of resignation to the realities of Tanzania's relatively stagnant economy.

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