Revealing the Political Science of Development Paradigm Shift; A Study Based on Conceptual Analysis and Pragmatic Evidences

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Revealing the Political Science of Development Paradigm Shift; A Study Based on Conceptual Analysis and Pragmatic Evidences

By

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Abstract

There are four choice of grand development paradigm; the Liberalism, Controlled Economy, Neoliberalism and a mixed paradigm. However, it has been revealed that a mixture of policy paradigm is the more profitable paradigm for the least developed nations. This stance is advocated based on the fact that conceptually, all paradigms holds some development potentiality and therefore, neither of the three is completely perfect nor completely wrong. Therefore, the least developed countries encourage not to be dragged/dictated by just one school of thoughts in choosing a development paradigm, instead they should decide based on the country’s challenges and requirements versus available policy options. Based on this view, any profitable policy is a deal regardless of whether it resemble liberal or controlled or neoliberal paradigm, and this is the basis of advocating a mixed policy paradigm.

Based on the conceptual analysis and empirical evidences, it has been revealed that gradualism approach of paradigm shift is a more valuable than a revolutionary. Based on the fact that gradualism approach is characterized with the limited shock risk in terms of its outcome, the least developed nations are advocated to apply the evolution approach to shift from the legacy to a mixed policy paradigm. The author’s view is provided based on the fact that, the experienced and the theoretical model has provided the evidence that the least developed countries which are normally characterised by a limited quality of human capital and resources as well democracy constraints has been or can be more successfully when they apply a gradualism approach. Based on outcomes, China and Vietnam which have shifted through gradualism approach to a mixed paradigm are cited as good example of successfully model of paradigm shift.

Moreover, this study has highlighted that adequate of political engagement to enable or manage a paradigm shift process is a key ingredient to the success of the shifting decision and process. In other hand, the political negligence can lead to paradigm failure and consequently instability in the country. Also, the political instruments are advocated to note that searching for better development paradigm as well as undergoing a regular paradigm evaluation is continuous and important input to the development and survival of the paradigm.
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1.0 Background of the Problem

This study was constructed based on a research model where policy paradigm is the independent variable and the development of a society is the dependent variable. Based on the fact that the policy paradigms influence development in the community; the choice, approach and the whole process of shifting from the legacy to a new paradigm are crucial ingredients to human and economic development in the society. Based on this conceptual view, for centuries searching for a better paradigm has been always part of human life and development dynamism.

What carry the attention of the author to research of this field is the constraints and struggles associated with paradigm choice, installation and results. For several years the world has been witnessing number of crisis and development failures in various regions in connection with the paradigm shift process. Some of the examples which reveals cases of paradigm constraints include the strikes and violence in the former socialist states in the Eastern Europe region in (1989-1991) as well as the development failure in the aftermath of Eastern Europe Revolutions. Also, the poverty and underdevelopment situation in the Sub-Sahara African countries is one of the constraints which connected to the development paradigm choice and shift approach. Tanzania is cited as one of the countries which had experienced regular paradigm shift (unpredictability of policy paradigms) and paradigm failures; the rise and fall of the Ujamaa socialism (1967-1980’s), the paradigm shift dilemma of (1977-1990), the abonnement and re-adoptation of multi-party politics as well as the recently failure of the new constitution writeup are among of the examples of the cases which reveals the implications of constraints in paradigm shift approach, choice and process in Tanzania. The most recently case which reveals the implications of constraints in paradigm shift is the struggle of the UK to set a new foreign policy paradigm against the UE zone (the Brexit saga). All these cases had been highlighted in order to reveals that negligence in paradigm shift can be a spark of bottleneck and as consequence, significantly erode the human and economic development in the country. Based on the mention constraints, the author found the legitimacy or justification to research on the political science of paradigm shift. However, the scope of the study is limited to only to the process of shifting in development paradigm.
1.2 Methodological Aspects

The main objective of this work is to use the conceptual analysis and empirical evidences to reveal or established the benchmarks to be adhered in making decision regarding choice of new paradigm and the approaches of shifting from the legacy to a new paradigm in order to break the economic bottleneck in the country. In order to fulfil this objective, this study used the available pragmatic evidences and the theories of political development and paradigm shift to demonstrate the benchmarks in paradigm shifting process as a means to overcome economic crisis and enable development prosperity and consequently, limit the paradigm constraints and failure. In order to be able to meet the objective of this study, the following elements of paradigm was assessed: The first aspect investigated was the guidance of choice of paradigm out of available options and approach of installation. The second objective is to address the requirements of the political engagement particular dialogue and inclusiveness in paradigm shift process. The third objective is to address the necessity of the political instruments to make a genuine evaluation on legacy paradigm as a means to forecast and enable reform before it is too late.

One of the research objectives was to examine the effectiveness of paradigm choice made out of the available options. The first part of the study was dedicated to established a theoretical model which reveals the benchmarks applied as basis to choose a development paradigm and the approach of shifting from the legacy to a new paradigm in the least developed countries environment. In order to fulfil this objective, two theories/concepts were interrogated including the concept of paradigm shift and theories of political development. Based on the conceptual analysis, this study was able to highlight the best paradigm shifting approach for least developed countries. After an interrogation of the theories of political development in connection with political ideologies, this study was able to pinpoint the best ideological option for low-income countries. The second part of the study was to present cases of paradigm shift as pragmatic evidence. The idea was to combine the conceptual analysis and the findings, to demonstrate to best practice in connection to political science of paradigm shift. For this purpose, this study had revealed five cases related with development paradigm shift in China, Vietnam, East Europe region, Tanzania and England as the basis to establish benchmarks of paradigm choice and shift in the least developed countries environment. Circumstance which influenced these nations to undergone paradigm shift,
approached applied and the implications of shifting were used as the basis to develop the framework the requirements of paradigm shift for low-income countries. Therefore, the conceptual analysis and pragmatic evidence were both applied as the basis to rethinking about the requirements of paradigm shift.

1.2.1 The Hypothesis

The failure of the country to meet paradigm shift expectations are normally the consequence of negligence in the choice of development paradigm and approach of paradigm shift. Inefficiency or inadequacy in combination of both internal and external political factors can negatively affect the decisions regarding the approach of reform and choice of development’s model in the country, and as consequence cause the paradigm failure. Among the factors behind the paradigm failure includes: poor political willingness, inclusiveness and dialogue, delay in paradigm evaluation and inadequate approach of shifting and paradigm choice or option.
2.0 The Conceptual and Theoretical Frameworks

2.1 The Concept of Paradigms Shift

The concept of paradigm which originally comes from Greek term “Paradeigma” can be interrogated based on three main aspects; the first aspect is scientific perspective; sociology; and political science perspectives. However, at first the concept of paradigm was interrogated by Thomas Kuhn based on natural science perspective. Afterward, Kuhn’s concept of paradigm shifting was found to be relevant and usefully on sociology and political development. The concept of paradigm shifting was first introduced in 1962 by Thomas Kuhn a science’s philosopher. Thomas Kuhn an American scholar was born in 1922, and he died in 1996. In his work “Structure of scientific revolution” written in 1962, Kuhn consider paradigm as an exemplar or model or pattern which had been accepted and applied by a particular science community as benchmark or criteria in execution of specific science objectives. Based on Kuhn’s theory, paradigm is an identity and reflection of consensus on worldview of particular science community existed in particular period in global history. Therefore, paradigm is not private owned, but rather it is public knowledge resource, whereby any scientist who recognized particular paradigm became part of that paradigm community. However, this doesn’t imply that paradigm is the universal acceptable framework; different communities of scientists can have different worldview on the same scientific matter and form what is known as variety of paradigms. Meaning the world comprise different groups of scientist communities, whereby each community obey or follow a defined scientific paradigm. According to Kuhn paradigm is not originated from dreams or naturally existed, but is an outcome of scientific research, experimentation, methodology and epistemology.

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1 Kuhn, T. (1970), The Structure of Scientific Revolutions (2nd edn), University of Chicago Press, Chicago, USA.
2 Vanner, R and Bicket, M. (2016), The Role of Paradigm Analysis in the Development of Policies for a Resource Efficient Economy, MDPI, Basel, Switzerland
5 Ibid.
7 Ibid.
8 Ibid.
9 Ibid.
10 Ibid.
Kuhn’s interpretation of the term paradigm and the concept of paradigm shifting have been translated into social and political science to implicate with human development. Scientists consider paradigm as a model or an exemplar which guides innovation and scientific practices within a specific scientific community, while political scholars consider paradigm as model which guides social, political and economic development in the country. Among scholars who translated Kuhn’s theory of scientific paradigm into political development perspective is Nnaemeka (2009)\textsuperscript{11}. Before he explains the meaning of the term paradigm, Nnaemeka (2009) presented his interpretation of the term development by arguing; “Development is not a project but a process......is the process by which people create and recreate themselves and their life circumstances to realize higher levels of civilization in accordance with their own choices and values...... What the paradigm contributes is some idea of what they can be”\textsuperscript{12}.

Nnaemeka (2009) consider the term paradigm as principles, ideology and strategies which accepted by the community to characterized them, to define their development goal and destination, and consequence to enable them to meet their development objectives. Another interpretation of the term paradigm comes from Bellu (2011), who argued; “Countries as well as the international development community in different periods have privileged specific ways of achieving development, adhering to a specific Development Paradigm; for instance, to a defined modality or path to follow to achieve development, based on a codified set of activities or based on a vision regarding the functioning and evolution of a socio-economic system”\textsuperscript{13}.

According to Bellu (2011), paradigm can be regarded as a set of principles, ideology and methodology which accepted and obeyed by either international community or a nation as their benchmark or guide them on achieving particular development objective. Professor Peter Hall is one of political scientists who borrow leaf from the Kuhn’s concept of paradigm. Hall consider a set of ideas and standards which enable policymakers and their instruments to identify, deal and contain problems facing the society including a package of goals and strategy applied to meet the

\textsuperscript{11} Nnaemeka. A, (2009), Towards an alternative development paradigm for Africa, in Journal of Social science, Eungu State University of Science and Technology, Enugu, Nigeria.
\textsuperscript{12} Ibid. Pp. (44-45).
objectives as policy paradigm\textsuperscript{14}. Based on Hall’s interpretation, policy paradigm is a model which applied by the government and political platforms to secure particular interests including development objectives in the country. According to Hall, policymakers are the key stakeholder on implementation of paradigm while idea and standards are the instruments which used to meet the objectives of community or country\textsuperscript{15}. While in natural science paradigms is model which originated from experimentation, epistemology and research methodology; in political and social science paradigms always originated from political platforms and public dialog. Based on these explanations, it can be correct to translate Kuhn’s concept of scientific paradigm in political science as a set of principles, policy, political ideology, plan and strategy which accepted by a country or international community to be applied as development’s benchmark and/or methodology. Since it is a fact that, there is no common path toward achieving development objectives, and since it is true that human behaviour is unique in nature whereby different peoples can have different view on how they see a common matter, this study agrees with Kuhn’s idea of presence of many paradigms in world. Moreover, presence of many paradigms with uniqueness in characteristics increases competitiveness in paradigm option. Based on the uniqueness factor, the usefulness of a particular paradigm in one world can not necessarily guarantee success in the other world. Another important feature of paradigm is that they are not equal in terms of their requirement, characteristics and their performance; some are weak and some are superior. Therefore, there is equal chance for paradigm to failure or to successfully affect development of the country; depending with effectiveness in choice and modality of implementation. As Kuhn argued, paradigm is a public resource; therefore, the success or failure of paradigm can direct impact the development of the whole community or nation. Based on the facts presented, the decision to construct or adopt a particular development paradigm is a broad decision in the country; therefore, a broad dialogue and consensus among key stakeholder is required before progressing or making a final decision.


\textsuperscript{15} Ibid.
2.1.1 Development Paradigms Shifting

Kuhn’s definition of paradigm rises limited criticism from both science and social science scholars as many including the author accepted the notion that paradigm is an exemplar and methodology including principles, strategies and ideology which accepted and applied by a community as benchmark to achieve particular objectives. Therefore, always paradigm in used defined or characterized a particular community or nation. However, many scholars including the author challenged the concept of paradigm shifting as constructed by Thomas Kuhn. Although Kuhn’s interpretation of the term paradigm was based on scientific and epistemology perspective, social and political scientist had translated Kuhn’s theory into social and economic development perspective. According to Kuhn, paradigms are competitive as the world comprised of many paradigms and each paradigm community can have different view on the same matter\textsuperscript{16}. Based on this fact, Kuhn believed that two paradigms can neither be communicated nor compromised nor integrated to form a more superior paradigm\textsuperscript{17}. According to Kuhn it is almost impossible for communities from different worlds whom see the same matter in deferent view to come into compromise and create a mixed system (mixed Paradigm)\textsuperscript{18}. Based on Kuhn’s perspective, what is possible is to forgone or abandon the past in order to obtain or be part of the new paradigm; he calls it paradigm revolution\textsuperscript{19}. He compared paradigm revolution shift like a gestalt switch whereby someone mind or interpretation over particular image can just shift immediately from one worldview to a completely new perspective. According to Kuhn, there is neither room for gradual shifting nor evolution in paradigm shifting but it is an instant or sudden action\textsuperscript{20}. Among scholar whom criticized Kuhn’s theory of paradigm shift is Ibrahim Halloun an American science scholar. Halloun posed three main arguments against Kuhn’s view on paradigm shifting; the first Halloun’s argument is that two paradigms or more can be coexisted and applied by one person or a community to deal with different objectives\textsuperscript{21}. Second, he opposed Kuhn’s idea or paradigm revolution. According to Kuhn, there is only one way to the new paradigm, no options for turning back to the

\textsuperscript{16} Kuhn, T, (1970), The Structure of Scientific Revolutions (2\textsuperscript{nd} edn), University of Chicago Press, Chicago, USA. Pp. (149-151).
\textsuperscript{17} Ibid.
\textsuperscript{18} Ibid.
\textsuperscript{19} Ibid.
\textsuperscript{20} Ibid.
old paradigm once shifted to the new system based on paradigm revolution approach. Halloun used the relationship between school education and transformation of student knowledge to clarify the evolution of paradigm. According to Halloun, education enable student to transform from naive paradigm to a scientific paradigm; and the transformation process is not revolution as Kuhn argued, but rather it is evolution of paradigm. The third Halloun’s argument in disagreement with Kuhn is that, shifting from one paradigm to a new paradigm is not an instance or sudden process as Kuhn argued: According to Kuhn, it can take a long time to construct a new paradigm, but paradigm shifting is a sudden process. Based on Halloun, paradigm shifting involved making significant changes in old paradigm with intention of improvement; and gradually the partial changes made can led to improvement and formation of the new paradigm. Therefore, Halloum concluded that paradigm shifting is not a sudden revolution but rather it is a gradual process. Based on this analysis, it is the observation of this study that, there are two main approaches or methods a country can apply to shift from legacy to a new paradigm; a gradual evolution approach (paradigm evolution); and paradigm revolution approach. Revolutionary approach is a fast process in implementation which involved a complete overhaul of old paradigm and substituted by completely a new model. While evolution approach is a slow process which involve adaptation and assimilation approaches, and therefore, the immediate result of evolution process can be formulation of mixed paradigm.

Based on Kuhn’s concept of paradigm, scientific paradigm is normally created by the scientific community, implemented by the scientific community, characterized the community and can be rejected by the community. Therefore, community is the creator, facilitator and the main beneficiary of a particular paradigm. This study found it correct to compare the ‘concept of the link between scientific paradigm and scientific community’ as drawn by Thomas Kuhn with connection between the peoples and development in the country. In political science perspective peoples are almost everything in relation to development. When Nnaemeka (2009) was presenting his thoughts about the basic conditions for development paradigm shifting, he argued; “development is the process by which people create and recreate themselves and their life circumstances to realize

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higher levels of civilization in accordance with their own choices and values...........is something that peoples must do for themselves, although it can be facilitated by the help of others. If people are the end of development, as is the case, they are also necessarily its agents and its means 25.

Before going further to categorized methods of paradigm shift it is necessary to understand parties involved in paradigm shifting process. There are three groups of peoples who play major role in construction of new development paradigm which include; the government which prepare the development paradigm proposal. The government cannot only prepare the prototype for the new paradigm but also define her stand on the new development system, and work to influence and persuade the population in order to make government’s proposal accepted by the majority; the second group includes those who oppose the government’s proposal to shift to a new development paradigm (anti-government entities) including the political parties and non-government organizations. As the government do, anti-government entities also work to influence the majority to oppose the government proposal; the third group is pro government agents who support the government agenda on paradigm shifting. However, once a development paradigm has been approved, the paradigm became country’s property and everyone in the country regardless of his/her viewpoint during shifting process is required to be part of paradigm and fulfil the requirements of the new paradigm. This is one of the features which distinguish the concept of development paradigm from Kuhn’s concept of paradigm shifting. Under Kuhn’s interpretation, science professional cannot be part of a particular scientific community if he/they disagree with scientific paradigm practices by that community. Therefore, based Kuhn’s interpretation, peoples and entities that differ on opinion regarding the existed paradigm cannot coexisted or operate together in same paradigm community. Based on political development perspective, peoples who hold different worldview on existed paradigm may coexist in the same community or nation, and they may keep on debating and challenging the existed model while obeying the conditions of the existed development paradigm. Therefore, contradictory opinion or viewpoint over a common theme is not only accepted but also part or crucial feature in democratic community.

2.1.1.1 Approaches of Paradigms Shift

Based on the facts presented, this study is convinced that, there two main paths a country can used to shift from old to a new development paradigm; fully paradigm shift (paradigm revolution) and partial paradigm shift (mixed paradigm). Fully paradigm shift includes construction of new model under Kuhn’s notion of paradigm revolution or adoption and installation of foreign system without modification. Partial paradigm shift comprised of modification and renovation of legacy system through assimilation and adaptation in order to meet the new demands under spectrum of paradigm gradualism and evolution.

2.1.1.2 Fully Paradigm Shift (Paradigm Revolution)

Fully paradigm shift (fully reform) occur when a nation makes a complete change from the old paradigm to a new paradigm (paradigm revolution); whereby the new and old paradigm are unrelated and non-compactable. A fully paradigm shift involved turning the country from one worldview in terms of development ideas and methodology to a new worldview with neither compromising nor borrow a leaf from the old development model. Since, a fully paradigm shift may force the population to suddenly bend their behaviour on how to practice their development activities in order to fit or meet the requirements of new paradigm, it is necessary to consider the opinions of the population in decision making. The government or scholars may design and draft the new development paradigm, but the population through either their representatives or voting on referendum must participate on approving the new paradigm. One of the main features or conditions of the fully paradigm shifting is that the process of shifting does provide neither a room for amendment of paradigm draft nor integration of new ideas from the opposing sides. There are only two options involved in decision making which are; to accept the new paradigm package with no amendment or rejection. It is a zero-sum game process (take it or leave it).  


Ibid.

Ibid.

Ibid.

Ibid.
the terms first order change; second order change; and third order change to classify type of policy paradigm shifting. What considered by the author as fully paradigm shift or paradigm revolution is described as third order change by Peter Hall\textsuperscript{30}. Hall (1993), argue this about third order change; “Third order change, by contrast, is likely to reflect a very different process, marked by the radical changes in the overarching terms of policy discourse associated with a "paradigm shift.... third order change is often a more disjunctive process associated with periodic discontinuities in policy”\textsuperscript{31}.

Based on author’s interpretation, fully paradigm shift is a gambling decision, whereby the nation took a huge risk to forgone the old system in order to implement the new development paradigm without taking necessary precautions or assurance of the end results. The implications of undergoing fully paradigm shift can be either fast development success or a shock of development failure, (a win or lose). The advantage of this approach is that it a shorter time to impact. If the revolution approach found to be successful to enable a promising result, the country can permanently stick on it and therefore, avoid the expenses of undergoing another reform. Among the disadvantage of undergoing fully paradigm shift, is huge risk of paradigm rejection as outcome of strong resistance against the new paradigm from anti-reform group. Once the beneficiaries of the legacy paradigm are convinced that the introduction of a new paradigm will jeopardize their interests, they will automatically be motivated to prevent the reform and as consequence the new paradigm can be rejected. The resistance against the fully paradigm change is always strong because of the fact that there is a limited room for paradigm modification in order to accommodate the interest of the beneficiaries of legacy system. Another disadvantage of undergoing fully paradigm shift is the risk of eruption of violence and chaos as the result of tension between pro-reform and the anti-reform. Another, shortcoming associated with shifting through revolution approach is uncertainty about the outcomes. Based on the fact that the paradigm is completely new, no one can be definitely sure about its outcomes in terms of its capability to enable development. Therefore, it is a risk decision to shift through paradigm revolution approach.

\textsuperscript{30} Hall, P, (1993), Policy paradigms, social learning, & the State; the case of economic policy making in Britain, Comparative politics, UK. Pp. 279.

\textsuperscript{31} Hall, P, (1993), Policy paradigms, social learning, & the State; the case of economic policy making in Britain, Comparative Politics, UK. Pp. 279.
There are two ways a country can use to create a new development paradigm; first, is through creating a unique development paradigm which has never been practiced anywhere else in the world. But it is not an easy phenomenon to construct a brand-new paradigm which has never practiced elsewhere in the world, however logically it is possible to create a model based on new demands and the surrounding local environment; and the second option is to adopt a foreign model from another world. Creating your own development paradigm is normally happening when the circumstance forces a country to design and construct her own paradigm which had never been practiced anywhere else in this planet in order to survive in a new environment. For instance, UK is now struggling to create a new paradigm which will enable them to adequate interlink with Euro Zone in the aftermath of “Brexit”\(^{32}\). Actually, “Brexit” referendum by itself is a new phenomenon. UK had an option to adopt “Switzerland - EU relationship model” on effort to reshape her paradigm towards EU, but circumstance of disintegration from EU make them vulnerable; and therefore, had no better option than formulating their own model which will be adequate enough to convince the EU member countries\(^{33}\). The point here is not about debate on ‘Brexit’, but circumstance which forced UK to construct a new paradigm that can enable them to respond to the new situation. Five years ago, no one would have thought that today UK would be back on the drawing board to create a brand new paradigm in order to secure her interests in the Euro zone, but it is happening now; and that is what the author call it ‘\textit{a surprise development stress}’. One of the solutions against a surprise development stress is to introduce a unique new paradigm.

In general, a fully shift in development paradigm is an extension of Kuhn’s theory of scientific paradigm revolution. It is a completely removal of the old paradigm in order to install a new development benchmark. The country can opt to completely switch her development paradigm to a new system once they are confidence that the old paradigm is completely a failed model which had proven to be unable to meet the social and economic development expectations. However, a fully paradigm shift approach is not an appropriate option in underdeveloped countries environment. Based on the facts that, undergoing fully paradigm shift is a risk decision a country can take, as the process is exposed against strong resistance from the beneficiaries of the old

\(^{32}\) Hunt and Wheeler, (17/12/2018), Brexit; All you need to know about the UK leaving the EU, BBC News https://www.bbc.com/news/uk-politics-32810887 Accessed [23/12/2018]

\(^{33}\) Ibid.
paradigm; and based of the fact that the paradigm revolution is associated with uncertainty in term of outcomes, it is not advisable to be incorporated by a underdeveloped country. Due to the fact that many of the low income countries are characterised with following; the significantly low-level of human capital, the political and economic institutions are weak, limited democracy, limited resources including the financial capability and limited ability of the government to manage and sustain a huge and shock changes, this study is convinced that revolution approach cannot be a successfully to enable positive development changes in underdeveloped nations. Instead, there is great chance that the paradigm revolution approach can be a source of violence and strikes due to its characteristic of a strong resistance against reform. However, the approach can be smoothly and well installed and consequently enable expected outcome within a limited timeframe in the environment where the political and economic institutions are effective, where there is democratic maturity, high level of human capital and the government are flexible and capable to lead the reform. If the level of human capital is low, the whole process of paradigm shift can be dictated by other actors than the peoples’ themselves. The government, politician and even the foreign actors can dictate the choice and the whole process of installation of new paradigm in the country, something which is not right in political development perspective. In support of this view, Nnaemeka (2009) argued; “the urgent primary principle of the development strategy ...... is that the people have to be the agents, the means, and the end of development (People-driven Development)” 34. This benchmark is among of crucial requirement in creation and installation of development policy and strategy. The fundamental of this principle is based on a bottom-up-building approach which is actually in contrast to elite driven model 35.

Unfortunately, one of the pre-dominant features in underdeveloped countries particular in the Sub-Saharan Africa is poor quality of human capital. Regardless of how good or bad the new paradigm (revolutionary paradigm) is; its installation and implementation as well as outcome can be jeopardized by the poor quality of human capital existed in the region. Based on the fact that the Sub-Saharan Africa region is characterised by number of constraints including the limited quality of human capital, democratic immaturity among stakeholders and the financial constraints is chronic

35 Ibid.
as well as weak political institutions, shifting through revolutionary approach can be a starting
point of crisis and as consequently failure, instead of development success. However, revolution
paradigm can effectively be implemented in the countries like Switzerland and UK where the level
human capital considerable is higher; where the awareness and ability of the population to make
judgement regarding their interests and country’s development is adequate.

2.1.1.3 The Partial Paradigm Shift (Paradigm Evolution/ Gradualism)

Partial paradigm shift occurs when a country is reluctant to forgone all policies and institutions
about the old development paradigm in order to be able to install the new paradigm. Instead, the
country decides to makes the necessary modification or renovation on the legacy development
paradigm in order to make it adequate to fulfil or meet the new development demands. The notion
of partial paradigm shift sound comparable to Hall’s concept of “first and second order change”
of policy paradigm change. Hall (1993), consider the first and second order change as improvement
and adjustment made on the legacy policy paradigm for purpose of making it adequate to meet with
the new demands without disturbing or changing the fundamental principles of the existed policy
paradigm. Hall (1993), argued this about the first and second order change;

“First and second order change can be seen as cases of normal policymaking”, namely of a process
that adjusts policy without challenging the overall terms of a given policy paradigm...... first and
second order changes preserve the broad continuities usually found in patterns of policy”

Hall (1993).

One of the characteristics of Partial paradigm shift is to hold a mixture of features from both the
old and modern paradigm; therefore, it is an integrative development system or a mixed
development model. Also, a mixed paradigm can be originated from adaptation and assimilation
of foreign development paradigm. A country may adopt some features of policy paradigm from
foreign countries or region, and then incorporate them into her old paradigm to form a mixed

36 Hall. P, (1993), Policy paradigms, social learning, & the State; the case of economic policy making in Britain,
comparative politics, UK. Pp. 279.
development paradigm. A mixed development paradigm is an extension of Halloun’s theory of, paradigm shifting. According Halloun (2004), paradigm shift is gradual process which involved making partial but significant renovation on the legacy paradigm in order to make it suitable to meet with the current and future challenges. In characteristics, a partial reform is not a completed business, however a nation after evaluation of the outcomes of implementation of a mixed development paradigm, can undergo a further paradigm shift or retreat to the legacy system. If the outcomes of mixed development paradigm found to be profitable, the country may adopt a further reform to enable a completely abandonment of the old paradigm in order to move to a fully paradigm shift. If the outcome of adopting mixed system turn to be unpromising, the country may retreat back to re-install the old paradigm, and make the whole process of transition to the new paradigm unsuccessfully (rejection of new paradigm). Therefore, the paradigm shift process under partial transition framework involved gradual evolution from the old development model to the new phenomena. One of the advantages of partial development paradigm is that it is easier to be accepted and installed as it is exposed to a limited resistance. Normally, the partial paradigm shift is a gradual and smooth process because it doesn’t jeopardize the interests either the pro-reform or anti-reform stakeholders. Another advantage of paradigm evolution approach is; the risk of total development failure is very limited as the process of paradigm evolution offer a room for a country to evaluate the outcome of changes made, before progressing further to complete a transition process to a fully paradigm shift.

Based on the fact presented, the partial paradigm shift is a better approach than a fully paradigm shift method for the low-income countries such as the Sub-Sahara Africa countries. A gradual evolution approach is subjected to a limited resistance in comparison with revolutionary approach; therefore, there is limited possibility for paradigm shift rejection due to a limited opposition against the change from anti-reform. Based on the fact that the least developed countries required necessary

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39 Ibid.
41 Ibid.
renovation on their model of development in order to enable them to attain the required level of development, it was crucial for them to review their system, and consequently undergone necessary reform. The level of human capital is still low in developing countries environment, therefore, ability of the population to respond to the huge changes within a limited time or to judge the effectiveness of new paradigm is limited, and consequently the shock therapies can be rejected unnecessarily. Also, the revolutionary in development paradigm requires readiness and informed human capital in order to produced expected outcomes. Therefore, regardless of the perfection of the new paradigm, poor human capital can hinder its implementation, and consequently produced the poor outcomes. Also, undergoing paradigm shift through shock therapies or revolution approach can be a means to facilitate the interests of the few elite groups under the cover of public interests. In a situation where the quality of the human capital is inadequate, it is easy for elite group particular the power hunters to deceive the population in the country in order to secure their interests under the cover of revolution. But partial and gradual evolution of development paradigm by its self is a lesson to the population; it offers ample timeframe for the population to learn, to get used to the new way of life and witness the return of the transition and consequently increase the readiness of the population to push for further reform towards the fully paradigm shift. Another advantage is that partial paradigm shift is flexible to reverse or to go forward for further reform than fully paradigm shift. Therefore, shifting through gradualism limit the uncertainty about the future outcomes particularly the possibility of the total development failure. Based on this observation, paradigm evolution approach is more suitable than revolution approach in terms of ease in its installation and assurance of outcomes. Therefore, underdeveloped nations are advocated to prioritize a gradual evolution approach in transition from the old development paradigm to a new paradigm.
2.2 The Role of Political Instruments on Enabling Paradigm Shift

Many political science scholars including Nnaemeka (2009)\textsuperscript{44}, Vanner and Bicket (2016)\textsuperscript{45} and Hall (1993)\textsuperscript{46} consider population as the main influencer and beneficiaries of every aspects of development. Also, Karl Marx through his work “theory of revolution of proletarian class against bourgeoisie” supported the notion of the bond between people and human development. These studies, agrees that people themselves should dictate almost everything about their development. However, it is a fact that the government and political instruments play major role to influence development in the country. Political factor is one of the key enablers of development decision and enforcement; decision to opt and implement a particular political ideology and policy paradigm depend much on the political desire, motivation and vision. The presence of political willingness is the major determinant for success or failure of political and economic system. Political platforms such as the government in power, the parliament and the ruling and opposition party can play a major role on the formulation, transition and implementation of national’s ideology and development policy. Although it is a dream of this study to see the peoples themselves playing a major role on decision making regarding their development prosperity including decision to shift from the old to a new paradigm. However, the author’s wishes are not always fulfilled; instead of the people, it is the government in power and political leaders who normal play major role to influence and dictate paradigm shifting decision and process. The population in terms of majority can just be influenced or persuaded by the government and political platforms to accept or reject a particular development paradigm. Among the first political scientists to uncover the bond between development and the community (peoples) is Lucian Pye. According to Pye (1966), a situation of adaptation, adjustment and fusion of old model of life in order to meet or copy with new demands is considered as political development. He further argued that, the evolution of the state systems as one of the major signs of political development. Moreover, Pye (1966) consider the majority together with the government systems including policy and institutions as the main enabler of development. Although Pye (1966) never mention the word paradigm in his definition of the term

\textsuperscript{44} Nnaemeka. A, (2009), Towards and alternative development paradigm for Africa, in Journal of Social science, Eungu State University of Science and Technology, Enugu, Nigeria.
\textsuperscript{46} Hall. P, (1993), Policy paradigms, social learning, & the State; the case of economic policy making in Britain, comparative politics, UK.
political development, he recognized that development involve process of shifting from the old system of life to a new model in order to fulfil the new demands. Shifting from the old system to a new paradigm is what the author considers as development paradigm shift. Based Pye’s observation, shifting from old system to a new model involved gradual process of evolution, adaptation, and diffusion. Therefore, Pye differ with Thomas Kuhn who believes on sudden shift (paradigm revolution). As it has been seen before, the key stakeholder and beneficiaries of the paradigm shifting process are the population, government in power and political platforms. The idea or draft of the new development paradigm as political or economic model may be constructed or initiated by few professional based on scientific analysis; but the approval or institutionalization or legalization of the new development paradigm must reflect consensus in the community; therefore, the population, the government and political entity should be adequately involved. As it argued before, development paradigm shift is a broad process in the country which require broad dialog before its institutionalization, otherwise the process itself may collapse or poorly installed. Based on its importance to the country’s development, the installation of new paradigm can force the country to undergo constitutional amendments and changing of laws and bylaws. Also, installation of some development’s paradigm is too expensive to the extent of costing regime change in order to implement a particular new development model in the country\textsuperscript{47}. Regime change can happen where the government in power for wherever reason become rigid to respond to the new demands\textsuperscript{48}. Therefore, the mass can apply a ballot box (election) or government revolution to change the government in power, and consequently influence the paradigm shift to a new model.

### 2.3 Development Thoughts

There are many myths about reasons behind development gap among nations. For aged scholars have been debating about principal inputs (factors) for attaining development. This study found the debate is not only healthy but also necessary to the prosperity of global development. There is no any indicator that the debate will end one day. The debates by itself symbolize the dynamism of


\textsuperscript{48} Ibid.
economic competition and development paradigm. This happens because human knowledge, skills, innovation and creativity always dynamics, being more advanced today and tomorrow than in the past. Therefore, the development thoughts which were useful in the past cannot necessarily be useful today or tomorrow. Based on this phenomenon, today this study is interrogating the concept of development. Adam Smith and Karl Marx are among of early scholars who intensively interrogated the concept of political development. Since the work of both Smith and Marx brought remarkable thoughts in the world of political development, their theories have been always a starting point in the debate of development thoughts.

Adam Smith, who is considered as a prophet of capitalism ideology was born in Scotland in 1723. One of his famous works “the Wealth of Nations” was published in 1776. According to Smith, the worth of nation comes from neither diamond nor gold, but free trade. Based on Smith, through buying and selling individuals can generate surplus which can enable them to buy variety of goods and services and open new business and consequently make the economic growth dynamic. Moreover, through free trade the price of the products is determined by the law of demand and supply (market forces) free from government intervention; therefore, the risk of monopolization and price fixation are discouraged by market economy system. Another Smith’s input on fever of capitalism is that, demand and supply forces enable market competitiveness whereby competitive buyers and suppliers have a chance to adequate benefit in the open market. Competitive situation encourages peoples to improve themselves in order to enhance their competitive advantage in the free economy environment. Also, smith introduced the theory of “invisible hand”; where by individual through their involvement in production and market, automatically contribute to the enhancement of public interest without their knowledge. Moreover, Adam Smith introduced the theory of division of labour and specialization. According to Smith, division of labour increase productivity, serve time and enable invention. In general Adam Smith

49 Federal Reserve Bank of Dallas, Adam Smith; capitalism’s Prophet, in economic insights, Vol. 7, No. 1, Dallas, USA.
50 Ibid.
52 Ibid.
53 Ibid.
54 Ibid. Pp. 5-22
55 Ibid.
considers capitalism ideology which is characterized by free trade, free ownership of property and competitiveness in free market environment as profitable and viable political and economic system.

Nearly three decades after the death of Adam Smith in 1818, Karl Marx, founder of communism ideology was born in Trier, Germany. Like Adam Smith, Karl Marx recognized the role of production and labour in production and economic growth. While Smith saw individual competitiveness, self-interest and making surplus as a catalyst to economic growth, Karl Marx considers cooperation among labourers in production as a necessary condition for economic growth. According to Karl Marx; under capitalism system labourers are not only exploited but also alienated by employers. Karl Marx insisted; as circumstance forced labourers to work under hostile environment in order to generate profit, labourers are exploited and dehumanized by investors. When opposing against Smith’s theory of labourers, Karl Marx presented the following argument against capitalism system; first, under capitalism as political and economic system the wages of the labourers are lower in comparison with the value of labour’s productivity. Based on the advantage of capitalists on bargaining table and labour desire to avoid starvation, workers have no option other than accepting limited wages offered by employers in order to survive; Second, under capitalism labourers are overworked which consequently erode life expectancy of the workers; Third, labourers are dishonoured, whereby labourers are bought in the market as commodity and used by capitalists as machines to produce. Also, Marx was against capitalism system because of what he believed to be unfairness of free market conditions such as desire of the peoples to maximize profits, competition in the market and private ownership of property; he believed, competition in the market opens the room for winners and losers and consequently enables increase in economic gap between the rich and the poor. Another reason Marx disapproves capitalism as political and economic system was his observation that capitalism creates classes between the rich and the poor. According to Marx’s theory, Classes within capitalism spectrum are inherent in nature; the generation of capitalists (bourgeois), the rich class which has become rich because of their exploitation against the poor, will always be rich while the workers class.

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(proletariat) will always remain poor. Based on Marx’s theory, children born within bourgeois class will continue to be part of the wealth capitalists’ class because capitalists owned all major means of production while those who born within working classes will continue to be poor because the bourgeoisie will never stop exploiting the working classes. Meaning poor will always be poor and rich will keeps on being rich, and consequence the income gap between the poor and rich will keep on expanding. However, Marx emphasized that as the inequality increase, the class consciousness will be unavoidable, and consequently the antagonistic relationship between the bourgeoisie and the proletariat will be created as a result of class struggle; the bourgeoisie will keep struggle to continue to make surplus while proletariat will struggle to contain exploitation. Based on the Karl Marx theory of revolution, there is no any other means to change exploitative situation other than to remove the bourgeoisie class through revolution of the proletariat. According to Marx, an alternative ideology for exploitative capitalism is communism system. Based on Marx’s theory, communism as economic and political system is more profitable to majority of peoples than capitalism ideology, because in communism people are treated equally, means of production are owned in common and competition among human beings are eradicated. Also, in communism all people are treated equally in all aspects of social and economic including sharing of production outputs.

Among the politicians who work not only to interpret Marx theory but also to implement the Marxism into practice is Vladimir Lenin. Vladimir Lenin, who was the founder of the “Bolsheviks” the Russian Communist party and the first leader of USSR state was born in Simbirsk in Russia in 1870 and died in 1924 in Gorki, Russia. In his publication “The Development of Capitalism in Russia (1899)” Lenin, applied the Marx’s theory of class struggle and revolution of proletariat against bourgeois class to influence peoples in Russia to push for revolution against the ruling class. The main focus of Lenin was to influence his party the Communist Party of Russia to lead

60 Ibid.
61 Ibid.
63 Ibid.
64 Ibid.
65 Ibid.
the revolution^68. Actually, Lenin was among politicians and thinker who inspired by Marx’s philosophy of revolution and he use the idea to architect communism in Russia.

Another scholar who developed an identical ideology to that of Marx is Julius Kambarage Nyerere, the first president of Tanzania; Nyerere developed “Ujamaa” socialism ideology in 1960’s^69. According to Nyerere, Ujamaa is economic and political philosophy which advocates equality, self-reliance, family- hood and cooperation among members of community^70. Moreover, Nyerere observe that, all human being is equal in all aspects, and therefore competition is neither development booster nor natural but an enabler of classes and exploitation in the community^71. Furthermore, Nyerere consider that, all peoples are equal in terms of intelligence and productivity; therefore, they deserve equal treatment in all aspects of life. Based on Nyerere’s thoughts, capitalism is evil and exploitative economic system, therefore, deserve to be rejected^72. Despite the similarity of Nyerere’s and Marx’s thoughts, they differ in one aspect; while Karl Marx advocated that communism is outcome of class struggles and revolution of proletariat, Nyerere consider Ujamaa socialism ideology as is part of African tradition^73. According to Nyerere, before colonization African society used to live in community as family free from competitive environment and exploitation of man by man^74. Based on Nyerere, it is only after colonization African tradition of family- hood (Ujamaa) was disturb; therefore, Ujamaa ideology is not a new phenomenon in African life, instead it used to be part of African life style and culture before colonization era.

The basis of Adam Smith thoughts is; the nation can only attain development achievement through implementation of capitalism policy. Smith emphasizes that private investments, free market and division of labour within a framework of competitiveness could increase productivity and national

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^70 Ibid.
^71 Ibid.
^72 Ibid.
^73 Ibid. Pp. 3-4.
^74 Ibid. Pp. 3-4.
wealth\textsuperscript{75}. Smith’s arguments are still valid today, however there are a number of weaknesses associated with capitalism including; inequality and decrease in quantity of investments on none or least profitable ventures. Furthermore, experience from underdeveloped countries shows that, implementation of capitalism policy alone is not enough to guarantee or to enable a country to developed. Karl Marx views are; development can be achieved through state control economy (communism). He believed economic surplus can be effectively generated and equally shared if peoples work together and share outcomes under the control of the state. According to Marx, inequality and exploitation are outcome of free economy system\textsuperscript{76}. However, the time frame had provided a proof that Marx’s theory of communism is not very correct. Experience from the economies in post socialism countries had revealed that, development was in slow pace during state’s-controlled economy era in comparison with achievements in contemporary free market environment. Moreover, collapse of socialism in many countries and transition of the country into free economy system is also an open evidence of the failure of Marx’s theory. However, both Karl Marx and Adam Smith were right about equality, competitiveness, market force and surplus theory. Karl Marx was right when he argued that, extreme inequality can create class consciousness and struggle, and consequently, revolution; he was right and still valid until to date. However, Marx’s theory that through socialism it is possible for a country or community to attain a complete equality was wrong. Smith’s theory of competition, surplus making, self-interest and free market was and still right until to date. The only fault on Smith’s theory was to disregard the implication and consequence of extreme inequality which in reality is an outcome of capitalism system. As Marx argued, extreme inequality in income and resource distribution can divide the population into two major classes; small group of population which owns and enjoy economic shares (higher income earners) and majority of peoples who earns little from national cake (low income earners). According to Tsounta (2015), entrenched inequality in the society can significantly undermine the access to economic benefits by the poor through; limited access to education, resource misallocation, corruption, nepotism and jeopardize population efforts toward securing favoured treatment and protection\textsuperscript{77}. Therefore, always inequality had been considered as a bad thing to the poor population. Despite these arguments against inequality, this study has another view about

\textsuperscript{75} Smith. A, (1976), An inquiry into the nature and causes of the wealth of nations, Oxford: Clarendon Press, UK


\textsuperscript{77} Dabla-Norris, Kochhar, Ricka, Suphaphiphat, and Tsounta, (2015), causes and consequences of income inequality: a global perspective, international monetary fund, (IMF staff discussion note No. 15/13). Washington, DC, USA
equality. It is true that inequality is a threat to the survival of an individual particularly when the large percentages of population are low income earners and income gap is extremely large. In addition, peoples particularly, the poor consider it as a bad thing; because inequality limits fairness and their capability to access equally economic benefits in the country. But it’s also true that inequality is something natural and unavoidable. However, 100% equality among individuals, between societies and between nations as advocated by Marx is unattainable dream. The world has been witnessing and will continue to witness inequality because of two main factors: first, because of the availability of unlimited options; second, uniqueness of peoples in choosing the best option regarding their survival and control of their surrounding environment; and third, people are competitive in nature, because every individual wants to be in better and risks free situation than others. Bogoyavlenskaya and Klyueva (2012) argued; “Results of an in-depth study confirm that the ability to achieve success through one’s own initiative, anticipating the demands of competition, appears to be the backbone for competitiveness of personality”78. When Scheidel (2016) discussed the roots of inequality, his argument was; “Humans have always been unequal in terms of somatic and social assets, that is, the quality of their minds, bodies, and social networks”. This kind of inequality has led to variation in reproductive success. Carter and Reardon (2014) conclusion about possibility of ending inequality in the world is; “In our current society, there is little hope that we will fully eradicate inequality; differences in individual performances and outcomes will persist. Here, we highlight, as well the stark disparities between groups, patterned by race, ethnicity, class, gender, sexual orientation, and other identities”79. The mentioned scholars agree with this study that inequality is an avoidable challenge. Under this circumstance the full equality cannot be attained. Equality among the population was one of the basic icons of the failed socialism ideology. Under Ujamaa socialism, Tanzania tried hard from 196780 to 198681 to enable equality among the people in the country unsuccessfully. Therefore, the point of discussion should not be just the inequality but rather eradication of an extreme inequality. If there are no adequate measures against inequality, extreme inequality can keep on expanding, and as consequently the tendency can become a common phenomenon in the community by extending

78Bogoyavlenskaya and Klyueva, (2012), discovering the nature of competitive personality, Tver State University and Psychological Institute of the Russian Academy of Education, Moscow, Russia
79 Carter and Reardon, (2014), Inequality Matters, William T. Grant Foundation, Stanford University, New York, USA
from one generation to the next generations, to form what is considered as an extreme inequality cycle or inequality trap. As Marx’s argued, if inequality trap remains for a long period of time, human insecurity will be an inevitable challenge. However, this study had a different view about inequality that; extreme inequality cannot be a permanent problem in the society because the majority cannot sustain the pain of extreme inequality for a long period of time, particularly when the majority of peoples are effectively involved in economic activities. The point here is, if the majority of the people suffer and few enjoy, the majority will intervene either through government revolution, or through ballot box (election). Moreover, contemporary democracy and globalization has widened the capability of the majority on making critical decision about their life. Arabs springs\textsuperscript{82} and rejection of peace agreement deal in the referendum between the Government of Colombia and rebel groups\textsuperscript{83} are just an evidence of the power of the peoples to influence changes when public interests are undermined or jeopardized by the government in power. Capitalist states such as UK and USA survive against proletariat revolution only because their governments have been taking tremendous efforts to limit extreme inequality in their countries: Democracy and government intervention through fiscal policies, provision of incentives and implementation of various regulations with the aim of limiting extreme inequality had prevented proletariat revolution in those states. Perhaps Marx’s theory of classes and revolution has been applied by the capitalist’s states as a mirror or work up call to prevent extreme inequality situation through taking necessary measures in order to avoid revolution. However, it should be understood that the possibility of population intervention can only happen when the majority are convinced that extreme inequality, they are experiencing is an outcome of poor leadership, oppression or bad policies. In support with this argument Scheidel (2016) said; “\textit{In the course of human history, which factors were capable of reducing inequality, at least for a while? The answer is surprisingly clear but not at all encouraging: war and revolution}”\textsuperscript{84}. Also, the review of history of inequality as presented by Milanovic (2011)\textsuperscript{85} and Atkinson and Søgaard (2014)\textsuperscript{86} shows no evidence of existence of 100%

\textsuperscript{86} Atkinson and Sogaard, (2014), the long run history of income inequality in Denmark, Oxford Martin School and University of Copenhagen and the Danish Ministry of Finance
equality among the individuals and between the societies in any period of human history. Generally, it can be argued, minimum inequality is acceptable, necessary and should be tolerated as it is just an icon of competition cycle. However, extreme inequality as a sign of zero-sum game is a real threat to the life of an individual in the country, therefore, needs to be contained.

2.4 Conceptual Conclusion

After assessing all the mentioned thoughts this study is convinced that there is no one path toward attaining sustainable development. Also, based on author’s observation, it is a mistake for underdeveloped countries to adopt a particular development’s paradigm based on particular school of thought without making necessary adjustment and ideological or policy assimilation. Based on interrogation of development theories, it has been revealed that there is no political ideology or economic system which is either 100% correct or 100% wrong; all paradigms present some crucial conditions for development, although not every feature presented by school of thought is completely perfect. Therefore, countries are argued to be flexible on choosing and adopting development paradigm, meaning anything profitable to national development regardless of whether it come from dependency or modernization school of thought should be adopted and incorporated as part of national development paradigm. It is necessary to note that any decision made on choice of development paradigm and shifting approach can be a beginning of either downfall or development success in the country. Despite the fact that socialism as economic and political system is no longer dominating ideology, it has been revealed that not everything practiced within the framework of socialism was bad. There are two main facts which make socialism as a belief not a promising paradigm; the first argument against socialism ideology is the fact that people are unique in nature, they are not equal in performance, and they are always competitive. Therefore, it was not right to consider or to treaty or to try to make all the people as equal, and this was major weakness of socialism. Trying to force people to survive or behave equally in social and economic activities is to eroded the individuals’ and nations’ competitiveness, and as consequently many post socialist countries had experienced development’s delay. Second objection against socialism philosophy, is to ignore the private sectors in the economy. Based on the fact that private sectors
boost innovation and competitiveness, decision to abolish private activities affected the development in the socialist countries. Among the good features of planned economy paradigm is the presence of the considerable room for the government to intervene into the economy in order to safeguard the interests of the poor against exploitation. Based on this fact, the income inequality gap can be easily eliminated or minimized under socialist system. Another crucial aspect of socialist’s ideology is to advocate a moral humanity whereby people are treated equally regardless of their income status and to enable the social cohesion among the peoples. On the other hand, capitalism is a dominating paradigm in the world today, is the global economic system. By just prevailing against socialism, capitalism provides a proof that it is more promising model for economic development than socialism. One of the benefits of capitalism is the fact that it enabled economic liberalization which opens a room for competitiveness and innovation among peoples and nations. Under capitalism, the role of government to control and intervene into the economy is very limited; market forces of demand and supply are the main factors which determine trade conditions and economic activities in general. Under this situation a more competitive countries have a more chance to win in global economic competition and become more successfully economically, while there is also a high risk for the weaker to lose and become further poor. Therefore, under capitalism ideology there is great chance than ever for income gap between peoples within the country, and between nations in the world to expand. Based on the fact that there is a huge deficit of quality of human capital in poor nations, there is more possibility for increasing in inequality between peoples in low-income countries; as clever, elite and well-educated peoples can be motivated to take advantage of the knowledge wealth they possess to exploit the advantage of liberal economy to enrich themselves as Marx argued in his theory of class struggle. After an interrogation of both models, this study had observed that the right model for the low-income countries is the mixed economy paradigm. Instead of incorporating every aspects or element of capitalism and abandon all element of socialism, post-socialist countries should keep or adapt profitable features from both socialism and capitalism; they should adapt and implement trade liberalization policy while containing the inequality through government intervention. They should avoid copying capitalism model from developed capitalist’s countries without making necessary adjustment and paradigm adaptation. Therefore, partial paradigm shift is appropriate type of paradigm channel for the post-socialist countries. The successes of Vietnam’s and China’s models
of paradigm shift from controlled to mixed economy ideology provide evidence of the effectiveness of gradual evolution of development paradigm in post socialist countries.

Another important aspect in development is effectiveness of political instruments in paradigm choice, formulation and implementation in the country. By political instruments it means the government, ruling and opposition party, legislators, Non-government practitioners and off-course the peoples themselves as well as multilateral organisations. The government and the ruling party need to be able to construct the development’s paradigm proposal which can fulfil the new demands and reflect the peoples’ development choice and objectives. The government need to be flexible to paradigm change particular when the legacy paradigm proved to be inadequate to resolve existed and future development’s challenges. If the government is too rigid and overwhelm by the legacy paradigm, the peoples can opt government removal as way to install the new paradigm in the country. The role played by Margret Thatcher, her government and her Conservative party to install the neoliberal paradigm in England in 1980’s is good example of importance of political instruments to enable paradigm shift. Also, renovation or “Đoàn Mới” would not be deployed in the same way as it is now in Vietnam if the Socialist Party of Vietnam would not resolute to enable renovation in the legacy development paradigm in Vietnam. The revolution of 1989-1990 in the Eastern Europe countries provide lesson about the implications of the rigidity of the politicians to enable paradigm shift in the country. Base on this observation, the political factors are crucial ingredient to both choice of development paradigm and approach of shifting from legacy to a new model. In other words, political factors as the independent variable is the key driver to paradigm choice and shift approach. Moreover, through interrogation of theories of political development and concept of paradigm shift it has been revealed that the success in human and economic development in the country or society are determined by the political ideology and policies (development paradigm) installed. Therefore, it is correct to argue that the weakness or strength of political instruments to reshape or influence paradigm shift process in the country is a crucial determinant of the failure or success of the political ideology and policy paradigm, and consequently human and economic development in the country. based on the theoretical analysis, the author agreed that political willingness and agenda as well as political consensuses and dialogues are crucial requirement in enabling paradigm shift, and consequently development in any country. therefore, regardless the effectiveness of institutions and public policies or economic
system installed in the country, development success can be jeopardized by poor political consensus and willingness.

3.0 Choice and Approaches of Paradigm Shift based on Pragmatic Evidences

The objective of uncovering the pragmatic evidence is to reveal three major aspects; first, to uncover important of political engagement in deciding about the choice and approach of paradigm shift; second, to reveal the benefits of the mixed development paradigm in low-income countries against the other options; and the third objective is to demonstrate the advantage of gradualism approach against the paradigm revolution method in low-income environment. In order to fulfill this objectives, three features were uncovered and examined; the first objective is to uncover the legacy and new paradigm installed in each country; second to assess the push factors and the approach applied to shift from the legacy to a new paradigm; and third aspect is to uncover and examined the economic development outcomes of the new paradigm in comparison with situation during the legacy paradigm era. As it has been presented previously, cases of paradigms shift in five countries had been presented as pragmatic evidences to demonstrate the benchmarks which should be applied as the basis to dictate the decision and process of paradigm choice and shifting approach. The cases were presented within the spectrum of two main categories; the first category involved countries which applies gradualism approach to shift from the legacy to mixed paradigm; and second group demonstrate countries which applied the paradigm revolution approach to shift from legacy paradigm to a completely new model. Therefore, the model of paradigm shift in the Vietnam and China was uncovered to represent the application of paradigm evolution approach to shift to mixed paradigm, while the models of paradigm shift in Tanzania, Eastern Europe region and England were presented to demonstrate the implications of the revolutionary approach of paradigm shift. Therefore, the first pragmatic evidence came from China’s model of transition. During 1978/79 China decided to undergo Paradigm Shift from planned economy to mixed economy. The second pragmatic evidence is paradigm shift process in Vietnam famous known as “ĐoïMoi” (Renovation). The third case is paradigm shift from “Keynesianism” to Neo-liberalism in England during 1970’s and 1980’s. The fourth case is paradigm revolution in the Eastern Europe countries

3.1 Gradualism as an Approach of Paradigm Shift in China and Vietnam

Among the good examples of the countries which applied the paradigm evolution to shift from legacy to a mixed paradigm are China and Vietnam. China in 1978 initiated paradigm transition process from socialism model to mixed economy system. Instead of directly shifting to capitalism, China decided to gradually improve her socialism paradigm through incorporating some profitable policies from liberal system. Therefore, China’s model of development is integrative paradigm which comprised a mixture of socialism and capitalism features (see Box 1.1). However, China transition never remain static after 1978, instead the country had gradually kept on undergoing evolution toward fully market economy, although up-to-date the country is still considered as neither fully socialist state nor fully capitalist nation but rather it’s a mixed economy country (see Box 1.1).

Box 1.1: Uncovering Paradigm Shift in China through Gradualism

China is considered as a successful model in terms of economic policy transformation and economic performance. Before 1978 China economy used to be under state control or planned (command economy); where by the government had full control of agricultural production, trade and non-agricultural investments. However, China under the influence of Deng Xiaoping in 1978/79 initiated economic policy reform known as “Gaige Kaifangor” (reform and opening up); a transformation from planned economy to mixed economy. After the end of Cultural Revolution crisis, in 1970’s China experienced economic hardship; the agricultural production, the mainstream of the economy was severely inefficient and SOE’s was performing poorly. Moreover, GDP per capita was at her slow pace; in 26 years (1952 – 1978) in an average GDP per capita per year was growing at the rate 3%. In order to deal with economic crisis China’s Government opted to review and reform her command economy policy. It is not the intention of this study to either discuss the success of China’s economy or to trace the whole history of transformation of China’s economy, but rather to reveal the effectiveness of China’s government to detect and admit the weakness of planned economy policy and work to modify it without

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89 Ibid.
90 Ibid.
pressure from the outsiders: The history of evolution of China’s economic transformation has been uncovered extensively by a number of studies including Morrison (2013-2017)91, Brandt and Rawski (2008)92 and Xiaodong Zhu (2012)93. China’s government under its own analysis, dimension, willingness and timeframe managed to heal and improve the economy by adapting necessary capitalist policies and kept some socialist policies such as holding of some SOE’s. Moreover, the transformation process was carried out gradually; it took more than 20 years to nearly complete the process of incorporation of liberalization policies into China’s economy system. China’s gradual implementation of economic reforms sought to identify which policies produced favorable economic outcomes (and which did not) so that they could be implemented in other parts of the country, a process Deng Xiaoping reportedly referred to as “crossing the river by touching the stones”94 (Morrison. 2013; 2-3). China’s government neither abandoned socialism and planned economy as unwanted shoes nor incorporated economic liberalization policy as a complete package, instead focused to the remedy of the inefficient elements of planned economy policy. (Xiaodong Zhu, 2012; 110) argued this about the nature of paradigm shift in China; “there was no grand design of systematic reform policies; instead, economic reforms have taken place in a gradual, experimental, and decentralized fashion”95. According to (Morrison 2013; 2-3), in 1979 China introduced a mixed of free market and command economy in agricultural sector and non-agricultural investments. Whereby in agricultural sector farmers were requested to a compulsory sell of a specific quantity of their crops to state and surplus was allowed to be sold on liberal market. Moreover, the government removed trade barriers, initiated incentives to attract inflow of FDI and establishment of private enterprises96. Furthermore, China government initiated a project to reallocation of labor from agricultural activities to non-agricultural production such as industrial and services economy. As a result, agriculture which used to employ nearly 70% of the workforce in 1970’s employed only 32% of labour force by 200497. Also, the government reallocated labour force from SOE’s to private owned enterprises as the result the percentage of workers who used to work in SOE’s decreased from 52% to 13% in same interval period98. According to (Xiaodong Zhu, 2012; 114), “Most of the 49 million reallocated workers did not move to urban centers. Instead, they went to work in the rural industrial enterprises set up by township and village-level governments that are called “township and village enterprises” (TVEs)”99. After going through an economic reform, it did not take long for China to witness positive impacts on growth; just in 1979 the GDP growth per year recoded 7.6%100. According to the World Bank data, China’s GDP in 1979 was USD 178.3 billion however, 37 years later in 2016 China’s GDP which had been increasing at the average rate of 9.6% per year jumped to USD 11.2 trillion101. Moreover, China for long time had been experiencing high GDP per capita growth per annum: In 1979 China’s GDP per capita was USD 183.99, in 2016 China’s GDP per capita rose to USD 8123.18; which implies that China’s per capita GDP had increased by 44.15-fold in 37 years. Based on its fast pace in economic growth China’s economy managed to overtake United Kingdom (UK) and France in 2005, Germany in 2007, and Japan in 2013 in terms of both nominal GDP and purchasing power parity (PPP)102.

98 Ibid.
As China did, Vietnam in 1986 decided to undergo a huge change in her old development paradigm by shifting from fully socialism ideology to a mixed paradigm under “Doi Moi” approach. “Doi Moi” is a Vietnamese word which means renovation. The same has it happen in China, instead of adopting capitalism ideology, Vietnam decided to improve her old paradigm through incorporation of same profitable features of capitalism into her legacy paradigm. Gradually the country kept on installing liberal elements to her development model under framework of paradigm assimilation and adaptation. Therefore, it is correct to argue that Vietnam is still undergoing paradigm evolution towards capitalism. However, it should be noted that, after gradually underwent paradigm evolution under ‘Doi Moi’, the political pressure against the Vietnam authorities was never stopped; instead, some peoples in the country as well as foreign actors were not pleased with ‘Doi Moi’, therefore they tried hard to stress for fully paradigm shift (paradigm revolution) to liberalization.\textsuperscript{103} Eastern Europe model of paradigm revolution to capitalism was cited as a pragmatic evidence to push Vietnam authorities to accept a fully reform to liberal paradigm.\textsuperscript{104} However, the Communist party of Vietnam in 1990 responded to the critics by emphasising that, it was too risk for Vietnam to follow Eastern Europe model of paradigm revolution, instead the ruling party pledge to observe the changes which was going on in the Eastern Europe, and if there would be anything profitable will take it.\textsuperscript{105} Therefore, Vietnam authorities resisted paradigm revolution movements, and they were keen to gradually shift under ‘Doi Moi’ resolution (see appendix Xiii). The content of “Doi Moi” transition process has been in brief presented in following Box 1.2.

**Box 1.2: Uncovering “Doi Moi” (Renovation) in Vietnam**

In 1986 the Communist Party of Vietnam initiated economic policy reform as a means to heal economic crisis faced the country during 1970’s - 1980’s. According to Vandemoortele and Bird (2011), in the late 1970s’ and early 1980s’, the country’s economy was almost paralyzed by high inflation, low productivity,\textsuperscript{106} low-quality export standards, energy shortages and inefficient management of the economy and serious food shortages.

\textsuperscript{103} Daily News, (03/04/1990), Vietnam Wants Full Stomach before Reform.
\textsuperscript{104} Daily News, (03/04/1990), Vietnam Wants Full Stomach before Reform.
\textsuperscript{105} Ibid.
References shows, between 1976-1980, Vietnam imported 5.6 million tons of food and the quantity of rainfall dropped by more than 50% of an average quantity of rainfall per annum. Furthermore, Soviet Union and China cut their financial assistance to Vietnam. Before China decision to cut its assistance to Vietnam, by 1977, China’s aid contribution to Vietnam’s economy was about $300 million per year. Moreover, in 1880’s inflation rate was too high in Vietnam; for instance, the inflation rate was 231.8% in 1987 and 393.8% in 1988. This situation placed Vietnam into a group of the world’s poorest countries by 1990 with GDP per capita figures of about USD 200. The economic situation was bad to extend the government was relying on Official Development Assistance (ODA) from foreign governments and foreign direct investments to get funds to run the country. After going through economic hardship, in 1986 Vietnam’s ruling party the Communist Party of Vietnam (CPV) decided to undergo major economic policy reform known as “Doi Moi” (renovation) in order to improve economic situation in the country. Doi Moi policy was adopted during the 6th National Congress of the Communist Party of Vietnam, which was held in December, 1986. The reform was about transition from state own (planned) economy to mixed economy meaning combination of both market and state control economy. According to Thuy, Moeliono, Hien, Tho and Vu Thi Hien (2012), “Doi Moi” includes building of multi-sectoral market economy with macroeconomic regulation by state, increasing strong local authorities (“fence breaking”), practical individualism (de-collectivization), and increased of an autonomy for state’s owned enterprises (SOE’s), with "informal" restructuring. The implementation of Doi Moi policy leads to the series of institutional and legal reforms in Vietnam. Just one year after adoption of Doi Moi in 1987 Vietnam strengthened its FDI attraction capability by introducing Foreign Investment Law (Law No. 04-HDNN8). The law which was later amended in 2000 to give more room for foreign investments. The Doi Moi policy was legally recognized after being incorporated into the Vietnam’s constitution in 1992. The decision to ratification and strengthening the Doi Moi policy was taken by the 7th National Congress of the Communist Party of Vietnam held in 1991. With regard to economics the 1992 Vietnam’s constitution incorporated recognition of the market economy, the endorsement of the rights of private business ownership, the recognition of the rights of foreign capital flow and investment into Vietnam and land rights to individuals. The impacts of economic policy reform in Vietnam started to get realized in the late 1980’s. The first impact was to the increase of FDI in Vietnam.

China and Vietnam are considered as among the countries which managed to successfully undergone paradigm shift. Based on the fact that development competitiveness had been better for long time in Vietnam and China, these two nations are considered as successfully model in term of reform process and outcome. Based on that fact, it was found logic to use Vietnam and China’s models of economic transition as pragmatic evidence to demonstrate the role of political
instruments to enable paradigm shifting in the country. The whole processes of Paradigm shift in China and Vietnam have been extensive presented in “Box: 1.1 and Box: 1.2”. Therefore, it’s not the intention of the author to repeat again to explain about the whole process of paradigm shift in these two countries, instead the aim is to uncover and analysed the role of political aspect on enabling paradigm shift in China and Vietnam.

China under the influence of Deng Xiaoping in 1978/79 initiated economic policy reform known as “Gaige Kaifangor” (reform and opening up)\(^\text{117}\). Until in 1976 when Mao Zedong the former chairman of the China’s Communist Party (CCP) died, there were no any sign of paradigm shift in China, and no one would have an idea that the country is about to modify her development model\(^\text{118}\). However, in 1978 Deng Xiaoping an influential political figure in CCP constructed economic modernization paradigm for China\(^\text{119}\). The majority of members of CCP were overwhelmed by Deng’s model of economic reform, and therefore in 1978 the 11\(^{\text{th}}\) Central Committee of the ruling party CCP accepted Deng’s proposal to gradual transform of China’s policies towards liberal ideology\(^\text{120}\). At first it was agreed that paradigm shift would only impact the rural economy, particularly agricultural sector, but in 1984 it was further decided that the paradigm shift will gradually impact the whole China’s economy\(^\text{121}\). The point here is; the decision to change China’s paradigm was initiated by politician and institutionalized by political party, the Central Committee of CCP.

What Vietnam did in 1986 is to adopt China’s methodology of paradigm shift. As it happened in China, the decision regarding shifting from socialist state to mixed economy system was initiated and implemented by political instruments. After experiencing economic crisis in 1986 Vietnam’s ruling party, the Communist Party of Vietnam (CPV) decided to undergo major development’s paradigm shifting known as "Doi Moi" (renovation) in order to improve economic situation in the


\(^{121}\) Ibid.
country. Doi Moi policy was adopted during the 6th National Congress of the Communist Party of Vietnam, which was held in December, 1986. The reform was about transition from state own (planned) economy to mixed economy meaning combination of both market and state control economy. After being accepted by 7th National Congress of the Communist Party of Vietnam held in 1991, the “DoiMoi” paradigm was ratified and incorporated into the Vietnam’s constitution of 1992.

Based on China’s and Vietnam’s paradigm shift model, it can be right to argue that of political instruments including the ruling party and the government in power in both countries Vietnam and China played a crucial role in formulation and implementation of paradigm shift in their countries. In absence of their role, paradigm changes in their nations would have delayed or never happen at all. Another lesson learned from China’s and Vietnam’s model of transition is availability of adequate transparency and political conciseness. The ruling parties in both countries allowed an extensive dialog within the party before coming into consensus. Therefore, it was neither leaders nor government decision alone; instead all necessary stakeholders in the country were consulted. For instance; decision to change their development paradigm was made by the ruling party CPV, and then approved by the parliament before being legalized by the country’s constitution.

3.2 Revolution in Eastern Europe in 1989 as Model of Fully Paradigm Shift

The Eastern European countries and Tanzania are among the countries which adopted their development paradigm through paradigm revolution approach; in 1967 Tanzania adopted Ujamaa socialism and self-reliance as its economic and political system based on dependency theory model; in 1980’s Tanzania again sacrificed or abandon its ‘Ujamaa Socialism’ paradigm in order to adopt liberal system and multiparty system. Again, liberal system was not a home-grown model but was adopted based on western model of development (modernization theory). Paradigm revolution that

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124 Tsuboi. Y, (2007), Twenty Years after the Adoption of the Doi Moi Policy, Waseda University, Tokyo, Japan
happened in the East Europe region is another example of adoption of development model through revolution approach. Eastern Europe model of transition provide a good example of a full paradigm shift; they managed to undergo a fast transition famously known as shock therapies from communism/socialism to Western European development model (liberal system). Weitzman (1993), consider the way the East European countries adopted Western development paradigm as revolutionary the term which was introduced by the founder of the theory of paradigm revolution, Thomas Kuhn. The briefly details about the nature and characteristics of paradigm revolution of 1989 in Soviet Union and Eastern Europe countries has been uncovered through Box 1.3.

**Box 1.3: Uncovering Revolution in the Eastern Europe region in 1989-1991**

1989-1991 are considered as the years of paradigm revolution from communism to free market economy and democracy (capitalism) in the Eastern Europe region. Disintegration of the former Soviet Union and Yugoslavia was a huge political landscape which surprised the world. By 1986 no one would have thought about the possibility of political and economic paradigm shift in the Eastern Europe countries. By 1993 the process of shifting from communism/socialism to capitalism was almost completed in many of the Eastern Europe countries. The nature of paradigm revolution in most of the countries in the Eastern Europe region was pushed or enabled through a peacefully protest, with the exceptional in the former Yugoslavia, Czechoslovakia and Romania where revolt and violence was main push factor. The main agenda of civil resistance and demonstrations was regime change and multi-party democracy. A series of demonstrations conducted in Czechoslovakia, Poland, Hungary, Eastern Germany and Romania resulted to the installation of multiparty system as well as removal of communist governments, and replaced by the reformer’s governments in Eastern Europe region and Soviet Union during 1989. Moreover, a series of demonstrations in East Germany during 1989-1991 resulted to the fall of Berlin Wall in 1989 which followed by the unification of East and West Germany in 1990. Prior to 1989 most of the Eastern European countries and the former Soviet Union were hampered by economic hardship. Oil shock, heavy external debt, underperformance of SOEs, inflation and balance of payment deficit were among the main cause of economic crisis in the region. Records reveals that Poland had over USD 25 billion as external debts by the end of 1980s, and most of the money was borrowed from western Commercial Banks and governments. Also, Poland faced difficult to deals with foreign debts during the first half of 1981 due to insufficient of fund in the

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126 Ibid.
129 Roberts, A, (1991), Civil Resistance in the East European and Soviet Revolutions, the Albert Einstein, USA.
130 Ibid.
131 Ibid.
133 Ibid.
foreign reserve account\textsuperscript{134}. Hungary and Romania also were among of the Socialist countries hindered by heavy foreign debt. By 1982 the total national debt in Romania was around USD 3 billion\textsuperscript{135}; and by 1982 the external debt in Hungary was more than USD 10 billion\textsuperscript{136}. Due to economic hardship faced the former Soviet Union and Eastern Europe countries, most of the communist/socialist governments failed to fulfil development expectations, and therefore standards of living in the region was eroded. As the economic hardship continued to hamper the region, the peoples who was actually the consequential victim of the crisis continue to lose patience against their governments, therefore the tension for reform kept on increasing\textsuperscript{137}. Poland was the first country among Soviet member states to witness the massive strike and riot against the government in 1988; the mass of Polish people gets out of the streets to protest against poor standards of living\textsuperscript{138}. Following a series of massive protest in Poland, in 1989 the demonstrations and riots against the communist governments spread all over the region. As a result of the continuing protesting, almost all communist governments in the region were removed from power and multiparty democracy was re-installed again in East Germany, Hungary, Czechoslovakia, Bulgaria, Romania and in the former Yugoslavia\textsuperscript{139}.

Although the pressure to undergo economic policy reform in Eastern Europe region started before 1989, the actual shifting in development paradigm happened in the aftermath of the revolution in (1990-1992). Despite the fact that most of Eastern European countries were not the member of the IMF and World Bank, the international financial agents started to work with these nations in order to enable them to not only rectify their membership but also to facilitate paradigm shift to liberalization in the region\textsuperscript{140}. About 25 nations of the ex-members of the Eastern Bloc completed their membership to the IMF by 1993; and most of them were in hardly in need of financial assistance and technical support from the World Bank and IMF\textsuperscript{141}. Parlous economic situation was characterizing almost all these nations, therefore immediate support was crucial in order to rescue the region from economic failure risk. For instance; budget deficits ranging from about 7 percent of GDP in Poland in 1989 and to over 20 percent of GDP in USSR in 1991) were covered mostly by printing money\textsuperscript{142}. Therefore, the influence of the IMF and World Bank on policy shifting was inevitable in Eastern Europe region. Actually, the IMF and World Bank dictated the whole process of paradigm shifting to free market economy through rapid policy transition famous known as Shock Therapies\textsuperscript{143}.

Despite the fact that the process of regime change and shifting in terms of both political landscape and development paradigm happened so quickly, the changes were occurring step by step starting with the introduction of multi-party democracy in member states of the former Soviet Union and in the Eastern European countries; the second step was regime shift from communist/socialist to democratic governments in the region; the third step was the collapse of Soviet Union and

\textsuperscript{134} Ibid.
\textsuperscript{135} Ibid.
\textsuperscript{136} Ibid.
\textsuperscript{137} Dragostinova, T, (2009), 1989 Twenty Years On; the end of Communism and the Fate of Eastern Europe, Vol.3, No. 3, Origins, Miami University, USA.
\textsuperscript{138} Ibid.
\textsuperscript{139} Ibid.
\textsuperscript{140} Roaf, Atoyan, Joshi, Krogulski and IMF Staff Team, (2014), 25 Years of Transition; Post-Communist Europe and the IMF, IMF, Washington, D.C, USA. pp. 7.
\textsuperscript{141} Ibid.
\textsuperscript{142} Ibid. Pp. (9-12).
\textsuperscript{143} Dragostinova, T, (2009), 1989 Twenty Years On; the end of Communism and the Fate of Eastern Europe, Vol.3, No. 3, Origins, Miami University, USA.
communism ideology; fourth step was the installation of economic liberalization policies; and the last step was consolidation of capitalism through joining into European Union\textsuperscript{144}. Moreover, the fall of Berlin Wall and Unification of the East and Western Germany was vivid evidence or icon of the last sign of the collapse of communism/socialism in the World. Another thing revealed is the fact that revolution was initiated from down to up; it’s the people themselves who dictated the whole process of paradigm revolution. After the communist governments in the region failed to learn from people’s demand and make necessary adjustment in political ideology and economic policies in order to improve the human and economic development, the people themselves took the responsibility and consequently forced for revolution. Therefore, there were no chances for gradualism; instead paradigm revolution approach was applied as a means to shift from communism/socialism to capitalism ideology in all countries in the Eastern Europe region.

\subsection*{3.3 Paradigm Revolution in England during 1970’s-1980’s}

A good example of fully development paradigm shift (paradigm revolution) was presented by Peter Hall; Hall (1993), describing the shifting from Keynesianism paradigm to monetarism paradigm in UK during 1970’s and 1980’s as a true meaning of Kuhn’s theory of paradigm revolution\textsuperscript{145}. According to Hall (1993), after population in England was convinced that the economic difficulties the country was facing was associated with inefficient of the old policy paradigm (Keynesianism), the old policy paradigm was abandoned and replaced by the new paradigm (monetarism). Keynesianism and monetarism paradigm were competing policies which differ great in characteristics. “\ldots{} during\ldots{}1970s and early 1980s, these two economic ideologies were dissimilar paradigms......... Whereas Keynesians viewed the private economy as unstable and in need of intermittent fiscal adjustment, monetarists saw the private economy as stable and discretionary policy as an impediment to efficient economic performance”\textsuperscript{146} Hall (1993).

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\textsuperscript{144} Roaf, Atoyan, Joshi, Krogulski and IMF Staff Team, (2014), 25 Years of Transition; Post-Communist Europe and the IMF, IMF, Washington, D.C, USA. pp. 7.
\textsuperscript{145} Ibid. (280-285).
\textsuperscript{146} Ibid.
Immediately after the end of the Word War II British government under Labour party decided to adopt Keynesianism as country’s development paradigm\(^{147}\). “Keynesianism” model of economic development which was originally drafted by the economist John Maynard Keynes, was advocating for government intervention into economic activities through fiscal policies in order to influence economic performance and contain inequality\(^{148}\). Since its introduction “Keynesianism” has been applied the grand development paradigm in UK until 1970’s\(^{149}\). However, during 1970’s and 1980’s economic situation in England had significantly deteriorated; unemployment and inflation as well as oil price went high in the country\(^{150}\). As economic situation keeps on getting worse, some economic stakeholders including the English population and politicians started to criticize and debating over the effectiveness of legacy paradigm “Keynesianism”\(^{151}\). Labour government whom actually work hard to defend the legitimacy of “Keynesianism” tried to respond against critics on “Keynesianism” through making a series of miner adjustment on legacy system “Keynesianism”\(^{152}\). Despite a partial reform done on “Keynesianism” in 1970’s, the economic crisis in England was never restored\(^{153}\). Due to that situation, peoples and political platforms started to demand for fully paradigm shift from “Keynesianism” to neo-liberalism (monetarism). Despite the huge opposition against “Keynesianism” as development paradigm, the labour government was not ready to abandon their “Keynesianism”. Margaret Thatcher who became Conservative party’s leader took the agenda of reform to neo-liberalism paradigm as the political fortune against the ruling party\(^{154}\). In 1979, the Labour government was replaced by Conservative party after they lost in the general election. Actually, the debate on paradigm shift from “Keynesianism” to “monetarism” was main agenda in election competition\(^{155}\). Immediately after she took power as the British prime minister, Thatcher initiated a fully paradigm shifting from “Keynesianism” to “monetarism”; among the thing she did, is to undergoes reshuffle whereby “Keynesian” leaders in the government were replaced by “neo-liberals visionalists”\(^{156}\). She also created “monetarism” institutions, initiated


\(^{148}\) Ibid.

\(^{149}\) Ibid.


\(^{151}\) Ibid.

\(^{152}\) Ibid.

\(^{153}\) Ibid.

\(^{154}\) Ibid.

privatization of public entities, and government role in economy was considerably minimized. “Once in office, Thatcher played a key role in institutionalizing the new policy paradigm. She packed the influential economic committees of the cabinet with its supporters, appointed an outside monetarist to be chief economic advisor at the Treasury”158. (Hall 1993)

Moreover, Thatcher as England prime minister played a major role to dictate or influence policy making decisions. Apart from formulating policies which promote neoliberal, she had also implanted personal with monetarism sympathetic into policy making machineries as means to enable paradigm shift towards monetarism. Based on Margaret Thatcher’s initiatives, by early 1980’s England was more of neoliberal state159.

The point here is; it took a regime change from Labour to Conservative government to enable paradigm revolution in England. It was almost impossible to shift from “Keynesianism” to “monetarism” because the Labour party was too rigid and overwhelm by legacy system, and therefore they were not ready to forgone the old paradigm despite increasing call for reform. This implies that the ruling party and her government can play key role to enable or prevent the paradigm shift regardless of the opinion of the population. However, in democratic enabled environment it is hard for the government in power to ignore the people’s opinion otherwise they can be removed from the power by the population through election. While in the communism/socialist enabled environment such as in the former socialist/communist countries in Eastern Europe where democracy was limited the only way to force for reform was regime change through revolution, in democratic enabled environment such as in England democratic election is platform which normally applied by the people to force for paradigm revolution. This is a proof that revolution approach can be successfully to enable the shifting from legacy to brand new paradigm in democratic and developed country’s environment such as in UK. The role played by Conservative party and her leader Margaret Thatcher to enable paradigm shift to monetarism is good example

159 Ibid.
which revealed how far the population through democratic platform can influence the paradigm shift in the country.

3.4 Paradigm Revolutions in Tanzania during (1967-1991)

The dynamic of development paradigm or policy shift in Tanzania are categorized into four main cycles; the first phase was pre-Arusha Declaration period (1962-1967) where capitalism was the grand development paradigm; the second phase was post Arusha Declaration era (1967-1985) whereby Ujamaa socialism was installed and applied as the country’s political ideology and development model; the third cycle was the period of paradigm shift dilemma (1986-1990’s); and the fourth cycle is contemporary era of liberalization.

After independence Tanzania inherited the colonial system including independence constitution of 1961, liberal model of economic development and multiparty democracy. During all this period, private sector was recognised as pivot of economic development in the country. According data presented in Box 1.4, it has been revealed that the pace of development progress by 1967 was promising in Tanzania in terms of progress in education enrolment, enforcement of Africanization policy, agricultural growth and GDP growth. Despite the witnessing promising development progress, the liberal system as grand development paradigm was abandoned in 1967 and replaced Ujamaa socialism ideology.

The second cycle of development paradigm is period of Ujamaa socialism and self-reliance policy. Socialism as political and economic paradigm was adopted through Arusha Declaration in 1967 and lasted until 1986. The pivot of Socialism ideology was self-reliance, state control of all major means of production and economy and collective efforts in production. Among the main socialist policies towards development includes; education for self-reliance policy, socialism for rural development, villagization policy, self-reliance policy, nationalization policy, establishment of state farms and SOE’s and creation of price and market control machineries for agricultural products. Moreover, Ujamaa doctrine undermined the establishment of private investments
particularly FDI inflows under the basis that foreign investments were a means for exploitation. However, socialism as development paradigm was found under pressure in 1978 after the country had suffered a serious economic crisis. It was IMF and the World Bank who were the first to point a finger against socialism; according to the World Bank/IMF, socialist policies were incapable to rescue the country from economy failure, therefore they proposed a paradigm shifting from socialism to liberalization as the only solution against economic crisis. However, Nyerere as the Head of state and chairman of the ruling party CCM rejected the World Bank/IMF policy reform proposal; therefore, Tanzania continued to be a fully socialist state until 1986. Despite the Nyerere’s reaction against reform’s pressure, the paradigm shift debate between Tanzanian government and international actors particularly donor community never ended; instead the international agents, the World Bank and IMF continued to push the agenda of reform towards liberalization. However, Nyerere continued to remain rigid as he never accepted paradigm shift proposal until his retirement in 1985. Nyerere was the first African president to voluntarily step down from power in 1985.

The third cycle of development paradigm was the period of paradigm shift dilemma from 1986-1991. Although SAP program was approved in 1986, Tanzania had never been liberal country until mid of 1990’s. It took too long before the actual implementation of liberalization had started. Although liberalization was accepted in 1986, all major socialist instruments including policies and institutions were still in place and active until early 1990’s. There was hesitation to neutralize socialism apparatus during 1986-1990’s. In 1990 Nyerere retired from the Chairmanship of the ruling party CCM, therefore Mwinyi was elected to replace Nyerere as Chairman of CCM. Immediately after he became the Chairman of CCM, the ruling party approved the liberalization process, and that was how the World Bank/IMF backed proposals famous known as shock therapies were effectively started to be installed as means to rescue the country from the long-term economic bottleneck in Tanzania.

The fourth cycle of development paradigm is the current liberalization era. By 2005 when Kikwete was elected as the fourth president of Tanzania the country was almost already a liberal country. President Kikwete did nothing new than consolidation of liberalization ideology throughout his 10 years of his presidency. Therefore, presidents Mwinyi and Mkapa worked to install the
liberalization ideology and president Kikwete applied the liberal paradigm to enable development in Tanzania. Under contemporary liberalization era, Tanzania is one of the countries which are making a tremendous development progress. However, Tanzania like many other post-socialist countries in the Eastern European experienced a shock decline in economic development during the early days of the shock therapies (1986-1995). In terms of economic performance; the GDP growth rate is among the fastest in the world whereby the country managed to maintain a growth rate of around 7% per year in average during 15 years (2004-2019). Extensive details and explanations about the phases of development paradigm in Tanzania since independence had been uncovered through the following Box 1.4.

**Box 1.4; Series of Paradigm Revolutions in Tanzania (1967-1990)**

In February, 1967 the ruling party TANU through its National Executive Committee (NEC) adopted the ‘Ujamaa’ and self-reliance ideology as the political and development paradigm for Tanzania\(^{160}\). Ujamaa is a Swahili word which means ‘familyhood’ was an outcome of the TANU’s conference held in Arusha region in 1967\(^{161}\). Because the meeting was held in Arusha region the Ujamaa doctrine was named as Arusha Declaration. Although Ujamaa and self-reliance ideology was approved by the National Executive Committee (NEC) of ruling party TANU in 1967 in Arusha under Arusha declaration, there are a number of signs which revealed that the originality of the new paradigm is Nyerere himself. Nyerere, a very powerfully leader used his popularity in the party to influence members of NEC to accept Ujamaa socialism as a national grand paradigm. According to Pius Msekwa the former Vice Chairman of the ruling party CCM and former speaker to national parliament, the idea of creation of socialism and self-reliance was not part of the NEC meeting agenda\(^{162}\), therefore no one was expected to hear news about Ujamaa establishment before the meeting. Ujamaa socialism doctrine comprised of three main features; first, is leadership code of ethics. The objective of the code of conduct was to establish socialist principles which provide guidance to TANU’s and government’s leaders\(^{163}\). The second feature was introduction of the belief of socialism and creation of socialist state\(^{164}\). The third feature was about desire to build a self-reliance nation; a nation that would be self-sufficient and free from foreign aid dependence\(^{165}\). Among the main principles of TANU which intended to establish socialist state are; to enable the government to have effective control over all major means of production; and to effectively intervene into economic activities in order to prevent the exploitation of one man by another and consequently to contain inequality and class in the society\(^{166}\). Ujamaa socialism has been defined by Arusha declaration 1967 as follow; “A truly socialist state is one in which all people are workers and in which neither capitalism nor feudalism exists. It does not have two classes of people, a lower class ..., and an upper class of people ... In a real socialist country, no person exploits another”\(^{167}\) (Nyerere; 1968). Moreover, Arusha declaration emphases that the major means of production and exchange must be under the control of the workers and peasants through the government\(^{168}\). According to Ujamaa doctrine, the major means of exchange and production includes; “Lands; Forests; Minerals; Water; Oil and Electricity; News Media; Communications; Banks, Insurance, Import and Export Trade,

\[164^{164}\] Ibid.
\[165^{165}\] Ibid.
\[167^{167}\] Ibid.
There are many myths about the driving force behind the decision to establish socialism in Tanzania in 1967. The first myth is historical reasons; as it has been explained before, colonization is bad experience to many African peoples, and therefore many Africans consider anything associated with colonial countries, the Western nations was bad. Based on history of colonization, African countries used to have negative impression or image on Western countries. Therefore, capitalism model which characterized the Western World was judged as bad system only because it was advocated by Western nations. Another myth is the influence of Marxists and dependency school of thoughts; it is possible some decisions from African political leaders regarding shifting from capitalism to socialism paradigm were influenced by dependency theory. On author’s view, the influence of Karl Marx and Lenin’s thoughts to African political leaders was too huge to be resisted. Among the African political leaders who were influenced by dependency theory is Julius Nyerere the first president of Tanzania. Philosophically Nyerere has been socialist minded leader since the early days of independence; several times he was cited revealing his long-term interest of turning the country into socialism. When he was speaking to the parliament in 1965 Nyerere reminded that, among other things the intention of the first five-year plan was to pave a way for transformation of the country’s policy into socialism. Although Nyerere considered Ujamaa socialism as different phenomena from Lenin’s and Marx’s socialism, technically there is no such difference between the two. Nyerere differentiate Ujamaa socialism from Marxist socialism based on their originality; While Lenin and Karl Marx consider the originality of socialism is class struggle and revolution, Nyerere believed Ujamaa originated from African tradition. According to Nyerere, before introduction of colonization, African peoples used to live together, work together and share the outputs of production equally under framework of clan and community. It was only after colonization, the tradition of living in collectiveness of African peoples was disturbed. Therefore, based on Nyerere’s philosophy, Ujamaa was not a new phenomenon in Africa but rather originated from African tradition. Despite the Nyerere’s view on originality of Ujamaa socialism, the principals and contents of Ujamaa socialism are quite identical to Marxist socialism. Among the elements which make Ujamaa socialism identical to Marxist socialism include: Nationalization of all major means of production, establishment of state’s owned enterprises (SOE), living in collectiveness and equality in all aspects of living. Regardless of the style of the originality of socialist ideology, based on the features and principles of Ujamaa, there are no noticeable differences between Nyerere’s philosophy of Ujamaa and Marxist view on socialism. Based on this argument Ujamaa socialism is not a new model of socialism as many might have thought, but rather it was a brand name of socialism practised in Tanzania. Therefore, it can be correct to argue that Tanzania did not invent Ujamaa socialism, but rather adopted the paradigm from Marxist and Lenin model of Socialism.

Foreign threats, including neo-colonialism and imperialism tension are also other myths which possibly influence Nyerere’s government and the ruling party to adopt socialism. It should be noted that just during 1965-1966, Africa witnessed nine military coups, and the latest was overthrow of Kwame Nkrumah in Ghana. All this coup was associated with imperialism and neo-colonialism installation in Africa. Therefore, the solution against threats posed by the foreign countries was to increase government control in all aspects of living including social, economic and political aspects under socialism spectrum. Also, socialism would enable the African countries to form diplomatic and political tie with the socialist’s states such as China and USSR. The support from Eastern bloc was crucial because African states were highly in need of support from socialists’ countries in order to contain neo-colonialism threats posed by the Western countries. Also, disappointment of Nyerere’s government against Western countries after they decided to limit their aid to Tanzania in the second half of 1960’s is another possible myth for Tanzania to abandon capitalism. For instance, British and Germany withheld aids offers to Tanzania while USA was less interested to support growth of Tanzanian economy. It should be noted that aid dependence policy is always associated with imperialism. Ujamaa socialism and self-reliance policy was established in Tanzania during a period when many African leaders including Nkrumah were shouting against aid economy policy. Moreover, too much ambition and expectation of the people after independence of the country could be another reason which influenced Nyerere’s government to search for better ideology. Despite the fact that the pace of development was quite pleasing during pre-Arusha declaration, probably the government was not pleased with the level of development Tanzania attained by 1966. Therefore, in order to meet...
The first challenge against socialism as a political and development system was the economic crisis faced by Tanzania during 1978-1986; many development actors including Tanzania National Development Vision 2025, and the IMF and World Bank associated the first economic crisis of 1978 with the failure of socialist policies in Tanzania. Therefore, the failure of the Tanzania government under Ujamaa socialism to overcome the economic crisis in the second half of 1970’s is considered as the failure of socialist instruments. Based on the fact that socialism as the main development paradigm was unable to rescue the country from the economic bottleneck during the second half of 1970’s and 1980’s, it was obvious that paradigm shift was unavoidable. Therefore, it was wrong for the ruling party and the government to remain rigid against the policy paradigm shift. As it has been explained in theoretical framework, always paradigm revolution (fully paradigm shift) approach is exposed to resistances from the supporter of the old or legacy system. Based on theoretical analysis it was revealed that there were two main methods a country can apply to shift from old paradigm to a new system; the first method is paradigm evolution; and the second method is paradigm revolution. Throughout her dynamics of paradigms shift roadmap since independence Tanzania had been applying paradigm revolution method to shift from legacy to new paradigm. There are two weaknesses of paradigm revolution method; it is difficult to turn back to legacy mode; and it neglects the interests of beneficiaries of old paradigm, therefore always difficult to install it due to strong resistance from the supporters of old paradigm. Since it is difficult to turn back to old paradigm under paradigm revolution approach, Tanzania faced difficulty to re-install liberalization in 1986. Also, since paradigm revolution approach is subjected to strong resistance, paradigm shift to liberalization in Tanzania in 1986 was exposed to stiff resistance and this is one of the factors behind paradigm shift delay. Instead of applying paradigm revolution approach, Tanzania was supposed to use gradual evolution of paradigm from legacy to mixed model of development. Therefore, it was a mistake for Tanzania to undergo fully paradigm shift (paradigm revolution) to socialism in 1967; and it was also a mistake again to apply fully paradigm shift approach to shift to liberalization in 1986-1990’s. The basis of author’s view is the fact that not all aspects of socialism were ineffective, and also not all features of capitalism were perfect for Tanzania. Only because of the first paradigm revolution to socialism in 1967, it was unavoidable for Tanzania to undergo another reform in 1980’s and 1990’s. It took almost seven years (1967-1975) for Tanzania to create and enable socialist instruments; and it took almost 17 years from (1978-1995) for Tanzania to debate and then to turn into a liberal state. This implies that during (1967-1995), Tanzania was in development dilemma due to lack of perfect model of development.

Despite witnessing all weaknesses and failure of Arusha Declaration during 1970’s, Nyerere was confident that Tanzania was in the right track, and therefore he encouraged the members of parliament as well as Tanzanian population to keep on believing on socialist ideology and go further to implement socialist policies. According to the evaluation of Nyerere (1977), despite some of the shortcoming witnessed in Ten years of practicing Ujamaa socialism in Tanzania, the country was in the right track. According to Nyerere’s observation, the only solution against most of shortcomings associated with socialism and the economic crisis the country was facing in 1977 was intelligent hard work. Therefore, policy shift, leadership change and introduction of new political agenda were not considered as an option at all against economic volatility experienced in Tanzania. Instead, Nyerere was proud with some of the achievements the country had made after adoption of Arusha Declaration including; containing inequality; increasing in education enrolment; expansion and improvement of health services; democracy; and being able to create a socialist society. Other achievements include increase in government control in the economy and containment of capitalism in the country.

Based on this view, Nyerere was convinced that the economic hardship the country was facing during Post Arusha Declaration was not outcome of failure of socialism as ideology or inefficiency of his government, but rather was caused by external factors and lack of serious efforts and hard working. Therefore, there was no need for the country to install new development paradigm, instead he argued the country to keep on further implementation of socialism ideology. Based on Nyerere’s view, Ujamaa socialism ideology was neither an obstacle nor problem to human development but rather was a perfect model for Tanzania. In order to mitigate from hardship, Nyerere’s government intended to increase her investments in industrial productivity and agricultural production. The idea of paradigm shift from socialism to capitalism or mixed system was not an option at all on Nyerere’s mindset. He was convinced that the country will continue be a socialist state for another next decade or forever. When he was concluding his evaluation on effectiveness of Arusha Declaration, he argued this about prospect of Ujamaa socialism in Tanzania; “as we celebrate the 10th anniversary of the Arusha Declaration ….in next decade we must build on

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176 Ibid.
177 Ibid.
178 Ibid. Pp. 50.
what we have achieved”

(Nyirere; 1977). Another comment regarding the reasons behind the development stagnation in Tanzania in the second half of 1970’s come from the Head of the Bank of Tanzania in 1980, Governor Nyirabu. According to Nyirabu, the cause of stagnation in economic performance was not limited to external origin only, but was culmination of the internal inefficiency within Tanzanian system, consequently motivated by foreign factors.

Nyirabu emphasis that only because of instability in Tanzania’s economy, the country was vulnerable against economic shock originated from foreign environment. International actors such as donor countries, IMF and the World Bank were among the development stakeholders who associated development stagnation situation in Tanzania and Ujamaa Socialism ideology. According to the IMF and World Bank, adoption and implementation of Ujamaa ideology in Tanzania was the main cause of development crisis during post Arusha Declaration period. Therefore, paradigm shift from socialism to capitalism was not only regarded as the solution against economic hardship faced the country, but was also the main agenda of IMF and World Bank towards Tanzania.

The IMF and World Bank had work hard to persuade and influence Tanzanian government in order to enable paradigm shift in Tanzania. On the late 1970’s and early 1980’s the International Monetary Fund (IMF) and the World Bank tried unsuccessfully to use financial support deal as condition to influence Nyere and his government to accept reform in Tanzania in order to rescue the declining economy. However, the financial support deal to Tanzania fell through because the country rejected to obey the conditions presented by the IMF and World Bank as requirements for financial aid. IMF team visited Tanzania and requested the government to adopt a number of conditions including currency devaluation; Tanzania government refused to accept the conditions and the IMF officials were forced to leave the country immediately. Also, Nyere terminated Edwin Mtei the Minister of Finance and Planning from his Ministry’s Cabinet. Before his termination, Mtei supported the IMF’s proposal to reform economic policies in Tanzania. It sounds that president Nyere was not pleased with Mtei’s view and advice, and therefore the Finance Minister was fired from Government. The basis of Tanzania government to reject IMF conditions was to defend state sovereignty and country’s ideology. However, in early 1980’s the country itself initiated and tried to implement a number of strategies in order to rescue economic crisis situation in the country.

In 1981 the government adopted the National Economic Survival Program (NESP) known as (NESP I of 1981) followed by NESP II of 1982. In the following year (1982) Tanzania government adopted another development strategy; the Structural Adjustment Program (SAP). The main objective of the government to adopt new strategies was to provide necessary incentives in order to stimulate exports particularly agricultural products. Despite all government measures, Tanzania’s economy never resumed, by 1985 the economy was getting even worse; inefficiency of agricultural marketing policy and instruments caused a decline in agricultural production and exports. As a result, foreign earning from agro-exports dropped by half during 1970 and 1985. Shortage of foreign exchange caused the fall in imports which consequently led to the shortage of raw material and spare parts and necessary inputs for industrial manufacturing. In order to survive, country’s budget deficit and loss making in state owned enterprises were funded by the printing press; as a result, inflation increased above 30% per year. Moreover, Foreign creditors and suppliers went unpaid, arrears mounted, and shortages of imported inputs became acute. Despite all the hardship the country faced during 1970’s and 1980’s, Nyere never agreed with the idea of paradigm shift to liberal or mixed system; he was not ready to abandon Ujamaa socialism. While the country was in severe economic crisis, surprisingly, in 1985 president Nyere decided voluntarily to step down from power and Mwinyi succeeded him to
become the second president of Tanzania\textsuperscript{194}. It has to be noted that Nyerere was the first president in Africa to resign from power voluntarily.

After retirement of Nyerere as president of Tanzania in 1985, Ally Hassan Mwinyi was elected to replace Nyerere as the second president of Tanzania. However, Nyerere remained as the Chairman of the ruling party CCM until 1990\textsuperscript{195}. Immediately after he was elected as the second president of Tanzania in 1985, Ali Hassan Mwinyi initiated talks with donor communities in order to secure financial assistance. Mwinyi’s Government resumed negotiation with the World Bank and IMF in order to secure a loan deal. In 1986 Tanzania government and IMF/world Bank reached an agreement which resulted into adoption of the Economic Recovery Program (ERP). One of the immediate implications of ERP was devaluation of Tanzania’s currency (the Shilling); Tanzanian shilling was devaluated by 63\%\textsuperscript{196}. In the same year Tanzania adopted World Bank proposal known as Structural Adjustment Program (SAP); the program emphasized on liberalization of Tanzania’s economy\textsuperscript{197}. These two programs are referred to as foundation for liberal economy in Tanzania. After Tanzania had reached consensus with the IMF and World Bank, donor countries resumed their financial assistance to Tanzania\textsuperscript{198}; whereby the country was offered USD 300 million as a loan package by the World Bank\textsuperscript{199}.

In general, the liberal system was accepted by Mwinyi’s government as the replacement to planned economy system. However, it should be noted that all major decisions about paradigm shift implemented in 1986 was executed by the Mwinyi’s government without consultation of neither Chairman Julius Nyerere nor approval of the ruling party CCM. One thing revealed here is the fact that president Mwinyi was pro-reform while Chairman Nyerere was against paradigm shift. Therefore, the government decision to incorporate IMF and World Bank proposals which intended to pave the way for paradigm shift to liberal system caused a political conflict between President Mwinyi and Chairman Nyerere. It should be remembered that, before adoption of socialism in 1967, the first step Nyerere did was to influence the ruling party. Therefore, Arusha Declaration was the decision of neither Nyerere nor the government, but rather it was the outcome of the consensus within the ruling party. Because the ruling party was controlling the government; and because there were considerable consensuses within the party; and because the President was also the chairman of the ruling party, there was smooth implementation of Ujamaa Doctrine and therefore, the country witnessed limited resistance against Ujamaa socialism ideology in the country. But reform process to liberalization was different in Tanzania; instead of the ruling party to lead the process it was the government under president Mwinyi who initiated paradigm shift to liberal system in 1986. Moreover, the decision to shift from socialism to liberal ideology was taken without the prior consent of the ruling party CCM. Therefore, the conflict between Mwinyi’s Government and the ruling party CCM particularly Nyerere was something which was obviously expected. It was also obvious that, paradigm shift to liberal would face stiff resistance and difficulties in its implementation as result of poor consensuses in the party. However, President Mwinyi tried but was unsuccessful to influence Chairman Nyerere as well as the ruling party about the need to adjust Arusha Declaration in order to enable liberalization in the end of 1986. When opening the International Conference on Arusha Declaration, President Mwinyi argued this to Chairman Nyerere; “Mr Chairman; the Arusha Declaration was adopted almost twenty years ago under somewhat different conditions. These conditions have changed considerably since then. At some point therefore, it may be necessary to review some of the provisions of Arusha declaration, especially the leadership code, so that current conditions can be considered. This conference may wish to examine this issue in greater detail in order to come up with the specific recommendations for consideration by the relevant organs of the party”\textsuperscript{200}. It was surprising to hear the Head of state Mwinyi, asking the participant in the conference to debate on how to adjust Arusha Declaration. He went further, to argue that, Arusha Declaration was outdated, therefore, there was a need for adjustment, and the conference could be a platform for recommendations inputs. It should be noted that, president Mwinyi was addressing the International conference organized by the University of Dar es Salaam in December 1986. The Conference was neither part of the ruling party meeting nor official government meeting. Mwinyi’s call for reform could be interpreted into three main aspects; first, he was convinced that Arusha Declaration was no longer profitable to the country, therefore paradigm shift was crucial. However, he did not trust the ruling party as the right instrument to lead paradigm shift process, therefore he was trying to influence academicians and members of public to hold or dominate the agenda of paradigm shift to liberal system. Second

\textsuperscript{194} Edwards, S. (2012), is Tanzania a success story? a long-term analysis, University of California and National Bureau of Economic Research, Los Angeles, USA. Pp. 21-27

\textsuperscript{195} Maydyibi, A. Biography: Julius Kambarage Nyerere, in Socialism in Africa; Accessed [12/02/2019] https://www.marxists.org/subject/africa/nyerere/biography.htm


\textsuperscript{197} Ibid.

\textsuperscript{198} Edwards, S. (2012), is Tanzania a success story? a long-term analysis, University of California and National Bureau of Economic Research, Los Angeles, USA. Pp. 33-34

\textsuperscript{199} Ibid.

\textsuperscript{200} Speech by President Ali Hassan Mwinyi at the International Conference on Arusha Declaration 16-19 December, Held in Arusha, Tanzania.
After retirement of Nyerere from Party’s Chairmanship in 1990, President Mwinyi was elected as the new Chairman of the ruling party CCM. As soon as Mwinyi had become the Chairman of CCM in 1991, he initiated reform on Ujamaa Doctrine. Although free market economy policy started to be incorporated in the second half of 1980’s, liberalization was not officially recognized until 1991 when the National Executive Committee (NEC) of the ruling part CCM decided to make some amendment on the content of Arusha Declaration under the Zanzibar resolution of 1991. Actually, the free market economy was officially allowed through the Zanzibar resolution, whereby socialism belief was reviewed to pave a way for liberalization system. Despite the CCM-NEC approval of ideological modification, constitutionally and theoretically the country had remained a socialist state.

As it has been uncovered before, the reform debate in Tanzania started in the second half of 1970’s, however the government was rigid against the reform. A crucial step for reform in 1986 was that accepting SAP in 1986 was broad decision in the country, the endorsement was never public announced, and that was huge constraint in paradigm shifting process. This implies that the reform process was more of government business; therefore, the public were ignorant or less concerned about the huge changes which were going on in country’s grand policy until 1990’s. Regardless of Nyerere resistance against paradigm shift, the government never abandoned reform agenda; instead they kept on negotiating with donor community in order to enable policy change in Tanzania.

201 Address by Julius Nyerere during Anniversary of twenty years of Arusha Declaration and Ten years of ruling party CCM, February 1987, Tanzania.
203 Ibid.
204 Ibid.
was a big lesson to Tanzania. The impacts of revolution of 1989 which includes regime change, re-installation of the multiparty democracy, collapse of communism/socialism and the fall of the Berlin Wall which followed by the Unification of East and West Germany played the major role to influence Tanzania government and the ruling party CCM to abandon socialism ideology and accept capitalism. The revolution of 1989 in the Eastern Europe created a fear for revolution in all socialist/communism countries all over the world including in Tanzania and Vietnam: The fear that the revolution could be extended to other socialist hemisphere including Tanzania. Therefore, in order to contain the revolution threats Tanzania authorities decided to approve the paradigm shift to liberalization in the first half of 1990’s. Despite the increasing in threats of revolution, Vietnam authorities was firm to stick with their Doi Moi model of reform and resisted any move or pressures to follow the Eastern Europe model of paradigm shift.

Tanzania case was not unique from other foreign cases in terms of the influence of political factor in paradigm shift; the political situation, democracy and ruling party have been the main influencer to paradigm shift since independence. The first part of this subchapter had uncovered the prevailing political situation in Tanzania and Sub-Saharan Africa in general during 1960’s and its impact on paradigm shift decision. Despite the fact that the pace of development progress was promising during 1961-1967, Tanzania decided to shift from liberal to Ujamaa socialism in 1967. Based on the findings, it has been revealed that the internal and external political factors was the main cause of paradigm shift to socialism in 1967. The political situation in Tanzania and other sub-Saharan African countries were characterized by the following; colonization; neo-colonialism; imperialism; and decolonization tension. Also, it was the period of Cold War tension between Eastern and Western blocs as well as era of conflicting in political thoughts between dependence and modernization theorists. Because of the mention tensions, government overthrown missions were common threats in the region. Moreover, several time Nyerere as the Head of state and the ruling party was involved in confrontation with the western countries over colonisation, neo-colonialism and imperialism, therefore he was not a darling to the western counterpart. Based on this situation, this study is convinced that the political and security circumstances prevail in 1960’s was the main reason which influenced Tanzanian decision to abandon capitalism and adopt socialism as a replacement in 1967. Limited democracy in Tanzania during Nyerere’s administration is another factor which affected the decision to shift to socialism as a replacement to capitalism in 1967. lack of competitive politics imply lack in alternative options and challenges on policy decisions. Also, the absence of opposition party means limited chance for the population to influence the policy decision through democratic election. Only because of availability of adequate democracy, English

population was able to influence paradigm shift from Keynesian to neoliberal through general election. Based on this facts, it is quite convincing that a combination of political factors in early days of independence including; Nyerere’s political agenda and vision; political consensus within ruling party; global political situation; and the influence of modernization and dependency theories of political development played a major role to influence paradigm shift from capitalism to socialism in Tanzania in 1967.

Assessing effectiveness of timing of paradigm shift period is one of the objectives of the study. It took too long for Tanzania authorities both the government and the ruling party to assess the effectiveness of the socialism ideology and consequently to adjust the Ujamaa socialism ideology. Based on the findings, it has been revealed that it is true that Tanzanian authorities including the government and the ruling party CCM was reluctant to review the performance of Ujamaa socialism in the second half of 1970’s. Nyerere alone under his work “Ten years After Arusha Declaration 1977” did an evaluation on the effectiveness and performance of Ujamaa socialism ideology, and he concludes that Tanzania was in the right track, and therefore there were no need for paradigm reshape. Bases on author’s observation the ruling party CCM was supposed to evaluate the performance of Arusha Declaration, instead of depending on Nyerere’s observation. Based on the fact that Tanzania was not only a socialist country but also a single party state, it was more necessary for the ruling party to genuine evaluate or assess the performance of the country’s grand paradigm periodically. Based on this observation, it was a political mistake for the ruling party CCM to neglect the evaluation on the performance and effectiveness of Ujamaa socialism in 1970’s. The author is convinced that if a genuine and critical evaluation on the performance of Ujamaa socialism would have been done in 1977 or before, necessary adjustment on Ujamaa ideology would have been undertaken. Among the necessary changes which were supposed to be done was to incorporate some profitable policies of liberalization including; allowing private sector and enable competitiveness in productivity and business; and to limit unnecessary state control in economic activities. Because of inadequacy of genuine and regular paradigm evaluation, Tanzania government was rigid to shift to a new development paradigm. Therefore, remained in wrong development pathway for long time and as consequence the country was stack in economic crisis for long period. Therefore, the progress of social and economic development was serious eroded during socialism period. Data revealed that country’s development targets including economic
growth and agricultural performance were below expectation during Ujamaa period. Before adoption of Arusha Declaration, the GDP growth was around 5% per year in average; and agricultural growth was ranging between 3.5 to 6% in average per year. But GDP growth dropped to below 3% per year in average during 1978-1985; and the agricultural growth dropped to below 3% per year during Ujamaa socialism era. During post-colonial capitalist era the country was making balance of trade profit in almost every year, but balance of trade deficit became common phenomenon in Tanzania during the whole period of Ujamaa socialism. Moreover, Tanzania became more dependants to foreign aid during Ujamaa period than in the previous era. Many development actors including the IMF and World Bank proposed the ideological reform as a solution against the economic crisis in Tanzania. Actually, Tanzania government was unable to contain development challenges were facing the country without financial support from donor community. The donor community who was convinced that socialism ideology was incapable paradigm, used the economic crisis as the basis to force Nyerere’s government to accept policy reform. What matter most is; the World Bank and the IMF came up with the reform proposal to Tanzania. Moreover, the IMF and World Bank used the financial assistance as a weapon to force Nyerere’s government to accept their reform conditions. Actually, Nyerere’s government was under pressure to accept the IMF and World Bank conditions, however he refused to accept reform agenda until the end of his presidency. Based on author’s observation, this was the price of ignoring evaluation of the effectiveness of socialism ideology. If the country would have been able to adequately evaluate and then adjust country’s ideology in order to make it adequate to meet with the new demand and challenges under her own will and terms before 1978 as what China did in the same year, foreign agents including the IMF and World Bank would not have any room to intervene the formulation of internal policy in Tanzania. The author is not in support of IMF and World Bank or any foreign actors to use financial aid as a weapon to force the low-income countries to fulfil foreign conditions. Whether the conditions were good to Tanzania or bad, Tanzania as a free nation through democratic means had all the right to make decisions regarding her development prosperity without pressure from foreign actors. However, it was weakness within Tanzanian government and the ruling party which opened a room for foreign actors to intervene her internal policy making affairs. Therefore, this is a lesson to policy makers in the low-income countries to regularly conduct a genuine evaluation and assessment on existed development paradigm and make necessary adjustments in order to make it adequate to enable development.
Based on the data presented, it has been revealed that the chairman of the ruling party, Nyerere and the president of the country, Mwinyi were in political disparity over the need for paradigm shift to liberalisation. Because of the political divergence between the two, the process of transition to liberalisation which initiated in 1986 was placed into uncertainty. Based on the fact that the ruling party was controlling the government; and based on the fact that CCM was under the chairmanship of Nyerere, it was almost impossible for the government to adequately progress with the reform process without the approval from the ruling party CCM. Therefore, reform process was delayed until 1990’s when Nyerere had finally retired from chairmanship of the ruling party CCM. Following retirement of Nyerere, the ruling party CCM in 1991 approved the liberalisation therefore many liberal instruments were created as official replacement to socialist instruments during 1992-2000. Based on this presentation, the actual paradigm shift process in Tanzania started to be executed in 1991. The point here is; the lack of political consensus and dialogues did not only cause a delay in transition process but also caused paradigm shift vacuum and uncertainty in Tanzania. The country was in dilemma on whether to progress with socialist policies or moved on to liberalization. As the consequence of paradigm shift dilemma, many development programs were exposed to stagnation during 1986 – 1990’s. Education in terms of enrolment which was actually implemented based on the guidance of socialist policy of “education for self-reliance” suffered a serious decline during 1986-1990’s; and agricultural development which was also implemented based on socialist policies of Villagization and collective efforts, state farms policy and socialism for rural development policy did suffer a serious decline during 1986 – 1990’s. Therefore, dilemma in paradigm shift process which in principal was caused by the political disengagement is the main factor which caused a paradigm constraint and consequently delay in transition and development process.

As it has been presented previous, the debate over the need for the second paradigm shift in Tanzania started in 1978 when the donor communities through the IMF and the World Bank proposed changes in development paradigm in Tanzania. However, Nyerere refused and rejected to work on all suggestion in relation with restructuring of Arusha Declaration. There are many possible factors behind Nyerere’s reaction against shifting paradigm in Tanzania; among the possible factors includes; Nyerere was founder of Ujamaa socialism ideology, therefore it was an embarrassment for him as influential and visionary politician in Africa to admit failure; second is
the absence of multiparty democracy which limit a chance for population to influence reform. Presence of multi-party politics would increase political pressure against Nyerere’s vision; and third is the approach and modality of paradigm choice and shifting process. As it has been explained in theoretical framework, always paradigm revolution (fully paradigm shift) approach is exposed to stiff resistance from the supporter of the legacy system. Therefore, it was obvious that the decision to undergo paradigm shift from socialism to liberalism would have faced a strong resistance from Nyerere’s and socialism supporters. Throughout her dynamics of paradigms shift roadmap since independence Tanzania had been applying paradigm revolution approach to shift from legacy to a new paradigm. Since it is difficult to turn back to old paradigm under paradigm revolution approach, Tanzania faced difficulty to re-install liberalization again in 1986. Also, since paradigm revolution approach is exposed to strong resistance, paradigm shift to liberalization in Tanzania in 1986 was exposed to stiff resistance and this is one of the factors behind paradigm shift delay. Instead of applying paradigm revolution approach, Tanzania was supposed to use gradual evolution of paradigm from legacy to mixed model of development. Therefore, it was a mistake for Tanzania to shift through a fully paradigm shift (paradigm revolution) to socialism in 1967; and it was also a mistake again to apply fully paradigm shift approach to shift to liberalization in 1986-1990’s. The basis of author’s view is the fact that not all aspects of socialism were ineffective, and also not all features of capitalism were perfect for Tanzania. Only because of the first paradigm revolution to socialism in 1967, it was unavoidable for Tanzania to undergone another reform in 1980’s -1990’s. It took almost seven years (1967-1975) for Tanzania to create and enable socialist instruments; and it took almost 17 years from (1978-1995) for Tanzania to debate and then to turn into a liberal state. This implies that during (1967 -1995), Tanzania was in development dilemma due to lack of perfect model of development.

Poor decision over paradigm shift is also another factor behind paradigm failure and delay in Tanzania. As it has been revealed, by 1967 Tanzania was in a right track in terms of the level of development achievement. In terms of economic development; GDP growth was around 5%, the growth rate in industrial production was 11%, Gross Capital Formation in (1962-1965) was 10.2%

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and the private sector investments in (1963-1965) expanded to 70\%^{207}. Also the (1961-1967) is the only period in the country’s history whereby Tanzania was able to generate balance of trade surplus; in terms of agricultural development, the growth rate in average per year was around 3.5-6\%; and in terms of education, the enrolment into primary and secondary school education was almost 100\% of the target of the first Five Year Plan for Economic and Social Development (1964-1969)^{208}. Despite all these achievements, the ruling party under Nyerere was not satisfied by the level of development the country had achieved, therefore they decided to shift through revolution approach to socialism in 1967. Selection of paradigm revolution method instead of paradigm evolution approach implies that the old system was worse enough to the extent that nothing from legacy system deserve to be incorporated as part of a new model of development. In other words, the ruling party was convinced that the legacy system, capitalism had proved to be a total failure to deserve a total overhaul, something which the author is in disagreement. Based on the data provided the country was among very poor countries during Independence Day, however during 1962-1967 the country did necessary initiatives to improve development situation; and actually, was making considerable pace towards better life. Since the country was in a right track, the author is not convinced that there were concrete reasons to completely abandon capitalism. Author’s argument against the ruling party’s decision to neglect capitalism is based on the fact that the legacy system, capitalism as development system was not a failed paradigm until 1967; instead development progress was more of promising during post-colonial liberal period. What the government and ruling party was supposed to do was to maintain the profitable policies of the existed system and make necessary adjustment on old paradigm through gradual evolution towards a mixed paradigm. Yes, Tanzania as a free nation had all the freedom and mandate to make decisions about their social, economic and political development; however, it is important to consider the implications of the political decisions on development prosperity and benefit of the population. The same mistake committed in 1967 was repeated again in 1986 when the government without the consent of the ruling party decided to abandon socialism as if everything implemented under socialism was bad and unwanted. Because of these two mistakes paradigm shift process had been always inadequate in Tanzania.

\[^{207}\text{Ibid.}\]
\[^{208}\text{Ibid.}\]
3.5 The General Overview on Empirical Findings

Based on the empirical evidence provided, it has been revealed that countries which shifted from the legacy system to a mixed paradigm through a gradualism or evolution approach were more successfully to enable development than those countries which went through revolution or shock therapies approach. The promising economic progress were quickly achieved in China and Vietnam where gradualism was applied as the pathway towards a mixed development paradigm. China and Vietnam which shifted through evolution approach are cited as examples of the successful models of paradigm shift in the World. Just within the period of one year after reform in 1979, the GDP growth in China rose from around 5% to 7.6%, and keeps on accelerating at an average rate of 9.5% from 1979 to 2018\textsuperscript{209}. As it happened in China, the Vietnam economy which used to be the weakest as the Tanzanian economy responded quickly to the *Doi Moi* reform. During the first four years after reform (1986-1989), Vietnam recorded the GDP growth rate of around 8.7% per year in average, and the GDP growth rate kept on increasing for around 7% per year in average for more than two decades after the *Doi Moi* adoption (see table 1.1). Unlike in the Vietnam and China, the economies in the Eastern European countries and Tanzania responded negatively to paradigm revolution, instead of improving as it was expected most of these economies shrunk unexpectedly after the Shock therapies (see table 1.1) and (chart 1.1-1.2). According to table 1.1, the economic growth rate was better before the revolution in Eastern Europe in comparison with growth rate in the aftermath of revolution in 1989. Four years before the revolution (1986-1989), the economic growth rate in Bulgaria was 5.2% per year in average but four years later in (1990-1994) the GDP growth rate declined tremendously to -11.6%; (Hungary) four years before revolution GDP growth was 1.4% per year in average, but dropped to -5.3% per years during the first four years of the aftermath of the revolution. (Poland), before was 1.4%, after reform declined to -3.4%; and in (Romania), before was -0.9%, after reform declined to -7.9% (see table 1.1). In general, the performance of almost all the economies in Eastern Europe region was far worse than before in the first four years after 1989 revolution, worse than even World average rate. This is an

\textsuperscript{209} Congressional Research Service, (2019), China’s Economic Rise: History, Trends, Challenges, and Implications for the United States, USA.
evidence of the failure of shock therapies (revolution) strategy to enable fast results in terms of economic performance in comparison with gradualism approach.

Table 1.1: GDP Growth in Pre and Aftermath of Paradigm Shift in former Socialist States

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<tr>
<td>World</td>
<td>3.9</td>
<td>1.9</td>
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<td>Gradualism as Shifting Approach</td>
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<td>China</td>
<td>2.1</td>
<td>8.7</td>
<td>9.5</td>
<td>10.6</td>
<td>8</td>
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<tr>
<td>Vietnam</td>
<td>1.9</td>
<td>4.7</td>
<td>6.9</td>
<td>8.9</td>
<td>5.8</td>
</tr>
<tr>
<td>Revolutionary as a Shifting Approach (Shock Therapies)</td>
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<tr>
<td>Bulgaria</td>
<td>5.2</td>
<td>-11.6</td>
<td>1.1</td>
<td>0.9</td>
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<tr>
<td>Hungary</td>
<td>1.4</td>
<td>-5.3</td>
<td>1.9</td>
<td>3.9</td>
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<tr>
<td>Poland</td>
<td>2.7</td>
<td>-3.4</td>
<td>6.2</td>
<td>4.6</td>
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<tr>
<td>Romania</td>
<td>-0.9</td>
<td>-7.9</td>
<td>2.3</td>
<td>0</td>
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</tbody>
</table>


*Green represent growth rate before reform


Source: Taken from; IMF, (2009), Tanzania; The Story of African Transition, International Monetary Fund- IMF, Washington D.C, USA. Pp. 2 Figure 1.

*SSA= The Sub-Sahara Africa
According to the findings, the economic situation was worse in Tanzania during (1985-1984) a period which was characterized by the IMF/World Bank policy intervention, shock therapies. Like it happened in the Eastern Europe countries, the economic bottleneck continued to hamper Tanzania until 1995. The economic development in Tanzania had remained weak for nearly three decades from (1977-1995). Based on the findings, it has been revealed that the country had recoded the GDP growth rate of below 1% in average per year during (1977-1984). Based on Chart 1.3, it has been revealed that since 1967 it took three decades for Tanzania GDP growth to resume and maintain the growth of 5% and above per year in average. During (1986-1990) the economy responded to the increase in foreign assistance by recording a GDP growth of around 5% in average per year (See chart 1.2 and 1.3); however, the situation did not last longer as the GDP growth started to decline year by year and reached its lowest level of below negative two percent (-2)% per year in 1994 (see chart 1.3). According to chart 1.1, the trend of GDP per capita during 1970-1985 was nearly USD 430 in average per year, but the amount of GDP per capita decline to USD 280 in average per year during 1986-1995; this decline in per capita is equivalent to 35%. Moreover, the GDP per capita never resume instead remained below USD 300 in average per year for nearly 20 years from 1986-2005 (See chart 1.1). Based on Chart 1.1, GDP per capita only started to increase above USD 400 in 2006. The inflation rate during (1970-1985) was around 18% in average per year, but accelerated to above 29% per year in average during (1986-1995) (See chart 1.1). All these details provide a proof that the shock therapies or revolutionary approach of paradigm shift is profitable in low-income countries environments.
Chart 1.2: Foreign Economic Indicators in Tanzania during (1970-2008)


Chart 1.3; Trend of GDP Growth in Tanzania since Independence

Source; Tanzania National Bureau of Statistics, (1995a), Table, 7.1; (1995b); 1; (1999); Tables, 3&4; (2012), Tables 1&3.

Development stagnation situation in Tanzania during 1970-1980’s can be compared to the hardship experienced in the following nations; the UK situation during 1970’s and 1980’s; China situation
prior to 1979; and Vietnam situation in 1970’s and early 1980’s as well as economic hardship in the Eastern Europe during 1980’s. Therefore, it is not the intention of this part to uncover the whole case of Paradigm shift in the Eastern Europe region; instead the author intends to remind about the approach of shifting, the cause and the implications of revolution of 1989 in comparison to Tanzanian revolution. As it was in Tanzania during socialist period, the former socialist countries in the Eastern Europe region was also hampered by the economic hardship in the same periodical interval. Socialism/communism as the economic and political ideology was unable to rescue the Eastern Europe countries from economic failure; therefore, pressure against communism was increasing day by day during 1980’s. Unlike in Tanzania whereby peoples were silence about reform, population were the main reform frontier in the Eastern Europe region. Through a series of strike and protesting against the government and communism, the people dominated the whole agenda and process of paradigm revolution to liberalization. In some of the countries in the region particular Romania and Czechoslovakia violence was inevitable in order to push the communist governments to accept people’s demands. Actually, people in the region were fed up with communism/socialism ideology, and therefore, they use force enable three situations; regime change, liberal paradigm and democracy. The question here is why did Tanzanian remained silence against Nyerere’s government and socialism despite the fact that they experience similar economic hardship as the Eastern European citizens during 1978- 1989? It is possible that; the trust of Tanzanian citizen on Nyerere government and socialism was still high. They did not forget the efforts and the role of Nyerere during the liberation movements and to unite the people after the independence. Also, the motivation speech from Nyerere played a major role to build people’s trust and enthusiasm against the government and socialism. People were confident that Nyerere and socialism would lead the nation to desired development one day, therefore the people’s hope for success was still high. Another possible reason behind people’s silence or toleration against Nyerere’s government and socialism ideology was the fact that it was too early for them to get fed up with socialism. Tanzania lasted in Ujamaa socialism for the period of just 20 years in comparison to 40 years of communism/socialism in the Eastern Europe countries. Based on these facts, Tanzanian citizens were reluctant to push for regime and ideological change in the country. However, both Nyerere’s government and communist governments in the Eastern Europe committed one comparable error which cost their nations; they were rigid to make adequate adjustment on communism/socialism within their timeframe and willingness despite the fact that
changes were inevitable, instead they kept on defending socialism/communism until the last day of their leadership, and this was a big mistake they had committed. Due to government’s rigidity, the country’s economies kept on deteriorating something which makes the governments more vulnerable to revolution. In Tanzania, it was the IMF and World Bank who influence paradigm revolution in the second half of 1980’s, but it was the people themselves who pushed the Eastern European countries into democracy, regime change, liberalism. Actually, the Eastern Europe revolution of 1989 was more drastic shifting in comparison to shifting in Tanzania. Shifting in Tanzania was limited to only development paradigm revolution, but the shifting in the Eastern Europe went far to include governments change in all countries.

This study had uncovered the paradigm revolution happened in England during particularly the role of Margaret Thatcher and his party, the Conservative to influence shifting during 1970-1980’s. Therefore, it is not the intention of this part to uncover again the whole sceneries of Paradigm shift in UK, instead the author intends to remind the audience about three main aspects; first is to reveal that Tanzania was not the only country which faced development hardship during 1970’s and 1980’s; second is to demonstrate the role of political regime (ruling party and his government) to resist or enable paradigm shift; and the third aspect is to reveal political and development consequences of poor decision making in handling paradigm shift stress. Since the end of the Second World War “Keynesianism” was accepted and implemented as development model in England. However, after the England had faced economic hardship during 1970’s many people in UK lost confidence with “Keynesianism” and therefore they demanded for paradigm shift. However, the Labour Party which was the ruling party and its government were rigid to respond to people’s demand. Like Nyerere’s government, the Labour Party was confidence that “Keynesianism” was the perfect development paradigm for UK and therefore, they were rigid to accept Paradigm Shift to neoliberal. Based on this case, Tanzania was not the only country in the world which faced hardship during 1970-1980’s; and Nyerere was not the only Head of the party and State who resisted paradigm shift in the World. In order to enable paradigm shift in England, the Labour party was replaced as the ruling party by Conservative Party through democratic election. It should be noted that paradigm shift from “Keynesianism” to “monetarism” was the

\[210\] Ibid.
\[211\] Ibid.
main agenda for Margaret Thatcher and his party the Conservative. After Thatcher became the prime Minister, she enables paradigm shift to “monetarism”; and immediately after the regime change economic situation was restored. Based on UK case it can be seen that, because of the resistance against paradigm shift Labour Party was forced to pay huge price by losing election to Conservative party. Another, aspect of paradigm shift which is revealed through England case is improvement of development situation after paradigm shift. Because of presence of multi-party system in UK, English population was able to enable paradigm shift. Through Multiparty system, the Conservative party and her leader Margaret Thatcher were able to enable paradigm shift in England. This is a good example which revealed how far the political institutions and political reader can influence the paradigm shift in the country. The political landscape in Tanzania during Ujamaa period was a bit uncompetitive in comparison with UK system. Tanzania was single party system while UK was Multiparty country. Based on the political landscape existed in Tanzania during 1970-1980’s, it was almost impossible to enable paradigm shift through regime change under democratic election like it happen in UK. There were only three available alternatives for paradigm shift in Tanzania; the first method was through convincing and influencing the decision of the Head of State Nyerere; the second alternative was through influencing the decision of the ruling party CCM; and the third option was to follow Marx theory of people’s revolution. It should be remembered that Nyerere was the powerfully and influential figure within the party and in the government; he played crucial role to turn the country into socialist state in 1967. The same role Nyerere played to create socialism in Tanzania in 1967 was needed in the second half of 1970’s in order to enable liberal or mixed system in the country. Unfortunately, Nyerere was not part of the peoples who believed on liberal system, instead he was advocating for further seriousness on building strong socialist state.

Paradigm shift from socialism to mixed economy system in China is another case which revealed the successful model of Paradigm shift. Like in Tanzania, economic situation was unfavourable in China during 1970’s. The approach used by China’s new leaders and the Head of ruling party CCP against economic stress that happened in China was somehow different from UK and Tanzanian leaders’ approaches. Instead of defending the legacy socialist ideology, China’s leader decided to partially and gradually modify the country ideology in order to make it effective to meet new demands. Therefore, under their own will and capacity China’s ruling party CCP managed to
initiate the evolution of paradigm from socialism towards liberal system, however until now China is still gradually undergoing paradigm evolution. Therefore, it can be correct to argue that China is still not yet a capitalist country, but rather it’s a mixed economy country. Based on paradigm shift decision made in China under the influence of Deng Xiaoping in 1978/79 which is the foundation of economic policy reform known as “Gaige Kaifangor” (reform and opening up)\textsuperscript{212}, China has been able to make tremendous progress in economic performance. What bothers the author is the fact that Nyerere never learnt or influenced by China reform despite the fact that China was considered as model to Tanzania in terms of political ideology. Moreover, Nyerere visited China several times before and after China’s reform. Before adoption of Arusha Declaration, Nyerere had visited China and met Mao Zedong in 1965; He visited China again and met again Mao Zedong in 1974; and he visited China again and met Deng Xiaoping in 1989. Instead of learning reform tactic from Deng Xiaoping in order to rescue the economic crisis in Tanzania, Nyerere kept on emphasizing on strengthening the socialist policies and instruments in the country. He never learnt that it was hard time for Tanzania after ten years of socialism to adjust Ujamaa ideology and open up for economic reforms. Based on the author’s view, failure to learn from other nations particularly successful countries which almost shared comparable ideology or model of development to Tanzania was leadership and political mistake.

Vietnam is another country which experienced comparable situation to Tanzania. It should be noted that Vietnam was holding comparable political ideology to Tanzania, socialism; also, Vietnam experienced comparable economic hardship to Tanzania during 1970-1980’s; and was also a low-income country like Tanzania during 1980’s. There is extensive presentation about Vietnam situation and paradigm shift process during 1980’s in \textit{(Box 1.2 in)}. Therefore, this part will not resume again the discussion about the details of Vietnam situation in pre-reform; instead the author will provide reflection of Vietnam model of paradigm shift to Tanzania situation in 1970-1980’s. According to \textit{Box 1.2}, after Vietnam had experienced development stagnation in the same way and the same periodical interval as Tanzania, Vietnam in 1986 decided to shift from her legacy socialist paradigm to a mixed paradigm under \textit{“Doi Moi”} slogan. \textit{“Doi Moi”} is a Vietnamese word which means renovation. The same way as it was done in China, instead of adopting capitalism ideology

Vietnam decided to improve her legacy model through incorporation of same profitable features from capitalism. Like it was done in China, Doi Moi was neither a one-man decision nor government decision; instead Doi Moi (renovation) was adopted during the 6th National Congress of the Communist Party of Vietnam (CPV), which was held in December, 1986. After they found Consensus within ruling party CPV, Doi Moi was approved and institutionalized by the parliament. After a gradual evolution of paradigm in Vietnam, the country started to witness the fast pace in economic development during the first half of 1990’s. As a result of good economic performance, Vietnam managed to transform from low income country to middle income country during 2000’s. Actually, Vietnam did not invent her own model of paradigm shift; they just copied the China’s model. What is seen here is; socialism was in crisis in Vietnam as Tanzania, but reaction or approach of Vietnam to deal with consequence of failure of socialism differs from Tanzanian approach. While Tanzania under Nyerere was defending socialism despite its failure, Vietnam took opportunity to rethink and then decided to make necessary adjustment on her legacy system. Probably, Vietnam learnt a lesson from the China model of paradigm shift. Moreover, Vietnam followed the same political procedures as used by Tanzania to established Ujamaa socialism to undergo paradigm shift to mixed system. The ruling party CPV played major role to enable paradigm shift in Vietnam. Therefore, instead of abandoning socialism and replacing it by liberalization under paradigm revolution method, Vietnam decided to undergo paradigm shift through gradual adjustment on the old model. Another good feature of Vietnam process of paradigm is that, under their own will Vietnam did a critical evaluation over effectiveness of socialism ideology without interference of foreign actors something which was missing in Tanzanian case. Also, in the case of Vietnam, political consensus within the ruling party was adequately fulfilled before the country made a step to initiate reform.

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4.0 The General Conclusion

Based on the theoretical analysis over political development thoughts and based on the empirical evidences provided, it has been revealed that out of the available development’s paradigm options, an appropriate option for the least developed nations is a mixed policy paradigm. Underdeveloped countries which in most cases characterized by the weak political institutions, dependence and economic and political instability are advocated not to apply zero-sum game theory in choosing a development pathway; meaning should not rely to only one school of thoughts to make decision about the choice of national development paradigm. Instead, they should incorporate all the profitable policies under a spectrum of a mixed paradigm regardless of the nature of their originality.

Based on the fact that, among the preconditions for the success of paradigm installed is the effectiveness of the method applied to shift from the old to the new paradigm and effectiveness of paradigm shift process, this study had interrogated the concept of paradigm shift including methods, options and shifting requirements. Therefore, both the options of fully paradigm shift under the spectrum of paradigm revolution and the option of partial paradigm shift or gradualism/evolution from legacy system towards the new paradigm were interrogated in order to reveals the best practises to guide the paradigm decisions. According to the theoretical framework, a country can undergone a paradigm shift through two paths; the revolution/shock therapies or evolution/gradualism approach. Fully paradigm shift occurred when a country decides to completely abandon all the features of legacy system in order to install a new paradigm (paradigm revolution), while a partial paradigm shift approach is gradual process which involves evolution of old paradigm through incorporation of new features into old paradigm in order to improve the legacy system. In other words, the partial paradigm shift is an adjustment of the old system through adaptation approach, whereby changes are introduced and installed gradually in order to improve the situation. The advantage of fully paradigm shift approach is that is a fast process, therefore changes within the system as well changes in terms of outcomes can occur shortly after its implementation. The main disadvantages of paradigm revolution approach are the fact that it is difficult to reverse or reinstall the past system within a limited timeframe; therefore, is more risky approach particularly when the new paradigm fails to enable positive outcomes after its installation.
Another disadvantage is that fully paradigm shift approach is exposed to strong resistance from the beneficiaries of the old paradigm; therefore, it is difficult to be installed. Among advantage of partial paradigm shift is the flexibility to changes; whereby a nation can easily switch to implement further reform towards fully paradigm shift or retreat back to re-install the old paradigm. Therefore, in case of reform failure, there is a chance to neglect the new paradigm and reinstall back the old system again. Another advantage is that it incorporates the interest of both groups; the pro-reform and beneficiaries of the legacy paradigm, therefore the approach is exposed to a limited resistance in comparison with paradigm revolution option. Based on the fact that it is gradual process which accommodate the interest of both groups, the chance for zero-sum game is very limited; therefore, no one loses all or gain all, (it enables a win-win situation) and this is a main reason behind limited resistance against partial paradigm shift approach. Among the disadvantage of partial paradigm shift is that it is a slow process, therefore is associated with limited surprise in terms of shock outcomes. Based on these facts, the theoretical conclusion is; a partial paradigm shift approach within spectrum of gradualism/evolution of existing paradigm is the best option for underdeveloped countries particularly to a country which are characterized by political, economic and security instability such as the Sub-Sahara Africa countries. The basis of author’s view to advocate the partial paradigm shift for underdeveloped countries is based on the fact that the ability of the inferior countries to contain the challenges and risk associated with paradigm revolution is limited in comparison with advanced countries. Based on the fact that low-income countries are characterised by the economic volatility, adoption of paradigm revolution can be a starting point of instability particularly when the new paradigm fails to enable expected outcomes.

Based on theoretical analysis and the five pragmatic evidence presented, the author was able to draw a conclusion that; the political engagement particular the political dialogues and consensuses are necessary conditions which need to be fulfilled in order to enable smooth transition into new paradigm. Regardless of how better the new paradigm is, its implementation depends heavily on willingness of political instruments and consensuses among key political stakeholders. Five cases were presented as pragmatic evidence to reveal the role of political factors particularly political dialogue, willingness and consensus on enabling paradigm shift. Moreover, it had been revealed that the key determinant of the success or failure of the paradigms installed in all five countries assessed was the political instruments particularly the ruling parties and their governments.
Another key requirement in paradigm shift decision is a regular and genuine evaluation and assessment on the existed development paradigm. The government and the ruling parties are the main frontiers in enabling paradigm shift in the country. Therefore, they are required to enable environment which influence people to frequency communicate with the government about their development prosperity, and based on people’s requirements the government need to be flexible and genuine to reshape the development paradigm. Since paradigm shift is the continues process, the political instruments are advocated to consider paradigm assessment and evaluation as a part of their regular and crucial agenda. The rigidity or failure to adequate review the development paradigm had immense negative implications to the survival of the ruling party and its government as well as to human and economic development in the country. Only because of inadequate of genuine evaluation of paradigm in England in the second half of 1970’s, the labour Party was rejected in the general election and replaced by the conservative party; Only because of inadequate of genuine evaluation of paradigm in the former socialist/communist countries in the Eastern Europe, chaos and violence dictated the paradigm shift process in (1989-1990); and only because of inadequate of the genuine evaluation of the development paradigm in Tanzania, the country was unnecessary placed in the paradigm shift dilemma for long time, the transition process was delayed and as consequently the prosperity of human and economic development was eroded. Moreover, rigidity of political leaders to learn from successfully countries as well as the rigidity to forecast and enable necessary reform, can a main loophole for policy and development uncertainty in the country. Due to political rigidity, the ruling party and its government can lose its credibility to the population, and that can be a starting point to its downfall. Moreover, the leadership rigidly against reform can lead the country into economic crisis and as consequence the government can lost its natural capability to controlling the internal affairs including managing the economic situation and policy making and consequently, open a room to foreign actors to influence internal affairs something which jeopardized the sovereignty of the state. One of the factors which enabled China and Vietnam to successfully manage reform without the influence of foreign actors is capability of the ruling parties to genuine assess and evaluate the effective of socialism/communism and make necessary adjustments with right time. It was also revealed that the rigidity of Tanzanian and post-socialist leaders in the Eastern Europe countries as well as rigidity of the Lobar party leaders was the main cause of the policy tension, struggles and development uncertainty in their countries.
Based on the empirical evidence provided and conceptual analysis, it has been revealed that countries which shifted from the legacy system to a mixed paradigm through a gradualism or evolution approach were more successfully to enable development than countries which went through revolution or shock therapies approach. The Eastern Europe countries and Tanzania provide a good example of the least developed countries which failed to attain required development goal within a limited timeframe because of undergoing paradigm shift through revolution approach. The promising economic progress were quickly achieved in China and Vietnam where gradualism was applied as the pathway towards a mixed development paradigm. China and Vietnam which shifted through evolution approach had been identified as a good example of the successful models of paradigm shift in the World. Based on this fact, this study is concluding that, paradigm shift through gradualism/evolution approach and a mixed paradigm is the right development pathway for least developed countries.
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