

PETER BAUER AND THE THIRD WORLD

Anthony Daniels

I am deeply honored to be able to speak to you tonight, but feel slightly guilty that I am here under false pretenses. I am not one of the preeminent scholars, as the program has so generously suggested, and among whom I now find myself, or indeed a scholar of any description, but rather a mere part-time scribbler. My sole qualification for speaking is that I was a friend of Peter Bauer's, a man of whom, above all other men whom it has been my privilege to meet, can it truly be said that to know him was to love him. When I think of him, I recall Dr. Johnson's beautiful tribute to his friend, Sir Joshua Reynolds: "Sir Joshua Reynolds, sir, is the most invulnerable man I know; the man with whom if you should quarrel, you would find the most difficulty how to abuse."

I don't think Peter's wonderful character was entirely irrelevant to the development of his ideas. In an age that often has difficulty in distinguishing earnestness from seriousness, and lightheartedness from frivolity, he was upright, honest, fearless, and fun-loving, which are not qualities, need I tell you, that always or even often go together. He did not think that life was inevitably, or ought to be a grind, or that all enjoyment must be deferred until the world be made right. And he was fundamentally optimistic in the sense that he believed ordinary people were perfectly capable of creating decent lives for themselves in the here and now, if only we—that is to say, the intellectuals of the world—would get out of their way and stop filling their minds with poison.

Nyerere's Anti-Bauerist Policies

I first met Peter after I had returned home from a country long ruled by a man whom I might call, by analogy with the anti-Christ, the

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anti-Bauer, the man whom Peter called St. Julius. This man, of course, was Julius Nyerere, Mwalimu or Teacher to his friends, the president of Tanzania. By calling him St. Julius, Peter—with his unusually well-attuned antennae for the detection of humbug among the intelligentsia—recognized that this deeply pernicious man had undergone secular canonization long before his death, despite, or perhaps because of, the fact that he had produced an economic catastrophe of considerable proportions, and was moreover a tyrant who pretended to hate the West. The Western press, however, treated him hagiographically, as if it were in deep need, for dishonest reasons that Peter also understood, of an African political hero.

Nyerere had obviously read the works of Peter Bauer and decided to do precisely the opposite of what he recommended with precisely the results that Peter would have predicted. Nyerere had, for example, removed by force about seven-tenths of the peasant population from where it was living into semicollectivized villages, to the hosannahs of the Third Worldists of the world, and with aid funds provided by the Scandinavians, of which Nyerere's Tanzania was the largest recipient.

All agricultural produce had to be sold through government organizations, or perhaps I should call them disorganizations. The prices paid were set by the central government, and were so low that they amounted virtually to confiscation. The derisory sums offered were paid a year or more in arrears, in a currency that the farmers called *Picha wa Nyerere*, Pictures of Nyerere: for that is what they were, the country's economy having been almost demonetarized, except for the privileged few who were able to exchange Tanzanian shillings for foreign currency at the official exchange rate. Needless to say, such people had important political connections. In the area of the country in which I lived and worked, it was possible to tell senior members of the ruling and sole political party, the Chama Cha Mapinduzi, the Party of the Revolution, by the size of their stomachs. Tanzanians in general were thin, but senior members of the party were fat.

Not surprisingly—at least, not surprisingly to someone like Peter Bauer, who often lamented the loss in our age of unprecedented technical sophistication of the ability to think connectedly according to simple, obvious, and basic principles—the peasants soon refused to grow anything surplus to their own requirements, for to do so was economically pointless. I myself met peasants who had pulled up their coffee bushes to grow maize merely for their own consumption; they reverted wholly to subsistence. Nyerere had long since made it impossible for the Indian traders, who used to trade coffee for simple items such as soap and cloth, to operate, on the grounds that they had

exploited the peasants by selling their produce for more than they paid for it (in essence, Nyerere's economic thought was no more sophisticated than Idi Amin's, though he was crafty enough to avoid the opprobrium of the latter by appealing to the similarly unsophisticated prejudices of the Third Worldists, who were then preponderant in the Western media and governments).

Heroes of Development

Peter Bauer was completely opposed to the idea that people such as the Indian traders of East Africa were bloodsuckers, an idea that is to East Africa what anti-Semitism once was to Eastern Europe. On the contrary, he saw them as the heroes of development, which—until they were prevented from operating—they were. I spoke to some of them, and they told me how, in their pioneering days, they had lived in conditions not very different from those of the peasants themselves, how they had braved the wild animals of Tanzania that were still very active, and tropical disease, slowly to accumulate profits that allowed their businesses to expand, and some of them to become rich. Unlike the government monopsonies, of course, they actually paid for the products of the peasants, who therefore saw a reason to expand their production. Nyerere had reduced them to penury again, however, except those few whom he favored for political reasons, and many of them had left the country.

Effects of Foreign Aid

Of course, a country like Tanzania was almost entirely dependent on its agricultural surplus to pay its way in the world. With Nyerere's anti-Bauerist policies, it soon could not even feed itself, and was totally reliant upon foreign aid to avoid mass starvation in the cities in particular. However, the channelling of aid through the government gave the political masters and bureaucratic class of the country absolute power and control, just as Peter Bauer would have predicted, and just as he said indeed that any man with a minimal ability to reason on a few basic and obvious principles would have predicted—of whom, however, there seemed to be very few during Nyerere's heyday.

Politicization of Life

Precisely as Peter described, Nyerere's policies led to the complete politicization of life. There was not a single aspect of economic or social life that escaped politicization. For example, Nyerere instituted a 10-cell leader system: every 10th household had a party member,

whose job it was to report up the party hierarchy about the people under his surveillance. For a child to remain in school after a certain age, a certificate had to be obtained by the 10-cell leader of his household, which in practice of course meant a bribe. While I was impressed and deeply moved by the efforts and sacrifices Tanzanian parents made to educate their children as highly as possible, the object of the education they tried to give their children had become solely and simply to obtain a job in the government bureaucracy, from which to extort an economic surplus from the peasants, who, incidentally, came to regard themselves as fools for remaining farmers.

Impoverishment and Oppression

One cannot help but see in all this the greatest baleful residual effect of colonialism in Africa. Be this as it may, we can see in this situation the reason why increasing numbers of educated people in Africa are not incompatible, to put it mildly, with deteriorating economic performance. And it also helps to explain why the existence of fabulous mineral resources can be a curse rather than a blessing, since their existence funds the civil wars that break out for political control of them.

It must not be thought that anti-Bauerist policies merely impoverished: they were worse than that. They were oppressive. In all fairness it must be said that Nyerere was not a sanguinary dictator, but he had no hesitation in imprisoning scores of thousands of people whose only crime was to try to evade the economic consequences of his policies. One particularly vivid example from my recollection was that of an elderly Indian small trader whom I treated for tuberculosis, which he had contracted during a spell in a crowded prison camp to which he had been sent during one of Nyerere's periodic crackdowns on the so-called black market—the only market there was. This trader was sent to the prison camp for having possessed 12 cups and saucers for which he could not fully account, his interrogator not surprisingly making off with the cups and saucers in question.

I could continue with my description of Nyerere's Tanzania, for example by telling you how it was often quicker to go to Europe than to telephone it from Tanzania. I could tell you how the peasants became entirely dependent on charity handouts for their clothes, how men had often as a result to wear women's clothes, and how people would squabble furiously over fragments of a broken mirror. But I hope I have given you something of a flavor of a country that, in pure culture as it were, embodied all that Peter Bauer was opposed to. One

might almost have said in Tanzania, if you seek a monument to the essential truth of Peter Bauer's view of development and the consequences of foreign aid, look around you.

Western Guilt

Nyerere appealed to the exhibitionist liberal guilt in the Western world, which kept the funds coming, at least until even the Scandinavians woke up and realized that they had funded not just a mistake but a crime. But Nyerere truly believed in some of the ideas against which Peter Bauer struggled, and which were a source, or rather a justification for that liberal guilt: the absurd zero-sum notion, for example, that the wealth of some was inevitably founded on the poverty of others, that the wealth of America is founded on cheap sisal or cashew nuts or cloves extracted by an unjust free-market mechanism from Tanzania. The justification for the confiscatory taxes imposed upon the Tanzanian peasants was, of course, the cycle of poverty idea: that they themselves were so poor that they could not invest in infrastructure, education, health care, and whatever, but needed the all-wise government to do so on their behalf.

If Tanzania was anti-Bauerist in pure culture, there is no doubt that most of the countries of Africa were anti-Bauerist in their policies in greater or lesser degree. Nkrumah's famous rallying cry, "Seek ye first the political kingdom," resulted not in Africa's "first dance of freedom," to quote Lord Byron, but in Africa's first dance of rent-seeking by those who replaced the colonial administrators. And this was so, even where the ideology of the country was non- or anti-socialist. When Nyerere met Kenyatta, a famous exchange allegedly took place. "I've heard that yours is a man-eat-man society," said Nyerere to Kenyatta. "And I've heard that yours is a man eat nothing society," replied Kenyatta. But in fact there were more similarities between them than this exchange, or their opposing ideologies, might suggest.

The Critical Role of Limited Government

Whenever I spoke to Peter about the problems of Africa, he always emphasized that the solution lay not so much in the democratization as in the limitation of government. Democracy might have been a necessary condition of such limitation, but would certainly not be sufficient, since it was perfectly possible for an electorate to vote into power a statist party such as the Chama Cha Mapinduzi. Furthermore, without limited government, political competition for office might make things worse rather than better. To appreciate this, you

have only to imagine what America would be like if the sole route of self-advancement were via the political route. Peter was resolutely against the politicization of life, both for economic and noneconomic reasons. Such politicization, in his view, not only was inimical to development, but destructive of civilization—another value for which Peter cared deeply.

I am not sure that I ever heard Peter explain how limitation of government might be achieved in Africa, especially when a powerful class had been created that depended upon government control for the continuance of its power, influence, and economic well-being. But clearly foreign aid, channeled through its sticky fingers, was not part of the solution. The first step, surely, was to understand the obstacles impeding African development.

Conclusion

I have dwelt on Africa rather than the Third World, first because it is the continent that most needs economic development (though, incidentally, Peter was always very careful not to conflate economic development and human happiness), and second because he did not much care for the Third World as a category. He did not consider that a category that included Bhutan and Brazil was very useful for social or economic analysis. However, I think he would have agreed that the situation of many African countries is sufficiently similar for us to be able to generalize usefully about it.

It used to be said in certain circles that the comprador bourgeoisie of Third World countries had formed an alliance with the bourgeoisie of metropolitan countries. But it would be truer to say that the rent-seekers of poor countries have, or had, formed alliances with the Third Worldist development economists of Western universities. Peter taught us the importance of noneconomic factors in economic development, including the ideas of the governors and governed alike.

I am extremely grateful to have known him, not only because he was the most charming man one could ever meet, and because his beautiful manners afforded immediate relief from the hideous vulgarity engulfing the world, but because, oddly enough, his lucid appreciation of the interplay between culture, ideology, and economic policy, so obvious when you read him, has illuminated my medical work in the slums of Great Britain, our very own internal Third World, where welfare serves as foreign aid.