

INDUSTRIAL DEVELOPMENT IN TANZANIA: RE-ENGAGING THE REVERSE GEAR AND CHARTING THE WAY FORWARD by Dr. John A.K. Jingu

Industries constitute a fundamental pillar of development for any country for industries perfect the extent to which natural capital, human capital and financial capital interact to provide for development of a country. Unfortunately, Tanzania has been going through deindustrialization process since the adoption of liberalization policies in 1990s. Most industries which were introduced as part of the resolute measures of the newly independent country collapsed due to removal of protective barriers and strategic deficits in coping with forces of globalization. Consequently, the country development processes still largely depends on the produce of peasant farms and continue to be shackled in the yoke of foreign dependency, unemployment and poverty.

The coming into power of President John Magufuli has renewed the country's urge to engage the reverse gear and re-embark on the industrialization process as a 'neem medicine' of development challenges facing the country. The paper proposes adoption of 'buildup and opening up' strategy toward industrialization process. The buildup part of the strategy will strive to consciously address deficits in internal capabilities on critical areas such as human capital, financial capital and indispensable infrastructure for industrialization to take place. The opening part entails approaching the world in a coordinated and strategic manner to acquire requisite technology, financial capital, skills and markets.