

# Introduction

The Poverty and Human Development Report (PHDR) is produced every two years by the Government of Tanzania as a key output of the national poverty monitoring system. The report provides consolidated national analysis of trends and outcomes in development, as well as discussion of key socio-economic issues. PHDR 2007 is the fourth in the series published since 2000. The first two PHDRs were produced during the implementation of the Poverty Reduction Strategy (2000-2004); the third and fourth reports during implementation of the National Strategy for Growth and Poverty Reduction 2005-2010 (MKUKUTA).

Each PHDR begins with examination of progress towards key development targets utilising national indicators as a framework. PHDR 2007 analyses the most recent data for the national set of indicators used to monitor progress under MKUKUTA and, for the first time, incorporates public opinion, particularly public perceptions on governance and accountability, based on findings from the Views of the People Survey 2007. MKUKUTA's three major clusters of desired outcomes for poverty reduction - growth, social well-being and governance - are used as the framework for presentation of data in the status chapter.

Each PHDR has also included thematic chapters from research commissioned by the Research and Analysis Working Group (RAWG) of the MKUKUTA Monitoring System. RAWG is a multi-stakeholder group chaired by the Ministry of Planning, Economy and Empowerment (MPEE). Research on Poverty Alleviation (REPOA), a national research institute, serves as the secretariat to the group.

The main themes of previous reports were:

- PHDR 2002: Poverty estimates for Tanzania (urban/rural)  
Social sector analysis (health, education water/sanitation)
- PHDR 2003: Vulnerability and social protection; benefit incidence, agriculture and governance analyses.
- PHDR 2005: Spatial aspects of poverty and inequality (to the district level)

The **theme of PHDR 2007 is growth**, and the report seeks to stimulate discussion on the need for a clear, coherent and prioritised growth strategy. The case for such a strategy is underpinned by both statistical evidence and public opinion. Three thematic chapters follow the status chapter in this year's report. Chapters 4 to 8 provide a summary of key findings from VoP 2007. Chapter 9 then discusses key issues in developing a strategic direction for growth in Tanzania, and Chapter 10 examines management of the nation's water sector to better enable economic growth.

The report contends that a strategic focus on growth need not entail losing sight of the vision to build stronger basic social services. However, the relationship between growth and social services needs to be mutually reinforcing and symbiotic. In this way, growth needs to provide the context for further social service development. As a starting point, a new approach to analysis is required that views social sectors in conjunction with, not in isolation from, economic growth. Such analysis would examine the potential for mutual reinforcement and, through this research, provide vital information to help prioritise interventions and public expenditure allocations. The water sector is used to illustrate this type of analysis in the current report (see Chapter 10). The management of water resources as a whole is examined rather than viewing water as a constraining social service or as a mere input into growth, and the analysis clearly demonstrates the potential of this sector to be a growth enabler. Similar analyses for other sectors may need to be considered in future.