Abstract

Export development in Tanzania has received varying attention in various policy initiatives. The early inward-looking policies of import substitution did not lead to high export expansion. Neither have market and outward-oriented reforms since the mid-1980s produced dramatic progress. This article reflects on the imperatives for improved productive capacity for export diversification and competitiveness. Basic education and technological capacity are critical to the ability of the firms to cope with rapidly changing global production and exchange conditions, which no longer rely merely on natural comparative advantage. The government and private sector need to increase personal and institutional capacities for trade and trade negotiations and to identify export markets. They should jointly address domestic supply constraints so as to increase the responsiveness of export supply with due regard to competitiveness in quality and timeliness in delivery to the export markets.