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## Tanzania's Path Towards Prosperity: Balancing State, Market and Community Nordic Week Symposium Communiqué 24<sup>th</sup> May 2021

### About the symposium

As part of the yearly Nordic Week, the four Nordic Embassies together with Economic and Social Research Foundation (ESRF) organised a symposium to discuss the complementary roles the state, the market and the community play. Focus areas for the discussions were inclusive economic development and the opportunities and challenges linked to digital transformation. The symposium made references to the 2018 dialogue on the Stockholm Statement for Tanzania –who's fifth principle calls for a judicious balance among the market, state, and community.<sup>1</sup> In the Nordic countries, central to the conversation on economic policies and reforms has been the interplay of balancing the role of the state, market, and community. Similarly, the democratic principles of openness, trust, transparency and accountability has played a key role in shaping the interplay between stakeholders. Together with the Guest of Honour, Hon. Dr Faustine Ndugulile, Minister of Communication and Information Technology and the Ambassadors of Sweden, Denmark, Norway and Finland, prominent representatives from the state, market and community took part in this highly anticipated symposium.

### Key conclusions

The government's role is to put in place a clear set of rules that provides clarity and ensures that uncertainties are avoided in order to provide a conducive environment for all stakeholders to thrive. This requires **strong institutions and a regulatory framework that is stable, transparent**, and fully understood by the parties involved.

Economic growth and urbanization are closely linked. Industry offers prospects of employment. Cities and urban areas connect people, knowledge, innovation and new technology. The fourth **Industrial Revolution (IR) and the digital transformation are features which could accelerate development** and be enablers for broader economic growth. These transitions commonly engineered by the government are often advanced by the market and the community. While these shifts present immense opportunities they are also coupled with challenges. One key component is clear policy and regulatory frameworks to enable a thriving and inclusive digital economy.

**Digitalisation** can contribute to addressing high youth unemployment by opening up opportunities for youth to create businesses. To harness these opportunities requires government

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<sup>1</sup> For more information on the conference in 2018 consult the [Recap of the conference on equitable growth with Nobel Laureate Joseph Stiglitz - Sweden Abroad](#) and short movie [Stockholm Statement applied on a Tanzania context - YouTube](#)

to provide an **enabling environment, including for start-ups, but also digital literacy through the education system**. Digitalisation also helps farmers to access financing and new markets. However, digitalisation on its own is not enough to transform the agricultural sector. Structural constraints such as land reforms also needs to be addressed to increase productivity.

Ensuring **equitable access to the benefits of digital transformation and participation** is key. Risk for digital divide in Tanzania following constraints such as access to a digital device (currently limited to 10 % of the population) but also the cost of mobile data. Not only to allow free flow of information and freedom to express and participate, data and access could also be used for strategic planning and commercial use. Safety and privacy online are key in order to allow freedom of expression. **Adopted freedoms offline should apply online too.**

Continued efforts should be made to ensure the participation of all segments of society in the development objectives of the nation. In this process, **the participation of women and youth** in the workforce as well as their equal representation in democratic institutions at all levels should be specifically pursued. Sustained efforts are needed to address persisting structural constraints for women. Lessons from Nordic countries indicated the social and economic gains of investing in gender equality, including sexual and reproductive health.

To foster inclusive growth and tackle poverty, a better understanding of poverty is needed, including multidimensional poverty measures and disaggregated poverty data per region. In the pursuit of not only an **accelerated economic growth but an inclusive economic development, issues related to poverty alleviation**, especially the reversal of the rising numbers of people living in poverty and high population growth, are areas that need continued focus. Furthermore, a more inclusive growth requires structural reform, including increased productivity in the agriculture sector and enhanced focus on high labour-intensive sectors.

Drawing on the expertise of the attending stakeholders, the symposium aimed at in an open setting invite representatives to freely express opinions which would foster a debate and an exchange of views. Central to the conversation is the notion of trust, here viewed as a system of accountability with checks and balances where the state, market and community respects their different roles and act transparently with the common objective of advancing the society. As evident in made interventions, collaboration was thought to be vital. The opportunity to have this dialogue as essential. **Trust, openness, and the willingness to engage others was viewed as key.**