EVENT REPORT

Konrad-Adenauer-Stiftung e.V.

TANZANIA MARY TAGALILE

NOVEMBER 2019

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The Model of the Social Market Economy as an Opportunity for Tanzania

SENSITIZATION FOR SMALL & MEDIUM BUSINESS ASWELL AS THE PRIVATE STAKEHOLDERS

The National Economic Empowerment Council (NEEC) in close collaboration with Konrad-Adenauer-Stiftung (KAS) organized a workshop on 22nd November 2019. The purpose was to sensitize business and private sector stakeholders on the concept of Social Market Economy (SME) in a Tanzanian perspective. One hundred participants attended the workshop.

The workshop started by introducing invited participants from three different business clusters in Dar es Salaam i.e. Vikundi vya Wenye Biashara Ndogondogo (VIBINDO) which is the umbrella of national association representing small businesses across the country, members from Tanzania Chambers of Commerce, Industries and Agriculture (TCCIA) and representative from Tanzania Private Sector Foundation (TPSF). In his opening remarks, Mr. Daniel El-Noshokaty, the KAS Resident Representative, welcomed participants and informed them about the role of KAS in complementing Tanzanian Government`s efforts towards the development of this country. This began as far back as 1964 immediately after independence when the father of the nation, Mwalimu Julius Nyerere asked the German government to support his effort in building skilled workforce to help him bring development to the people. He also informed participants about the social market economy and how it operates in Germany. The Model should not just be adopted for this reason this workshop is a result of a research conducted by a team of Tanzanian experts who eventually came up with a publication - "The Social Market Economy model for Tanzania" (SMET) in Tanzanian context. It aims at providing information of an alternative economic model as well as to give the participant



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Phone: +255 22 2153174 Fax: +255 22 2151990 Email: info.tanzania@kas.de room to discuss and get better understanding of the model.

The workshop was then officially opened by the Chief Guest, the Executive Secretary of the NEEC, Madam Beng'i Issa. She used this opportunity to briefly inform the audience about the work of NEEC and how it fast-tracks the National Strategic Vision 2025. NEEC bears similar vision as that of the nation i.e. stressing on economic growth and reduction of inflation. NEEC is responsible for leading implementation of the National Policy for Economic Empowerment, of which its implementation is done by both public, private and non-state actors. In performing its coordination role NEEC is looking for the best way in ensuring that many people are participating in economy of this country. She urged all actors in business to dedicate enough time to learn and tune the SME model for Tanzania setup. The model has positive sides like inclusivity and sustainability. One of the big challenges facing businesses in Tanzania is ability of stakeholders to offer goods and services in a most competitive way thus making businesses stagnant.



The first presentation was about integration of social market economy in Tanzanian context posing challenges and opportunities done by Prot Ponsian Ntui. He showed the economic transformation which Tanzanian economy passed through from first regime todate. He highlighted the pros and cons of each economic development stage and showed how the SME model would have addressed those shortcomings. Afterwords Mr. Richard Jackson Ndila, the presenter from the University of Dar es Salaam, covered the topic on the role of private sector and enterprises in the framework of the social market economy. A functional social market economy needs participation, change agents and entrepreneurs. The role of the state is to ensure that it provides for social security including preservation of the individual freedom like freedom of competition. SME is based on principles of solidarity, subsidiarity, minimum wealth for all and dignity.

Participants were active and showed a lot of interest in the topic. The Moderator, Edward Kessy gave room for questions and answers including contributions from participants. One of their observations was to make this idea reach more stakeholders especially those who are able to reach the grassroots e.g. the Civil Society Organisations Non Governmental or Organisations. The closing remarks was made by the chairperson of VIBINDO, Mr. Gaston Kikuwi on behalf of all participants. He thanked the organisers, NEEC and KAS for giving them this chance to attend the workshop. He acknowledge that the workshop was fruitful as had chance to they exchange their understanding of the concept of Social Market Economy.