

The Application of Local Economic Development Strategies for Industrialization Process in Tanzania: A Practical Implication in Five Selected Local Government Authorities

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Abstract: This article explores the use of Local Economic Development (LED) Strategies for Industrialisation in Tanzania. The study was conducted based on the Tanzania industrialisation aspiration which is widely demonstrated in the Second Five Year Development Plan (FYDP II), 2016/2021 (FYDP II). The FYDP II is driven by a theme “Nurturing Industrialization for Economic Transformation and Human Development. The study was conducted in five Local Government Authorities (LGAs), including Shinyanga, Kilosa and Geita District Councils, as well as Shinyanga and Morogoro Municipal Councils. The study employed qualitative methodological approach and specifically opted a case study design in arriving at the identified objectives of the study. The study is founded under the Second Five Year Development Plan (FYDP II) which adopts Local Economic Development (LED) as its industrial development approach. It involved senior Community Development Officers and Economists/Planners who are the strategic persons in implementing the industrialisation agenda as well as to mobilize the community to engage in the industrial economy. Despite the fact that, efficiency in implementing the industrialisation agenda depends on strong understanding and deliberate implementation of LED approach in LGAs, the study found limited understanding of the LED concept and its deliberate implementation in LGAs. The study also found that most case councils were using traditional development approaches despite the availability of the necessary conditions for localisation of the LED approach. This study recommends that LGAs should deliberately employ local economic development (LED) strategies through localizing the approach. In the context of LED approach, the study also suggested that LGAs should provide conducive business environment/enablers for private sector to participate and thrive as well as provision of land for investment, development of SME clusters, and support of LED initiatives.

Keywords: Local Economic Development, Industrialization, Local Government Authorities, Tanzania

1. Introduction

Local Economic Development (LED) offers local government, the private and not-for profit sectors, and local communities the opportunity to work together to improve the local economy. It focuses on enhancing competitiveness, increasing sustainable growth and ensuring that growth is inclusive. LED encompasses a range of disciplines including physical planning, economics, and marketing. It also incorporates many local government and private sector functions including environmental planning, business development, infrastructure provision, real estate development and finance (OECD, 2003). This article presents a study which was conducted based on the Tanzania industrialisation aspiration which is widely demonstrated in the Second Five Year Development Plan (FYDP II), 2016/2021 (FYDP II). The FYDP II is driven by a theme “Nurturing Industrialization for Economic Transformation and Human Development” which incorporates two focuses, which are growth and transformation.

The Second Five Year Development Plan (FYDP II) of Tanzania adopts Local Economic Development (LED) as the approach for attaining its main objective of building the industrial economy in the country. Under the plan, Regional Secretariats (RSs) and Local Government Authorities (LGAs) are the key implementers of the policy at the local level. The role of LGAs about this approach is critical for issues related to provision of land for investment, development of SME clusters, support of LED initiatives, etc. The core aim of LED in FYDP II is to ensure that RSs, LGAs, and communities in designing and implementing locally customized intervention use practical approaches.

Despite the fact that plans, budgets and practices of Councils in Tanzania are required to align with national policy directives, and that chief executive officers of LGAs are required to obtain advice regarding national policies and programmes while preparing their annual plans.¹ Studies show that LGAs have failed to domesticate national plans and priorities based on their local context hence failure to implement national plans accordingly (FYDP, p. 106).

Contrary to other national policies and plans that have not been localised in LGAs as showed by various studies, it is necessary that LED is localised since LED strategies has been suggested as the national roadmap towards industrialisation. Thus, this research intended to explore the extent to which LGAs employ LED strategies for industrialisation within their localities.

¹ Section 46 (2), Local Government Finance Act, CAP 290

To this end the study, explore mechanisms used by LGAs in localising LED Strategies for coordinating the development of the industrial economy in their areas of authority. It addresses the Tanzanian industrialization aspiration by 2021, the role of LGAs in Building the industrial economy, steps in planning and implementing LED strategies in LGAs as well as the status of Implementation of LED strategies within the Case Councils.

2. Literature Review

Nel, 2001 provides a brief history of LED strategies that they originated from the high-income countries of the North. They mainly emerged from the 1960s so as to tackle socio-economic challenges that resulted from the persistence of locality-specific development problems. The disappointing results of traditional top-down, supply-side sectoral development strategies in combating the resulting rise in unemployment and regional inequality drove the search for alternative development strategies that would offer opportunities for growth to all areas.

Nel argues further that LED has been gradually emerging as a development strategy for similar reasons in the South, and that the persistence of problems of slow economic growth and poverty, combined with the changes in the national and international economic environment, and the effective inability of many central states to intervene at the local level have provided a strong impulse towards more locally based initiatives. He further argues that in many developing countries, the situation was aggravated by factors such as the debt crisis, imposed structural adjustment and massive currency devaluation, and other natural and political shocks.

Anand and Ravallion (1993), Kakwani (1993); Pritchett and Summers (1996) stipulate the primary aim of LED strategies, they argue that the primarily aim of LED strategies as being increasing economic growth on the one hand, on the other hand LED strategies also aim at poverty alleviation and of a greater inclusion of previously excluded groups in social and economic life. They further argue that economic growth indeed has a trickledown effect that leads to the achievement of other social goals.

Jim Budds et al, (2007) state in defining LED, it is important to understand that it is only a part of the overall growth and development effort of a community. To be truly effective, it must be regarded as an integral part of a larger process. Spatial planning, financing arrangements and the development and maintenance of urban infrastructure will also be critical to the success of LED efforts. They also highlight four main components of LED as follows: *Firstly*, LED attracts new investment; attracting new investment is perhaps the most prominent component of LED in many people's perception. This comprises 'attraction of outside investment' and 'internal development', both of which are primarily concerned with job creation. *Secondly*, job retaining; that retaining existing jobs is possibly the most important component of LED. In many cases, ensuring continuity of employment will prove far more successful in enhancing the economy than large-scale investment strategies. *Thirdly*, tax base enhancement; although some contend that tax base enhancement is more an outcome than a component of LED, in those parts of the world in which local government plays a significant role in developing the local economy it is crucial to the affordability of local involvement. *Fourthly*, improvement of quality of life; the overriding reason for having LED at all is to improve the quality of life for the people. Whether in terms of creating jobs, improving aesthetics or providing housing, the real purpose is to enable the entire community to enjoy the benefits of the prosperity that growth and development provide.

Despite the fact that these authors have provided the above four main components of LED, they further make a disclaimer that not all aspects of LED will be applicable to every community. This above disclaimer may drag partial readers into a trap of confusion of LED strategies with other pro-poor community development strategies, which are common in sub-Saharan Africa (SSA); LED experiences in SSA frequently tend to focus on the social dimension of LED to the detriment of its economic side. They thus often become local development, more than true local economic development strategies (Rodríguez-Pose and Tijnstra, 2005).

Binns and Nel, 1999 add that in SSA, LED it has become often identified with self-reliance, survival, and poverty alleviation, rather than participation in the global economy, competitiveness, and finding market niches. This use of the term LED across SSA is creating unnecessary confusion and contributing to give the wrong impression that the goals of growth and poverty reduction are somehow mutually exclusive.

LED thus becomes assimilated in SSA with what is more appropriately referred to as community or local development. These pro-poor LED strategies are essentially about achieving social rather than economic goals. They address important problems, but tend to concentrate on short-term survival issues and on remedial action for the alleviation of social problems, leaving many of the economic issues that lie at the basis of underdevelopment virtually untouched.

True LED cases in SSA are thus hard to find. In South Africa, for instance, these so called 'pro-poor LED' strategies are relatively widespread. In most instances, local governments do not even involve the local business community in the process of developing these strategies, and instead initiate much more limited pro-poor initiatives, such as sewing schemes or craft production. As these

strategies are generally presented as LED, their success is often measured both in terms of social and economic indicators. Unsurprisingly, the results of these efforts in the areas of job creation and economic growth are often judged as disappointing (Hinderson 2003), thus contributing to give a bad name to LED.

Seberang Perai (2016) explains the importance of local governments' involvement in LED strategies he argues that municipal government has an essential role in creating a favourable environment for business development and success. By its nature, local economic development is a partnership between the business sector, community interests and municipal government. As suggested by the author, this proposition may also be relevant to the LGAs of Tanzania.

The premise of governmental involvement in LED implies that economic development, as a government activity must include an effort to encourage private investment in a particular jurisdiction for the purposes of generating or retaining jobs, expanding the tax base and increasing the general level of economic well-being. Local government play *[sic]*-pivotal role concerning their position as the front-liner in the development. They can efficiently respond *[sic]* to the needs and challenges faced by citizens including in economic development. Their leadership thus can ensure inclusiveness and sustainability towards community wealth being, (Seberang Perai, 2016).

As rightly concluded by Rodríguez-Pose and Tijmstra (2005) the term 'local economic development' describes a growing number of initiatives, ranging from industrial policy and regional planning to community development. Authors in this study agree with Rodríguez-Pose, (2002) that LED only refers to those development strategies that are territorially based, locally owned and managed, and aimed primarily at increasing employment and economic growth.

3. Methodology

3.1 Study Design

This study employs a qualitative methodological approach and uses a case study design. Morrow & Smith, (2000) suggests that the purpose of qualitative research is to understand and explain participant meaning. More specifically, Creswell (1998) defines qualitative research as, an inquiry process of understanding based on distinct methodological traditions of inquiry that explore a social or human problem. In most cases, a case study method selects a small geographical area or a very limited number of individuals as the subjects of study. This methodological approach is opted in this study due to its relevancy to the nature of the research which was explorative, aiming at understanding the participants' meaning in the course of investigating the use of LED strategies in the coordination of industrial development within their areas.

3.2 Sampling Technique

This study uses a non-probability convenience sampling technique; non-probability sampling is a technique by which samples are gathered in a process that does not give all the participants or units in the population equal chances of being included. Convenience sampling (also known as Haphazard Sampling or Accidental Sampling) is a type of non-probability sampling where members of the target population that meet certain practical criteria, such as easy accessibility, geographical proximity, availability at a given time, or the willingness to participate are included for the purpose of the study (Muijs, 2004).

Thus, convenience-sampling technique was employed in this study mainly because it was easily accessible by the researchers due to its geographical proximity, cases engaged in this study were mostly across the highways hence it was an important aspect for timely completion of the study.

Four LGAs were involved as study cases, two District Councils and two Municipal Councils were included. Key informants from the case councils were heads of the Community Development and Planning Departments.

3.3 Data Collection Methods

An interview guide developed by the researchers was used to elicit the required information from participants. In-depth interviews were made for about twenty minutes; verbatim responses from participants were digitally recorded and transcribed. This mechanism helped to obtain the voices of participants in this study.

3.4 Data analysis

Explorative questions asked during the study aimed at exploring the participants' understanding of the concept of Local Economic Development (LED) and how LED strategies were employed to coordinate industrial development within the case councils. Data from Interviews were transcribed into verbatim and coded into categories indicating issues and ideas relevant to the study

(Denscombe, 2007). After coding, researchers made a thorough review of the data in order to interpret emerging themes from the converging ideas across study participants and data collection methods across sites. The articulated interpretations were used to understand the status of implementation of LED strategies within the case councils. The questions triggered emergence of a pattern of themes that were grouped to analyze participants' awareness of the LED concept and whether or not LED strategies were localized and utilized in coordinating industrial development in their areas. The themes shall be presented in details at part four which presents findings of this study.

4. Findings and Discussion

4.1 Tanzania Industrial Aspiration by 2021

Tanzania aspires to arrive at a middle-income economy by 2025. This aspiration is clearly stated within the National Development Vision 2025, which is implemented through phases. The current phase of implementing the Vision 2025 is elaborately contained within the Second Five Year Development Plan, 2016/17-2015 (FYDP II) which focuses on Nurturing Industrial Development for Economic Transformation and Human Development. The Second Five Year Development Plan (FYDP II), 2016/17 – 2020/21, has integrated frameworks of the first Five Year Development Plan (FYDP I, 2011/2012-2015/2016) and the National Strategy for Growth and Reduction of Poverty (NSGRP/MKUKUTA II, 2010/2011-2014/2015) further extended to 2015/2016).

The FYDP II outlines new interventions to enable Tanzania industrialize in a way that will transform its economy and its society. It also incorporates unfinished interventions from the predecessor Plan and Strategy, respectively, deemed critical for realization of the aspirations of FYDP II. More importantly, FYDP II implements aspects of Tanzania's Development Vision (TDV) 2025 which aspires to have Tanzania transformed into a middle income and semi industrialized nation by 2025. It is expected that by 2025 the country shall be manifested with several economic development features such as high quality and sustainable livelihoods; peace, stability and unity; good governance and the rule of law; an educated and learning society; and a strong and competitive economy.

Following the industrial economy that is currently built, FYD II aspires that by 2021 the annual real GDP growth will raise to 10 percent by 2021 (from 7.0 percent in 2015), per capita income to US\$ 1,500 (from US\$ 1,043 in 2014) and reduction of the poverty rate to 16.7 percent from 28.2 percent recorded in 2011/12. The Plan also envisages raising Foreign Direct Investment flows from US\$ 2.14 billion in 2014 to over US\$ 9.0 billion by 2021; increase electricity generation from 1,501MW in 2015 to 4,915MW by 2020 and improving electricity connections to 60 percent of the population, up from 36 percent in 2015.

Specifically, on the industrialisation side, the manufacturing sector will grow by over 10 percent per annum with its share in total exports increasing from 24 percent in 2014/15 to 30 percent in 2020. Other features of economic development include under-five mortality rate reduction from 81 deaths per 1000 live births recorded in 2014/15 to around 45 deaths per 1000 live births; maternal mortality reduced from 432 per 100,000 live births in 2014/15 to below 250 deaths by 2020/21. On the other hand, access to clean and safe water in rural areas shall be improved from 72 percent recorded during 2014/15 to 85 percent by 2020/21 and in urban areas to more than 90 percent. As a result, it is believed that the national human development index improves from the value of 0.52 (2014) to 0.57 by 2021.

Priority areas and interventions in the industrial economy are elaborately stated in the FYDP II with their respective targets by 2021. Areas that will lead during this period are; the manufacturing subsector, whose target by 2020 is real growth rate of 10.5%; GDP share, 12.5%; share of total employment; 5.4% share in total exports; proportion of medium and high-tech manufacturing value added (MVA) share in total manufacturing 15%; number of exporting firms (729) proportion of medium and high-tech exports in total export of Manufactures 30%; of which high tech 6%.

Mining and Metals is yet another area of priority for economic growth and industrialisation. This subsector is expected to witness growth by 2020 and it is planned that the subsector shall witness real growth rate of 5.3%; GDP share, 3.2%; share of total employment, 1.9%; and share of total exports, 10.4%. The construction subsector on the other hand is expected to have real growth rate of 9.6%; GDP share, 11.8%; share of Tanzanian companies, 60%; and share of total employment, 3.7%. The agricultural sector is planned to have real growth rate of 7.6%; GDP share, 24.9%; share of total exports, 24.9%; share in total employment, 56.5% by 2020. To arrive at these targets, some key interventions stated in the FYDP II include increased use of modern technologies including ICT and extension services to increase productivity; lengthening and deepening value chains; skills promotion along the value chains; and commercialization.

4.2 Role of LGAs in Building the Industrial Economy

LGAs have an essential role in creating a favorable environment for business development and success. By its nature, local economic development is a partnership between the business sector, community interests and municipal government. The premise

of governmental involvement in LED implies that economic development, as a government activity must include an effort to encourage private investment in a particular jurisdiction for the purposes of generating or retaining jobs, expanding the tax base and increasing the general level of economic well-being (UCLG, 2016). Local governments play pivotal role concerning their position as the front-liner in the development. They can efficiently response to the needs and challenges faced by citizens including in economic development. Their leadership thus can ensure inclusiveness and sustainability towards community wealth-being.

Local government in conjunction with public and private sector partners usually strategically plans LED. Implementation is carried out by the public, private and non-governmental sectors according to their abilities and strengths. However, local governments still need to monitor and coordinate the process particularly to ensure the proportional benefit generated. Their leadership is thus a key factor leading to sustainable economic development.

FYDP II places LGAs at the centre of implementing the LED approach within their areas of jurisdiction, the roles of LGAs with regards to this approach among other responsibilities are required to provide conducive business environment/enablers for private sector to participate and thrive as well as provision of land for investment, development of Small and Medium Enterprises (SMEs) clusters, and support of LED initiatives. LED strategies need financing; they are typically expanding the responsibilities for LGAs. LGAs will have to improve own source revenue generation to be able to effectively implement these added responsibilities. However, the current trend of limiting LGAs tax base through relocating some revenue sources such as billboard fees (Finance Act, 2016) and limiting the powers to charge produce cess (Finance Act, 2017) may impede the implementation of LED strategies in LGAs.

4.3 Implementation of LED Strategies within the Case Councils

Local Economic Development Knowledge and Awareness

Participants in this study were senior Community Development Officers and Planning Officers. Participants generally demonstrate a knowledge gap about the concept of Local Economic Development, responding to a question which asked whether they are aware of the LED concept as a development approach all of them responded that they are not aware of the concept. The question asked participants to give a YES or NO answer and it asked that “do you know the concept of Local Economic Development as a development approach?” Table 1 shows the participants understanding of the LED concept:

Table 1: participants Understanding of the LED Concept

PARTICIPANTS	Council Planning Officers or Economists	LGA1	LGA2	LGA3	LGA4	LGA5
QUESTION	Do you know the concept of Local Economic Development as a development approach?	NO	NO	NO	NO	NO
PARTICIPANTS	Community Development Officers	NO	NO	NO	NO	NO

This table summarizes the findings on the understanding of the LED concept among participants who are the main actors in LED strategies implementation. Efficiency of implementation of the agenda will depend on strong understanding and implementation of LED among key players.

Following the participants’ response showing unawareness and non-utilisation of LED strategies in their LGAs, the researches wanted to know the development approaches that are used as well as to know the perceptions of the participants on suitability of such approaches in building the industrial economy. There were multiple responses in this question as shown in table 2

Table 2: Summary of Respondents response on LED Concept

PARTICIPANTS	QUESTIONS	LGA1	LGA2	LGA3	LGA4	LGA5
Planning Officers	Which development approach do you use in your LGA?	O&OD	-	-	-	O&OD
Community Development Officers	Which development approach do you use in your LGA?	O&OD	No specific approach	Not specific	O&OD	O&OD

Responses to the question that wanted to know development approaches used for building the industrial economy, after seeing there is a little understanding of the Concept of LED with the case councils; Opportunities and Obstacles to Development (O&OD) approach seems to be the popular response among most community development officers. In addition, two economists also shared the same response that O&OD was the community development approach used.

Most of the participants who pointed O&OD approach had a negative answer to the question, which asked if that approach could be suitable for implementing the national industrialisation agenda. One Senior Community Development Officer who is also head of the Community Development Department had this to say:

“O &OD approach is suitable for community social services and projects which are consumed by the whole community like roads, water etc, it’s not possible to mobilise the whole community to invest in an industry, but it’s possible to find a wealthy person within the community and influence Him/her to invest whereby O&OD is not applicable.”

The participant literally says that O&OD approach used by his council is a suitable community development approach for minor projects, but it may be ineffective in implementing the national industrialisation policy. The participant further says that if it happens that there is a more relevant economic development approach, then the approach should be introduced and council officials should be educated about it.

Another experienced Community Development Officer gave the same view; the approach used may not be satisfactory under the current move of building the industrial economy in LGAs.

Two economists responded that the council used other non-specific approaches. One community development officer also gave the same response, this participant said that we use meetings, for example, some months ago we organised a forum for investors for promoting investment opportunities in the region. The participant responded as follows:

“Tunatumia mikutano, mfano mkutano wawekezaji uliofanyika kuzinadi fursa za mkoa wa Morogoro wa mwezi wa pili, 2018. Piatunatumia vyombo vya habari, vikundi vya sanaa warsha mbalimbali na kushirikisha wadau, kama taasisi mbalimbali za kifedha zilizopo ndani ya halmashauri, kuwashawishi watoe mikopo kwa wanachi na vyuo vilivyopo ndani ya mkoa ili watoe utaalumu wao katika kuleta mapinduzi ya viwanda”

The participant literally says that the LGA uses several approaches to promote community development such as meetings; the participant cited the investors’ meeting which was conducted in February, 2018. The council also uses other approaches such as use of media, workshops and local art groups, Higher learning Institutions and Banks.

Therefore the study argued that the use of unspecified approach in building the industrial economy in LGAs may be detrimental to the implementation of the national industrialisation agenda. This is because development needs a roadmap, it needs a pathway through which LGAs will be able to evaluate and assess their performance. A Local Authority will evaluate itself and determine where it is at a particular time and where it wants to be in the future, it is on these premises that FYDP II opts LED approach, which is expected that it should be implemented by LGAs.

4.4 Basic Steps in Planning and Implementing LED strategies in LGAs

LGAs are the key implementers of the LED approach at the local level. In order to effectively localise LED, it important that LGAs take measures which researchers have found to be basic steps for LGAs to start localizing LED strategies. These basic steps are analysed from desktop review of the relevant research results from previous studies that were conducted on this subject as follows:

Step one: Getting Organized

This step ensures commitment of the stakeholders and the involvement of the public. It involves forming a joint economic planning body between an LGA and all the representatives of development stakeholders in the LGA. Being organised, having the necessary commitment, and ensuring that the public knows what is happening are all-necessary if the Local Economic Development programme is to get off to a good start.

During stage, it is essential to identify the main stakeholders, those who view themselves as having ownership of the process and are willing to engage in the joint economic planning body. Failing to engage the right people can result in a long and expensive process that may be fruitless contrary to the intension of a local authority.

Step Two: Strategic Planning

Under this stage, a local authority is required to analyse the present situation, establish where it intends to reach and the mechanism for arriving at such destination and how it shall measure progress. Good planning is the key to the municipality's success in building the industrialisation economy within its jurisdiction. A municipality cannot be effective in development matters unless there is an adequate, thorough and ongoing planning process.

For most places, economic development requires a more fundamental approach, which needs the understanding what the local area is good at, and what it has to offer; where its weaknesses are, what outside threats and opportunities exist; and what the local area wants and needs. Success in LED depends on the local government encouraging a business environment where markets can operate efficiently, but appropriately, within the local context. In most local areas, especially in developing or transition countries, micro, small and medium-size enterprises should be strongly supported and encouraged to take the lead since they play a key role in creating new employment, local wealth creation and tax generation. This step was not implemented in the case councils as well.

Step Three: Information Gathering

At this stage, an LGA needs to make baseline surveys, business surveys and community profiles as well as to establish its competitive advantages. Information is clearly the most important ingredient in the LED process. Here gathering information about what is already going on in a community, or information that will provide the needed background for new investors, it is both necessary as part of the LED process.

The profiles are displayed in some of the council's websites. Researchers are of the view that the case councils have a starting point in information gathering; however, since LED strategies need some specific information, however the LGAs were yet to improve the available information related to localization of the LED.

Step Four: Establish an Administrative Organisation

At this final basic stage, an LGA is required to set up an Office of Economic Development, to explore funding opportunities for LED and to match public and private requirements. Economic Development Offices can be created to carry out a wide range of activities depending on the wishes and the local context in a particular local authority. In the studied councils there has been observed some reluctance in implementing LED, since the first three steps were not implemented in the case councils, this step could not be implemented as well.

4.5 Localisation of LED Approach in the Case Council

Local Economic Development approach is an attempt to determine what actions to undertake, LGAs as implementers of the approach should deliberately plan to localise the approach by creating an organisational set up and decide who should coordinate a partnership with all development stakeholders in a respective LGA. Then, generating a clear vision and linked set of objectives, based on a practical understanding of the competitive advantage of an LGA.

The status of localisation of the approach in the case council is unclear, although most participants seemed to have limited knowledge of the approach, implying that the councils' Strategic Plans had no provisions that deliberately accommodate the use of LED approach, responses of the participants demonstrated that local conditions in the LGAs could support LED strategies.

For example, one of the participants who previously responded that he does not know much about LED, when responding to a question which intended to know the competitive advantage of their LGA said that: "our council has a competitive advantage in rice production and so establishment of large rise packaging industries which could feed the country at large, we have small rice packaging industry in the council but they don't use the potential to the maximum. The council also neighbours an urban LGA which could form a good market for our products. We also have a huge cattle population that can be a good source of raw materials for animal product industries". Two other participants from other two LGAs shared a view of that local condition in their LGAs could support LED strategies if the same is deliberately localized.

Another participant who was also unaware with the LED approach positively responded to a question which intended to elicit some response towards availability of socio-economic activities and stakeholders who are necessary for the approach.

He said: *“We have a number of stakeholders whom I think are important for building the industrial economy in our council, for example we have a number of small industries, enterprises, a vibrant business population, commercial banks, and technical training institutions. We also have a hardworking farming population, an informal sector, and cooperative unions just to mention a few.”*

Responses from these participants suggest that deliberate localisation of the LED approach lacks in the case councils. In order for the agenda to materialize, LGAs must coordinate its economic development potentials by strategically planning for the utilisation of the LED approach as the industrialisation roadmap in the country.

5. Conclusion

The role of LGAs is critical in building the industrial economy through employing local economic development (LED). By its nature, local economic development is a partnership between the business sector, community interests and municipal government. The premise of governmental involvement in LED implies that economic development, as a government activity must include an effort to encourage private investment in a particular jurisdiction for the purposes of generating or retaining jobs, expanding the tax base and increasing the general level of economic well-being.

LGAs can efficiently response to the needs and challenges faced by citizens including in economic development. Their leadership thus can ensure inclusiveness and sustainability towards community wealth-being. In the context of LED approach LGAs are required to provide conducive business environment/enablers for private sector to participate and thrive as well as provision of land for investment, development of SME clusters, and support of LED initiatives.

To this end, the status of localisation and use of the LED approach in the case council is stands to be unclear. Although most participants seemed to have limited knowledge of the approach, implying that the councils' Strategic Plans had no specific provisions on the use of LED approach, responses of the participants demonstrated that local conditions in the LGAs could support LED strategies.

This study recommends that Ministries, Departments and Agencies (MDAs), Regional Secretariats (RSs) and Local Government Authorities (LGAs) should stress more commitment in enabling conducive environment for the development of the priority areas under the Five-Year Development Plan II (FYDP II) (manufacturing subsector, mining and Metals, the agricultural sector and trade) so that they meet their respective targets ultimately realizing the national industrialization agenda. RSs and LGAs as the key implementers of the mentioned national priorities, they should specifically perform all the necessary functions to enable the realization of the national industrialisation agenda at the local level.

LGAs should deliberately employ Local Economic Development (LED) strategies and nurture a partnership with the business sector, the community and other development stakeholders including government institutions for the purpose of sharing strategies and planning ways for building the industrial economy. Since economic development is a government activity LGAs must encourage private investment in their particular jurisdiction for the purposes of generating or retaining jobs, expanding the tax base and increasing the general level of economic well-being.

LGAs can efficiently response to the needs and challenges faced by citizens including in economic development. Thus, LGAs need to ensure inclusiveness and sustainability towards community wealth being. In the context of LED approach LGAs should provide conducive business environment/enablers for private sector to participate and thrive as well as provision of land for investment, development of SME clusters, and support of LED initiatives.

Since participants in this study were senior Community Development Officers and Economists/Planners who are expected to strategize the implementation of the industrialisation agenda and to mobilise the community to engage in the industrial economy, it is important for them to understand well the concept and processes involved in implementing LED strategies.

Therefore, it is important for capacity building programmes to be undertaken with a required pace so as to complement the understanding of staff and decision makers in LGAs. Officials from LGAs need to understand the concept and processes involved in LED as well as to be enlighten that LED is the approach which the nation has adopted as a roadmap for industrialization, hence the strategies should be featured in plans and manifested in the attitude and practices of both decision makers and staff in local authorities at all levels.

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