

**The Performance of Import Substitution as a Strategy of Industrialization in
Tanzania
A Case Study of Some Selected Industries
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Studies which have been carried out on industrial development in underdeveloped countries have shown that usually the aims and objectives of industrialization through import substitution do not conform to the outcome of the strategy. Normally, import substitution is designed to solve balance of payment problems including other problems of economic underdevelopment. Yet, it has been claimed that the strategy ends up in bringing more balance of payments and economic stagnation. This paper therefore tries to investigate the problems of import substitution industrialization in Tanzania based on quantitative data from six selected consumer and intermediate goods industries. The study is guided under the hypothesis that import substitution industrialization has not successfully solved the balance of payments problems.