

domestic product (GDP) was falling in the early 1980-s but has since the 1980s averaged 4% real annual growth. Foreign debt is very high but with debt relief and export growth it will become more **manageable** in three or four years. Inflation peaked at 40% three years ago. It is now down to 13%.

The government determines to create a better and more predictable investment climate for the country. It is now discussing the reforms which will result in new and realistic tax system.

*Task:*

1. What attracts investors in this country?
2. What is the role of political stability for the economic development?
3. How do you understand the expression “have been thrown open to competition”?
4. Define the emphasized words and expressions in the text.
5. Discuss the text with your groupmates and compare it with economic development of our country.

## **2.15. MAIN STEPS TO SPEED UP THE ECONOMIC GROWTH (From the interview with the President of Tanzania Benjamin M. Mkapa)**

...we started with the strengthening of our tax administration. In one year, we have almost doubled government revenues. To step up the fight against corruption I set up the Commission, whose report I made public as soon as it was presented to me at the end of the last year. The report makes the political suggestions on how to deal with this menace, and now steps are being taken to implement those suggestions and to deal with corrupt elements. In 1992 my political party undertook a major review of strategy for the promotion of economic growth and development. As a result it adopted reform policies aimed at transforming the public sector economy into a private one. The private sector has been enabled to be a dynamic engine of economic investment and growth. In order to protect the interests of our people, we are establishing a Privatization Trust Fund to assist our people buying shares in the privatized firms. At the same time, we are enforcing a tight monetary policy that has seen inflation come down to 14% from 27% last year. Discoveries in recent years have revealed the existence a variety of untapped minerals, such as diamonds, high-quality gold, nickel and uranium. More than 400 potential investors from 44 countries take a great interest in the economic cooperation with our country.