

**ANALYSIS OF TANZANIA'S EXPORT PERFORMANCE WITHIN  
INTEGRATION BLOCKS: A REVEALED COMPARATIVE ADVANTAGE  
AND MARKET SHARE ANALYSIS**

**Case Study of SADC**

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## ABSTRACT

The aim of this study was to analyze Tanzania's export performance within integration blocks, the case study of the Southern African Development Community (SADC). A Revealed Comparative Advantage (RCA) and Market Share Analysis for selected eight commodities were conducted. The RCA analysis was done based on the Balassa's Index which was developed in 1965. Export Data were obtained from the International Trade Centre (ITC) market analysis tools (Trade Map).

The findings show that Tanzania is one of the SADC countries that are performing poorly in terms of export in the region. This was evidenced by the findings of this study which show that out of the eight commodities that were the subject of this study, only four of them were found to have both Comparative Advantage and significant market shares. These are cashew nuts, gold, coffee and tea. Out of these four commodities, the best performing were gold and cashew nuts both of which showed extremely high values of Revealed Comparative Advantage indices as well as market shares.

The worst performing Tanzanian commodities in the SADC were found to be cotton and cloves. While cotton was found to have an average RCA index of 0.84, cloves was found to have an average RCA index of 0.93. In both cases these commodities are not competitive because none of them has shown a value higher than one as it is the rule of thumb in analyzing RCA. Apart from having small values of RCA indices, both commodities lacked significant market shares hence disqualified from being competitive Tanzanian commodities in the SADC. Cereals and tobacco were found to have high values of Revealed Comparative Advantage indices. However, they have been disqualified as competitive Tanzanian commodities in the SADC because of failing to show any significant market shares.

The author recommends that the country needs to specialize on the commodities that it has comparative advantage in and withdraw from those which it doesn't. In that case, the country should do away with exportation of cotton and cloves to the SADC and direct these commodities to some other markets where they have comparative advantage.