Strategic management and Tanzania's national budget 2026/27: A reflective analysis

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ABSTRACT

National budgets are more than fiscal statements; they are strategic instruments that reflect a government's priorities, development aspirations, and commitment to translating policy intentions into meaningful socio-economic outcomes. This paper presents a reflective analysis of Tanzania's National Budget 2026/27 from a strategic management perspective. Anchored in key strategic management principles (strategic goal alignment, Medium-Term Expenditure Frameworks (MTEF), performance-based budgeting, resource mobilisation and allocation, fiscal sustainability, risk management, stakeholder engagement, and transparency); the paper explores how the budget is positioned to support the country's long-term development agenda. The analysis reveals that the 2026/27 budget represents a deliberate attempt to strengthen economic resilience while promoting inclusive growth through strategic investments in infrastructure, human capital development, digital transformation, industrialisation, and the delivery of public services. Equally important are the measures aimed at expanding domestic revenue mobilisation, improving expenditure efficiency, and enhancing fiscal discipline, all of which are critical to achieving sustainable development. Viewed through a strategic management lens, the budget reflects an increasing emphasis on results-oriented governance, where public resources are expected to generate tangible socio-economic value. Beyond offering a reflective assessment, this paper contributes to the growing discourse on public financial management by demonstrating how strategic management principles provide a useful framework for interpreting national budgets and assessing their alignment with broader development priorities. In doing so, it extends existing understanding of the strategic role of budgeting in public sector governance and offers practical insights for policymakers and public managers seeking to strengthen the link between fiscal policy, implementation, and national transformation. The paper argues that while Tanzania's National Budget 2026/27 provides a solid strategic foundation for sustainable development, the realisation of its ambitions will ultimately depend on effective implementation, institutional coordination, accountability, and continuous performance monitoring.

Keywords: Fiscal Sustainability, National Budget, Public Sector Governance, Public Financial Management, Reflective Analysis, Strategic Management, Tanzania Development

I. INTRODUCTION

The increasingly complex and dynamic environment within which governments operate has heightened the importance of strategic management in public administration. Rapid technological change, climate-related uncertainties, demographic pressures, fiscal constraints, and rising societal expectations have created new demands for governments to utilise public resources more effectively and efficiently. In response, national budgets have evolved beyond their traditional role as instruments of revenue collection and expenditure control to become strategic tools through which government articulate priorities, coordinate policy actions, and pursue long-term development goals (Bryson, 2018; Poister et al., 2010; Moore, 1995). Accordingly, contemporary budgeting is increasingly viewed not simply as a financial exercise but as a mechanism for creating public value, strengthening institutional performance, and supporting sustainable development (Ntuli et al., 2026; Baunsgaard et al., 2016; Kaplan & Norton, 1996).

The growing integration of strategic management principles into public sector governance reflects a broader recognition that development outcomes depend on the availability of financial resources and on how those resources are aligned with national priorities and translated into meaningful results. Rooted in the seminal works of Ansoff (1965), Barney (1991), and Teece et al. (1997), strategic management emphasises the importance of aligning goals, resources, capabilities, and implementation processes in ways that enhance performance and long-term competitiveness. Although these ideas were initially developed within the corporate sector, they have increasingly found relevance in public organisations, where they provide a framework for connecting planning, budgeting, implementation, and performance management (Poister et al., 2010).

Bryson (2018) argues that strategic planning enables public institutions to strengthen organisational effectiveness through the coherent alignment of priorities and resources, while Moore's (1995) public value perspective highlights the responsibility of governments to employ public resources in ways that generate tangible social and economic benefits. Similarly, Kaplan and Norton (1996) stress the importance of translating strategic intentions into measurable outcomes, whereas Mintzberg (1994) reminds that strategy derives its value from planning and from its successful implementation. In aggregate, these perspectives suggest that national budgets should be understood as strategic instruments for achieving development objectives rather than simply as statements of anticipated revenues and expenditures.

Globally, reforms in public financial management have increasingly sought to strengthen the relationship between planning, budgeting, implementation, and performance. Traditional budgeting systems, which largely focused on expenditure control and compliance, have gradually given way to approaches that emphasise results, accountability, efficiency, and value creation (Ntuli et al., 2026; Baunsgaard et al., 2016; Robinson & Last, 2009). Instruments such as Medium-Term Expenditure Frameworks (MTEFs) and performance-based budgeting have become central components of these reforms because they provide mechanisms for linking financial resources with strategic priorities and development outcomes (Bryson, 2018; Robinson & Last, 2009; Kaplan & Norton, 1996). Underlying these reforms is the recognition that public expenditure should finance government activities and should contribute to broader economic transformation and improvements in societal welfare (Ntuli et al., 2026; Poister et al., 2010; Moore, 1995).

In Tanzania, strategic planning and budgeting have long served as essential instruments for promoting socio-economic development and improving the well-being of citizens. The recently launched Tanzania Development Vision 2050 envisions a prosperous, inclusive, resilient, and competitive nation driven by innovation, productivity, and sustainable development (United Republic of Tanzania, 2025). Achieving these aspirations requires more than the mobilisation of adequate financial resources; it requires a budgeting system capable of directing those resources strategically toward sectors and programmes that can generate transformative outcomes. In this regard, budgeting occupies a central place in the country's development architecture and provides an important link between national aspirations and implementation mechanisms (Baunsgaard et al., 2016; Bryson, 2018; Moore, 1995).

The National Budget for 2026/27 was formulated within a context characterised by both opportunities and emerging challenges. While the Government continues to pursue ambitious investments in infrastructure, industrialisation, digital transformation, education, healthcare, and human capital development, it must also contend with global economic uncertainties, climate-related vulnerabilities, demographic pressures, and increasing demands for efficient public service delivery (African Development Bank Group, 2026; United Republic of Tanzania, 2026; Baunsgaard et al., 2016). According to the consolidated estimates, total revenue and grants are projected at TZS 46.79 trillion, while total expenditure amounts to approximately TZS 62.33 trillion, underscoring the Government's commitment to financing priority programmes and sustaining economic growth. Significant allocations have also been made to recurrent and development expenditures across ministries, regions, and local government authorities, reflecting the strategic importance attached to public investment and service delivery. Viewed from a strategic management perspective, these allocations represent more than annual spending decisions; they embody deliberate policy choices aimed at shaping the country's long-term development trajectory.

A considerable body of literature has examined different dimensions of budgeting and public financial management in Tanzania. Existing studies have explored fiscal transparency and citizens' participation in budget processes (Nashon, 2024), competing institutional logics influencing budgeting practices (Mkasiwa, 2022), financing arrangements across education, health, and social protection sectors (Huq, 2025), and the relationship between fiscal policy, public debt, and economic growth (Kiangi & Kamihanda, 2026). Other studies have focused on climate finance governance and adaptation-related budgeting decisions (Sumari et al., 2025; Pauline et al., 2026), healthcare financing and resource allocation (Margini et al., 2025), and power dynamics within development financing and decision-making processes (Shamba et al., 2025). Collectively, these studies have substantially advanced understanding of public financial management and fiscal governance in Tanzania.

Despite these valuable contributions, existing scholarship has largely approached budgeting from fiscal, institutional, governance, accounting, or sector-specific perspectives. Comparatively little attention has been devoted to understanding national budgets through the lens of strategic management. In particular, limited scholarly attention has been paid to examining how strategic goal alignment, Medium-Term Expenditure Frameworks, performance-based budgeting, resource mobilisation and allocation, fiscal sustainability, risk management, stakeholder engagement, transparency, and public value creation are embedded within the Tanzanian National Budget 2026/27. Consequently, important questions concerning the strategic orientation of the budget and its capacity to support results-oriented governance and long-term national transformation remain insufficiently explored. Addressing this gap is especially important in light of the country's adoption of the Tanzania Development Vision 2050 and the increasing emphasis on strategic public sector governance (Bryson, 2018; Moore, 1995; Poister et al., 2010).

Against this backdrop, this paper provides a reflective analysis of Tanzania's National Budget 2026/27 from a strategic management perspective. By bringing together insights from strategic management and public financial management literature, the paper seeks to contribute to emerging debates on strategic governance and public value creation. More specifically, it demonstrates how strategic management principles can provide a useful analytical lens for understanding national budgets as instruments for promoting sustainable development, strengthening institutional performance, and generating socio-economic value. In doing so, the paper extends the application of strategic management beyond organisational settings and offers insights that may assist policymakers and public sector managers in enhancing the alignment between fiscal policy, implementation processes, and national development priorities.

1.1 Statement of the Problem

Over the years, scholarly interest in budgeting and public financial management in Tanzania has continued to grow. Existing studies have generated valuable insights into a range of issues, including fiscal transparency and citizens' participation in budget processes (Nashon, 2024), institutional dynamics and competing logics influencing budgeting practices (Mkasiwa, 2022), financing arrangements across education, health, and social protection sectors (Huq, 2025), and the relationship between fiscal policy, public debt, and economic growth (Kiangi & Kamihanda, 2026). Other studies have examined climate finance governance and adaptation-related budgeting decisions (Sumari et al., 2025; Pauline et al., 2026), healthcare financing and resource allocation (Margini et al., 2025), as well as decision-making processes and power relations in development financing (Shamba et al., 2025). Collectively, these studies have considerably enriched understanding of public financial management and fiscal governance within the Tanzanian context.

Notwithstanding these contributions, the existing body of knowledge has largely examined budgeting from fiscal, governance, accounting, institutional, or sector-specific perspectives. Comparatively less attention has been devoted to understanding national budgets from a strategic management standpoint. In particular, limited scholarly work has explored how strategic management principles such as strategic goal alignment, Medium-Term Expenditure Frameworks (MTEFs), performance-based budgeting, resource mobilisation and allocation, fiscal sustainability, risk management, stakeholder engagement, transparency, accountability, and public value creation are reflected in the design and orientation of Tanzania's National Budget 2026/27 (Bryson, 2018; Poister et al., 2010; Moore, 1995). Consequently, there remains insufficient understanding of how these strategic dimensions influence policy coherence, implementation readiness, institutional effectiveness, and the achievement of long-term national development aspirations articulated in the Tanzania Development Vision 2050 (United Republic of Tanzania, 2025).

This gap is particularly significant because contemporary national budgets are increasingly expected to serve purposes that extend far beyond the allocation of financial resources. In an era characterised by increasing fiscal pressures, growing demands for accountability, and heightened expectations for results-oriented governance, national budgets have become important instruments for promoting economic resilience, enhancing institutional performance, and creating public value (Ntuli et al., 2026; Bryson, 2018; Moore, 1995). Strategic management scholars have consistently emphasised that sustainable performance depends on the alignment between goals, resources, capabilities, implementation processes, and performance outcomes (Teece et al., 1997; Kaplan & Norton, 1996; Ansoff, 1965). Yet, within the Tanzanian context, relatively little scholarly attention has been devoted to examining whether and how these strategic principles are embedded within the National Budget 2026/27 and the extent to which they support the country's broader development agenda.

The absence of such analysis represents both a theoretical and a practical gap. From a theoretical perspective, it limits efforts to bridge strategic management and public financial management scholarship and constrains understanding of national budgets as instruments of strategic governance. From a practical perspective, it restricts opportunities to generate insights that could strengthen policy coherence, improve implementation effectiveness, and enhance the capacity of public expenditure to generate meaningful socio-economic outcomes (Bryson, 2018; Robinson & Last, 2009; Moore, 1995). The significance of this gap has become even more pronounced following the adoption of the Tanzania Development Vision 2050, which places renewed emphasis on competitiveness, innovation, resilience, and results-oriented public sector management (United Republic of Tanzania, 2025).

Against this background, this paper provides a reflective analysis of Tanzania's National Budget 2026/27 through the lens of strategic management. Specifically, it examines the extent to which the budget demonstrates strategic alignment with national development priorities, incorporates the principles of Medium-Term Expenditure Frameworks and performance-based budgeting, promotes effective resource mobilisation and allocation, addresses issues of fiscal sustainability and risk management, and strengthens stakeholder engagement, transparency, accountability, and public value creation. In doing so, the paper contributes to the emerging discourse on strategic public sector governance by extending the application of strategic management principles to the analysis of national budgeting and by providing insights into the role of budgeting as a strategic instrument for sustainable national transformation.

1.2 Research Questions

i. How does Tanzania's National Budget 2026/27 align with national development priorities and the long-term aspirations embodied in the Tanzania Development Vision 2050?

ii. To what extent are the principles of Medium-Term Expenditure Frameworks and performance-based budgeting reflected in the structure and orientation of the National Budget 2026/27?
iii. How does the budget support strategic resource mobilisation and allocation in pursuit of socio-economic transformation and sustainable development?
iv. In what ways does the budget address issues of fiscal sustainability and respond to emerging risks and uncertainties?
v. How are stakeholder engagement, transparency, accountability, and public value creation incorporated within the framework of the National Budget 2026/27?
vi. What strategic opportunities and implementation challenges are likely to shape the effectiveness of the budget in achieving its intended development outcomes?

II. LITERATURE REVIEW

2.1 Theoretical Review

This paper examines Tanzania's National Budget 2026/27 through the lens of strategic management. The choice of this perspective is informed by the growing recognition that national budgets are more than annual statements of revenue and expenditure; they are strategic instruments through which governments translate development aspirations into policies, programmes, and measurable outcomes (Bryson, 2018; Poister et al., 2010; Moore, 1995). From this perspective, budgeting is not merely a technical exercise in financial allocation but an integral component of strategic governance, shaping how priorities are established, resources are mobilised, risks are managed, and public value is created (Ntuli et al., 2026; Baunsgaard et al., 2016; Kaplan & Norton, 1996). Consequently, the analysis undertaken in this paper views the budget not simply as a fiscal document, but as a strategic mechanism for advancing national transformation and sustainable development.

The analytical framework adopted in this study is anchored primarily in Strategic Planning Theory (Bryson, 2018) and Public Value Theory (Moore, 1995). Although these perspectives emerged from different strands of scholarship, they are not competing explanations. Rather, they offer complementary insights into the strategic role of public budgeting. Strategic Planning Theory emphasises the importance of aligning organisational goals, priorities, resources, and implementation mechanisms in order to achieve long-term objectives and improve performance (Bryson, 2018; Poister et al., 2010; Mintzberg, 1994). Public Value Theory, by contrast, focuses on the ultimate purpose of public action and argues that governments should utilise public resources in ways that generate meaningful social and economic benefits for citizens (Moore, 1995). In combination, these perspectives suggest that effective budgeting requires both strategic coherence and the capacity to create public value. In this regard, Bryson's framework provides the logic for understanding how priorities are formulated and implemented, whereas Moore's perspective offers a basis for assessing whether those priorities ultimately contribute to societal well-being.

The analytical dimensions employed in this paper are derived from recurring themes within the strategic management and public financial management literature rather than being arbitrarily selected. Previous studies have consistently emphasised the importance of strategic alignment, performance orientation, efficient resource allocation, fiscal sustainability, stakeholder involvement, and accountability in promoting effective public sector governance (Bryson, 2018; Poister et al., 2010; Robinson & Last, 2009). Likewise, contemporary reforms in public financial management increasingly advocate approaches that strengthen the links between planning, budgeting, implementation, and results (Ntuli et al., 2026; Baunsgaard et al., 2016; Robinson & Last, 2009). Guided by these insights and informed by the priorities embodied in the Tanzania Development Vision 2050 and the National Budget 2026/27 (United Republic of Tanzania, 2025, 2026), this study adopts eight interrelated dimensions to guide the analysis. These dimensions are strategic goal alignment, Medium-Term Expenditure Frameworks, performance-based budgeting, resource mobilisation and allocation, fiscal sustainability, risk management, stakeholder engagement, and transparency.

These dimensions should not be viewed as isolated components. Rather, they constitute an integrated framework through which strategy is translated into action and ultimately into development outcomes. Strategic goal alignment ensures that budget priorities are consistent with national aspirations and long-term policy objectives (Bryson, 2018; Ansoff, 1965). Medium-Term Expenditure Frameworks and performance-based budgeting provide mechanisms through which strategic priorities are linked to measurable results and improved accountability (Robinson & Last, 2009; Kaplan & Norton, 1996). Resource mobilisation and allocation determine whether sufficient financial capacity exists to support strategic priorities, while fiscal sustainability and risk management enhance resilience and adaptability in the face of economic and environmental uncertainties (Kiangi & Kamihanda, 2026; Baunsgaard et al., 2016; Teece et al., 1997).

Equally important, stakeholder engagement and transparency contribute to legitimacy, trust, and accountability, thereby reinforcing the creation of public value (Nashon, 2024; Shamba et al., 2025; Moore, 1995). Viewed cooperatively, these dimensions form a coherent analytical framework that links strategic intent, implementation processes, and development outcomes.

Accordingly, the reflective analysis presented in this paper is guided by the analytical matrix summarised in Table 1. The matrix establishes a clear relationship between each strategic management dimension, its underlying theoretical foundations, and the specific aspects of the National Budget 2026/27 that are examined. In doing so, it provides a systematic and transparent basis for assessing the extent to which the budget reflects the principles of strategic governance and contributes to the realisation of long-term national development aspirations.

By and large, this framework provides a structured basis for understanding how the National Budget 2026/27 embodies strategic priorities and how public resources are intended to generate sustainable socio-economic outcomes. By combining insights from Strategic Planning Theory and Public Value Theory, the framework also bridges strategic management and public financial management perspectives, thereby providing a richer understanding of budgeting as an instrument of strategic governance and national transformation.

Table 1
Analytical Framework for Examining Tanzania's National Budget 2026/27

Strategic Dimension	**Theoretical Foundation**	**Budget Focus**	**Expected Strategic Outcome**
Strategic goal alignment	Bryson (2018); Ansoff (1965)	Alignment between budget priorities and Vision 2050	Policy coherence
Medium-Term Expenditure Frameworks	Robinson and Last (2009)	Multi-year expenditure planning	Strategic continuity
Performance-based budgeting	Kaplan and Norton (1996)	Outputs and results orientation	Improved effectiveness
Resource mobilization and allocation	Bryson (2018); Barney (1991)	Revenue generation and expenditure priorities	Efficient resource utilisation
Fiscal sustainability	Kiangi and Kamihanda (2026); Baunsgaard et al., (2016)	Revenue adequacy, debt, and fiscal balance	Long-term stability
Risk management	Teece *et al.* (1997)	Response to economic and environmental uncertainties	Adaptive capability
Stakeholder engagement	Shamba *et al.* (2025)	Participation and inclusiveness	Enhanced legitimacy
Transparency and accountability	Nashon (2024); Moore (1995)	Openness and public oversight	Public value creation

III. METHODOLOGY

3.1 Methodological Approach

This paper adopts a qualitative documentary review and reflective analytical approach to examine Tanzania's National Budget 2026/27 through the lens of strategic management. Given the conceptual nature of the study, the objective is not to measure policy outcomes empirically but rather to critically examine how strategic management principles are reflected in the Government's budgetary priorities, resource allocation decisions, and broader development agenda. This approach is well suited to studies that seek to interpret policy documents within their institutional and strategic context while generating insights that contribute to both academic discourse and public policy (Bryson, 2018; Moore, 1995; Poister et al., 2010).

3.2 Data Sources

The analysis draws primarily on official Government documents that constitute the authoritative basis for public budgeting in Tanzania. These include the Budget Speech for the Financial Year 2026/27, the Estimates of Public Expenditure (Volumes I, II and III), and the Tanzania Development Vision 2050 (United Republic of Tanzania, 2025, 2026). Together, these documents provide comprehensive information on national priorities, fiscal policy, expenditure allocations, programme objectives, institutional responsibilities, and implementation commitments. To enrich the analysis and situate it within broader scholarly debates, the study also engages with contemporary literature on strategic management, public financial management, strategic planning, public value creation, performance-based budgeting, and governance.

3.3 Analytical Framework

The analytical framework underpinning this study was developed through a synthesis of established strategic management literature. In particular, the works of Bryson (2018), Moore (1995), Robinson and Last (2009), and Poister et al. (2010) informed the identification of six interrelated analytical dimensions that characterise effective strategic public management: strategic goal alignment; medium-term planning; performance-based budgeting; resource mobilisation and strategic resource allocation; risk management and fiscal sustainability; and stakeholder engagement and transparency. These dimensions were selected because they recur consistently across the literature as fundamental elements of strategic public sector governance and collectively provide a coherent framework for evaluating how public budgets translate long-term policy aspirations into operational priorities and investment decisions.

3.4 Data Analysis Procedure

The documentary analysis was undertaken through a systematic and iterative process. The first stage involved a comprehensive review of the Budget Speech and the accompanying Public Expenditure Estimates to identify major policy priorities, expenditure commitments, revenue strategies, institutional reforms, and implementation mechanisms. The second stage mapped these policy commitments against the six strategic management dimensions, enabling the identification of explicit evidence within the official budget documents. The third stage examined the extent to which these budgets priorities correspond with the strategic aspirations articulated in the Tanzania Development Vision 2050, thereby assessing the degree of alignment between annual fiscal planning and the country's long-term development agenda. Finally, the evidence was interpreted through the complementary perspectives of Strategic Planning Theory and Public Value Theory in order to assess how the budget seeks to create public value while supporting sustainable national development.

3.5 Trustworthiness of the Analysis

To enhance methodological transparency and strengthen the credibility of the analysis, the study employs an explicit analytical matrix (Table 3), which links each strategic management dimension to specific evidence extracted from the official budget documents together with the corresponding page references. This structured approach provides a clear audit trail, enabling readers to trace the analytical interpretations directly to their documentary sources and facilitating the transparency and replicability of the analytical process.

3.6 Scope and Delimitation of the Study

It is important to recognise the scope of the present study. The paper does not seek to evaluate the implementation or effectiveness of the National Budget 2026/27, since such an assessment would require empirical evidence collected after the budget has been executed. Instead, it focuses on the strategic orientation of the budget as articulated in official government documents. Accordingly, the findings should be understood as a documentary and reflective assessment of how the National Budget 2026/27 incorporates recognised principles of strategic public management and positions itself to support the long-term aspirations of the Tanzania Development Vision 2050.

IV. FINDINGS & DISCUSSION

4.1 Findings

4.1.1 Overview and Fiscal Context of Tanzania's National Budget 2026/27

The findings show that Tanzania’s National Budget for the 2026/27 financial year was prepared in a global and domestic environment marked by geopolitical tensions, climate-related challenges, inflationary pressures, and the need to sustain economic growth. Guided by the aspirations of the Tanzania Development Vision 2050, the Government has proposed a total budget of TZS 62.33 trillion, an increase from TZS 56.49 trillion in the 2025/26 financial year, while domestic revenue and grants are expected to reach TZS 46.79 trillion. The expenditure framework continues to prioritise strategic sectors, including infrastructure, industrialisation, agriculture, energy, water, education, health, and digital transformation. At the same time, the budget demonstrates a stronger commitment to domestic resource mobilisation, productivity enhancement, technological advancement, and human capital development. Despite these commitments, concerns persist regarding the adequacy of funding in some sectors, particularly education, where allocations remain below internationally recommended benchmarks.

The findings further reveal that the 2026/27 budget reflects a gradual transition from an approach centred primarily on expanding public expenditure to one that places greater emphasis on transformation, resilience, and results-oriented governance. Unlike earlier budgets, which concentrated largely on infrastructure development and post-pandemic economic recovery, the current budget increasingly acknowledges the critical role of innovation, institutional capacity, digitalisation, and effective performance management in advancing sustainable development. The growing focus on accountability and implementation effectiveness suggests an appreciation that financial resources alone cannot guarantee meaningful development outcomes. Rather, long-term national transformation depends on the ability of institutions to utilise public resources efficiently and translate policy commitments into tangible socio-economic benefits. In this regard, the budget seeks to reconcile immediate development priorities with the broader ambitions of Vision 2050, positioning strategic governance as a key driver of inclusive and sustainable growth.

Table 2
Major Budget Priorities and Their Strategic Relevance

Strategic Priority Area	Main Focus in the National Budget 2026/27	Link with Tanzania Development Vision 2050	Strategic Significance
Infrastructure Development	Expansion of transport networks, energy systems, and strategic infrastructure projects	Industrialisation, competitiveness and regional integration	Supports long-term economic transformation and productivity growth
Human Capital Development	Continued investments in education, health, and skills development	Knowledge-based economy and improved quality of life	Enhances labour productivity and inclusive development
Digital Transformation	Expansion of ICT infrastructure and digital public services	Innovation and digital economy	Strengthens competitiveness and service delivery
Domestic Resource Mobilisation	Revenue enhancement and improved tax administration	Fiscal sustainability and self-reliance	Reduces dependence on external financing
Industrial Development	Promotion of productive sectors and investment climate reforms	Economic diversification and value addition	Supports employment creation and structural transformation

Source: United Republic of Tanzania (2026), Budget Speech for FY 2026/27 and Estimates of Public Expenditure, Volumes I–III.

4.1.2 Strategic Reflections on the National Budget 2026/27

Table 2 provides the analytical lens through which Tanzania's National Budget 2026/27 is examined from a strategic management perspective.

Table 3
Analytical Framework for Assessing the National Budget 2026/27

Strategic Management Dimension	Evidence from the National Budget	Budget Source and Page Number	Strategic Interpretation
Strategic Goal Alignment	The 2026/27 National Budget is explicitly positioned as the first budget to operationalise the Tanzania Development Vision 2050. It prioritises strategic investment in infrastructure, digital transformation, human capital development, environmental sustainability, governance and economic transformation.	Budget Speech, pp. 23–26 (Paras. 41–46)	The budget demonstrates a clear strategic alignment between annual fiscal priorities and the country's long-term development agenda, indicating that public expenditure is increasingly guided by nationally defined strategic objectives rather than short-term fiscal considerations.
Medium-Term Planning and MTEF	Government directs all Ministries, Departments and Agencies (MDAs) to prepare and implement their budgets in accordance with the Medium-Term Government Plan and Budget Preparation Guidelines (2026/27–2028/29). Development projects are further required to meet value-for-money principles and remain consistent with available financing.	Budget Speech, pp. 42–45 (Paras. 67–69)	This reflects a strong commitment to medium-term strategic planning by ensuring continuity in development programmes, improving fiscal discipline, and strengthening long-term investment management.

Performance-Based Budgeting	Ministerial expenditure estimates are structured around institutional objectives, programmes, sub-votes and expected outputs, providing a clear linkage between allocated resources and intended performance outcomes.	Volume I, selected Ministerial Votes (e.g., Ministry of Education, pp. 77–79; Ministry of Health, pp. 91–96; Ministry of Energy, pp. 105–106)	The budgeting framework reflects the continued transition towards results-based public management, where resource allocation is increasingly associated with measurable outputs, institutional accountability and service delivery performance.
Resource Mobilisation and Strategic Allocation	The budget places considerable emphasis on strengthening domestic revenue mobilisation through tax administration reforms, expanded use of digital systems, improved revenue collection and increased investment in strategic development projects. Revenue estimates project tax collections of approximately TZS 37.02 trillion during the 2026/27 financial year.	Budget Speech, pp. 26–27 (Paras. 45–46); Volume II Budget Summary, pp. 3–4	The fiscal strategy seeks to strengthen financial sustainability by enhancing domestic revenue generation while directing public resources towards sectors expected to generate the greatest economic and social returns.
Risk Management and Fiscal Sustainability	The Government outlines a broad set of fiscal management measures, including tighter expenditure control, improved contract management, strengthened public asset management, value-for-money assessments, reduced budget reallocations and closer oversight of special funds.	Budget Speech, pp. 42–45 (Paras. 67–69)	These measures reflect a proactive approach to fiscal risk management by promoting financial discipline, improving public sector efficiency and enhancing the Government's capacity to respond to future economic uncertainties.
Stakeholder Engagement and Transparency	The Government has publicly presented the Budget Speech alongside comprehensive expenditure estimates covering ministerial, regional and institutional allocations through Volumes I–III of the Public Expenditure Estimates.	Budget Speech; Volumes I–III, introductory sections and institutional expenditure estimates.	The publication of detailed budget estimates enhances transparency, strengthens parliamentary oversight, promotes public accountability and provides stakeholders with an opportunity to monitor government priorities and expenditure commitments.

Source: Adapted from the United Republic of Tanzania (2026), *Government Budget Speech for the Financial Year 2026/27* and *Estimates of Public Expenditure, Volumes I–III*.

The findings as shown in Table show that rather than simply describing budget priorities, the framework systematically links key principles of strategic management with concrete evidence drawn from the Government Budget Speech and the official Public Expenditure Estimates. This evidence-based approach enhances the credibility and transparency of the analysis by allowing each interpretation to be traced directly to official government budget documents.

The framework also reflects the growing recognition in strategic management literature that public budgets should be evaluated not only as financial instruments but also as strategic policy documents that communicate national priorities, allocate scarce resources, manage risk and guide long-term development. Viewed through this perspective, the National Budget 2026/27 extends beyond its traditional fiscal function to become an important mechanism for implementing Tanzania Development Vision 2050 and the Fourth National Five-Year Development Plan.

Accordingly, the discussion that follows evaluates the budget across six interrelated strategic management dimensions. These dimensions are strategic goal alignment, medium-term planning, performance-based budgeting, resource mobilisation and resource allocation, risk management and fiscal sustainability, and stakeholder engagement and transparency. Generally, these dimensions provide a comprehensive framework for assessing the extent to which the budget reflects sound strategic management principles and supports the country's long-term development aspirations.

4.1.3 Strategic Goal Alignment and Development Priorities

Strategic goal alignment is one of the central principles of strategic management because it ensures that organizational priorities, resource commitments, and implementation efforts are directed towards the achievement of long-term objectives (Ansoff, 1965; Bryson, 2018; Kaplan & Norton, 1996). In the public sector, this principle implies that annual budgets should not be viewed as isolated fiscal exercises but as instruments through which broader national aspirations are translated into concrete actions and measurable outcomes (Moore, 1995; Poister et al., 2010). Consequently, assessing the extent to which Tanzania's National Budget 2026/27 reflects the priorities articulated in the Tanzania Development Vision 2050 provides an important basis for understanding its strategic orientation.

Table 4

Alignment between the Tanzania Development Vision 2050 and the National Budget 2026/27

Tanzania Development Vision 2050 Priority	**Corresponding Priority in the National Budget 2026/27**	**Supporting Budget Evidence**	**Strategic Reflection**
Human Capital Development	Increased investment in education, skills development and healthcare services	**Volume II:** Ministry of Education, Science and Technology (pp. 441–450); Ministry of Health (pp. 502–512). The detailed ministerial estimates outline recurrent and development expenditures supporting education, technical and vocational training, higher education, healthcare services and human resource development.	The budget reinforces the Vision 2050 commitment to developing a skilled, healthy and productive population by prioritising investments that strengthen learning systems, workforce competencies and access to quality health services.
Industrialisation and National Competitiveness	Strategic investments in industrial development, energy and productive infrastructure	Volume II: Ministry of Industry and Trade (pp. 426–434); Ministry of Energy (pp. 553–561). The expenditure estimates provide substantial allocations for industrial development, energy expansion and productive infrastructure that support economic transformation.	These investments reflect the Government's continued commitment to strengthening industrial productivity, improving the business environment and enhancing Tanzania's long-term economic competitiveness.
Digital Economy and Innovation	Expansion of ICT infrastructure and digital public service delivery	Volume II: Ministry of Communication and Information Technology (pp. 622–630). The budget provides resources for digital infrastructure, information systems and ICT-enabled public services that support the country's digital transformation agenda.	The emphasis on digital transformation demonstrates a strategic recognition that technological innovation is an essential driver of productivity, institutional efficiency and inclusive economic growth.
Sustainable and Inclusive Development	Investment in agriculture, water resources and social service delivery	Volume II: Ministry of Agriculture (pp. 415–424); Ministry of Water (pp. 474–482). The ministerial expenditure estimates prioritise agricultural productivity, irrigation, water infrastructure and service delivery improvements that support inclusive development.	By directing resources towards food security, water accessibility and rural development, the budget contributes to building more resilient communities while advancing the inclusive development aspirations of Vision 2050.

Source: *Adapted from the United Republic of Tanzania (2025), Tanzania Development Vision 2050, and the United Republic of Tanzania (2026), Estimates of Public Expenditure for the Financial Year 2026/27*, Volumes I and II.

The findings indicate that the National Budget 2026/27 is closely aligned with the aspirations of the Tanzania Development Vision 2050, particularly through sustained investments in infrastructure, education, healthcare, industrialisation, agriculture, energy, and digital transformation (United Republic of Tanzania, 2025, 2026). Continued allocations to transport networks, water and energy infrastructure, human capital development, and digital technologies reflect the Government's commitment to enhancing productivity, competitiveness, innovation, and structural transformation (Barney, 1991; Teece et al., 1997).

The strong consistency between annual budget priorities and the country's long-term development agenda demonstrates an increasing appreciation of strategic coherence and the importance of maintaining policy continuity over time (Bryson, 2018; Mintzberg, 1994). However, alignment cannot be assessed solely on the basis of financial allocations. The realisation of Vision 2050 will ultimately depend on implementation capacity, institutional coordination, and the ability to translate public expenditure into meaningful socio-economic outcomes.

4.1.4 Medium-Term Expenditure Frameworks and Long-Term Planning

The National Budget 2026/27 exhibits several characteristics associated with Medium-Term Expenditure Frameworks, particularly its emphasis on continuity, fiscal discipline, and long-term investment in strategic sectors (Robinson & Last, 2009; Bryson, 2018; Ntuli *et al.*, 2026). Anchored in the Tanzania Development Vision 2050, the budget projects revenue and grants amounting to TZS 46.79 trillion against total expenditure of TZS 62.33 trillion, while maintaining investments in infrastructure, education, healthcare, agriculture, energy, industrialisation, and digital transformation (United Republic of Tanzania, 2025, 2026; Baunsgaard et al., 2016; Kiangi & Kamihanda, 2026).

The persistence of these priorities reflects a growing recognition that development is a long-term process that requires strategic consistency, fiscal sustainability, and institutional stability (Bryson, 2018; Poister et al., 2010; Ansoff, 1965). Nevertheless, the effectiveness of medium-term planning will depend on the strength of implementation systems, institutional coordination, and the capacity to sustain investments in the face of financial constraints and changing economic conditions (Mintzberg, 1994; Teece et al., 1997; Nkone, 2025).

4.1.5 Performance-Based Budgeting and Results-Oriented Governance

The findings suggest that Tanzania is increasingly embracing performance-based budgeting and results-oriented governance. Budget allocations are linked to broader national objectives, including economic growth, productivity, employment creation, improved public services, and institutional performance, while expenditure frameworks are organised around ministries, sectors, programmes, and expected outputs (Robinson & Last, 2009; Kaplan & Norton, 1996; Moore, 1995; United Republic of Tanzania, 2026).

This transition reflects a growing understanding that the value of public expenditure lies not in the amount of money spent but, in the outcomes, it generates for society (Bryson, 2018; Moore, 1995). At the same time, the success of performance-based budgeting will depend on the availability of credible performance indicators, effective monitoring and evaluation systems, institutional accountability, and a stronger culture of evidence-based decision-making (Kaplan & Norton, 1996; Ntuli et al., 2026; Nkone, 2025).

4.1.6 Resource Mobilisation and Strategic Resource Allocation

The budget demonstrates a strong commitment to domestic resource mobilisation and strategic allocation of public resources. Efforts to broaden the tax base, improve revenue administration, and strengthen expenditure efficiency are complemented by sustained investments in infrastructure, education, healthcare, agriculture, energy, industrial development, and digital transformation (United Republic of Tanzania, 2025, 2026; Baunsgaard et al., 2016; African Development Bank Group, 2026; Kiangi & Kamihanda, 2026).

From a strategic management perspective, these priorities reflect an understanding that sustainable development depends not simply on increased spending, but on resilient financing systems and the efficient use of available resources (Ansoff, 1965; Barney, 1991; Teece et al., 1997). However, fiscal limitations and competing priorities continue to present difficult choices, making effective prioritisation essential for maximising developmental returns (Huq, 2025; Margini et al., 2025; Moore, 1995).

4.1.7 Risk Management and Fiscal Sustainability

The National Budget 2026/27 places considerable emphasis on fiscal sustainability, prudent borrowing, domestic revenue mobilisation, and economic diversification as strategies for strengthening resilience (Baunsgaard et al., 2016; Pauline *et al.,* 2026; Sumari *et al.,* 2025). It also acknowledges the importance of addressing external economic shocks, climate-related risks, debt pressures, and growing demographic demands through adaptive governance and efficient public expenditure management.

These measures demonstrate an increasing appreciation that long-term development requires a careful balance between economic growth, fiscal discipline, and institutional resilience (Bryson, 2018; Teece et al., 1997; Poister et al., 2010). Nevertheless, risk management remains an ongoing process that depends on effective monitoring, institutional learning, and the flexibility to respond to changing economic and environmental conditions (Mintzberg, 1994; Baunsgaard et al., 2016).

4.1.8 Stakeholder Engagement and Transparency

The budget reflects a growing commitment to transparency and participatory governance through the publication of budget documents and reforms designed to strengthen accountability and public access to information (United Republic of Tanzania, 2026). These initiatives create opportunities for citizens, civil society organisations, development partners, and the private sector to participate in budget processes and monitor the use of public resources (Nashon, 2024; Ntuli *et al.*, 2026).

Stakeholder engagement enhances policy responsiveness, institutional legitimacy, and the creation of public value by incorporating diverse perspectives into decision-making processes (Bryson, 2018; Moore, 1995; Shamba et al., 2025). However, meaningful participation requires governance systems that are transparent, inclusive, and capable of sustaining accountability and public trust over time.

4.1.9 Areas for Strategic Attention and Implementation Considerations

The analysis demonstrates that the National Budget 2026/27 provides a strong foundation for advancing Tanzania's long-term development agenda through its emphasis on strategic alignment, domestic resource mobilisation, medium-term planning, and results-oriented governance. At the same time, the successful implementation of these priorities will depend on institutional capacity, intersectoral coordination, adaptive governance, and effective monitoring and evaluation systems (Mintzberg, 1994; Bryson, 2018; Teece *et al.*, 1997).

Institutional weaknesses, external economic uncertainties, climate-related challenges, and coordination gaps may affect the pace and effectiveness of implementation (Baunsgaard et al., 2016; Pauline et al., 2026; Sumari et al., 2025). Strengthening administrative systems, performance management mechanisms, and collaborative governance arrangements will therefore be essential for transforming policy commitments into tangible improvements in the well-being of citizens (Kaplan & Norton, 1996; Robinson & Last, 2009; Ntuli et al., 2026).

4.2 Personal and Professional Insights

This reflective analysis demonstrates that national budgets extend far beyond annual financial statements. They represent national priorities, development aspirations, and collective choices regarding the future direction of the country. Examining the National Budget 2026/27 through the lens of strategic management highlights the relevance of concepts such as strategic alignment, stakeholder engagement, value creation, and long-term planning within the sphere of public governance.

The exercise reinforces the interconnected nature of economic, social, technological, and institutional development and underscores the importance of viewing development as a long-term and collective undertaking. Ultimately, it reaffirms the enduring value of strategic thinking in public governance and highlights the need for sustained commitment, collaboration, and effective implementation in transforming national aspirations into meaningful improvements in people's lives.

V. CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

This paper set out to examine Tanzania's National Budget 2026/27 through the lens of strategic management. Drawing on key dimensions of strategic public management, including strategic goal alignment, medium-term planning, performance orientation, resource mobilisation, fiscal sustainability, stakeholder engagement, and transparency, the paper sought to provide a reflective understanding of how strategic management principles are manifested within contemporary public budgeting. The analysis suggests that the National Budget 2026/27 exhibits several characteristics associated with strategic public sector management.

The budget reflects a deliberate effort to align fiscal priorities with the aspirations articulated in the Tanzania Development Vision 2050 while simultaneously responding to immediate socio-economic demands. Its emphasis on infrastructure development, human capital formation, digital transformation, domestic resource mobilisation, and economic resilience points to an increasingly forward-looking approach to development planning and public financial management.

At the same time, the analysis underscores an important reality: strategic priorities and financial allocations, however carefully designed, do not automatically translate into development outcomes. The extent to which the aspirations embodied in the budget are realised will depend largely on the quality of implementation, institutional coordination, policy consistency, and the ability of public institutions to adapt to changing circumstances. In this respect, the National Budget 2026/27 may be regarded as providing an encouraging basis for advancing the country's long-term development ambitions, although its ultimate significance will only become evident through the outcomes it generates and the improvements it brings to the lives of citizens. More broadly, the analysis illustrates the evolving role of national budgets within contemporary governance. Increasingly, budgets are expected not merely to allocate financial resources but also to stimulate innovation, foster inclusive growth, strengthen resilience, and create lasting public value. Viewed from this perspective, the National Budget 2026/27 represents an important milestone in Tanzania's continuing pursuit of sustainable and inclusive development.

5.2 Recommendations

The reflections presented in this paper point to several areas that deserve continued strategic attention if the aspirations embodied in the National Budget 2026/27 are to be translated into tangible and sustainable development outcomes. First, there is a need to deepen the linkage between the Tanzania Development Vision 2050 and annual budgeting processes. Ministries, departments, agencies, and local government authorities should be encouraged to demonstrate more explicitly how their programmes and expenditure proposals contribute to the priorities articulated in Vision 2050. Such alignment would enhance policy coherence and reinforce the strategic orientation of public expenditure.

Second, continued efforts should be directed towards strengthening results-based management by placing greater emphasis on measurable outcomes in priority sectors identified in the National Budget 2026/27, particularly education, health, digital transformation, agriculture, industrial development, and infrastructure. Strengthening monitoring and evaluation systems and promoting evidence-based decision-making would improve accountability and enhance the developmental impact of public expenditure. Third, greater attention should be devoted to improving the efficiency and effectiveness of development expenditure, especially in large infrastructure and strategic investment projects. Strengthening project appraisal mechanisms, ensuring timely disbursement of funds, and enhancing expenditure monitoring systems would help maximise value for money and improve the quality and sustainability of public investments.

Fourth, climate resilience considerations should increasingly be integrated into sectoral planning and budgeting, particularly in agriculture, water resources, energy, and infrastructure. Given the growing influence of climate-related risks on development outcomes, mainstreaming climate-responsive budgeting would strengthen the country's adaptive capacity and safeguard development gains. Fifth, sustained investment in institutional and technical capacity remains essential. Ministries, departments, agencies, and local government authorities responsible for implementing flagship programmes contained in the National Budget 2026/27 should continue to strengthen programme management capabilities, monitoring and evaluation systems, digital competencies, and leadership capacity in order to enhance implementation effectiveness. Sixth, efforts aimed at promoting transparency and broadening citizen participation in budgeting processes should continue to be strengthened. Expanding public access to budget information and enhancing participatory mechanisms at both national and local levels would deepen accountability and foster stronger public ownership of development priorities.

Finally, efforts to strengthen domestic revenue mobilisation should continue to be accompanied by measures aimed at broadening the tax base, improving tax administration, and enhancing voluntary tax compliance while maintaining prudent borrowing practices. Preserving an appropriate balance between development financing and fiscal sustainability will remain essential for supporting the long-term aspirations embodied in the Tanzania Development Vision 2050 and safeguarding macroeconomic stability. Ultimately, the success of the National Budget 2026/27 will be judged not merely by the scale of its allocations or the ambitions it articulates, but by the extent to which those aspirations are translated into meaningful and lasting improvements in Tanzanians' well-being and quality of life. Sustaining this momentum will require continued strategic thinking, institutional commitment, and a shared determination to ensure that development priorities translate into inclusive and enduring outcomes.

Declaration of Interest

The author declares that he does not have any known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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