The process of agricultural transformation is characterized by intensification, a shift toward higher-income crops and animal products, improving access to consumer markets, and a greater commercial orientation of farms. Whether countries in sub-Saharan Africa are moving along this path remains an open question. Analysts have alternately asserted that Africa is undergoing dramatic agricultural change, that signs of dynamism and stagnation are mixed, or that agriculture remains moribund.

Our study examines the evidence related to agricultural transformation in Tanzania over the period 2008-2014, with a focus on farm behaviors and agricultural outcomes. Using four waves of the National Panel Survey, we ask whether agricultural factor markets are growing increasingly active; whether there is evidence of area expansion or land or labor productivity growth; and whether farms are more likely to diversify or specialize. In the process, we employ a typology of farms intended to make sense of the heterogeneity found within the agricultural sector and even within the category of "smallholder farms".

Among our findings, we show that:

• Tanzania is experiencing a dramatic movement out of rural areas and a shift in labor away from agriculture.
• The distribution of farms and their relative importance are shifting among different categories, with medium-scale farms taking an increasingly prominent role.
• The markets for land and agricultural labor are fairly active, and farmers increasingly participate.
• Farms are also becoming more likely to engage in some (not all) forms of agricultural intensification and exhibit a commercial orientation in terms of crop production.
• The agricultural sector has grown in size. In terms of crop production, this mostly reflects a remarkable area expansion (led by medium-scale farms), although labor productivity has also improved.

Agriculture in Tanzania is undergoing change along several axes, suggesting that Tanzania is, indeed, on the cusp of larger transformational processes. As agricultural growth is recognized as a catalyst for larger structural transformation and inclusive economic growth, our work fits neatly under the conference theme "Agriculture for Development". Our findings underscore the importance of a policy focus on agriculture, and the heterogeneity among farms should guide policy makers in thoughtful targeting within the farming population.