



IDENTIFYING POTENTIAL FACTORS THAT CAN CONTRIBUTE TO MALAWI'S SUSTAINABLE SOCIO-ECONOMIC GROWTH

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Abstract : According to the World Bank, 2019, The country has an estimated population of 18.6 million, which is expected to double by 2038. Malawi remains one of the poorest countries in the world despite making significant economic and structural reforms to sustain economic growth. The economy is heavily dependent on agriculture, employing nearly 80% of the population, and it is vulnerable to external shocks, particularly climatic shocks. The research aims to evaluate factors that affects Malawi's socio-economic growth, to assess the potential factors that can enhance Malawi's sustainable socio economic growth, to bring the awareness of socio-economic development to the nation, and to recommend on how Malawi can develop socio-economically. The research employs the descriptive research design and a quantitative research approach. The questionnaire is the research instrument adopted in this research for data collection. To give every member of a population a known and equal chance of being selected, Probability sampling was adopted, under which the simple random sampling technic was employed in choosing the samples randomly from a group of people. The research targets the rural communities of Malawi with a sample size of 145. The research was analyzed using the statistical package for social sciences (SPSS). The research discovered that Malawi's economy is affected by limited diversification that is contributed by lack of adequate technology and low literacy levels. Financial markets sensitization and investments is another potential but essential factor for Malawi's sustainable socio-economic growth. Therefore, Societies should adopt emerging trends in technology to strive in the emerging world, financial market sensitization should be made a priority by the issuing companies, government should introduce knowledge rich programs to bring in new ideas and broaden way of thinking, and government, to enhance development should promote innovative activities.

IndexTerms – sustainable Socio-economy.

INTRODUCTION

COFACE (2022) stated that Malawi's economy is dominated by agriculture, vulnerable to weather conditions highly affected by climate change. Food insecurity, landlocked position, increase in extreme poverty (70% of the population in 2020), deficient infrastructure (water, energy, transportation, education and health. With an increase in population and stagnant society's progress, Malawi does not seem near the dawn, According to African economic outlook, 2020; landlocked Malawi's development relies heavily for external trade on foreign seaports such as Dar es Salaam in Tanzania and Nacala and Beira in Mozambique. Trade is unstable, characterized by laws banning exports, lack of infrastructure, and inadequate diversification and value addition. Tobacco accounts for 50% of exports, vulnerable to price volatility. Moreover, the lack of skilled workers makes the labor market dysfunctional, suggesting the need for vocational education to enhance employability and productivity.

A nation comes from a society divided into three groups; social, cultural and economic. A society that is unhealthy, uneducated and homeless is a doom to the nation, a society that lacks initiatives to take responsibility on the development of their community cannot develop a nation. Societies that are patriotic, self-initiated in matters of their life are the ones that build a healthy nation and alleviate regression of development.

NEED OF THE STUDY.

The study will bring an awareness on how the society can bring a positive change on the development of an economy in various ways such as improvement in the standards of living even when there is no aid from government. It will enrich the literature with ways of achieving a sustainable development in a community and economy as a whole.

RESEARCH METHODOLOGY**3.1 Population and Sample**

The research targeted the population of Chitukula Village, Chileka, and Malivenji which are part of the rural communities of Malawi and will involve those individuals whose age ranges from 15 to 65 years and above. To give every member of a population a known and equal chance of being selected, Probability sampling was used, under which the simple random sampling technique was employed in choosing the samples randomly from a group of people and the sample size of the study was 145 participants.

3.2 Data and Sources of Data

In regards to this study, both primary and secondary data were collected. The questionnaire has been used to gather primary data and the articles such as World Bank 2019 and economic outlook 2020 were the other secondary sources of data for the research.

3.3 Theoretical framework

The study involves dependent and independent variables. The study used the socio-economic growth as the dependent variable. The factors that can contribute to socio-economic growth are the independent variable for the study.

The standards of living of people, economic development is supportive and it involves increased per capita income and creation of new opportunities in education, healthcare, employment sectors (Drewnowski, 1966). Economic development include improvements in material welfare especially for persons with the lowest incomes, the eradication of mass poverty with its correlates of illiteracy, disease and early death, changes in the composition of inputs and output that generally include shifts in the underlying structure of production away from agricultural towards industrial activities.

The socio-economic growth is affected by factors such as population and employment. Population and employment characteristics greatly affect the future development of a community. Trends must be identified and projections must be made to estimate future land use and transportation needs. The population demographics examined in this element include: Age distribution, Historical growth, Household size Migration.

For decades, economists and social thinkers debated the influence of population change on economic growth. Bloom et al. (2001) defined three alternative hypotheses: that population growth restricts, promotes, or is independent of economic growth. The author revealed that due to the fact that people's economic behavior varies at different stages of life, changes in a country's age structure can have significant effects on its economic performance. In this respect, nations with a high proportion of children are likely to devote a high proportion of resources to their care, which tends to depress the pace of economic growth. By contrast, if most of a nation's population falls within the working-ages, the added productivity of this group can produce an increase in the economic growth. This is how the combined effect of this large working-age population and health, family, labor, financial and human capital policies can create virtuous cycles of wealth creation. On the other hand, if a large proportion of a nation's population consists of the elderly, the effects can be similar to those of a very young population: a large share of resources is needed by a relatively less productive segment of the population, which likewise can inhibit economic growth.

An understanding of these demographics is important. For example, the analysis of age distribution shows that the city's population is getting older. This would indicate additional facilities for seniors may be needed in the future, and on the other hand high Unemployment rates do not stand as a good indicator for socio-economic growth.

Heita Daar (2018), in South Africa, there is much talk about assisting the development of small business and encouraging entrepreneurship by means of creating much-needed jobs, access to markets and equity. He stated that This will not be an easy task with our current shrinking economy but there will be a continuous aim for Socio-economic development which is a means to contribute to the growth and performance of our local economy. Government is encouraging established business to contribute to Socio-Economic development in the country. In any case Socio-Economic empowerment is critical to meeting Governments development goals and will help to establish shared vision partnerships in the communities. With the right opportunities and essential business skills training, the communities will be empowered and have an understanding of mutually beneficial practices as well as the safeguarding of the sectors they are actively involved in. This vision should hopefully encourage people and future generations to become economically active by creating small, medium and micro enterprises (SMMEs).

3.4 Statistical tools**3.4.1 Descriptive Statistics**

The statistics in the collection and analysis of data employed was correlation, this is to measure and express the extent to which two variables are linearly related, meaning they change together at a constant rate. The following table the relationship between age and income levels, it is assumed that income levels increase as age increases.

Testing Hypothesis

I. Correlations

The problem.

To identify the association between qualification and occupation.

| Correlations | | QUALIFICATION | OCCUPATION |
|---------------|---------------------|---------------|------------|
| QUALIFICATION | Pearson Correlation | 1 | -0.125 |
| | Sig. (2-tailed) | | 0.133 |
| | N | 145 | 145 |
| OCCUPATION | Pearson Correlation | -0.125 | 1 |
| | Sig. (2-tailed) | 0.133 | |
| | N | 145 | 145 |

The p value is more than 0.005 that as such the correlation is not statistically significant, it just occurred by chance, as such there is no relationship between qualification and occupation.

I. Chi-Square-Test

| QUALIFICATION * OCCUPATION Crosstabulation | | | | | | | Total |
|--------------------------------------------|----------------|----------|---------------|------------|------------------|---------------|-------|
| | | | OCCUPATION | | | | |
| | | | SELF-EMPLOYED | UNEMPLOYED | PRIVATE EMPLOYEE | CIVIL SERVANT | |
| QUALIFICATION | MSCE | Count | 37 | 27 | 19 | 22 | 105 |
| | | Expected | 39.8 | 25.3 | 18.1 | 21.7 | 105 |
| | DIPLOMA/DEGREE | Count | 8 | 7 | 4 | 6 | 25 |
| | | Expected | 9.5 | 6 | 4.3 | 5.2 | 25 |
| | OTHER | Count | 10 | 1 | 2 | 2 | 15 |
| | | Expected | 5.7 | 3.6 | 2.6 | 3.1 | 15 |
| Total | | Count | 55 | 35 | 25 | 30 | 145 |
| | | Expected | 55 | 35 | 25 | 30 | 145 |

| Chi-Square Tests | Value | df | Asymptotic Significance (2-sided) |
|------------------------------|--------|----|-----------------------------------|
| Pearson Chi-Square | 6.585a | 6 | 0.361 |
| Likelihood Ratio | 6.819 | 6 | 0.338 |
| Linear-by-Linear Association | 2.261 | 1 | 0.133 |
| N of Valid Cases | 145 | | |

a 4 cells (33.3%) have expected count less than 5. The minimum expected count is 2.59.

| Symmetric Measures | | Value | Approximate Significance |
|--------------------|------------|-------|--------------------------|
| Nominal by Nominal | Phi | 0.213 | 0.361 |
| | Cramer's V | 0.151 | 0.361 |
| N of Valid Cases | | 145 | |

Hypothesis

It is assumed that qualified individuals are employed to various development activities. However, Chi-square statistics were used to examine association between categorical variables (qualification and occupation) there is a significant association at 5% between qualification and occupation, thus the result is not attributed to chance, and thus the null hypothesis is true which means there is low probability or no relationship between qualification and occupation, and that qualified individuals are employed or involved in productive activities.

IV. RESULTS AND DISCUSSION

4.1 Results of Descriptive Statics of Study Variables

AGE

Table 4.1.: Descriptive Statics

| Descriptive Statistics | | | | | |
|------------------------|-----|---------|---------|------|----------------|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| AGE | 145 | 1 | 5 | 2.7 | 1.366 |
| Valid N (listwise) | 145 | | | | |

| AGE | | | |
|-------|-------------------|-----------|---------|
| | | Frequency | Percent |
| Valid | 15-25 YEARS | 35 | 24.1 |
| | 25-35 YEARS | 38 | 26.2 |
| | 36-45 YEARS | 28 | 19.3 |
| | 46-55 YEARS | 24 | 16.6 |
| | 55-65 YEARS ABOVE | 20 | 13.8 |
| | Total | 145 | 100 |

Figure 4.1.1

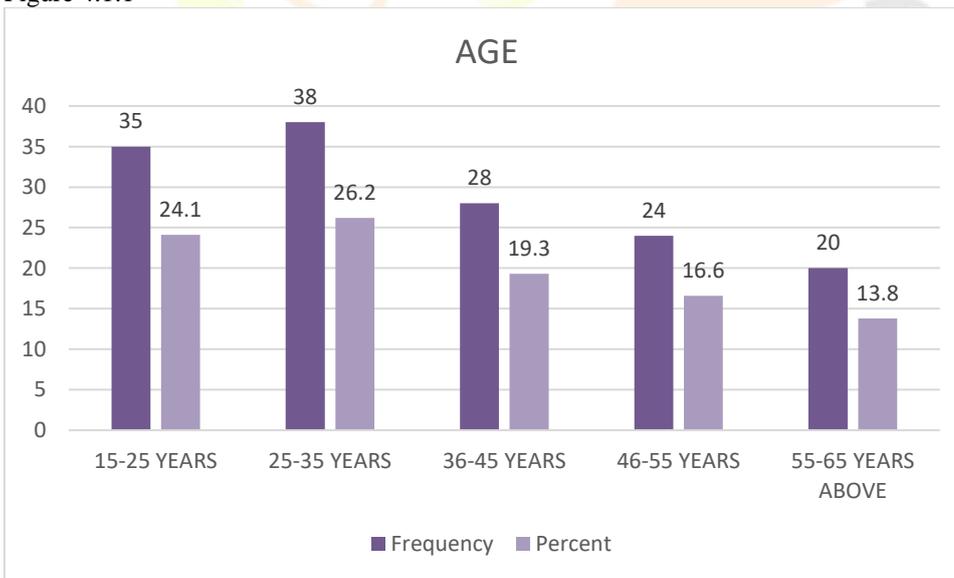


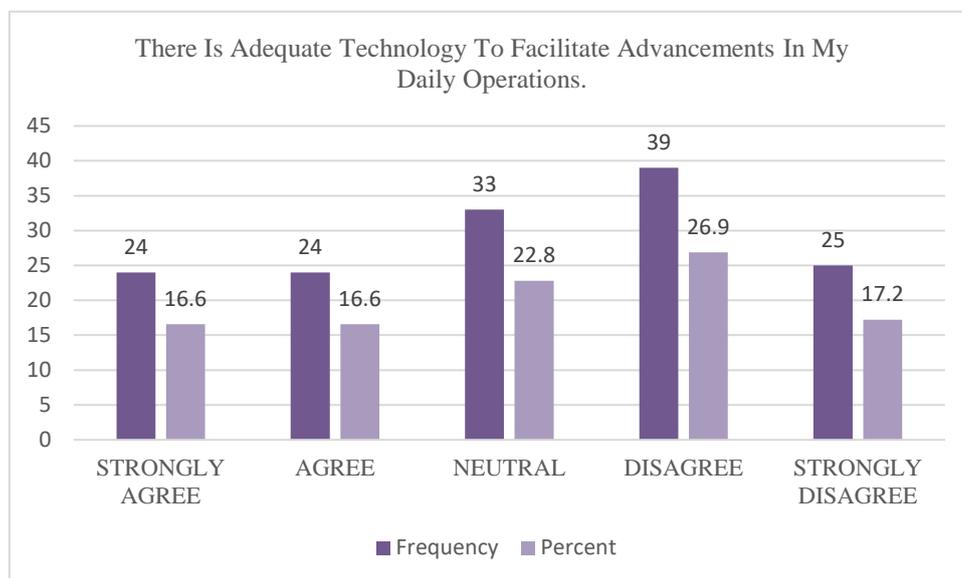
Figure 4.1 indicates the age of the community members of Chitukula, Chileka and Malivenji. Where 35 participants representing 24.1% age ranges from 15-25 years, 38 representing 26.2% of participants age ranges from 25-36 years and 28 participants representing 19.3% age range from 36-45 years, and 24 participants representing 16.6% age range from 46-55 years, 20 representing 13.8%. The working age can be estimated to range from 15-64. This indicator measures the share of working age population in total population, the data above entails that there is potential of economic growth if there is an active participation from those whose age ranges from 15-64 years as they have the ability to contribute to the development of the society and nation.

Table 4.1.2 There Is Adequate Technology To Facilitate Advancements In My Operations.

| DESCRIPTIVE STATISTICS | | | | | |
|---------------------------------------------------------------------------|-----|---------|---------|--------|----------------|
| | N | MINIMUM | MAXIMUM | MEAN | STD. DEVIATION |
| THERE IS ADEQUATE TECHNOLOGY TO FACILITATE ADVANCEMENTS IN MY OPERATIONS. | 145 | 1 | 5 | 3.1172 | 1.33595 |
| VALID N (LISTWISE) | 145 | | | | |

Table 4.1.3

| There is adequate technology to facilitate advancements in my operations. | | | |
|---------------------------------------------------------------------------|-------------------|-----------|---------|
| | | Frequency | Percent |
| Valid | STRONGLY AGREE | 24 | 16.6 |
| | AGREE | 24 | 16.6 |
| | NEUTRAL | 33 | 22.8 |
| | DISAGREE | 39 | 26.9 |
| | STRONGLY DISAGREE | 25 | 17.2 |
| | Total | 145 | 100 |



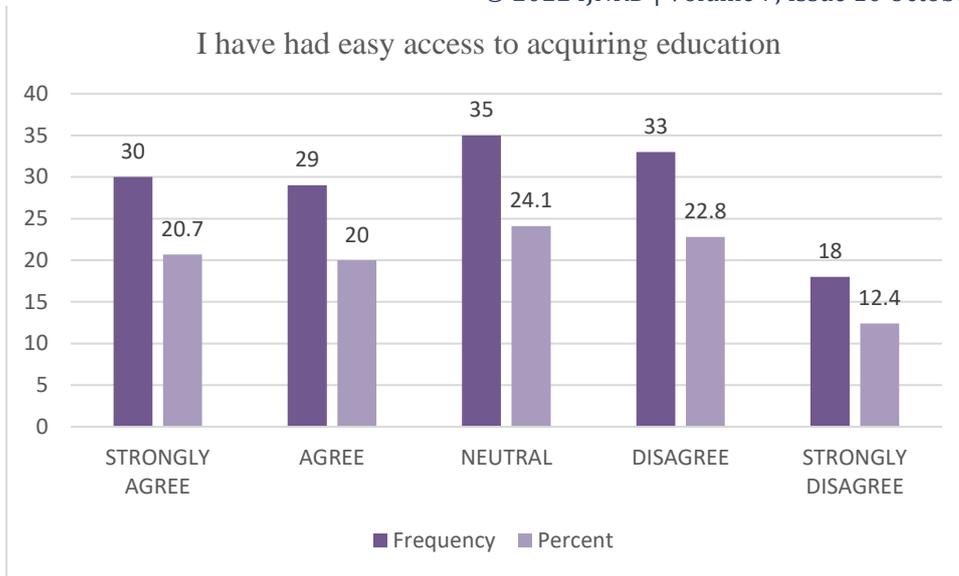
The data above represents the response from the participants in regards to the statement that there is adequate technology to facilitate advancements in individual's operations, 24 participants representing 16.6% participants strongly agreed, 24 participants representing 16.6% agreed, 33 participants representing 22.8% had a neutral response, 39 participants representing 26.9% disagreed and 25 participants representing 17.2% strongly disagreed to the statement. This entails that there is not enough technology to accommodate improvements in way of operations.

Table 4.1.4 I have had easy access to acquiring education.

| DESCRIPTIVE STATISTICS | | | | | |
|------------------------------------------------|-----|---------|---------|------|----------------|
| | N | MINIMUM | MAXIMUM | MEAN | STD. DEVIATION |
| I HAVE HAD EASY ACCESS TO ACQUIRING EDUCATION. | 145 | 1 | 5 | 2.86 | 1.321 |
| VALID N (LISTWISE) | 145 | | | | |

Table 4.1.5

| I have had easy access to acquiring education. | | | |
|------------------------------------------------|-------------------|-----------|---------|
| | | Frequency | Percent |
| Valid | STRONGLY AGREE | 30 | 20.7 |
| | AGREE | 29 | 20 |
| | NEUTRAL | 35 | 24.1 |
| | DISAGREE | 33 | 22.8 |
| | STRONGLY DISAGREE | 18 | 12.4 |
| | Total | 145 | 100 |



The chart above represents the response from the participants to the statement that they have had easy access to acquiring education. 30 participants representing 20.7% strongly agreed to the statement, 29 participants representing 20% generally agreed to the statement, 35 participants representing 24.1% neither agreed nor disagreed, 33 participants representing 22.8% disagreed and 18 participants representing 12.4% strongly disagreed. Looking at the statistics, the data entails that there has been education indeed but not complete access has been available as the most of the participants can neither agree nor disagree.

SUMMARY OF RESEARCH FINDINGS

In identifying potential factors that can contribute to Malawi's Sustainable social economic growth, the research study samples out 145 respondents at random of which 145 participants took part in the study giving a 100% of response rate.

The research evaluated the factors that affect Malawi's social economic growth; it measured the ability of individuals to meet their basic needs of which an average of individuals are able to completely satisfy themselves in this regard. It is in fact possible but not easy for individuals to acquire education, and technology likewise is not adequate to facilitate advancements in individuals' operations. Individuals involved in productive and innovative activities have the potential of driving the economy towards sustainability.

Also in identifying the potential factors that can enhance Malawi's sustainable economic growth, the research identified that most of the individuals have not identified new and advanced ways of carrying out their income-generating activities which is reduced innovation. There is a need to participate in more knowledge-rich programs to equip individual minds with new income-generating ideas and the technology available is not adequate in providing information which reduces advancements thereby limiting the knowledge of individuals which can be achieved by following what other countries are experiencing in regards to development and enable improvement as adequate information is of great importance in the emerging world.

The available financial markets are not clearly defined to most of the individuals as such they have no interest in investing in these markets for more income. The participants agree that employing new trends in technology will ensure smooth operations and developments in income-generating activities. The participants agree financial market investments will increase their income as such more sensitization should be made by the issuing companies, the participants believe that the improved way of conducting activities will lead to improved life. The participants agree that societies should adopt merging trends in technology to strive in the emerging world; the government should introduce campaigns and knowledge-rich programs to bring in new ideas and broaden the way of thinking. In addition, the individuals with an initiative of innovations should be supported and promoted by the government.

CONCLUSION

There is definitely a need for an initiative to be taken by the societies of Malawi in driving its economy, activities such as innovations and diversification need to be considered of great importance, the research brings enlightenment on how Malawi can develop socio-economically and be able to sustain itself. In this regard, the research project has five chapters, chapter one which introduces the topic of study, chapter two which presents the literature review, chapter three which presents the research methodology, chapter four presents the research findings and it is finalized by chapter five which brings about conclusions and recommendations.

RECOMMENDATIONS

1. Societies should adopt emerging trends in technology to strive in the emerging world.
2. Financial market sensitization should be made a priority by the issuing companies.
3. Government should introduce knowledge rich programs to bring in new ideas and broaden way of thinking.
4. Government, to enhance development should promote innovative activities.

AREA FOR FURTHER STUDY

A further study can be conducted on the significance of structural reforms on trade policies and business environment that impede investment and commercialization

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