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CITIZEN PERCEPTIONS OF THE ECONOMIC AND LIVING CONDITIONS IN ZAMBIA

High levels of unemployment, coupled with low salaries and poor conditions of service for most of the few people in formal employment, is a serious source of concern for many Zambian citizens. The rise in fuel prices, especially during the period 2006 to towards the end of 2008, among other things, resulted in price increases of essential goods and services. The closure of some companies, including some mining companies, following the world economic recession, resulted in many job losses, further weakening livelihood opportunities for many Zambians. According to the 2006 Living Conditions and Monitoring Survey (LCMS) results, the incidence of poverty in Zambia stood at 64 percent. Under the circumstances, citizens are quite anxious about the country's economic conditions as well as their own living conditions, both at present and in the near future. This bulletin summarises the perceptions of Zambians with regard to economic and living conditions in the country as captured by the Afrobarometer survey conducted in June 2009.

Most Zambians have described the economic conditions of the country as either "fairly bad" or "very bad" over the period 2006-2009. Most Zambians also hold the view that government's economic policies have hurt most people and only few have benefited. These are two of the important findings revealed by the recent Afrobarometer survey conducted in Zambia in June 2009.

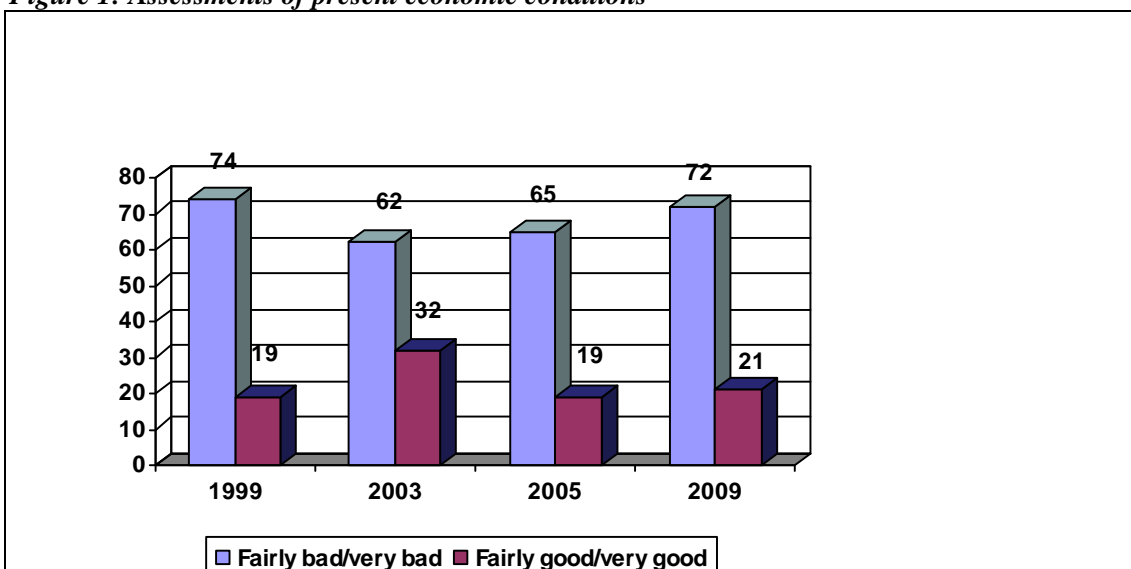
About the survey

The Afrobarometer is a systematic survey of ordinary Africans' attitudes towards democracy, markets and civil society. The surveys are conducted in countries that have introduced some degree of democratic and economic reform. The survey on which this report is based was carried out in June 2009 in all the nine Provinces of Zambia. Based on official population projections for 2008, a multi-stage, stratified area cluster sample was used. A sample of 1,200 adult Zambians (18 years or older) was randomly selected within a framework stratified by province and urbanization. The respondents were equally balanced in terms of gender and had a median age of 32 years. Most of the respondents (63 percent) were rural residents whilst the remainder (37 percent) were urban-based. According to respondents' preferences, the interviews were conducted in English (the official language) or in a local language (Chinyanja, Chibemba, Chitonga, Silozi or Kikaonde).

Perceptions of national economic conditions

At the time of the first Afrobarometer survey in Zambia in 1999, 74 percent of Zambians described the country's economic conditions as either "fairly bad" or "very bad." A statistically similar proportion (72 percent) said the same thing in the 2009 survey. This downbeat economic assessment compares unfavourably with surveys conducted in 2003 and 2005, when 62 and 65 percent respectively saw "bad" conditions (Fig. 1). There was a marginal increase in the number of citizens in 2009 (21 percent) who, compared to 2005 (19 percent) described the country's economic conditions as being either "fairly good" or "very good," though this "change" falls within the margin of sampling error for the surveys. Urban dwellers are more emphatic in their description of the country's economic conditions as being "very bad" with most of them (53 percent), compared to their rural counterparts (43 percent), holding this view. This difference of 10 percentage points is quite significant. One possible explanation of this disparity, of course, could be that the economic impact following the loss of jobs through the closure and/or reorganization of the mining industry and other companies was felt more by the urbanites.

Figure 1: Assessments of present economic conditions



"In general, how would you describe the present economic conditions of this country?"

Zambians were almost equally divided in their description of the country's economic conditions compared to 12 months ago with slightly over one third (36 percent) describing the country's present economic conditions as either "worse" or "much worse" compared to 12 months ago, and 37 percent describing the economic conditions as either "better" or "much better". One quarter (26 percent) of the residents held the view that the economic conditions had remained the same compared to 12 months ago.

Slightly over one third (34 percent) of the residents held the view that the country's economic conditions will get "worse" or "much worse", while 30 percent of them expected the country's economic conditions to become "better" or "much better" in the 12 months following the survey. Although representing a minority, the 30 percent posits a reasonable level of optimism comparing very favourably with levels recorded in 1999 (16 percent), 2003 (27 percent), and 2005 (25 percent). In other words, fewer residents were optimistic about the economic conditions of the country getting "better" or "much better" in the 12 months following the surveys of 1999, 2003, and 2005.

Compared to the 2005 survey results, provincial disaggregation indicate that negative assessment of the country’s economic conditions have significantly increased in the Copperbelt, Eastern, Luapula, and Northern Provinces; significantly reduced in the Southern, and Western Provinces; and somewhat reduced in the Lusaka, and North Western Provinces. The highest increase in the negative assessment (15 percent) was recorded on the Copperbelt while the least (11 percent) was recorded in Northern Province (Figure 2). Other than in the Copperbelt Province where the loss of employment, following the closure of several mines in 2008, could have resulted in comparatively more widespread economic hardships among the citizenry, it is rather hard to explain these varying negative assessments across the provinces.

Figure 2: Assessment of country’s present economic conditions by province - 2009

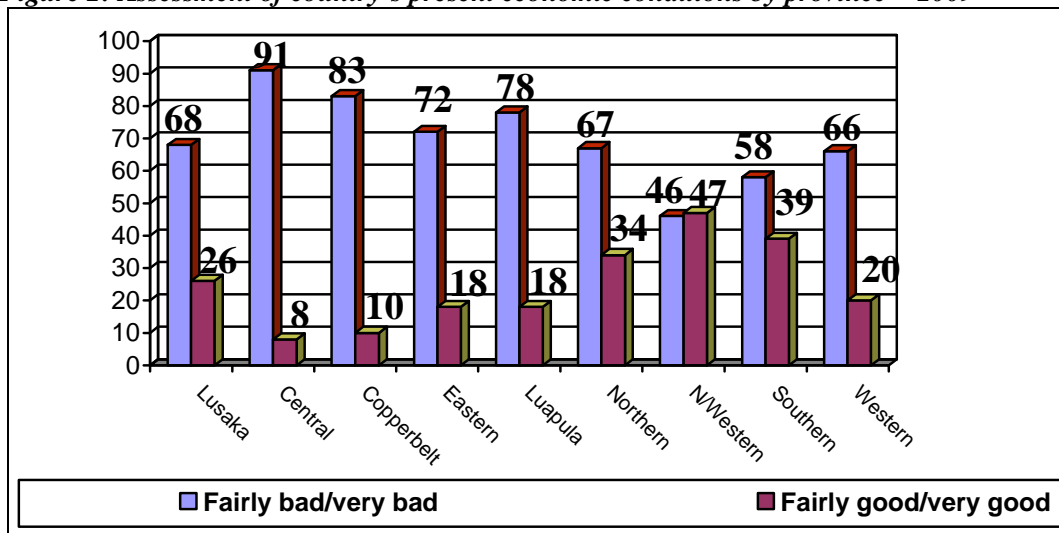
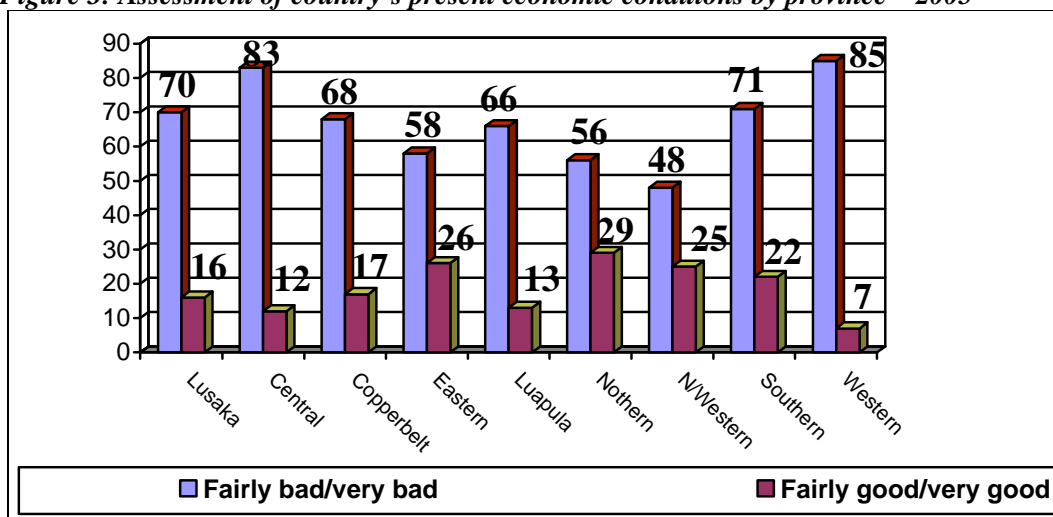


Figure 3: Assessment of country’s present economic conditions by province – 2005



Other countries covered by Afrobarometer surveys in the Southern African region, include Botswana, Namibia, Lesotho, Zimbabwe, South Africa, Malawi, Madagascar, and Mozambique. Except for Namibia where slightly over half (52 percent) of the residents assessed their country’s present economic conditions as either “very good” or “fairly good” the rest, like Zambia, had low positive assessments ranging between 16 percent (Lesotho) and 42 percent (Malawi). Otherwise, the popular assessment of national economic conditions in Zambia (72 percent negative) closely

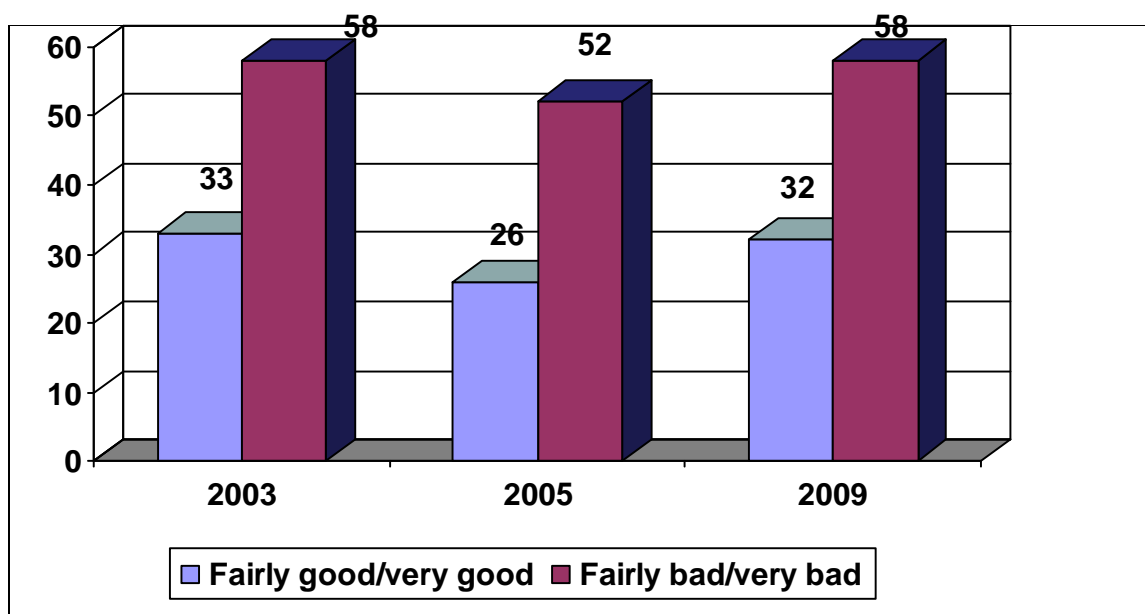
resembles that of Lesotho (72 percent). The only other country in the region with a negative assessment of higher than 50 percent is South Africa, at 52 percent.

Compared to their Zambian counterparts (30 percent), however, citizens of Lesotho are slightly less optimistic (26 percent) about economic conditions of their country getting better in the 12 months following the survey. In the same vein, more residents in Lesotho (45 percent), and South Africa (37 percent) expect the economic conditions to get either “worse” or “much worse” in the 12 months following the survey compared to Zambians (34 percent).

Perceptions of living conditions

Zambians are somewhat less pessimistic about their personal economic circumstances than the condition of the economy as a whole. Almost one third (32 percent) describe their own living conditions as being either “fairly good” or “very good” compared to 26 percent that held the same view in 2005. However, most Zambians (58 percent) still described their own living conditions as being either “fairly bad” or “very bad” (Fig.4). This negative assessment can also be seen in the decreasing numbers of citizens who have described their own living conditions as being “neither good nor bad” at 10 percent in 2009, compared to 21 percent in 2005.

Figure 4: Assessment of own present living conditions

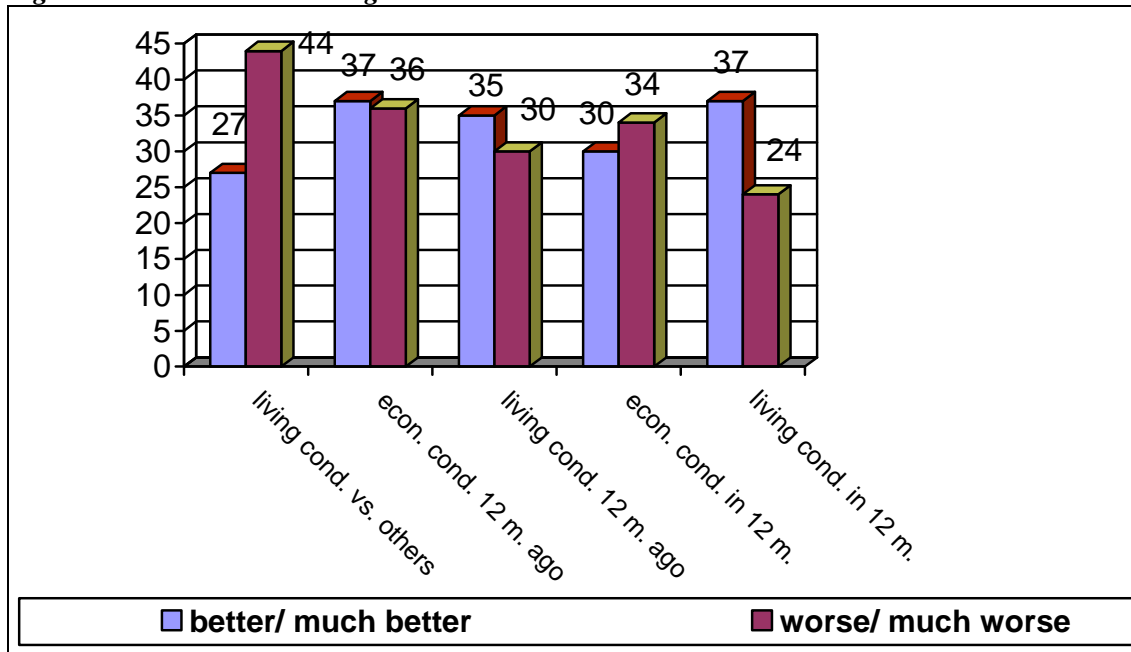


In general, how would you describe your own present living conditions?

There is no significant difference between rural residents (32 percent) and their urban counterparts (33 percent) in their description of their own living conditions as being either “fairly good” or “very good”. These assessments constitute positive increments of 8 percentage points for the rural dwellers over the 2005 assessments.

A slim plurality of the residents (37 percent) expected their own living conditions to become “better” or “much better”, compared to 24 percent who expected their own living conditions to get “worse” or “much worse” in the 12 months following the survey (Fig. 5).

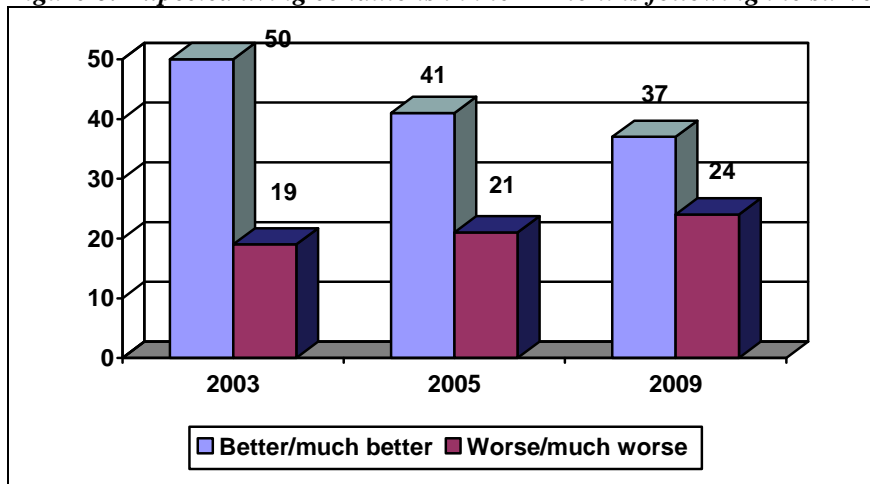
Figure 5: Economic and Living conditions – 2009



In general, how would you rate the following compared to 12 months ago or in 12 months time?

Yet the 2009 survey results indicates a decrease in the citizens’ optimism with regard to the state of their expected future living conditions. Where as half of the citizens in 2003 and four in ten in 2005 were optimistic that their living conditions will either be “better” or “much better” in the 12 months following the respective surveys, fewer Zambians (37 percent) held the same view following the 2009 survey. Negative assessments of the expected living conditions have registered a steady increase between the 2003 (10 percent), 2005 (21 percent), and 2009 (24 percent) surveys (Figure 6).

Figure 6: Expected living conditions in the 12 months following the survey



Looking ahead, do you expect your living conditions to be better or worse in 12 months time?

According to Provincial breakdowns, the highest optimism was recorded in the Northern Province, where almost half (47 percent) of the residents held the view that their living conditions would become either “better” or “much better” in the 12 months following the survey. The lowest

level of optimism was recorded in Central Province (23 percent) where almost half of the residents (49 percent) could not forecast the state of their living conditions 12 months following the survey (Table 1). Government's commitment to the promotion of tourism in the Northern Province could be one of the reasons driving optimism unlike in the Central Province where not much economic activity has occurred since the closure of the mining activities many years ago. In the Northern Province, government, among other expenditures, has committed ZMK75 billion to tourism promotion, ZMK16 billion on a hydropower expansion project at Lunzuwa, while ZMK 17 billion will be used to connect electricity to Nsumbu (www.daily-mail.co.zm). These investments are likely to impact positively on the people's living conditions in the region.

Table 1: Expected living conditions in the 12 months following the survey by Province (Percentage).

| Province | Better/much better | Same | Worse/much worse |
|---------------|--------------------|------|------------------|
| Lusaka | 43 | 19 | 19 |
| Central | 23 | 7 | 22 |
| Copperbelt | 34 | 8 | 29 |
| Eastern | 27 | 21 | 20 |
| Luapula | 40 | 19 | 23 |
| Northern | 47 | 11 | 24 |
| North Western | 40 | 25 | 14 |
| Southern | 42 | 24 | 27 |
| Western | 36 | 23 | 36 |

Comparatively, more Zambians (32 percent) describe their present living conditions as either "fairly good" or "very good" compared to their counterparts in Lesotho (15 percent), Botswana (21 percent), and Mozambique (27 percent). With regard to negative assessment, more residents in Lesotho (74 percent) described their living conditions as either "fairly bad" or "very bad". Other than Zambia (58 percent), countries with more than half of their citizens seeing a bleak economic future are Botswana (53 percent) and Malawi (55 percent).

By contrast, countries with more than half of their citizens being optimistic about their living conditions getting better include Zimbabwe (72 percent in May 2009), Mozambique (59 percent), Botswana (58 percent), and Namibia (52 percent).

Lived poverty

According to the Afrobarometer's estimates of lived poverty (see Afrobarometer Briefing papers Nos, 4, 11, 13, 42 and 68), the 2009 survey results from Zambia indicate that there has been some deterioration in people's access to basic needs, defined as food, medical care, clean water, cooking fuel, and cash income. Compared to the 2005 survey results (35 percent), more respondents (46 percent) revealed that they had gone without enough food to eat either "several times" or "many times". Similarly, more people (48 percent, compared to 42 percent in 2005), indicated having gone without medical care either "several times" or "many times". Greater lived poverty has been noted with regard to access to cash income where 71 percent of the residents, compared to 59 percent in 2005, had gone without cash income either "several times" or "many times".

In spite of this deterioration, however, more than half (51 percent) of the residents, in the 2009 survey, had "never" gone without clean water compared to only 29 percent who reported the same in the 2005 survey. The lack of access to cooking fuel has remained stable since 2003 with

less than one third (28 percent) of Zambians indicating having gone without cooking fuel either “several times” or “many times” (Figures 7 and 8), and Table 2.

Figure 7: Lived poverty – Gone without enough food, medical care, clean water, cooking fuel or cash income, either “several times” or “many times”

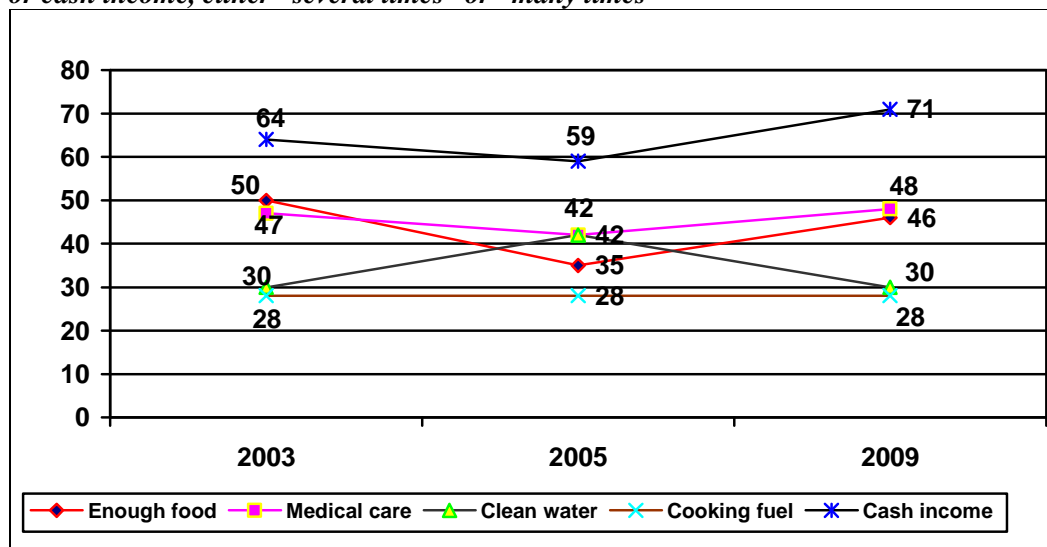


Table 2: Lived poverty –Times

| | 2003 | | 2005 | | 2009 | |
|--------------|-------|--------------------|-------|--------------------|-------|--------------------|
| | Never | Several/many times | Never | Several/many times | Never | Several/many times |
| Food | 23 | 50 | 28 | 35 | 33 | 46 |
| Medical care | 28 | 47 | 24 | 42 | 28 | 48 |
| Clean water | 53 | 30 | 29 | 42 | 51 | 30 |
| Cooking fuel | 50 | 28 | 43 | 28 | 52 | 28 |
| Cash income | 13 | 64 | 11 | 59 | 9 | 71 |

Rural residents are the most affected by high levels of lived poverty compared to their urban counterparts. More than half of the rural residents report having gone without cash income (74 percent), medical care (53 percent), and enough food (52 percent), either “several times” or “many times” during the year preceding the June 2009 survey. With regard to accessing fuel for cooking urban residents depend on electricity or charcoal and were the most adversely affected (41 percent), compared to their rural counterparts (20 percent) (see Table 3).

Table 3: Lived poverty by location – gone without, “several times” or “many times” (percentages)

| | Urban | Rural |
|--------------|-------|-------|
| Enough food | 36 | 52 |
| Medical care | 39 | 53 |
| Clean water | 29 | 31 |
| Cooking fuel | 41 | 20 |
| Cash income | 64 | 74 |

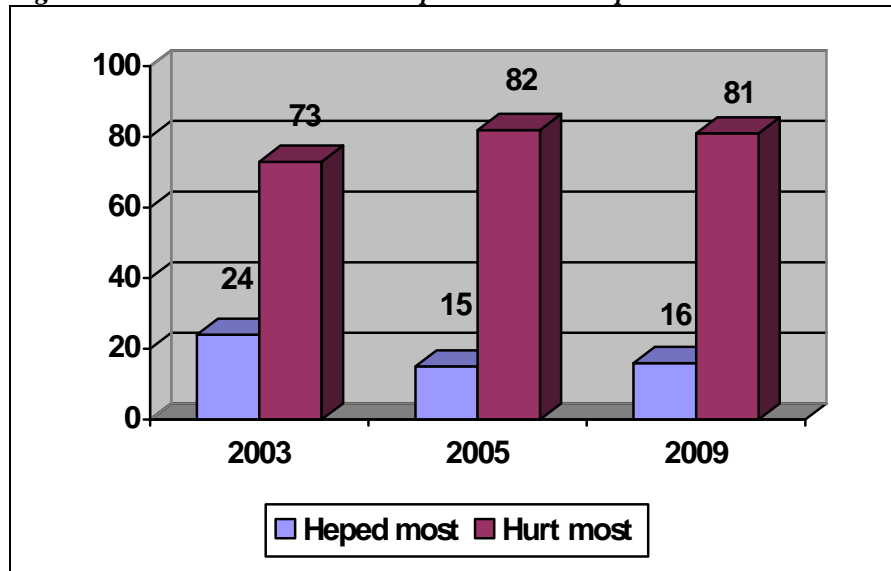
Over the past year, how often, if ever, have you or anyone in your family gone without enough food, medical care, clean water, cooking fuel, or cash income?

Cross-nationally, more Zimbabweans than Zambians, went without food (64 percent), medical care (54 percent), clean water (33 percent), and cooking fuel (34 percent) in 2009. With regard to cooking fuel, Zambians were comparatively better off than Botswana (32 percent) and Lesotho (30 percent) where almost one third of the residents reported having gone without cooking fuel either “several times” or “many times”.

Citizens’ views on economic reforms

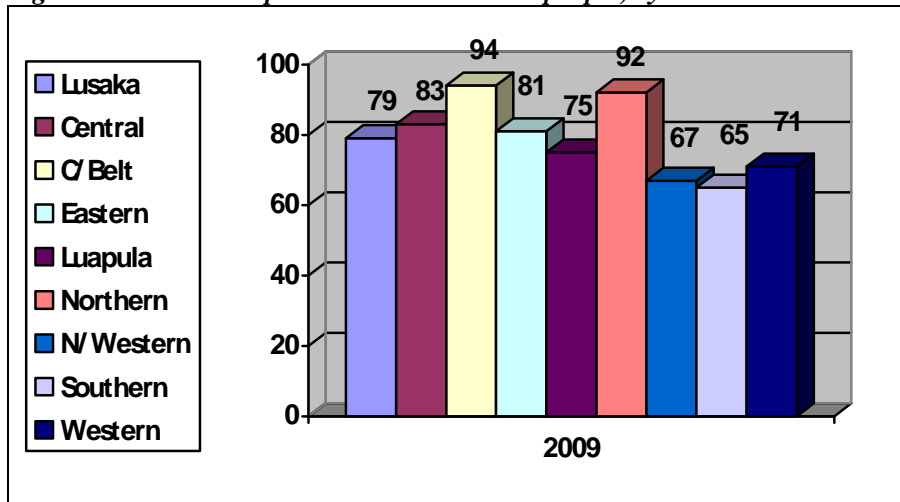
Popular economic concerns are reflected in Zambia by the majority perception that the costs of reforming the economy are too high and that the government should therefore abandon its current economic policies. Almost half (48 percent) of the respondents to the 2009 Afrobarometer survey held this view compared to 41 percent who felt that in order for the economy to get better in the future, it is necessary to accept hardships now. This level of support for economic reform is slightly lower than that recorded in 2003 and 2005, (50 percent in both years). It is not a surprise, therefore, that the level of the perception that government’s economic policies have hurt most people and only benefited a few has remained very high with at least seven in ten people subscribing to this view in the surveys conducted in 2003 (73 percent), 2005 (82 percent), and 2009 (81 percent) (Figure 9).

Figure 9: Government’s economic policies have helped most versus hurt most people



The survey results have shown that rural dwellers are the least supportive of the government’s economic policies with 86 percent of them, compared to 77 percent of their urban counterparts, holding the view that the policies have hurt most people and only helped a few. According to Provincial disaggregation the Copperbelt Province, at 94 percent, is the most emphatic on this view, with Southern Province (65 percent) being the least emphatic (Figure 10).

Figure 10: Economic policies have hurt most people, by Province



Conclusion

The survey has revealed negative assessments of the country’s economic conditions, reduced optimism in expected living and economic conditions, and persistent loss of citizen confidence in the government’s economic policies. Most Zambians continue to think that such policies have hurt most people and only few have benefited. With regard to lived poverty, rural dwellers report the most adverse effects, especially in terms of accessing food, medical care, and cash income.

It is important to note, however, that economic reforms, especially those that have the potential to negatively impact the livelihoods of the citizenry in the intervening period, need to be clearly articulated in order for their expected benefits to be appreciated. Similarly, such reforms need to be accompanied by high levels of integrity on the part of officials and institutions that are entrusted with the implementation process. Reforms are more likely to be resisted if, among other things, they are not well understood or are seen to benefit a few individuals or sections of the community. It is, therefore, government’s responsibility to ensure that both the interim consequences and expected benefits of proposed reforms are effectively communicated and fairly distributed to the citizenry.

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