

GLOBALISATION VS GLOCALISATION: CFSC CALLS FOR NECESSARY STEPS TO ENABLE THE MALAWIANS TO WITHSTAND THE EXTERNAL SHOCKS

Malawi being a land locked country and heavily reliant on an agro- based economy continues to face challenges related to imports and exports in this globalisation era. But while on one hand the champions of globalisation *referred to as "think local, act global" in business sense*; conceive it as increasing the connectivity and interdependence of the world's markets and business with increased mobility of goods, services, labour, technology and capital throughout the world.¹ On the other hand, other quarters are calling for glocalisation instead, which in business sense means *"think global, act local"* meaning the ability to have a cautious mind to strike a balance between going global and protecting local economy within a worldwide network of communities, individuals, cities that aim to strengthen the economic, social and cultural sectors using development projects and peace building processes.²

In the case of Malawi, globalisation brings both challenges (i.e. pressures to ensure that multinational companies do not outweigh local ones, and persistent poverty) as well as opportunities (e.g. shared knowledge through ICT). Malawi needs to insist on glocalisation to maximise global opportunities. The enabling factors that would be indispensable are: **Information Sharing** that will help to narrow the gap between the "information rich" and "information poor" by using Information Communication Technology (ICT) as a potential tool at grass root level, **Education** that aims to meet global labour demands, and **A mindset** that is *fully grounded on Malawian local realities but having a global orientation*. The key intervention for Malawi government to set up a negotiation forum comprised of the government, the private/ business, the civil society, the religious community to foster dialogue on the need to get their act together and direct efforts towards a common development plan. In the plan issues to be tackled are investment on infrastructure development (roads, waterways), reduce cost of doing business, simplify export procedures and create a conducive environment for trade and development.

There is an ever increasing need to search for solutions as we tried lay out above, because the reality on the ground is that life continues to get more expensive in Malawi, while salaries and other perks remain much the same. That these policies need to look very seriously at equity will be clear as one compares some salaries with the minimum wage as exists in Malawi.

But looking at the facts on the ground, it is indisputable fact that many Malawian households will continue to experience high cost of living. The most recent CFSC survey for the month of February 2011 in Blantyre, Zomba, Lilongwe and Mzuzu showed yet another increase in the cost of basic necessities averaging to Mk25,782 (172 US\$ dollars)³ on the food basket and K22,262 (148 US\$ dollars) for essential non food items such as charcoal, Vaseline blue seal body jelly. The increase is as a result of upward adjustment of prices of commodities like fresh milk, cooking oil, sugar, charcoal, Boom detergent clothe soap and Vaseline blue seal body jelly. The overall cost of living in February was as follows: Lilongwe K52,267 (348 US\$ dollars) from K51,336 (342 US\$ dollars) in January 2011, as for Zomba to K43,097 (287 US\$ dollars) from K42,608 (284 US\$ dollars) in January, 2011, for Blantyre to K53,111 (354 US\$ dollars) from K52,080 (347 US\$ dollars) in January, 2011 and Mzuzu to K43,699 (291 US\$ dollars) from K43,312 (289 US\$ dollars) in January, 2011.

Meanwhile, CFSC urges the households on the need to shop around for the cheapest product, in order to get value for money. Households who are consumers have a role to play in ensuring that they get a fair deal on the marketplace. As indicated in the Basic Needs Basket above, it is cheaper for households to purchase products directly from manufacturers at a cheaper rate and allows them to buy more from their money. Simply, households need to make effort to access the manufacturers of basic commodities wherever possible to purchase from such, as some unscrupulous retailers are bent on making super -profits through arbitrarily price hikes by shocking margins.

Social Conditions Research Programme, Center for Social Concern, P.O. Box40049, Lilongwe,
 E-mail: jkuppens@cfscmalawi.org or fmkomba@csfcmalawi.org Website: www.cfscmalawi.org
 Mobile cell: The Executive Director (Fr Jos Kuppens) on 0888824552
 or the Social Conditions Programme Officer (Fydess Mkomba) on 0995277164
 Physical Office Location: Next to St. Francis Catholic Parish, Area 25 C, Kanengo

1 Divina.M and Roldan.Z (2010)

2 Glocal forum (n.d)

3 Bank Exchange rate for 1US\$dollar = K150