

**FOOD SECURITY ALONE IS NOT ENOUGH THERE IS NEED FOR CLEAR ECONOMIC SECURITY STRATEGY FOR MALAWI AHEAD OF THE TOUGH TIMES, CAUTIONS CFSC.**

The combined pressures of resource scarcity, globalization, and economic stagnation are steadily pushing more and more classes of Malawian workers nearer to a position of economic insecurity. Economic security or financial security is the condition of having stable income or other resources to support a standard of living now and the foreseeable future. However, to attain economic security decent work is inarguably an indispensable element of human dignity and as such cannot be separated from poverty eradication agenda. Therefore, the Labour Day theme for Malawi this year of '*Strong partnership for collective bargaining and social justice to flourish towards decent jobs in Malawi!*' resonated very well with the current challenge of Malawi economic insecurity. It is essential to pay attention to this theme as a large segment of the working population is paid too little to enable them move out of poverty.

But how far the country succeeds in *promoting economic security through economic growth thereby attaining decent work* largely depends on what strategies the Government will use to create more productive employment and investment opportunities. For instance, will the upcoming National budget and Malawi Growth Development Strategy two (MGDS II) include strategies for reducing the proportion of employed people living below the poverty line? Are we likely to see an increase in formal employment? What about the question of a minimum wage that meets at least the cost of minimum basic needs for a household of six members? Food security alone is not enough there is need to fight hard to achieve economic security.

Malawi government ought to make tough decisions to build up a large budget surplus to act as a buffer in tough economic times that are already experienced now. Therefore CFSC urges all members of parliament (MPs) regardless of their political affiliation to consult widely and prepare a lot to make meaningful contributions in the upcoming budget session. Meanwhile, Parliamentarians are supposed to be scrutinising beforehand all the policies that are aimed employment creation for instance, promotion of energy and rural development, research and incentives to encourage labour-intensive investments, better access to housing and land, improved infrastructures, measures to eliminate biases against women and other vulnerable groups such as producers and consumers (minimum wages, measures against discrimination), improved access to capital through financial sector reforms of micro credit schemes such as MARDEF and YEDEF, provision of secure ownership of key assets. In order to guarantee their success, critical scrutiny should also go to sound macroeconomic management policies that would be concerned with preventing the occurrence of shocks by, for instance, keeping the inflation low, stabilising interest rates and reducing price fluctuations. The combination of micro and macro-economic preventative measures would guarantee that disadvantaged groups do not slip further on the distribution scale due to their inability to respond to shocks. The implementation of these policy measures need thus not to destabilise the economy financially or otherwise. Hence, the oversight should not stop at planning and allocation but extend to cover processes such as expenditure management, performance management and public integrity to yield impressive outcomes.

Today evidence of these economic tough times is already seen and the government ought to act carefully to come up with clear and realistic economic security strategy to generate budget surplus to strengthen Malawi economy. This clear economic security strategy will act as a significant economic response to deal with extraordinary economic times i.e tobacco, forex and fuel crises that have multiplier effects in the economy.

According to the *CFSC Basic Needs Basket (BNB)*, the April cost of food for an average household of six in Lilongwe was K52,825. This meant only an insignificant increase of K469 from K52,356 in March. In Blantyre, cost of living during the month of April went down to K52,723 from K54,701 in March. In Mzuzu, cost of living in April was at K46,492 from K46,015 with an insignificant increase of K477. In Zomba cost of living was at K44,241 in April from K43,377 in March with a significant increase of K864. While reductions were recorded in items such as maize, dry fish such as utaka, meat, protex and boom soap, these were offset by increases recorded in other essential items such as Kazinga cooking oil, sugar, tomatoes, eggs, onion and Vaseline blue seal during the period under analysis.

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