

## **Economy of zambia**

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Zambia is one of Sub-Saharan Africa's most highly urbanized countries. About one-half of the country's 11.5 million people are concentrated in a few urban zones strung along the major transportation corridors, while rural areas are under-populated. Unemployment and underemployment are serious problems. National GDP has actually doubled since independence, but due in large part to high birth rates and AIDS per capita annual incomes are currently at about two-thirds of their levels at independence. At \$1400, place the country among the world's poorest nations. Social indicators continue to decline, particularly in measurements of life expectancy at birth (about 50 years) and maternal and infant mortality (85 per 1,000 live births). The high population growth rate of 2.3% per annum makes it difficult for per capita income to increase. The country's rate of economic growth cannot support rapid population growth or the strain which HIV/AIDS-related issues (i.e., rising medical costs, street children, and decline in worker productivity) places on government resources.

For the first time since 1989 Zambia's economic growth reached the 6%-7% mark (in 2007) needed to reduce poverty significantly. Copper output has increased steadily since 2004, due to higher copper prices and the opening of new mines. The maize harvest was again good in 2005, helping boost GDP and agricultural exports. Cooperation continues with international bodies on programs to reduce poverty, including a new lending arrangement with the IMF in the second quarter of 2004. A tighter monetary policy will help cut inflation, but Zambia still has a serious problem with high public debt. Main industries: copper mining and processing, construction, foodstuffs, beverages, chemicals, textiles, fertilizer, horticulture. Export goods of Zambia are copper/cobalt 64%, cobalt, electricity; tobacco, flowers, cotton, copper cables, Maize, Sugar. Main export partners of Zambia: South Africa 24.2%, Switzerland 13.7%, China

12.4%, Tanzania 6.9%, Democratic Republic of the Congo 6.6%,  
Zimbabwe 5.5%, Thailand 4.7%