

An Assessment on the Saving Behaviour of the low and Middle-income Households of Kabwe District in Central Province, Zambia

(Conference ID: CFP/864/2018)

1st Author. **Musonda Wiseman**

MBA Student
Information and Communications University
Lusaka, Zambia
wmusonda@rocketmail.com

2nd Author. **Mr.Chibomba Kelvin**

Lecturer: School of Humanities.
Information and Communications University.
Lusaka, Zambia
kelvin.chibomba@gmail.com

Abstract

Household saving helps in times of emergency and future plans. It is also vital for wealth creation and capital provision for domestic investment. Insufficient household savings results in reduction in the national savings since households are the greatest contributors to domestic savings. Therefore, it saves the national from foreign investment and borrowing. The overall objective of the research was to assess the saving behaviour of the low and middle-income households of Kabwe District of Zambia. The research had five objectives which are: 1) to establish the households which save more than the other. (2) To establish the type of saving by the low and middle- income households. (3) to assess the reasons for saving by the low and middle- income households, (4) to assess the mode of saving by the low and middle-income households and lastly (5) to investigate the perception of low and middle-income households towards saving. Three theories underpinned this research; the Absolute Income Hypothesis which argues that more income earners save more than low income earners, The Katona's hypothesis which says though income level is a factor, saving is about the ability to save, hence, both low and middle-income households can save and the Harod-Domar growth model hypothesis which simply says all citizens in a nation must save for the betterment of the economy.

The research design was descriptive. Purposively sampling was used in selecting the households and the data was analysed by using content analysis and SPSS.

The research revealed that; middle income households' saver more, have many reasons for saving, both households have a good perception towards saving. Therefore, the paper makes a suggestion that the government draws a policy that will encourage the spirit of saving among the low-income households.

Keywords— Saving, Behaviour, Low, Middle, Income, Households, Zambia.

I. INTRODUCTION

The research was a comparative study which aimed at investigating the saving behaviour of the low and middle-income households in Zambia. Low-income people have not passed the threshold of survival hence still struggle with basics life needs such as food and clothing; with no disposal income (Wang, 2010). As a result, they are relived from PAYE tax (LCMS, 2015). Middle income households possess surplus money.

Saving helps the households to deal with unforeseen circumstances and also prepare for their old age. Saving also helps individuals to avoid debts or loans that are sometimes paid with high interest. Saving

may either be financial (money) or non-financial (assets that may gain value) (Kodom, 2013). The purposes and meanings of saving are different for each household (Wärneryd, 1989) in (Lee and Hanna, 2015). Households save essentially for two reasons: to cover future expenses (children's education, buying big-ticket, durable goods, e.g. a car) and for retirement (Burns and Dwyer, 2007). When households do not save, they put the burden on others or government to provide for them in their old age.e.g. cash social transfer policy in Zambia (certain amount of cash money given to the aged people in the country). Taxpayers may be asked to support those who have not provided enough for retirement; increase in taxes (Lusardi, 2008). In Zambia PAYE tax was raised from 35% to 37.5% for all employees earning over K6, 200 per month (PWC, 2016). In an effort to reduce their budget shortfalls and containing their outstanding debt levels, governments are implementing social security cutbacks (cutting pension benefits, raising retirement age, etc.) (Roux, 2010). In Zambia the retirement age has been raised from 55years to 65years. With the government budgets being under heavy pressure, it cannot lend much support during retirement years, hence, households have to save (Roux, 2010).

1.1. Background of the Study

Household saving in Zambia started way back in 1967 when government initiated the campaign for saving (Elliot, 1971). This was an educational programme that was aimed at individual saving and also institutional saving to allow for safety of individuals money and also make the funds available for development. Different media were used in the saving campaign.

The Second campaign was conducted in 1968, when government provided tax relief from savings (Elliot, 1971). In the 1968 budget, the first k200 per annum

income from savings was tax free. As a way to mobilize the savings, the government expanded the banking institutions which comprised four distinct groups (Maimbo, 2003). The pre-independence foreign banks, the government banks, the post - independence foreign banks and the local banks. The pre-independence banks, were Barclays Bank, Standard Chartered Bank and the Glindlays banks. Since the government observed that the foreign banks did not adhere to the interest of the local people, it decided to open its own banks. In 1969, the Zambia National Commercial Bank was opened. In 1972 the National Savings and Credit bank was also opened and the cooperative banking in 1989. Non-Banking financial institutions such as the Building Society were also established. By 1994, with the massive 1991 reforms, the number of registered banks increased to 25 (Muke, 1996).

Zambia's Gross Domestic Savings (GDS) as a percentage of GDP averaged 30% per annum during the early independence years through to the 1970s. In 1973 the Gross Domestic Saving was 34.5%, 35.6 % in 1974 and further reduced to 12.6% in 1975. However, in 1979 the household savings accounted for 45.5% of GDS (Bank of Zambia, 1982). With the country's economic downturn, GDS remained relatively low throughout the 1980s. Post privatisation, with about 86% of the corporate sector in private hands, savings from inference (considering the level of GDS) continue to be constrained (MIBS, 2000). This was caused by withdrawal of government subsidies, the opening up of the economy through trade liberalisation resulting in the inflow of cheap but relatively higher quality imports, made it difficult for Zambia's industries to compete favourably. In the 1990s the high borrowing rates which averaged about 60% also limited the expansion (World Bank, 1997). Generally, today, household savings are more

constrained, though there are increasing income levels and decreasing poverty levels among households.

Zambia continues to register poor saving performance (Maimbo, 2003). Due to high levels of poverty, the household saving is expected to be low since income determine the saving (Chioma, 2004). National savings (gross domestic savings) as a percentage of Gross Domestic Product (GDP) in Zambia have been as low as 17.2% in the period 2000- 2009.

1.2. Statement of the Problem

Household saving is cardinal as it helps in times of unforeseen circumstances and also for future plans for the households. It is also a pillar to capital creation in the nation and provides for future investments. As a result, it helps in stabilizing the economy of the nation by reducing much reliance on foreign investors. However, apparently, household saving has been low in Zambia. This has exposed the country to external debts. Zambia has acquired the Euro bond which is an external loan. This loan has to be paid with interest and the situation becomes worse if the payment becomes due at the time when the Zambian currency is under devaluation. This entails that the nation may lose more money in financing the accrued loans. If the nation had enough household savings, the Eurobond would have been avoided by sourcing the loans locally. Households also have gone into much credits from the informal financial lending system which is locally termed as (Kaloba). The 50% interest rate charged by the informal lenders becomes too high for households to repay. This becomes an exploitation to the households. This informal lending system seems to be growing in our community since most households do not save.

1.3. Research Objectives.

1.3.1. General Objective

To investigate the saving behaviour of the low and middle-income households in Zambia.

1) 1.3.1. Specific Objectives

- To establish the households which saves more than the other between the low and middle-income households.
- To Ascertain the type (s) of saving by the low and middle-income households.
- To assess the mode of saving by the low and middle-income households.
- To ascertain the reasons (s) for saving among the low and middle-income households.
- To investigate the perception of the low and middle-income people towards saving.

B. 1.4.0. Research Questions

- Which households save more than the others between the low and middle-income households.?
- What type of saving is used by the low and middle-income households?
- By what mode do the low and middle-income household's save their money?
- What is the reason (s) for saving among the low and middle-income households?
- What is the perception of both low and middle-income people towards saving money?

1.5.0. Justification for the Study

Higher savings lead to a higher growth path and an accumulation of capital (Mphuka, 2010). Domestic savings are in theory likely to attract FDI that will lead to an injection of technology.

Household saving forms the cornerstone on which the economy of a country is built and future

development can only be financed if there is enough household saving to reduce dependency on foreign investors (Chauke, 2011).

Domestic saving also helps the households to deal with unforeseen problems and also when they retire. Household savings forms a vital component in domestic savings.

C. 1.6.0. Scope

The research was revolving within the saving behaviour of the low and middle households of Kabwe District.

1.7.0. Purpose of the study

The aim of the research was to establish the saving behaviour of the low and middle-income households in Kabwe District of central province in Zambia.

1.9. 0. Limitations of the Study.

Some low-income households could not ready properly and this was a challenge as I had to begin translating the questionnaires into the local language. Secondary data was also very scarce both locally and internationally. In addition, the sample size was quite small in relation to the target population.

D. Definition of Key Terms.

Household. A household is a person (s) who normally eat and live together. These people may or may not be related by blood but make common provision for food and other essentials for living (LCMS, 2015).

Household income. This is all incomes from all sources of all income-earning members of the household (LCMS, 2015).

Low-income households. Households whose total household income is lower than the PAYE exempt threshold. In Zambia the low-income households

are those with total household income less than k3200 (ZIPAR, 2013).

Middle income households. Households whose total household income is above K3200 (ZIPAR, 2013).

Household saving. This is income minus consumption in a given period.

II. RESEARCH METHODOLOGY

A. 3.1.0. Research Design

The descriptive research design was employed in the study. A research design is a road map of the research process. It guides on how the research process will be conducted. Singh (2006) states that a research design is a mapping strategy which is based on sampling technique.

B. 3.3. Data Sources

The two main data sources used were primary and secondary sources.

3.3.1. Secondary Data

Secondary data was obtained from different sources such as books, journals, scholarly articles government and NGOs reports, conference papers, websites.

3.3.1. Primary Data

Primary data are data collected by the researcher from the participants.).

3.3.0. Target Population

The area under study had 24,313 households (CSO, 2012).

3.5.0. Research Instruments.

Three instruments were employed in the collection of data and these are; questionnaire, direct interviews and direct observation.

3.5.1. Questionnaire.

This tool had a series of both open ended and closed questions.

3.5.1.1. Pre- testing of Research Instrument

The questionnaires were first tried on 5 respondents. Mugenda and Mugenda (2003) mentions that 1-10% of sample size is mostly used for pilot testing of the data collection instruments.

3.5.2. Interviews.

Face to face interviews were used as they allowed for clarity and obtaining of relevant firsthand information. Leedy and Ormrod (2014) argues that interviews can supply a large amount of useful information.

3.5.3. Direct Observations.

This method was very useful in data collection as it helped to select the right respondents.

C. 3.6.0. Sampling Technique.

The sampling technique employed in the study was purposive sampling. According to Singh (2006) the purpose is to select the sample in relation to some criterion, which are considered relevant to a particular study.

3.7.0. Sample Size Determination

The sample size for the research was 98 households. The formula for computing the sample size is based on (Jones, 2001).

$$n = \left[\frac{z_{\alpha/2}}{E} \right]^2 pq.$$

n = sample size

Z α = 95% confidence level (1.96 from the standard normal table)

P = sample proportion (taken to be 0.5 since no previous study has been done).

E = margin of error (5% Or 0.05)

q = compliment of p

Hence, $n = \left[\frac{z_{\alpha/2}}{E} \right]^2 pq$

$$n = \left[\frac{1.96/2}{0.05} \right]^2 (0.5 * 0.5)$$

$$n = \left[\frac{0.98}{0.05} \right]^2 (0.25)$$

n = 98 respondents.

3.8. 0. Data Collection Procedure.

A total of 98 questionnaires were distributed among the low and middle- income households. A total of 45 questionnaires were given to the low-income households. The other 45 were given to the middle-income households. Questionnaires were given to the households during the day and were requested to fill in the same day. 10 compounds were considered in the study so as to get respondents from different backgrounds: The compounds are: Railways, Katondo, Hiridge, Chowa, Lukanga, Makululu, Bwacha, Masiye, Koima barracks and Mines. 80 questionnaires were successfully collected.

3.9.0. Data Analysis

Data analysis involved two methods: Statistical Package for Social Scientists (SPSS) and content analysis. According to Bhattacharjee (2012) content analysis is the systematic analysis of the content of a text (e.g., who says what, to whom, why, and to what extent and with what effect) in a quantitative or qualitative manner. Twambo and Mbetwa (2017) states that qualitative data can be analysed by content analysis were responses are grouped into similar thematic areas for easy aggregation and understanding of the trend of the data.

III. DATA PRESENTATION AND INTERPRETATION.

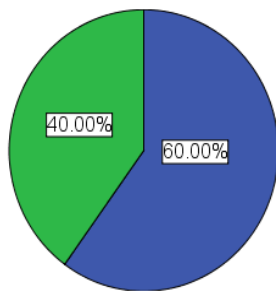
D. 4.1. RESULTS

Table 4.1: Low-income households Savers.

Responses	Frequency	Percent
No	24	60.0
Yes	16	40.0
Total	40	100.0

Source: author (2018)

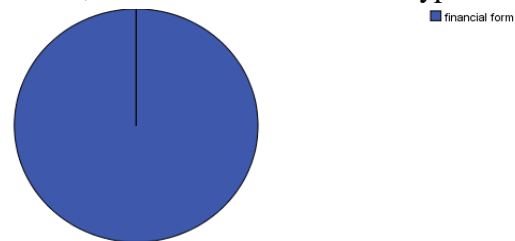
Figure 4.1. Low income household Savers.



Source: Table 4.1.

From table 4.1; 40 low-income households were sampled of which 24 respondents representing 60% do not save their income while 16 households save.

Figure 4.3; Low-income household type of saving



Source: Table 4.3.

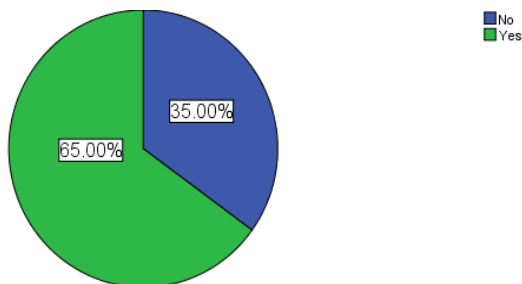
From the above it is observed that 16 respondents who save their income save in financial form.

Table 4.2: Middle income household savers.

Responses	Frequency	Percent
No	14	35.0
Yes	26	65.0
Total	40	100.0

Source: author (2018)

Figure 4.2. Middle-income households Savers



Source: Table 4.2.

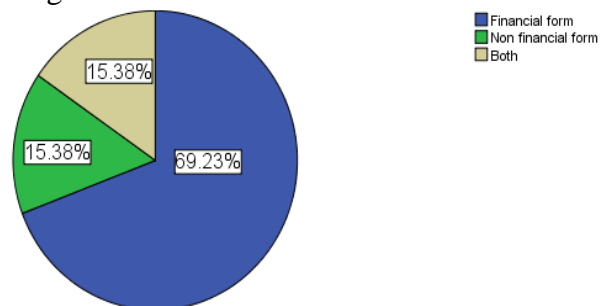
Out of the 40 middle-income respondents, 26 representing 65% save part of their income while 14 representing 35% do not save as shown above.

Table 4.4: Middle-income household type of saving

Type of saving	Frequency	Percent
Financial form	18	69.2
Non- financial form	4	15.4
Both	4	15.4
Total	26	100.0

Source: Author (2018)

Figure 4.4: Middle-income household type of saving



Source: Table 4. 4.

From the above table, 18 respondents representing 69.2% save their income in financial form, 4 respondents representing 15.4 % save in non-financial form and the remaining 4 respondents

Table 4.3: Type of Saving by the low-income households.

Type of saving	Frequency
financial form	16

Source: author (2018)

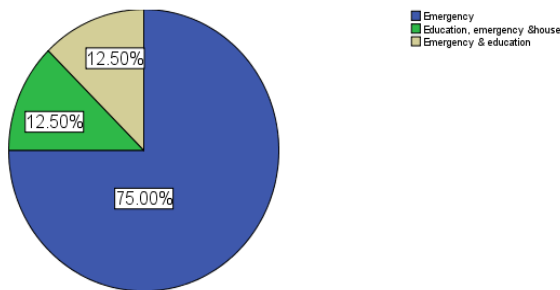
representing 15.4% save in both financial and non-financial form.

Table 4. 5: Reasons for saving by the low-income households

Reasons	Frequency	Percent
Emergency	12	75.0
Education, emergency & house	2	12.5
Emergency & education	2	12.5
Total	16	100.0

Source: Author (2018)

Figure 4.5: Reasons for saving by the low-income households.



Source: Table 4.5.

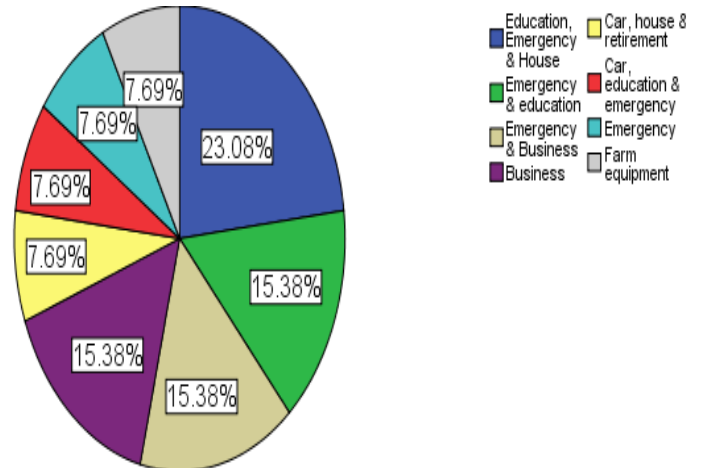
Table 5 above shows that low-income households have 3 reasons for their saving. With the total being considered 16 of those who save, 12 households representing 75% save for emergency, 2 households representing 12.5% save for Education, emergency and house, the other 2 representing 12.5% save for emergency and education. Emergency is the major reason for saving among the low-income households, education is second and building a house is considered last.

Table 4. 6: Reasons for saving by the middle-income households

Reasons	Frequency	Percent
Education, Emergency & House	6	23.1
Emergency & education	4	15.4
Emergency & Business	4	15.4
Business	4	15.4
Car, house & retirement	2	7.7
Car, education & emergency	2	7.7
Emergency	2	7.7
Farm equipment	2	7.7
Total	26	100.0

Source: author (2018).

Figure 4.6: Reasons for saving among the middle-income households.



Source: Table 4. 6.

From table 4.6, its shown that its shown that 6 respondents representing 23.1 % save for education, emergency and house, 4 respondents save for emergency and education, the other 4 representing 15.4% for emergency and investment, the other 4

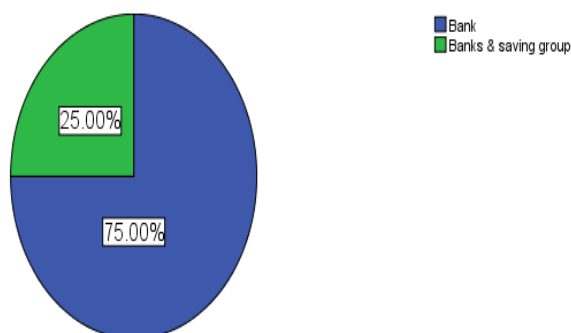
representing 15.4% for investment, 2 respondents representing 7.7 % save for car, house and retirement, 2 respondents representing 7.7 % save for car, education and emergency, 2 respondents representing 7.7 % save for emergency and the last 2 respondents representing 7.7 % save for farm equipment. Emergency, education and business are more preferred.

Table 4.7: Mode (s) of saving by the low-income households.

Mode of saving	Frequency	Percent
Bank	12	75.0
Banks & saving group	4	25.0
Total	16	100.0

Source: author (2018)

Figure 4. 7: Mode (s) of saving by the low-income households.



Source: Table 4.7.

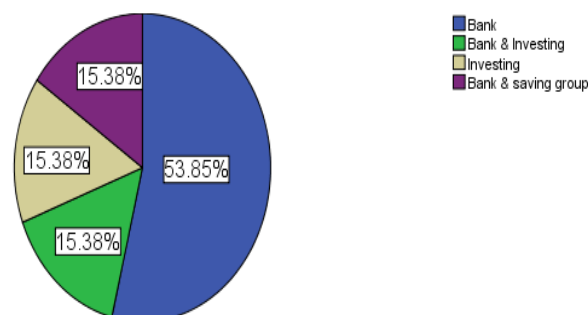
Of the 16 low-income households who save, 12 representing 75% save with the banks, 4 households representing 25% save with both the banks and the saving groups.

Table 4.8: The mode of saving by middle-income households

Mode of saving	Frequency	Percent
Bank	14	53.8
Bank & Investing	4	15.4
Investing	4	15.4
Bank & saving group	4	15.4
Total	26	100.0

Source; author (2018).

Figure 4.8: The mode of saving by middle-income households.



Source; Table 8.

Table 4.8 above shows that 14 respondents representing 53.85 % save with the banks, 4 respondents representing 15.38% save with the banks as well as investing, the other 4 representing 15.38 % only invest their income and the other 4 representing 15.38% save with the banks and the saving groups.

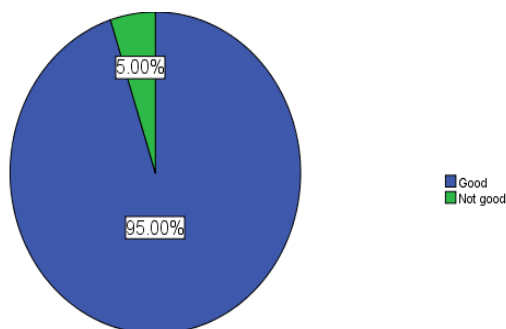
Table 4. 9: Low-income households' perception on saving

Responses	Frequency	Percent
Good	38	95.0
Not good	2	5.0

Responses		Frequency	Percent
	Good	38	95.0
	Not good	2	5.0
	Total	40	100.0

Source: author (2018)

Figure 4.9: Low-income households' perception on saving



Source: Table 9.

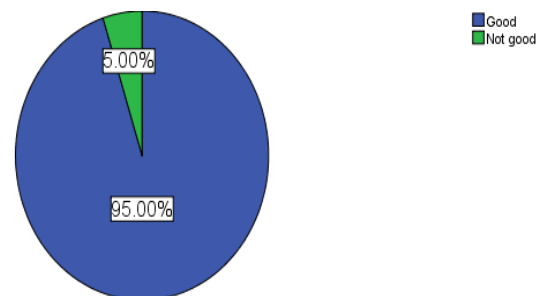
From a total of 40 respondents, 38 respondents representing 95% indicated that saving is good while 2 respondents representing 5 % showed that saving is not good.

Table 10. Middle-income household's perception on saving

Responses		Frequency	Percent
Valid	Good	38	95.0
	Not good	2	5.0
	Total	40	100.0

Source: author (2018)

Figure 4.10: Perception on saving by the middle-income households



Source: Table 4.10.

From a total of 40 respondents, 38 respondents representing 95% indicated that saving is good while 2 respondents representing 5 % showed that saving is not good.

E. 4.2. DISCUSSION

F. 4.2.1. Low and Middle-income Households' Savers

The research revealed that 24 households representing 60 % from the low-income people do not save while 16 households representing 40% do save. The situation is different with the middle-income households were 26 households representing 65% do save while the 14 representing 35% do not save. There is a difference of 25% in terms of saving. This agrees with the Keynes Absolute Income Hypothesis of saving which says people with more income are expected to save more as they possess surplus income than with those who have less income. The findings by Chauke (2011) in his study on the determinants of savings among the Black middle class in South African are also not in agreement with this research since he found that the middle class do not save but have more credits. The findings of this research also contradict the Katonas theory of saving which says people with different income have the same chances of saving provided that they have a will. With the low-income households being the majority in the Zambia, this entails that national savings will be less. Those who do not save were citing the low-income levels as the cause for both the low and middle-income

households. These households who do not serve (24 low-income and 14 middle-income) representing 30.4% of the 80 respondents are potential savers as they expressed the willingness to save if income was increased.

G. 4.2.2. Type of saving in low and middle-income households.

The study has also indicated that all the 16 low-income households that save part of their income save in financial form. With the 26 middle-income households that save, 18 households representing 69.2% saving in financial form, 4 households representing 15.4% saving in non-financial form and the other 4 households representing 15.4% saving in both financial and non-financial form. Financial helps the household to respond to the challenges immediately they strike. This helps them to solve their monetary problems without going into credits or borrowing.

H. 4.2.3. Reasons for saving by the low and middle-income households

The second objective was to establish the reasons for saving among the low and middle-income households. The research has brought to light the different modes of saving by the low and middle-income households. As portrayed in Table 4.2 above, the middle-income people have a variety of reasons for saving as compared with the low-income households. Most households indicated more than one reason for their saving.

Out of the 26 middle-income households, 6 households representing 23.08% save for education, emergency and house, 4 households representing 15.38% save for emergency and business, the other 4 representing 15.38% save for emergency and education, the other 4 representing 15.38% save for business, 2 representing 7.69% save for car, house and retirement, car, 2 representing 7.69% save for education and emergency, 2 representing 7.69%

save for farm equipment and the last 2 representing 7.69% save for emergency. Emergency was the most frequent reason for saving, then education, house, business, car with farm equipment and retirement being the last.

The low-income households only had three options for saving of which some households had a combination of reasons. Out of the 16 households, 12 households representing 75% only save for emergency, 2 households representing 12.5% save for education and emergency while the other 2 representing 12.5% save for emergency, education and house. Emergency was the most reasons for saving among the low-income households, seconded by education and building a house was the last. A study conducted by Dolphin (2008) in UK reveals different results since it shows that low-income families in UK save for Christmas, holidays and birth days. This research used a sample size of 58 and it was looking at 'Saving and Asset building in low-income households.

The study by Levy and Seefeldt (2008), on the low-income woman in Michigan of USA found that the respondents expressed desire to save mainly for unexpected circumstances and education.

However, the reasons for saving among the middle-income households shows that they have the potential to acquire more durable property. Their reasons also portray that these are mainly for long term plans. They are able to plan for their life and save more as compared to the low-income households. Low-income households mainly have reasons that are short term and this is worry some as these may struggle in their time of unemployment.

I. 4.2.4. The mode of saving by low and middle-income households

The third objective was to establish the mode of saving by the low and middle-income households. The research has indicated that the low-income

households had only two options for saving their income. Of the 16 low-income households that save, 12 households representing 75% save their income with the bank. 2 households representing 25% save with the bank and the saving groups. A study by Dolphin (2008) indicates a different scenario where low-income families in UK save informally in jars and Christmas clubs organized by friends. Informal saving removes money from circulation.

The scenario is different with the middle-income households who have four options for saving their income. Of the 26 middle-income households that do save, 14 households representing 53.8% save with the banks, 4 households representing 15.4% are saving by investing, the other 4 save with both the bank and investing, and the last 4 representing 15.4% save with the bank and the saving groups.

J. 4.2.5. The perception of low and middle-income households.

The fourth objective was to assess the perception of low and middle-income households towards saving. Out of the 40 middle-income households, 38 of them representing 95% had a good perception towards saving while 2 middle-income households representing 5% do not. This is similar to the findings of the research by Dolphin (2008) in UK, where low-income families had a positive attitude towards saving.

IV: CONCLUSION AND RECOMMENDATIONS.

K. 5.1. Conclusion

The study has indicated that majority of the low-income households 60% are not saving and those who save it is in a financial form. There are more households saving among the middle-income households 65%. All those not saving for both the low-income and middle-income households showed willingness in saving if their income was to change

positively. This shows that there are more savers among the middle-income households than the low-income households while the low-income households have a greater proportion of potential savers than actual savers.

Reasons or motives for saving are short term among the low-income households which is different from the middle-income households who possess long term reasons. The low-income households save with the banks and saving groups and others use the two. The middle-income households have four options for saving their income. Majority save with the banks. Others save by investing and saving groups. Some households combine the saving methods. Both the low-income and middle-income households indicated a good perception towards saving. Good perception on saving and their high income may be a good sign that middle-income households will continue saving. However, the good perception on saving by the potential savers may be used to turn them into actual savers.

L. 5.2. Recommendations

- There is need for the government to draw a policy that will encourage the spirit of saving among the low-income households. If these people save, there will be an increase in the domestic savings that may be used to reduce on foreign debts.

Areas for future Studies

- Other researchers may look at the determinants of saving among the low and middle-income households.
- The research on retirement plans of the Low and middle-income households.

V. ACKNOWLEDGEMENTS.

With all my heart, I wish to give my greatest thanks to God the father, God the son & God the Spirit who are perfectly united as one for the amazing grace bestowed upon me during my entire study. **“I can do all things through Christ which strengtheneth me” Phillipians 4: 13.** I remain a debtor to your cross my redeemer, JESUS. Thank you, my LORD.

My heartfelt thanks go to my supervisor, Mr. Chibomba Kelvin. Thank you, for your rich guidance. To all the Information and Communications University (ICU) Lecturers, thank you so much.

To the Zambia Research and Development Center (ZRDC), thank you for your sponsorship, I'm your true Ambassador.

My Fiancée, Mary Chewe, family members and my churchmates, your prayers have been so valid in this all process. My cousin Sinipher Chilufya, thank you my dear for helping me in data collection. Thank you all for your great support.

To all my friends, Mbasela Cosmas, Zulu David, Kayombo Robert, Mbewe Mabvuto, Lunkoto lameck, Theresa Miyobela, Lukanga Joseph and Dumase Shawa thank you guys for the support.

All those who rendered help to me thank you and may the great God of heaven Bless you.

VI. REFERENCES

- [1] Browning, M., & Lusardi, A. (1996). Household saving: Micro theories and micro facts. *Journal of Economic Literature*, XXXIV (4), 1797–1855.
- [2] Central Statistical Office. (2012). *Living Conditions Monitoring Survey Report 2006 & 2010*. Lusaka: Central Statistical Office.
- [3] Chauke, M (2011). The determinants of household saving: The South African Black middle-class perspective. M.A thesis. Gordon Institute of Business Science, University of Pretoria. South Africa.
- [4] Chizoma., M. C (2004)., Determinants of Household Savings in Zambia, Pdf. M.A. Thesis, UNZA.
- [5] Ghauri, Pervez & Gronhaug, Kjell. 2010. *Research Methods in Business Studies*. 4th edition. Essex, England. Pearson Education Limited.
- [6] Jorgensen, O. (2011). Macroeconomic and policy implications of population aging in Brazil. Policy Research Working Paper 5519.
- [7] Katona, G. (1975). *Psychological economics*. New York: Elsevier.
- [8] Keynes, J. M. (1936). *The general theory of employment, interest and money*. London: Macmillan Press Ltd.
- [9] Kudaisi, B. V. (2013). Savings and its determinants in West Africa countries. *Journal of Economics and Sustainable Development*, 18 (18), pp. 107-119.
- [10] Central Statistical Office (2015); ‘Living Conditions Monitoring Survey Report Lusaka, Zambia.
- [11] Leedy, P.D. Ormrod, J.E. (2014), *Practical Research: Planning and Design*, 10th Edition, England, Pearson International.
- [12] Lusardi, A. (1998). On the importance of the precautionary saving motive. *American Economic Review, Papers and Proceedings*, vol. 88, pp. 449–53.
- [13] Maimbo, M. S. and G. Mavrotas. (2003). *Financial Sector Reforms and Savings Mobilizations in Zambia.* UNU/WIDER Discussion Paper number 13, February.
- [14] Mphuka. C. (2010). Are Savings Working for Zambia’s Growth? *Zambia Social Science Journal*, Vol1.No2, Article 6.
- [15] Odhiambo, M. N. (2008). Financial depth, savings and economic growth in Kenya: A dynamic causal linkage. *Economic Modelling* 25, 704–713.
- [16] Quartey, P. and Blankson, T. (2008) ‘Household savings in Ghana: Does Policy Matter’ in Aryeetey, E. and Kanbur, R. (Eds), *The Economy of Ghana: Analytical Perspective on Stability, growth and Poverty*, James Curry Woeth Publishing Services, Accra New Town, Ghana.
- [17] Wang, H. (2010). Retrieved 12 12, 2013, from Forbes.com: <http://www.forbes.com/sites/helenwang/2010/11/24/defining-the-chinese-middle-class/>.
- [18] World Bank. 2007. *World Development Indicators*. Washington, D.C.: World Bank.