



# Malawi

## Malawi: Introduction

Michelle van Rooyen

Last updated 17 April 2025 using IFs v8.34



## Malawi: Introduction

Chart 1: Political map of Malawi

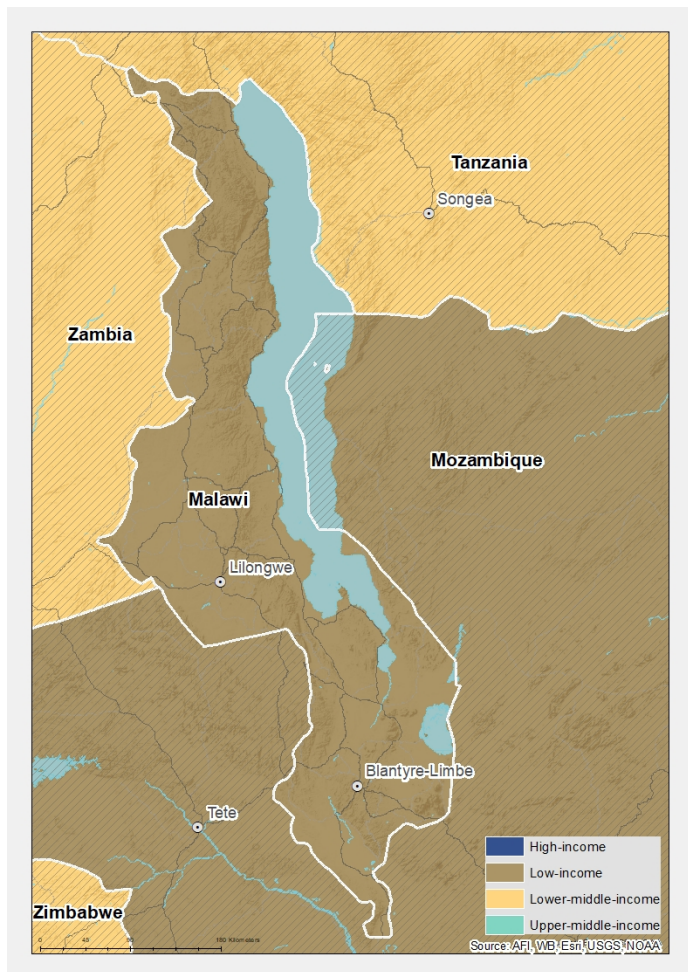


Chart 1 is a political map of Malawi.

Malawi, a landlocked country in Southern Africa, is bordered by Mozambique, Zambia and Tanzania. It is one of the 22 low-income countries in Africa, with an estimated population of 21.1 million in 2023.

In January 2021, the Malawian government introduced Malawi Vision 2063 (MW2063). This long-term development blueprint envisions transforming Malawi into an inclusive, wealthy and self-reliant industrialised upper-middle-income country by 2063. The operationalisation is structured into 10-year implementation phases, starting with the Malawi Implementation Plan I (MIP-1), which runs from 2021 to 2030. MIP-1 aims to achieve two key milestones: elevating Malawi to lower-middle-income status by 2030 and meeting most of the United Nations Sustainable Development Goals (SDGs) by the same year.

Generally considered a peaceful nation, Malawi has experienced stable governance since gaining independence in 1964. The era of one-party rule ended in 1993, leading to the establishment of multiparty presidential and parliamentary elections held every five years. Malawi continues to uphold its democratic processes. Following the tragic death of Vice President Saulos Chilima in a plane crash on 10 June 2024, President Lazarus Chakwera appointed Michael Usi as the new Vice President in late June 2024. The next general election is scheduled for 16 September 2025.

Despite making progress in improving socio-economic indicators like health and education and reducing child and maternal mortality rates, Malawi continues to face significant developmental challenges. As of 2023, over 70% of Malawians live below the international poverty line of US\$2.15 per day, with a GDP per capita averaging below US\$1 500 over the past decade. The United Nations Development Programme (UNDP) ranked Malawi as a country with low human development in its 2023 report, scoring 0.51 on the Human Development Index (HDI). Malawi ranks 172nd globally, trailing behind its neighbours Tanzania (167th) and Zambia (153rd) but faring better than Mozambique (183rd). Malawi ranks 5th out of 22 countries in the African low-income group.

Persistent structural issues hinder Malawi's development, including corruption, poor infrastructure, weak human capital, policy inconsistencies and a challenging business environment. The economy relies heavily on agriculture, contributing around 25% of GDP and employing 64% of the labour force. Efforts to diversify the economy and expand irrigation systems have progressed slowly, increasing the country's vulnerability to economic and climatic shocks while intensifying existing socio-economic challenges. Malawi's 2023/24 rainy season, influenced by El Niño, was marked by a delayed start and prolonged dry spells, especially in central and southern areas. Some dry periods exceeded four weeks during the key January–February growing season, severely damaging crops and reducing food production. In March 2024, President Lazarus Chakwera declared a State of Disaster in 23 out of 28 districts due to the crisis. Between May and September 2024, around 10.9 million people experienced acute food insecurity.

Recent challenges, including the COVID-19 pandemic, geopolitical tensions, economic shocks and increased weather-related disasters, have exacerbated fiscal pressures. These factors have resulted in soaring budgetary deficits. The freezing of USAID funds by the US administration in early 2025 has severely impacted Malawi, halting essential medical supplies and educational support. The US previously contributed over US\$350 million annually, constituting more than 13% of Malawi's budget.

Malawi's current account deficit reached 18.7% of GDP in 2024, further straining official reserves, which stood at US\$119.9 million (0.5 months of import cover) as of August 2024. The country recorded the highest fiscal deficit in sub-Saharan Africa at 10.2% of GDP, partly due to fiscal slippages and the recapitalisation of the Reserve Bank of Malawi to cover exchange rate losses. This severely limits resources available for productive investments and social programs. To achieve fiscal and external sustainability, it will be necessary to implement fiscal consolidation measures and negotiate a carefully structured debt restructuring process.

In summary, Malawi's development path remains complex, but with strategic reforms and targeted interventions, the country can make meaningful progress toward its long-term goals. This report outlines key policy actions that, if effectively implemented, could help Malawi navigate its challenges, strengthen resilience and move closer to realising its full development potential by 2043.

## Donors and sponsors



### Reuse our work

- All visualizations, data, and text produced by African Futures are completely open access under the [Creative Commons BY license](#). You have the permission to use, distribute, and reproduce these in any medium, provided the source and authors are credited.
- The data produced by third parties and made available by African Futures is subject to the license terms from the original third-party authors. We will always indicate the original source of the data in our documentation, so you should always check the license of any such third-party data before use and redistribution.
- All of our charts [can be embedded](#) in any site.

### Cite this research

Michelle van Rooyen (2025) Malawi. Published online at [futures.issafrica.org](https://futures.issafrica.org). Retrieved from <https://futures.issafrica.org/geographic/countries/malawi/> [Online Resource] Updated 17 April 2025.

## About the authors

**Ms Michelle van Rooyen** joined the ISS in February 2025 as a researcher in the African Futures and Innovation programme in Pretoria. Before joining the ISS, she led primary research projects and conducted in-depth secondary research on emerging trends and developments across sectors. As a research associate at the Institute for Futures Research, she published foresight articles and reports and co-facilitated scenario planning workshops, helping organisations to develop long-term, adaptive strategies. Michelle holds a master's degree with distinction in futures studies from the Stellenbosch University Business School and is a member of the Association of Professional Futurists. She is passionate about advancing socio-economic development through transdisciplinary research, evidence-based policy, and a commitment to lifelong learning.

## About African Futures & Innovation

Scenarios and forecasting can help Africa identify and respond to opportunities and threats. The work of the African Futures & Innovation (AFI) program at the Institute for Security Studies aims to understand and address a widening gap between indices of wellbeing in Africa and elsewhere in the world. The AFI helps stakeholders understand likely future developments. Research findings and their policy implications are widely disseminated, often in collaboration with in-country partners. Forecasting tools inspire debate and provide insights into possible trajectories that inform planning, prioritisation and effective resource allocation. Africa's future depends on today's choices and actions by governments and their non-governmental and international partners. The AFI provides empirical data that informs short- and medium-term decisions with long-term implications. The AFI enhances Africa's capacity to prepare for and respond to future challenges. The program is headed by Dr Jakkie Cilliers.