

Joao Antonio Charomar, 2019

Volume 5 Issue 2, pp. 616-629

Date of Publication: 25<sup>th</sup> September 2019

DOI- <https://dx.doi.org/10.20319/pijss.2019.52.616629>

This paper can be cited as: Charomar, J. A. (2019). *The Social and Economic Concatenation in the Tourism of Mozambique*. c, 5(2), 616-629.

This work is licensed under the Creative Commons Attribution-Non Commercial 4.0 International License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc/4.0/> or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

## **THE SOCIAL AND ECONOMIC CONCATENATION IN THE TOURISM OF MOZAMBIQUE**

**Joao Antonio Charomar**

*Széchenyi István University Department of Tourism, Kautz Gyula Faculty of Economics  
Hungary, Győr*

[antonio.charomar@sze.hu](mailto:antonio.charomar@sze.hu)

---

### **Abstract**

*Our analysis of the social and economic relationship in the tourism of Mozambique besides our personal relationship was motivated by the exploration of the potential hidden in the tourism targeting developing countries. In the analysed country the percentage contribution of travel-tourism sector to the overall GDP from 2008 to 2018 started to increase again after plummeting during 2011 and 2012 but has stagnated since 2015. In the medium term the sector output has been increasing continually since 2008 except for the period 2011-2012 (2017: 455.9 million USD) and according to the data revealed by WTTC in 2018 it is expected to increase 1.5 times. However, the 2017 figure places the country in the 136<sup>th</sup> position in the world ranking lagging well behind the world average (21.5 billion USD). In our research we analyse the social and economic causes of the country's small competitiveness. We also unfold the tourism supply elements, the role played by the sector in the economy of Mozambique. We sought answer to the question whether the society sees opportunities for engaging efficiently in tourism and what experiences it has had in the process of welcoming tourists. In answering the economic questions we have compared secondary data and information. In our primary research we have prepared a questionnaire for ordinary citizens and institutions operating in the tourism sector. In these questions we have asked their opinions, attitude, formal education level and their willingness to engage in tourism in the future. We believe these two themes are crucial for boosting tourism in the country. This research, as the first step, also aims to build an international research relationship in the future.*

## **Keywords**

Supply, Society, GDP, Attitude, Mozambique

---

## **1. Introduction**

Mozambique is a young republic situated on the south-east side coast of Africa. It shares borders with Tanzania in the north, with Zambia and Malawi in the north-west, with Zimbabwe in the west and with Swaziland and South Africa in the south. To the east is the Indian Ocean. The country attained its independence from Portugal in 1975, after 470 years of colonisation since 1505 and ten years of fight for independence. “The 1973 Oil Crisis had a direct effect on the country's economy which also caused the South African gold mines to lay off two-thirds of their Mozambican workers in 1976, leading to an immense loss in Mozambique's foreign earnings. Worse still was the mass exodus of skilled Portuguese settlers and the related outflow of capital and asset-stripping which caused the collapse of many secondary industries within a year of independence.” (Philip Briggs, *Guide to Mozambique*, 1997 p. 18)

Shortly after political independence this former Portuguese overseas province suffered from a civil war which started in 1976 and ended in 1992 with the Peace Agreement signed in Rome between the ruling party and the major opposition party. The civil war claimed a million lives, destroyed a lot of infrastructure and left the tourism industry and wildlife conservation in dire straits. By 1978 there was no organized tourist travel in the country.

However, the confidence of tourist operators started growing after the civil conflict and now the country has the opportunity to develop its tourism industry. By the end of the 1990s tourism was the fastest growing sector of the country's economy. This industry attracts more foreign investment than any other part of the country's economy.

Tourism was a very profitable industry in the period before independence. Beira and Mozambique's southern beaches used to be visited by Rhodesian and South-African tourists. Gorongosa National Park, which is halfway between Zimbabwe and Beira was a large tourist attraction.

Despite lack of quality infrastructure in many areas of the country tourism continues to grow. The government has declared tourism as one of the strategic sectors of the economy and hopes that the country's game and nature reserves will become a major tourist attraction. Despite the damages caused by the war there is positive growth in many of the nation's parks, especially the Maputo Special Reserve and Gorongosa Parks. In the efforts of the country to reduce poverty the growth of tourism industry encourages prospects of creating more jobs and contributing to the country's GDP.

Various studies related to Mozambique consistently report the increasing tendency of tourist activity in the country. To answer the question why people are interested in visiting Mozambique an

April 2016 study by Montepio Departamento de Estudos answers: its attractive natural characteristics—paradisaical beaches and forests where ecological reserves can be created, its coastal resources are the strongest in southern Africa. The littoral continues unexplored and it's very diversified in landscape, flora and fauna. There is abundant sea life and diving and fishing match high quality international standards. (Hotelaria e Turismo)

## **2. Methodology Used**

We gathered secondary information from the existing literature related to the topic. Among the materials we found include research and reports by the World Bank, World Travel & Tourism, statistical reports released by the Ministério de Turismo de Moçambique (Mozambique Ministry of Tourism) and Instituto Nacional de Estatísticas (National Institute of Statistics), surveys conducted by many other non-governmental research organisations. We also conducted a primary research by asking questions to 200 people of various age groups and occupations in Beira, one of the country's major cities. The questionnaire was sent electronically to a team of acquaintances who randomly approached different people in the streets and asked questions. After obtaining the answers we processed graphs and analysed the data using MS Excel 2016.

## **3. A Brief Reference of Mozambique's Past and Economic Overview**

Mozambique's past was turbulent because of successive wars, first for independence then for democratic changes. After the civil war which destroyed most of the existing infrastructure the country struggled economically. Despite its economic ups and downs the country succeeded in finding international partners whose support has always encouraged its development. For a decade since 2005 Mozambique's economic growth was impressive. “Mozambique grew at an average annual rate of 6%-8% in the decade leading up to 2015, one of Africa's strongest performances, but the sizable external debt burden, donor withdrawal, elevated inflation, and currency depreciation contributed to slower growth in 2016-17.” (<https://www.cia.gov/library/publications/the-world-factbook/geos/mz.html> downloaded 18-06-2019)

We analysed Mozambique's economy starting with its traditions and natural endowments. Later we evaluated the concatenation of social and economic aspects under sustainability point of view.

In colonial times the country's social life was characterised by tribal traditions consisting of different habits and customs. Some tribes were very skilled in arts and crafts, others in musical, dancing and carving activities. Despite illiteracy most Mozambicans were able to create something

of their own that reflected the endowments of their tribe. The variety of traditions attracted many tourists.

The economic development of Mozambique was hindered by the mono-cultural approach of the colonial system and its level of development. Portugal compared to the other colonial powers was said to be less developed and being so could not explore and use its former overseas province's natural resources efficiently. However, it established the current country's main cities and laid the foundations for the current modern infrastructure. The city buildings and facilities were primarily intended for use by colonialists and the assimilated. After gaining independence in 1975 and becoming a republic the country's economy went through serious difficulties due to the single-party Marxist political system and the civil war that followed the 10-year war of independence. Both wars had disastrous impact on the country's economy. Despite this sad situation the country continued open to the world by welcoming tourists, preserving hospitality, improving social relationships and community programs.

Beyond the historical and past political factors the economic structure of the country is also determined and influenced by its natural endowments. One of these endowments is its Indian Ocean 2,470 km long coastline. This region suitable for fishing and leisure activities favours tourism greatly.

Moreover, 5 natural gas reserves were discovered recently extended throughout 100 kms along the coast and to explore and process energy based on that resource an American-Mozambican joint venture was established. The project has rightly approached and handled the social, cultural, economic situation of the locals, as well as the property rights, the use of the natural resources, commitment to compensation, restoration of the social structures, provision of employment and support of the local social care. (<http://www.mzlng.com/The-Project/>)

The plane coastal region oriented towards the west shapes into a landscape with plateaus and fault blocks. The highest point is Monte Binga (2436m) found near the border with Zimbabwe. The country borders in the south-west and south with the economically far more developed South Africa and the tiny Swaziland. The road-traffic and geographic situation of the great neighbour attracts significant workforce through its economic development and impactful investing power.

Among the four rivers – all flowing into the Indian Ocean – the most important ones are Zambezi and Limpopo. In this tropical country there are two seasons: the hot rainy season (November – April) and the hot dry summer (May – October). The characteristic vegetation here is Savannah and the country has 6 national parks. With regard to the fact that this region has large environmentally protected areas (37 470 km<sup>2</sup>) special attention has to be given to sustainability viewpoints.

The country's infrastructure throughout the historical storms could not keep pace with the population growth so creation of infrastructure remains a big and complex task. The technological revolution in the country is to take place in such a way that it would not harm the natural or social values. In this complex process the active involvement of tourists in so called operation of voluntary

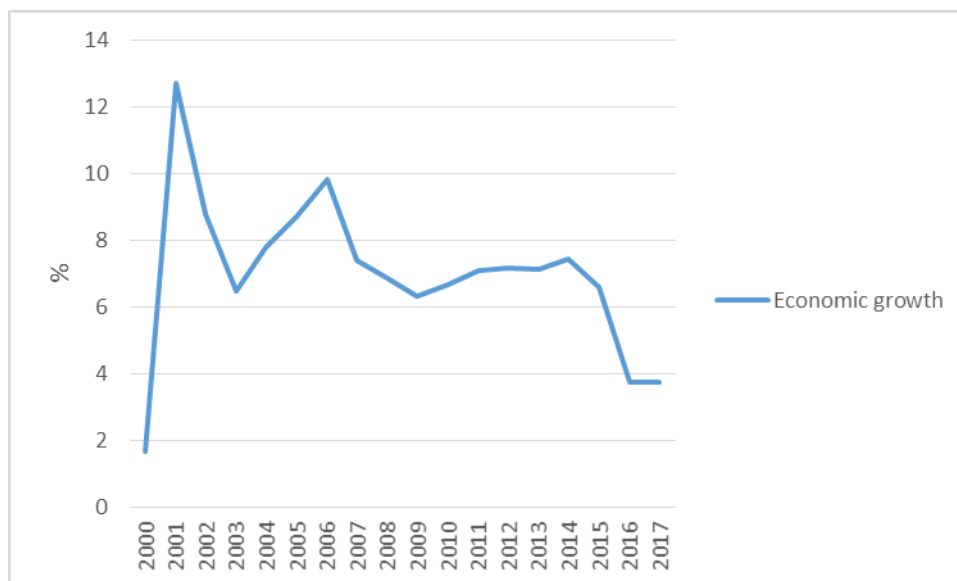
zones is a future challenge. A further task, assuming parallel industrial development, industrial areas are to be sharply separated from the tourist zones and the authorized tourist activity is to be oriented to buffer zones from the chore protected areas.

However, even if tourism is capable of diversifying the local economies, of bringing infrastructures to people in remote areas (and with them the access to social services such as hospitals, schools, markets, etc.) and of creating job opportunities, with its infrastructures and cultural contamination it may often lead to a change or to the destruction of the local natural and cultural environment. Moreover, through tourism, the local communities may lose control on their territory, the local resources and on how to use them, and on the number of tourist they are willing to welcome (McElroy, de Albuquerque, 2002; Lozato-Giotard, 2006). Without such control the population loses the faculty of choosing how to use its territory (Turco, 1988) and in the end it may also lose its identity, considering that nowadays the preservation of communities is strictly connected to the preservation of their spaces” (Lozato-Giotard, 2006).

Knowing the factors above we can say that in 2018 Mozambique’s economy generated a GDP of 34.9 billion USD (PPP) registering a 6.3% growth compared to the previous year. The unemployment rate was 24.4% and the rate of inflation was 19.2%. According to the index from economic freedom in 2018 out of 47 countries it occupied the 42nd place with 46.3 points. In a world list of 180 countries ranking it was in the 170th place. (<https://www.heritage.org/index/country/mozambique>).

As quoted by (Wilson Fesenmaier, Fesenmaier & Van Es, 2001), saw tourism development as involving, (1) attractions in the form of the natural and man-made features both within and adjacent to a community; (2) promotion: the marketing of the area’s tourism attractions to potential tourists; (3) good tourism infrastructure: access facilities (roads, airport, trains and buses), water and power (4) services: accommodation, restaurants, and the various retail businesses needed to take care of tourists’ needs and (5) hospitality: how tourists are treated by both community residents and those employed in the tourism business and in the area’s attractions.”[https://www.academia.edu/635681/Factors\\_for\\_success\\_in\\_rural\\_tourism\\_development](https://www.academia.edu/635681/Factors_for_success_in_rural_tourism_development)

### 3.1 Comparative Economic Analysis and Competitiveness



**Figure 1: Mozambique's Economic Growth – 2000 - 2015**  
(Own Processing, Data Source: Knoema.com 20/06/2019, 12:10)

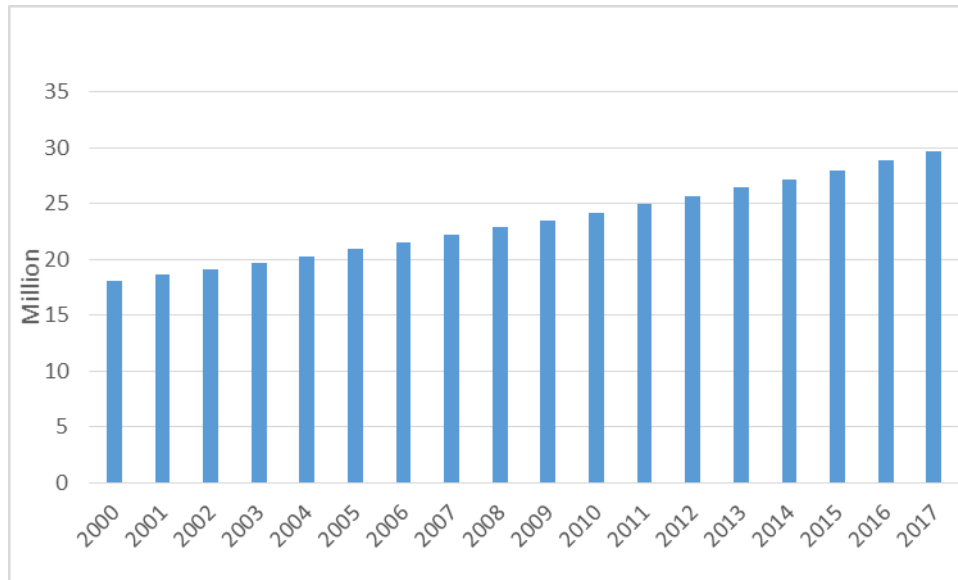
Mozambique has realised sustained economic growth over the last decade and a half, averaging 7.5% per annum between 2000 and 2015. This makes the country one of the highest non-petroleum growth performances in sub-Saharan Africa (SSA). Although growing from a low base, Mozambique has continually outperformed global and SSA growth.

However, earlier in 2016 the Bank of Mozambique revised down its economic growth projections from 7% to 4,5% for 2016 (achieving 3.76%) the lowest in 15 years. This was due largely to a decrease in government spending, the decline in prices for key exports, lower inward investment and El Niño drought spanning parts of southern and eastern Africa.

A mix of sound economic reforms, political stability, foreign investment flows, and continued international donor support sustain the high economic growth rates recorded in recent years. (Deloitte, December 2016).

Regarding competitiveness the country still has a long way to go.

### 3.2 The Societal and Employment Issues

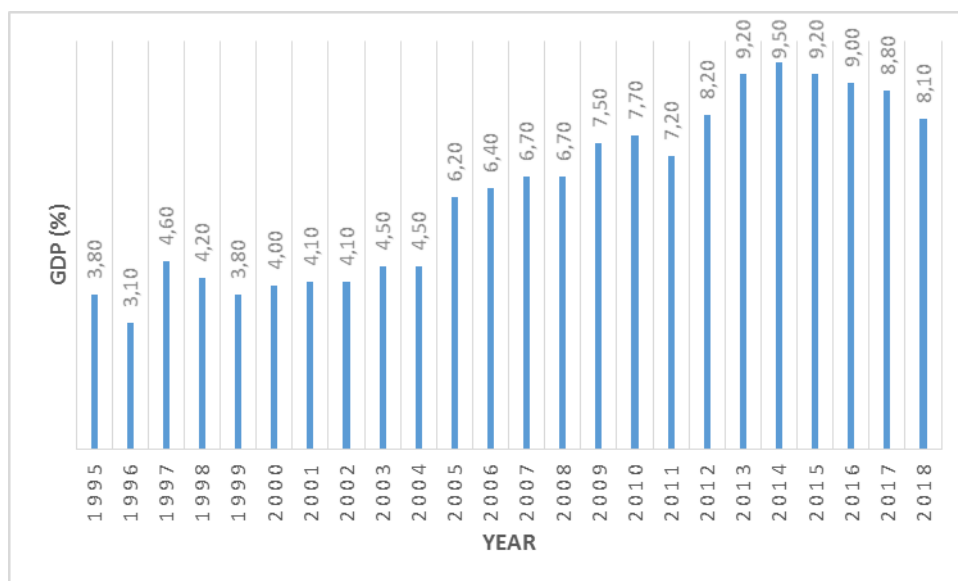


**Figure 2: Mozambique's Population**  
 (Own Processing, Data Source: Knoema.com 20/06/2019)

As seen in the graph above Mozambique's population is growing very fast and it is estimated to keep growing at a rate of 2.7% until 2020. The population is very young: 45% of the population is less than 15 years old and about two out of three Mozambicans (65%) are under 25. This young age structure provides opportunities for economic growth but also places a huge burden on the country's resources including the areas of health and education. (Montepio, April 2016)

A very sad reality related to employment is that "many people (in Mozambique) have no concept of a regular income. (Adam Lechmere, mozambique travellers Survival KIT p. 36)

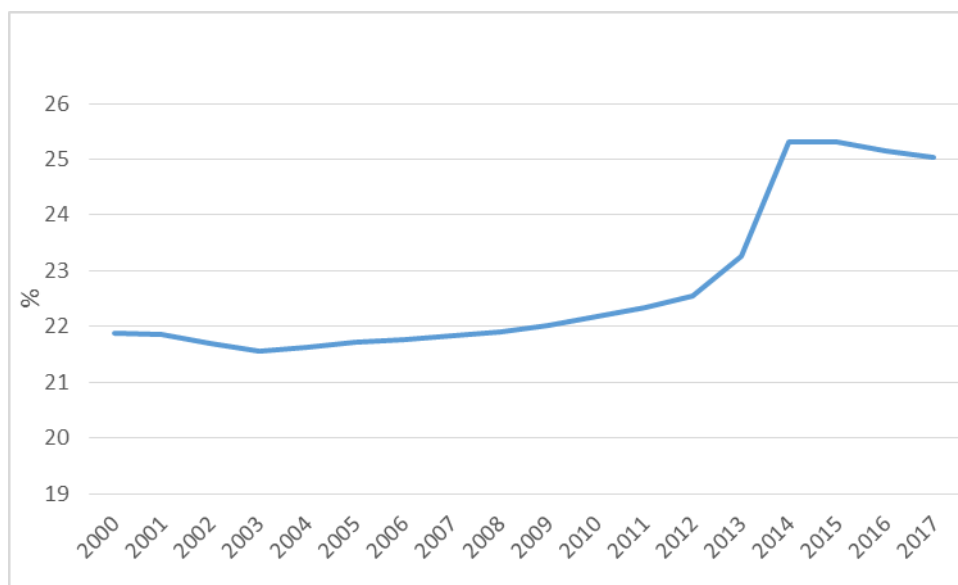
### 4. Mozambique's Tourism and Travel Contribution to the GDP



**Figure 3: Tourism and Travel Contribution to GDP**  
 (Own Processing, Data Source: knoema.com, downloaded 20-06-2019, 12:15)

As depicted by the graph tourism growth and its contribution to the GDP shows an increasing tendency. Tourism is considered one of the prominent strategic sectors for the country's economic growth. However, „according to the Inhambane Provincial Tourism Association, 15 establishments in Inhambane – Mozambique's tourist hub in the Southern Region – closed in the first half of 2016, resulting in about 100 redundancies. This comes after investment into Inhambane's tourism industry fell to USD 10m in 2015, from USD 40m in 2014. Overall capital investment in Mozambique's tourism grew by a mere 0.3% from USD 181.7m, to USD 182.3m between 2014 and 2015. Nonetheless, with breath-taking beaches, ideal tropical climates, world-class scuba diving and diversified wildlife, the sector is expected to contribute up to USD 1bn in the next decade and will require investment in hotels, lodges, and resorts to service the growing industry. (Mozambique's Economic Outlook /Governance challenges holding back economic potential; December 2016, Deloitte)

## 5. Mozambique's Youth Unemployment



**Figure 4: Youth Unemployment Rate**

(Own Processing, Data Source: knoema.com, downloaded 20-06-2019 12:00)

Mozambique's youth unemployment rates are very high. This is due to the shortage of workplaces mainly in the private sector and the high percentage of unskilled labour. Employment in the public sector even among the skilled labour force is difficult to obtain.

“The majority of the population is engaged in subsistence farming on an informal basis.”  
(Mozambique's Economic Outlook /Governance challenges holding back economic potential; December 2016, Deloitte)



## **6. STEEP Analysis of Mozambique's Tourism in Function of the Country's**

### **Economy**

**Social:** The young Mozambican population if trained adequately and engaged in tourism could contribute considerably to the development of the country's economy. There is huge potential in the country's natural endowments as well as in the demographic composition of the population. The development of rural tourism could create employment opportunities for many unemployed young people living in the rural areas.

**Technological:** Technologically, the country has basic modern facilities for communications and internet services keeping connected to the rest of the world. Mozambican young people like most African youngsters learn fast to use modern technologies. With well-developed training schemes and continuous training they can keep pace with the latest technologies.

**Economic:** Economically, rural tourism could encourage entrepreneurship among the rural population which is larger (more than 60%) than that living in the cities (approximately 40%). "The latest available data from the world Travel & Tourism Council (WTTC) revealed Mozambique's tourism industry directly employed about 280 000 people and contributed about USD 469m (3% of GDP) to the economy in 2015. The tourism industry is a key component of the economy, but arrivals have been decreasing recently owing to perceptions of rising political risk and a sluggish performance in South Africa – the main gateway to Mozambique's tourism market." (Mozambique's Economic Outlook /Governance challenges holding back economic potential; December 2016, Deloitte).

**Ecological:** Environmentally, the country has been making a lot of efforts to preserve its ecological values through the Ministry of Tourism and the National Institute of Tourism.

**Political:** The internal political conflict in Mozambique has reduced recently showing positive signs of improved political relations. Provided that improvement continues it will encourage foreign investments in general and tourism development in particular.

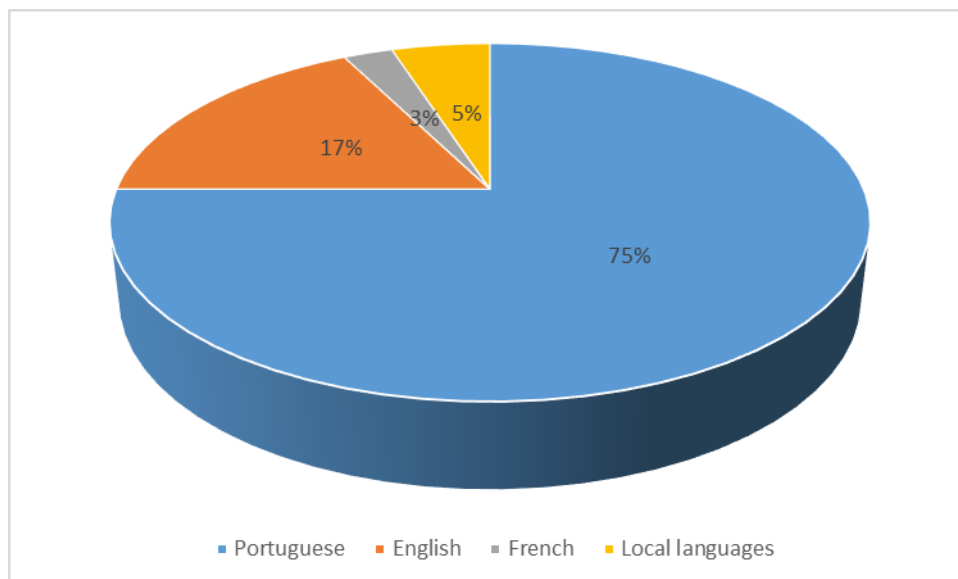
## **7. Primary Research Results**

As stated in our methodology, we conducted a survey with the help of a questionnaire addressed to 200 local people in Beira, one of Mozambique's major cities. The questionnaire contained eleven questions. With the first questions we wanted to know the languages the respondents used for communication, their opinion of the foreign tourists, we also asked if they had ever spoken to a tourist and if yes, what they spoke about. On a Likert scale they had to describe the population's attitude towards the tourists, Furthermore, we also asked if they wanted to learn about tourism management, learn a new language, if yes, what languages and in the final section of the questionnaire we asked them whether they had any previous experience working as members of a team, and

ultimately, if they would like to work tourism, and if the answer was yes, we asked them to specify the area among the options given in the questionnaire which consisted of hotel industry, restaurant sector, facilities landing, rural tourism and others.

The graphs below illustrate the results we obtained. Some of the answers due to their relevance are included in the research parallel to this research.

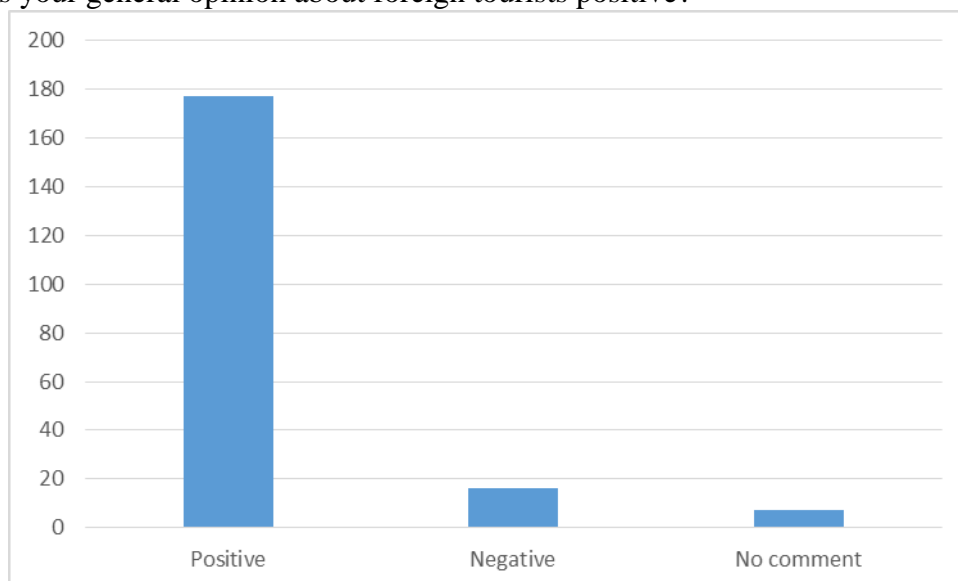
**Question:** Please underline your Language of Communication among the Choices Given.



**Figure 5:** Communication Languages  
(Own Processing, Questionnaire)

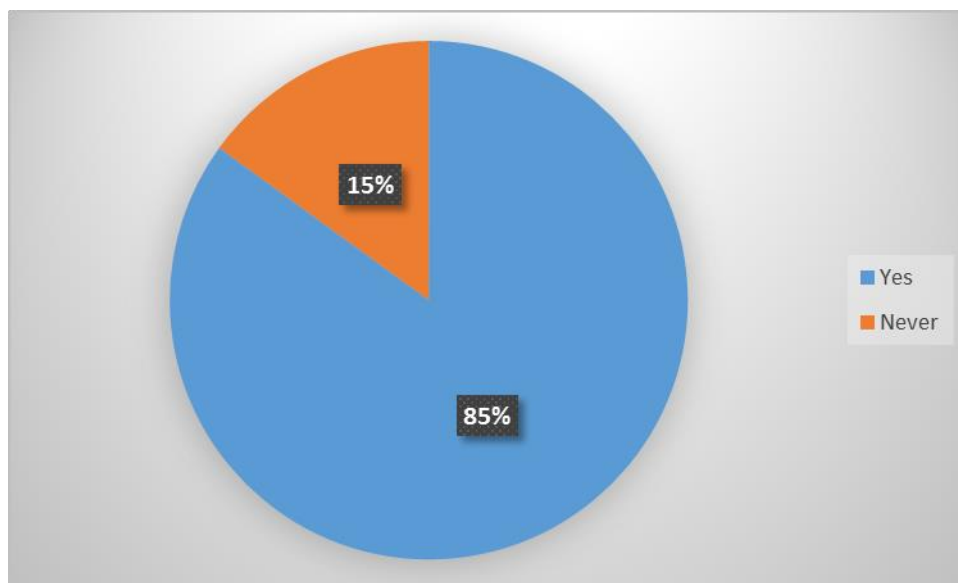
The majority of the respondents communicate in Portuguese because it is the country’s official language, despite the high rate of illiteracy among the adult population.

**Question:** Is your general opinion about foreign tourists positive?



**Figure 6:** Most Mozambicans have a Positive Opinion of the Tourists  
(Own Processing, Questionnaire)

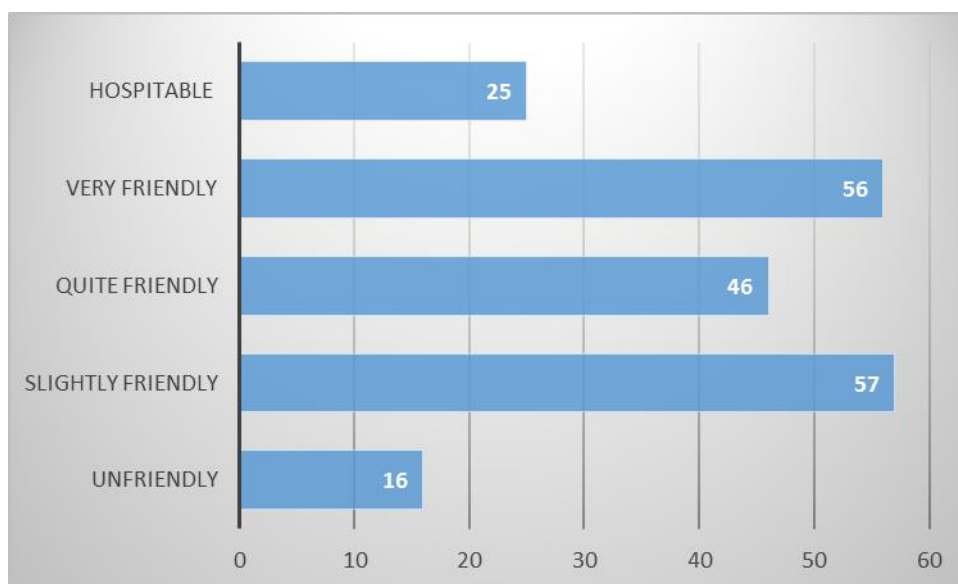
**Question:** Have you ever spoken to a foreign tourist?



**Figure 7:** Most Mozambicans have spoken to Foreign Tourists (Own Processing, Questionnaire)

Most respondents said they had spoken to tourists. The majority have showed the way, have spoken about food, the weather and/or other issues.

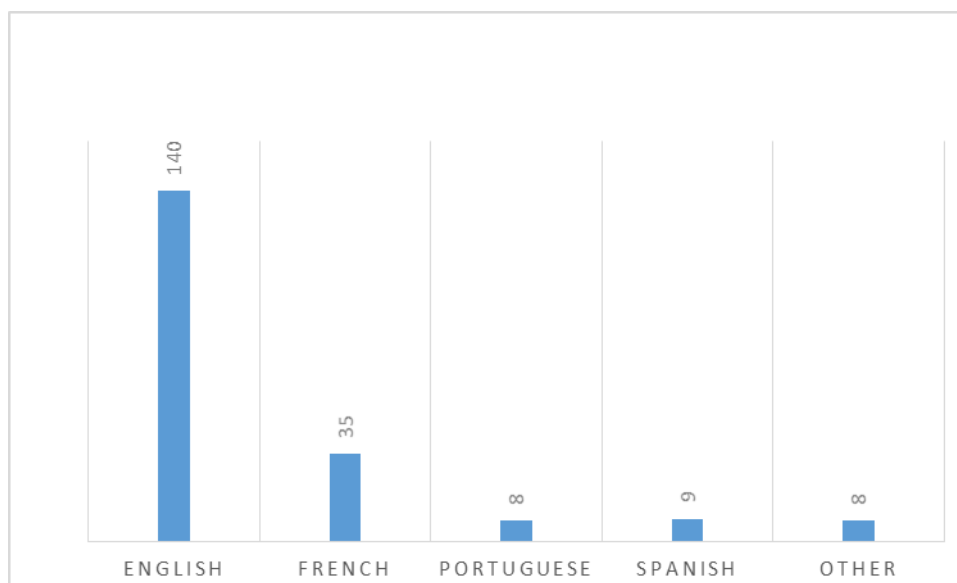
**Question:** On a 1 – 5 scale evaluate the local population’s attitude towards foreign tourists.



**Figure 8:** Local People's Attitude towards Tourists (Own Processing, Questionnaire)

Surprisingly, the difference between very friendly and slightly friendly is very small (1 person). Perhaps there was some difficulty interpreting the meaning of these two options. Only almost half of the respondents affirmed that the local people were hospitable. However, most visitors who gave comments on their experiences after visiting Mozambique were very positive about how local people related to them.

**Question:** What language(s) would you like to learn?



**Figure 9:** *Language-learning aspirations*  
(Own processing, questionnaire)

Most of the respondents would like to learn English. Their motivation for doing so is because English is an international language. Almost every visitor arriving in the country speaks English. The other reason is that in state schools the two main foreign languages students can opt for are English and French. In private language schools many other languages can be learnt.

## 8. Conclusion

Besides the mega-projects of exploration of natural gas to produce liquefied natural gas (LNG) from 2020, which is expected to boost the country's economy significantly, by developing tourism Mozambique could also become one of the most relevant tourist destinations in Southern Africa. The country's endowments hide huge opportunities which explored wisely can create many jobs not only in urban areas but also in rural areas. The country has very attractive natural features with paradisaical beaches, forests capable of functioning as ecological reserves, diversified landscape, flora and fauna and abundant marine life. Diving and fishing match high quality international standards. Mozambique is considered the country with the strongest coastal resources in Southern Africa. However, it is likely to remain poor for some time due to its heavy dependence on international donors and foreign aid. To better use its resources the country needs to keep investing in the education of its citizens while improving educational standards in its educational system from primary to higher education.

New investments require new technologies and highly qualified labour force and Mozambique seems to be short of both. The FDI (Foreign Direct Investment), after the disclosure of the hidden debt and the scandal it caused, decreased sharply. Regaining full confidence of investors and donors

will take time. However, the gas industry-related investments may shorten that time. The increase of the so needed FDI is crucial for the success of the mega-projects as well as other projects. Tourism development also requires investments because the state is unable to create the basic infrastructure on its own. Developing this strategic sector could yield fast tangible results to the rural population which is poorer and represents the majority.

Our future research aims to interact with the country's market players of the tourism sector and find out how they relate to training institutions, to the government programs and initiatives in practice. We shall also be interested in the fact whether there is some kind of cooperation among all entities involved in tourism.

The limitation of our research is lack of information related to the suppliers in the sector, but we hope to reach out to them in our future work.

## References

- Briggs P. (1997) Guide to Mozambique <https://www.cia.gov/library/publications/the-world-factbook/geos/mz.html>  
[https://www.academia.edu/635681/Factors\\_for\\_success\\_in\\_rural\\_tourism\\_development](https://www.academia.edu/635681/Factors_for_success_in_rural_tourism_development)  
<http://www.mzlng.com/The-Project/> <https://www.heritage.org/index/country/mozambique>
- Deloitte (2016) Mozambique's Economic Outlook /Governance challenges holding back economic potential; (Montepio, Departamento de Estudos//Moçambique//April 2016, page 13)  
[https://www2.deloitte.com/za/en/pages/deloitte-africa/articles/mozambique\\_s-economic-outlook.html](https://www2.deloitte.com/za/en/pages/deloitte-africa/articles/mozambique_s-economic-outlook.html)
- Internationalization, initiatives to establish a new source of researchers and graduates, and development of knowledge and technological transfer as instruments of intelligent specializations at Szechenyi University EFOP-3.6.1-16-2016-00017
- Lozato-Giotard J.P. (2006) Finalità turistica e finalità territoriale o la difficile coesistenza della tradizione e della modernità », in CUSIMANO G. (Eds.), Luoghi e turismo culturale, Bologna, Pàtron, 2006.
- Magnani, E. (2014). Cultura e turismo? Limiti e potenzialità dello sviluppo turistico sostenibile a Gorée, Senegal e Ilha de Moçambique, Mozambico. *Via Tourism Review*, (4-5).  
<https://doi.org/10.4000/viatourism.974>
- McElroy J.L.& de Albuquerque K. (2002) Problems for managing sustainable tourism in small islands in Apostolopoulos Y. & Gayle D.J.(Eds) *Island tourism and sustainable development. Caribbean, Pacific and Mediterranean experiences.* (pp.15-34). Westport CT: Praeger
- Mokabe, M., & Tshifularo, M. (2018). The Contribution Of Informal Trading To Tourism Development- The Case Study Of Tshakuma Fruit Market, Limpopo, South Africa. *PEOPLE:*

*International Journal of Social Sciences*, 4(2), 1746–1762.  
<https://doi.org/10.20319/pijss.2018.42.17461762>

Montepio (2016) Departamento de Estudos, Caetano Ferreira – Economist; José Miguel Moreira – Senior Economist; Rui Bernardes Serra – Chief Economist; Departamento de Negócio Internacional; Rita Marques – Trade Finance [https://www.bancomontepio.pt/iwov-resources/SitePublico/documentos/pt\\_PT/empresas/internacional/research/montepio-research-internacional-irao.pdf](https://www.bancomontepio.pt/iwov-resources/SitePublico/documentos/pt_PT/empresas/internacional/research/montepio-research-internacional-irao.pdf)

Wilson, S. Fesenmaier, D. R., Fesenmaier, J., & Van Es, J. C. (2001). Factors for success in rural tourism development. *Journal of Travel research*, 40(2), 132-138. <https://doi.org/10.1177/004728750104000203>