

Impact of substance abuse on savings and investment behaviour of youths in Zimbabwe: The case of Gweru high density suburbs

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Abstract

The main aim of the study was to evaluate the impact of substance abuse on savings and investment behaviour of youths in Zimbabwe using Gweru high density suburbs as a case study. The research sought to identify factors influencing drug abuse among youths in Zimbabwe. The study also aimed at assessing the impact of social factors on savings and investment habits of youths as well as evaluating the impact of demographic and economic factors on savings and investment habits of youths. A survey research design was adopted in which a total of two hundred and fifty (250) questionnaires were distributed to the youth aged between 18 and 35 years in three high density suburbs of Gweru in Zimbabwe. The study used a convenience sampling technique to select research participants in three high density suburbs namely Mtapa, Mambo and Ascot. The study found that the youth drink alcohol very often, have low income levels and they use higher proportions of their income in alcohol consumption. The study revealed that substance use among the youth in high density suburbs of Gweru is mainly driven by unemployment, stress and depression. Through regression analysis, the study revealed that income levels and number of boyfriends or girlfriends were found to be statistically insignificant to explain savings and investment decisions by the youths. Among the statistically significant variables at 5% level of significance, substance abuse was found to have a negative impact on savings and investment decisions of the youth. Economic conditions, age, peer pressure, and training on savings and investment were found to have a positive impact on savings and investment decisions of the youth in high density suburbs of Gweru. The study recommended that youths should be encouraged to join savings groups so that they have a savings culture. Non-Governmental Organisations (NGOs) and the government should come up with income generating projects for the youths, which will keep the youth occupied and refrained from substance abuse.

Keywords: Age, savings, investment, Non-Governmental Organisations, Government