

Promoting Just Economic Development

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INTRODUCTION

The equitable distribution of wealth is an important pre-requisite for peace. However, while peace is necessary for economic and social development, it is not sufficient. Good governance, transparency and accountability as Mr. Reeves pointed out are critical for just development and for consolidating peace. Moreover, while the distribution of wealth is critical for peace, it is the management of wealth, of the natural and human resources which fosters growth and development.

In my presentation, I argue that human development is the foundation for a just and sustainable development in Sudan, and that development policies and the allocation of resources must be directed towards the reconstruction of the human capital base, especially during the transitional period. Failure to address the serious human development needs will pose a serious threat to the peace and unity of the country.

WHY HUMAN DEVELOPMENT?

Ethical arguments for human development are known. Human beings have the right to a healthy living free of hunger, disease and ignorance and the world has made this commitment in the various international conventions and treaties.

But human development is also essential for economic development and equitable growth, and I emphasize 'equitable'. The association between poor health, poor education and poverty has been established and global experience shows that no country in the world developed without investing in its human capital.

Human development is also critical in preventing conflict. Poor health and education limit economic opportunities and increase the risk of poverty and social alienation which creates an environment conducive to social conflict. Illiterate populations may be ignorant of their rights as citizens and may be manipulated by politicians.

Human development has been seriously hampered in Sudan during the past 20 years. The civil war resulted in millions losing their lives, their homes, their livelihoods. The conflict destroyed the infrastructure. Schools and hospitals were destroyed. Teachers and doctors fled for better opportunities abroad. The insecurity, the poverty kept the children out of schools and limited access to health and education services. Expenditure on defense was at the expense of expenditure on health and education.

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Today in Sudan half of the population is illiterate and about half of school age children are out of school. There are wide disparities by gender, region, state and urban/rural. For example in the war affected areas of the south about 80% of the population is illiterate and only 30% of school age children are in school. Health indicators show that 104 in 1000 children in the north die before they reach age 5 and in the war affected areas of the south, 132 in 1000 do not reach their 5th birthday. Maternal mortality is 509 per 100,000 and in the war affected areas of the south 865 per 100,000. Moreover, it is estimated that over one-third of children in the north suffer from chronic malnutrition and about one-fifth in the war affected areas suffer from acute malnutrition.

The low levels of human capital and inequities are a major challenge for peace and development in Sudan.

PUBLIC RESOURCE MANAGEMENT

Development policies and the allocation of resources must be directed towards the reconstruction of the human capital base, especially during the transitional period.

Intersectoral allocations

The dividend from peace is potentially high, however, it must be managed well and focused on the priority sectors. Resources need to be reallocated to the sectors that would directly impact on the population, of which health and education are a priority. Expenditure on defense according to government sources jumped from the equivalent of 1.8% of GDP in 1998 to 2.8% in 2000 – i.e. US\$1 million dollars a day. During the same period, expenditure on education and health was 1% % and 0.8% of GDP, respectively which is less than a third of that of neighboring countries.

Intrasectoral allocations

Budget allocations and development policies should be pro-poor. For example, in education, huge investments are made in tertiary education, when half the school age children are out of school. Economically speaking, evidence shows that the social returns to public investment in primary education far exceed the returns to tertiary education. The current policies of expanding tertiary education are biased against the poor. Resources are limited and even more limited for education, so investments at the tertiary levels are at the expense of investments at the basic level and access to the majority of the population. These policies need to be reversed to address the inequities that exist and to establish the foundation for equitable growth and development.

'Extrasectoral' issues

An important point to make here is with respect to donor support and coordination. The international community is waiting for a peace agreement to support the reconstruction and development of Sudan. Human development is a priority area. While this support is needed and should be welcomed, I must caution against the image of donors stepping over each other and competing to put their flag or emblem without coordination and

collaboration both amongst themselves as a donor community and with the local organizations and institutions, building on existing local efforts.

DELIVERY AND MANAGEMENT OF SOCIAL SERVICES

Decentralization – management and accountability

The management of the social sectors and services is also critical. The current system of decentralization may be the right approach to a country so vast. However, decentralizing responsibility for health and education to the states and provinces without putting in place the necessary capacity, human and material resource has strained the development of the sectors over the past years. States were unable to pay teachers or supply textbooks.

Unmet Needs – high demand and very low supply

With the state almost absent from education, the high demand is manifested in the parent-teacher associations and communities building schools and raising funds to pay teachers to ensure their presence in the schools. This community participation is highly commended and policies should ensure that such participation is fostered and sustained.

The signing of peace will bring with it raised expectations and a major area for these expectations is the demand for social services. Unmet needs can create frustrations and civil discontent which would challenge the peace.

SPECIFIC SECTOR ISSUES

In addition to reconstructing the foundations of the health and education systems, there are specific issues which emerged as a result of the prolonged civil conflict which warrant special mention.

In Health

HIV/AIDS

Migration and social dislocation due to conflict increases the risk of sexually transmitted diseases and HIV/AIDS. The prevalence of HIV/AIDS in Sudan is estimated by UNAIDS in 2002 to have reached 2.6% which suggests that the epidemic is spreading and may be high among high risk groups. Given Sudan's proximity to neighboring countries with high prevalence rates, the unawareness of a large proportion of the population about the epidemic (According to UNICEF data, only 40% of women in the north and 67% of women in the south between ages 15-49) have heard of AIDS), and the taboo around open discussions on sexually transmitted diseases increases the threat for further spread of the disease. Government, NGOs and civil society need to collaborate and address this issue candidly and seriously to try to raise awareness and reduce the risks before they reach the levels in neighboring countries.

Mental and Physical Disability. The effects of war have been devastating for a large group of people through direct physical and mental disability.

In Education

Throughout Sudan's history, education has been used and abused by governments and politicians to implement a specific ideology and agenda. By the same token, education can be instrumental to promote and sustain peace.

Currently in Sudan numerous curricula are being used. In the north and government controlled areas, a newly revised curriculum is being used. While much effort was invested in ensuring a modern and updated content based on universal values and modern global knowledge, not all groups participated in defining the new curricula. Moreover, it has been implemented widely without a period of testing as is usually the norm in the development of curricula. While it attempts to capture the diversity and particularity of the Sudanese context, the new curriculum is still to a large extent emphasizes an Arab-Islamic culture and the language of instruction is Arabic.

In the SPLM controlled areas in the south the Ugandan and Kenya curricula is used with an African-Christian approach and the language of instruction is English.

Some of the sensitive issues that will probably be addressed as part of the peace negotiations is this issue of curriculum and language of instruction. What is important is to de-politicize education and for policy-makers to focus on an education content that would promote a culture of tolerance and diversity and would prepare the Sudanese child to face the current and future global challenges.

An important challenge for peace in both the health and education sectors is how to attract back the massive brain drain that took place during the past 20 years. Anecdotal evidence suggests that the number of Sudanese medical doctors in the UK exceeds the number of medical doctors in Sudan. Teachers also migrated to the neighboring gulf countries for better pay and living conditions. Policies during the transitional period would need to explore how to attract the repatriation of professionals.

SPECIFIC GROUPS

WOMEN AND YOUTH – VICTIMS OF WAR AND AGENTS OF CHANGE

Last but not least I want to point to a two specific groups who have borne the brunt of war but who are also changes of change for a consolidated peace. It is the Sudanese woman and the Sudanese youth.

Women in conflict always bear the greater costs of war. They are abused, abandoned and marginalized. Yet they must continue to provide for the children, the elderly, the sick, with no access to basic services or to means of livelihood. I met displaced women

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who lost their homes, were abandoned by their husbands with 5 and 7 children to feed. One woman, beat her children at night so they can cry themselves to sleep as she cannot afford to feed them.

But these very women are also the agents of change. They transmit values to children and when empowered, they effect change. The very woman who used to beat her children to sleep now sends 3 of them to school. Through a micro-enterprises scheme she received a loan and succeeded to pay it back in less than the given period of time and could afford to feed her children and even send them the younger ones to school. Another one, in the same displaced community, succeeded in sending her daughter to medical school.

The Sudanese youth have also paid heavily for a war that has started before they were born. Fleeing conscription, many young men are destitute and disillusioned in neighboring countries with no real vision of how their future will be. Young girls abruptly become women without the transitional stage of adolescence and youth. Policies must give special attention to these young men and women and offer them the opportunities they are entitled for to become active, healthy and enlightened citizens that can move Sudan out of its stagnation to a brighter and more developed future.

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