



Harnessing The Potential of Demographic Dividend In Sudan

**Policy Recommendations for the Harnessing Of The Window Of
Opportunity Presented By Demographic Transition In Sudan**

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SUMMARY

Sudan has transitioned to the era of demographic dividend. Yet, evidence from various sources shows that adequate policies have not been put in place to enable the country to achieve this dividend. While there are indications of progress on policies geared towards achieving demographic dividend, a lot more needs to be done. Hence, after assessing the challenges and opportunities presented by the demographic transition in Sudan, this policy brief recommends five strategic policy areas needed to adequately position Sudan for a demographic dividend. The policy areas cover policies on education, health, economic growth, and political commitment.

INTRODUCTION

Sudan has been struggling to stabilise its economy since 2011, when South Sudan seceded, taking with them Sudan's major source of revenue (crude oil) that Sudan had. As a result, Sudan has had to rely on the export of gold as its major source of revenue, in place of crude oil. Yet, nearly half of Sudanese live below the national poverty threshold, with about 75% of the poor living in rural areas (Elbashir, Siddig, Ijaimi, & Nour, 2004). According to Elhadary, Abdelatti, & Nour (2018), significant development challenges in Sudan include high debt, protracted conflicts and displacement, a large influx of refugees from neighbouring countries, depletion of natural resources, recurring natural disasters, and dramatic economic downturn. Presently, economic prospects are not looking great for Sudan as the country continues to fall in the UN development index on an annual basis. For example, in 2008, it was ranked 147; in 2009, it moved further down to 150, and by 2015, it had moved to the bottom at 188.

Statistics show that Sudan's population increased fourfold between 1956 and 2008, rising from 10.3 million people in 1955 to 39.1 million people in 2008 (Sudan Central Bureau of Statistics, 2018). To date, Sudan's population is still fast-growing. This is followed by low and deteriorating economic growth and development. Thus, one possible solution could be to begin thinking in terms of the success stories of East Asian countries in the 1950s and 60s, which, despite a growing population, were able to triumph and achieve economic progress, differing the theory of Malthus on population and growth.

Despite high population growth, there has been a recent shift in the understanding of how population affects economic progress since the emergence of East Asian giants such as Japan, Taiwan, South Korea, Hong Kong, Singapore, and China. Earlier theories state that a growing population would increase the consumption of finite resources, and doom the world. This was the theory put forward by Reverend Thomas Robert Malthus in 1798 (Onyekwere, 2022). However, this was not the case for these East Asian countries. Many studies such as, Pool & Wong (2006), Elhadary, Abdelatti, & Nour (2018), reveal that the secret to the East Asian Miracle was in the age structure of their population. Thus, they opine that the characteristics of people in a population are even more important to development than the size of a population.

This shift in literature to the study of the age structure of population and development was inspired by the economic success recorded in East Asian countries in the last five decades, despite their high population growth. It was recorded that this was possible because the population make-up was very high for those of working ages and very low for infants and older people (Bloome & Williamson, 1997). As a result, there was a slowdown in fertility as well as mortality in these countries. This is known as the demographic dividend. A Demographic dividend occurs when the working-age population outnumbers the dependent groups, which include children and old people (Mason, 2001). Why is this important for any economy? Demographic dividend ensures socio-economic gains are attained, which leads to increased investments and eventually economic progress.

Therefore, the concept of demographic dividend should decrease the fears over Sudan's fast-growing population. From the work of Elhadary, Abdelatti, & Nour (2018), there is evidence that the age structure of the Sudanese population has transitioned in favour of the working-age population. As shown in Table 1 below, more than 50% of the population now falls between the ages of 15 and 64 years. In addition, the paper shows that there has been a sharp decline in total fertility in Sudan, from seven children per woman in the early 80s to less than four children per woman in 2008. As seen in figure 1 below, the projection puts the number at about three children per woman by 2050.

Categories	Total
Children (0-14 years)	13,015,911
Adults (15-64 years)	16,771,462
Elderly (65+)	1,106,627
Total population	30,894,000

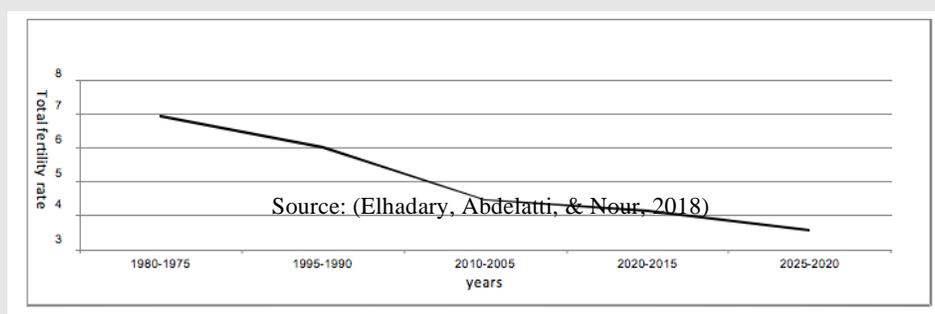


Figure 1. The trend of Total Fertility in Sudan
Source: (Elhadary, Abdelatti, & Nour, 2018)

Thus, according to the definition of demographic dividend, it is clear that Sudan has transitioned to the stage of demographic dividend. Thus, Sudan, like East Asia, can seize this opportunity to implement the policy changes required to capitalize on the demographic dividend over the next four decades. Nonetheless, it is critical to note that demographic dividend does not imply automatic progress for an economy. There must be deliberate efforts in terms of policies that need to be implemented. In fact, failure to enact the right policies in the face of demographic transition presents challenges to the country, as the attention of the fully energetic youth may be redirected towards different forms of vices. Thus, demographic dividend presents an opportunity as much as it presents challenges (Elhadary, Abdelatti, & Nour, 2018). To this end, there is a need to consider how policies can be formulated for the country to reap the benefits of demographic dividend. This is even more urgent for Sudan because demographic dividend does not last forever, it has been estimated to only last for about 40 years (Pool & WONG, 2006). This means that any country, which fails to take advantage of the window, might not get it back in a long time.

This policy brief, therefore, sets out to achieve three objectives:

1. To point out the challenges and opportunities of the demographic transition in Sudan
2. To point out loopholes in Sudan's current policies towards harnessing opportunities created by their demographic transition.
3. To suggest amendments to existing policies, as well as recommend new policies needed to ensure Sudan reaps the benefits of demographic dividend?

DEMOGRAPHIC TRANSITION: WHAT IS/ARE THE CHALLENGES IT BRINGS TO SUDAN?

With Sudan's large working-age population, unemployment has risen at an exponential rate, from 8% in 1983 to around 17% in 2008, as shown in Table 2.

Table 2. Three-Period Unemployment Rate for Sudan

Year	Unemployment Rate
1983	8%
1993	11%
2008	16.8%

According to Elhadary, Abdelatti, & Nour, (2018) Sudan's employment to population ratio is 41.1, which is considered very low compared to the global rate of 60.3. Furthermore, the labour force participation rate for Sudan (those who are willing and able to work, plus those actively in employment) is also far below those of global standards and even lower than the Sub-Saharan Africa region average.

Secondly, there has also been an increase in the population of illiterates. Table 3 below shows that out of a population of over six million people between the ages of 10-17 years old, one six, or close to one million, never attended school

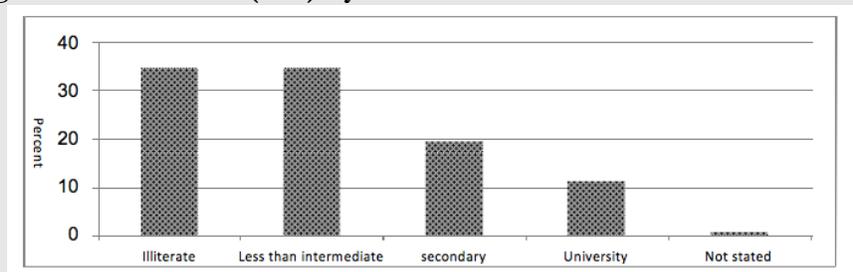
Table 3. Estimated number of populations aged between 10- to 17-years who have never been to school, by sex, 2008

Indicator	Urban	%	Rural	Total
Boys	55,090	14.9	313,520	368,610
Girls	99,660	16.4	507,740	607,400
Total	154,750	15.9	821,260	976,010

Source: (Elhadary, Abdelatti, & Nour, 2018)

Further evidence of the level of illiteracy in Sudan is shown in figure 2 below. As seen in the figure, over 35% of people in the labour force are illiterate, and around 34% have less than intermediate education.

Figure 2 Labor force (15+) by Educational attainment in Sudan 2011



Source: (Elhadary, Abdelatti, & Nour, 2018)

Other challenges posed are, increasing youth restiveness, an increase in the number of those living in poverty, an increase in urban migration, and an increased number of people involved in informal economic activities.

Current Challenges Posed by Demographic Transition in Sudan

- Increase in Unemployment Rate
- Increase in Illiteracy
- Decline in labor force participation rate
- Youth restiveness
- Increased Urban migration
- Increase in population living in Poverty
- Growing activities in the informal economy

DEMOGRAPHIC TRANSITION: WHAT ARE THE OPPORTUNITIES?

Sudan is plagued with issues such as slower economic development compared to other Sub-Saharan African countries, declining GDP per capita, falling revenue, shortage of foreign exchange, and rising inflation.

However, the demographic transition presents the window of opportunity to resolve these issues if the right policies are implemented.

For instance, with the working population on the rise and dependents on the decrease, it means that savings will increase if jobs are created. With increased savings comes an increase in loanable fund available for investments. Investments will create employment, lift people out of poverty, generate funds for the government through more taxes and in the process, and increase the GDP. Furthermore, since fertility is declining, it also means that the total population is falling. As a result, GDP per capita would increase. If managed well and investments are spread across cities, there would be less urban migration, and with youth being engaged in productive labour, productivity would rise restiveness will cease. According to authors such as Bloom, Canning, & Malaney (1999), this was the case for the East Asian Miracle. Nonetheless, these benefits would not be achieved in Sudan if rational policies are not formulated to deliberately cause the changes required. However, the diagram in figure 3 below helps to show the steps Sudan needs to take in order to reap the benefits of the window of opportunity presented by demographic transition.

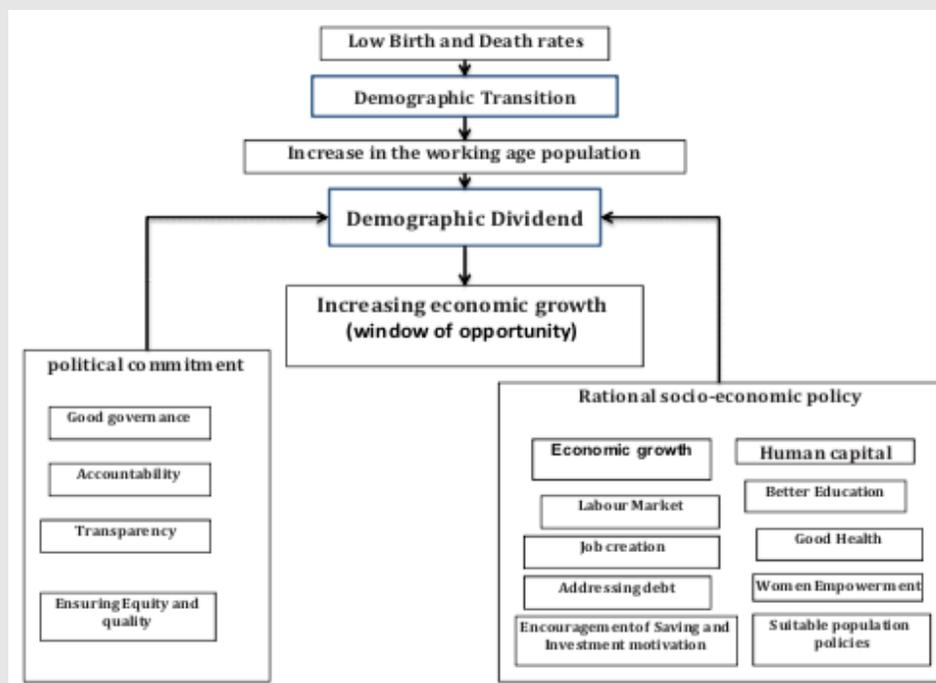


Figure 3. Road to Demographic Dividend in Sudan

Source: (Elhadary, Abdelatti, & Nour, 2018)

As shown in the diagram in figure 3 above, to reap the benefits of demographic dividend, there needs to be deliberate and rational socio-economic policies and genuine political commitment specific to the case of Sudan. The diagram implies that if the steps outlined both on the right-hand side (policies for economic growth & Human capital development) and on the left-hand side (policies for political commitment) are well formulated and implemented, Sudan can benefit from demographic dividend. If this is not done, then the window or opportunity will be closed for Sudan

WHAT HAS SUDAN DONE, AND WHAT MORE CAN BE DONE TO ACHIEVE DEMOGRAPHIC DIVIDEND?

Presently, there is an indication that Sudan has taken positive steps toward policies targeted at achieving the maximum benefits of demographic dividend. But the rate of progress shows that these policies have not been rightly targeted or formulated. This section scrutinises existing policies being implemented in Sudan, noting their weaknesses. If weak policies are identified, recommendations on ways to improve them are provided. Also, new policies used by the East Asian countries that have not been considered by Sudan are also introduced in this session. As specified in figure 3, policies are discussed in line with the three categories shown. Such as, Human capital polices, economic growth policies, and political commitment.

TOWARDS DEMOGRAPHIC DIVIDEND: BUILDING HUMAN CAPITAL IN SUDAN

So far, it is commendable that Sudan is already working on the path toward policies necessary to utilise demographic dividends for economic progress. This is evident in the deliberate investments in education and health. According to Mason (2001), investments in Human capital (education and health) were among the drivers of the rapid economic growth and development experienced in East Asia.

Investments in Education: According to Elhadary, Abdelatti, & Nour (2018), and UNICEF (2022), the number of uneducated people remains high in Sudan. The percentage of uneducated people aged six or above is estimated at 57.2% of the total population. However, Sudan has made deliberate efforts towards increasing this number. One visible policy was the signing of a peace agreement with South Sudan in 2005, which helped increase educational enrollment. In addition to this, the government has also made effects by raising the number of public and private schools. However, one thing the government got wrong was only focusing on raising enrollment rates and increasing the number of schools but ignoring the quality of education.

Reports by World Bank and UNICEF maintain that Sudan's overall student-teacher ratio is very poor and even worse when considering regional disparity. For instance, out of 15 states in Sudan, only the capital state of Khartoum, Northern Sudan, and the state of Algazira have close to ideal student-teacher ratios, ranging from 15:1 to 25:1. Some states have a student-teacher ratio as high as over 150:1, while others have ratios above 50:1. Additionally, Sudan also has the lowest ratio compared to fellow low ranked countries in UN's HDI like Mauritania, Eritrea, Mali, and Guinea. Other areas that need improvement in policy are; Lack of educational infrastructure, regional and gender disparities in education, low salaries of teachers, and poor funding of research (World Bank, 2012), (UNICEF, 2022).

Investments in Health: In terms of Health, there has been a reduction in infant mortality, child mortality, and maternal mortality, and the issue of malaria infections has also been reduced. Statistically speaking, malaria infections, which stood at 33% in 1990, has been reduced to 5% by 2010 (Elhadary, Abdelatti, & Nour, 2018). Nonetheless, there remain health issues to be addressed, especially the case of the HIV epidemic (Jervase, et al., 2018). Over 0.2% of the adults' population aged 15-59% are said to carry HIV infections. Sudan also remains the country with the highest number of new infections in the whole of the Middle East and North Africa.

Women Empowerment & Suitable Population Policies: There is high inequality in the participation of women in all activities in Sudan, from education to employment and health. According to African Development Bank (2017), labour force participation for women is 14.1% compared to 38.4% for men. A similar picture is also shown for education data, where over 600,000 girls between the ages of 10 and 17 have never attended school compared to about 300,000 boys (Elhadary, Abdelatti, & Nour, 2018). Thus, Sudan needs to formulate policies to encourage female inclusion and participation in all economic activities. This will help increase productivity and promote economic growth. In addition, keeping the population within this age structure for a longer period would require a policy on family planning. But this would need proper education and sensitisation as the approach of family planning is yet to be fully embraced in Africa. Finally, achieving a further reduction in fertility will help in achieving the benefits of demographic dividend, just like the case of the one-child policy helped in China.

TOWARDS DEMOGRAPHIC DIVIDEND: ADDRESSING ECONOMIC ISSUES

The place of economic activities in achieving demographic dividends cannot be ignored. Presently, Sudan's major export is Gold. This is not good for the economy; policies should be implemented to diversify the economy. With over 80% of the population involved in agriculture, there is an opportunity for exports. The government should encourage large-scale farming by providing farmers with mechanized farming implements in the form of loans or grants.. This will, in turn, help reduce unemployment and reduce poverty. One of the factors that helped the East Asian countries reap the benefits of demographic dividend was openness to international trade, especially in China. Thus, there is no doubt it will also work for Sudan. Additionally, the government should encourage savings and investments, as these would also boost economic activities and cause growth in GDP. The proceeds of economic growth can then be used to service the debt burden faced by the country.

TOWARDS DEMOGRAPHIC DIVIDEND-POLITICAL COMMITMENT

The fruits of Demographic dividend cannot be achieved in an unstable and hostile business environment. Africa is known for corruption, inequality, lack of transparency, and lack of accountability. Sudan is no exception to this. Therefore, for Sudan to achieve the maximum benefit of demographic dividend, the government has to make a deliberate effort to address such issues. Hong Kong is a good example of a country in East Asia that took these issues very seriously and went to great lengths to address such issues using its three-pronged approach to corruption developed by the Hong Kong ICAC.

'Since its inception in 1974, the Independent Commission Against Corruption (ICAC) of Hong Kong has been adopting a three-pronged strategy comprising law enforcement, prevention and education to combat corruption. In view of the ICAC's success, this strategy has been adopted by anti-corruption agencies around the world' (ICAC, 2019)

CONCLUSION

According to data from various sources investigated, Sudan is currently undergoing a demographic transition into the working age population. However, adequate policies have not been put in place to allow the country to capitalize on this opportunity. Although Sudan has made some efforts in this direction, much more needs to be done. Policies on education, health, economic growth, and political commitment are among the areas or recommendations.

The five Strategic Policy Recommendations to achieve Demographic Dividend in Sudan

Policy recommendations to improve health:

- Scale up health budget to help address the HIV epidemic issue, as this issue alone could rob the country of the benefits of demographic dividend, just like it robbed South Africa theirs.

Policy recommendations to improve education:

- Improvements in student teacher ratio,
- Upgrade of educational infrastructure,
- Closing of regional and gender disparities gap in education,
- Increase in salaries of teachers, as well as increase in funding of research

Policy recommendation for addressing Economic issues:

- Encourage large-scale farming by providing mechanized farming implements in form of loans or grants to farmers
- Encourage savings and investments

Policy recommendation for women Empowerment and Population Control

- Formulate policies to encourage female inclusion and participation in all economic activities
- Proper education and sensitization on family planning

Policy recommendation for addressing Political commitment:

- Deliberate effort towards corruption fight, transparency and accountability
- Enact laws that promote equality and diversity