Global Issues, Local Solutions: 99-340

FINAL PROJECT PAPER

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Interesting and Relevant numbers pertaining to MDGs

Countries receiving aid (Recipient countries):

Sudan

National factual highlights

<u>Continent</u>: Africa (Largest in continent)

<u>Location details</u>: Resource-rich coastal nation (according to Paul Collier's classification)

Won independence from British in: 1956

<u>Population</u>: 41,087,825 (July 2009 est.) <u>Population growth</u>: 2.143% (2009 est.)

Infant Mortality Rate: 82.43 deaths/1,000 live births (one of the parameters for measuring

poverty – Ganzalo Pizzaro 2009)

<u>Population undernourished</u>: 26% (2000) (the second parameter)

<u>Literacy</u> (NOT EDUCATION): 61.1% <u>Educational expenditure</u>: 6% of GDP (2001)

Afghanistan

National factual highlights

Continent: Asia

Location details: Resource-poor landlocked nation (according to Paul Collier's classification)

Won independence from British in: 1919

<u>Population</u>: 33,609,937 (July 2009 est.) <u>Population growth</u>: 2.629% (2009 est.)

<u>Infant Mortality Rate</u>: 151.95 deaths/1,000 live births (one of the parameters for measuring

poverty – Ganzalo Pizzaro 2009) <u>Literacy</u> (NOT EDUCATION): 28.1%

Educational expenditure: NA

Country providing aid (Donor country):

Qatar

National factual highlights

Natural Resources: Petroleum, Natural gas, Fish Educational expenditure: 3.3% of GDP (2005) Won independence from British in: 1971 GDP per capita: \$103,500 (2008 est.)

Introduction

Qatar is the world's fastest growing economy in the world and is also the only the country in the world

which has taken enough preventive measures to avoid catastrophic economic downturn in a period of

global recession (Carlos Braga 2009). Despite being a booming economy with rising world status, it is

still a developing country which promises to be an economic hub in the world in the years to come. It is

this economic potential of the nation which allows it to be good candidate donor for Sudan and

Afghanistan, two countries who have a long history of instability, a disastrous present, but an immense

scope, a great possibility, a hope to develop if it is capable of maximizing it's locally available

resources (including human resources) with guidance and expertise over an extended period of time.

Qatar is capable of providing this much needed guidance, although it is not a straight and simple donor-

aid-recipient route. Let's discuss the nature of problems in these countries, Qatar's role today in

"aiding" development and possibilities for making the maximum of what Qatar has to offer to these

countries in order to achieve the following two Millennium Development Goals:

MDG 1: End Poverty and Hunger

MDG 2: Universal Education

The Sudan Case

Sudan is an example of few of the African countries that received independence between 1956 and 1966, giving it enough room to develop strong policies for the nation to stand on its feet and uplift the country. Although United States firms have been banned as of today to any trading with this country, it did receive foreign aid for most part of it's early history. As of 1981, this aid was more than \$780 million dollars which was mostly given my the World Bank (IDRB) and the International Development Association (IDA) & the International Finance Corporation (IFC). This was a massive amount and proper allocation of these amounts and efficient utilization and national plans would have been ensured sustainable growth in the times to come. But due to a large number of factors (as mentioned in the book "Dead Aid"), large infrastructural allocation did not happen and the focus of the nation to spend these amounts over different sectors without a well-defined long-term plan made them dependent on foreign aid.

Despite their misuse of foreign aid, Sudan was fairly better off then many other nations. One may argue that one reason for this was their ability to capitalize on windfall gains in the 70s (Dead Aid, 2008). Also "important gains were achieved through the macro-economic stabilization that had started in the second half of the 1990s and the subsequent economic recovery." (Sudan MDGs Interim Unified Report, 2005)

Today, the country stands as an example for disruptive political administration and extreme internal conflict. "In addition to conflict, centre (center)-biased development policies have also contributed to massive urban-rural migration, placing additional pressure on already weak social service infrastructures." (Sudan MDGs Interim Unified Report, 2005) There is evident regional disparities. On the political side, the President Omar Al-Bashir is fairly unpopular and is held responsible by International agencies for the war scene in the country.

Nevertheless, the country is extremely fortunate in terms of the resources which it is gifted with, and thus has "unlimited opportunities". It is a coastal country and "is endowed with rich resources: vast areas of agricultural land, extensive water resources and the River Nile; a wealth of livestock of all kinds; and mineral and other underground resources including oil and gold." (Sudan MDGs Interim Unified Report, 2005)

MDG 1: End Poverty and Hunger – Trends/Discussion

There has been very little information about the poverty status in this region due to lack of proper gathering of data in the country and thus "the national-level statistical estimations derived from data are at best tentative and speculative".

An interesting thing to note about the economy of the country is that 67% of the Sudanese workforce derive their living from agriculture. But agriculture seems to contribute only 29% of the total economy. Although this seems like a very large production, major consumption of this agricultural produce is for local consumption and thus very little produce is actually taken out of the country. But irrespective of that, we are assured that the country has complete potential to be self-sustainable in terms of agriculture.

"Sudan also has huge animal wealth estimated at about 130 million heads of cattle, sheep, goat and camels with adequate and variable quantities of animal feed".

So despite abundance of resources, and vast potential to maximize local output to solve hunger problems in the country, what makes the country unable to get out of the trap of poverty and vast hunger? As mentioned previously, many parts of Sudan suffer greatly due to the prolonged war-crisis in the country. But this was not the reason for the agricultural sector to suffer. This was heavily due to neglect of the central-administration in making policies to "traditional agricultural sector on which the majority of the population depend".

MDG 2: Universal Education - Trends/Discussion

The Gross Enrollment Ratio (GER) in Sudan rose to around 60% in 2005. This is a good number compared to other countries in the region, but still is a very dismal picture on an international level. Also, this number does not indicate the access to education, the regional disparities, the percentage of educated (which is still very low), and gender inequality when it comes to imparting education.

Efforts in the northern regions of the country have paid off and they have an promising numbers of more than 70% GER. But the real difference comes when we notice the results of the southern region of the country. These are the parts where there has been conflict over the past 30 years. This is also the

region responsible for bringing down the country's literacy rates. Post-independence conflict IS the sole reason why the country has not been able to achieve complete literacy despite enormous education efforts in the country.

So how does a country which has very recently come out of a very serious internal war-crisis plan to ensure higher literacy rates and genuine improvement in quality of education in the times to come? "In October 2003, the federal Ministry of Education, with support from UNESCO and UNICEF, produced the National Plan for Education for All" which will supported and backed by government large operations. These goals are now easier to attain since the end of the second civil war in the country in 2005. But as one hurdle has been crossed, another has made development a massive challenge. Omar Al-Bashir's (considered by many as the next Saddam Hussein) and his administration have threatened all the foreign agencies working for development programs in the country to leave the country. This has led to murder of a number of foreign aid workers in the past months.

So although there is a sincere need for finances in the country, it is never going to be enough alone to solve the problems the nation faces.

The Afghanistan Case

Afghanistan lies in Central Asia and received independence from the British in 1919. But this was actually not the year when the nation received complete independence. Nor was it after the Cold War (during which the Soviet Union invaded and occupied the country). The nation never actually received complete independence until 2003 when the Hamid Karzai's coalition government came into power for a second time. The reason for this was the enormous amounts of external pressure on the country during it's history. And this became the reason why until very recently, there was no concept of government administration or any judicial system.

The country, unfortunately, has almost no history of foreign aid. The financial support from countries like the United States has been fairly recent, and thus there is no judgment to be passed about the efficiency of local utilization of aid. Also, there is little history of economic policies in the country. Nevertheless, since their freedom from Taliban, the government under the guidance of Hamid Karzai and immense support from UN organizations, the country has chalked out very promising goals for accomplishment by the year 2020.

MDG 1: End Poverty and Hunger - Trends/Discussion

In order to end poverty and hunger, UN's work in Afghanistan has revolved around reducing the unemployed population and building capacity among the working class of the country to solve local problems.

With regard to hunger, statistics suggest that the country is extremely dependent on the agricultural sector, wheat and maize being their chief crops produced. While almost 60% of the population is involved in agricultural production of various crops, Afghanistan's is particularly popular for the production of poppy, which is a kind of an opium. Although poppy is essentially an important crop which is used a drug for curing diseases, and is exported to country's like India, it is also used a Narcotic drug among a large number of people in countries like the United States. This is a revenue-generating activity for the country, but not the farmers necessarily because the revenue earned from the sale of poppy only very partially trickles-down to the farmers.

"Around 20% of rural households or about 3.2 million Afghans do not consume sufficient calories to meet their dietary energy requirements." Again, resources are plentiful as Afghanistan is rich with natural bounty, but not evenly distributed across the people of the country.

MDG 2: Universal Education – Trends/Discussion

Much like Sudan, Afghanistan's rural population suffers due it's divide with the urban areas. This is significant in policies aimed at education in the rural areas.

According to the UNDP MDG report of 2005, "For 2003 the net attendance was 54%, or 2.3 million students. The increase in net enrollment between 1997 and 2003 is 50% higher in the urban areas than in the rural areas."

There is also a vast difference between the number of girls enrolled in school versus the number of boys. This brings the issue of gender inequality in the country severely hampering the progress of the nation. Due to this, Afghanistan has one of lowest school participation ratios in the world.

Unfortunately, much of progress for education in the country is led by international programs, largely by UNICEF. The government has not been able to make many measures for the education sector since it's policies have been oriented towards the reconstruction of the infrastructure in the country and stabilize it's economy.

What Qatar is incapable of doing and where it has failed?

Before exploring opportunities for what Qatar is capable of doing for helping Sudan and Afghanistan achieve their MDG targets, we must look into what the country is incapable of doing as a donor because suggested plans may not be relevant to the nature of work done by the donor country (in our case, Qatar):

1. ROTA and it's current method of operations

Reach Out To Asia (ROTA) is Qatar's premiere aid/relief proving Non-governmental Organization (NGO). It is a part of Qatar Foundation, which is an independent organization in Qatar which is playing a vast role in getting excellence in education in the Middle East by getting few of the best universities of the world in different fields to Doha, Qatar.

ROTA has been instrumental in providing relief to people in need across Asia. It's key vision includes bringing education using technology to the developing countries and help funding it in times of need. It has done programs in Lebanon, Pakistan, India, Indonesia, Afghanistan and a few other countries.

While ROTA has a very good social mission, it has, more or less, been unsuccessful in achieving it's goals for a larger community which would help solve local problems across Asia. This is largely due to wasteful spending on education and relief efforts and deviation from real goals. Also, the size of the community being catered to is extremely small compared to the need, and compared to the sums of money spent on it.

An example: ROTA did operations in Jakarta, Indonesia after a very serious natural disaster (earthquake) during 2006. Apart from providing food as aid to the people who lost their homes and personal belongings, this organization decided to build a school for students in the city. It eventually was a "successful" construction project, and the school was built for those who could no longer afford education. But this project is a big failure in terms of the cost incurred for construction of such a school because of the following details: The school capacity was 948 students, while it cost \$2.3 million! This simply cannot be justified because this becomes an

unfeasible model if it is to be applied to a larger scale and to other places in the world. What makes this organization's plan for the next 5 years not practical is the fact that the organization has allocated \$30 million for such education projects. At this cost, the organization will be able to "successfully" build less than 13 schools in 5 years, with no capacity building whatsoever.

The organization has a lot of potential to help, but unfortunately they continue to spend large sums of money on branding themselves and builds teams of working people.

2. <u>Macroeconomic Rural development Policies</u>

Qatar's economy's success is largely owed to it's large industrial sector and infrastructural spendings. It is dependent on revenue earnings from oil and natural gas exports. Although there is recession across the world, Qatar is least affected by this situation and has a comfortable margin cushion in earning for exports even today.

The country's earnings also come from land, fisheries, tourism etc. which proves that is traditional agricultural sector is very small and so is the local arts and handicrafts industry. Much of the concentration of the population is in the urban areas of the country, most of which is expatriate population.

Thus, this is a country which hasn't seen much policy and decision making for the agro-sector in the rural areas. It's earnings are still largely spent on large infrastructure projects, acquisitions and educational ventures. So Qatar's decision making administration is incapable of making decisions for people in rural environments and solving problems related to the agricultural sector.

An example of how incapable they are can be seen by the Labor Law and the treatment given workers from the Indian sub-continent and the Philippines. The rules and regulations for blue-collar workers is totally inhuman and would be completely unjust if applied to any other country of the world. This brings us to the understanding the importance of the framework laid down by the United Nations for the Millennium Development Goals where human rights is an extremely important aspect. Also, Amartya Sen talks about how important freedom of choice in an economy is, in his book "Development as Freedom".

3. Offering American Education

One could have an interesting argument about the success of the government of Qatar is getting such good American education to the country which is going to be good if we wish to build capacity among local students in the long run. This model is indeed successful, but only when local needs and solutions are taken into perspective.

Such an idea would be an obvious failure in the recipient countries i.e. Sudan & Afghanistan. Reasons for this include extremely sky-rocketing costs of establishing such fine education systems, lack of incentive for foreign donor, war-crisis etc.

Qatar's role in development in Sudan & Afghanistan

Although Qatar is not the most suitable country for being a donor to Sudan and/or Afghanistan and there are a number of reasons for that. These reasons include completely different economies, different history of countries, different geographical features, different focus etc. but interestingly, there is one very important similarity between all these three countries. They are all Islamic countries. Religion has been the reason for offering support to people across the world from many years now, and this is especially true with the case of Qatar by what knowledge is available on Qatar's support in Palestine during the Gaza bombings in Israel. Qatar's government went all out to help the country, raising massive sums of money, sending food supplies and also initiating peace talks on a national level.

Up until today, Qatar has had a very interesting micro-lending policy to students who study in reputed universities in Doha. This is known as "Financial Aid" and is offered to expatriate students who are deserving of the education in Qatar, but aren't quite capable of paying this tuition fee, by Qatar Foundation. This is like just any other loan offered by banks, but what makes it better than the rest is that is it completely interest-free. Also, it can be re-payed in fairly interesting way, one which benefits the country. First, after graduation, students may pay back this loan over a period of time from their earning. Another option would be to work for government organization after graduation, and contribute one's work towards betterment of the nation, without having to pay a penny back. This is a very smart move by the government which helps support students from across the world. If this same idea is

attempted to be applied to a international aid, it may be very helpful for countries like Afghanistan and Sudan which will now be able to lend money without having to worry much about the hiking interest rates. Also, if the second option is exercised, Qatar may be able to benefit from these countries in a way so that they use the support and resources of these countries to build an even stronger image in the world, while gaining popularity among the people and government of these countries.

Specific Recommendations for Sudan & Afghanistan

Public-private partnerships

While Qatar has been extremely successful and instrumental in making an economy out of oil and natural gas, it hasn't been able to achieve this feat on its own. Nor has it ever had the expertise and capacity to make efficient use of these available resources in the country. The country has been able to change it's face in the past 10 years where it has learned to collaborate it's efforts with multi-national leaders in these industries. And within these years, the country's government has built extremely good partnerships with international firms such as ExxonMobile, Shell, ConocoPhillips etc. These have been a result of intelligent planning and part-privatization of the large sectors in the country. This has been of big benefit to the country in the long run.

We are aware that Sudan is very rich in it's oil deposits, and Afghanistan has a lot of natural gas to boast about. Until very lately, both these countries were trying to recover from the terrible war scenes. Now, as things have become a lot better and stabilized, these countries have the opportunities to build a better economy and open it's doors to the private world outside the countries, in order to ensure the economic progress of the countries in the long run.

If the Sudanese government decides to collaborate with Qatar for more efficient extraction of oil and selling it to the global markets, it will be a lot of successful than what it is today. Afghanistan is gradually opening up and good ties with Qatar will really help the country. Qatar not only has the right amount of global market knowledge, but also has a vast pool of expatriate expertise in the country due to these partnerships, who have the perfect scientific knowledge to make the country benefit to the maximum from its resources. This can be applied to different sectors, such as natural minerals, agriculture, local crafts etc.

Macroeconomic policies' assistance with Aid

Over 15 years back, Qatar had a very small local economy. The population of this coastal country was always very small. Also, it never really got a chance to increase it's GDP per capita, because of a very small number of economic activities in the country. Since the discovery of oil and natural gas in the country, Qatar has been very successful not only in making a very large demand for varying goods and services in the country, but has also done a remarkable job by creating this demand across the Middle East region. With policies to empower local citizens to have a stronger financial backup, it is now one with the fastest growing economy in the world.

But this was not possible without the funds generated by the earnings from export of oil and natural gas. Even Sudan and Afghanistan have an enormous potential to make international market from local goods production. Afghanistan has been successful so far by earnings from the poppy, a kind of an opium. But unfortunately these earnings do not reach the farmers, as discussed earlier.

What these countries need is assistance from Qatar in order to establish, national policies which encourage the local market to develop and grow. Also, on being able to produce goods and services locally, over a period of time, the country would be a in a good position to open itself to the foreign market. This would not necessarily mean giants from across the world, but neighboring countries who have a keen interest in the produce.

Both Sudan and Afghanistan would not be able to do this without continuous financial support from Qatar. Qatar should be willing to support these countries, until a point when they are able to be self-sustainable. Something similar to their "Financial Aid" idea could benefit these countries to a very large extent.

Rural programs with support of consultants

Qatar has not been particularly successful with making policies for its rural sector and people living in the rural regions. This is because their concentration has always been making a strong industry-based economy rather than having any dependency on agriculture. Although there is a large fisheries sector in the country, it is fairly small and only one aspect of rural development.

Sudan and Afghanistan are very similar when it comes to economic activities. Both these countries continue to heavily rely on agriculture not so much for their economy, but as a means to gain employment and avoid poverty and hunger in the country.

This brings the need of rural development rather than just inflow of funds. From many years, World Bank has been following a plan of lending money to countries, but also sending in consultants into the countries to design development policies for the countries. These consultants also choose where the money being lent should be allocated. This plan is heavily criticized across the world, with an argument that consultants do not understand the real needs of the people in these countries and are insensitive to local needs.

Qatar, in trying to help these "under-developed" countries would need to focus on this agricultural sector if it needs to guarantee any development in the nation. In order to do so, it could hire consultants or basically people who have expertise in the needs of the local community and economy. These consultants could go to these countries and try to do the following:

- Create rural employment generation programs which will really help build a strong capacity in the country. It would lead to better use of human resources in the country, and would also benefit in maximizing agricultural resources available in the country.
- Creating rural support programs for microenterprises. Afghanistan, especially, is very popular for it's local handicrafts work. It is a large exporter rugs all around the world. These go into international markets and are branded as "Made in Iran" or "Made in Pakistan". This is because there is no good market system established for rural small and micro enterprises, where they can ensure proper rates for their goods, and also trustworthy partners.

<u>Information and Communication Technologies for Development (ICT4D)</u>

Qatar today is advancing by leaps and bounds in the technology sector, and has some of the most advanced technology infrastructure in the region and also some of the finest research in it's Science and Technology Park and in American universities branch campuses. One of it's branch campuses, Carnegie Mellon, was the host of one of the most reputed ICT4D conferences across the world very recently.

This research in Qatar is targeted towards developing communities, ones such as Sudan and Afghanistan. Although far from implementations in these regions, these projects can be aimed and modified for the needs of these countries. Until now, the penetration of technology for development in these countries has been extremely low. If there is cooperation on a national level, Qatar will be capable of doing ICT4D projects in rural areas in these countries. This will not only facilitate better technology implementation in these countries, but will also improve ties between these countries and help the people of the country to a very large extent.

Organizations within educational institutions such as Technology for Global Development (TGC), Technology Consulting in Global Community (TcinGC) and NGOs like ROTA can partner-up with programs done in Sudan and Afghanistan, and use technology as a tool to help in the development of these regions.

Newer Education model

Although Qatar's efforts have been to bring expensive high-school and undergraduate American education to Doha, and this idea is unfeasible to be applied to countries like Sudan and Afghanistan whose need is cheap (or almost free) education for the children between the age of 6 & 15, it is capable of solving the education problems in these countries.

Qatar and it's vast human resources in education are capable of designing an educational system for the students in these countries which is rather cheap (probably can be funded by Qatar) and ensures access to children in the remotest areas of the country. Qatar is distinctly rich with pool of human knowledge in business feasibility and cost optimization, sciences and technology and imparting education to children.

There is a need for such an educational model which Qatar is capable of providing to most developing countries of the world. Qatar can be specially successful in helping Sudan and Afghanistan by helping them in implementation of such an educational model.

Real Need: Global partnership

Although the above recommendations are extremely applicable in local context of these countries, these are suggested when it comes to a specific utopia-like where Sudan and Afghanistan are on friendly terms with other countries and are more than willing to cooperate and support each other to make these programs work. With the complexity of international relations today, and the problems existing in the world, it is extremely hard to combat challenges of poverty, hunger and education without countries working together.

The whole idea of the SAARC and Arab League are to bring such countries together, who can collaborate efforts and build peaceful relations with each other and think about the better good of humanity and not of just its own people or geographical area.

Not every country is rich with all resources, and so it becomes all the more crucial for countries to make trade relations and coexist and prosper.

The only possible solution to those problem lies in the hands of the people of the country. The only forces that can make governments rethink their decisions, their constitutions, and their laws are the people of these countries. It is important to enlighten these citizens of the countries, and build better ties at this inter-personal level, in order to ensure love and hatred among international communities.

Efforts have been taken for such relations. One of them being Soliya. This connects students from various parts of the world, who in other cases cannot connect to each other. Good relations between these citizens of countries, can bring about real changes in the way international ties are made and with the scattering of knowledge, the people can really make the countries come out of the problems of poverty, hunger, education, health and environment.

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