

Challenges of Formal Social Security Systems in Sudan

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Abstract

The present paper discusses issues of challenges of social security systems in Sudan. Following parameters advanced by ILO and UNCOSOC, those systems are analyzed. The conclusions focus on their applicability that faces axial difficulties mainly presented in the state of institutional interregnum facing the country. Moreover, it is important to revisit aspects of social cohesion that serves greater role in traditional social security in the Sudan.

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13 **Index terms**— Social Security, Sudan

1 Introduction

15 Social security is a paramount challenge to many countries much as to concerned organizations around the world. The International Labor Conference, 2001 launched a campaign to extend social security coverage. Similarly, the 16 World Commission (2004), established the declaration of providing a certain minimum level of social protection 17 needs to be accepted as a part of the socioeconomic floor of the global economy. The DFID circulated a White 18 Paper1 (2006) in the same issue while the UN ECOSOC High level stated in 2006 recognized that in the context of 19 globalization countries need to devise systems of social protection with broader and effective coverage. Moreover, 20 the G8 Labor Ministers' meeting and summit in 2007 recognized that in conjunction with economic growth and 21 active labor market policies, social security is an instrument for sustainable social and economic development.

22 The multitude crises around the world reinforced the perception that the extension of social security should 23 be a high priority. In many developing countries' SSS were considered unaffordable. However, undeniably they 24 are important investments to support sustainable economic growth. They play an essential role as economic 25 stabilizers. At present, four out of five people worldwide do not benefit from an existent level of social protection 26 that allows them to realize their human right to social security. That is essential to ensure a basic level of social 27 protection and thus a decent life for people struggling just to survive. It is also a necessity and an obligation 28 under the Human Rights Code. About -The Department For International Development (DFID) is a United 29 Kingdom government department. It was separated from the Foreign and Commonwealth Office in 1997. The 30 goal of the department is "to promote sustainable development and eliminate world poverty".

31 The generated term of Social Protection Floor is an initiative to provide a basic level of social protection and 32 means as an access to essential services and social transfers for the poor and vulnerable. Within the scope of 33 its mandate, the ILO is in charge of promoting the social transfer component of the social floor. An example 34 is creating a basic set of essential social guarantees realized through cash transfers that could ensure universal 35 access to essential health services, income support and income or subsistence security.

36 The SPF-I was adopted by the Chief Executives Board of the United Nations in April 2009 as response to the 37 crisis. The ILO and the World Health Organization lead the Initiative. Many UN agencies and other partners 38 such as development banks, bilateral organizations and NGOs, supported that issue. The improved coordination 39 between these partners is at the core of the Program. The Social Protection Floor subsequently was integrated as 40 a key element of the Global Jobs Pact adopted by the International Labor Conference 2009. The Pact provides 41 an internationally agreed set of policy measures to build an employment-oriented framework for future economic 42 growth. The ILO report to the G20 summit in Pittsburgh found that the employment effects as automatic 43 stabilizers, including social assistance and benefits, were just as important as the effect of the stimulus packages. 44 Governments that already had social protection schemes in place were able to cope with the crisis. The stabilizing 45

46 role that Social Security Systems (SSS) play made them universally accepted instruments. Governments were
47 able to use existing social transfer systems for the delivery of stimulus packages to respond to the heightened
48 need for protection. The crisis acted as an accelerator in the social security debate. SSS not only respond to
49 social needs, but they are an economic necessity. Thus, a new understanding of the importance of social security
50 is required, as a condition to growth rather than a burden to society. Comprehensively, there are direct impacts
51 of the crisis on social security financing and increased demand on SSS. The latter faces a number of long-term
52 systemic challenges. The overall challenge they face in industrialized countries is the changing demographic
53 environment. However, developing countries face these challenges with greater pressures. The main challenge,
54 however, is to extend social security coverage by applying sustainable SSS. The start should be with a basic level
55 of protection for all and then gradually build on that base to provide higher levels of protection.

56 Financing remains as a key concern for implementing sustainable SSS. ILO studies found that it is possible to
57 finance the Social Protection Floor or some of its components even in low-income countries. For a comprehensive
58 approach, a national social security strategy and a diagnosis of priority needs can help to the implementation
59 of SSS. As countries achieve higher levels of economic development, their SSS should also, in parallel, extend
60 the scope, level and quality of benefits and services provided. This can be done within the framework of ILO
61 Conventions, particularly a wider ratification of its Convention No. 102.

62 The SPF-I has set up a Global SPF Advisory Network to deliver technical assistance to countries that are
63 committed to building, expanding, or reorienting their social protection systems. The Initiative provides support
64 along every step in the process including policy design, awareness raising, legislation and evaluation. Many
65 developing countries have already successfully taken measures. Among these are Mexico, Brazil and Chile.
66 Argentina, China, India, Thailand, Ghana, Mozambique and South Africa introduced important elements such
67 as family benefits, access to education and health services. Cambodia, Equator, Burkina Faso, Togo and Benin
68 also have committed to start building their own Social Protection Floors.

69 2 II.

70 The Country's Profile irrigated agricultural schemes that played stabilizing role in food security. Privatization
71 policies added shock to patterns of economic production known in the country whereas, irrigated schemes
72 represented and played pivotal role in providing income for seasonal labor markets and refuge at periodic times
73 for drought victims. According to the Human Development Report, 26.6% of the Sudanese population is not
74 expected to survive to more than 40 years of age. Comparatively, in neighboring Egypt the number is only 9.9%
75 and in China 7.7%. The early death of so many Sudanese can be traced to the violence but also to the lack of
76 necessities, as health services, clean water or even food. More than 27% of the population do not have access
77 to safe water whereas in Egypt a lesser 13%. In Sudan more than 30% have no access to health services, while
78 in Egypt, 1%. For children under the age of 5 years, 34% are underweight, while in Egypt, 12%. The World
79 Fact book estimated that the GDP per capita at purchasing power parity in 2000 was less than US\$1,000, which
80 increased to US\$1399 in 2009. All of these numbers underscore the difficulty of most people's lives in Sudan and
81 do not represent the true picture in some disasters ridden regions. Increases in calculated per capita income,
82 however, does not transfer to all population. Disparities exist between regions, states and urban and rural areas.
83 That translates into income gaps correlated with lack of social security specially in rural areas or civic conflict
84 regions.

85 3 III.

86 4 Rural poverty in the Sudan

87 Poverty in the Sudan is deeply entrenched and that is largely rural. It particularly affects farmers who practice
88 rainfed agriculture. The phenomenon is more widespread in rural areas in Southern, Western and Eastern
89 Sudan and in areas affected by conflict, drought and famine. The incidence of poverty varies considerably
90 according to region. Partly, that is because economic growth is unevenly distributed and the economic and social
91 devastation caused by the conflict in certain parts of the country. There are severe inequalities in terms of access
92 to education, sanitation and clean water, infrastructure and natural resources, income opportunities, justice and
93 political protection.

94 Sudan embodies the necessity for such schemes. During the past three decades, it has endured exceptional
95 calamities, which ranged from natural disasters to undeniable political turbulences. Those had great impacts on
96 all social security parameters in the whole country.

97 The following table (1) reflects the country's main features as stated by the World Bank Reports (2009).
98 It is apparent that there are rapid demographic expansion from the year 1993 and 2009 as estimated by 24%.
99 The basic required services only increased by 12% and that only concentrated in urban areas. The country's
100 agricultural base did not similarly expand whereas, the industrial activities diminished. Truly, communications
101 and educational capacities, specifically universities largely expanded though with a lower quality efficiency. Other
102 health and water facilities still do not meet the basic levels. However, even with improvements, rural population
103 at large had little share in the development of social security. That is true in specific regions, which amplified
104 during the conflict in Southern Sudan. Uneven development generated similar conflicts in its Eastern and Western
105 parts. Infrastructure development remained limited to the central parts of the country though recent schemes

106 where launched in the Southern and Eastern regions. The major impacts came with the collapse of Sustained
107 economic growth was behind as presented in the extreme poverty rates that exacerbated from 77% in the 1990s
108 to an estimated 90% at present. Important regional disparities still exist. The Sudan remains a low-income,
109 food-deficit country. It ranks 147th on the United Nations Development Program's Human Development Index
110 (2007/2008) among 177 countries.

111 In the country's poorest areas, the rapidly growing population includes displaced people and returnees. That
112 puts significant pressure on already fragile ecosystems. Erosion, loss of soil fertility and damage to watersheds
113 are affecting resources. Agricultural productivity is low. Farmers face the impact of the effects of climate change,
114 such as water scarcity, on their livelihoods. Volatile food prices affect household food security.

115 In general, small-scale farmers, herders in the traditional rainfed farming and livestock sectors are poorer than
116 those in the irrigated agricultural sector. People who do not have land to farm lead a livelihood by undertaking
117 casual labor such as collecting firewood and making charcoal. Meanwhile, people living in areas that have been
118 or continue to be affected by drought and conflict. The South, Darfur, Kordofan and the Red Sea, are the most
119 vulnerable to poverty.

120 Isolation is one of the key factors affecting poverty. Isolated settlements have little or no access to social
121 services and markets. Within rural communities, households without assets and labor are the poorest. They
122 include elderly or disabled people, and households headed by women with young dependents. Women and girls
123 are the most disadvantaged members of society, less than one third of them have access to education. The
124 country's poorest areas include, southern Sudan, with the exception of Western Equatoria, the transition area
125 between northern and southern Sudan, the states of Blue Nile, Darfur and Kordofan, the states of Gedaref,
126 Kassala, Red Sea and White Nile.

127 Inadequate development strategies, slow adaptation to climatic volatility, and erosion of natural resources are
128 causatives of poverty. These causes have also fuelled the prolonged civil conflicts that have had a devastating
129 effect on the rural population. Poor rural people, practice subsistence agriculture, and their livelihoods are
130 based on crop cultivation, herding and fishing, where available. Smallholder farmers are hindered by the limited
131 size of their landholdings, low productivity and an inability to improve their incomes. Because of the lack of
132 rainfall and domestic water supplies, for most farmers the growing season is brief and crop failures are frequent.
133 Constraints to their livelihoods are represented in the unpredictability of rainfall, water shortages during the
134 dry season, barriers on migratory routes. Those lead to disputes between pastoral and sedentary or between
135 local communities and commercial interests. Access to credit, distribution and marketing channels are limited.
136 Farmers have inadequate technical knowledge and poor skills in production and marketing. They find it difficult
137 to break out of the cycle of low productivity and income. Seasonal migration of rural workers in pursuit of wage
138 labor opportunities on mechanized and irrigated farms and in urban areas is widespread.

139 The impacts of conflicts on poverty incidence in Sudan are enormous. More than two decades of civil unrest
140 in the Sudan have cost the lives of about 2 million people and had a devastating effect on the well-being of the
141 population. Protracted civil conflict in the Sudan generally has its origin in socioeconomic inequities caused by
142 neglect of the agricultural sector. Instantly, there were misguided land reforms, unfair distribution of resources
143 for development between urban and rural areas. For irrigated and traditional farming, the exclusion of local
144 communities from decision-making had its impacts. These policies have led to the development of an economy
145 based mainly on export and lease of natural resources, to competition over access to scarce land and water and
146 to inadequate nation's building.

147 5 IV.

148 6 Causes of Social Instabilities

149 After decades of internal conflict the Sudan signed a peace agreement in January 2005 and the new Governments of
150 National Unity and Southern Sudan launched a six-year recovery, peace-building and development plan. However,
151 many factors attributed to the social instabilities in the country. The first is expressed in natural disasters, e.g.,
152 floods of 1988 and a multitude of droughts that hit many parts of the country.

153 The second manifests in the recurrent changes in the political regime and hence in the country's institutional
154 structure and the continuation of the Civil War in the southern Sudan that restarted in 1983. Inceptions of
155 rebellions in Darfur region in 2003 was followed by similar movements in the East of the country. The conducted
156 elections in 2010 are supposed to be followed by a ballot to decide for the separation of the south or not in
157 January 2011. The instabilities of the political situation generated institutional interregnum between and with
158 regions and states.

159 The previous events genuinely affect parameters of social security in the country, e.g., unemployment levels
160 and supporting institutions. Moreover, they had certain impacts on population strata and social formulations all
161 around the country. A certain social formation was generated by civic instability, represented in the internally
162 displaced. Today that is present in considerable portions of the Sudanese demographic formation. Statistically, it
163 is 3 millions in Greater Darfur region, or 36% of its total population, 600,000 of the Eastern Sudan, or 15% of its
164 population and 1.2 Millions in the capital Khartoum or 24% of its urban population. However, the numbers are
165 less than expected and definitely less than 5 years ago. Large portion of refugees in the Sudan's capital refugees
166 settled and housed in newly built towns around Khartoum or returned to the Southern Sudan. However, more

167 refugees flood to the country's largest urban areas. An estimated 600,000 people settle every year in cities. All
168 these numbers are direly in need for water, hospitals and jobs. The vision for social security are blur with the
169 civil conflicts, economic restraints and dwindling ability of donors to give more for the country's increasing needs.

170 New phenomenon is represented in the increasing numbers of universities and higher educational colleges due
171 to the High Education Revolution declared by the present regime 20 years ago. Visions for better employment
172 policies are required. Unemployment rates are getting high. Thus, the quality of the provided job opportunities
173 should be amalgamated with social security parameters.

174 The subsequent analysis will introduce more of the above-mentioned social security parameters and try to
175 implement them with the analysis the concept of Social Floor. Though the selected parameters: economic
176 impacts, health and education and the political impacts, are few but they give some view on the general situation
177 as affected by the pre and post civil wars.

178 V.

179 7 The Analytic Model

180 We use a simple regression analysis to fortify the discussion carried out here that depends on statistical data
181 provided from official records. The parameters are comparisons between available resources during peaceful and
182 civil war periods. However, the inception of the conflicts in Darfur that started in 2003 cannot be accounted for
183 in the analysis as no solid peace agreement has been held yet to compare with and dummy representation is not
184 available to cater for possible verifications.

185 8 The Current Situation

186 The intensity of civil war violence relatively faded in the south. However, the conflict escalation in Darfur
187 increased the social disturbances. Early-life exposure to civil wars had impacts and affects labor-market outcomes
188 later in life. The impacts of armed conflict in Sudan gave an experience of a tenacious and brutally effective civil
189 war. That was sensitive to social stability and hence to applying measurements for social floor. That generated
190 social scourge particularly in early-life exposure to civil war violence specially, at the first 36 months of life. On
191 income levels, civil war leads to fall in adult monthly earnings. Heterogeneity in the earnings impacts emerge
192 when considering variation in the types of civil war. Sexual violations affect the wages of women. Meanwhile
193 torture and forced disappearances affects the wages of men. Health and schooling rates are important channel in
194 connecting early-life exposure to civil war and adult earnings. According to scholars like Kriger (1992) violence
195 against and between civilians is the most important attribute of civil wars. A minimum of eight out of ten
196 people murdered in civil wars have been civilians. Civil wars also are associated with mass murder, forced
197 disappearances, sexual assaults, and other types of extreme violence. They are deliberately inflicted with the
198 purpose of intimidating civilians through exemplary terror (Kalyvas 2006).

199 It is well documented the direct short-run effects of civil wars include the destruction of vital infrastructure,
200 the collapse of institutions, a large number of displaced individuals, orphanage children, and a massive loss of life
201 (Collier and Hoeffer 1998). Abadie and Gardeazabal (2003) reported their negative impacts on economic growth.
202 Justino and Verwimp (2006) showed that one out of five Rwandans moved into poverty after the genocide. That
203 is true in the Case of Sudan that lost years in the strife manifested in the poor infrastructure especially in
204 conflict torn regions. Yet, the long-run consequences of civil wars on human capital development, institutions,
205 and social norms are still unclear (Blattman and Miguel 2009). However, evidence from formerly displaced
206 people of Southern Sudan who stayed long in refugees' camps suggests entrenched Foreign Aid Dependency
207 Syndrome. Many lost their cattle herds, in case of nomadic herders. Other, sedentary farmers migrated from
208 their cultivable lands. Both turned into aid-handed displaced or marginal jobs takers. Many transformed from
209 de facto or potential producers into camps displaced. Alternative working opportunities where not available and
210 the traditional ways were not available. Their social protection blanket vanished with the loss of their income
211 generating facilities. Similar phenomenon is evident for Darfur population. More petty jobs seekers, homeless
212 or beggars are represented more in the Sudanese urban and suburban areas. Reports of increased numbers of
213 street-children are evident. Probably, early life exposure to civil war had torn or deprived them of their families.
214 That should affect labor-market earnings later in life, following the critical-period theory (Godfrey and ??arker
215 2000). That is the impact of two decades where the country experienced the actions of a tenacious, brutally
216 effective and long civil conflict. The social and economic losses from this spiral of violence were dramatic.

217 Economic subtractions from development, is evident because of the strife at an estimated economic losses for
218 the civil war in the south is at the fringe of US\$12 billion dollars in addition to foreign debts of US\$37. The latter
219 was supposed to be used in projects, which feasibly could have provided social havens and income generating
220 institutions if properly used under good governance regimes. The production of violence also led to over 2 millions
221 displaced people as a result of serious acts.

222 Human capital losses are presented in a body of literature on the legacies of civil wars. They suggest that they
223 affect schooling (Chamrabgawala and Moran 2010, Shemyakina 2010, Leon 2009) and health outcomes ??Akresh
224 et al. 2007, 2009 ?? Alderman et al. 2004). Both are negatively impacted by episodes of civil war. The scope
225 of human capital models reveals the inevitable effect on total lifetime earnings of those affected. Direct evidence
226 on the long-run labor-market consequences of civil wars, however, are still a missing gap in the literature. An

exception is the work of Blattman and Annan (2007) who reported less schooling and work experience for former child soldiers in Uganda, and therefore, less success in their labor market outcomes as adults. Another view was illustrated by Humphreys and Weinstein (2007). They reported that increases in Sierra Leone combatants' violence exposure was negatively correlated with employability. Such study, however, did not restrict labor-market analysis to former combatants, but rather used a large national representative sample of civilians exposed to civil war at the very beginning of their lives. Moreover, the violence shocks for several periods before and after birth uncover evidence about sensitive or critical period: early childhood, and preschool exposure. Furthermore, data enables us to assess the long-run impacts of civil war violence, which improves over limited time horizons of most civil war datasets. That is consistent with the findings in literature for some conventional or international wars (Hearst and Newman 1986 and Angrist 1990).

Recent research in economics relates conditions in early life to outcomes in later life. This literature help to identify shocks that have long-lasting effects, understanding the mechanisms of underlying shocks' persistence and highlighting potential pathways connecting childhood and adult outcomes. However, the long-run effects on health or environmental shocks in early life on adult health is presented in Strauss and Thomas (1998), Alderman and Behrman (2006), and Maccini and Yang (2009). The negative impacts on schooling attainment are presented in Glewe and King (2001), Behrman and Rosenzweig (2004) and .

The civil war in Sudan began in the southern part and spread other regions of the country. Regional variations in the timing and intensity of violence identify its effects on labor-market earnings. Similar strategies were used in other studies addressing the impact of civil war violence on human capital outcomes ??Akresh et al. 2006; Chamarbagwala and Moran 2010; Shemyakina 2010).

Literature review by way of a systematic analysis reveals the impacts of violence. Civil war inherently affected the majority of civil war and that had impacts on the effectiveness of possible launching of social security schemes. Such impacts are described by Blattman and Miguel (2009). The actual intensity of violence does not separate transitory shocks from secular trends in violence conditions. However, distinction between civil war and violence in civil wars is often overlooked in the micro data analysis of civil wars as postulated by Kalyvas (2006). Accounting for civil war violence is primarily based on a single specific measure of violence, including deaths as emphasized by Chamarbagwala and Moran (2010) and abductions ??Blattman and Annan 2009), length of exposure to civil war , Leon 2009), and damage to household dwellings (Shemyakina 2010).

In literature, the heterogeneity of civil war impacts has five characteristics: violence: sexual violations, forced disappearances, abductions, killings and forced detentions and torture. The most sensitive period to early-life exposure to civil war violence is the first 36 months of life. Early childhood exposure to violence leads to a fall in adult monthly earnings. That is an indicator of strong impacts of the incidence of civil war. Women are more affected by civil war violence than men, which affects the long-run earnings of urban people, as compared to those living in rural locations. The substantial heterogeneity in the impacts of civil war on adult earnings depends on the type of civil war violence experienced. Exposure to torture and forced disappearances yields the strongest negative impacts; sexual violations proportionally affect the wages of women, while torture and forced disappearances negatively affect the wages of men. Focusing only on the most common types of violence, deaths and abductions, may underestimate the overall impact of civil war. The psychological distress that attaches to other types of violence may have stronger long-lasting human capital impacts. The mechanisms connecting adult earnings and violence suggest that health is affected. Armed violence during early childhood is significantly associated with sustainable chances for education. Additionally, schooling attainment is negatively affected by exposure to civil war and adult earnings.

In 1983, Sudan witnessed the re-continuation of one of the world's longest deadliest civil conflict. However, the civil war in Sudan did not follow the conventional prediction in such armed conflicts that flourish in resource rich regions because of the existence of more rents to fight over (Le Billon 2005). Weinstein's (2006) typology of an activist rebellion where grievance trump greed and participation is risky, shortterm gains were unlikely. Highly committed militants resemble investors dedicated to the cause of the organization and willing to make risky investments in return for the promise of future rewards (Weinstein 2006). The initial response from the government was ineffective. The operations used strategic force. However, rapid economic assistance, to bolster local economic conditions in the initially affected areas was not visible. The military forces were reportedly accused of using indiscriminate violence against civilians. This strategy did not cease, but rather fueled the expansion of the civil war. Kalyvas (2006) documents 100 studies and 45 historical cases where state violence against civilians provoked a greater insurgency violence, as a response. The result was the collapse of traditional social security and cohesion systems in addition to all existing infrastructure supporting economic structures in all civil war ridden regions. VII.

9 Regional Impacts on Some Social Parameters

The following table (6) illustrates some parameters that give evidence of the condition in the Southern region. Though four years passed since the peace agreement, the numbers of local conflicts kept on rising. Data on displacement reveals that there are 400.000 refugees, which is over 8% of the region's population. Food production is still at the same levels during the civil war years. Illiteracy is at 87% rate and people with no sources for clean water records 48% of the region's population. Acute mal nutrition rates are high and the life expectancy is less than that of Northern parts of the Sudan. The minimized contribution of the government in providing public

289 services is revealed by the percentage of the NGO participation in services to the people, which are health, clean
290 water and education.

291 When the civil war expanded to other regions, they were under the siege of political violence. The cycle of
292 political violence worsened even more. It began against the government. However, civilians were most affected.
293 The end of civil war occurred in 2005 when peace agreement was signed. However, the Darfur was different.
294 Though the conflict there seems to fit the activist rebellion typology developed by Weinstein (2006), it does not
295 follow its main prediction. The armed conflict was marked by deliberate indiscriminate violence against civilians.
296 The production of violence was provided by at least many competing parties, with the purpose of matching
297 their opponent's violence to create fear in civilians. The number of serious violence acts, i.e., killings, forced
298 disappearances and sexual abuses. That seriously affected the economic activities, traditional settlement and
299 livelihood of sedentary population. Activist rebellion type predicts that movements that arise in resource-poor
300 contexts perpetrate into low levels of indiscriminate violence and employ violence selectively and strategically.
301 On the other hand, the rebellion type predicts that civil wars emerging in rich natural resources areas tend to
302 commit high levels of indiscriminate violence (Weinstein 2006). It highlights the limitations of building unified
303 conceptual categories to describe diverse civil war movements. ??alyvas (2000) defined a typology of civil war
304 based on the interaction of two key elements of violence: its purpose and its production. According to this
305 typology, the armed conflict corresponds to civil war violence.

306 The intensity of early life exposure to the cycle of armed violence depends on where and when the individuals
307 were born. Some places may not experience a single violent act, where others do. The years 1984 and 1985 were
308 extremely violent, while 1987 was relatively peaceful.

309 The low coverage of social security programs in developing countries is often attributed to the dual nature of
310 their labor markets. Implicit in this view is that workers are rationed out of social security against their will
311 because they are unable to find formal jobs with benefits.

312 Throughout the world, social security programs have been introduced to insure consumption in old age. For
313 salaried workers, participation in these programs is linked to employment; employers are required by law to
314 register workers and transfer a certain share of workers' wages to pension administrators. In practice, however
315 many employers do not enroll their workers in these plans. Some workers may contribute in former jobs and thus
316 accrue some pension rights. However, participation rates are very low, suggesting that a large share of the labor
317 force may not receive a pension or will retire with meager benefits.

318 Most studies attribute the high rates of nonparticipation or the informal employment, to the characteristics
319 and regulations prevailing in the labor market or to the characteristics of the firms. Some studies emphasize the
320 importance of wage rigidities caused by labor regulations, unions or efficiency wages, which lead to rationing of
321 formal sector jobs with benefits (Harris and Todaro, 1970; ??sfahani, Hadi and Salehi-Isfahani, 1989; ??génor,
322 2005). Other studies, explain informality as the result of the decisions of firms (Levenson and Maloney, 1998).
323 In this view, firms decide whether to engage in formal institutions by assessing the benefits and costs of doing
324 so, with the outcome of the cost structure and characteristics of firms. Participation in social security becomes
325 exogenous to workers' decisions. Workers with weak preferences for participating in social insurance programs
326 sort into jobs in which social security is easier to evade. The possibility that workers preferences are likely
327 to underlie participation in social insurance is presented in health insurance literature in developed countries
328 (Monheit and Vistnes, 2006).

329 VIII.

330 10 The Social Floor

331 The broad concepts of Social Floor contain seven pillars we outline and analyze the situation in the Sudan as
332 follows:

333 The first pillar is that social security is a Human Right as postulated in Article 22 of the Universal Declaration
334 of Human Rights. It states that: Everyone, as a member of society, has the right to social security. That
335 is difficult to presume under the current conditions with non-participative fact of several regional populations'
336 powers. The successive regimes that controlled the country produced continuous erosion of such concept. After
337 almost 60 years of independence, that remains a dream for the majority of the country's population. The ILO's
338 Philadelphia Declaration was the extension of social security measures to provide a basic income to all in need of
339 such protection and comprehensive medical care. Subsequently, the ILO launched a campaign in 2003 to extend
340 social security to all with a proposed set of rights as a social security floor.

341 That is hardly applicable for the Sudan with an estimated 10% of its population in displaced camps and
342 over 90% under the poverty line globally specified. That makes the task difficult in implementation. Moreover,
343 over 70% of the population is deprived of basic requirements of clean water, basic medical and educational
344 facilities. Therefore, providing the required services which will set the base for building-up SSS essentially call
345 for international help and wider strategic planning to cater for that. That is difficult to achieve with the current
346 civil conflicts in Sudan.

347 The second pillar is that: Social security is a social necessity. There is no solid data set to cater for an
348 achievement of such a parameter. However, with over 90% of the Sudanese people living under poverty and
349 70% are deprived of basic facilities, it is logical to propose that at least 80% of the Sudanese population lives
350 in social insecurity. Some research data proposed that 40% of them live in utter destitute. Sudan also records

351 the highest infants' mortality less than 5 years of age, due to lack of access to health care and lack of income
352 security. With hypothetical assumptions' social security is expected to reduce poverty. Household surveys show
353 high concentrations of revenues in the urban. Social security systems should reduce income inequality.

354 The third pillar is that Social security is an economic necessity. That concept is necessary in order to convince
355 governments and societies to spend on social protection. Thus, they can countries grow with equity. Countries
356 that have been the most successful in achieving long-term sustainable growth and poverty reduction have all put
357 in place extensive systems of social security at an early stage. In Sudan, that is inevitably necessary as differences
358 between urban and rural areas, between states and regions are highly manifested. Most states rely on the Central
359 Government support for subsidies to run their administrative cost and other basic facilities. Moreover, it has been
360 stated in most negotiations, literature and by politicians that unless development is defused in all the country's
361 regions rebellion may expand.

362 The fourth pillar is that basic social security for all should be fiscally affordable. Economies cannot develop
363 and grow without a productive workforce. In order to unlock a country's full growth potential one has to
364 fight social exclusion, ignorance, unemployment. Social transfers are most directly and most effectively reach
365 out to the excluded and the poor and those who have to adapt to economic change and thus maintain their
366 productivity. Access to social health protection improves productivity levels. Social transfers also cushion the
367 effects of economic downturns on domestic demand. As expected, in developing countries have multiplier effects
368 on local markets and transfers in kind may have negative effects on prices. Again, the cost of civil conflicts in
369 Sudan makes it impossible to achieve such a parameter. Defense and security consumes over 70% of the GNP.
370 The remains give inadequate sums funds to finance SSS.

371 The fifth pillar we propose here is to support social cohesion in the country. That is basically vital in a
372 country that endured civic strife for sixty years. The cohesive relationships traditionally that existed between
373 its societies were eroded by long conflicts about resources and power. Sudan, as a traditional society, in whole,
374 suffered stigmas of discrimination, elitism, marginalization and destitute. Without applying institutional basis
375 that protect and provide irrevocable constitutional rights for individuals, societies and people building up social
376 cohesion based on social welfare is a delusion. Moreover, such social cohesion is vital to support traditional
377 social systems that long protected economic activities, e.g., rights for nomadic activities and pastures, collective
378 farming and traditional marketing and bartership.

379 The sixth pillar is represented in the definition of SSS floor per se. Globally, less than 2% of the Global GDP
380 is required to provide a basic set of social protection benefits to all people that have to live on less than one dollar
381 a day as stated years ago. However, such specified minimum income is unrealistic today with the rife inflation
382 seen in Sudan as much as other parts in the world. Recession adds to the dilemma, with the increasing rates
383 of unemployment and the deteriorating rates of investment in the real economic production sectors. The latter,
384 amplify job generation chances. Both combined produce stagflation, which is the most serious impediment for
385 SSS creation. A minimum package of social security benefits is affordable in even the poorest countries as recent
386 work by the ILO on the cost of a minimum package of social security benefits in sub-Saharan Africa, Asia and
387 Latin America has shown. A basic package of modest pensions and child benefits can reduce the poverty by
388 40% in poor developing countries at a cost of 3-4% of GDP in some African countries. The case is prevalent
389 in Sudan with high rates of inflation that even conquer the logics of modifying available pensions to meet the
390 required needs. Thereby, investments in a basic set of social security benefits will have minimum cost compared
391 to expected building-up of social networks. Logical hope is to minimize expenditures on armament and divert
392 their funds to SSS, development of infrastructure and means of production.

393 The vision should not elude the paradox, if Sudan can afford the cost of social security. It should be directed
394 towards what schemes can introduce, where and quickly. The guarantees of access to basic health benefits, through
395 a set of sub-systems linked together, e.g., a public health service funded by taxes, social and private insurance
396 and micro-insurance systems. Moreover, income security provided to family/child should produce benefits to
397 facilitate access to basic social services, i.e., education, health and housing. That should guarantee access to
398 basic social assistance for the poor and unemployed in active age groups. Thus income security is guaranteed for
399 the people including those in old age, invalid and survivors through basic pensions. Decisively, it is relative with
400 serious decisionmaking, planners and those who direct funds. Both are institutionally defined. However, under
401 the prevalent conditions, it seems that an institutional interregnum exist between what is planned and what is
402 executed in reality. Two essentially things are basically required:

403 1. A Global Strategy that contains an international standard/instrument that defines minimum benefit
404 benchmarks for defined stages of development. That can be used by national advocacy groups to promote
405 the development of national systems integrated into international development policy agendas. Thus, donors
406 can allocated and focus on funding social floor development plans. The UN, UNICEF and support building a
407 Global Social Floor Coalition campaign for the introduction of a Global Social Security Floor. That should aim
408 at creating global political consensus. However, reaching for a finally formula is vital to set an applicable pattern.

409 2. Defining National Action to engulf national action plans and draw-up credible and pragmatic roadmaps
410 for the development of social floor benefits. The mandatory should be that the supporting national social floor
411 development, initiate plans for new pilots. Thereby, it shall be through a full range of financial and administrative
412 analyses and the support of national consensus to build dialogue processes. That requires including such National
413 Action into a constitutional structure to guarantee its implementation.

11 CONCLUSIONS

414 IX.

415 11 Conclusions

416 Currently, the primary challenge to social security in Sudan is the state of continuous institutional interregnum
417 caused by instabilities in parts of the country. Such state detains efforts to establish social protection measures
418 from providing the necessary results. In order to establish any coherent parameters for social floor, it is essential
419 for a comprehensively stabilized system. Subsequent implementation should focus on specific lines institutionally
defined and applied. Otherwise, efforts shall be lost. ^{1 2}

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Parameters	Year
Population, total (millions)	2009
Population growth (annual %)	41.3
GDP (current US\$) (billions)	2.2
GDP per capita (current US\$)	55.9
GDP growth (annual %)	1,353
Life expectancy at birth, total (years)	8.3
Mortality rate, infant (per 1,000 live births)	58.1
Literacy rate, youth female (% of females ages 15-24)	69.7
Prevalence of HIV, total (% of population ages 15-49)	81.7
World Bank Tables	1.4

Figure 1: Table (1

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Victims of Local Conflicts	2500
Number of Refugees	400,000
Number of States Enduring Violence	7
Number of Small Arms (millions	7.2
Number of People in Need for Food Aid	3.4
Number of People Suffering Food Insecurity	5.1
NGO Services to Public Services	85%
Illiteracy	87%
Life Expectancy at Birth	42
Acute Mal Nutrition Rate	8.14%
People with no Clean Water Access	48%
Children in Primary Schools	8.15%
UNDP, 2009	

Figure 2: Table (6

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