

# D+C

DEVELOPMENT AND COOPERATION

2.20 Euro  
Vol. 47  
2020/05-06

**NICOLAS ZUËL**  
EBONY FORESTS IN MAURITIUS

**GERD MÜLLER**  
EITHER WE BEAT THE CORONAVIRUS  
WORLDWIDE OR NOT AT ALL

**GILBERTO SCOFIELD JR.**  
MISINFODEMIC IN BRAZIL

**GLORIA LAKER ACIRO ADIIKI**  
MOST UGANDANS LACK ELECTRIC POWER

**JAKKIE CILLIERS**  
AFRICA'S TRANSITION TO  
SUSTAINABLE ENERGY

**NAWID PAIGHAM**  
AFGHANISTAN'S FUTURE LOOKS DARK

[WWW.DANDC.EU](http://WWW.DANDC.EU)



# Demographic trends

MAGAZINE INFO

## Contributors from all over the world

Our readers are potentially our authors as well. If you want to contribute to D+C/E+Z, please send us a proposal in which you outline the topic and the main message in ten sentences or so.

Our mission is to organise a credible forum for international debate. Voices from Africa, Asia and Latin America matter in particular. We offer a platform for people who normally do not get much attention in the global north.

Humankind is facing huge problems that require collective action. Global cooperation is indispensable. We are eager to involve people from the global south in the debate. Anyone who wants to contribute to what we do – including on the website [www.dandc.eu](http://www.dandc.eu) – please do get in touch. Our e-mail address is: [euz.editor@dandc.eu](mailto:euz.editor@dandc.eu).



We post our monthly e-Paper on our website [www.dandc.eu](http://www.dandc.eu) at the latest on the first working day of every month. You can download it free of charge from our homepage. It is the continuation of the monthly print editions we used to produce up to 2015.

OUR POINT OF VIEW

## Why this issue does not look like our previous ones

It is often said that Covid-19 is changing everything. That is the truth concerning our print issue. We have changed its structure in order to respond faster and more flexibly to breaking news. We will not give up these advantages once the pandemic is over.

Starting in this issue, D+C looks more like a conventional print product. It now includes more segments. Our previous structure with two focus sections of equal relevance had serious downsides:

- The diversity of topics was rather small.
- The paper had a stern appearance, almost like a school book.
- Optimising two focus sections required very much attention from the editorial team and forced us to focus less on breaking news.

The new structure is more flexible.

- After the first pages with content, Nowadays and imprint, we now have a section called „Magazine“ with contributions concerning a broader range of topics of great international relevance.
- For as long as needed, the following section will be our „Covid-19 diary“.
- The „Focus section“ is, like the old ones were, dealing with an important topic (this time it is demographic change) as comprehensively and conclusively as possible.
- The section „Agenda – policymaking for sustainability“ is new. It tackles a topic of lasting relevance (such as energy this time), providing input into ongoing debate. There is, of course, some overlap with what we publish in our e-Papers, but we are now spreading our coverage over several print issues. Rather aspiring to achieve comprehensiveness, we can thus focus more on responding fast to new developments. Over the months, we will discuss the most interesting and important aspects.
- The print issue concludes with opinion pieces in our „Debate“ section.

For several reasons, the new structure is better than the old one. The individual print issues will be more attractive due to greater topic diversity. At the same time, we as a team will enjoy more flexibility, and that will help us to make the website and the e-Papers more attractive too.

We have actually been contemplating this reform for a while. The reason is that breaking news has increasingly been disrupting our schedules. The need to update stories from our monthly e-Papers for republication in the print issue a few weeks later has increased considerably. In recent months, that happened in the case of our Europe focus section in print issue 2020/01-02 because of Brexit and our health focus section in print issue 2020/03-04 because of the novel coronavirus. We can rise to that kind of challenge occasionally, but our team is too small for doing so regularly.

We can now work in a more spontaneous manner, responding to breaking news. We will still be covering 12 core topics per year, but only six of them with the old claim to conclusiveness. We will tackle the other six with more agility.



**HANS DOMBROWSKI**  
is editor in chief of D+C Development and Cooperation / E+Z Entwicklung und Zusammenarbeit.  
[euz.editor@dandc.eu](mailto:euz.editor@dandc.eu)

## Nowadays

- 4 The Covid-19 lockdown threatens food security of Uganda's poor | In Malawi, an army of volunteers across the country are busy sewing masks | Imprint

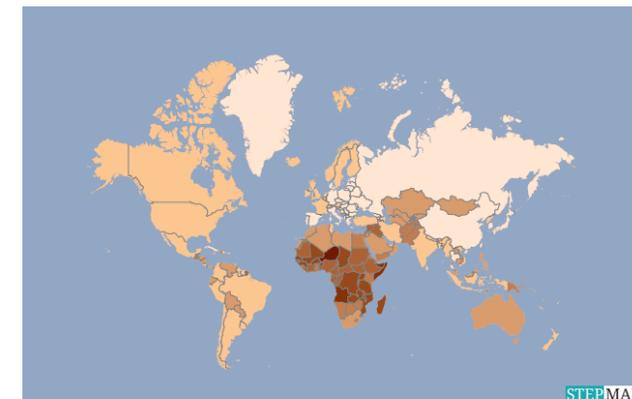
## Magazine

- 6 Nicolas Züel interviewed by Katja Dombrowski: Restoring Mauritian ebony forests | Hans Dombrowski: Two Nobel laureates want fellow economists to focus on empirical reality rather than on elaborate modelling

## Covid-19 diary

- 10 Karim Okanla: Africa needs the WHO | Gerd Müller: The German Development Ministry's strategy on Covid-19 | Kathrin Berensmann: Debt relief is necessary | Gilberto Scofield Jr.: Brazilian misinfodemic | Markus Loewe: Test universal basic income now | Arfa Khanum Sherwani: Virus-related hate speech in India

## Focus section: Demographic trends



The growth of the world population is slowing, and societies around the world are ageing. Countries around the world are facing serious challenges. They must provide decent jobs to the young and good care to elderly.

- 18 **SAMIR ABI**  
Sub-saharan Africa needs millions of additional jobs for masses of unemployed young people
- 20 **HANS DOMBROWSKI**  
What governments must do so African countries will benefit from demographic dividends

- 22 **FLORIAN JÜRGENS**  
Elderly people in Africa deserve social protection
- 24 **ALISA KAPS**  
Governments around the world face serious challenges
- 27 **MAHWISH GUL**  
What sex education is really about – and why it is indispensable
- 29 **FELIX LEE**  
The devastating long-term consequences of China's one-child policy
- 31 **RICHA ARORA**  
Brain drain weakens social services in developing countries when health-care professionals migrate to richer places
- 32 **SARAH JOSEF**  
Relevant reading: UN report on global demographic trends

## Agenda: Energy

- 33 **GLORIA LAKER ACIRO ADIIKI**  
Biomass accounts for 90 % of Ugandan energy use
- 34 **JAKKIE CILLIERS**  
Africa is exposed to climate risks, but has contributed little to bringing them about
- 36 **FRIEDERIKE BAUER AND ACHIM NEUMANN**  
Global energy transition depends on power storage and smart grids
- 38 **NORA SAUSMIKAT AND QUIRIN JETSCHKE**  
China's energy policy is full of contradictions
- 40 **AVIVA FREUDMANN**  
Low oil price proves OPEC has lost its clout
- 41 **KATJA DOMBROWSKI**  
The coronavirus pandemic offers an opportunity to press ahead with the global transformation

## Debate

- 42 **NAWID PAIGHAM**  
Rapid withdrawal of US troops from Afghanistan is likely to result in chaos
- 43 **JOACHIM VON BRAUN AND TEKALIGN SAKKETA**  
Africa needs public works programmes

## Two daily meals of porridge

Uganda's poor are struggling with the Covid-19 lockdown. The government has begun to distribute food to vulnerable people.

Rachel Namaganda is an unemployed mother of five. Her children are four to 13 years old. The family lives in Wakiso District, which surrounds the capital city, Kampala. Rachel says she is finding it hard to feed her kids: "Every sunrise, I am not sure what my children will eat." They currently eat two meals per day – and both consist of porridge. Many people share that fate.

According to Hillary Onok, Uganda's minister for relief and refugees, 30% of the urban population currently need humanitarian aid. The background is the lockdown. President Yoweri Museveni first ordered schools and places of worship to close. Social gatherings have been forbidden. Later, public transport was stopped and non-essential workers told to stay at home. Moreover, a night curfew is in force. The lockdown will go on until 5 May. The coun-

try seems to be paralysed. The lockdown caught many Ugandans unprepared and without food.

Food prices are rising fast. In some places, a kilogramme of beans now costs 6000 Ugandan shillings. That is twice the price of February. The government has warned against hiking prices, and some traders have been arrested. Need and desperation are driving prices nonetheless. Not getting enough to eat is especially tough for sick people. It reduces their recovery chances.

On the upside, Uganda's government began to distribute food items like maize flour, beans and salt to vulnerable people in Kampala and its suburban areas. Sick people receive extra food including sugar and powdered milk. The efforts are good, but do not reach everybody in need.

Apart from food scarcity, there are other worries. A Congolese refugee who rents a room in Wakisa District reports that she is sharing a washroom with 12 other neighbours. It is a "nightmare", she says: "Imagine the risk of touching a door handle infected with coronavirus; I am more scared of catching coronavirus than hunger."

People are tense, moreover, and domestic abuse is increasing. The Federation of Women Lawyers is registering more cases than it normally does. Lillian Adriko, the organisation's chief executive, says, it recently got 29 calls in a single week with women reporting domestic violence related to the economic situation. This is a high number, since this kind of violence, which is often linked to men's excessive alcohol consumption, is normally hushed up. Now, however, fighting often seems to erupt about who in the family gets how much to eat. The organisation is appealing to local leaders to try to resolve some of the cases at the community level.

On Tuesday 12 May, the media informed that 122 Covid-19 cases had been reported in Uganda. So far, no one has died of the disease.



**GLORIA LAKER ACIRO ADIIKI** is a Ugandan Journalist. She is also a peace journalism activist involved in supporting

refugees.  
Twitter: @GloriaLaker

## Sewing masks to fight corona

As the coronavirus continues to wreak havoc, there is a massive global shortage of face masks. This has inspired people around the world to start making their own. Malawians have joined the mask-making campaign.

An army of volunteers across the country are busy sewing masks from locally available materials such as cotton, clothes and other pieces of fabric. This non-profit campaign is running under the banner #Masks4AllMalawi.

So far, over 3 million masks have been produced, and a production rate of half a million masks per week has been reached. They are being made available free of charge to people throughout the country.

The face masks are not medical grade or N95 respirators, that filter particulates such as the coronavirus and meet a certain US standard. But they have been approved by the country's Ministry of Health now that medical masks are in short supply.

There continues to be a debate around the efficacy of the cloth masks. They are not meant to protect the person who wears them from infection, but the people around him or her. Doctor Gama Petulo Bandawe, the chief medical virologist of the #Masks4AllMalawi campaign, says universal mask usage has a potential public-health benefit towards curbing the virus despite the absence of proven scientific data.

#Masks4AllMalawi is being powered by an international network called the Hestian Project, a programme which normally promotes the use of cleaner cook stoves to reduce exposure to household air pollution. Conor Fox, one of the campaign organisers and a co-founder of the Hestian Project, said the masks are being distributed through various channels including via the network of 3,000 stove producers across 200 villages which has reached over 3.5 million Malawians.

"We are a group of over 40 consultants, experts and volunteers, including medical epidemiologists and virologists working on a campaign to help people in Malawi respond quickly to the coronavirus," Fox explains. The Hestian Project has managed to raise half a million euros for



Masks4AllMalawi has already produced over 3 million masks.

the mask project and got money donated by the general public.

The country has now recorded 56 Covid-19 cases with three deaths (11 May). In April, the Malawian government



Photo: Masks4AllMalawi

announced a 21 day lockdown which was met by a stop order from the High Court (see Raphael Mweniwe in the Covid-19 dairy in D+C/E+Z e-Paper 2020/05). The judges acknowledged small-scale traders' worries, who were afraid to lose their livelihoods. Citizens are now asked, not ordered, to act in ways to prevent the spread of Covid-19.

About 90% of Malawians work in the informal sector which means a lot of people operate on a hand-to-mouth basis. Therefore, such lockdowns would put the food security of the poor at high risk.

**LINK**  
#Masks4AllMalawi:  
<https://www.masks4allmalawi.org>



**RABSON KONDOWE** is a journalist based in Blantyre, Malawi. He is interested in social development, health and

business related stories.  
[kondowerabie@gmail.com](mailto:kondowerabie@gmail.com)

## IMPRINT

D+C DEVELOPMENT AND COOPERATION  
Vol. 47, 2020  
D+C is the identical twin of the German edition E+Z  
Internet: [www.DandC.eu](http://www.DandC.eu)  
D 12 107 ISSN 0721-2178  
The production of this issue was completed on 18/5/2020.

D+C Development and Cooperation is funded by Germany's Federal Ministry for Economic Cooperation and Development and commissioned by ENGAGEMENT GLOBAL. D+C does not serve as a governmental mouthpiece. Our mission is to provide a credible forum of debate, involving governments, civil society, the private sector and academia at an international level. D+C is the identical twin of E+Z Entwicklung und Zusammenarbeit, the German edition.

ENGAGEMENT GLOBAL gGmbH  
Service für Entwicklungsinitiativen  
Tulpenfeld 7  
D-53113 Bonn  
Phone: +49 (0) 2 28 2 07 17-0  
Fax: +49 (0) 2 28 2 07 17-150  
[www.engagement-global.de](http://www.engagement-global.de)

ADVISORY BOARD:  
Thomas Loster, Prof. Dr. Katharina Michaelowa,  
Dr. Susanne Neubert, Prof. Dr. Imme Scholz, Hugh Williamson

PUBLISHER:  
FAZIT Communication GmbH  
Executive director: Hannes Ludwig

ADDRESS OF THE PUBLISHER AND EDITORIAL OFFICE:  
Frankenallee 71-81, D-60327 Frankfurt am Main, Germany

This is also the legally relevant address of all indicated as responsible or entitled to represent them in this imprint.

EDITORIAL OFFICE:  
Dr. Hans Dembowski (editor-in-chief), Dagmar Wolf (assistant)  
Freelance support: Sabine Balk, Katja Dombrowski,  
Aviva Freudmann, Monika Hellstern (social media),  
Jan Walter Hofmann (layout), Malcom Bell (translation),  
Claire Davis (translation)  
Phone: +49 (0) 69 75 91-31 10  
[ez.editor@dandc.eu](mailto:ez.editor@dandc.eu)

Disclaimer according to § 5,2 Hessian Law on the Freedom and Rights of the Press: The shareholders of the company are Frankfurter Allgemeine Zeitung GmbH (40%) and Frankfurter Societät GmbH (60%).

ADVERTISING AND SUBSCRIPTION SERVICE:  
FAZIT Communication GmbH  
c/o InTime Media Services GmbH  
PO Box 1363  
D-82034 Deisenhofen, Germany  
Phone: +49 (0) 89 8 58 53-8 32  
Fax: +49 (0) 89 8 58 53-6 28 32  
[fazit-com@intime-media-services.de](mailto:fazit-com@intime-media-services.de)

PRINTING:  
Westdeutsche Verlags- und Druckerei GmbH  
Kurfürstenstraße 46  
D-64546 Mörfelden-Walldorf, Germany

Opinions expressed by authors indicated in bylines do not necessarily reflect the views of ENGAGEMENT GLOBAL, the publisher or the editor and his team. Provided that they indicate the original source, third parties have the permission to republish in complete or abridged versions the manuscripts published by D+C Development and Cooperation and E+Z Entwicklung und Zusammenarbeit. However, those who do so are requested to send the editorial office two hard copies and/or the links to the respective webpages. This general permission does not apply to illustrations, maps and other items with explicitly and separately marked copyright disclaimers.

PRICES (INCL. MAILING CHARGES):  
single issue: € 2.20  
annual subscription, Germany: € 14.00  
annual subscription, world: € 18.00

## NATURE CONSERVATION

## Threatened by invasive species

Mauritius was once covered by forest, but not much is left. Indigenous plants are endangered. Ebony Forest, a private enterprise, is reforesting an area it bought for that purpose with mainly endemic species, which only thrive in specific localities. Conservation manager Nicolas Zuël explains the work.

Nicolas Zuël interviewed by Katja Dombrowski

### Please give me a short overview of the state of the forests in Mauritius?

Before Mauritius was colonised around 400 years ago, 90% of its landmass was covered by forest. The Europeans, starting with the Dutch, cleared the land for timber and plantations. After independence in 1968, more forest was cut down to expand sugar-cane cultivation, Mauritius' main cash crop. Today, only around two percent of the native forest is left. All in all, 17.2% of the landmass is forested, but this is mostly invaded forest with exotic species. And the unfortunate trend is that the forest area is decreasing by an annual 0.5%.

### What are the main threats to Mauritius' forests?

Urbanisation is reducing the remaining green areas of the island, especially along the coast. We have a growing population, and people get wealthier and want to live in their own houses instead of apartments, so many new houses are being built. But the biggest threat to the native forest are exotic invasive species.

### What about climate change? Does it have any effects on the forest?

Yes, rainfall patterns are changing, and the temperature is rising. When heavy rains come too early in the year, for example, the trees' flowers fall down before being pollinated, so they cannot produce seeds and disseminate them. Higher temperatures make insects move to higher or lower altitude, and that too can result in reduced pollination. Moreover, some plants that like cooler temperatures are losing parts of their

habitat. The dry season has also become longer: we now experience severe drought from August to December.

### Are the remaining forests in Mauritius protected?



Tour guide at Ebony Forest standing next to an ebony tree.

We have two national parks and some nature reserves. All in all, 31% of the forested area is protected, so more than two thirds are unprotected. People may use them as they please.

### What does the government do to protect or restore the forests?

Some reforestation is taking place in the national parks and nature reserves, but it is very limited. Our work at Ebony Forest adds to what the government is doing. They support us for example by giving us seedlings that we can plant in our reforestation programme.

**Ebony Forest was founded in 2005 with the objective to „save the Mauritian forests“. What do you do to reach that goal?**

The founders, a Mauritian-Australian couple with a passion for wildlife, bought 50 hectares of land from their own money. We are turning this land into a forest consisting of native species. So far, 17 hectares have been restored. Our main activity is reforestation. We remove the invasive species first and then plant native ones like ebony trees. That is what gave the company its name. We have 11 endemic species of ebony in Mauritius. We have been doing our work for more than ten years, planting 143 000 plants, most of them trees. In 2018, the for-

est was ready to serve as a habitat for birds, and we released 50 individuals each of two endemic species, the echo parakeet and the pink pigeon. The pigeons have already had offspring. The birds are important for the forest because they disperse endemic seeds.

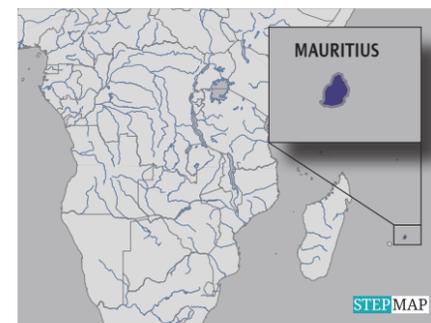


Photo: kd

Photos: Smitika Dombrowski



Of the landmass in Mauritius, 17% is covered by forest.

Next, we plan to release endemic snails and other passerines.

### Why do you put such an emphasis on endemic species?

The Mauritian ecosystem is very fragile. The endemic biodiversity is very specific to our isolated island, and it does not cope well with invasive species. Some of the plants that colonists brought to Mauritius grow very fast, so these colonising species have crowded out the native plants. Today, 89% of the endemic plant species are at risk of extinction. Two invasive species are particularly problematic at Ebony Forest: the Chinese guava and tecoma trees. Adding to the problem, the colonial powers also imported birds from Asia like the red-whiskered bulbul. It feeds on guava and spreads the seeds.

### Another part of your programme is education. What is it about?

We work with school children to raise awareness of the value of the forests. They come to Ebony Forest with their teachers and do different kinds of interactive activities, such as planting trees, nursery activities, treasure hunts or quizzes in our natural history museum. The children are our future – it is very important to make them realise how important the forest is. Culturally, people in Mauritius are afraid of the forest, they

fear evil spirits said to be living there. But that is changing in the young generation; we can see that there is a growing interest in nature and environment. If we want future generations to fight to protect the country's natural heritage, then they must experience it early on in an engaging and memorable way. Reconnecting children, as well as adults, to nature is one of our major challenges.

### Tourists can visit Ebony Forest and even plant trees themselves. Do you do tourism to raise money for the project?

With the ecotourism component, we want to demonstrate that Mauritius is not only



Native fauna depends on native flora: the blue-tailed day gecko is endemic in Mauritius.

about nice scenery and beautiful beaches. Some tourists who come here don't know anything about endemic species, so there is an education component to it. But yes, the main goal is to fund our conservation work. Many tourists are impressed by what we do and donate money in addition to what they pay for the tours or other activities. That money is crucial to enable us to complete our conservation mission.

### What is your long-term goal?

We want the forest to become a self-sustaining ecosystem, without human intervention. That's why we bring in pollinators and seed dispersers. The newly afforested areas need to be weeded three to four times a year – that is a lot of work. Once the canopy is closed, we can reduce the weeding frequency, but that takes more than ten years. When the forest has reached that state, only native species will grow back. That's where we want to get.

### LINK

**Ebony Forest:**  
<http://www.ebonyforest.com>



**NICOLAS ZUËL**  
is conservation manager at  
Ebony Forest.

[nzuel@ebonyforest.com](mailto:nzuel@ebonyforest.com)



Duflo and Banerjee in Stockholm in 2019.

ECONOMICS

# Count in human beings

The new book by two of the economists who won last year's Nobel Prize is quite radical. Abhijit Banerjee and Esther Duflo call for a paradigm change. They want their profession to consider empirical reality rather than indulging in fictional models. In particular, they resent TV economists who sell distorted platitudes as deep insights.

By Hans Dembowski

The book's title is "Good economics for hard times" and the subtitle is "Better answers to our biggest problems". The two professors from the Massachusetts Institute of Technology (MIT) wrote the book before winning the Nobel prize last year. In it, they argue that economists should be like plumbers who solve problems society is facing. In their eyes, their colleagues put too little effort into doing so, but focus too much on explaining models and methodology to peers. The result is that what the general public believes is standard economics is often out-

dated and wrong. Empirical research actually proves wrong many of the platitudes that constitute the conventional wisdom. Supposed experts reiterating it on TV often serve vested interests.

One example is migration. It is widely believed that the immigration of unskilled foreign workers increases labour-market competition to the detriment of unskilled domestic workers. The scenario is used to explain xenophobia. As Banerjee and Duflo point out, the empirical reality is normally quite different. Unskilled immigrants typically do work that people from the host country refuse to do. Moreover, immigrants do not only earn money in a zero-sum game that would mean someone else is deprived of that money. Immigrants are consumers who increase aggregate demand, which in turn creates new opportunities. When immigrants join established teams, moreover, some of their domestic colleagues typically rise to a higher rank in the company hierarchy.

The two Nobel laureates find it irritating that, in conventional economics, labour is a mere commodity, with pay being the only thing that supposedly matters to employers and employed. Once again, the empirical reality is different. Labour relations are always personal relations, and trust is essential.

Moreover, people do not only work because they need money. Work has a bearing on people's sense of identity, self-confidence and self-esteem.

This has implications for social-protection policies. The conventional wisdom is that unemployment benefits and other forms of governmental support for poor people thwart recipients' willingness to work. Once again, the empirical evidence speaks a different language. Banerjee and Duflo insist that human beings want to do something meaningful.

According to the conventional wisdom, growth is the all-important policy goal. The two MIT scholars disagree. While least-developed countries which generally lack resources do need growth, it has not made a difference in most people's lives in rich nations in recent years, since only a privileged few raked in the profits. Banerjee and Duflo insist that people matter – and that policymakers

should focus on increasing welfare, not gross domestic product.

Another cliché is that market dynamics always deliver better results than government action. Reality is more complicated. As the scholars point out, government agencies perform better in some fields. For example, government schools are needed to ensure opportunities throughout a nation because private schools tend to cater only to privileged communities.

At a very fundamental level, Banerjee and Duflo disagree with the idea that a person's preferences are fixed permanently. This fiction is useful because economic theory is to a large extent based on the notion of homo economicus – an entirely rational being that maximises personal utility. In truth, people keep changing their minds about many things. They are influenced by who they interact with, by the media and by various kinds of trends and fashions. Preferences are therefore not sacrosanct, write Banerjee and Duflo, and there is no reason why policymakers should accept them as such.

The book benefits from the fact that Banerjee is from India and Duflo from France, with both working in the USA. They have a good understanding of both advanced nations and developing countries. Their work deserves wide attention. It should be made required reading for undergrad students of economics. Policymakers who prefer economists' advice to those of other experts should read it too.

### METHOD OF CHOICE

That said, the approach Banerjee and Duflo take is almost entirely based on a single research method: randomised controlled trials (RCTs). RCTs test how a specific intervention affects a specific community by collecting data from one group of people who are exposed to the intervention and another who are not. If the two groups are otherwise very similar, different outcomes are obviously caused by the intervention.

Developing and using this methodology has made the married couple promi-

nent. They have applied it extensively to find out what works best in the fight against poverty. That kind of work is what they won the Nobel Prize for. On the other hand, some of the things they reveal by the means of RCTs have long been understood by other social sciences. Psychologists have known for decades that work and self-esteem are closely interrelated. Sociologists and political scientists have argued for a long time that markets do not respond to human need, but only to purchasing power.

To a large extent, the merit of Banerjee's and Duflo's work is not to discover these things, but only to prove them in a way other economists will find hard to deny. That is important, of course, because economics is the politically most influential social science. Unfortunately, TV economists peddling platitudes are unlikely to pay attention.

### BOOK

Banerjee, A. and Duflo, E., 2020: *Good economics for hard times. Better answers for our biggest problems.* London: Allen Lane.



Photo: Karl Schonendorfer/picture-alliance/APA/picturedesk.com

## Novel coronavirus

As D+C/E+Z is supposed to tackle issues of long-term relevance without responding much to breaking news, Covid-19 took us by surprise. To deal with this crisis, we started a Covid-19 diary on our website and are including some of the most recent entries here. The authors are from four different continents. Their articles do not necessarily reflect the fast changing state of affairs. The relevant date is the indicated day of publication on our website.

Our web diary: <https://www.dandc.eu/node/4306>



19 MAY 2020

## Africa needs the WHO

**US President Donald Trump's decision to stop funding the World Health Organization (WHO) is likely to hurt many Africans. This continent cannot afford to see less money being made available for fighting malaria, HIV/AIDS and polio. Sub-Saharan health systems were underfunded even before the pandemic started.**

By Karim Okanla

As Africans see it, neither China nor the USA has acted convincingly in the current pandemic. Had China responded faster and in a more transparent way, the novel coronavirus might have been contained. The US administration, in turn, has clearly failed to get a grip on its spread and is looking for scapegoats. The growing enmity between the two superpowers is scary. It makes international cooperation more difficult.

President Trump accuses the WHO of mismanaging Covid-19, covering up the problems and taking sides with China. To punish the international agency, he has discontinued the USA's contributions to it. His critics see this step as part of his scapegoating efforts. Anyone who has paid attention

to his statements knows that the WHO approach to the novel coronavirus has been more coherent and convincing than his.

Anger at Trump's decision was expressed fast – and even in Washington itself. Lawrence Gostin, a professor of global health at Georgetown University, said: "Without a WHO that's empowered there will be many, many more deaths, and not just as it marches through sub-Saharan Africa, which is next, but also here in the United States." The National Council of Guinean Civil-Society Organisations (CNOSCG) has called Trump's decision "irrational". Stanley Okolo, the director of the West African Health Organization, sees things in a similar light. He warns that countries in this region may soon be in a worse position to fight dangerous diseases such as polio, HIV/AIDS and malaria. In particular, immunisation campaigns are likely to suffer. Okolo's agency belongs to the Economic Community of West African States, but things are similar in other parts of Africa. South Africa's foreign ministry has expressed alarm: "The decision is made amid a global health crisis that requires a full-capacity WHO to provide support in combatting the deadly Covid-19

pandemic." It is clear that African health-care systems are generally underfunded even in normal times (see Focus section of D+C/E+Z print issue 2020/03-04).

African health systems can rely to some extent on support from the Bill and Melinda Gates Foundation, the World Bank or bilateral donors. However, they are unlikely to make up for the entire shortfall.

Omar Dieng, a Dakar-based reporter, states clearly: "Trump is undermining the WHO and its various programmes." He wonders whether it plays a role that Tedros Adhanom Ghebreyesus, the head of the WHO, is from Ethiopia. Dieng thinks that the White House would probably not defund a leader from the USA. It is fine to criticise WHO shortcomings, he says, but in the current crisis, this UN agency must be made stronger, not weaker.

So far, Covid-19 has claimed comparatively few lives in Africa, but that may change. The health challenges the continent was grappling with were huge even before this new disease began to spread. In African eyes, the WHO is indispensable. They hoped the agency's annual meeting in Geneva in mid May would bring good news.



**KARIM OKANLA** is a media scholar and freelance author based in Benin. [karimokanla@yahoo.com](mailto:karimokanla@yahoo.com)

Photo: Eishamy/picture-alliance/AP Photo

Photo: Sunday Alambal/picture-alliance/AP Photo

18 MAY

## Global solutions required

**Either we beat the Coronavirus worldwide or we will not beat it at all. That is the opinion of Gerd Müller, Germany's federal minister for economic cooperation and development.**

By Gerd Müller

The scale of the current crisis is dramatic – not only in Germany or in Europe. It is developing countries and emerging economies that are being hit the hardest. Once again we are learning that global problems need global solutions. It is in our own interest to fight the virus worldwide because, apart from it being our humanitarian duty to help, if we do not, the virus will return to us. We therefore need to be looking beyond Germany and Europe. And there is a lot to be done:

- There are 4.2 billion people who have no access to adequate sanitation. That is why the risk of infection is three times higher in many developing countries than it is in Europe.
- Developing countries have inadequate or insufficient laboratories, intensive care beds and ventilators.
- The situation is especially precarious in densely populated urban areas, slums and overcrowded refugee camps.

But beyond the immediate health consequences, developing countries are suffering economically because of the lockdowns imposed by the various governments and because of the abrupt halting of the world economy and the breakdown of supply chains, many of which have their starting point in Africa, Asia or Latin America. Countries with no or with insufficient social security systems – especially in Africa – are now feeling the enormous consequences:

- Millions of people are facing the total loss of their livelihoods as a result of the breakdown of global supply chains.
- Government revenue is declining by a dramatic 20 to 30%.
- Nearly \$100 billion in capital has already been withdrawn from developing and emerging economies.

- There are 20 million jobs that have been lost in tourism alone. In Bangladesh, 4,000 textile factories, which usually employ four million workers, were obliged to close temporarily.



Coronavirus test in Lagos, Nigeria

We need to successfully fight the pandemic and its social and economic consequences globally. We therefore have to improve the availability of testing, ventilators and protective gear, as well as strengthening national health systems. In addition, we must not lose sight of the need to continue our fight against other diseases such as AIDS, malaria, tuberculosis, et cetera.

At the same time we need to help our partners by sharing the burden of the economic impact. While western countries have set up a protective shield for their economies worth trillions of euros, developing countries are being suffocated by their debt servicing obligations. Our efforts to achieve the Sustainable Development Goals – SDGs (especially SDGs 1 and 2) are being challenged.

Finally, as the Secretary General of the United Nations has put it: "We simply cannot return to where we were before Covid-19 struck, with societies unnecessarily vulnerable to crisis. We need to build a better world." We need to change the design of globalisation. We must make sure that this health crisis does not undermine our efforts to fulfil the 2030 Agenda and combat climate change.

That is why we have gone ahead: In 2020, we are funding a one-billion-euro Emergency Covid-19 Support Programme by restructuring the budget of the German Development Ministry (BMZ) and increasing our efforts in the following seven areas:

1. Health and pandemic control
2. Food security and basic food services to prevent famines
3. Stabilisation of fragile regions affected by displacement
4. Social protection and securing jobs in global supply chains
5. Additional economic support for enterprises in key industries such as textiles and tourism
6. Government liquidity
7. International cooperation

Covid-19 is also a global wake-up call that cries out for international cooperation and solidarity. We need to combine forces and mount a joint response under the leadership of the United Nations.

The Corona crisis is also a stress test for multilateralism. The debt moratorium by the G20 and the Paris Club (and also China), for the poorest countries is a first encouraging signal. However, bearing in mind that this is a global challenge – we cannot leave it at that. Either we win this fight by working together globally or we will not win it at all.

LINK

**BMZ (Federal Ministry for Economic Cooperation and Development), 2020: Corona-Sofortprogramm (Emergency Covid-19 support programme – only available in German).** [http://www.bmz.de/de/zentrales\\_downloadarchiv/Presse/bmz\\_corona\\_paket.pdf](http://www.bmz.de/de/zentrales_downloadarchiv/Presse/bmz_corona_paket.pdf)



**GERD MÜLLER** is Germany's federal minister for economic cooperation and development. [www.bmz.de](http://www.bmz.de)

14 MAY 2020

## Debt relief for poorest countries

Poor countries with heavy debt burdens need debt relief to cope with the Covid-19 crisis. The funding provided by the international community so far is not enough. More is needed than the suspension of debt servicing which public lenders have agreed on.

By Kathrin Berensmann

Even before the pandemic started, about half of the world's low-income countries were heavily indebted according to the In-

ternational Monetary Fund (IMF) and the World Bank. Covid-19 will plunge yet more countries into debt. Left to themselves, they will not be able to cope with the crisis. Their government revenues are plainly too small (see Stefanie Rauscher D+C/E+Z print edition 2018/01-02, p. 9).

lion to emerging markets and developing countries in the next 15 months. The IMF's Rapid Credit Facility is providing interest-free credit worth \$10 billion to low-income countries.

The problem is that these huge sums simply will not do. The countries concerned will still lack liquidity. And the loans – including concessional ones – will further increase their debt burden.

All bilateral public-sector lenders have agreed to the suspension of the poorest



Sharing responsibility: graffiti in Nairobi, Kenya's capital city.

ternational Monetary Fund (IMF) and the World Bank. Covid-19 will plunge yet more countries into debt. Left to themselves, they will not be able to cope with the crisis. Their government revenues are plainly too small (see Stefanie Rauscher D+C/E+Z print edition 2018/01-02, p. 9).

The international community is making substantial funding available – partly concessional, for example, in subsidised loans. The World Bank will hand out financial support worth about \$160 bil-

lion to emerging markets and developing countries in the next 15 months. The IMF's Rapid Credit Facility is providing interest-free credit worth \$10 billion to low-income countries.

The only solution in this precarious setting is debt relief for developing countries. The IMF has recently reformed the Catastrophe Containment and Relief Trust which serves the purpose of relieving debt-servicing. More countries can now benefit from it at the same time and on short notice.

Nonetheless, more extensive debt relief is necessary. For good reason, Gerd Müller, Germany's federal minister for economic cooperation and development, has also advocated debt relief for the poorest countries in his "Emergency Covid-19 support programme" (BMZ 2020).

To ensure that individual creditors do not benefit disproportionately to the detriment of other creditors, all public and private creditors should participate in debt relief equally, and that in turn will require that they all make the conditionalities of their loans publicly transparent (Berensmann 2020). Since debt relief should only be granted to heavily indebted countries, moreover, a maximum debt limit needs to be defined.

We must consider, moreover, that debt relief only heals the symptoms of indebtedness, but does not tackle the underlying reasons. Debt relief must therefore be linked to beneficiaries investing in poverty reduction, infrastructure development and better debt management.

Those who have granted the credits, moreover, must assume responsibility too. One reason many low-income countries are now heavily indebted is that they were given loans at market conditions. Between 2007 and 2016, the share of market-based debt in total public debt doubled. In 2016, it was 46 percent in low-income countries. As debtors and creditors share responsibility for the debt, they also share responsibility for resolving the debt crisis.

### LINKS

Berensmann, K., 2020: How the international financial institutions are responding to the pandemic. Bonn, DIE-GDI <https://www.die-gdi.de/en/the-current-column/article/how-the-international-financial-institutions-are-responding-to-the-pandemic/> BMZ (Federal Ministry for Economic Cooperation and Development), 2020: Corona-Sofortprogramm (Emergency Covid-19 support programme – only available in German). [http://www.bmz.de/de/zentrales\\_downloadarchiv/Presse/bmz\\_corona\\_paket.pdf](http://www.bmz.de/de/zentrales_downloadarchiv/Presse/bmz_corona_paket.pdf)



**KATHRIN BERENSMANN** is a senior researcher and project leader at the German development Institute (DIE-GDI).

[kathrin.berensmann@die-gdi.de](mailto:kathrin.berensmann@die-gdi.de)

7 MAY 2020

## Divisive pandemic response

Brazil's President Jair Bolsonaro's disrespect for science is now evident in his response to Covid-19. It fits his pattern of climate denial and aggressive disinformation. The resignation of Sergio Moro, who served as his justice minister, has weakened Bolsonaro's grip on power.

By Gilberto Scofield Jr.

Bolsonaro has a track record of rejecting reports of human action heating up the climate and refusing to accept that deforestation in the Amazon region is one of the causes. Now he is taking a similar stance in view of one of the worst pandemics seen by humankind in a century. The nefarious consequence is that disinformation can kill.

Since the beginning of the crisis, Bolsonaro has been moving in the opposite direction of what scientific authorities are recommending. In the eyes of the president, who has likened the illness to a "cold sore" or "little flu", keeping the economy going is the top priority. He is disregarding the recommendations of the World Health Organization (WHO), which calls for social distancing and staying at home because health-care systems lack the capacities to treat millions of infected people at the same time. His rhetoric suggests that caution in view of an infectious disease is somehow unmanly.

Bolsonaro has made several statements in which he sought to minimise the impacts of the pandemic. People are speaking of his "misinfodemic". The good news is that Brazil is a federal republic like the USA or Germany. The state governors have considerable power, and they are responding more responsibly than the president. Moreover, their lockdown policies were endorsed by Luiz Henrique Mandetta, the federal health minister – until Bolsonaro fired him on 16 April. Mandetta and the state governors have seen their popularity surge in opinion polls, but Bolsonaro's has dropped. To a large extent, Brazilians prefer scientific advice to populist agitation in the midst of a global pandemic.

Mandetta is not the only cabinet member Bolsonaro has lost. At the end of April, Sergio Moro, the minister of justice and public security, resigned, accusing the president of wanting to manipulate police work in an unconstitutional way. The background was that Bolsonaro intended to appoint a new



Grieving in Manaus: by 18 May, Brazil's death toll was above 13,000. Indigenous communities were affected in particular. On 15 May, Nelson Teich, the new health minister, resigned after four weeks in office.

police chief. Instead, the police is now running corruption investigations against Bolsonaro's family. Moro was perhaps the most important cabinet member. Serving as a judge before joining the cabinet, he had sentenced former President Lula da Silva to jail because of bribery. While the Lula case is controversial, Moro has a strong rule-of-law reputation from which Bolsonaro benefited. To avoid impeachment, the president now must find new allies in Brazil's Congress.

Medical officials from Brazil and abroad have expressed disapproval of the president's misinfodemic. Political scientists are bewildered too. Steven Levitsky,

a co-author of the bestseller "How democracies die" has stated: "I cannot say whether Bolsonaro's decision not to hear what the world scientific community is saying almost unanimously is a political calculation or a tremendous error. But it is amazing to see a leader endanger the lives of what may be, in the worst case scenario, thousands of his citizens".

Around the world, right-wing populists in positions of power are currently taking one of two approaches. Some, like Narendra Modi of India or Victor Orbán of Hungary are leveraging the pandemic to

boost their power. Others, like Bolsonaro or US President Donald Trump are belittling this public health crisis. Neither approach serves their respective nations well. What is needed now is not the stoking of divisions. We need effective and constructive cooperation across party lines to save as many lives as possible.



**GILBERTO SCOFIELD JR.** is the business and strategy director at Agência Lupa, the largest fact-checking newswire in Brazil.

[gilberto.scofield@lupa.news](mailto:gilberto.scofield@lupa.news)

5 MAY 2020

# Social transfers stabilise aggregate demand

The Covid-19 crisis is a good opportunity to test models of a universal basic income (UBI). They can prevent poverty and stimulate recession-hit economies at the same time.

By Markus Loewe

The current downturn is a result of the Covid-19 pandemic. Prosperous people are losing a share of their wealth and income. In contrast, poor people's livelihoods disappear when they lose their jobs or when their informal business activities become impossible. The current crisis threatens to erase in one fell swoop the progress made in long years of fighting poverty.

Hundreds of millions of people will drop below the poverty line again, and they are likely to stay below it for a long time. Many must take loans simply to survive, and they will struggle to repay the debt for a long time. People will sell land, livestock and other assets, destroying the livelihoods they relied on before the crisis. They will accept disastrous jobs in mining, chemicals production or prostitution, to the detriment of their health and their future productivity. They will take their kids out of school so they can earn some money now, undermining their future earning capacity.

It is, therefore, not only necessary to bail out enterprises in attempts to cushion the impacts of the coronavirus crisis. The poor must urgently get support too. Large social strata must not be plunged into poverty because the devastating impacts would include the erosion of purchasing power, more malnutrition, undernutrition and even starvation and ultimately the destabilisation of societies and political systems.

Wherever possible and as fast as possible, the poor should get social transfers. The transfers could go on for a while, or only be dispersed once. Either way, every household should get at least six months' worth of the respective national minimum wage. Should

the crisis last longer, more money may be needed.

At this point, there is no sensible alternative to a UBI, though government employees, who all over the world are likely to keep their jobs, can be excluded. Means testing would take too long, so it is impossible to only let the most vulnerable groups benefit



Many informal businesses become unviable in lockdown conditions: tea seller in Cairo in fall 2019.

from the transfers. And public works programmes are no alternative either because they tend to be discontinued during lockdowns. Making people apply for transfers in governments' welfare offices is the only way to reduce the number of applicants since prosperous families may shy away from queuing there.

A UBI would obviously be a big step into the unknown. Governments would have to be courageous to act this way. Several countries, however, are already taking action. They have extended social-transfer

programmes or widened their outreach (Egypt, Brazil, Indonesia and Columbia are examples). Others have created new programmes (as Argentina, Bolivia and Turkey did).

A UBI, moreover, would also stimulate domestic demand and rescue many small businesses. It would thus serve as a counter-measure against the downturn and a macro-economic stabiliser.

Low and middle income countries that now want to introduce a temporary UBI deserve generous support. Indeed, safeguarding the purchasing power of poorer nations would serve the interests of high-income countries by helping to mitigate the global recession and contributing to stabilising political systems around the

world. By temporarily funding UBI models, European governments could prove that they are serious about the global common good and care about the welfare of people everywhere.



**MARKUS LOEWE** is a senior researcher at the Bonn-based German Development Institute (Deutsches Institut für

Entwicklungspolitik). [markus.loewe@die-gdi.de](mailto:markus.loewe@die-gdi.de)

Photo: picture-alliance/Chloe Sharrock/Le Pictorium/MA.XPPP/dpa

Photo: Amar Kumar/picture-alliance/AP Photo

16 APRIL 2020

# Pandemic apartheid

In India, Hindu-supremacists are now using Covid-19 to hound the Muslim minority.

By Arfa Khanum Sherwani

"Covid Jihad" is a slogan that has become popular among India's right-wing populists. They blame the novel coronavirus epidemic on Muslims. They do so on private TV networks and social-media platforms.

Muslims are regularly made scapegoats in today's India (see my essay in Tribune of D+C/E+Z e-Paper 2020/03). According to the hate mongers' most recent poisonous narrative, Muslims are intentionally spreading the disease. As a result, Muslim vegetable vendors or cabdrivers have been attacked. In view of the pogrom that rocked Delhi in February (see blog post by Hans Dembowski on our D+C/E+Z website), many Muslims fear the ongoing hate campaign may lead to violence against them. As they tend to belong to the poorest sections of society, many feel helpless.

The hate rhetoric escalated in March after the Tablighi Jamat, an Islamic missionary outfit based in Delhi, held a meeting with a few thousand people at its headquarters. It is an orthodox Sunni organisation, but certainly not extremist. Its network has a presence in more than 100 countries around the world.

Many infections in India can indeed be tracked to this meeting, which began before Prime Minister Narendra Modi's national lockdown started on 25 March. The Tablighi Jamat claims that it did not organise any congregation, and that it functions as a residential complex for Indian and international Jamatis all around the year. While it certainly should have acted more responsibly, the accusation that it intended to infect participants in order to spread the disease is obviously absurd. Hindu-supremacists want people to believe that, what obviously was a tragedy, was an evil conspiracy.

At the same time, many Hindu festivities went on, all too often with the involvement of politicians from the ruling party, the BJP. It often turns a blind eye when its



Yogi Adityanath, a BJP leader, observing a religious ceremony, not lockdown, on 25 March.

members breach rules, but its spokespersons on TV and trolls on social media hold every Muslim in the country accountable for any failing by any Muslim. If this anti-Muslim hate propaganda is not contained fast, we may soon face nothing short of "pandemic apartheid" – at least in some pockets of Indian society.

Since Modi's re-election in May last year, there has been an increasing tendency for anyone who challenges the dominant narrative to be attacked. One example is Siddharth Varadarajan, founding editor of the website The Wire, which I work for. He published a fact-based account of a Hindu religious event in which Yogi Adityanath, one of the most aggressive BJP leaders, participated in – in contravention of the national lockdown. He publicly corrected an irrelevant inaccuracy in the original story, but it became the pretext for police action.

Adityanath is the chief minister of Uttar Pradesh (UP), India's most populous state. Because of the article, the UP police registered two criminal cases against the editor. The police also demanded that he travel 690 kilometres to eastern UP to answer questions during the lockdown. Following a public outcry, the police backedtracked a little and said he could testify via email. Nonetheless, the action against him is an attack on press freedom. It is designed to intimidate not just media workers, but anyone who dares to speak up against Hindu-supremacism.

LINK

"Editors Guild criticises U.P. govt.", report in The Hindu, a daily newspaper: <https://www.thehindu.com/news/national/editors-guild-criticises-up-govt/article31322888.ece>



**ARFA KHANUM SHERWANI** is senior editor with the independent Indian news website TheWire. Twitter: @khanumarfa

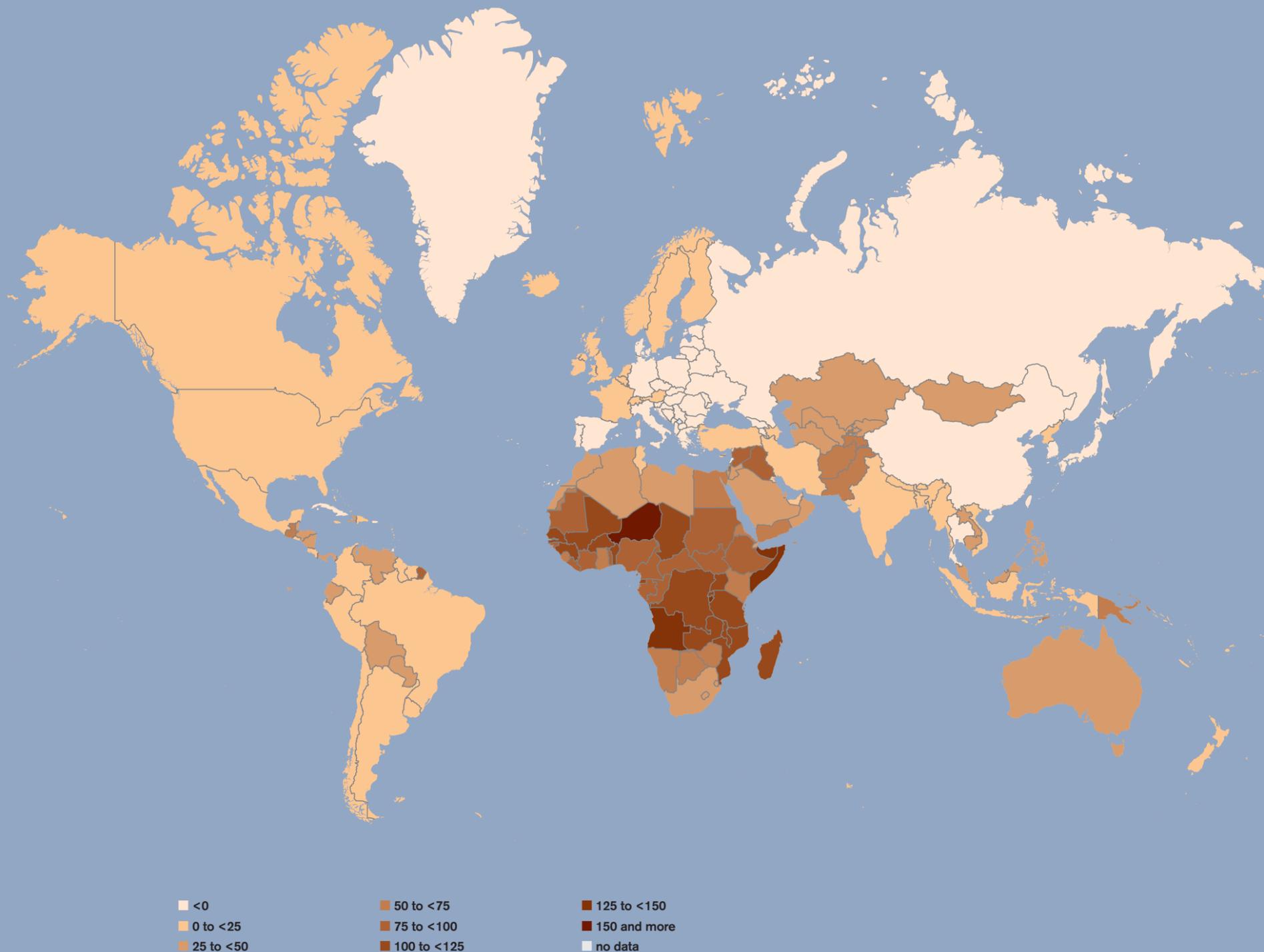
TheWire: <https://thewire.in/>

## Repressive action

Since we posted the above article on [www.dandc.eu](http://www.dandc.eu), India's government agencies have become yet more repressive. Several of its opponents were arrested, including Safoora Zargar, a pregnant student, and Anand Teltumbe, who is prominent for criticising the castes system. "India's government is better at curbing critics than Covid-19," wrote the magazine The Economist.

The lockdown, moreover, caught some 140 million internal migrants by surprise. Masses got stranded without shelter, income or food. In mid-May, the media were still reporting about people walking home long distances from cities to remote rural villages. Bus and train traffic was stopped completely in March – and rather few exceptions were made in May. The government still largely neglected them. D+C/E+Z

Estimated population growth worldwide, in percent, 2019 to 2050.



## FOCUS SECTION

# DEMOGRAPHIC TRENDS

To judge by current trends, the world population will peak at not quite 11 billion people around the turn of the next century. Incalculable disasters like wars and pandemics are unlikely to make more than small dents. At this stage, Covid-19 looks frightening, but even if it killed millions, that number would still be relatively small. To put things in perspective: World War II killed an estimated 60 to 80 million people. In recent years, the world population has grown by such a number annually.

Societies change, and social norms vary, but the patterns of how family sizes evolve are clear all over the world. Nations are ageing as life expectancies rise and women bear fewer children. These trends are actually rather stable, so predictions with unusual reliability are possible if one knows:

- how many women there are,
- what age cohorts they belong to,
- how many children they will have on average, and
- at what age they tend to have their babies.

Population growth is slowing down – and that is good news. Otherwise, environmental sustainability would certainly remain illusive. Moreover, declining birth rates result from girls getting better educations and women having more choices. It helps that parents know their babies are likely to survive.

In many countries, the share of the elderly is increasing fast. They no longer have the large extended families that took care of the aged in more traditional times. Social protection systems are needed. That is not only so in the affluent West, but also concerns Asian countries, in particular China. This is not just a question of money. Retirement homes, frail-care facilities, hospitals and

other social support systems need to be staffed.

Today, the health-care systems of prosperous but ageing nations are poaching skilled migrants from poorer and demographically younger countries. But what will happen when the adverse impacts of ageing start affecting those countries? To some extent, technology and robots may help. But people need personal interaction too. A large and probably growing proportion of working-age people will have to provide social services professionally.

If things are left to market competition, only the prosperous few will enjoy decent lives in old age. If no one is to be left behind, state-run schemes must ensure that everyone has at least a minimum pension and public services are available. Getting things right requires political will, intelligent policies and effective implementation.

It helps when a country takes advantage of the specific window of opportunity that demographic change offers early on. Emerging markets in East and South East Asia benefited massively from “demographic dividends”. Industrialisation took off when large cohorts of young people were available as workers because they had neither many young children nor sickly grandparents to take care of. Greater prosperity is a precondition for stronger social-protection schemes. The big challenge for low and lower-middle-income countries is to ensure they grasp a demographic dividend.

Global cooperation will help to get a grip on the matter. It is also needed to put a check on Covid-19 and to stop global warming. Global trends can and must be managed in a way to ensure that 11 billion people can live good lives on the planet we share.

**HANS DEMBOWSKI**

You'll find the contributions of this focus section as well as several other related ones in the briefings section on our website: [www.dandc.eu](http://www.dandc.eu) > **Briefings**

POPULATION GROWTH

# Global challenge

**Africa has the youngest population in the world. There are far too few good jobs for all youngsters however. This scenario not only poses major challenges for the continent itself; it has global implications.**

By Samir Abi

Africa is home to more than 800 million people under the age of 25. They account for 62% of the total population. In Asia and Latin America, the same age group makes up just slightly more than 40% of the population. In the industrialised countries of Europe and North America, the share is only around 25%.

One of the reasons for Africa's abundance of children is simple. Traditionally, offspring are regarded as a sign of prosperity as well as a gift of nature that must not be rejected for fear of invoking ancestral wrath. There is a gradual trend in the cities towards smaller families, but in rural areas especially, change is very slow.

Across Africa, women today have an average of four to five children. In some

countries, such as Niger, the figure is as high as seven. The counterbalance is in the North African countries and South Africa, where two children per woman have become the norm. The main reasons are higher levels of female education, more women in employment and easier access to contraceptives.

Another reason for Africa's large youth population is the fall in infant and child mortality, and better care during pregnancy, moreover, has resulted in less risky births. Improvements in health care, moreover, have generally increased life expectancy. So, compared with the first half of the 20<sup>th</sup> century, for instance, more children are being born in better health and they live longer.

## AFRICA IS GROWING

When the countries of Africa started to gain independence in the 1950s, the continent had a population of around 280 million. That was seven percent of the world population. In the next 60 years, the absolute number rose by more than a billion. Today, there are 1.3 billion people in Africa, account-

ing for 14% of the world population. Their numbers are still rising. According to the 2019 revision of the UN World Population Prospects, the population of sub-Saharan Africa will increase by more than a billion people by the middle of this century and will continue to grow beyond the year 2100 in contrast to population figures in the other regions. They are forecast to peak before the end of the 21<sup>st</sup> century.

The question for African countries is what impact demographic change will have on their medium and long-term development. In the past two decades, vigorous economic growth averaged about five percent. That trend has led to the belief that economies will keep gaining strength through to 2030. The problem, however, is that, with population growth at 2.5% a year since the end of the colonial era, the economic performance has been too modest to really shift African economies into a higher gear. At the same time, governments need the increased revenues that high growth makes possible in order to rise to the social challenges population growth presents.

More people, especially more young people, mean fast growing demand for education, good jobs and homes. Many countries cannot meet that demand on their own. Therefore, many African governments simply rely on the private sector meeting the majority of people's needs. In both the health and education sectors, for example, extensive privatisation is common.

Every year, many young people enter the labour market, but fail to find a decent job. There simply is not enough public and private investment. Nonetheless, African governments continue to draw up development plans that count on the demographic dividend (see box next page) to propel their economies forward. Whether that dividend will materialise, however, is questionable.

At present, there are far too few decently paid jobs. Many young people only make precariously little money in the informal sector. To tackle rampant youth unemployment and underemployment, African governments would need to create 450 million jobs over the next 20 years. But because their economies still depend on commodity exports at prices beyond their control, even very good economic growth will not enable them to create more than 100 million jobs by 2050 according to the Africa Competitiveness Report 2017.



Life expectancy in Africa has risen thanks to improved health care: mass vaccination in Ethiopia.

## ONLY ONE IN FOUR COUPLES USE CONTRACEPTION

Economists who believe in the demographic dividend also assume that population growth will change due to social progress, which includes better education of girls. However, the pace of that change is significantly slowed by cultural factors, and the strong influence of monotheistic religions that reject contraception. Advocates of a stricter family policy, with governments promoting birth control, call for a "contraceptive revolution". They argue that it is high time for state agencies to intervene. In their view, governments could get three quarters of all African couples to use modern contraceptives. So far, only around a quarter do so.

Without major structural changes in the international economic system and the governance of African countries, Africa's population growth does not bode well. Its impacts are also a matter of concern for the rest of the world – especially neighbouring Europe and the Middle East.

African youth are a time bomb for governments across the continent. Political and economic power tends to be concentrated in the hands of small minorities, and that drives many unemployed young people to rebel. The Arab Spring and the present protest movements in all parts of Africa must be read as signs of widespread instability. The continent must address this problem in the coming decades.

Protest movements are typically suppressed because those in power fear the

loss of privileges. All too often, freedom of expression is restricted because political leaders do not want corruption and nepotism to become exposed. Western and Asian multinationals are facilitating corruption and nepotism. They are not creating enough employment, however. Corporate interests are fuelling fears of neo-colonisation among Africans. Some respond with armed insurrection and terrorism.

Another phenomenon deserves attention. It is the mass exodus of young people from Africa. The desire to find decent work turns them into migrants. Ageing populations in the west and demand for cheap labour in the east tempt more and more young Africans to risk their lives on perilous journeys. For these reasons, Africa's demographic development is clearly of global, and not merely African relevance.

### LINKS

**UN, 2019: World Population Prospects 2019 – Highlights:**  
[https://population.un.org/wpp/Publications/Files/WPP2019\\_Highlights.pdf](https://population.un.org/wpp/Publications/Files/WPP2019_Highlights.pdf)  
**African Development Bank, World Economic Forum and World Bank Group, 2017: The Africa Competitiveness Report 2017.**  
[http://www3.weforum.org/docs/WEF\\_ACR\\_2017.pdf](http://www3.weforum.org/docs/WEF_ACR_2017.pdf)



**SAMIR ABI**  
 works for Visions Solidaires, a non-governmental development organisation in Togo.

[samirvstg@gmail.com](mailto:samirvstg@gmail.com)



In Rwanda, as elsewhere in Africa, lots of children are seen as a sign of prosperity.

## Demographic change as a driver of economic growth

The "demographic dividend" is something that has helped Asian countries in particular, to achieve marked economic growth. It occurs when there is a surge in the number of people of working age, while the

birth rate falls and there are not many old people in need of support. In such a setting, young workers can accumulate assets, and if the savings are productively invested in the country, the economy grows.

Several things must happen for a demographic dividend to materialise. It is not enough to have a comparatively small share of dependent people who need support. There must also be enough jobs for the large demographic group of 15- to 65-year-olds. Only then will increasing disposable incomes lead to higher savings.

Governments can benefit from such an economic

boon and harness it for development. Higher productivity and higher incomes can then facilitate more elaborate care for the elderly. In the long term, though, the ageing of society means that a diminishing share of working people has to support a growing number of pensioners, so new problems arise. Whether African countries will benefit from demographic dividends remains to be seen. sa

LABOUR MARKET

# Masses of young people, too few jobs

**African economies must generate an additional 25 million decent jobs every year to employ all young people and transform the informal sectors. There is scope for economic progress, but no blueprint. Governance matters, especially because several global mega trends are adding to the challenges.**

By Hans Dembowski

The figures are stark. Tilman Altenburg of the Bonn-based German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) reckons that some 350 million Africans are toiling away in grim informal employment with no social protection and meagre incomes (see Hans Dembowski in the Monitor section of D+C/E+Z e-Paper 2019/11) Compounding the problems, an additional 13 million young people crowd onto African labour markets every year.

Altenburg concludes that an annual 25 million new decent jobs are needed.

A demographic dividend of the kind that East and Southeast Asia's emerging markets enjoyed in past decades would be good. As Altenburg elaborates, industrialisation there was facilitated by the mass availability of young workers who did not have to fend for many dependent family members, whether children or grandparents (see box page 19). The work in light manufacturing was certainly tough, but even though the wages were low, the incomes were unprecedented. Exports expanded fast and nations began to prosper.

The big question is whether such dynamism can be triggered in Africa. At a DIE-conference in Bonn in February, Altenburg pointed out that several mega trends must be considered. They can prove both helpful and harmful. Demographic change is one. African birth rates are falling slowly, but they are still comparatively high. Other im-

portant mega trends include urbanisation and changing patterns of world trade.

Experts currently see no single driver of economic growth that might prove as effective as the advent of light manufacturing in past decades in Asia. They agree that the scenario is bewilderingly complex (see box below for insights from the UN Economic Commission for Africa).

Some scholars hope that Chinese manufacturers will shift production to low-wage countries as wages rise in the People's Republic. However, the expectation of millions of jobs being created in Africa is probably exaggerated. That is what studies published by the DIE and the London-based Overseas Development Institute (ODI) respectively suggest. The researchers argue:

- that Chinese companies tend to prefer to invest in Asian countries,
- that rationalisation and digitalisation mean they actually need fewer workers and
- that those Chinese companies that have strong foreign shareholders are the most likely to invest abroad, which implies that western investors are still particularly important for foreign direct investment (FDI) in Africa.

Lindsay Whitfield of Roskilde University in Denmark has studied international supply chains. She warns that it has become difficult to promote light manufacturing simply by setting up special economic

## Interrelated challenges

African policymakers must rise to several daunting challenges, argues Vera Songwe of the UN Economic Commission for Africa. Crosscutting trends matter very much.

For example, climate change will have a strong impact. Africa is on the equator and comparatively hot already, Songwe says. On the upside, innovative renewable-energy infrastructure looks promising.

Digitalisation offers opportunities that African countries must grasp, Songwe ar-

gues. In Nairobi, for example, the number of young people providing internet-based services to foreign customers is growing fast, though it is still small in absolute terms. At the same time, the economist sees digital development bypassing not only Africa, but even Europe to a considerable extent. The reason is that the leading corporations are based in the USA and China.

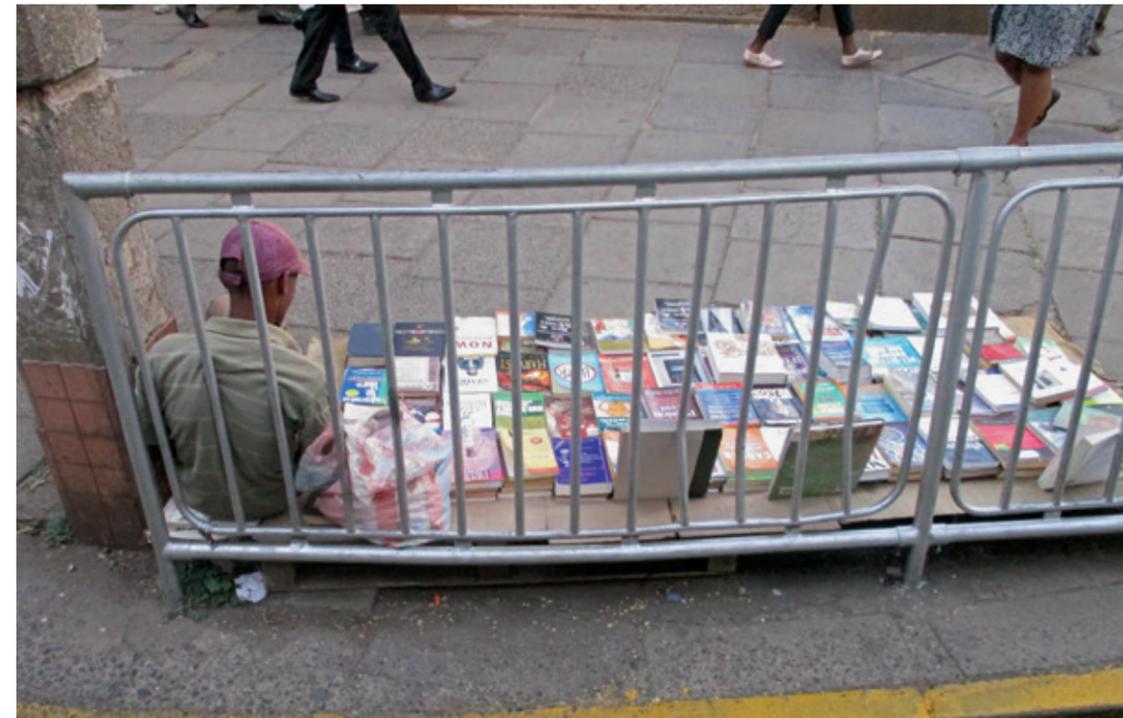
Songwe wants African governments to do a better job of raising taxes and building

infrastructure. As economies grow, they cannot keep relying on official development assistance (ODA). On the other hand, she praises their decision to create the Continental Free Trade Area (CFTA), which should facilitate trade between African countries and allow new supply chains to emerge. She sees the CFTA as a new kind of multilateralism that is challenging the old variety.

Songwe warns that African countries are at risk of missing the opportunity to grasp a dividend from demographic change. In her eyes, South Africa and Nigeria have already failed to do so (see

main story). On the other hand, the economist appreciates that 92 % of African girls are now in school and that gender equity has been achieved among university students.

Things are different in the workforce however. For example, only seven percent of financial-sector employees are female, Songwe points out. Experts agree that unemployment and under-employment affect young women even worse than young men, reinforcing stereotypes of motherhood and homemaking – potentially slowing down the decline of fertility rates (see Samir Abi on p. 18). dem



The informal sector remains huge: book seller in Nairobi.

zones. In spite of huge efforts, Ethiopia struggled to gain a foothold in global supply chains, Whitfield reports, because low wages are not enough to attract investors. Rather, it is essential to involve global retail brands early on. The reason is that international competition is fierce. Supply chains are now very sophisticated and tightly managed. In Whitfield's eyes, Ethiopia is now seeing results of its light-manufacturing strategy, but the approach will not work in many countries.

### FEEDING URBAN POPULATIONS

Another hope is that urbanisation drives inclusive development, with the demand of surging middle classes increasing fast. Growing cities need to be fed after all. Ousmane Badiane of the Washington-based International Food Policy Research Institute (IFPRI) sees a huge potential for creating gainful employment in the modernisation of rural-urban supply chains. Farm produce should be processed regionally, and the goods could then be distributed efficiently to retail customers (see essay he co-authored with Shenggen Fan in the Tribune section of D+C/E+Z e-Paper 2019/12). High-tech applications would prove useful moreover (see interview with Peter Njon-

jo in Focus section of D+C/E+Z e-Paper 2019/11).

There is certainly scope for urban demand to drive rural change, but Abebe Shimeles of the multilateral African Development Bank (AfDB) warns that things cannot be taken for granted. He says the continent's new urban middle classes still tend to be "vulnerable or fleeting". While many families plunge back into poverty, others newly rise to lower middle-class status. Inequality remains great, the scholar says.

Education can make a difference, Shimeles points out, but while individual returns tend to be high, social returns do not. Higher productivity should propel entire economies, but the economist does not see education making that happen. Neither skills training nor colleges have made a decisive difference yet.

There is no obvious recipe for reaping in a demographic dividend. Policy choices will matter very much. Governments, for example, must identify which sector has competitive advantages and might therefore deserve targeted support. Unfortunately, there is reason to doubt that African leaders will be up to the task.

Stefan Dercon of Oxford University warns that neopatrimonialism still marks many states: policymakers use government

resources to forge alliances with powerful interest groups, and those alliances then entrench the privileges of their members. According to Dercon, too few African countries have what it takes to define something like a "national growth bargain". Nonetheless, he believes that some may succeed – including Kenya and Ethiopia in East Africa and Ghana and Senegal in West Africa. To do so, they need the kind of policy consensus that proved beneficial in Asian tiger nations. The preconditions, he says, are:

- peace and political stability,
- an affective state and
- leaders and elites committed to growth.

Carlos Lopes of the African Union acknowledges that the complexity of the challenges exceeds the capacities of many governments concerned. At the same time, he expresses the hope that policy debate will improve leadership.

Lopes also points out, moreover, that Africa's population peak may actually come sooner than currently expected. In his eyes, the reduction of both maternal and child mortality are promising. The societal ageing of nations on other continents, moreover, could make Africa's youthfulness, which now looks like a time bomb, actually become something like a global public good.

Photo: dem



Beneficiaries of Zanzibar's universal social pension in 2018.

AGEING AND SOCIAL PROTECTION

## Africa's demographic transition

Over the coming decades the number of older people is expected to grow fastest in Africa. As a result, the continent will face a number of challenges that must be identified and tackled now. The implementation of social pensions can be an important pillar.

By Florian Jürgens

The median age of Africans is currently 19 years. For comparison, Europe's median age is 43 years and Asia's 32. But this is going to change. In the coming decades the proportion of older people in some African countries will come close to rates experienced currently in industrialised countries.

While this might be news to some people, it has been a long time coming. There has been a steady increase over the past 40 years in the number of older Africans, and this trend is expected to accelerate. Its population of people aged 60 or older is projected to increase more than threefold between 2017 and 2050, from 69 to 226 million (see Alisa Kaps in this e-Paper, p. 25).

For some countries, an ageing population is already a reality. For instance,

the proportion of over-65s in Tunisia and Mauritius is around seven percent, twice as much as it was 20 years ago. Similar patterns can be observed in Botswana, South Africa and Libya.

Life expectancy on the African continent still remains lower than in any other region, but the greatest gains over the past two decades were also experienced in Africa. According to UN data, life expectancy at birth rose by more than six years between 2000 and 2005 and between 2010 and 2015. As improvements in poverty reduction and health are expected to improve further, African life expectancy at birth is projected to reach 71 years by 2045 to 2050, from 60 years in 2010 to 2015.

### LIFE EXPECTANCY

Life expectancy at birth is hugely influenced by high levels of infant mortality and therefore reveals little about the survival of older adults. For that, life expectancy at 60 is a better indicator. Currently, a 60-year-old African can expect, on average, to live another 17 years.

It is important to look beyond survival to consider how people are living their older age – whether these extra years are spent in good or poor health. Healthy life expectancy (HALE) is a World Health Organization measure of population health and indicates what is happening. Globally, HALE is rising, but in many places, not at the same rate as life expectancy. This means that the proportion of life spent in poor health is likely to be increasing for some people. For example, in Kenya, the gap between life expectancy at 60 and HALE at 60 increased for women and men between 2000 and 2015.

### CHANGE OF ATTITUDE

The demographic transition touches on every aspect of society, from ensuring universal access to age-appropriate health care and support, to enabling older people to remain socially and economically active and ensuring income security through adequate and sustainable pension systems. In broad terms, the challenge for all countries, whether rich or poor, is to develop systems that can provide care and support to people of all ages in line with their human rights.

If societies do not adapt to population ageing, there is a real risk that millions of older people will fail to get the opportunities and support they need. Given the still predominately young age of Africa's population, it is not surprising that ageing is not

always high on the political agenda of most governments. However, this should soon change. Fortunately, there is now a window of opportunity to learn from the experiences of others – in particular Asian countries – and adapt policies and systems that can meet the needs of populations of all ages.

Now is also the time to challenge ageism and pervasive stereotypes of older people as inherently dependent and vulnerable. For example, a recent study in Uganda found that 63% of interviewed older people had experienced situations where they were not being taken seriously because of their age.

Bias and misconceptions can also lead to a failure to recognise disability in older age as functional impairments. It is often wrongly identified as a natural consequence of ageing and thus ignored.

New narratives need to be developed that reflect not only the myriad contributions of older people to African families, societies and economies, but also firmly recognise that people's human rights do not diminish with age.

### EXPANDING SOCIAL PROTECTION

Most people in Africa lack income security when they grow older. Ensuring income security throughout the life-course is a core responsibility of the government, clearly established in the Universal Declaration of Human Rights and, at the regional level, the African Union's Protocol to the African Charter on Human and Peoples' Rights.

Pensions are the main mechanism to ensure income security to older people and the most widespread form of social protection. At the global level, 68% of older people



Older women, such as this one in Zanzibar, are particularly disadvantaged, because they very often faced a life of discrimination and unpaid work.

receive a pension, and there has been significant progress in recent years. However, in Sub-Saharan Africa the rate is less than 30% according to the International Labour Organization.

In most African countries, contributory pension schemes based on formal employment cover only small percentages of older people. The main reason is that most of them are not formally employed. This challenge is likely to persist, as only around six percent of workers in sub-Saharan Africa contribute to a pension. While the better-off may be able to ensure income security in their older age through savings, assets or family support, most Africans' sources of

income are low and unreliable, even during the most productive years.

Older women are particularly disadvantaged. After a lifetime of discrimination and unpaid work, women often arrive at older age with limited economic and social assets to call upon.

The good news is that more and more African countries are implementing tax-financed social pensions, often provided on a universal basis, to provide at least basic income security for all older people. Africa, and in particular eastern and southern Africa, has a rich tradition of social pension. The oldest of these schemes is the Old Age Grant in South Africa that was introduced

## Pioneering universal social pension in Zanzibar

In 2016, the government of the island of Zanzibar that is part of Tanzania established the Zanzibar Universal Pension Scheme (ZUPS), East Africa's first fully government-funded universal

social pension. The ZUPS entitles all Zanzibari residents aged 70 years and above to a monthly pension of about eight euros. A recent evaluation found that the guaranteed income had

a positive effect on older people and their households, enabling them to increase their spending on food, health and education. Qualitative evidence further highlighted that the pension improved older people's well-being. Recipients spoke about how the pension had given them a renewed sense of dignity and independence. For some people, the pension is the only

source of income. "Because we did not get money in the past, some of the people were eating one meal per day, now the situation is better," says a female recipient, and another adds: "I now have my own money without being dependent on anyone. We were not used to see money regularly but now we do. This is a proud thing."

fj

Photo: Kate Holt/HelpAge International

Photo: Kate Holt/HelpAge International

in 1927, followed by Namibia (1942), Botswana (1996), Lesotho (2004) and Swaziland (2005). Small island states such as Mauritius and Seychelles also have long standing social pensions, introduced in 1950 and 1979 respectively.

Most recent examples of countries ensuring the income security of older people through the implementation of universal social pensions include Kenya (2018) – reaching close to 1 million older people – and Zanzibar in 2016 (see box, previous page). Meanwhile, Uganda’s Senior Citizens Grant reaches 348,000 older people and is currently being rolled out nationally, targeting an additional 200,000 older Ugandans.

Receiving a pension can have a transformative impact for older people. Growing older is often associated with increased challenges to earning a living, particularly due to ill health, chronic disease and disability. Indeed, almost half of all people over 60 years experience some form of disability, and both the risk and prevalence of disability increases with age.

The unique role of pensions is repeatedly emphasised by older people themselves and has been reinforced by a grow-

ing evidence base. Pensions not only help older people to meet daily expenses but can transform their role within families and communities to one of dignity and independence. Evidence suggests that cash transfers, including social pensions, can have very positive effects and play an important role in removing some of the barriers to health care for older people. They can also improve older people’s wellbeing through better access to food and sanitation, self-esteem and dignity, as the aid organisation HelpAge found out in a study.

Pensions also indirectly support adults and children living in pensioner households. The documented benefits for children include better nutrition, increased school enrolment and reduced child labour. Pensions also support inclusive economic development by enabling households to improve their livelihoods. Moreover, equitable pension systems are crucial to ensure that gender inequalities are not carried into or amplified in older age.

**REFERENCES**

UN, 2019: *World Population Prospects. The 2019 Revision.*

<https://population.un.org/wpp/Publications/>  
 UN, 2019: *World Population Ageing.*  
<https://www.un.org/en/development/desa/population/publications/pdf/ageing/WorldPopulationAgeing2019-Highlights.pdf>  
 ILO, 2018: *Social protection for older persons. Policy trends and statistics 2017–19.*  
[https://www.ilo.org/wcmsp5/groups/public/-/-ed\\_protect/-/-soc\\_sec/documents/publication/wcms\\_645692.pdf](https://www.ilo.org/wcmsp5/groups/public/-/-ed_protect/-/-soc_sec/documents/publication/wcms_645692.pdf)  
 HelpAge, 2017: *Cash transfers and older people's access to healthcare. A multi-country study in Ethiopia, Mozambique, Tanzania and Zimbabwe.*  
<http://www.helpage.es/silo/files/cash-transfers---.pdf>  
 HelpAge, 2019: *Impact Evaluation of the Zanzibar Universal Pension Scheme.*  
<https://www.helpage.org/newsroom/press-room/press-releases/older-peoples-lives-transformed-in-zanzibar-through-pioneering-universal-social-pension-scheme/>



**FLORIAN JÜRGENS**  
 is Global Advisor – Social Protection at HelpAge International.  
[florian.juergens@helpage.org](mailto:florian.juergens@helpage.org)

POPULATION TRENDS

# More and more, older and older

**Although the global population is growing more slowly than it did in the past, it is currently still increasing by around 80 million people a year. Demographic developments are presenting challenges in every world region, and especially so in sub-Saharan Africa.**

By Alisa Kaps

In 2018, for the first time in human history, the worldwide number of people over the age of 64 exceeded the number of children under the age of five. According to UN estimates, the number of people of retirement age will double once more in the next 30 years. The older age groups would then

also outnumber people between 15 and 24. In any case, the world population will definitely keep getting older.

This information will hardly surprise people in Italy, Portugal or Germany. In these countries, the median age, which divides the population into two equal groups, is above 45. Those are the peak figures in Europe, the demographically oldest world region. Japan, however, is the oldest country – with the median age of 48.

The fact that people are getting older and older is causing problems, especially in places where the ratio of elderly people to people of working age is increasing. The latter group must generate the funds needed to care for the pensioners. The question of how

social and pension systems can best adapt to an ageing population is a hot topic in the global North. Finding sustainable solutions is becoming ever more urgent. The ageing of the baby-boom generation means that difficult times lie ahead for the countries concerned.

The ageing of society does not only have impacts on the global North, however. It increasingly affects newly industrialising and developing countries. Since life expectancies have risen in Latin America, North Africa and the Middle East in recent decades, the share of people over 64 there is expected to double by 2050. National governments face the challenge of expanding their health-care systems and social services so they will have the capacities to meet the needs of a growing number of older people.

Population ageing is the result of a development path that is called the “demographic transition” (see box, p. 26). At the end of this process, populations start to shrink. By 2050, 55 countries will experience



Japan’s population is the oldest in the world.

a population decline of at least one percent. Many of them are in Europe. In absolute terms, however, China is expected to see the greatest loss. According to UN estimates, this demographic giant with a current population of 1.4 billion – more than the entire African continent – will have about 37 million fewer residents by the middle of the century. The consequences of China’s one-child-per-family policy are forcing it to rise to new challenges (see article by Felix Lee on p. 29).

Generally speaking, the world population will grow more slowly in the future than it did in the past. Since the mid-1960s, the global population growth rate has been halved. It used to be two percent, but has dropped to one percent. However, today significantly more people of reproductive age live on earth than six decades ago. Therefore, the world population is currently still growing by about an annual 80 million. By 2050 it is expected to grow to a total of 9.7 billion people – an increase of around 2 billion in just three decades. Growth will certainly be concentrated primarily in South

and Central Asia as well as in Africa. Over half of the global population growth in the next 30 years will occur in sub-Saharan Africa, which will add 1 billion people during this period.

**DEALING WITH THE TRANSITION**

A growing population doesn’t pose a problem as long as the increasing number of people can be well cared for. That precisely is the challenge in sub-Saharan Africa: many countries in this world region do not even have enough food, sanitary facilities, hospitals and schools today. Moreover, there is an almost universal shortage of jobs, so people lack attractive prospects and cannot enjoy adequate standards of living (see article by Samir Abi on p. 19).

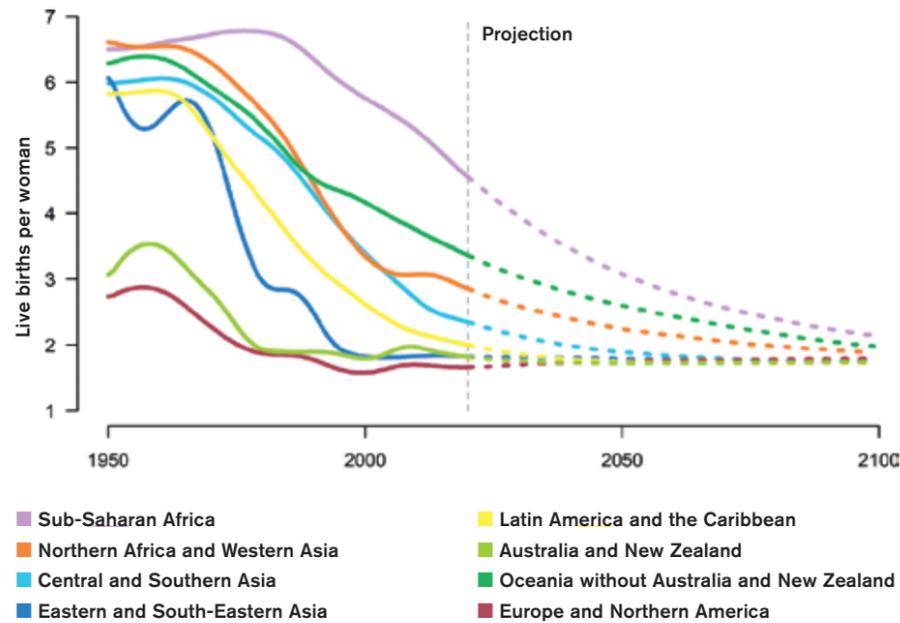
The main reason for Africa’s rapid population growth is that fertility rates continue to be high across the continent. Death rates have fallen sharply, but the decline of fertility rates is significantly slower than it was in other world regions. Over the course of their lives, women in Africa currently

give birth to 4.5 children on average, almost twice as many as in any other part of the world.

The average figures mask the fact that the things differ very much from country to country. In some countries the demographic transition has advanced considerably. That is true of Mauritius and the Seychelles, two comparatively well-developed island countries, or Morocco and Tunisia in North Africa. In these places, the fertility rate has dropped below 2.5 children per woman.

Other countries are currently experiencing a rapid decline in fertility rates because of prudent policies. Ghana, for example, managed to increase the incomes of smallholder farmers by investing in agriculture, and that has had a positive impact on children’s health. Combined with large investments in education, such policy interventions changed people’s attitudes about the ideal family size. Women now have 3.9 children on average. The same trend is evident in Ethiopia, where the total fertility rate fell from over seven children per woman in the 1990s to slightly more than four

Total fertility by region



children today. The reasons include better health care, easier access to contraception, improved education and more employment opportunities for women.

These examples show that there are some positive trends in Africa. Other countries can learn from success, accelerating their own demographic transition by following the trailblazers' policy examples.

Lower fertility rates would boost prosperity in sub-Saharan Africa. Caring for small children requires huge efforts from

families as well as spending on schools and other public services. In the medium term, a decline in fertility rates would change the age structure which could benefit African economies. After all, as the number of children being born continues to fall, subsequent cohorts become smaller, and the population bulge shifts to people of working age. This means that many people can be productive while the number of children and older people, who need to be taken care of, is small. Provided there are enough jobs

available, this window of opportunity can be transformed into an economic upswing, a so-called "demographic dividend" (see box on p. 19).

If things go well in the future, the demographic development could therefore give African countries a competitive advantage over the global North's ageing societies, where the number of people of working age is declining. For that to happen, however, governments in sub-Saharan Africa would have to make sure that fertility rates drop. They need to implement measures in relevant areas such as health care, education and employment. Where the number of children stays high, there will be no demographic dividend.

By contrast, the countries of the global North must deal with both population ageing and shrinking. They need to find ways to keep their economies and welfare systems running at the same time. Migration would help to cushion both trends. So far, however, the advanced nations are displaying discomfort with accepting immigrants. The demographic transformation may very soon force them to admit that they actually need immigrants – with increasing urgency.



**ALISA KAPS** is a researcher at the Berlin Institute for Population and Development and is primarily concerned with the demographic challenges of sub-Saharan Africa. [kaps@berlin-institut.org](mailto:kaps@berlin-institut.org)

## Demographic transition

The simplified model of the demographic transition describes the shift from a pre-industrial society, in which the fertility and death rates are high, to a society in which fertility rates are low, but people grow relatively old thanks to lower mortality rates.

Death rates always fall before fertility rates do. Therefore, populations initially in-

crease fast. Later, fertility rates begin to fall – provided that prosperity increases, education improves and people have more individual options in their lives. Population growth slows down accordingly, until it stops altogether. Because of the low fertility rate and a high life expectancy, the societies concerned become older and older.

The frontrunners of the demographic transition are the prosperous nations of the global North. They are now in the final phase of this transformation. Their current birth rates tend to be far below the so-called replacement level of 2.1 children per woman, at which a population size is stable in the long run without needing immigrants. In some countries, populations have actually begun to shrink.

In some developing countries and emerging mar-

kets fertility rates have fallen below replacement level too. They include Brazil, Chile, Malaysia and Nepal. About half of the world population now lives in countries in which women bear fewer than 2.1 children on average in their lifetime. ak

**LINK**  
**DSW data report 2019:**  
<https://www.dsw.org/wp-content/uploads/2019/12/DSW-Datenreport-2019.pdf>

## TEENAGER

# What sex education is really about

**Young people in many developing countries are not systematically taught about reproductive health and the psychology of intimacy. It is harmful to keep all things sexual shrouded in secrecy – as is evident in Pakistan, for example.**

By Mahwish Gul

Sex education is most controversial in Pakistan. It is seen as immoral and vulgar. Common statements include:

- “Our children do not indulge in premarital sex, so why teach them about it?”
- “Our generation did well without it.”
- “It is a ploy to westernise our society.”
- “Sex comes naturally to everyone.”
- “It is unnatural for parents or teachers to talk about ‘sex’ with children.”

These statements reveal a deep misunderstanding. Those who say this, make people believe that sex education is about telling them to have sex. In truth, it is about health, hygiene, family planning and relationship needs.

Pakistan has one of the most youthful populations in the world. More than half of the people are younger than 30. They face huge challenges. The labour market offers too few opportunities, so many will depend on informal livelihoods. Masses are only poorly educated.

Deficient sex education adds to the problem. Young people do not understand how their bodies function, for example, and they have misconceptions of what gender relations are about. In the 21<sup>st</sup> century, moreover, ideas of sex are shaped by internet pornography which has a known propensity to include pictures of violence. The truth is that sex education is more important today than in the past.

On the other hand, it is clear that older generation would have benefited from better information too. Young girls, for instance, must know that the menstruation all of them experience is a perfectly normal physiological occurrence. Instead, it is hushed up. The result is shame, fear and unhygienic practices. When it occurs for the

first time, menarche is a shock for young girls, and from then on, it is dealt with silence throughout their life.

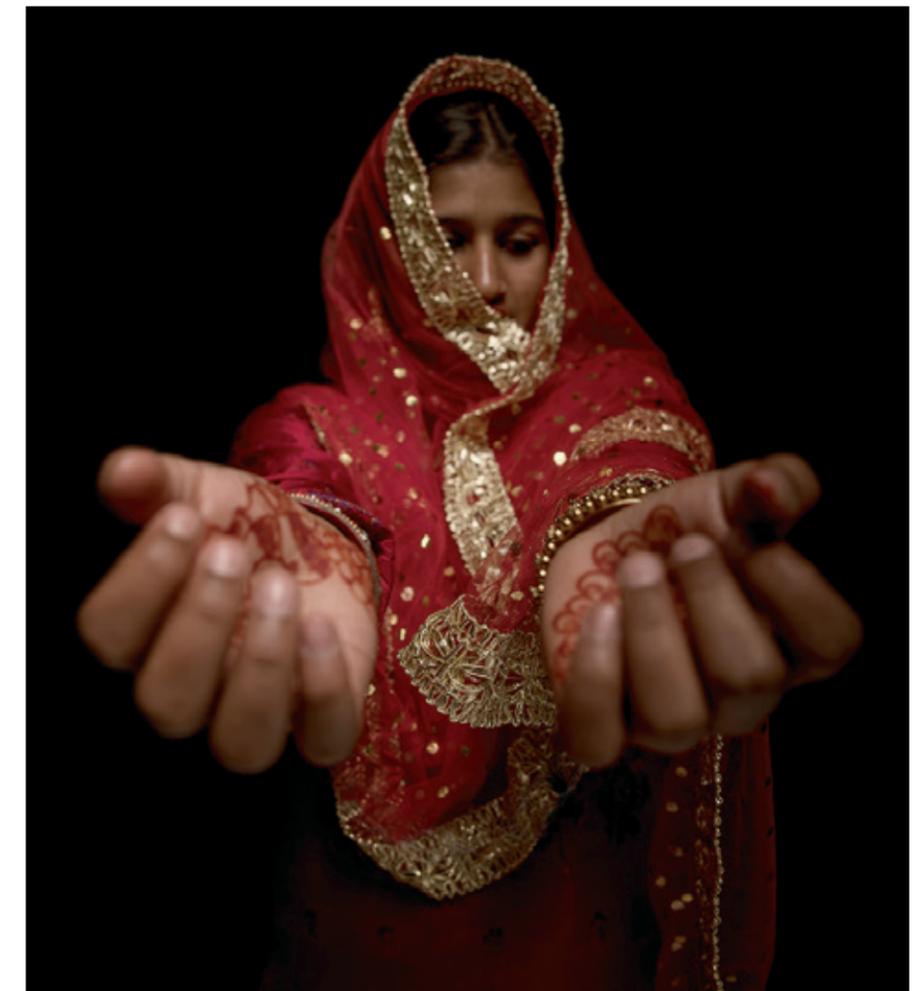
In Pakistan, people – and especially women – still marry at a young age. One out of every three brides is still a teenager. Many become pregnant soon. This puts both their and their offspring's health and life at risk. The experience shows that girls who marry early are less likely to finish school and less likely to find work outside the household. They become economically dependent and are at higher risk of domestic violence. The lack of sex education actually entrenches

destructive gender roles and reduces young women's scope for personal advancement. They must learn at a young age how they can become pregnant and what health requirements go along with pregnancy to protect them and their babies from harm.

It is well known that Pakistan must further reduce birth rates. The national government has been promoting family planning since the 1960s to reduce population growth. There have been some, but not sufficient results (see box, next page). Pakistani women, on average, still give birth four times in their lives, and far too many young couples still do not use contraceptives.

## UNWANTED PREGNANCIES

It is estimated that more than half of all pregnancies are unwanted. Though abortion is illegal in Pakistan, it is common. It



In Pakistan, many brides are teenagers.

Source: UN World Population Prospects 2019.

Photo: CCFP

is also dangerous – often provided by unskilled persons in settings that are unfit for a medical intervention. Telling teenagers early on how to use contraceptives and where to get them could make a difference.

Knowledge of blood-borne pathogens, such as hepatitis B and C and human immunodeficiency virus (HIV) is extremely low. Far too many people do not know that unsafe sex is not the only mode of transmission. Due to a culture of shame and contempt, no one knows the true extent of prevalence and incidence of such diseases. Sex education could improve matters.

Sexual abuse and exploitation of children is increasingly reported in Pakistan. It was perhaps always there, but always hushed up. Keeping everything related to sex shrouded in mystery does not protect

the victims. It ensures impunity to perpetrators. Educating young people about their body makes them aware of their rights and provides them with means to protect themselves.

The sad truth is that young people continue to be neglected in Pakistan's public affairs. The country has no national statistics on youth's social and psychological well-being. No representative survey has ever assessed their mental health. It fits the pattern that they are denied essential information on reproductive health and sexuality.

Civil society organisations have piloted isolated initiatives to impart sex education in Pakistan. They often call it something like "life skills education" or "family life education". By avoiding the word "sex" they hope to convey important knowledge

to young people. They understand well that the lack of sex education causes problems.

And they also know that the older generation would have benefited from competent advice too. The plain truth is that sex education really is not about having sex. It is about preparing teenagers for a responsible, safe and fulfilling adulthood. Girls in particular need good sex education – they are the ones who will get pregnant (see Aditi Roy Ghatak in D+C/E+Z print issue 2019/09-10, p. 36).



**MAHWISH GUL** is a consultant from Pakistan who specialises in development management and has recently moved to Nairobi.

[mahwish.gul@gmail.com](mailto:mahwish.gul@gmail.com)

## Fast population growth

With over 200 million people, Pakistan is the sixth most populous country in the world. In view of its high fertility rate of about four children per woman, it is expected to rise to the fourth rank by 2050, surpassing both Indonesia and Brazil. The irony is that Pakistan has a long history of trying to reduce population growth.

Pakistan's family-planning programme started in the 1960s. It was the first in South Asia, but for a long time it hardly had any impact. Critics pointed out ineffective policies, poor management and low quality of family-planning services.

In addition, cultural and socio-economic factors played a role. They include:

- a strong preference for sons, not least because they are the ones who will take care of the parents in old age,
- the desire for large families and
- early marriage.



Low education levels were another problem, and so was high infant mortality, which meant families wanted more children to be sure some would survive. Fertility persisted between six and seven births per woman until the late 1980s.

The country saw considerable progress in the 1990s, with the fertility rate dropping to around four births per woman on average. The data collected between 1990 to 1997 showed a constant decline. The census in 1998 showed that population growth had slowed

down to 2.6% from more than three percent in the 1980s.

One reason for declining fertility was the sharp increase in contraceptive use among women from below 10% in the 1980s to 24% by 1997. This coincided with better socio-economic conditions, improved education and exposure to mass media.

Government action mattered too. The density and quality of family-planning services had improved. Community-based action was supported. Social marketing of contraceptives took hold in rural areas. The national TV channel aired dramas on the need for smaller families, reproductive health and use of contraception. These television programmes were proved quite popular.

The momentum was not sustained, however. Demographic change began to stall at the turn of the 21<sup>st</sup> century. Fertility kept declining, but at a very slow rate. According to the Pakistan Demographic Health Surveys, the fertility rate went down from 4.1 in 2006-2007 to 3.6 births per

woman in 2017-2018. If this trend persists, it will take Pakistan more than four decades to achieve the replacement level of 2.1 births. It means that the population size is basically stable, as is now the case for Bangladesh for example (see Najma Rizvi in D+C/E+Z e-Paper 2018/07, Debate section see Najma Rizvie in D+C/E+Z print issues 2018/09-10, p. 17).

There are several reasons why Pakistan's fertility rate has stalled close to the mark of four births. Early marriages are still common, the culture is conservative and the family system is patriarchal. Families have strong preference for boys for economic reasons – the daughters will leave their parents and take care of their husbands' parents in old age for example.

However, Pakistan's comparatively fast population growth reduces the country's development opportunities. In the long run, sustainable results will only be achieved through improving access to health services, girls' education and women's opportunities in the labour market. mg

### RETIREMENT PROVISIONS

## From the iron rice bowl to the filial piety law

**China is getting old before it has got rich. The one-child policy is partially to blame for this trend. It is the reason why the world's most populous country can no longer prevent a demographic collapse. Millions of people lack adequate retirement provisions.**

By Felix Lee

Retiring at 55 is an option for women working in China's public sector. Women factory workers can retire as young as 50, men at 60. That, at least, is the official rule, but it is also largely theoretical. The reality is far from being so rosy.

Over three-fourths of people over 60 lack the means to retire. If they benefit from a pension scheme at all, the benefits are far too small to actually live on. That is particularly true in rural areas, but things are harsh in cities too. Though urban workers have been entitled to receive state pensions at 50, 55 or 60 in recent years, they cannot count on those benefits for much longer. The retirement age will soon rise to 65 across the board. This is one example of the government's attempts to grapple with a gigantic challenge: China is getting old before it has got rich.

Society is ageing fast, resulting in immense problems. In 2004, people over 60 made up 9% of the population. In 2017, that share was 16%. By 2015, the government expects it to rise to 40%.

One reason is the increased life expectancy. It is currently 72 years on average and will likely rise thanks to improving medical care. But the main reason is China's family policy: for over 35 years, the Chinese leadership enforced a one-child policy in order to stem population growth in the world's most populous country. Even western demographics experts were long in favour of this approach, but it is becoming ever more evident that it is leading to disaster.

"Have one child and you'll be happy." This slogan was repeated in children's

songs and featured in TV commercials. The one-child policy was adopted in 1979. It went far beyond slogans. Whoever became pregnant a second time had to face draconian punishments. Millions of women underwent forced abortions, young men suffered forced sterilisations. Second children who were born nonetheless had no claim to places in nurseries or schools.

The Communist leadership was certainly ruthless, but there was good reason

The radical policy delivered results fast. The birth rate dropped abruptly from an average of eight children in the 1960s to one child per woman. The Communist party boasted that its policy had prevented 400 million births.

Today, however, the negative impacts on the economy, society and social services are being felt. Since 2011, the number of working-age people has been falling sharply, while the number of pensioners who depend on support keeps growing. This development will continue. In 2030, the People's Republic will have more pensioners than kids under the age of 15. By the middle of the century, every third Chinese person will be older than 60. Even today, the state pension scheme has a mere three financial contributors for every beneficiary.

Only in the past ten years did China begin to establish a public pension sys-



The one-child family was the norm in China for decades: a family in Wuhan in 2006.

for worries. China's population had nearly doubled to about half a billion people from 1949 to 1979. The economy was still underdeveloped, and so was the country's infrastructure. Population growth was thus a daunting challenge.

tem that people might actually live on. Until the 1970s, under Mao Zedong, the revolutionary leader, the population was split into two groups. The urban population lived according to the principle of the "iron rice bowl". They were entitled

to a job, an apartment and food vouchers. With a monthly salary equivalent of less than what € 50 buy today, their entire lives were regulated in great detail from nursery school to retirement.

Urban residents only made up a tenth of the people, however, as 90 % lived in rural areas. They were given parcels of land, and farmers were basically expected to feed themselves. They could sell any surplus to the cities, but most did subsistence farming. Old-age provisions thus strictly remained a family affair. The traditional attitude still made sense: the more children parents had, the better prepared they felt for old age.

Economic reforms began in the 1980s, but they did little to change the rural-urban divide. The leadership initially focused on generating high rates of economic growth. Many Chinese people moved from the country to the cities and coastal regions. They were happy to be able to earn money in the newly established industrial centres and achieve a modest degree of wealth. They sent the little that they could save of their monthly wages back to family members in the countryside. A comprehensive social security system was unthinkable.

However, the one-child policy disrupted the traditional method of rural old-age provisions. A young married couple now had four parents and up to eight grandparents to take care of. According to traditions, married women were supposed to support their husbands' parents in old age, not their own. The implication was that parents who only had a daughter would have no one to care for them when old. Boys were thus more valuable, and many girls were aborted. The result was a significant surplus of men.

For many years, efforts to establish a pension system concentrated on urban people. Until the 1990s, however, a public pension scheme only served government employees, party members and staff of state-run industries. Private-sector corporations did not exist.

Things changed with the economic liberalisation of the 1980s. Millions of young men and women from the countryside moved to the cities seeking work in factories or service industries. They were considered migrant labourers, and the government provided no benefits to them for



The number of elderly people in China is growing. Providing for them is a major challenge: an elderly man in a village in Yunnan Province.

a long time. Officially, they were still farmers with land to cultivate.

The number of migrant labourers quickly grew to several hundred million, however. In the 1990s, their numbers amounted to over half of the total population.

The government has since changed its approach. It has created a pension system for private-sector employees. Employers and employees make matching contributions into a social fund, which insures employees against disability or unemployment and guarantees them a basic pension. To some extent, that system also relies on government subsidies.

What should work in theory, however, does not do so in real life. The situation of migrant labourers remains particularly precarious. Their wages have risen dramatically in recent years, but most companies' social funds still do not provide adequate pensions. Legal requirements thus remain unfulfilled, and, as a result, factory workers often go on strike.

The situation of rural people is precarious too. The government has promised to adjust their circumstances to those of city dwellers. Its rural pension system is voluntary however, and in view of farmers' meagre earnings, it adds up to no more than a drop in the bucket. Hu Xingdou, an economist at the Beijing Institute of Technology, says: "Rural people have no choice but to work for as long as they can and to rely on their families in old age, just like they would have done in China in the Middle Ages."

The government wants to alleviate the problem at least somewhat. Five years ago, it replaced its one-child policy with a two-child policy. It has also completely ended its efforts to control population growth. But this redirection of family policy has come far too late. "The demographic collapse can no longer be stopped," says Hu. It has indeed been underway for a long time.

There have been numerous reports on Chinese social media about elderly people who have been found completely neglected in their homes or on the street. Their relatives did not take adequate care of them. In response, the government has passed a law regarding the "protection of elderly people's rights and interests". It stipulates that anyone over 60 has a right to regular contact with relatives. Seniors can not only sue their children or grandchildren to provide them with a living; those relatives are even required to visit them regularly. The law does not define exactly how often. However, government newspapers say "every two months".



until 2019. felix.lee@taz.de

**FELIX LEE** works for the German newspaper *die tageszeitung (taz)* and was its China correspondent

Photo: kd

Photo: picture-alliance/dpa

HEALTH PROFESSIONALS

# The impact of brain drain

Germany has been experiencing a lack of skilled workers and professionals for many years. The ageing population in Germany is one of the reasons. Migrants help to reduce the labour-market bottlenecks in countries of destination like Germany, but at the same time create gaps in countries of origin. A new law has just come into force that will make it easier for people from outside of the EU to work in Germany. However, the impact on the countries of origin must not be overlooked, for instance, when they lose health-care professionals. The Covid-19 pandemic is a grim reminder of how big the problems in the health-care industry are.

By Richa Arora

The new immigration law which makes Germany more attractive to potential migrants came into effect on 1 March 2020. Like many other European countries, the Federal Republic certainly needs immigration to fill labour-market gaps. For example, Germany does not have enough nurses. Experts from the German Institute for Applied Nursing Research reckon that 38,000 jobs are currently vacant in this field. The Federal Employment Agency expects that, due to society's ageing, Germany will need about 3 million nurses by 2060 – three times more than today.

So far, migrants from poorer EU countries such as Poland or Romania have plugged many gaps. They helped to bring in farms' harvest, for example, and have been taking care of many elderly people. However, more people are needed, employers face difficulty in finding enough engineers and IT specialists.

Since 2012, the Federal Government has been actively motivating migrants to come to Germany through initiatives like „Make it in Germany“ and „Triple Win“. The idea is to recruit skilled people from specific countries. Some 3,000 nurses from countries like the Philippines, Bosnia and Herzegovina, Serbia and Tunisia have been brought to Germany this way.

For the countries the nurses came from, this development means that skilled people leave and are no longer available. Confronted with the accusation of causing brain drain, German policymakers point out that the number of health professionals exceeds the number of available jobs in countries like the Philippines or India. This argument is not entirely wrong, but it often



A Filipino nurse working in a German hospital before the Covid-9 pandemic.

lacks a holistic understanding of the reasons behind it. Demography matters, and the countries concerned tend to have younger populations than the host countries. However, what they lack is a strong health-care infrastructure. They neither have enough hospitals, nor do facilities often meet the international quality standards. Therefore,

they cannot offer enough employment opportunities to all health professionals. That is what makes Germany, Canada and other Western countries attractive.

For the countries of origin, brain drain is a serious problem. According to World Bank data, Germany has 13.2 nurses per 1,000 inhabitants. The comparative figure for India is 2.1 and for the Philippines 0.2. The Corona pandemic has made the disparities frightfully clear. For patients in critical condition, Germany has many beds in intensive-care units, but it lacks staff, while India and the Philippines have neither the hospitals nor the health professionals to take care of masses of sick people.

Covid-19 shows what brain drain combined with poorly developed health infrastructure means. Policymakers should fix the gaps in their current approaches, whether their nations are marked by immigration or emigration. Incentives to migrate, as are provided by Germany and Canada, for example, matter, and so do the remittances that migrants send home to their families. Governments on both sides of the global divide must cooperate in an effective way. Win-win solutions are feasible.

In this context, the triple win approach promoted by Germany's Federal Ministry for Economic Cooperation and Development (BMZ) deserves a praise. It is geared to only:

- recruiting from countries with more skilled workers than jobs in any given sector, a surplus,
- supporting integration through targeted placements in Germany and
- encouraging migrants to channel remittances through legal means.

More needs to be done, however. Host countries should agree to strengthen health care in countries of origin through funding and professional training. The German Federal Government's aid packages for developing countries to combat the pandemic include the provision of medical equipment to hospitals. That is a step in the right direction.



**RICHA ARORA** is an Alexander von Humboldt fellow at the German Institute for International and Security

Affairs (Stiftung Wissenschaft und Politik – SWP).

<https://www.swp-berlin.org/en/>



Without immigration, Italy's population would have dwindled: Pope Francis visiting a regional migration centre in Bologna in 2017.

UN FORECAST

## Why some populations dwindle

The world population is still growing, but ageing at the same time. That is evident in the UN report *World Population Prospects 2019*. Birth rates are falling and life expectancies are increasing. Migration also has an impact on how individual countries' populations develop.

By Sarah Josef

In 2050, the average global life expectancy will be 77.1 years – 4.5 years more than today. That is the assessment of the UN Department for Economic and Social Affairs (UN DESA), which launched the report. The authors note, however, that the average life expectancy in prosperous world regions exceeds the one of disadvantaged countries by more than seven years today.

The data show that nine countries will account for about half of the global population growth: the DR Congo, Egypt, Ethiopia, India, Indonesia, Nigeria, Pakistan, Tanzania and the USA. On the other hand, the populations of 55 countries are forecast to shrink by at least one percent by 2050. The UN even expect reductions of 20% and more in some countries, including Bulgaria, Lat-

via, Lithuania and Ukraine. There are typically two reasons that make a country's population dwindle, according to the UN: fewer births and outward migration.

Bangladesh and Nepal are listed among the ten countries said to be most affected by emigration because people hope to find better livelihoods elsewhere. Syria and Myanmar are included too, the reason is that people flee civil strife.

The statistics reveal that 36 countries took in more than 200,000 people from 2010 to 2020. These figures include temporary migration in search of livelihoods. In nine countries where population ageing has already advanced considerably, the number of immigrants exceeded those of emigrants, cushioning the population decrease. According to the UN, the populations of Germany and Italy actually increased due to immigration.

The UN experts generally consider migration to be good because it allows millions of people to escape poverty. As they point out, safe and regulated migration is necessary to best tap the potential.

On the other hand, the authors warn that demographic trends will make it harder to achieve the Sustainable Development

Goals (SDGs) as planned by 2030. They stress that countries with comparatively young populations, where many young girls are not yet of childbearing age, will still see the numbers of births increasing for some time. The same countries have comparatively high rates of maternal mortality and the greatest unmet need for contraceptives and family-planning information (see Mahwish Gul on page 27). The report points out that they must prepare for many more children, especially in the health and education sectors.

At the global level, however, the age group of those over 65 is the fastest growing cohort. In 2018, it included more members for the first time than the age group under five, according to the UN. By 2050, there will be more than twice as many people over 65 as under five. To ensure elderly people's welfare, their access to health care must be guaranteed, and pension systems must improve, the authors demand.

LINK

**World Population Prospects 2019, Highlights:**  
[https://population.un.org/wpp/Publications/Files/WPP2019\\_Highlights.pdf](https://population.un.org/wpp/Publications/Files/WPP2019_Highlights.pdf)



**SARAH JOSEF** is a trainee in Engagement Global's PR department and supported the editorial team of D+C/E+Z for one month in

April 2020.

[euз.editor@dance.eu](mailto:euз.editor@dance.eu)

INFRASTRUCTURE

## Destructive biomass demand

As is the case in many African countries, many people in Uganda rely on traditional biomass for energy purposes. Too many people do not have access to the national power grid.

By Gloria Laker Aciro Adiiki

According to official data, biomass accounts for about 90% of energy consumption. Firewood accounts for not quite 80%. Charcoal and crop residues make up another 10%. Electric power, by contrast, only accounts for 1.4% of the national energy balance. The UN's 7<sup>th</sup> Sustainable Development Goal (SDG) is to "ensure access to affordable, reliable, sustainable and modern energy to all". Uganda still has some way to go.

Uganda's rural families traditionally collect firewood and store it in the dry season. Typically, women and girls do this work. To an increasing extent, however, trees are cut down to get more firewood, and a considerable share is transported to urban markets and sold there.

Adding to the pressure, rural people want more arable land in view of popula-

tion growth. Combined with the demand for firewood, this trend is causing considerable environmental damage and threatening the sustainability of forests. According to government data, the forested area decreased from almost 50,000 square kilometres to not quite 30,000 square kilometres in the two decades from 1990 to 2010. That trend has not been reversed. The government reckons that a further 900 square kilometres is cleared every year.

One consequence is that fuel wood is becoming scarce, so prices are rising, and yet more forest is cut down. Another consequence is that rural women and girls walk ever longer distances to collect wood. The adults spend less time doing agriculture or running their businesses, while many girls miss school (also see Dagmar Wolf in D+C/E+Z e-Paper 2020/04, Monitor section).

Most rural communities still lack access to electricity. Indoor fumes – whether from wood fires or kerosene stoves – are a health hazard, but many people have no choice. Even those who are linked to the grid (a bit more than 20% of the population) often experience power failures. In spite of

masses of people not being connected, electricity demand often exceeds supply.

Sometimes, midwives delivering babies must rely on the light of their mobile phones to do their work. Of course, insufficient power supply does not only hamper social services, but economic development as well (see Derrick Silimina in D+C/E+Z e-Paper 2020/05, Focus section).

The government is promoting solar power. Indeed, solar panels serve to light homes or charge phones. Even people with low incomes can afford this kind of application. It is estimated that about 20% of the households now rely on this technology.

In economic terms, the energy sector is of vital importance. Fuel taxes, the value added tax (VAT) on electric power and the export of electric power contribute considerably to government revenues. The power sector is attracting a large share of private investments. Energy is not only an important input for all kinds of industries, but the sector also provides employment. The government hopes that the recently discovered oil resources will improve Uganda's outlook in the long term, but so far it has not made a difference.

Internationally, the oil price has recently been quite volatile (see Aviva Freudmann, page 40). Low prices are good for Uganda, whereas price rises mean fast inflation. Uganda is a net importer of oil products, including diesel, petrol and kerosene. Government statistics showed that Ugandan fuel imports were expected to be worth \$1.2 billion next year. Current price volatility means predictions of this kind may easily prove wrong, of course.

Environmentalists point out that fossil fuels must be phased out in view of the climate crisis, but it is obvious why the government hopes that domestic production will reduce the need to import oil products. In principle, Uganda is endowed with abundant energy resources. To achieve SDG 7, all opportunities must be grasped. The nation's development depends on success. The scope for using renewables – especially solar energy – is huge, and it should be prioritised.



Marketing charcoal in rural Uganda.



**GLORIA LAKER ACIRO ADIIKI** is a Ugandan journalist. She is also an activist involved in supporting refugees.

Twitter: @GloriaLaker

Photo: Bianchi/picture-alliance/AP Images



A wind farm and a coal-based power plant near Cologne in Germany: prosperous nations must reduce fossil fuel consumption, not only for the sake of Africa.

WIND AND SOLAR

# The right approach to catching up

Africa is exposed to serious climate risks, but contributes very little to global carbon emissions. The continent needs to transition to energy systems based on renewables.

By Jakkie Cilliers

In 2018, Africa's share of the world population was about 15%, and its share of global carbon emissions was a mere four percent. The difference shows the continent's poverty – and its need to expand energy supply.

At current trends, Africa is expected to emit 6.1% of global carbon emissions in 2040. Thereafter the emissions of other continents will most likely decrease, but, for two important reasons, Africa's will keep increasing: African countries must industrialise, and their populations are still growing. Nonetheless, African emissions will probably peak at below eight percent of the global total towards the end of the century.

Important changes are underway. Africa is thus well positioned for a much earlier transition to renewables than other world regions. Starting from a very low base, renewables will overtake the contribution

from coal at around 2034 and from gas in mid-century. It helps that this continent has some of the most promising locations for solar, hydro and wind power generation. Moreover, wind and solar are becoming increasingly price-competitive internationally, and that will prove valuable in Africa. Technologies for electricity storage and energy efficiency are improving too.

Nuclear energy is unlikely to ever play an important role in Africa. South Africa has two commercial nuclear power plants which account for five percent of national power generation. Because of its renewable potential, high costs and the associated risks of nuclear, other reactors will probably not be built in Africa.

The transition to renewables is likely to prove most difficult in South Africa. The reason is that its energy infrastructure is firmly in place and is based on domestically produced coal. In fact, the comparatively old infrastructure means that the transition to sustainability will run into similar hurdles as in Europe and North America. Replacing old infrastructure with new facilities is more expensive and more difficult

than simply building new ones. Nonetheless, the transition is necessary in the countries concerned.

## RICH NATIONS' CLIMATE RESPONSIBILITY

Climate change will affect all world regions. Africa is particularly at risk in view of its low adaptation capacity. Extreme weather situations like storms, droughts and unusually heavy rains are becoming more frequent and getting worse. Harvest failure can lead to famine. Plagues are becoming more likely. Climate risks also include more intensive competition for vital resources and a greater probability of violent conflict.

The entire international community has a keen interest in preventing the worst. Africa itself, however, cannot do much to mitigate global heating given that its countries have so far not contributed much to making it happen. Though Africa can contribute to fighting deforestation and forest degradation, its future thus hinges on other nations' action to protect the climate.

No doubt, the prosperous countries must lead. They have historically contributed most to heating up the planet. Not by coincidence, moreover, they are also the ones that can best afford to invest in climate protection.

Some leaders, most prominently US President Donald Trump, say that humans have not caused climate change. Such denialism is self-serving and short-sighted. The

scientific evidence that has been compiled by the Intergovernmental Panel on Climate Change and others is very clear. To prevent even worse impacts of climate change than developing countries are already exposed to, difficult decisions must be taken.

The rich nations must reduce their consumption of fossil fuels, which means that policymakers in pollution-intensive countries must assume responsibility. After all, politics is supposed to be about leadership and not just flattering voters. Leaders should consider that many of today's children will still be alive in 2100. Their world must not become one of environmental disaster.

Policymakers from rich countries have a habit of lecturing others about good governance. Such rhetoric would be more convincing if they themselves offered more and better examples of good environmental governance. To a considerable extent, investing in climate mitigation domestically is actually the best way rich nations can support sub-Saharan development. The more they let global heating spin out of control,

the less useful their conventional official development assistance becomes. Africa can take care of itself so long as its development is not thwarted by climate disasters. It is the responsibility of the richer nations to clean up the environmental mess they have caused.

African leaders must bear responsibility too, of course. It is essential to reduce population growth and improve standards of living. Good governance and long-term planning in Africa are now more important than ever. Africa's leadership is aware of the fundamental challenges, but so far, action has been limited. Cooperation with international development partners, including China, is needed and must be geared to sustainability.

In this context, the oil and gas reserves that several African countries have, are not really the blessing leaders may think they are. While one should expect oil prices to recover somewhat from the current crisis, they may quite well stay lower in the long run than many forecasts expected.

Oil is still the largest source of energy produced in Africa at this point. But national economies never benefited the way they should have. The countries that exploit this natural resource have always foregone income they could have generated by processing oil. Lacking refining capacities, they have to re-import fuel. It is too late to reverse things now. New infrastructure built in Africa should be based on renewables. For this reason, it also makes sense to export gas which will soon surpass oil to become Africa's most important fossil resource.



**JAKKIE CILLIERS** is the founder and former director of the Institute for Security Studies, a non-profit organisation with offices in

South Africa, Senegal, Ethiopia and Kenya. This essay is based on his book "Africa first! Unleashing a growth revolution", recently published by Jonathan Ball (Cape Town and Johannesburg, 2020, available on Amazon). [jcilliers@issafrica.org](mailto:jcilliers@issafrica.org)



Photo: picture-alliance/Henning Kaiser/dpa

# Stick to the habit!

The monthly issue of D+C/E+Z that you were used to in the past is still available. We publish it as an e-Paper. You'll find it on our website at the beginning of every month. Access and download are free: [www.dandc.eu](http://www.dandc.eu)

RENEWABLES

# Networks and storage needed

Renewable sources play an increasingly important role in the generation of electric power all over the world. To push development further, networks and storage facilities are now needed. They are essential for the next stage of the transition to sustainability. Otherwise, the energy revolution will not succeed and international climate targets will be missed.

By Friederike Bauer and Achim Neumann

In view of the climate crisis, the pace of transitioning to sustainable energy needs to accelerate. That said, progress in the energy sector is comparatively strong. It is transforming faster than other climate-relevant sectors, including transport, agriculture or manufacturing.

Renewable energy now accounts for around a third of the global power capacity. In 2018 alone, its share of electricity generation increased by seven percent. For the fourth year in a row, the growth of renewable power generation worldwide has outstripped the growth of fossil and nuclear energy combined.

The EU is also embracing reform and has recently announced a European Green Deal to become climate-neutral by 2050 (see box in Saleemul Huq's contribution in the Tribune section of D+C/E+Z e-Paper 2020/01). Decarbonising the energy sector is crucial in this context. Countries such as Sweden even want to make all electricity renewable by 2040. International pioneers like Costa Rica already meet 98% of their electricity requirements from renewable sources and have sights set on reaching 100% soon.

The main factor driving the fast growth of renewables has been the significant fall in costs. Wind turbines and solar installations have become much cheaper. Since 2010, solar power has become about 90% less expensive and onshore wind power by around 35% (see chart). This trend is encouraging

ever stronger private sector investment. Falling prices make it feasible for business to engage in renewables-based power-plant planning, finance and operation.

## FLEXIBLE MODERN NETWORKS

However, one aspect of the energy revolution is still underestimated: the switch from fossil to renewable sources changes the "character" of electricity supply. Once dominated by large, centralised power plants with a transmission infrastructure that had developed over time, the infrastructure now increasingly features small and decentralised power-generation facilities. Some are in remote areas.

As the sun does not always shine and the wind does not always blow, renewable energy is much more variable than the conventional power supply. Therefore grid management is becoming ever more challenging, including the need for specialised digital systems. In other words, power grids

have to become more flexible so they fit the new circumstances.

To achieve that, up-to-date grids and storage facilities are needed. Greater distances must be bridged, and provisions must be made for periods of reduced availability. Both tends to be lacking in many places. That is particularly true for developing countries.

The case of China shows what can happen when grids fail to grow in step with power capacity from renewables. The country is one of the leaders in renewable energy, especially wind energy. Wind turbines are being installed at the rate of one an hour. However, entire wind farms must sometimes be taken off grid due to insufficient transmission capacity. As elsewhere, wind farms in China are often in remote areas like mountain ridges, far from the centres of consumption. The result is absurd. A lot of electricity is generated sustainably – but not used.

Electricity storage matters too. The classic solution is to use excess power to pump water into high-level reservoirs which can then drive turbines at a later point in time. In many places, however, it does not work. The reasons include high costs, long planning cycles and topographical conditions. Batteries are thus an increasingly important short-term option.

Hydrogen is another option. Produced by sustainable means, it permits environ-

mentally friendly long-term energy storage. It contains energy that can be used to generate electricity at any time, including seasons with comparatively little wind or sunshine. Hydrogen, moreover, can power fuel cells, for example in transport. Some have suggested that sun-rich developing countries could one day supply large quantities of green hydrogen to the global north. At present, this is still a distant vision – but it would offer huge opportunities for all parties involved.

## ENERGY EFFICIENCY THE "CINDERELLA OF THE ENERGY TRANSITION"

Energy efficiency is relevant too. Its potential is far from exhausted. Dubbed the "Cinderella of the energy transition", the International Energy Agency (IEA) actually considers it the "world's first fuel": the reason is that it can be tapped in every single country. It is the most cost-effective way to boost energy security and reduce carbon emissions at the same time. The IEA particularly sees scope for improvement in the heat-

ing and cooling systems of buildings and transport.

KfW Developing Bank is involved in the construction of energy-efficient buildings in places like Mexico and Montenegro. The Balkan country plans to equip all of its 2,500 public buildings with up-to-date energy-management systems. "Smart meters" will automatically monitor consumption and feed the readings into a database. They will be combined with better insulation as well as photovoltaic panels for onsite electricity generation and solar thermal systems for heat generation. This way energy consumption can be reduced by 25% to 80%. The amount of KfW Development Bank commitments for energy efficiency has increased last year. Plenty potential to support many more meaningful products remains.

Over time, the funding of KfW Development Bank is gradually shifting – away from investing in power-generation capacities towards projects that improve energy systems in a more holistic way. Additional generation capacities will still be needed, of course, but the main goal is to develop mar-

kets and mobilise private funding for energy efficiency and reliable infrastructure based on renewables.

As for mobility, the transition to sustainability is only just beginning. What is lacking at present are comprehensive concepts, market-ready technologies, support infrastructure and the will to make it all happen. One thing is obvious nonetheless: transport transition is inseparably linked to energy transition. Only if both are completed, will the greatest transformation since the industrial revolution be achieved.



**FRIEDERIKE BAUER**  
works as a freelance journalist on foreign and development policy issues. She co-wrote this article for

KfW Development Bank.  
info@friederikebauer.de



**ACHIM NEUMANN**  
is senior energy economist at KfW Development Bank.

achim.neumann@kfw.de

Power generation costs from renewable sources



Source: IRENA, chart KfW Bankengruppe

# Investing in better networks

For a long time, the development of renewable energy has not been confined to industrialised countries anymore. Today, the lion's share of growth is happening in the developing world, but it is not spread evenly. The top countries generating electric power from renewable sources include Brazil, India, Turkey, Mexico, the Philippines and Costa Rica. On behalf of Germany's Federal Government, KfW Development Bank has supported this trend in countries concerned.

For example, it made the largest single contribution to financing Africa's most powerful solar complex. The facility is currently under construction

in Morocco at Ouarzazate. It will soon produce eco-friendly electricity for 1.3 million people. KfW is also financing wind-power plants in Egypt as well as geothermal power plants in Kenya and Indonesia.

The development bank is increasingly focusing on investing in networks and storage facilities. In Tunisia, for example, the bank is funding North Africa's first grid-connected battery-storage facility near the city of Tozeur in conjunction with two solar parks. KfW is also engaged in India. The country's formerly largest solar power plant came on stream in 2013 in Sakri. That event marked the breakthrough for

photovoltaics in India. Today, thanks to the fall in costs, development of this technology is driven by the private sector.

Sakri triggered the development of "green energy corridors". More than 7,500 kilometres of power lines have been installed to carry electricity to the country's high-consumption areas. KfW is supporting such measures to the tune of €1.4 billion on behalf of Germany's Federal Ministry for Economic Cooperation and Development (BMZ).

In West Africa, too, there is considerable potential for low-cost electricity from wind, solar and hydro power, although it is unevenly distributed across the region. Therefore, the Economic Community of West African States (ECOWAS) has set up the West

African Power Pool (WAPP). Its mission is to build a regional power distribution network. On behalf of Germany's Federal Government, KfW is financing a number of transnational lines for the network, linking Togo to Benin, for example, and Senegal to Gambia. The development bank is also supporting the development of various renewables-based power plants.

German assistance is also flowing into a transmission network under gradual construction in the Balkans. The infrastructure project is deemed to boost the use of renewable energy by permitting the exchange of electricity between Albania on the one and Montenegro, Kosovo and North Macedonia on the other hand. fb/an



Protest against a coal plant that Kenya wants to build with funding from China in the port city of Lamu.

FOSSIL FUEL INDUSTRY

# China continues to finance coal power around the world

Chinese banks and companies are investing heavily in the construction of new coal-fired power plants, particularly abroad. In doing so, they are bucking the global trend and the policies of their own government, which has made promoting renewable energies a top priority.

By Nora Sausmikat and Quirin Jetschke

China is a country full of contradictions. On the one hand, it leads the world in the field of renewable energy. On the other, Chinese companies are playing a major role in the construction of new coal-fired power plants around the world. They have financed 54 gigawatts (GW) of coal-fired capacity in 20 countries, according to the Global Coal Exit List, which was compiled by urgeward, the international non-governmental organisation we work respectively worked for. But China is

not alone: most of the loans for the construction of these plants worldwide were handed out by Japanese and European banks.

China's economic miracle is based on coal production. Around half of all coal used internationally is mined in the People's Republic and burned there. China is the largest coal producer. But while China is first when it comes to hard coal production, Germany is the lignite world leader in terms of both production (17% of the global volume) and consumption (14%), according to Germany's Federal Institute for Geosciences and Natural Resources. China's hunger for energy has a global dimension, moreover, since companies from all over the world rely on Chinese manufacturing and thus drive China's consumption of natural resources. Germany too, of course, exports more goods than it imports.

In 2004, China began to redraft domestic and industrial policies. Mai Kai, who

was the head of the National Development and Reform Commission (NDRC), the top planning authority, called for a new commodities policy that would gear the country's development to sustainability. Foreign-direct investment was promoted at the same time.

The shift towards sustainability was, in large part, motivated by never-ending protests because of massive air pollution. Media criticism of the wretched social conditions of coal miners mattered too. Chinese mines have since been modernised, and in 2014, guidelines on mining companies' social responsibilities were published. Lignite production declined for the first time since 1970.

Gas is now supposed to replace coal as a source of energy. That transformation process is well underway. The government has taken drastic measures to reduce coal consumption: in 2017, the operations of the last coal-fired plant in Beijing were stopped, and in September 2019, the main regulatory authority, the National Energy Administration (NEA), demanded that all regions and provinces close any small coal-based plants with under 50,000 kilowatt capacity. Furthermore, over 2 million households in industrial centres with heavy air pollution will now get heat from liquefied natural gas

(LNG). This resource will be imported on a much larger scale in the near future.

But in the larger scheme of things, these measures just amount to a drop in the bucket. According to the news agency Reuters, the projected coal savings of 8.7 GW make up less than one percent of China's total capacity. Although the share of coal in China's energy mix dropped from 68% in 2012 to 59% in 2019, coal consumption is still increasing in absolute terms. Indeed, China is currently building new coal-fired power plants that will exceed the entire capacity of the EU. The coal-to-gas strategy, moreover, does not take into account that LNG is a fossil fuel too.

## CONTRADICTION POLICIES

China is the world's largest investor in renewable energies. Forty-five percent of the total serves domestic needs. Beyond its own borders, however, the People's Republic keeps investing heavily in coal (see Katja Dombrowski, Monitor section, D+C/E+Z 2018/01). Since the country joined the World Trade Organization (WTO) and launched its so-called "Go Global" strategy in 2001, Chinese companies have made massive investments in energy infrastructure abroad, enjoying support from governmental foreign-trade initiatives. At the time, the domestic coal market was saturated, so coal companies started looking for new markets, which they found primarily in South and Southeast Asia.

In 2010, Chinese investments in coal-fired power plants reached a peak. In that year alone, Chinese companies and investors concluded agreements with other countries regarding 50 GW of additional coal power. The years 2010 to 2013 were then characterised by stagnation. Some projects were cancelled and Chinese investors became more careful in view of low growth rates in Asia and changes to guidelines in India. India was – and still is – the largest recipient of Chinese coal investments.

In 2013, the government placed foreign investments under the umbrella of the One Belt One Road Initiative (see Katja Dombrowski, Monitor section, D+C/E+Z e-Paper 2017/10). As part of a new development strategy, the promotion of regenerative energy was declared to be a "top priority". Nonetheless, three-fourths of Chinese external trade

initiatives in the energy sector were geared to fossil-fuel projects. Projects amounting to 221 GW are planned. That is slightly more than Germany's current capacity of 220 GW and more than India currently intends to install.

In 2019, according to our Global Coal Exit List, 744 coal-fired power plants and coal mines accounted for 89% of global thermal coal production (the other 11% was not included on the list because the responsible plants were small or didn't meet the criteria for other reasons). Four hundred of these facilities were planning extensions, and a quarter of them were Chinese.

Many of the countries that Chinese investors are targeting face the challenges of growing populations and fast rising energy needs, not least due to industrialisation. Large-scale investments in coal, with plants that have an average service life of over 40 years, will hurt these countries' development over the long term. After all, coal is the dirtiest source of energy, and many facilities may have to be discontinued much earlier than forecast in the plans.

According to a report by the Ohio-based Institute for Energy Economics and Financial Analysis (IEEFA, 2019), Chinese lenders are stepping in where others are withdrawing funding. The report is based on data from the Global Coal Plant Tracker. It reveals that Chinese development banks, state-owned banks and companies are financing more than a quarter of all planned coal capacities outside China (102 out of 399 GW). The figure includes investments in coal exports, coal-fired power plants and related infrastructure.

As urgeward's data show, Chinese banks have assumed the dominant role in financing coal plants around the world. They have underwritten 69% of global coal investments and will want to ensure that those investments pay off. The people who live in the target countries will benefit less. Many places concerned lack, but urgently need environmental protection rules. Others are relaxing such rules against the backdrop of Chinese investment (see the example of Bangladesh in D+C/E+Z e-Paper 2020/05 in contribution of Aditi R. Ghatak).

On the one hand, China's current policies on energy and industry make a considerable contribution to climate protection, but on the other hand, Chinese banks and companies are leading the expansion of

coal investments. Around the world, financial institutions are increasingly backing off from coal, and UN Secretary-General António Guterres has even called for a ban on new coal plants starting this year. But none of this will be effective if China does not renounce its role as a major financiers of coal power. The Chinese firm Ping An, one of the largest coal insurers in the world, has now taken the first step and outlined a coal exit strategy. The move provides a glimmer of hope. For the sake of the climate, coal must not stay profitable.

Things may turn out differently. A new Carbon-Tracker report points out that China intends to stimulate the economy after the Corona crisis by building new coal-based power plants. From 1 March to 18 March, a generating capacity for 8 GW was approved. Authorities indicate coal regulations may be loosened. There are plans to invest the equivalent of an additional € 158 billion in coal-related facilities.

## REFERENCES

urgeward: Global Coal Exit List. <https://coalexit.org>  
 IEEFA, 2019: China at a crossroads. Continued support for coal power erodes country's clean energy leadership. [https://ieefa.org/wp-content/uploads/2019/01/China-at-a-Crossroads\\_January-2019.pdf](https://ieefa.org/wp-content/uploads/2019/01/China-at-a-Crossroads_January-2019.pdf)  
 Global Coal Plant Tracker: <https://endcoal.org/global-coal-plant-tracker/>  
 Carbon Tracker, 2020: Political decisions, economic realities: The underlying operating cashflows of coal power during COVID-19. <https://carbontracker.org/reports/political-decisions-economic-realities/>



**NORA SAUSMIKAT** has been working for the environmental and human rights organisation urgeward with a focus on China since 2019. She previously directed the China programme of the non-governmental foundation Asienhaus. [nora.sausmikat@urgeward.org](mailto:nora.sausmikat@urgeward.org)



**QUIRIN JETSCHKE** studies international relations and development policy at the University of Duisburg-Essen and is a trainee at urgeward. [quirin.jetschke@stud.uni-due.de](mailto:quirin.jetschke@stud.uni-due.de)

Photo: Ben Curtis/picture-alliance/AP Photo



Tense relationship: Russian President Vladimir Putin and Saudi King Salman in Riyadh in October 2019.

TUMBLING OIL PRICE

## End of an era

In April, the news for the members of OPEC, the Organization of Petroleum Exporting Countries, went from bad to worse. The oil price seemed to be in free fall.

By Aviva Freudmann

In late April, the price for a barrel of a key benchmark oil – West Texas Intermediate (WTI) – temporarily fell below zero for oil to be delivered in May. There was such a surplus on world markets that producers lacked storage space and were willing to pay customers to take delivery.

What made this news particularly grim for the members of OPEC was that it occurred after, not before Russia and Saudi Arabia ended a price war. They agreed to a 10 million barrel per day production cut, with Russia and Saudi Arabia contributing half of that amount. The decision did not make much of a difference.

Cartels are often weaker than they appear to be. They try to control prices by agreeing either on a common, above-market price or on a reduction in supply. If they control most of the supply, both measures amount to the same thing. However, all cartels run into the same problem: Each member has a built-in incentive to cheat by undercutting the others. They either charge

some buyers less than agreed with the cartel – or produce more oil.

This problem has long plagued OPEC. Despite regular cheating over the decades, the cartel stuck together so far. But the signs are increasing that its time is up. The global oil market has changed to the point where OPEC can no longer manipulate the market. It is worth pointing out that US President Donald Trump proudly claimed that he had helped Russia and Saudi Arabia to cooperate again. His policy is to prop up global oil prices for all producers, which also helps American producers. Even with Washington's help, however, OPEC no longer has the clout it used to have.

On 27 April, the Financial Times reported that the price of a barrel of WTI oil to be delivered in June was a mere \$12.27, far below the range of \$20 to \$30 OPEC had hoped to safeguard. One year ago, the price was in the range of \$70 to \$80, and that is what OPEC would need to revive its fortunes.

With oil prices in freefall and competition from non-cartel producers intensifying, OPEC's days of calling the shots are over. Of course, the Covid-19 pandemic is a major cause of the cartel's problems. The global demand for fuel has decreased by one-third because of lockdowns in many countries. With demand at record lows, prices are un-

likely to recover anytime soon. The current crisis, however, is only exacerbating OPEC's inherent weakness.

One reason for OPEC's waning influence is simply the built-in instability of cartels. As market conditions for cartel members have worsened steadily, the incentives have grown for individual countries to make secret side-deals to get their own oil to market any way they can.

A second reason is tensions within OPEC and the countries that cooperate with it. OPEC has had the benefit of Russia, a non-member, mostly acting as an ally. This partnership is called OPEC+. As the recent price war showed, however, this alliance is quite fragile. The failure to stabilise prices as intended means that tensions will grow further.

A third reason is competition from producers outside the OPEC-plus orbit, in particular the United States. The production of shale oil has made it a net energy exporter. Other countries are producing oil too, so OPEC now controls only about one-third of global supply. There is simply too much oil out there for its decisions to make a difference.

A fourth reason is efforts to improve energy efficiency as well as to build renewable-energy infrastructure. Environmental awareness is reducing oil demand to the detriment of OPEC.

OPEC members need money, moreover, which they get mainly by selling oil. The International Monetary Fund estimates that the Gulf Cooperation Council (GCC) countries – which account for one-fifth of the world's oil production – will run out of money by 2034 if fiscal trends continue as they were before Covid-19.

All of that casts a cloud over any further attempts by OPEC to control world oil prices. Don't cry too hard for OPEC, however: It had a good run for nearly 60 years (see my essay "How the mighty have fallen" in D+C/E+Z e-Paper 2020/05). As nearly all cartels do eventually, it is now facing the end of its run.



**AVIVA FREUDMANN** is a freelance business and economics journalist based in Frankfurt. She regularly supports the editorial office

of D+C/E+Z.

[euz.editor@dandc.eu](mailto:euz.editor@dandc.eu)

COMMENT

## The opportunity of crisis

The coronavirus pandemic is affecting the entire world. Factories are not operating, goods are not being delivered, people are staying at home. Many industries are hit hard, and masses of people are suffering hardship. The crisis is exacerbating the poverty of people who need their daily incomes to buy food.

By Katja Dombrowski

On the other hand, the air in major agglomerations from Wuhan to Los Angeles has not been as clean as it is now a very long time. Many affluent people are forced to slow down. Many notice that things can be different. Less travel, more digital work from home and focusing on basic needs could thus become trends beyond Covid-19. Any long-term reduction of energy consumption would obviously serve climate protection.

A crucial issue is to produce goods close to where the market is. This crisis reveals shortcomings of globalisation. Serious bottlenecks make us question whether it is wise to procure pharmaceuticals, protective equipment and medical instruments on the other side of the globe only because that

makes them a little bit cheaper. The same question applies to many other goods. We must not forget that the price advantages only arise because transportation costs are excessively low, which in turn results from harmful subsidies. Fuel used in air and maritime transport should not be tax-exempt.

Distorted subsidies are slowing down transition to clean energy. They must urgently be reconsidered, and the current crisis provides an opportunity to do so. It would also make sense to use the huge stimulus programmes of high-income countries to fund decarbonisation. Fatih Birol, who heads the International Energy Agency, foresees a double impact of reviving economies and promoting change in the energy sector at once. Least-developed countries must act too, but without considerable financial support, they will lack the means to do so. What they need is a mere fraction of the trillion-dollar programmes adopted in Europe and North America.

If things go well, this crisis will accelerate the European Green Deal. Alas, there is also a risk of setbacks. Oil is currently cheaper than it has been in a very long time. Low

prices are obviously not an incentive to use a resource sparingly, and even less to phase it out. European car manufacturers now want emission rules to be loosened, and the US administration has already done so. That step is considered to be very destructive because the transport sector is the greatest carbon emitter.

Another risk is that the pandemic will claim policymakers' attention to an extent that all other issues are postponed long-term. Leaders are unlikely to prioritise climate protection during a global downturn of historic proportions. However, neglecting the climate crisis now would amount to fatal failure. Global warming has not stopped; it is only getting worse.

In the Covid-19 crisis many governments have shown that they are able to interfere in markets as well as people's daily lives. They have also shown that they are willing to follow scientists' advice. In high-income countries, they have also proven that they can mobilise huge amounts of money to prevent and reduce dreadful harm. After the pandemic, it will be harder than before to ignore the climate crisis – and that may prove to be another opportunity.



**KATJA DOMBROWSKI** is member of the editorial team of D+C Development and Cooperation / E+Z Entwicklung und Zusammenarbeit.

[euz.editor@dandc.eu](mailto:euz.editor@dandc.eu)

### OTHER ENERGY RELATED CONTENT ON OUR WEBSITE



DERRICK SILIMINA

#### Beyond hydropower

Chronic drought is causing bottlenecks in Zambian electricity supply

[www.dandc.eu/node/4299](http://www.dandc.eu/node/4299)



KARIM OKANLA

#### Tense relation

Petrol smuggling to Benin bothers Nigerian authorities

[www.dandc.eu/node/4314](http://www.dandc.eu/node/4314)



ADITI ROY GHATAK

#### Behind schedule

At current trends, India is set to miss its goals regarding renewables

[www.dandc.eu/node/4312](http://www.dandc.eu/node/4312)

AFGHANISTAN

## Unfinished business

The hasty and unilateral withdrawal of US troops from Afghanistan is likely to result in a similar mess as the hasty exit of Soviet troops from the country did in 1989. The so-called “peace deal” with the Taliban looks anything but peaceful.

By Nawid Paigham

In late February, the superpower USA signed an agreement with the insurgent Taliban militants after almost two decades of bloodshed. This seemingly endless war was very expensive. It was a result of the 9/11 terror attacks on New York and Washington in 2001.



US soldiers boarding a helicopter in Afghanistan in late 2001.

Only a few weeks later, US troops toppled the Taliban who were running a theocratic dictatorship in Afghanistan. They were Islamist extremists who had provided a haven to Al-Qaida, the terrorist organisation.

From the perspective of ordinary Afghans, the US invasion was a unique opportunity for the reconstruction and democratisation of the country. For the first time in history, Afghanistan held free and fair elections. Despite a tense security situation, a new sense of freedom was palpable. Women and girls were enabled to study and work, for example.

When the US invaded Afghanistan more than 18 years ago, the promise was not

just to topple the Islamists. Human rights, women’s emancipation, freedom of speech and the protection of minorities were high on the agenda. None of that seems to matter to Washington anymore. What the White House wants is simply to bring the troops back home. US President Donald Trump promised to do so in the 2016 campaign.

Politicians’ promises are often excessively simple. The truth is that the USA has been deeply involved in Afghanistan’s fate at least since the Soviet invasion of the country in 1980. Washington supported militias that fought the Red Army, and the Taliban emerged from those groups.

As it did when the war began, the USA is again acting on its own. Back then, it soon got support from allies, including NATO. The international community endorsed the new start. However, no ally or multilateral institution was involved in the peace talks. It is even more depressing, that no one from Afghanistan’s government took part. Neither civil-society organisations nor any other institution had a say.

The agreement now essentially spells out that the Taliban will not fight the USA, nor support any organisation that poses a threat to the USA. In return, the Trump administration will no longer consider the Taliban to be terrorists. Their leaders will be

taken off the US blacklist, and prisoners are to be released.

The White House now seems to believe that the Taliban will somehow become a normal political party and peacefully participate in Afghanistan’s current political order. That is wishful thinking. The Taliban’s track record shows that they want to return to power without restraints. The depressing reality, moreover, is that the international community has not been able to foster the development of a strong and self-supporting constitutional order in Afghanistan. The elected government is haunted by internal divisions and corruption.

Things could have been different had Washington also prioritised institution building beside hunting down terrorists. There was so much “collateral damage” that far too many people began to see the international troops not as foreign liberators, but as violent oppressors. Adding to the problems, opium continued to be the most important export good. A peaceful constitutional order is improbable in any country where an illegal industry dominates the economy. The international community, led by the USA, failed to tackle this issue in any serious way.

The ethnic composition of Afghanistan, moreover, also makes the current peace deal problematic. To the outside world, the Taliban may look like a group of religious extremists. To Afghan eyes, however, they are a Pashtun outfit with a long history of fighting other ethnically defined groups. When the US invaded Afghanistan, the Northern Alliance, which is based on specific ethnic groups, was its ally. Some Northern Alliance leaders are now in the government. They have reason to feel betrayed by Trump.

In 1989, the hasty exit of Soviet troops left behind a huge mess. That is exactly what the hasty withdrawal of US troops will most likely result in now. There is a serious risk of renewed civil war, with the Taliban on one side and the Northern Alliance on the other. Sooner or later, the US or other foreign powers would be drawn into the conflict once more.



**NAWID PAIGHAM**  
is a political and economic analyst.  
[npeigham@gmail.com](mailto:npeigham@gmail.com)

EMPLOYMENT

## Public works programmes matter

Market dynamics on their own will not generate the employment Africa needs. Well-designed public works programmes (PWP) are needed to create jobs, improve infrastructure and empower poor people, including women and youth.

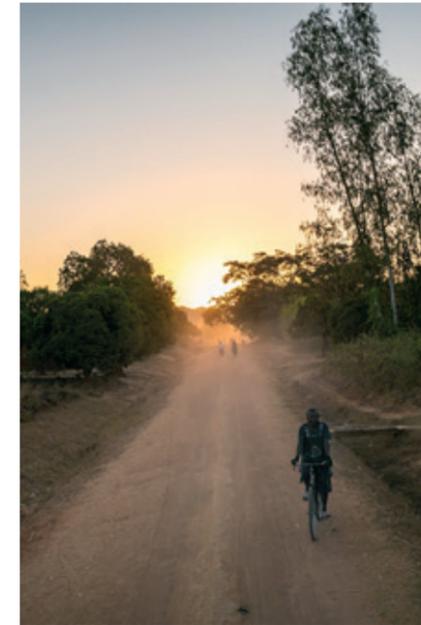
By Joachim von Braun and Tekalign Sakketa

Africa needs about 20 million additional jobs every year (see essay on page 20 of this issue). Even successful growth-oriented policies will hardly generate so many jobs. Without those jobs, however, Africa’s young population will become ever more frustrated and alienated. Governments must rise to the challenge. Revitalising African economies after the coronavirus crisis will require even more attention to jobs.

In China, labour-intensive PWPs were drivers of rural development in the 1980s. These schemes built local infrastructure and employed masses of people. A similar approach has proven useful in India in the past ten years. A national rural employment guarantee was introduced in 2005. Its promise is that one person from every poor rural household gets 100 days of employment at the national minimum wage in infrastructure construction. The share of participating women is high.

African policymakers have taken note, and the idea is not just to alleviate the poverty of disadvantaged communities. The point is that PWPs help to promote productivity and economic growth, especially in rural areas. For these reasons, PWPs are back on Africa’s agenda and have expanded fast across the continent. Their number increased from only a handful in 2005 to about 50 in 2015, according to the World Bank. No other kind of social-assistance programme has expanded this fast.

Nonetheless, national budgets still only allocate rather small sums to PWPs. It would make sense to extend coverage and improve quality. So far, African PWPs have focused on improving agriculture-related infrastructure. Activities typically relate to irrigation, reforestation, soil conservation as



Rural road in Malawi: local people would benefit from better infrastructure.

well as rural road construction and maintenance. More recently, PWPs have also been designed to benefit young people and informal businesses in urban areas. The expectation is that the schemes will not only employ disadvantaged people immediately, but also improve their opportunities in the long run.

PWPs potentially have a triple impact:

- they directly benefit the people they employ,
- they change labour-market demand and can thus lead to higher wages in general, and
- the public goods they deliver improve the business environment.

Of course, the impacts vary across countries and contexts. There is clear evidence, however, of PWPs improving poor people’s lives. In particular, they can empower women and youth.

PWP success obviously depends on prudent design and good implementation. Objectives must be defined clearly. Wage levels must be considered well, so they do not disrupt other businesses. Construction

work must be scheduled at times when underemployment is especially pronounced.

African state capacities tend to be weak. Well-designed PWPs, however, can boost state capacities and thus enhance governments’ scope for achieving development goals. It is important to learn from experience within Africa and to take into account China’s and India’s success stories.

Success is not only possible – it is evident in many places. In rural Ethiopia, for example, the Productive Safety Net Programme (PSNP) combines a PWP with other agriculture-related measures and food-security activities. As research has shown, livestock holdings have increased as a result, and the hunger season was shortened. Private investments and transfers were not hampered.

Policymakers should heed the following messages:

- PWPs are a key strategy to address poverty and unemployment among low-skilled people in Africa. The time to act is now.
- PWPs need to be implemented with complementary interventions, with particular attention paid to facilitating agricultural development.
- PWP impacts improve when gender issues are taken into account.
- PWPs need to be monitored and evaluated so lessons are learned.

As always, policies must be designed and implemented well – and PWPs are a good area for governments to shore up their act.

LINK

Sakketa, T. G., and von Braun, J., 2019: Labour-intensive public works programs in sub-Saharan Africa: Experiences and implications for employment policies. ZEF Working Paper 180.

[https://www.zef.de/fileadmin/user\\_upload/ZEF\\_WP\\_180.pdf](https://www.zef.de/fileadmin/user_upload/ZEF_WP_180.pdf)



**JOACHIM VON BRAUN**  
is the director of Bonn University’s Center for Development Research (ZEF).  
[jvonbraun@uni-bonn.de](mailto:jvonbraun@uni-bonn.de)



**TEKALIGN SAKKETA**  
is a senior researcher at the ZEF.

# FREE PRINT SUBSCRIPTIONS

We are updating our mailing list. Any institution involved in global development affairs can currently subscribe to the print edition of D+C free of charge, and so can any person who has a serious interest in the matter in a professional or volunteering capacity. To get free copies of our future print issues, please sign up at:

[www.dandc.eu/en/dc-subscription](http://www.dandc.eu/en/dc-subscription)

The print issues do not include everything we post on our website ([www.dandc.eu](http://www.dandc.eu)), but they are useful in terms of documenting important aspects of global debate long term.

