



ISSN 2278 – 0211 (Online)

Root Cause of Economic Problem in the Rural Areas

Dr. Hala A. Zein Alabdein Mahmoud

Dean, College of Community Studies and Rural Development,
University of Bahri Khartoum, Sudan

Abstract:

The main purpose of this study was to determine the Root Cause of Economic Problem in Alkadrow rural Areas. Secondary purpose of the study was to determine reasons behind low income, analysis the poor standard of living, and assess the impact of the economic crisis on the communities in Alkadrow area. This study extends the current literature on important economic factors affecting Communities in Alkadrow area.

This study was conducted using the destructive survey method, to describe the characteristics of different people in Alkadrow area (traders, farmers, labors, and women) and supply information towards the root cause of economic problem in Alkadrow rural Areas. The total number in the study was 25 The main finding of the study were:(1) the main causes of economic problems in Alkadrow are draught, Flood, insufficiency of working opportunities, illiteracy, (2) Cannot solve economic problem without addressing the root causes of the economic crisis that affecting communities in Alkadrow rural Area (3) Instability of prices is one of the challenges that cause economic problem in Alkadrow rural Area (4) Demands and supply are some of the elements that shape standards of living for Alkadrow rural Area

The results of this study recommended that Looking in the root causes of economic problems from all aspects to find proper solutions for the communities of Alkadrow area, Comparing results of other studies to find the common points that was reached by this study and other studies, Different types capacity buildings can be carried.

Finally, more studies on economic related is very essential to address the root causes of economic problems

Keywords: Economic problems. Rural areas, Sudan

1. Introduction

Sudan faced severe economic problem during the last 5 years due to civil unrest, socio-cultural instability, ongoing protracted displacement, poverty, high illiteracy rates, unemployment, crime, low living standards, and lack of health and education facilities, which lead to deteriorate levels of economic to acquire essential commodities for most of the Sudanese communities.

The economic crisis caused civil unrest and further impacted people's purchasing power, with poor and vulnerable groups affected the most, and a significant proportion of the population who previously did not require any assistance, currently, they are needful for external support to sustain their daily needs protect them from sliding into a state of increased vulnerability.

1.1. Statement of the Problem

Communities in Alkadrow locality in Khartoum state are facing several economics challenges including:

- Scarcity of income generation activates,
- High rates of illiteracy,
- Poor social services like education, health care, roads and transport infrastructures.

Absence governmental economic institute to support poor communities in Alkadrow rural areas

1.2. Objective of the Research

The main purpose of this paper is to determine the cause of economic problems in Alkadrow area.

The specific objectives of the paper were as follows:

- Identify the reasons behind low income in Alkadrow area
- Analysis the causes of poor living conditions in Alkadrow area.
- Assess the impact of the economic crisis on the communities in Alkadrow area.

1.3. Hypotheses

The following hypotheses serve as the guiding research assumption for the investigations:

- There is no significant relationship between low income and economic crisis.

- There is no significant relationship between poor living conditions and economic crisis.
- There is no significant relationship between low productivity of agriculture infertile lands and economic problem.

2. Methodology of the Study

The survey was descriptive causes selection development economic problem-based study in Al Kadarow areas north Bahri,

2.1. Population

The targeted group of this study was the different community members (traders, farmers, labors, and women) in Alkadrow area the main reason underlying the selection of this area that have suffering and still suffering area from many economic problems.

2.2. Sample Selection

The probability sampling assumes for such element in the population $i: 1, 2, \dots, n$ known positive probability (P_i) of selection of chance selection this require same mechanical procedure of chance selection rather than only assumption beliefs models about probability distribution, the random procedure require practical physical operation which is closely congruent with the probability model that most common and best chance consist of the proper use of good table of random number.

2.3. Sample Size

The data was collected from Kadarow Areas north Bahri survey and random collection through personal interview, observation and questionnaire in the center of people living in the area.

Determine the sample size is estimating the mean or the proportion:

$$n_0 = \frac{z^2 \sigma^2}{c^2} \text{ and } n_0 = \frac{z^2 p(1-p)}{c^2}.$$

Where n_0 is the sample size without considering the finite population correction factor result in the actual sample size?

2.4. Validity of the Study

To test the reliability and availability of internal consistency between the answers to the questions credibility coefficient was calculated (Alpha- Cronbach) and was considered statistically acceptable value for the coefficient Alpha-Cronbach 70%. Then a test of credibility on the respondents' answers to the test all axes and the results were explained.

2.5. Characteristics of the Rural Areas

Rural communities are characterized by their residences being less condensed than urban areas, often in the countryside. Identify the characteristics of these communities in size, density, and finances, as well as their relationship to work and nature and poorly developed and remote from major cities. The rural economic is largely dependent on available natural resources. In these areas are developed primarily agriculture, mining, forestry and other activities that constitute the main sources of income for people living there. Other features classifying the rural areas are: Geographical position, natural environment, the number of populations in the area, the level of infrastructure development.

'For classification of rural areas are selected six indicators that form the complex criteria for determining the types of rural areas.

- Absence of large city with over 30 thousand inhabitant.
- Operating income per capital for two of three consecutive years is not more than 30% of national average.
- Average annual unemployment rate for two consecutive years from three is more than 50% above the national average for the last years.
- Population density is less than 75% of the national average.
- Share of territory occupied by agricultural and forest areas are more than 20% above the national average share of agricultural and forest areas.
- The share of unemployment or unemployed, in agricultural and forests of all unemployed is more than 20% above national average for last year.
- Lower income
- Lower quality jobs.
- Reduced access to lifelong learning and professional development.
- Precarious financial position.
- Little value is given to education and reading with the family and this often leads to intergenerational transmission of literate.
- Low self-esteem which can lead to isolation.
- Inputs of health illiterate individual have more work plus accident take long to recover and more and understanding.

2.5.1. Economic Problem

An economic problem means the problem hindering efforts of making choices that occurs because of the scarcity of resources and exists because, people have unlimited desires but the means to satisfy that desire is not sufficient. Therefore, satisfying all human needs is difficult to obtain with limited

Different societies face problems on how to make the best use of limited, or scarce, resources. And have to decide the best combination of goods and services to meet their varied wants and needs. Societies must decide what portion of different resources should be allocated to these goods and services of their needs.

In Sudan the economic disturbance in public services, directly affected importing of agricultural inputs and other equipment. These lead to significant reduction of production and dramatic increases on the agricultural products.

The current Sudan's ongoing economic crisis started in 2017. Nevertheless, persistently low reserves of foreign currency, and increased shortage of USD in the official banking system, has driven rapid depreciation of the local currency on the parallel market and forced the government to devalue the Sudanese Pound on the official exchange market. As of February 2021, the Central Bank of Sudan has raised the Sudanese Pound official exchange rate to 375 SDG/USD compared to 55 SDG/USD in January of the same year. The rate in the parallel market registered a record of 450 SDG per USD in December 2021, compared to 97 SDG/USD in January.

Sorghum and millet prices have continued to increase significantly between October 2019 and February 2021, when prices typically decline as harvests reach markets.

Sorghum and millet prices have increased by 130-250 percent between January 2019 and December 2021 in most of the main production and consumption markets,

2.5.2. Poverty

It has become a major issue, that engulfed lives of most rural people, and some urban population in the Sudan in recent years. Poverty in the Sudan is deeply entrenched and is largely rural. In 2002 some 20 million people were living below the poverty line of less than US\$1 a day. About 19 million people – 85 per cent of the rural population – are estimated to be living in extreme poverty.

Most of rural communities in Alkadrow area struggle to feed themselves and their families and have little or no access to safe drinking water and health services.

The incidence of poverty varies considerably from regions to another. In part because economic growth has been unevenly, distributed, but also because of the economic and social devastation caused by the conflict and/or other causes in certain parts of the country. Severe inequalities in terms of access to education, sanitation and clean water, to infrastructure and natural resources, income opportunities, justice and political protection exist between regions. A rapidly growing population is putting significant pressure on already fragile ecosystems, a situation which has been exacerbated by the poor economic capacities of peoples.

2.5.3. Income Generation Activates

Income generation can help to overcome food insecurity when economic factors are a fundamental cause of food insecurity and when food is available in local markets but lack of money is the main difficulty faced communities in Alkadrow locality so to development activities or assist the sustainable establishment of income generating activities to be undertaken in or near the home, they should use skills they already possess. Rural Communities in Alkadrow locality have skills to do small-scale plant and agricultural and animal production, processing and preservation. Areas for potential promotion include home gardens, indoor plants, flowers, fruit tree nurseries, animal production dairy products, sewing. In Communities in Alkadrow locality people are seasonally involved in preserve surplus production for household consumption for marketing when the family needs more cash. However, the regular production of a standardized product for the market is still rare and a wide of local products which could be produced are absent

Production of jams, pickles, vegetable pastes, fruit juices could all increase farm income and women's income in particular since this would generally make use of existing skills and technology.

Packaging is probably important in attracting consumers for local products () when they must compete against imports. Producers need advice about moving dried and processed products from rural areas to larger outlets in towns.

2.5.4. Illiteracy

Means a person cannot read or write at all or an individual may have basic reading. Of equal relevance is the concept of functional illiteracy, writing and numerical skills but cannot apply them to accomplish tasks that are necessary to make informed choices and participate fully in everyday life. Poor literacy also limits a person's ability to engage in activities that require either critical thinking or a solid base of literacy and numeracy skills. UNESCO defines functional illiteracy as 'measured by assessing reading, writing and mathematical skills in the various domains of social life which influence individual identity and insertion into society. From this perspective, literacy involves not only reading and writing but also the acquisition of the skills necessary for effective and productive performance within society

2.5.5. High Food Prices

The food prices are rise faster than ways increases putting Livelihoods under threat future more than shortage of hard currency leaves farms unable to pay labor force reducing Agricultural employment trying to retain cash income and the effort food purchaser at basic nonfood items .As house hold sell Agricultural nonfood stacks are non-food items and food stocks are depleted from early onset of the lean season in 2018 limited means to buy seed or spend on labor for the next planting season ,

The sharp increase in food prices over the past couple of year has raised serious Volatile and soaring food prices have been making headlines globally since 2007 with concerns over their negative impacts on the poor and their destabilizing social consequences in developing countries. Depending on published sources and local situation analysis and monitoring, and following a brief background on the pattern and causes of international food price surges, this brief

attempt to assess the chronology of food price changes and their impact on the poor in Sudan, and proposes set of remedial measures in tackling price surges and volatility.

2.5.6. Health

The health economic crises put additional strain on Sudan already under resourced health system. Some medicine prices have increased by around 300% during the past month more than 200 types of medicine are completely unavailable in Sudan particular Anti-Seizure, the medication and lifesaving are in short supplies as well as medication needed for non-communicable diseases (NCDs) pharmaceutical companies struggle to import medicine due to the inflation rate.

2.5.7. Challenges

The challenges are low employment rate in rural area and job lost in primary sector, the form of sector is losing job due to the numbers of causes such as general restructuring low price and market uncertainly. In recent decades both primary and secondary sector have been generally slow growth in some cases while the territory sector has shown in a high growth.

Hence are many anticipated a direct relationship between primary activities and unemployment and inverse with relationship with the percentage rating employment.

Rural areas have to face two opposite challenges high rates of unemployment and consequences low growth in same rural area lack active population to run the basic services in some rural other. Areas these regions depend upon in natural resources and environment quality sectorial structure of the economic quality of life and cultural capital in restructure all resistibility.

3. Data Analysis

The first Section is the analysis of personal data:

- Distribution of study sample members according to gender variable:

Gender	Frequency	Percent
Male	22	88%
Female	3	12%
Total	25	100%

Table 1: Frequency Distribution

Prepared by the researcher from the data of field study 2021

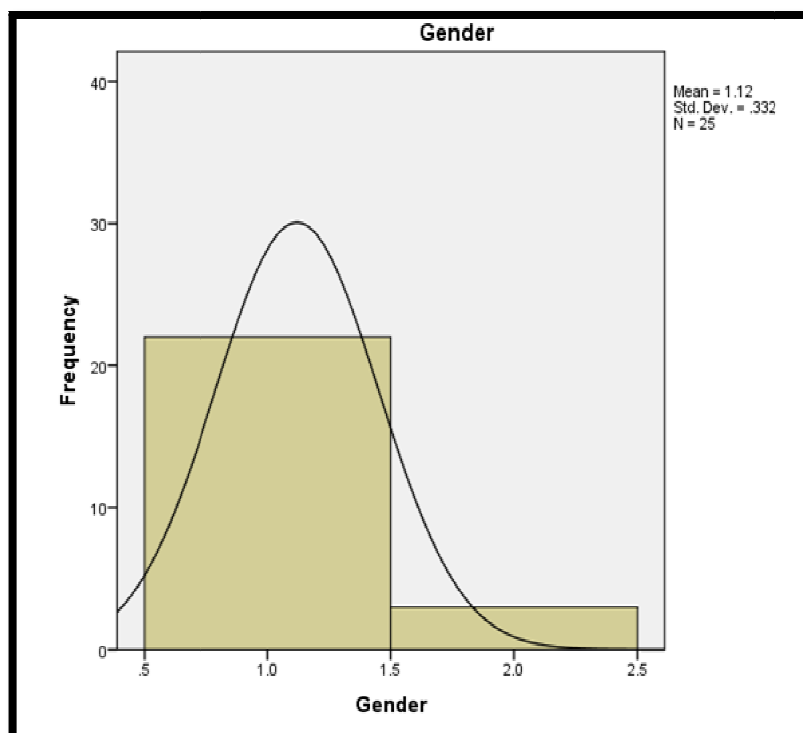


Figure 1: The Graph to Gender

It is clear to the researcher through Table No. (1) And Figure No. (1) That the study sample members in relation to the gender variable are mostly males with a percentage of (88%) compared to (22%) for females, which indicates that the number of males is more than the number of females.

- Distribution of study sample members according to Age variable:

Age	Frequency	Percent
Less than 20 years	1	4%
21 - 25 year	5	20%
26 - 30 year	12	48%
31 - 35 year	4	16%
36 - 40 year	3	12%
Total	25	100%

Table 2: Frequency Distribution

Prepared by the researcher from the data of field study 2021



Figure 2: The Graph to Age

It was found to the researcher through Table No. (2) And Figure No. (2) that the first age group (less than 20 years old) represents (4%) of the total percentage of respondents, while the second age group (21 and under 25 years old) represents (20) The third age group (26 and under 30 years old) represents (48%), while the fourth age group (31 and under 35 years old) represents (16%), while the last group (36-40 years old) represents (12%).
 Distribution of study sample members according to Marital Status variable:

Marital Status	Frequency	Percent
Married	6	24%
Single	19	76%
Total	25	100%

Table 3: Frequency Distribution

Prepared by the researcher from the data of field study 2021

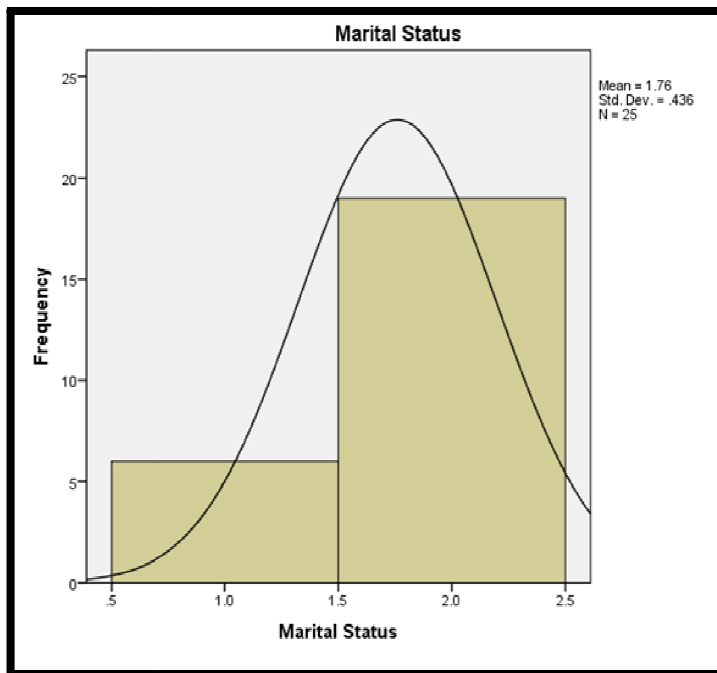


Figure 3: The Graph to Marital Status

It was found to the researcher through Table No. (4) and Figure No. (3) that most of the study sample members are unmarried, representing (76%) of the total percentage of respondents, while the percentage of married people represents (24%).

- Distribution of study sample members according to Education Level variable:

Education Level	Frequency	Percent
Secondary	3	12%
University	20	80%
Graduate	2	8%
Total	25	100%

Table 4: Frequency Distribution

Prepared by the researcher from the data of field study 2021

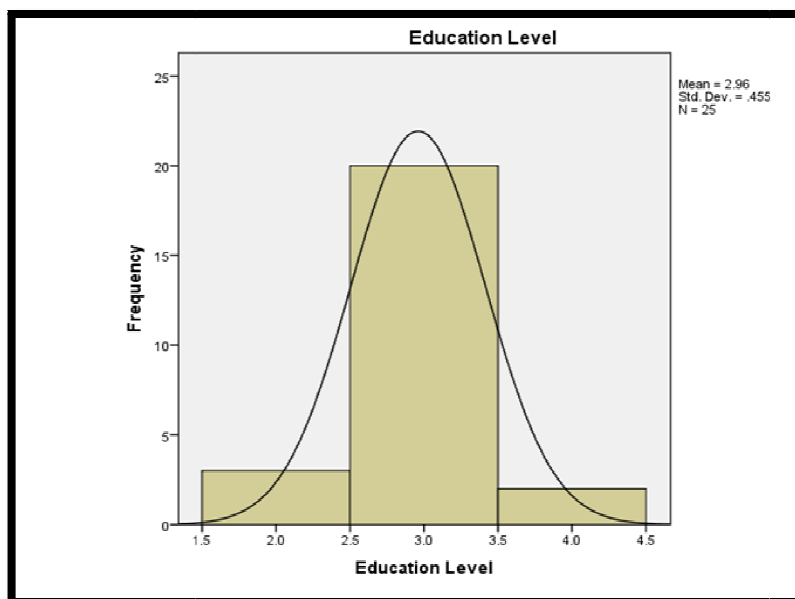


Figure 4: The Graph to Education Level

It was found to the researcher through Table No. (5) and Figure No. (4) that (12%) of the study sample members are secondary, and that (80%) are university students, and that only (8%) are postgraduate studies, which helps to understand the phrases Study and answer them honestly and clearly.

- Distribution of study sample members according to Occupation variable:

Occupation	Frequency	Percent
Teacher	3	12%
Farmers	8	32%
Lobbers	10	40%
Women	4	16%
Total	25	100%

Table 6: Frequency Distribution

Prepared by the researcher from the data of field study 2021

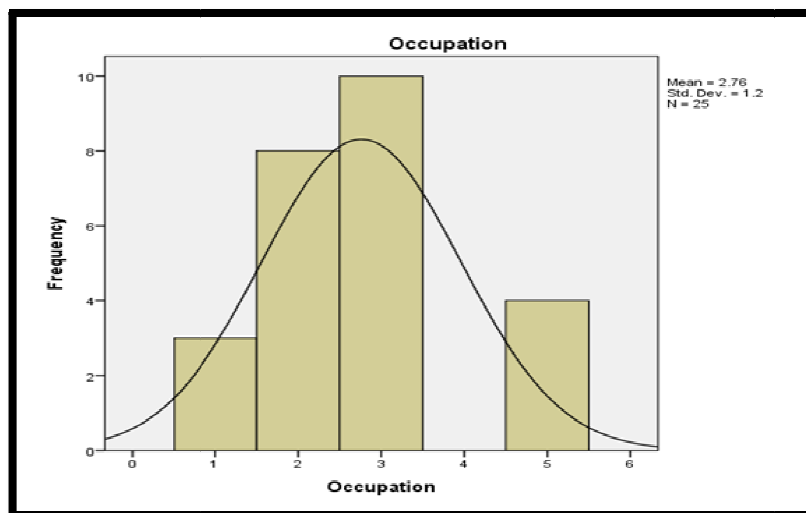


Figure 5: The Graph to Occupation

It was found to the researcher through Table No. (6) And Figure No. (5) That the percentage of (12%) is tellers while the percentage of (32%) is farmers. It is also noted that the percentage of labors amounted to (40%) while the percentage of women reached (16%).

Data analysis and hypothesis testing

First: The frequency distribution of the respondents' answers to the study questions:

Question	Yes	No	General Direction
	Frequency Percent	Frequency Percent	
Does draught, Flood, conflict, illiteracy, cause economic problem in rural Area	0 0%	25 100%	No
Can We achieve economic problem without developing skills attitude and knowledge for the rural Area	0 0%	25 100%	No
Does negative intervenes to solve economic problem in the rural Area	0 0%	25 100%	No
Does the illiteracy improve employment opportunities for the rural people	0 0%	25 100%	No
Does economic problem improve living standard for the rural people	0 0%	25 100%	No
Illiteracy is best mean for solving economic problem	1 4%	24 96%	No
	25 100%	0 0%	
Instability at prices in one of the challenges that cause economic problem in the rural Area	25 100%	0 0%	Yes
	25 100%	0 0%	
Does demand supply is one of the elements that provide standard of living for the rural people	25 100%	0 0%	Yes
	25 100%	0 0%	
Does rural economic is largely depend on available of natural resource	25 100%	0 0%	Yes
	25 100%	0 0%	
Do poverty become major issue that engulf the live at most rural people	25 100%	0 0%	Yes
	25 100%	0 0%	
Is illiteracy one of the major issues that cause economic problem in the rural Area	25 100%	0 0%	Yes
	25 100%	0 0%	
Illiteracy is inability to reduce poverty	25 100%	0 0%	Yes
	25 100%	0 0%	

Table 7: Frequency Distribution

It is clear to the researcher through the following table (7):

All members of the study sample answered the (first five questions) no, which indicates that there is a consensus to deny what was stated in these questions.

As you note in the fifth question, we find that (24) of the study sample members answered no (96%), while only one of the respondents answered yes with a percentage of (4%). It also notes that there is unanimity from the respondents about the answer to (the last five questions), as it was found that all the respondents' answers were yes, which indicates that all the respondents confirmed the validity of what was stated in these questions.

4. Conclusion

There are national and sub-national empirical studies that investigate Root Cause of Economic Problem in the Rural Areas concepts and measurements from a spatial perspective. This study attempts to fill this gap in the literature by augmenting an established principal components model to take explicit account of spatial autocorrelation and applying it to Sudan Rural Areas.

25 The main finding if the study were:(1) that draught, Flood, conflict, illiteracy, the main causes of economic problem in Alkadrow (2) Cannot solve economic problem without developing skills attitude and knowledge for the rural Area rural Area (3) Instability at prices in one of the challenges that cause economic problem in Alkadrow rural Area (4) demand supply is one of the elements that provide standard of living for the rural people

The results of this study recommended that looking in the root causes of economic problems from all aspects to find proper solutions Alkadrow area, comparing results of other studies to find the common points that was reached by this study and other studies, Different types of awareness and training can be carried out according to the level of competencies of the potential beneficiaries

Different types of awareness and training can be carried.

Finally, more studies on the topic to the vital importance it carries for the study of economic in general and Sudan economy in particular

5. Recommendations

According to the problem and the results drawn, the study recommends the following points:

- Conducting more studies on the topic to the vital importance it carries for the study of economic in general and Sudan economy in particular.
- Looking in the root causes of economic problems from all aspects to find proper solutions.
- Comparing results of other studies to find the common points that were reached by this study and other studies.

6. References

- i. Anselin, L. 2002. Under the hood: issues in the specification and interpretation of spatial regression models. *Agricultural Economics* 27: 247-267.
- ii. Atkins, J., Mazzi, S. and Easter, C. 2000. A commonwealth vulnerability index for developing countries: the position of small states. *Economic Paper No. 40*.
- iii. Balamoune-Lutz, M. and McGillivray, M. 2008. State fragility. *WIDER Research Paper 2008/44*. Helsinki: UNU-WIDER
- iv. Bird, K., McKay, A. and Shinyelawa, I. 2007. Isolation and poverty in Uganda: applying an index of isolation, Paper presented at the international workshop on 'Understanding and addressing spatial poverty traps', Stellenbosch, South Africa, 29 March 2007.
- v. Chaudhuri, S., Jyotsna, J. and Suryahadi, A. 2002. Assessing household vulnerability to poverty from cross-sectional data: a methodology and estimates from Indonesia. *Discussion Paper Series 0102-52*, Department of Economics, Columbia University.
- vi. Chauvet, L. and Collier, P. 2005. Developmental effectiveness in fragile states: spillovers and turnarounds. Oxford: Centre for the Study of African Economics, Oxford University. Mimeo.
- vii. Easter, C. 1998. Small states and development: a composite index of vulnerability. In *Small States: Economic Review and Basic Statistics, Annual Series 4*. (London: Commonwealth Secretariat.)
- viii. Etherington, D. and Jones, M. 2009. City-regions: new geographies of uneven development and inequality. *Regional Studies*, 43(2): 247-265.
- ix. Project Report: Socio-economic Study – Khartoum State Page 352 of 353 Submitted by: Policy Assessment, Consultancy & Training (PACT) August, 2010
- x. SUDAN Food Security Outlook February to September 2020 FEWS NET Sudan fewsinqury.sudan@fews.net www.fews.net/sudan