THE ROLE OF HUMAN CAPABILITIES IN ECONOMIC DEVELOPMENT

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Abstract: High levels of human capability are important in any meaningful development. In Tanzania the level of poverty is still very pervasive, due to low levels of human capability that is accelerated by, among other things gender inequality, low levels of education, low survival rates and life expectancy due to poor health conditions, as well as the impact of HIV/AIDS. A broad range of policy measures is needed to improve every human capability in respect, but mostly in the areas of equal opportunities and education. It is envisaged that Tanzania's Development Agenda must be people-centered. The recognition of, and adherence to, human rights as accepted globally should be the backbone of people-centred development. Human rights include all those elements essential for human survival: physical security, liberty and the development of dignity.

INTRODUCTION

The starting point for any meaningful development is to focus on human development. At the centre of human development is the recognition of human rights. Human development focuses on people's right health to including access to safe water and sanitation, education and free participation in economic, social and political activities. A people-centred development also contributes to the role of the private sector, which is the best way to organise and deploy human resources.

Overview of Macro Socio-economic Development

Soon after independence in 1961, Tanzania declared war against three development enemies: ignorance, disease and poverty. The Government of Tanzania formulated various plans and programmes to expand and strengthen basic social services such as education and health, as well as other priorities, which put people at the centre of the country's development effort. For the period between the late 1960's and the late 1970's Tanzania experienced rapid social economic development and the country registered high social development indicators such as primary school enrolments, literacy rates, health service provision, provision of safe, clean water and rural development.

In the mid 1980's the Government realised that the past achievements could not be sustained partly due to its heavy reliance on government budgetary resources. Social infrastructures such as water supply schemes, education standards and quality of medical services deteriorated due to inadequate resources allocation. In response, the Government embarked on a long process of economic reforms with a view to improving the macroeconomic environment necessary for increasing economic growth and poverty reduction.

As a result of these reforms, Tanzania has progressed significantly in re-establishing macroeconomic stability. GDP growth rate reached 4.9% in 2000 from an average of 3.6% in 1995. Inflation has fallen from levels of around 30% in 1995 to 5.4% by January 2001. The significant improvements noted in GDP growth rate and inflation rate, however, had a minimal impact on abject poverty. Tanzania's population is growing at an average of 2.8% per annum. Given that a population growth of 1 percent requires a GDP growth rate of 3% to sustain it, Tanzania's economy has to grow at the rate of 8.4% annually to have any significant impact on abject poverty (URT, 2000/01).

The Level of Poverty

The level of absolute poverty is still pervasive. Based on the 1991/92 HBS head count ratio, around 16.4% of the people live in households whose total income is insufficient to obtain enough food to meet nutritional requirements and about 37.6% are unable to meet their basic food and non-food requirements. The results from the updated estimates for the year 2000 show that poverty levels may have increased during 1991/2 - 2000 from 37.6% to 43.1% for mainland Tanzania. In addition, the food poverty incidence has also increased from 16.4% in 1991/92 to 22.7% in 2000.

Changes in the level of poverty have not been uni. -directional. Based on the preliminary HBS (2000) data and other available information, it is shown that the incidence of income poverty in Tanzania increased during 1990-96, and probably abated in the following years. Moreover, the preliminary data from HBS also suggests that income distribution improved, based on the Gini coefficients, in the rural and urban (other than Dar es Salaam) areas. However, the Government's basic assessment from the available information is that the incidence of poverty in Tanzania remains unacceptably high, and that reinforced efforts are needed to ensure attainment of International Development Targets, NPES and the Vision 2025 objectives.

The initial findings from the 2000/01 HBS suggest that poverty is still most prevalent in rural areas and least widespread in the towns and cities in urban areas. The basic need incidence is 4.8% in Dar es Salaam, 14.7% in other urban areas and 25.4% in rural areas. Furthermore, the basic need poverty incidence is 12.5% in Dar es Salaam, 31.9% in other urban areas and 47.2% in rural areas.

Income poverty in Tanzania has four main characteristics. Firstly, poverty is largely a rural phenomenon and is most prevalent in the rural areas and least wide-spread in the capital city. Viewed in terms of depth of poverty, the rural areas also continue to fare poorly, compared with urban areas.

Secondly, urban poverty is by no means insignificant. Although poverty is less acute in urban areas, it is still a serious problem, especially in those urban areas other than Dar es Salaam. The urban poor are concentrated among the underemployed in the informal sector, and include those who derive most of their earnings from urban farming.

Thirdly, the youth, the old and large households are more likely to be poor. The 1991/92 HBS shows that 44% of the population is below the age of 15 and 4% is aged 60 or over. The survey gives a dependency ratio of 0.43, rising from 0.31 in Dar es Salaam to 0.37 in other urban areas and to 0.46 in rural areas. Other surveys show higher ratios. The REPOA (1998) rural survey data gives the overall dependency ratio to be 1.1. The 1991/92 HBS shows that the proportion of the poor increases as the level of dependency rises. Households with a dependency ratio of 0-0.25 show a basic needs poverty incidence of 32.1%, while those with a ratio of 0.75-1.0 show a poverty level of 55.8%. Surveys agree on the relationship between household size and poverty. The 1991/92 HBS shows that people living in households of seven or more are two-thirds more likely to be poor than those living in households of six or less. The 1993 HRDS data indicate that households of 6-10 people are nearly twice as likely to be poor than households of 1-5 people.

Fourthly, women are generally poorer than men. Their poverty is associated with unequal access to productive resources and control of assets, together with poor health, lack of education, personal insecurity and limited participation in public life. The preliminary results of the 2000/01 HBS suggest that female headed households could be worse off than those of male-headed households. The abolition of poverty cannot be achieved until men and women have equal access to resources and services necessary to achieve their individual potential and fulfil their obligations to household, community and, more broadly, society.

HUMAN CAPABILITIES AND DEVELOPMENT

Low levels of human capability in the Tanzanian population have been attributed to slow economic performance despite the improvement in macroeconomic indicators. The country's literacy rate is estimated to be 67.4%, with the rate for females (59.5%) being substantially lower than that for males (76.5%). Primary school gross enrolment is currently estimated to be 83%, with the rate for females (81%) being noticeably lower than that of males (86%). The net enrolment is still lower at 57% (HBS 2000/01).

Survival rates are also very low. Infant mortality was estimated to be 99 per 1,000 live births in 1999 and under-five mortality rate to be 150 per 1,000 live births (1999, Tanzania Reproductive Health Survey - TRHS). Although these rates were an improvement on the 1970's rates, recent evidence suggests that infant and under-five mortality rates have begun to level out and that some sections may even be witnessing a slight increase in the late 1990's. The leading killer diseases for infants and under-fives are malaria, anaemia and pneumonia. In addition, maternal mortality is still high, estimated to be 529 per 100,000 live births. Maternal death affects women, children, spouses, extended families and communities in many ways. The economic costs of a mother's death include her lost contributions (monetary and non-monetary) to the family and its survival, increased mortality among her children, increased burdens of home maintenance and childcare on her survivors, plus additional impacts on communities and society.

Furthermore, the average life expectancy at birth has declined from 52 in 1990 to 48 years of age in 1999. There is also a considerable degree of chronic malnutrition in Tanzania. In 1996, 43% of children under five were found to be stunted (low height for age) and 18% were severely stunted. Acute malnutrition is measured in terms of weight for height. In 1996, 7% of children under five were classified as wasted, and 1% were severely wasted. A combined measure of chronic and acute malnutrition is age for height. More than 30% of children under five are under weight for their age. Data on children's nutrition status show that there has been little improvement over the past decade.

Poor access to safe water sources and a lack of sanitary facilities in the household is affecting people's quality of life and social well-being. It is estimated that so far, only 48.5% of the rural population and 68% of urban areas are served with clean, safe water. It is believed that these percentages could sometimes be lower due to the fact that existing water schemes in rural and urban areas are not functioning at full capacity, as a result of technical and management problems. The existing sewerage system serves about 10% of the urban population while the remaining 90% depends on on-site sanitation, mainly septic tanks and latrines. The improvement of the health and productivity of the population will only be achieved with the provision of adequate, clean, safe water and improved sanitation services.

One of the biggest contributions to poverty is gender inequality in education. Studies repeatedly show that investment in educating girls and women raises every index of progress towards sustainable economic growth and development. In Tanzania, the gender gap at primary level has narrowed significantly. For example, 2,033,281 males and 2,009,287 females were enrolled in primary schools in 1998 in mainland Tanzania . However female enrolment decreases at secondary and post-secondary levels. According to basic statistics in education 1994 -1998), 105,474 females and 121,429 males were enrolled in secondary education (form I – VI) in 1998.

Population structure and delayed demographic transition are also factors that inhibit sustained development. Based on the latest inter-census data, Tanzania's population has a higher proportion in the younger age group than in the older age group. The proportion of the population under the age of 15 years is about 47% and the population in the age group 15-64

accounts for 49% of the total, with the remaining 4% being above age 65. The median age is 16.4 years.

The pressure of rapid expansion of society's demands on the limited growth in the economy and its high dependency structure is a major drawback to growth and poverty reduction. Tanzania, like the majority of African countries, has not made much progress in demographic transition. Results from the Demographic and Health Survey show some initial decline in total fertility, decreasing from 6.3 children per adult female in 1989-91 to 5.6 children in 1997 -99. The fertility rate, however, remains very high. The problem of rapid population growth in Tanzania remains intact, although there are controversies about the correct population growth rate projections in the absence of new census results.

Population policies and programmes for encouraging low fertility (in the demographic sense) sprang up several years back but continue to be constrained by limited resources. A high growth rate in the economy and education are important elements in the effort to stem a rapid growth in the population. Because of inertia in tackling population growth, it means that, for the foreseeable future, the country will have to contend with this problem from the point of view of higher economic growth and productivity to meet growing needs.

The spread of HIV/AIDS complicates the demographics further. The impact of the HIV/AIDS epidemic is devastating, given that it strikes adults in their prime years, including the elite and professionals, implying that it kills workers of much greater-than-average productivity. Furthermore, it is estimated that by the year 2015, there will be more people in rural than urban areas who will be infected with HIV, with the serious effect of reducing the agricultural labour force and therefore production. Worse still, there are more women infected with HIV than men, the ratio being 1.5:1. This is serious considering that women spend more time than men in productive and reproductive activities. Thus, HIV/AIDS is not just a health problem but a grave developmental one. Virtually all sectors are experiencing a loss of experienced/trained professionals. Given the increase in the mortality rate, life expectancy is estimated to decline by almost a decade, with the population structure shifting towards the younger age. The country has also witnessed a large increase in AIDS orphans during the last few years. The estimated number of orphans since the beginning of the epidemic is 730,000.

The HIV/AIDS epidemic imposes a substantial additional cost on the health systems. In Tanzania, infected persons occupy more than half of available hospital beds. It is estimated that each adult AIDS case treated in the health care system absorbs about $290 in nursing and drug costs. There is also the problem of AIDS orphans who go without adequate education, health care or nutrition. Many are hard- pressed to support themselves, their siblings and their over-burdened adoptive families.

THE NEED TO IMPROVE HUMAN CAPABILITIES

In order for Tanzania to benefit from macroeconomic stability there is the need to improve human capabilities in every respect. This is a necessary condition for any sustained development. Sustainable development is concerned not just with leaving a legacy to future generations, but with enshrining human rights, ending poverty and improving the quality of life today. Development must be sustained as well as sustainable.

A very broad range of measures are needed to bring all these things about, from economic and fiscal policies relating to energy, transport, industry and tourism, to health, education and social policies and at every level of government. Each should reinforce the other, and all should be strengthened by the participation of civil society, non-governmental organizations and the private sector. Attention needs to be paid to the area of reproductive rights, health, women's

rights and education. Improvements in these closely-related areas are among some of the policies that could help give a better sustainability, improve quality of life and reduce poverty - all at the same time.

Investing in People

Poverty is not simply a matter of hunger, low income or limited income opportunities. A wide range of social and psychological factors contribute to a low sense of well-being, including exclusion, powerlessness and pervasive insecurity made worse by the absence of assets to ride out the bad periods. Limited capabilities, adverse health, illiteracy and physical isolation also exacerbate poverty.

In Tanzania life expectancy was 52.1 in 1990, but has declined to 48 in 1999 mostly due to the impact of HIV/AIDS. Fertility has started to decline with higher incomes and better access to education. Moreover, access to education, like access to health services, is unequally distributed between rural and urban areas and between males and females. Thus, Tanzania's human development crisis has many mutually- reinforcing dimensions. The combination of HIV and malaria weakens immune systems in a particularly destructive way. High illness and low nutrition mean that many children are too ill to attend school or to learn when they do attend. Low female literacy, high child mortality and limited access to contraception cause high dependency levels and a lower savings potential. Thus human development, in all its varied aspects, must play a crucial role in the development plan of Tanzania.

Research throughout the world has shown that providing integrated primary health services, rather than separate service delivery for different health concerns, is both the most effective and the most cost-efficient way to meet the multiple health needs of adolescents, including those related to sexual and reproductive health. Such programmes also need to offer sensitive counselling which can elicit information and allow young people to explore the context within which decisions are made. Young people who need services often encounter barriers in standard health care facilities. They may be better served at separate institutional settings for youth which also meet a variety of other needs and respect their desire for independence and privacy.

Sustainable development must be able to trigger a movement from a low to a medium human development economy. In this context, social and economic development in Tanzania must embody social justice and a sense of individual and collective responsibility to society. It must reflect desirable cultural values and provide opportunities for the full participation of people of all age groups, ethnic groups and gender in the development process. Above all, it must manifest social cohesion; cherish a society that values entrepreneurship, ingenuity and self-reliance; and enhance a society that is highly motivated and self-confident.

Worldwide national population programmes have played a significant role in reducing population growth since the 1960's. The Tanzanian National Population Policy of 1995 has addressed all the major issues concerning population and development. In particular, it addressed issues on population trends and policy goals; the relationship between population growth and the development of sectors; the problems of special groups within society, namely: women, children, youth, the elderly and disabled; and the goals and responsibility of each sector. However its implementation has not been satisfactory because people were not made aware of it i.e. there was lack of communication, equally missing in the formation of the National Population Council. The most serious concern, however, is that little has been done directly to incorporate population issues in economic planning.

Effective and implementable population policy and programmes require data collection (censuses, surveys and socio-cultural studies) and analyses of demographic trends and their relation to social and economic development.

Such programmes must be responsive to a variety of population concerns, including the new generation challenges which their past success has fostered. In Tanzania there have been delays in undertaking population census. The last census was done in 1988 and the next one will take place in 2002.

Reproductive Health is More Than Birth Control

Women need access to a broad range of reproductive health services in addition to birth control. For example, all women, regardless of their age or whether they are sexually active, need routine gynaecological care, and adolescents need education about reproduction, sexuality and sexually-transmitted diseases. Sexually active women who are at risk of contracting the human immunodeficiency virus (HIV) and other sexually transmitted diseases (STD's) need information about prevention. Women who are using contraceptives need regular follow up and access to affordable supplies on a regular basis. Meanwhile, women who want to become pregnant or who are already pregnant need access to appropriate health care services that will enable them to go safely through pregnancy and childbirth. Reproductive health should go beyond the clinic and into the wider society which means raising the status and educational level of women as well as the early socialization of men in sexual responsibility to promote sexual health and family formation behaviour. The need for better health care is also tragically apparent in the high rates of infant and child mortality in many countries. Providing reproductive health services calls for concentration of resources, integrated primary health care, staff training and carrier development - and the imaginative use of every possible means of service delivery.

Globalization and Human Development

The increasing globalization of the world economy in terms of trade and finance brings new opportunities and challenges. The challenge of creating a global society is formidable. Whilst globalization presents great opportunities, it does not necessarily benefit everybody equally. The poorest countries are also often the least able to take advantage of the opportunities and globalization can lead to an increase in inequality in these countries. Globalization needs therefore to be accompanied by policies to help the poor. One of the critical points in addressing the challenges of globalization is to improve worker productivity. This calls for better health and education among the population and in particular the poorer ones. There are also other requirements such as appropriate investment and trade policies.

CONCLUSION

Tanzania's economy is one of the poorest in the world. Tanzania's macroeconomic indicators have improved but with very low impact on people's well-being. The level of poverty is still very pervasive, due to the low levels of human capability which is accelerated by gender inequality and the impact of HIV/AIDS. A broad range of policy measures is needed to improve levels of human capability in every respect and mostly in the areas of reproductive rights, health, women's right and education.

Tanzania's Development Agenda must be people-centred. The recognition of, and adherence to human rights as accepted globally should be the backbone of people-centred development. In this regard human rights include all those essential for human survival, physical security, liberty and the development of dignity. They stem from the recognition of the inherent equality and dignity of all human beings. Every man, woman and child his entitled to enjoy their human rights, simply on the basis of their humanity and regardless of any distinguishing characteristics - such as race, gender, creed, opinion and class. Tanzania has a long way to go before such development is achieved.

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