

## ECONOMIC DEVELOPMENT OF SUDAN

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The article presents the descriptive analysis of level of economic, political and social development of Sudan according to the global trends. An analysis of the country's development trends and the dependence of the national market on the global movements of the world economy will provide an important channel for formulating forecasts for the development of the economy of Sudan.

Sudan is the least developed country in the world, but it stands out among low-income countries in terms of available domestic resources. Sudan is much better off than all other post conflict cases in recent history with a predicted result of over \$185 per capita in Southern Sudan in 2007, compared with Afghanistan (\$5) or Timor Leste (\$22). Despite strong economic growth, the country still faces huge economic problems, as it starts at a level of deep poverty, unemployment and fluctuating exchange rate. With few linkages to other productive sectors of the economy, growth in the oil sector will not raise incomes for the many poor, while pro-poor spending is very low, standing at 3% of GDP compared with an average of 7.5% in Africa.

The economic development of Sudan shows a big fluctuation last twenty years. This is primarily due to the unstable political situation, long military conflicts and serious economic problems. Twenty-year trends show a serious deterioration in the mid-90s despite the presence of large oil fields. Oil production allowed Sudan to increase foreign direct investment in 2012 to more than \$ 2 billion and stabilize inflation at 11%. At the same time, the level of a country's political and economic globalization differs significantly from social globalization. According to the KOF globalization index, Sudan ranks 186 out of 208 countries, being at the very bottom of the list of countries with strict conditions for regulating the social life.

Sudan joined the Arab League in January 19th 1956, after ten days from Anglo-Egyptian rule independence, in 2012 when South Sudan seceded was given the option to join Arab league. The economic situation improved starting from 1961 in Sudan four years after it joined Arab league as GDP shows that it has increased from \$1.307 billion in 1961 to \$117.488 billion in 2017. The inflation rate has dropped with a little of fluctuating from 12.472% in 1981 to 2.192% in 2017. After the independence from the British-Egyptian rule and the joining in Arab League and Council of Arab Economic Unity Sudan government started to work on oil as a major part of income generation which helped in the improvement of the economic situation.

Sudan is developing its significant oil resources. The country's oil exports have increased rapidly since the construction of a major oil-export pipeline in 1999. Exports of hydrocarbon account for 70% of total export revenues. Sudan's energy consumption mix was dominated by oil (93%), with the remainder coming from hydroelectricity (7%). Despite the current difficult political and economic situation, Sudan has been showing stable economic growth over the past five years. Real GDP growth is kept at more than 4%, which is higher than most countries in the region.

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