

Neo-Colonialism and a Faustian Bargain Undermine South Sudan's Peace Deal

By John Prendergast and Brian Adeba September 2018

Peace remains elusive in South Sudan. The latest in a line of peace deals – this one signed on September 12, 2018 between the South Sudan government and opposition – does not address the primary root cause of the war: the hijacking of governing institutions and the creation of a violent kleptocratic state that enriches senior officials and their commercial collaborators while doing nothing to provide social services, build infrastructure, create transparency, introduce accountability, reinforce the rule of law, or grow the economy of South Sudan.

Fueling this ongoing strife is a misguided focus on power-sharing instead of transforming the systems of governance. By simply re-assigning positions of power, the Intergovernmental Authority for Development (IGAD), through its September 12, 2018 Revitalized Agreement on the Resolution of the Conflict in the Republic of South Sudan (R-ARCSS), has encouraged elites within the various warring parties to continue plundering the country's economic and natural resources.

That some of the agreement's official mediators, including Uganda and Sudan, stand to benefit politically and economically from this outcome reinforces the need for enforceable reforms that take aim at the kleptocratic system standing in the way of a sustainable peace. The absence of a long-term diplomatic endgame allowed the President of Sudan, Omar al-Bashir, and the President of Uganda, Yoweri Museveni, each representing different sides in the conflict, to exploit the IGAD-led process for their own political and economic gain.

Fundamentally, this is a governance challenge, rooted in a political culture that views state resources as spoils, their value accruable to the elite alone. Changing this mindset will require measures that force the costs of kleptocracy to far outweigh its gains. Network sanctions and anti-money laundering measures, for example, can disincentivize those at the top from prioritizing personal financial interests as their primary motivation. Otherwise, political agreements like the one signed on September 12 will only provide a short-term stopgap to the conflict, not the long-term systemic change that the people of South Sudan need and deserve.

Red flags

As personal financial gain takes precedence over common interests, political allegiances give way to the fragile alliances of self-serving kleptocrats. Since these alliances are only as sustainable as their ability to siphon more of the country's resources to rival elites, they hold little promise for forging meaningful consensus around the R-ARCSS.

A precursor to the likelihood that alliances will continue to shift during the peace accord's implementation phase was the July 2016 splintering of the Sudan People's Liberation Movement-in-Opposition (SPLM-IO). The move then was motivated, in part, by a feeling among some of its leaders that the ruling SPLM party should have offered them more of a stake in the then-Transitional Government of National Unity. When such elites seek to obtain more power—and, thus, wealth—by defecting, many taking up arms, they send a strong message to others who might otherwise be inclined to support governance reform. It is no

accident, for example, that some of those who voiced reservations and refused to sign an earlier precursor deal on governance in June have now splintered into subgroups that signed the September 12 peace accord—the better to take advantage of the financial opportunities they are convinced it affords.¹

Nowhere is this model of financial benefit through powersharing better exemplified than in the case of South Sudan's military. The recent move by South Sudanese President Salva Kiir to promote 123 officers to the ranks of major generals, in addition to promoting numerous other officers of lower ranks As personal financial gain takes precedence over common interests, political allegiances give way to the fragile alliances of self-serving kleptocrats.

on the eve of the peace agreement, will be countered by similar promotions on the part of the armed opposition groups, leading to an even more top-heavy security sector. This represents a "brigadiers, but no soldiers" approach, motivated by a fear among elites that they could lose allies to rival camps. This fear, of course, is misplaced: a top-heavy military, anchored in the expectation of material reward, undermines stability in the whole of South Sudan, weakening the state and making it more susceptible to chaos. That outcome ultimately benefits no one.

Still, finding common ground on institutional reform remains too high a price for these kleptocrats and their supporters, making peace—or its prerequisites, security and stability—as elusive as ever. Complicating the situation further, the September 12 peace arrangement is unlikely to garner international financial support for some of its vital components, including the cantonment of forces. This, in turn, may negatively affect the agreement's security arrangements, leaving only a bloated government, marred by red tape and ill-equipped to deliver vital services or support development efforts. The implications are clear: reconstruction will be slow or non-existent; refugees may still be stranded in camps, refusing to go home without financial support and security guarantees; and South Sudan's future will remain in doubt.

A dangerous marriage of convenience

Two independent outcomes—the threat of financial network sanctions from the main sponsors of the peace talks and corruption-induced bankruptcy—brought President Salva Kiir and the main opposition leader, Dr. Riek Machar, to the negotiating table in June of this year. As a result, President Kiir, who only

a week earlier had refused to work with Dr. Machar in a transitional government, rescinded his decision after realizing that he was likely to be singled out by the international community as the main obstacle to peace. Dr. Machar, on the other hand, has gone easy on the two-army arrangement and accepted the ultimate reunification of the armed forces while also playing down his principal demand for a federal system.²

All indications are that Dr. Machar and President Kiir together forged a marriage of convenience with their Sudanese and Ugandan counterparts, whose influence grew as the Troika—the United States, Britain, and Norway—exited the peace process. This left the process exposed to the influence, motivations, and machinations of Sudan and Uganda, which prioritized their own interests. Although this outcome allows Kiir and Machar to maintain their grip on power in Juba, retaining their titles as President and First Vice President, it amounts to a kind of Faustian bargain, with Khartoum securing the resumption of crude oil production in South Sudan as well as \$26 for each barrel produced over the next three years, according to the Cooperation Agreement between Sudan and South Sudan signed in 2012. Meanwhile, South

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Sudan's remaining share from each barrel sold will be spent buying goods from Uganda, creating a trade imbalance that vastly advantages Kampala.

Critics of these capitulations say they owe to coercive negotiating tactics, particularly by the Sudanese delegation. Although key South Sudanese stakeholders attended the talks, including civil society, women, and youth, their participation was limited by Khartoum's aggressive mediation strategy, which curtailed participants' ability to provide input, critique the proposals, and serve as equal partners at the negotiating table. When smaller opposition groups expressed reservations about the outcome, they were threatened into signing the

accord, thus raising questions about their commitment to its implementation.³ What is clear is that any "peace" arrived at through coercive and exclusionary tactics will only harden distrust between South Sudan and neighboring countries. Just as this atmosphere led to the collapse of the August 2015 peace deal, it bodes ill for the current agreement.

True to form, the final text agreed to by al-Bashir, Museveni, Machar, and Kiir glosses over numerous important issues that remain disputed. These include the number of contested states, the quorum of cabinet and parliament meetings, and the constitution-making process. ⁴ Each of these could spark a disagreement over boundary issues, which could reignite the conflict and delay the reintegration of rebel forces.

Neocolonialism

While the realignment of relationships in East Africa has led to the normalization of ties between Eritrea and its former enemies Ethiopia, Djibouti and Sudan, cooperation between Uganda and Sudan in this case has regrettably come at the expense of the South Sudanese people. The blatant attempt by Sudan and Uganda to control and dominate the future economic and political dispensation in South Sudan,⁵ together with the silence of IGAD and the broader international community, has emboldened both countries to take a new posture akin to that of a neocolonial master. The passive stance of South Sudan's other neighbors as well as other international actors has allowed al-Bashir, a ruthless dictator, to gain an

unacceptable level of control over South Sudan's oil sector, despite the fact that the country was born through a referendum in which 98.8 percent of South Sudan's people voted for an independent and sovereign nation. ⁶

IGAD has given al-Bashir an opportunity to inject Khartoum's influence into a peace agreement that was meant to end the suffering in South Sudan. Instead, the deal ultimately has allowed the Sudanese regime to buttress its collapsing

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economy. Al-Bashir has been working hard to achieve this goal. He has managed to see the core SPLM dismantled while also working to defeat or contain the myriad rebellions in Sudan by ensuring great influence over the flow of resources as well as the military of South Sudan. Even the mechanisms for monitoring and verifying compliance with the September 12 agreement will be led by Sudan and Uganda.

After so many died for South Sudan's sovereignty, Juba's elites are returning power to Khartoum to further their own interests. The powerful role that Uganda and Sudan have enshrined for themselves in the outcome of this agreement represents neocolonialism at its worst and serves as an economic coup by those in Khartoum and Kampala who seek to benefit at the expense of the people of South Sudan. Once the implications are fully understood by the country's population, further instability could ensue.

Dismantling the violent kleptocracy

In South Sudan, power-sharing agreements have proven to be inadequate short-term fixes for underlying systemic challenges to governance. It is of vital importance that South Sudanese leaders continue negotiating long-term solutions that directly address the causes of the conflict, transforming societal structures through internal dialogue and reform of the country's security and financial sectors. The

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international community must employ network sanctions targeted against the key military and civilian officials in South Sudan and their commercial enablers both inside and outside the country. These network sanctions, along with robust antimoney laundering measures, can change the incentive structure for t hose benefiting from the cycles of violence and absence of rule of law.

Only then can South Sudan move from a weak, near-term power-sharing agreement to a framework for long-term change, one that dismantles the country's violent kleptocracy. For this to happen, South Sudan's leaders must ensure that financial crimes, such as theft of state assets and exploitation of natural resources, do not continue with impunity. Structural

reform should focus on transforming the institutions of national security, including the military, the expenditures and abuses of which have hampered socio-economic development. And instead of leaving economic sectors to be controlled by a handful of individuals who are well-connected to the country's leadership, South Sudan must foster inclusive institutions at all levels of government.

This inclusiveness can be shepherded by civil society. By maintaining pressure on South Sudanese leaders during the implementation phase of the R-ARCSS, reform-minded civil society organizations can do what

the international community has failed to do: hold these actors accountable for their commitments, lend transparency in resource management, and ensure participation in the constitution-making process.

Conclusion

As it stands, the R-ARCSS all but ensures that very little will change in South Sudan, with those in power continuing to enrich themselves at the expense of their country. Government officials will continue to award themselves generous allowances regardless of the budget, those in power will continue to move the proceeds of corruption and natural resource exploitation outside the country and into the international financial system, and decision-makers will continue to grant virtually condition-free government contracts to their supporters. Indeed, South Sudan will lurch from crisis to crisis until the levers of financial pressure, such as network sanctions and anti-money laundering measures, as well as the establishment and robust implementation of the Hybrid Court called for in the R-ARCSS, change the calculus of the self-interested power brokers in Juba. Until then, rampant corruption and natural resource looting, combined with meddling from Khartoum and Kampala, will continue to economically exploit a young nation that fought so hard for its freedom.

Citations

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