

Identity, rentierism, secession and conflict: Analysis and implications of the civil war in South Sudan¹

Overview

This paper analyses the conflict in South Sudan using two frameworks, namely ethnically-framed political grievances, and the political economy of pervasive rent-seeking. It argues that both the secession of South Sudan and the current civil war in the country are best explained by the interaction between the two.

Identity-based explanations for both secession and civil war dominate in national and international narratives. However, an equally persuasive argument can be made that secession was a rent-seeking strategy for the leaders of the Sudan People's Liberation Movement/Army (SPLM/A), and that the current civil war is a fallout from the monetised patronage strategy used by the SPLM/A to accomplish the twin goals of achieving independence and dominating South Sudan's political-economy.

Over the last ten years, national and international approaches to conflict resolution in Sudan and South Sudan, have operated at the intersection of ethnic narrative and sharing of power and wealth. Peacemaking has consolidated a zero-sum logic of political competition. This can be seen in the Comprehensive Peace Agreement (CPA) and its successors.

Comparisons with other secessionist and post-secession conflicts indicate varying forms of intersection between identity and political economy and confirm the need to understand both dynamics and their interaction.

The paper concludes with some ideas for rethinking approaches to transforming conflict in South Sudan.

Secession and conflict: identity approaches

Separatist movements usually frame their demands in terms of national or ethnic grievances, and claim that establishing a separate state will remedy the wrongs suffered and enable them to secure their rights. However, history shows that achieving secession may in turn generate other secondary identity conflicts, for example between the ethnic majority in the new state and a minority population that has loyalties to the former state, or whose leaders desire a state of their own.

Francis Deng, Sudan's leading writer on identity, writes, "Racial identification in the Sudan is a function of the heart and the mind, not of objective facts." (1995, p. 507) He recounts the stratagems of successive Sudanese leaders who have opportunistically resorted to Arabism and Islamism for the purposes of tactical manoeuvre among Khartoum's contending political factions, and to seek legitimacy in a system

¹ By Dr Alex de Waal, Executive Director of the World Peace Foundation.

that was never wholly secular. In doing so, they deepened the divides between north and south, and fatally undermined the prospects for national unity. Deng's writings are characterised by a profound tragic awareness of the potential for a united Sudan, and the challenges of separation.

Identities can be constructed in diverse ways, and Sudan's identity politics emerged from interlocking dynamics, including the legacy of militarised tribalism inherited from imperial conquests and colonial administration of frontier regions, Mahdist millenarianism and Sudanese nationalism, and the stratagems used by rulers and contenders in north and south, centre and peripheries, to mobilise political constituencies and armed groups. Too often these complexities – and the political choices embedded in them – are reduced to a simple primordialist explanation of a supposed Arab-Muslim North against a South peopled by Christians and followers of noble spiritual beliefs.

It is therefore unsurprising that the ostensible resolution of one identity conflict – north versus south – should be a poor fit with much more complicated political and social realities. Sudan's and South Sudan's questions of identity could not be resolved by the partition of the country. The following issues stand out:

- a. The administrative boundary between Sudan's northern and southern provinces at the time of national independence in 1956, used as the basis for the international boundary at the time of secession, is in dispute in certain places and artificially divides certain groups. The unresolved dispute over whether Abyei Area, inhabited predominantly by ethnic Dinka, should remain in the north or be transferred south, is the most striking but not the only example of this.
- b. The (northern) Sudanese state is defined by default as an "Arab" and/or "Muslim" identity state, but the partition of the country left substantial "African" populations, many of whose members fought as part of the SPLM/A or its sympathisers on the "wrong" side, leading to the continuation of existing wars in Darfur and re-igniting of others in Southern Kordofan and Blue Nile.
- c. Identity conflicts within South Sudan, such as between the Dinka majority and others, notably the Nuer, were not addressed.

Secession and conflict: approaches based on the political economy of rentierism

Many Sudanese public intellectuals have been at pains to reject identity-based accounts of conflict and to stress that the country's problems arose from political mismanagement, not ethnic animosity. John Garang de Mabior, Chairman of the SPLM/A, pursued the agenda of transforming a united Sudan to create equitable access to national power and wealth among all marginalised groups, not only those in the south (Garang 1987). He decried what he called the "bourgeoisified southern bureaucratic elites" who were interested solely in acquiring governmental posts so as to advance their personal interests.

At first, Garang used force to try to break this mentality, and when this did not succeed, the SPLM/A itself became an opportunistic coalition lacking a clear programme. Garang's stated "New Sudan" agenda was open to diverse interpretations while, for the ordinary fighters, the slogan was, "What we are fighting for, we know" (Deng 2005, p. 6). The SPLM used ethnic narratives to mobilise support at home and to generate international solidarity.

As the peace process matured in the early 2000s and the SPLM became the government-in-waiting for southern Sudan, the SPLM became what Garang had earlier condemned, namely an elite club. While Garang, until his death in July 2005, encouraged its members to seek power and wealth in Khartoum, his deputy and successor, Salva Kiir Mayardit, fell in line with more widespread southern sentiment, and sought power and wealth in Juba, capital of the putative independent Republic of South Sudan. The wealth-sharing provisions of the CPA, which provided the autonomous Government of Southern Sudan with just 50% of the revenues from oil under southern Sudan while Sudan remained united, but provided

South Sudan with an opportunity to take 100% should it become independent, incentivised secession for the purposes of rent maximisation.

The SPLM elite also deftly manipulated American and European sentiment, developing the narrative of a Christian people oppressed by an Arab-Muslim government, and thereby won international backing including a free pass on human rights and corruption issues (for a while at least).

The central challenge facing Salva Kiir when he took over as leader of southern Sudan, was that the SPLA had neither the military capability to enforce its dominance within the South nor to deter the north, should Khartoum seek to undermine secession. Thus, Kiir's principal instrument was military patronage. He made a bargain with his main internal military rival, Gen. Paulino Matiep of the South Sudan Defence Force, whereby Matiep and his troops would join the SPLM/A *en masse* and be put on the payroll. This was cemented with the Juba Agreement of January 2006 and a doubling of the base pay rate for infantrymen in the SPLA, to \$150/month. (It was increased again on the eve of independence.) By absorbing numerous militia, plus actual and potential mutineers, and further recruitment, the payroll of the SPLA increased from about 40,000 in 2005 to 240,000 in 2011, plus 90,000 paramilitaries, including 745 generals.

“

Human lives
are expended as
an indicator of
seriousness in
bargaining.

”

”

The SPLA was a simple one-dimensional force structure, designed less as a national army than a means of maintaining the loyalty of a tribalised militarised nation in arms. Because almost all military units are constituted on tribal lines with loyalty to their immediate commanders, any military operation risks becoming an ethnic conflict.

This gargantuan military establishment was funded by oil revenue. Defence spending was officially about 30% of the national budget, but in practice it was up to 50% once off-budget arms procurement and spending on paramilitaries is included.

South Sudan defence spending (US\$m)

	2006	2007	2008	2009	2010	2011	2012
Defence spending	586	580	917	688	736	1,047	964
Total govt. exp.			2,281	1,888	2,563	3,273	2,785
Defence as % of exp.			40.0	36.5	28.7	32.0	34.6
GDP			15,264	11,853	15,179	19,146	10,220
Def. as % of GDP			6.0	5.8	4.8	5.5	9.4

Sources: Defence spending: 2006-08: Lewis 2009, p. 66; 2009: World Bank 2010-12: SIPRI; (excludes other uniformed services and off-budget expenditure); GDP and govt spending: World Bank.

After 2006, the most common way in which provincial leaders (army commanders or local political leaders with armed constituents) make their claims on central authority has been “rent-seeking rebellion,” which follows a characteristic cycle of mutiny, counter-attack (killing many), bargaining between the rebel leader and government, and a settlement whereby the rebel leader obtained a government or army post, and his followers were enrolled in the SPLA. The logic of the mutineers is to organise enough force to compel the government to bargain, and the logic of the government is to use enough punitive force

to compel the rebels to settle for a lower price. Human lives are expended as an indicator of seriousness in bargaining.

Meanwhile, the principal way of maintaining the cohesion of the SPLM/A leaders has been to allow them loosely-regulated access to state funds for private enrichment. The results of this can be seen in a pattern of public spending that wholly ignored budgetary discipline, with tiny amounts going to public services such as health, education and investment (World Bank 2013), and actual allocations of funds being made on a cash-in-hand basis to whoever had the most persuasive political demand. Greg Larson and colleagues describe this (2013, p. 21):

One donor official distinguished between the ‘Real Ministry of Finance’ and the ‘Fake Ministry of Finance.’ The ‘Fake Ministry’ is the one working with the donors and technical advisors on budget allocations, promoting the outward appearance of high functionality, while the ‘Real Ministry’ is operated through backdoor dealings between South Sudanese officials, concealed from donor view. As the donor official says: ‘The technical advisors help prepare budget allocations, but then the army generals wheel into the minister’s office, and they make the real allocations.’ While budget allocations are readily and publically available from MoFEP, the budget expenditures are only rarely (and then, only partially) shared.

The SPLM leaders exploited the selective myopia of the U.S. and Europeans to their governance and human rights shortcomings, to obtain support. Since independence, the optimistic assumptions on which international partners extended political, security, technical and financial assistance to South Sudan, have become apparent. Despite donor efforts, budgetary management standards actually declined over the period 2007-12.

South Sudan entered the Transparency International corruption perception index almost at the bottom. The organisation noted: “Corruption permeates all sectors of the economy and all levels of the state apparatus and manifests itself through various forms, including grand corruption and clientelistic networks along tribal lines.” (TI 2012, p. 1). In 2012, Kiir publicly accused 75 government leaders of stealing a further \$4bn but his stated intent to add 50 army leaders to the list was not followed through after he received representations from SPLA generals.

In addition to oil revenue that enabled public spending of over \$300/capita (compared to under \$100 for other East African countries), South Sudan enjoyed ODA of over \$100/capita, comparable only to Rwanda in the region. While most international partners operated on the assumption that corruption, patronage and a cash-in-hand system of public spending were distortions of the governmental system, which would in due course display the appropriate signs of institutional development, in reality *the kleptocracy is the system*. It was the few and fragile bubbles of technocratic integrity that were the distortion.

South Sudan’s governance system is characterised by constant bargaining over positions in a governmental hierarchy. The goal of each member of the political class is to be better placed to control funds, for private use or to reward followers. The means include violence or threat of violence. It is a “political marketplace” which demands skilled political business management.

President Kiir was neither a strong nor a clever manager of South Sudan’s political marketplace. He was unable to discipline his subordinates who wished to go to war with (northern) Sudan in early 2012, and who took the near-suicidal step of halting all national oil production and export, which accounted for 98% of government revenue, in pursuit of that strategy. This deprived the government of the funds necessary for the patronage payouts. Following the shutdown the SPLA simply consumed resources at

“
In reality
kleptocracy is the
system. It is the few
and fragile bubbles
of technocratic
integrity that are the
distortion.”

an unchanged rate, using up all the country's reserves and compelling the government to borrow from oil companies at commercial rates. Kiir was finding it more and more difficult to pay what was needed to keep the system going.

During early 2013, President Kiir faced dissatisfaction from different members of the SPLM/A elite, over the political hierarchy, over competence at managing the system, and over whether there was an objective other than elite self-enrichment to which South Sudan could aspire. The political struggle was played out in government and within the party. The contenders expected that the institutions of the SPLM would fail to resolve the dispute, and took precautions to protect their interests through military means, should that become necessary. The logic of "enough force" to compel the other to bargain seriously was becoming the determining political factor. When the first shots were fired on the evening of 15 December 2013, government, party, army and nation split apart along the lines of patrimonial militarised tribalism - the basis on which it had been constructed.

Approaches to conflict resolution

The peace processes in Sudan and South Sudan reflect the deeply troubled society and political economy from which their protagonists are drawn. It is fair to criticise them as "flawed" (Young 2012), but it is also fair to ask: what realistic alternative exists? For the elites of South Sudan, the preferred model of peace agreement is one that maximises their access to power and wealth.

The intersection of the ethnic narrative and the rent-seeking behaviour of political elites generates a conflict resolution framework with the following features:

- a. Negotiations are conducted among political elites on the assumption that they represent, either explicitly or implicitly, ethnic or regional constituencies (e.g. "north" and "south", or Dinka, Nuer, Equatorians, or particular sub-tribes or clans).
- b. The central component of an agreement is a (re)distribution of power. This is defined by an allocation of governmental offices at different levels. Thus central government ministries and parliamentary positions are divided at the central government level. At the provincial or local level, there is greater latitude both to divide existing positions and to create new ones by subdivision of local administrative units or devolution of powers to those units.
- c. Wealth-sharing is a formal allocation of quotients of government spending, but is informally a bargain that allows for both private accumulation and the allocation of salaried positions on a patronage basis.
- d. Security arrangements include a formal commitment to SSR and downsizing, but are informally a mechanism for ensuring that elite members can guarantee their shares of rent by maintaining armed units that are personally loyal to them.
- e. Inter-communal reconciliation is included as a concession to civil society and because, by invoking ethnicity in order to facilitate political and military mobilisation, elites must pay their dues to tribal leaders who gain recognition and influence whenever a conflict is defined in tribal terms.
- f. Democracy is mentioned in a token way, and is secondary to the more immediate goal of stabilisation.

The CPA was heralded as the last and best chance for Sudan's transformation, but rapidly degenerated into a division of the spoils of petroleum and the peace dividend of donor funds. The wealth-sharing provisions were a share-out of national revenue (especially oil) which (as mentioned) provided a short-term incentive for the South to secede. With a longer-term horizon, the National Congress Party (NCP) might have seen the advantage in investing central government monies in truly national projects, but chose not to. Similarly, the SPLM might have recognised that oil revenues would dry up a decade or so after independence, and identified longer-term benefits of unity, but chose not to.

The most important post-CPA agreement for South Sudan was the January 2006 Juba Agreement that allowed the “other armed groups” in South Sudan to join the SPLA and their political leaders to join the SPLM. This was a simple bargain: cash payment for political stability. A host of minor agreements followed with “rent-seeking rebels.”

The principal characteristic of the CPA’s Interim Period was a competitive patronage system, in which the governments in Khartoum and Juba spent lavishly, to consolidate their domestic control and to deter the feared aggressive intervention of the other. The perils of this approach were noted (de Waal 2010, p. 24):

“Today, Sudan’s main domestic mechanism for conflict management is financial patronage. This functions in the shadow of unregulated political competition between the NCP and SPLM, and between the NCP and what it sees as an international conspiracy in favor of regime change. This is leading to a defensive zero-sum political game in which the NCP and SPLM spend excessively on rival patronage systems. Apart from war, there is another adverse outcome to arms races, which is that the economic burden cripples one party to the point of collapse. It is possible that today’s arms-and-patronage race will end up with the Sudanese parties bankrupting themselves and making Sudan effectively ungovernable.”

The general elections of April 2010, rather than making the governments in Khartoum and Juba more inclusive, in fact consolidated two dominant-party systems. The international community was ready to overlook the evidence for massive fraud in southern Sudan because its primary objective was the preservation of the CPA and its main goal, the referendum on self-determination. Having overlooked that fraud, the U.S. and Europe were obliged to be even-handed and also overlook electoral manipulation by the NCP. The only truly competitive elections were in the “two areas” of Blue Nile and Southern Kordofan, where the contest was between the two hegemons themselves, and the disputed outcomes led to a new civil war in northern Sudan.

In their early negotiations on post-referendum arrangements, the leaders of the NCP and SPLM agreed on the “overriding principle” of establishing “two viable states.” In practice, this has been followed only to the extent that the armed conflict between the two that erupted in April 2012, caused the two presidents to step back from the precipice in order to ensure that they did not descend jointly into state collapse.

The current civil war in South Sudan ignited on 15 December. Four days later, the foreign ministers of neighbouring countries arrived in Juba to begin a process of conflict resolution. The belligerent parties—the Government and the SPLM/A in Opposition—acted in character, treating the negotiations as a tactical forum for (at best) bargaining in the corridors and (at worst) expenses-paid rest and recreation. Their assumption appears to be that a deal reached at the negotiating table will be a re-allocation of the rent. As noted by Jok Madut Jok, head of the Sudd Institute: “The two men [Kiir and Machar] will eventually sit down, resolve their issues, laugh for the cameras, and the thousands of civilians who have died will not be accounted for.”²

“
The belligerent parties acted in character, treating the negotiations as a tactical forum for (at best) bargaining in the corridors and (at worst) expenses-paid rest and recreation.
”

Mediators and South Sudanese civil society members have all voiced the need for national dialogue. However, the political leaders concur with this only insofar as it is subordinate to a political bargain and open to manipulation. Some civil society organisations also subscribe to this rent-seeking logic; they are scrambling for representation at the talks in order to gain recognition and resources for themselves.

² See: Nicholas Kulish, ‘Old rivalries reignited a fuse in South Sudan,’ *New York Times*, 31 December 2013.

Comparisons

The South Sudanese case for secession is unusual as the identity arguments have been so obvious and so prominent. The analysis above, that links identity narratives to political economy and especially the material benefits that elites can obtain through possessing control over a recognised state, brings the South Sudanese case more closely into line with other accounts of secessionism and post-secession conflicts. Space permits only the barest of comparative summary here.

In north-east Africa, the cases of Eritrea and Somaliland are examples of nationalist rather than ethnic or religious narratives, that led to separation. In both cases, early post-independence disputes over state-allocated resources, including currency and taxation of trade, contributed to violent conflicts, partly with the former (successor) state and partly internal. Elsewhere in Africa, politically credible secessionist movements in Angola (Cabinda), Democratic Republic of Congo (Katanga), Nigeria (Biafra), and Senegal (Casamance), have all occurred at the intersection of economic incentive (mineral wealth or agricultural resources) and ethnic or regional identity. It is rare indeed to find a resource poor province seeking to secede from a richer mother country. The apparent exception, which is Mali (Azawad), is more complex because the desert region is the locus of extremely profitable licit and illicit trade routes.

Further afield, the breakup of former Yugoslavia and the wars in Croatia, Bosnia-Herzegovina and Kosovo, the Yemeni civil war and reunification, Kurdish separatism in Iraq, secessionist movements in the Caucasus, and Indonesian separatism including East Timor's independence and subsequent political troubles, raise the same questions and more. There are no instances in which populations

“

To date, South Sudan vindicates John Stuart Mill's hypothesis that only those nations that achieve self-determination unaided and on the basis of their own efforts deserve the fruits of independence.

”

defined in ethnic or religious terms can cleanly be separated on a territorial basis, or in which the reconfiguration of political hierarchies for access to state rents can be achieved, that has not involved violent strife.

The exceptions to the rule - the peaceable breakup of Czechoslovakia, the secession of Montenegro and Macedonia, and the putative consensual independence of Scotland - possess two exceptional features, namely: (a) the presence of strong national and transnational institutions, with rules that all parties are ready to follow; and (b) the fact that the seceding region is poorer than the successor state, and so the secessionists are acting contrary to economic self-interest.

Implications

Independent South Sudan was a poster child for the success of U.S. and European conflict resolution in Africa. The rapid emergence of a profoundly corrupt militarised patrimonial system of government suggests that the South Sudanese elite interpreted international solidarity as *carte blanche* to steal and fight with impunity. To date, South Sudan vindicates John Stuart Mill's hypothesis that only those nations that achieve self-determination unaided and on the basis of their own efforts deserve the fruits of independence.

The South Sudanese case illustrates the importance of combining identity-based and political economic analysis of the case for self-determination. Such a combined analysis may elucidate potential post-secession internal conflicts.

International approaches to resolving South Sudan's conflicts have failed to resolve the fundamental issue of the political economy of rent-seeking. In fact, successive agreements have entrenched the

rentierist logic and have provided opportunities for a militarised kleptocracy to flourish. However, it is important to note that the principal logic of rentierism has been domestic, not international. We should note:

- a. The (South) Sudanese elites have been the drivers and owners of peace processes, and African and international facilitators have not tried to impose solutions, and would not have succeeded had they tried;
- b. The most important rentierist bargain in South Sudan was the Juba Agreement of January 2006, which was an entirely domestic affair;
- c. These rentier agreements are inherently inflationary and are possible only when revenue is expanding (as in 2000-08), not when it is contracting (as is the case today);
- d. International partners have had relatively little leverage in Juba because most available funds are from oil, not aid or security cooperation.

Where criticism is warranted is that South Sudan's international friends were far too ready to overlook major shortcomings, and to hold the SPLM to a lower ethical standard than the Government of Sudan. Frank debate on the governance practices of the SPLM/A is long overdue.

The standard model of conflict resolution, as has been applied in South Sudan over the last ten years, may at best result in a new thieves' compact that buys an end to the armed conflict. More likely, the South Sudanese kleptocracy has become insolvent and hence unmanageable, and the result will be a proliferation of rent-seeking rebellions leading to generalised insecurity.

The South Sudanese parties are paying lip service to the need for fundamental reforms and mechanisms such as national dialogue. For the time being, mediation is a tactical arena, and peace negotiations are subordinate to both cash-based patronage bargaining and the logic of force. The SPLM leadership has so deeply internalised a mentality that combines rent-seeking with a sense of entitlement that it is unlikely that it will change in the foreseeable future.

If this analysis is broadly correct, then the mechanisms for the reform of South Sudan's governance system are to be found outside the current leadership. A militarised and patrimonial marketplace system of governance produces no public goods. It follows that peace, development, the rule of law and human rights, must be generated elsewhere. International engagement has not been successful. Non-violent civic uprising is improbable. Religious politics are problematic. There is popular clamour for justice, both for the atrocities perpetrated since 15 December and also for the financial and economic crimes of the leadership.³

South Sudan is an extreme case albeit an indicative one. Those grappling with conflicts elsewhere would be well-advised to study it, but to be cautious in applying lessons. Few cases combine such rhetoric of righteousness with such gross and comprehensively unethical behaviour by those in government.

References

Deng, Francis Mading (1995) *War of Visions: Conflict of identities in the Sudan*, Washington DC, Brookings.

Deng, Francis Mading Deng (2005), "African Renaissance: Towards a New Sudan," *Forced Migration Review* 24, 6–8.

³ An exercise in tracking and confiscating the illicitly-acquired financial assets of South Sudanese leaders might not only incentivise better governance but also yield material results. The Norwegian government has taken a lead on investigating mechanisms to respond to the challenges of secrecy jurisdictions (also known as tax havens), illicit financial flows, and "odious debts," and might consider initiating an investigation into this.

de Waal, Alex (2010), "Sudan's Choices: Scenarios beyond the CPA," in Heinrich Boell Foundation, *Sudan: No Easy Way Ahead*, Berlin, HBF.

Garang, John (1987), *John Garang Speaks*, edited and introduced by Mansour Khalid, London, Kegan Paul.

Larson, Greg Peter Biar Ajak and Lant Pritchett (2013), "South Sudan's Capability Trap: Building a state with disruptive innovation," Harvard University Kennedy School of Government, Center for International Development Working Paper no 268, October.

Lewis, Mike (2009), "Skirting the Law: Sudan's post-CPA arms flows," Small Arms Survey, HSBA Working Paper 18.

Transparency International (2012), "Overview of Corruption and Anti-Corruption in South Sudan," U4 Expert Answer, Anti-Corruption Resource Center.

World Bank (2013), "Public Expenditures in South Sudan: Are they delivering?" World Bank, South Sudan Economic Brief no. 2, Feb.

Young, John (2012) *The Fate of Sudan: The origins and consequences of a flawed peace process*, London, Zed Books.