

# **ECONOMIES OF WAR AND THEIR TRANSFORMATION: SUDAN AND THE VARIABLE IMPACT OF NATURAL RESOURCES ON CONFLICT**

William Reno  
Northwestern University

Looting, banditry, and oil-fuelled conflict dominate media images of Sudan's war. International attention to "conflict diamonds" in Africa, and more recently, to the role of oil in sustaining conflicts in Angola and Sudan reinforces the link between natural resources and war in the analyses of scholars, activists, and policy makers alike.<sup>1</sup> Looting and violent enterprise are not new features of warfare. What is new about many recent conflicts, especially in Africa, is the extent to which economic interests appear to predominate, crowding out political programs and ideological agendas of combatants. This development is explained in scholarly work as a triumph of greed over grievance, that abundant natural resources are independent variables that cause conflict because they create opportunities for individuals to maximize personal economic gains through predation.<sup>2</sup>

There is a lot of utility in applying this analysis to Sudan where economic opportunity plays an important role in motivating some people to fight. I argue, however, that predation related to the exploitation of natural resources—in which category I include foreign aid along with oil—are in fact more a consequence of a particular organization of violence. Violent appropriation of resources can emerge as part of a larger set of political strategies that predate these rent-seeking opportunities, rather than a cause of conflict in the first instance. Predation, then, may signal something other than rent-seeking.

For example, greed alone tells little about why Sudan's government pursues such a strenuous nationalist and religious ideological program, especially compared to other African governments that fight

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<sup>1</sup> Influential documents include United Nations, *Report of the Panel of Experts Appointed Pursuant to UN Security Council Resolution 1306 (2000), Paragraph 19 in Relation to Sierra Leone*, (New York: UN, 20 Dec 2000); United Nations, *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other forms of Wealth in the Democratic Republic of Congo*, (New York: UN, 12 April 2001); Global Witness, *A Crude Awakening: The Role of Oil and Banking Industries in Angola's Civil War and the Plunder of State Assets*, (London: Global Witness, Dec 1999); International Crisis Group, *God, Oil and Country: Changing the Logic of War in Sudan*, (Brussels, ICG, 28 Jan 2002).

<sup>2</sup> Paul Collier, "Economic Causes of Civil Conflict and Their Implications for Policy," Chester Crocker and F.O. Hampson, eds., *Managing Global Chaos*, (Washington, DC: United States Institute for Peace, forthcoming); "Doing Well Out of War: An Economic Perspective," *Greed & Grievance: Economic Agendas in Civil Wars*, (Boulder: Lynne Rienner Publishers, 2000), 91-111.

internal wars. Sudan's government has behaved in ways that undermine efficient predation. Why, for example, pursue a political program that provokes the United States to impose economic sanctions against the regime? Sudan's government has made poor choices of foreign backers from the point of view of maximizing the accumulation of wealth. Rulers in Khartoum fail to make the most basic compromises, nor engage in ruses well known to rulers in Congo, Sierra Leone, Uzbekistan, Angola and elsewhere to tap the copious resources of foreigners who are anxious for any sign that these regimes will mitigate disorder, or at least not behave so badly as to require the attention of world councils or media.

Oil exploration began in the mid 1970s, yet Sudanese official policies, especially human rights violations and support for the ideological agendas of foreign Islamists, created diplomatic and economic conditions so hostile to foreign investment that large-scale oil production has only begun in the last several years. Even now, the government's policies have attracted such negative publicity to mainstream investors that more established firms virtually abandoned investments in the country as the government recruits less efficient foreign partners, at least from the viewpoint of accumulation. Sudan's rulers have failed to efficiently recruit oil companies able to bring weapons and military skills to their side (at least until recently), in contrast to Angola's rulers who have managed to do with outsiders' acquiescence. Politicians in Khartoum have proven effective at mobilizing predatory groups as proxies in battles against adversaries, yet they continue to exercise effective enough control to subordinate these groups to a broader political and ideological direction, or even force them to give up predation when it suits officials. In short, rulers in Khartoum prove able, and occasionally even willing to pursue interests of state that are not the same as their personal interests in maximizing wealth.

This is not to deny that there is a relationship between predation and natural resources. But broader assumptions about this relationship are borne out more fully in the patrimonial politics of state failure. Liberia's Charles Taylor, for example, uses his command of a sovereign state to conduct private business, almost to the exclusion of supplying even basic public services. UN investigators estimate that private transactions under Charles Taylor's personal attention were about five times larger than Liberia's official budget in 2000.<sup>3</sup> Universal assumptions about causality, however, miss deeper contexts about how

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<sup>3</sup> Compare International Monetary Fund, *Liberia: Selected Issues and Statistical Appendix*, (Washington, DC: IMF, April, 2000), 12; Government of Liberia, *The budget of the Government of Liberia, 2000/2001*, (Monrovia: Bureau of the Budget, 2000), 10-11; United Nations, *Report of the Panel of Experts Appointed*

actors, rules, and logics shape the use of violence at different phases of conflict. Nor do they explain why actors do not always pursue actions that are economically rational, at least from a perspective that views violence as a means of maximizing economic interests. Why, for example, did Afghanistan's Taliban regime radically reduce opium production by 96 percent between 2000 and 2001, forgoing an estimated income of \$100 million at a time when it vigorously defied other demands of the international community and was fighting opponents for control of the country?<sup>4</sup> Universal assumptions of individual actor economic rationality applied without regard for deeper context fail to explain why conflicts involving resources evolve in different ways, even when underlying conditions are similar.

I consider the nature of conflict in Sudan in light of the surprising durability of an ideological state building project on the part of government forces, even at the expense of economic opportunities. I draw upon comparisons to the organization of violence among groups, including insurgents in Sudan's south. Comparison with Angola offers an especially useful means of isolating additional variables at work in the Sudan case. This is because structural conditions in the two cases are so similar. Governments in both places have used predatory groups as proxies to undermine insurgents opposed to their rule. Both have developed oil reserves during the course of conflicts, and revenues, anticipated and actual, have weighed heavily in the calculations of all interested parties. Yet the Angola case fits much more neatly the expectation that economic interests would overwhelm political goals at odds with the pursuit of wealth. Why is this so? Should this variation in dynamics, even if it produces similar violent outcomes, shape approaches of foreign policy makers and activists toward Sudan's conflict? These are the questions that guide this inquiry.

### ***Why the Organization of Violence Matters: Failed States Versus the Rest***

Angola fits neatly into a greed framework to explain the relationship between natural resources and predation. It fits for reasons that are related to the nature of state failure. Indeed, it is a fine model of a collapsed state. In legal terms, the Angolan state possesses the usual prerogatives of sovereignty such as accredited diplomats, membership in multilateral agencies, and is recognized in the courts of other

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*Pursuant to Security Council Resolution 1395 (2002), Paragraph 4, in Relation to Liberia*, (New York: UN, April 2002), 23-34.

countries and agencies. This latter feature of sovereignty is necessary to conduct regular business relations with foreign investors, especially those in the oil industry that require insurance for fixed investments and who must raise capital in public bourses. On the ground Angola's government has fought the *União Nacional para a Independência Total de Angola* (UNITA) and several factions of the *Frente de Libertação do Enclave de Cabinda* (FLEC), and for several years in the 1970s, the *Frente Nacional de Libertação de Angola* (FNLA) after the country became independent in 1975. This situation reflected the precarious political situation of the country's rulers, highlighted when some of their associates attempted a coup in 1977. Foreign support for insurgents, coupled with the miserable failure of economic policies soon left President Dos Santos with scant base for popular legitimacy. A state building strategy in this context of popular illegitimacy would be dangerous. It made better sense for Dos Santos to ignore the needs of the bulk of the population and focus instead on controlling and recruiting strongmen to the regime's defense.

Angola's rulers thus faced a contradiction that many rulers of very weakly institutionalized and vulnerable regimes have faced: Mobilizing people to solve problems will give rivals or potential rivals in one's own camp organizational and political tools to overthrow the regime. Yet not doing so condemns state agencies to decay and saps regimes of any residual legitimacy as state services collapse. The migration of UNITA insurgents into clandestine markets such as the ivory trade, partially with the help of American and South African backing, showed a solution to this political contradiction. By the late 1980s, UNITA's clandestine trade in diamonds was central to its military strategy and efforts to undermine the Angolan government's economic prospects.<sup>5</sup> The best strategy in this context from the point of view of regime survival lay in privatizing and monopolizing *all* economic opportunity. This entailed abandoning the state—an intentional policy of state failure—and replacing it with a violent patronage network that would deny any other group, including UNITA and any other opponents, unauthorized access to clandestine or any other business capable of financing a challenge to the incumbent regime. In practical terms, rulers need to make official coercion arbitrary so that they can allow selective access to “illegal” clandestine opportunities for clients while penalizing unauthorized access. This requires controlling as

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<sup>4</sup> United Nations Drug Control Monitoring Programme, *Afghanistan Annual Opium Poppy Survey 2001*, (Islamabad: UNDCP, Sept 2001), iii, 11.

<sup>5</sup> William Minter, *Apartheid's Contras: An Inquiry into the Roots of War in Angola and Mozambique*, (London: Zed, 1994); R Reeve & S Ellis, “An Insider's Account of the South African Security Forces' Role in the Ivory Trade,” *Journal of Contemporary African Studies*, 13 (1995), 213-31.

many commercial networks as possible. The concern is not to use state control of violence to protect public order and promote prosperity. Such rulers are safer using private violence to make everyone else less secure.

Thus as war continued, state efforts to mobilize and protect the population ceased. Per capita GDP dropped from about \$1,400 at independence to \$200 in 1997. Official spending on education (40 percent paying for overseas scholarships for the fortunate few) and health services in 1999 totaled about \$200 million, while \$1.5 billion in oil revenues disappeared from balance sheets.<sup>6</sup> UNICEF considered Angola's social conditions so bad as to rank it as "the worst place to be a child,"<sup>7</sup> hardly a sensible policy if rulers are concerned about mobilizing the energies and ingenuity of a population to beat a tenacious foe. Meanwhile, despite earlier Marxist pretensions, the country's top officials became among the world's richest individuals.<sup>8</sup> They showed no qualms about switching from Soviet to US patronage or reorganizing the country's domestic economy to accommodate creditors and foreign investors so long as it increased their own wealth. Yet these strategies contrast with those of the government of similarly oil-rich Algeria. Hydrocarbon exports accounted for 80-85 percent of its revenues from 1996 to 2000. Yet amidst a civil war killing 100,000 people between 1992 and 1998, Algeria's government did not collapse into a narrow base of rent-seeking elites, even if corruption was rampant. It kept spending on education and health steady at about 8.5 percent of budgets, most of it focused on primary and secondary education. Capital expenditures increased, primarily to support commercial agriculture to counterbalance the country's failing industries in the face of economic liberalization and to keep young men occupied in jobs outside cities.<sup>9</sup>

Angola's distinctiveness—which it shares with a limited number of other cases—is that it is a failed state, which is a consequence of a political strategy based on patronage. It is useful to conceive of state collapse as an "ideal type" in Weber's sense of providing a theoretical absolute against which to measure actual practice. Even Angola, along with Congo, Sierra Leone and Liberia supply minimal

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<sup>6</sup> IMF, *Angola: Recent Economic Developments*, (Washington, DC: IMF Staff Report 00/111, Aug 2000), 43.

<sup>7</sup> United Nations Children's Fund, *The State of the World's Children, 2002*, (New York: UNICEF, 2002).

<sup>8</sup> Tony Hodges, *Angola from Afro-Stalinism to Petro-Diamond Capitalism*, (Oxford: James Currey, 2001), 2.

<sup>9</sup> Casualty figure from Taylor Seybolt, "Major Armed Conflicts," *SIPRI Yearbook 2001*, (Oxford: Oxford University Press for Stockholm International Peace Research Institute, 2001), 17-18; economic data are from Philippe Callier, Khanjar Abdallah, Hervé Joly, *Algeria: Statistical Appendix*, (Washington, DC: IMF Country Report 01/163, Sept 2001), 17, 21.

government services. Nonetheless, like these other cases, Angola's regime fails in large part to satisfy Thomas Hobbes' basic definition of a government as an organization that protects people in a society, whether they want that protection or not. In practical terms, Hobbes' definition requires that rulers control violence and use it to provide order—a most basic public good. Rulers may do so to create conditions for the prosperity of citizens, or they may engage in repression to force others to acquiesce to their rule. In all cases, however, asserting an exclusive right to exercise violence to provide a public good provides the political foundation of government.<sup>10</sup>

This condition contrasts with a racketeer's use of violence. A racketeer creates disorder so that he can charge individuals for exemption from the harm they can expect if they do not pay him. Buying security from a racketeer is a private transaction. Unlike a tax collector, the racketeer does not provide order as a public good, available to all, whether they pay for it or not. Instead, an effective racketeer has his gang hurt people who do not pay, creating for them what economists call a negative externality, to encourage others to pay for exemption from harm. Good racketeers will be especially violent and destructive to prevent rival gangs or even enterprising associates from his own gang from claiming some of his victims as their own clients. Those who cannot organize their own defense are forced to choose which "protector" to pay. Meanwhile, each gang leader has incentives to maximize violence to intimidate rivals and to force the undecided to choose the "right" protector simply to survive.

Likewise, Angola's rulers create conditions that intentionally make citizens poorer and less secure (since they have the capability to do otherwise), then sell exemption from harm to individuals who have something to offer the regime. Some people become rich as a consequence of disorder, then sell chances to others to profit from disorder. Those willing to pay are likely to be those who are experts in applying violence and who can trade access to commercial networks. Thus the difference between a racketeer and a government lies not in the capabilities of specific institutions, fancy letterhead, seals, or websites, but rather in how violence is organized and used in relation to members of the community.

This distinction between uses of violence also confronts the issue of norms. Lots of regimes are odious and do not do for all what one thinks a state should do. It is also not unusual for governments to unilaterally decide that certain people or groups do not belong in their political community as they define it.

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<sup>10</sup> Thomas Hobbes, *Leviathan*, (New York: Oxford University Press, 1996), 82-95.

South Africa's apartheid rulers, for example, decided that people of African ancestry were not members of their political community and sought to force them into "Bantustans". But the apartheid government provided white South Africans with a measure of order and protection, whether that group of individuals wanted it or not. This distinction appears in the political issue of "white complicity", the recognition that even non-African opponents of the apartheid regime received protections that others did not simply by virtue of their ascriptive membership in a group. I argue below that Sudan's government behaves similarly. It supplies a public good (in its view), even if much of the world considered that government odious, and this shapes the role that natural resources play in warfare there.

By contrast, the rulers of Angola fail to protect any substantial segment of the population or promote a distinctive interest of state. Instead, President Dos Santos exercises power through a pervasive patronage network founded upon the diversion of revenue from natural resources to his personal control. Thus the president easily complied with IMF and World Bank prescriptions to "privatize" what were already private enterprises in a state that had ceased to exist in institutional terms. This legitimated for creditors what in fact was the absorption of state institutions into the hands of a small elite. Even the distribution of basic services has come under the personal control of the president via his Eduardo Dos Santos Foundation. The president, who is the head of the foundation, boasts that it has become the biggest "civil society" activist in the country. His organization distributes gifts on the occasion of his birthday (28 August), while state agencies wither.<sup>11</sup> It supports a new tuition-based private university to train geologists and mining engineers for the oil and diamond industry, while the country's sole public university decays. The foundation has become a clearing-house for coordinating foreign NGO activities, giving the president control over services and lucrative positions that are paid for by foreigners. These activities give him the occasion to solicit contributions from foreign investors.<sup>12</sup> His wife, First Lady Ana Paula, aids this effort as head of her own NGO, the Association of Aid to Rural Women.

The privatization of state power also occurs within the state's bureaucracy. Senior officials and members of the presidential entourage belong to a nomenklatura, a legally defined status group that is paid in dollars, generally earning between \$1,000 and \$2,000 per month, even though most other senior civil

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<sup>11</sup> Fans of Max Weber will recognize this description of patrimonial rule in his *Economy and Society*, (Berkeley: University of California Press, 1978), 1006-44.

servants earn less than \$300. Those at the top of this pyramid also receive Christmas bonuses of \$25,000 to \$30,000 as personal gifts from the president. The president's private largesse far exceeds even the best official salaries. Added to this are exemptions from enforcement of economic regulations that this class enjoys. This ensures that "private" entrepreneurs owe their wealth to the discretion of the president. Meanwhile, no real independent entrepreneurial class develops in this uncompetitive market.<sup>13</sup>

Furthermore, the flexibility of the failed state's patronage networks is adaptable to the demands and resources of outsiders. For example, centralizing the diamond industry under the personal control of the president helps him reassert control over patronage at the same time as it addresses international community concerns about the role of diamonds in financing insurgents. A UN Report on sanctions against UNITA notes: "There are many common elements in terms of arms, diamond dealers, and air transport carriers... These elements have no nationality, or loyalty of any kind and can be found today in Angola and tomorrow somewhere else."<sup>14</sup> No doubt Dos Santos agreed that it was bad if rebels used these networks. If outside his personal control, these networks also presented a practical problem for his control over his own patrons, especially when the president discovered that some of his own officials and military commanders were organizing mining operations with UNITA.<sup>15</sup>

Dos Santos thus authorized a monopoly of diamond production in the hands of Ascorp, an Angolan joint venture with foreign investors, to strengthen his military and patronage position. Ascorp's principal investor, Lev Leviev, brought commercial access to his Leviev Group's reported \$1.5 billion turnover in the diamond industry. Leviev earlier participated in a mining project with Russian firms that were involved in swapping production for Angola's debt to Russia for cold war era arms purchases. The arrangement also gave Dos Santos access beyond the diamond market. Leviev's eventual partner in Angola, Arcady Gaydamak, was an arms dealer who had worked as an economic advisor to Dos Santos, and was involved in the 1996 renegotiation of Angola's debt to Russia. This cleared the way for Russian sales of oil drilling equipment and Angolan arms purchases from the Russian Defense Ministry. Ascorp

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<sup>12</sup> Christine Messiant, "The Eduardo dos Santos Foundation, or How Angola's Regime Is Taking over Civil Society," *African Affairs*, 100(399), 287-309. The foundation may be visited at [www.fesa.og.ao](http://www.fesa.og.ao).

<sup>13</sup> Glebard & Nagayasu, *Determinants of Angola's Parallel Market Real Exchange Rate*, (Washington, DC: IMF Working Paper 99/90, 1999), 14.

<sup>14</sup> United Nations, *Final Report of the Monitoring Mechanism on Angola Sanctions*, (New York: UN, 21 Dec 2000), para. 253.



provided another military connection with the participation of Israeli General Ze'ev Zahrine, who was also the manager of Levdan, a military service firm that provided security to the president.<sup>16</sup>

Ascorp helped increase recorded trade in artesional (hand-mined) diamonds to \$371 million in 2000, a forty percent increase over a year earlier. This market shift coincided with a drop in UNITA diamond revenues below \$150 million the same year, less than one third of their income several years earlier.<sup>17</sup> This shift in income highlights the symbiosis between patronage networks of failed states and the external policies of relatively small states like Israel. Financial and diplomatic constraints encourage officials in these places to look to commercial agents as safe, politically compliant proxies to exercise influence. This strategy, coupled with tight military-business connections in countries like Israel, China, Malaysia and Russia, make firms for these places good partners for patronage-based regimes that can translate commercial presence into military and political gain. Unlike local strongmen, these firms have no realistic prospect of launching a coup to become the country's next regime. Thus many observers have it right: wars in places like Angola are about resources. What is distinctive about failed states, however, is that exploitation of natural resources and conflict occur in a context in which patronage networks have replaced formal state agencies and ruler depend upon the violent appropriation of resources rather than mobilizing followers in pursuit of a political project to survive. This shapes the way that income from resources is integrated into conflict and the political relationship between the regime and outsiders.

### ***Resource Wars as a Component of Restoring Order in Failed States***

Despite their internal organizational weakness, failed state regimes also prove remarkable adept at concluding arrangements with bigger partners. Angola is the US's sixth largest source of imported oil. It looms larger in US strategic interests since the 11 September attacks due to official concern in Washington about the interests and competence of Saudi Arabia's rulers. This elevates the importance of African oil and its suppliers in strategic terms. Furthermore, anxiety in Washington and European capitals about the stability of failed states, especially fears that territory and political networks not under their control might

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<sup>15</sup> Chris Dietrich, "Power Struggles in the Diamond Fields," Jakkie Cilliers, Christian Dietrich, *Angola's War Economy: The Role of Oil and Diamonds*, (Pretoria: Institute for Security Studies, 2000), 178-80.

<sup>16</sup> Chris Dietrich, "Have African-Based Diamond Monopolies Been Effective?" *Central Africa Minerals and Arms Research Bulletin* no. 2, (Antwerp: International Peace Information Service, June 2001), 18-19.

<sup>17</sup> United Nations, *Final Report*, paras. 250-51.

harbor groups with ill intent toward powerful countries, offers these regimes a valuable political resource that can also be turned to commercial advantage. Foreigners' concerns about stability mesh neatly with foreign NGOs' and others' concerns about footloose merchants who do deals with rebel fighters to finance continued war and instability, agendas that rulers easily manipulate. This is a trend that should benefit Sudan's rulers as well, yet they fail to take advantage of it, an issue that I take up below.

Thus foreign NGOs, militaries and officials inside and outside the failed state often share an interest in working together to pacify rebels. This translates into a significant bias that favors globally recognized governments. Two scholars writing for the IMF observed that pressure for administrative reform and democratization can be destabilizing, and "could lead to anarchy rather than efficiency, since it destabilizes predatory dictatorships and hastens the path toward internal revolt."<sup>18</sup> Another scholar, writing while at the World Bank, warns in her widely used text on corruption: "The threat of losing power can induce high officials to become even more corrupt... Reform is risky because it releases opposition forces that undermine the current regime."<sup>19</sup> It is not that reformers will overthrow corrupt regimes. Rather, the analysis recognize that the removal of corrupt leaders, as in Somalia, Liberia, Sierra Leone and Congo, provokes the violent collapse of centralized patronage networks. These networks were the cause of state failure at the same time serving as the sole viable defense against its ultimate consequences. Successors to the stunningly corrupt President Samuel Doe of Liberia, for example, were not angry Liberians clamoring for better government. Instead they included his Head of Procurement, his Information Minister, his personal secretary, and several army commanders, each a "warlord" possessing armed factions.

The problem of seemingly endless conflict and instability motivates many non-African policymakers concerned with places like Sudan and Angola. Their governments also make abundantly clear that they have no intention of intervening to build states. First, this is expensive. Sierra Leone is the exception that illustrates the principle. British military forces arrived in 2000, nine years into a bloody conflict to occupy the capital when it appeared that the country's president would have to flee for the third time in three years and a UN peacekeeping mission verged on collapse after rebels kidnapped over 500 of its members. British officers stayed to rebuild Sierra Leone's army and coordinate proxy aid to Guinea's

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<sup>18</sup> Joshua Charap & Christian Harm, "Institutional Corruption and the Kleptocratic State," (Washington, DC: IMF Working Paper 99/91, July 1999), 20.

air force. Together they had beaten rebels on the battlefield by 2001, forcing their leaders to sue for peace. London's former Chief of Police became the head of the country's police force, while in October 2001 several tens of thousands of demonstrators in the capital called for appointment of a British Governor and reconstitution of a British colonial civil administration.

UN agencies appealed for \$1 billion to rebuild the small country of 4.5 million people, while the government's internally generated revenues in 2000-01 amounted to \$10 million. The UN peacekeeping force required 17,400 troops and cost \$700 million for the 2001-02 fiscal year,<sup>20</sup> a figure exceeding Sierra Leone's GDP. Now western officials in the capital anxiously eye prospects for offshore oil development and salvation by foreign investors in the diamond fields who will pay for efficient private military protection and keep loot out of the hands of rebels.<sup>21</sup> Furthermore, US and UN forces in Somalia (a \$2 billion operation) learned in 1993 that local contenders for power and even common people may reject foreign "help". Kosovo (where 40,000 NATO troops are deployed amidst 2.5 million civilians) reinforces this lesson, as "allied" Kosovo Liberation Army fighters threaten NATO attempts to mediate conflict in neighboring Macedonia.

Furthermore, influential analyses of internal wars influences opinion that negotiated settlements are futile. (Factions violated twelve major peace agreements during Liberia's seven-year war, and Sierra Leone's factions violated three.) Roy Licklider observed in his study of the termination of 91 internal conflicts between 1945 and 1993 that 76 percent ended when one side won. Of the remaining 24 percent settled in negotiations, half returned to war that ended only when one side won.<sup>22</sup> This analysis adds to the sense that not strengthening incumbent authorities will doom the failed state to endless conflict.

The cheapest and most efficacious option for indirect management of disorder comes through symbiotic use of foreign investment, particularly in natural resources, noted above. The situation facing contemporary officials is much as a 19<sup>th</sup> century British officials put it when confronted with intractable conflict in marginal areas: "That other officials, though new to the subject, have at once grasped... that in

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<sup>19</sup> Susan Rose Ackerman, *Corruption and Government: Causes, Consequences, and Reform*, (New York: Cambridge University Press, 1999), 199-200.

<sup>20</sup> United Nations, *Thirteenth Report of the Secretary General on the United Nations Mission in Sierra Leone*, (New York: UN, 14 March 2002), 10.

<sup>21</sup> Interview, Freetown, 9 May 2001.

<sup>22</sup> Roy Licklider, *Stopping the Killing: How Civil Wars End*, (New York: New York University Press, 1993).

these uncivilized parts of the world where the early stages of development do not admit of heavy revenues or of indolent administration (due to native uprisings) progress and security can only be attained by administration and commercial work being in the same hands,”<sup>23</sup> a condition that is not at odds with patrimonial politics, at least initially.

Foreigners almost always will prefer whoever sits in State House. Help of this sort can only go to states, since all but the risk tolerant, desperate or criminal cannot make commercial deals with rebels. Lacking global recognition of sovereignty, rebels are excluded from standing in US federal courts in civil cases, and thus are denied access to legal venues such as the International Chamber of Commerce, the American Association of Arbiters, the London Court of International Arbitration, or the World Bank’s International Center for Settlement of Investment Disputes that all use Anglo-Saxon, especially American legal norms, and increasingly rely upon American legal practitioners.<sup>24</sup> Established firms that foolishly have tried to do business with rebels often find themselves facing lawsuits in their own courts, since most have signed contracts promising to pay taxes to “a government”, which international practice (influenced by American norms) almost always decides is the globally recognized sovereign, not the rebels. Bereft of legal protection, underwriters and investment rating services shy away from such deals to avoid liability. Thus southern Sudanese groups pursue legal action against firms doing business in Sudan not as members of a southern organization with a rival claim to governance or as a separate authority. Instead they must present themselves in US District Court under the US Alien Tort Claims Act as citizens of Sudan.<sup>25</sup>

Thus it makes sense from a commercial and a strategic point of view for non-African governments to support the integration of large firms into Angola’s war economy. Large foreign firms make good proxies for pacifying failed states without introducing troops or spending public funds. US direct assistance to Angola in 2000, for example, amounted to only \$9 million.<sup>26</sup> Angola also was excluded from the US government’s Foreign Military Sales and its International Military Education and Training

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<sup>23</sup> Quote in Michael Doyle, *Empires*, (Ithaca: Cornell University Press, 1986), 190 in reference to the British contract with Sir George Goldie’s Royal Niger Company to “moderate” local conflicts.

<sup>24</sup> Marian Nash, “Contemporary Practices of the United States Relating to International Law—Unrecognized Governments Access to US Courts,” *American Journal of International Law*, 90:263 (1996), 262-65.

<sup>25</sup> “Oil: Risky Money,” *Africa Confidential*, 22 March 2002, 6.

<sup>26</sup> Raymond Copson, “Africa: US Foreign Assistance Issues,” (Washington, DC: Congressional Research Services Issue Brief, 2 May 2001), 9.

programs.<sup>27</sup> Given Angola's abysmal human rights record, any US Administration would have a hard time convincing Congress or the American public to spend tax dollars on military aid, much less send US military personnel. Yet if left unchecked, disorder theoretically could threaten the larger strategic goal of diversifying US sources of oil and further destabilize neighboring weak states and conflict zones.

Dos Santos' regime uses its own proxy, the "state" oil company SONANGOL, to organize commercial relations with outsiders. SONANGOL remains creditworthy (unlike the Angolan government, which is in arrears to bilateral and multilateral creditors) and shields transactions with confidentiality agreements with private partners, offering it protection from foreign critics. It also generates income for the president to finance patronage and arms purchases. Equally significant, it opens doors to "private" aid. For example, the US official Export-Import Bank in 1998 guaranteed a \$86 million loan to SONANGOL, enabling it to leverage an additional \$200 million in commercial financing of a contract with Halliburton, an oilfield service company then headed by former US Defense Secretary (and current US Vice President) Richard Cheney. This firm, which recruited a private US security company to defend its well sites from FLEC rebels, was part of a larger \$316 million Export-Import Bank investment in Angola. Much larger oilfield investments are detailed in the Global Witness *Crude Awakening* report, which shows the close connection between oil exploitation and arms deals, which cites one deal that resulted in the regime's acquisition of \$600 million, paid for with advances on future oil production.<sup>28</sup>

Other regimes use similar tactics to fight wars. Recent oil strikes have brought large oil firms to Chad with financial and political support from the World Bank. These private investors raised \$3.7 billion to develop an oilfield and build a pipeline to the coast, eventually to produce about 225,000 barrels per day (b/d), a third of Angola's output and the same as Sudan's.<sup>29</sup> Chad's regime also faces two insurgencies. More so than Angola, Chad's extremely weak state institutions and fragmented patronage networks have generated a plethora of temporary political alliances of opponents, rebel groups, and ambitious local strongmen. Thus when Chad's president diverted a \$25 million signing bonus in early May 2001 to buy arms in violation with an agreement with the World Bank, outsiders faced a dilemma. They could insist that the president abide by conditions and stop using oil money to buy weapons. If he complied, investors

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<sup>27</sup> Department of Defense, *Foreign Military Sales, Foreign Military Construction Sales, and Military Assistance Facts*, 2002, Excel files provided to me.

<sup>28</sup> Global Witness, *A Crude Awakening*, (fn.1).

should worry whether spreading conflict and the collapse of a central authority would undermine their business deal and force them to abandon the project. The World Bank presented the president with threats to delay the project and reject Chad's application for debt relief under the rubric of the Highly Indebted Poor Country (HIPC) initiative. But with very little to show from the president, the World Bank certified "corrective measures" had been taken and added Chad to the HIPC roster on 15 May 2001. The president arrested political opponents and decreed emergency powers during the following week.

Chad's president, like his Angolan colleague, managed to place foreign protectors in the position of having to support him as a bulwark against chaos. Chad's president also succeeded in making it seem to people in his country that the World Bank supported him, which it did when it equipped him with commercial tools to fight his rivals. No doubt oil companies appreciated the World Bank move, as critics of the project could blame the World Bank for problems rather than foreign investors. But it would be surprising if human rights took a front seat in this arrangement, given that real political opening and local control over resources would weaken the president to the extent that his rivals would overthrow him, then fight to succeed him. If Chad collapses, oilfield investment would be virtually impossible without a sovereign interlocutor (as in Somalia). The World Bank and investors' underwriters would still hold bad debts. The orderly write-off of Chad's existing bad debt under the HIPC arrangement would cease, since creditors could not pretend that a non-existent government was fulfilling its fake conditions. Weak though he may be, Chad's president holds a strong hand vis-à-vis his creditors and business partners, all of whom depend upon a viable central government to act as an interlocutor.

### ***Why is Sudan Different?***

Conflicts in Angola and Sudan look similar from a distance. Oil plays an important part in financing war in both. Angola produces about 750,000 b/d of oil compared to Sudan's 250,000 b/d. Angola has also been producing oil longer, with large-scale production only appearing in Sudan after 1999. Oil has been a factor in its absence in Sudan, however, as exploration by Chevron in the 1970s made all parties to the war aware of its presence. Governments in both states are prolific human rights abusers. Over 25 years of war, more than 500,000 Angolans have been killed out of a population of 12 million, and

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<sup>29</sup> Economist Intelligence Unit, *Chad*, July 2000, 40.

the rest live subject to considerable repression that earns the country a “6” of a possible 7 on the Freedom House index of odiousness.<sup>30</sup> Sudanese regimes appear even more uncaring of citizens, countenancing the death of at least 1.9 million by starvation and disease between 1983 and 1998, tolerating and even promoting massacres, and engaging in forced population transfers, all of which help the country earn its rare “7” on the Freedom House scale and placing it in notorious company with the likes of North Korea and Burma.<sup>31</sup>

Nonetheless, natural resources play very different roles in each if one takes into account underlying features of the politics of conflict. This requires looking beyond human rights records and generally odious behavior. Though these considerations are very important in any overall policy analysis, for the time being it is equally important to look at broader indicators of how these regimes actually work if one wishes to understand the logics guiding decision makers in these countries, so as to design measures that will influence their behavior while avoiding unintended (and perhaps unpleasant) consequences. Unlike Angola’s rulers, those in Sudan prove unwilling to compromise with outsiders for the primary objective of obtaining access to natural resources and maximizing income from their exploitation. Surely Sudan’s rulers could have made deals with Chevron in the 1980s like the deals that Nigeria’s rulers made with Shell to get weapons and military training to fight local protestors. Many other large western firms have developed strategies for mitigating risk in violent host states. Sudan’s rulers long ago could have cultivated outsiders’ anxieties over disorder, nefarious terrorists, and angry Muslims to gain access to foreign credit finance agencies and foreign investment, all of which would have provided good tools for the Khartoum regime to fight its rebels too.

Unlike Angola’s rulers, Sudan’s are not solely motivated to defend and expand a political network rooted in clandestine and formal economies, even if some officials take opportunities to get rich. Many are defending a political project that is rooted in building a political community, although many in the world judge their vision as an odious project. This means, however, that Sudan’s rulers are not likely to find easy accommodation with outsiders who are willing to use war economies as a tool to impose order. To do so

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<sup>30</sup> On war casualties, United Nations, *Report of the Secretary-General on the United Nations Office in Angola (UNOA)*, (New York: UN, 14 Jan 2000), para. 19. On index of odiousness, Freedom House, *Freedom in the World, 2002: The Democracy Gap*, [www.freedomhouse.org/research/survey2002.htm](http://www.freedomhouse.org/research/survey2002.htm)

<sup>31</sup> Millard Burr, *Quantifying Genocide in Southern Sudan and the Nuba Mountains, 1983-98*, (Washington, DC: US Committee for Refugees, 1998), 3.

might help their bank accounts, but it would not further their political project. Underlying these differences is the fact that Angola's rulers, typical of failing states ruled by violent commercial networks, do not have a political project because they do not advance a public good. Sudan's rulers act much more in the mold of classic state-builders, asserting a religious nationalist cause. This is a public good in their eyes, at least, and one that bears resemblances to apartheid South Africa's and Rhodesia's visions of public good and political community based upon membership in a particular culture and creed (which found much greater acceptance in the western world prior to World War II). This is a project that they pursue at the expense of greater efficiency of the accumulation of wealth.

This political project appears in the Islamist and nationalist position of key figures in Sudan's political history. Some of its current rulers are heirs, political and genealogical, to a 19<sup>th</sup> century state building project based in an expansionary reformist Islam. Like the Sokoto caliphate of Shehu Uthman dan Fodio in present-day Nigeria, the Hamdullahi caliphate in Massina (Mali) and the Senegambian Tijaniyya caliphate, Sudan's Muhammed Ahmed ibn Abdallah, "The Mahdi" promised to rid Sudan of external interference and internal division. The Mahdi's project confronted the occupying Egyptian army and its British commanders. This he did in 1885, famously parading General Charles Gordon's head on a stick in Khartoum, a rare instance of successful resistance to the spread of colonial domination in Africa, which secured Sudan's political independence for the next 13 years.

This tradition of a core of charismatic and religiously inspired leadership has shaped the politics of Sudan ever since. Like other religious-inspired movements in Africa, Sudan's organizes to deliver the community from a crisis (whether they want delivery or not), based upon a consensus of jurists emphasizing an obligation to fight enemies to impose a homogenizing version of religious piety under the guidance of a strong leadership. The human link to this past appears in the person of Sadiq al-Mahdi, the grandson of The Mahdi, who launched a coup attempt in 1976 and was elected Prime Minister in 1985. He and his brother-in-law, Hassan al-Turabi, head of the Muslim Brothers and Ansar movement, reached the high point of their influence in the 1990s with the sweeping enforcement of sharia law in areas of government control during the regime of President Omar Hassan Ahmed al-Beshir, which came to power in a coup in 1989. Both currently are on the political sidelines, but they and their ideas remain central to debates within this core group concerning the appropriate nature of the Sudanese state. Furthermore, and in



stark contrast to regimes in failed states like Angola, they share their political ideas with outsiders who find them attractive, including some supporters of recently implemented sharia law in northern Nigeria.<sup>32</sup>

This vision is not one with room for all who live within the borders of Sudan. Many Muslims consider sharia unwelcome. Repression in the north came along with warfare in the south followed the 1989 coup. The regime pointed to its priorities with injunctions against apostates, banning Muslim conversion to another religion, and repression against Christian churches.<sup>33</sup> Turabi explained: “Yes, we’re fighting a jihad, and we’ve always been fighting a jihad in Sudan. Did the West develop democracy without violence...? We want to plant a new civilization in the south. It is our challenge.”<sup>34</sup> Much like the point made above about apartheid era South Africa, this is not an inclusive community, but it is a political community that provides a public good—an interpretation that they consider an Islamic society—to a particular community, whether they want this public good or not. Those who reject this mission are unwelcome, however. The regime pursued this logic after the 1991 sharia enforcement to the point of expelling up to 1.5 million people from the Khartoum area, mostly migrants from southern regions, and placing them in “peace camps” well outside the city.<sup>35</sup>

Mass transfers of population are not a new feature of politics and have played prominent roles in the creation of contemporary political communities. In 1922, for example, Nobel Peace Prize winner Dr. Fridtjof Nansen mediated Turkey’s expulsion of 1.3 million ethnic Greeks and the Greek expulsion of 400,000 Turks at the end of hostilities between the two states (which he helped facilitate with his “Nansen passports” to ease the departures of refugees). This took place under an international convention, recognizing that “there shall take place a compulsory exchange of Turkish nationals of Greek Orthodox religion established in Turkish territory, and of Greek nationals of the Muslim religion established in Greek territory. These persons shall not return.”<sup>36</sup> Sudan’s regime has engaged in its own version of ethnic

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<sup>32</sup> See Hassan al-Tourabi, *Islam, avenir du monde: entretiens avec Alain Chevalérais*, (Paris: Lattès, 1997); K.O. Abd al-Masih, *What You Have Not Heard about the Sharia Question*, (Kaduna: JPC Inc, 2000); M.A. Mohamed Salih, “Islamic NGOs in Africa: The Promise and Peril of Islamic Volunteerism,” (Copenhagen: Centre for African Studies, March 2002).

<sup>33</sup> Human Rights Watch, *Human Rights Watch World Report 2002: Africa*, (New York: HRW, 2002), 95.

<sup>34</sup> Quoted in Scott Peterson, *Me Against My Brother*, (New York: Routledge, 2000), 186.

<sup>35</sup> U.S. Department of State, *Annual Report on International Religious Freedom for 1999: Sudan*, (Washington, DC: Department of State, 9 Sept 1999).

<sup>36</sup> Convention Concerning the Exchange of Greek and Turkish Populations, 30 Jan 1923, (from: The Treaties of Peace 1919-1923, Vol. II, Carnegie Endowment for International Peace, New York, 1924.), article 1.

cleansing, though not with international mediation like the Greeks and Turks enjoyed. Apparently the program had enough support that they could motivate hundreds of thousands of members of Popular Defense Forces (PDF) to attack communities that the regime determined were outsiders.<sup>37</sup>

Perhaps, argues the skeptic, state building and religion are used to sell a cause. One might argue that to some extent, all soldiers are duped, and ultimately they respond to the prospect of loot. There may be a large element of truth to this, especially when opportunities for looting appear. This, apparently, was part of what Nansen was trying to mitigate in the early 1920s when he assisted refugees in the Aegean and Turkish Anatolia. Sudan's fighters, however, do not behave in the fashion of fighters in failed states. The Khartoum regime appears to have much less reason to fear that fielding armed forces will result in a multiplication of armed factions, with an enterprising strongmen willing to defy the regime at the head of each. The decision to field an armed formation like the PDF (and for the regime to remain intact) indicated that the regime exercised a fairly high level of control over coercion, at least compared to failed states. Though the regime may be responsible for great mayhem throughout Sudan, it proves capable of providing a public order, odious or repressive though it may be in judgments of others, owing to this ability to control and deploy coercion for the sake of a collective project, or "interests of state" in popular parlance, rather than the pursuits of the private economic interests of members of an association. In short, Sudan is a state, not a racketeer gang. Furthermore, this vision appears to be something for which at least some in Sudan's leadership are willing to fight and sacrifice.

Exploitation of natural resources—including foreign humanitarian aid—takes place in this organizational and social context. Oil exploitation, for example, is subordinated to an interest of state. If more efficient looting of the country's natural resources were the top priority of rulers, they would cease discussing Islamist political options. Furthermore, the regime stands to gain from the fact that most African governments remain wary of the Sudan People's Liberation Army (SPLA) insurgency, believing that its members really want independence for Sudan's south. US official policy has been to reject efforts to create new international borders, at least in Africa.<sup>38</sup> Almost all other African states remain ardently committed to maintaining existing borders, lest those within their own country who are dissatisfied with

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<sup>37</sup> United Nations High Commissioner for Human Rights, "Situation of Human Rights in the Sudan," (Geneva: UNHCR, 1997).

current arrangements think of separation as a viable option. This reluctance is so strong that it is codified in Article III, paragraph 3 of the charter of the Organization of African States (now African Union) that all will maintain “Respect for the sovereignty and territorial integrity of each State”, meaning states as mapped by European colonial rulers.<sup>39</sup> It would not be difficult for Khartoum to portray SPLA and other insurgents as the main problem for outsiders, provided the Khartoum regime could get the rest of the world to believe that preservation of a cherished status quo was their top priority.

Instead, support, or perceived support for Islamist causes costs Sudan support from the US Administration and Congressional groups that encourage the use of oil production in Angola to “solve” that country’s rebel problem. Massive and continued human rights violations aggravate relations with states such as the US and European Union states and present a greater obstacle to cooperation than do human rights violations in places like Angola or Algeria. These violations, coupled with kidnapping and enslavement of civilian non-combatants instead has lead the US Congress to support the (yet to be enacted) Sudan Peace Act. Rather than supply credits and equity finance guarantees to oil companies as they provide for investors in Angola, 422 of the House of Representatives’ 435 members voted for this Act that would ban any oil company that invests in Sudan from US capital markets, raising incentives for the departure of most Western companies from the country.

Modeled on provisions in the Iran and Libya Sanctions Act of 1996, the measure would use the weight of the US capital market to raise risks for other investors, foreign banks, and government export-credit agencies that continued to do business in Sudan. As a US Defense Department analyst noted of earlier measures against Iran that provide models for legislators, “while European and Asian governments will undoubtedly complain about what they see as a secondary boycott, few firms are likely to want to risk the legal consequences in the vast US market in order to invest in Iran.” The cost to Iran, the analyst estimated, was \$2 billion in lost investment and exports in the first year.<sup>40</sup> Doubts persist about how much sanctions changed behavior, even though they imposed costs. By contrast, sanctions against oilfield investment in Angola or Nigeria would pose a fundamental risk to regime survival and likely would result

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<sup>38</sup> Global failure to recognize the sovereignty of Somaliland, once a British colony separate from the rest of Somalia, underlines the reluctance of outsiders to countenance the breakup of existing African states.

<sup>39</sup> Organization of African Unity, “Charter of the O.A.U.”, Ian Brownlie, ed., *Basic Documents on African Affairs*, (Oxford: Clarendon Press, 1971), 3.

<sup>40</sup> Patrick Clawson, *US Sanctions on Iran*, (Emirates Center for Strategic Studies and Research, 1997).

in rapid modification of behavior. But since these regimes lack substantial bases of legitimacy or collective purpose in “interests of state,” these modifications would be much more easily accomplished and justified than in Iran or Sudan. Accordingly, one finds governments in these states hastening to modify their positions, or at least rhetoric, in accordance with directions from outsiders.

Thus Sudan’s rulers already suffer negative commercial consequences of their political strategies. The participation of the Canadian oil firm Talisman in the Greater Nile Petroleum Operating Company joint venture with Sudan’s government, coupled with foreign criticism, prompted the firm to release a Corporate Social Responsibility Report, detailing its provision of schools and even human rights training for its staff.<sup>41</sup> Foreign human rights campaigners remain unconvinced. Amnesty International and Christian Aid accuse Sudan’s government of engaging in a “scorched earth” policy to force civilians away from the oil production area, which is located in an area that historically has backed anti-government insurgents. Forced relocations, the result of military attacks, displaced 40,000 to 55,000 civilians from the oilfields in the first half of 2001, and “more dependable government soldiers and mujahedeen then guarded construction equipment.”<sup>42</sup>

Sudanese official recalcitrance and insurgent attacks appear to deter Western oil companies from pursuing investments in Sudan. Talisman bought Lundin Oil, except for its Sudan assets. The pending lawsuit against Talisman under the US Alien Tort Claims Act claiming a billion dollars in damages on behalf of Sudanese citizens may partly account for Talisman’s decision, amidst industry speculation that it will leave Sudan altogether.<sup>43</sup> This leaves Sudan to deal with firms from countries that are likely to shield their investors against activists’ investigations and provide diplomatic defense for them in international councils. Firms such as the Chinese National Petroleum Company, the largest shareholder in GNPOC, enjoys the benefit of close ties with Chinese officialdom and patronage of a government that jealously defends sovereign rights against foreign human rights campaigners. Likewise, Malaysia’s Petronas (holding a 30 percent stake in GNPOC) enjoys similar political insulation. Companies like Slavneft, with offices in Belrus, are not likely to bother too much about complaints of human rights violations. This comes at a cost to Sudan’s economy, however, as these smaller firms can demand better contracts without

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<sup>41</sup> Talisman Energy, *Corporate Social Responsibility Report 2000*, [www.talisman-energy.com/responsibility/CorpResp.pdf](http://www.talisman-energy.com/responsibility/CorpResp.pdf)

<sup>42</sup> Human Rights Watch, *Human Rights*, 2002, 96.

having to contend with larger and better financed competitors. These firms lack more sophisticated exploration and production techniques and equipment, which will slow oilfield development. Most important, the decision to forego western oilfield investment means that Sudan will be excluded from material and political benefits of US strategic efforts to promote oil production outside Saudi Arabia and the Persian Gulf to reduce the dependence of industrial economies on oil from that unstable part of the world.

### ***Rebels, Not Warlords***

Sudan's insurgencies do not fit well into a greed model of behavior either, even though battles over resources and opportunities for predation play a role in this conflict, as in nearly all others. The SPLA and other armed groups in the south may disappoint those looking for strong ideological statements. John Garang, the SPLA's leader, confessed that in attempting to mobilize people, "the southern Sudanese have little interest in ideology."<sup>44</sup> The defection of Reik Macher and Lam Akol in the 1990s from the SPLA recalls the old pre-1972 Anyanya insurgency, with five "movements" that spent more time battling each other than the government in the 1960s. Divisions in the 1990s were even more serious: The breakaways operated with an active military alliance with Khartoum at the same time they fought for the autonomy of southern Sudan. These divisions, however, are consistent with the defensive character of communities under attack from a regime inspired by an expansionary political vision. Insurgents' goals are consistent, to defend the integrity of the south politically, culturally and economically. The primary political question concerns whether these goals can be accomplished inside Sudan as part of a larger national problem related to the alienation of land from other small holders and pastoralists or through separation from it.

The primary difficulty facing insurgents lies in the tendency of their opponents to exploit the vulnerability of specific communities to attack. Success in enticing any group away from the core of the SPLA, or convincing peripheral communities that their best defense lies in alliance with a regime-backed militia, precipitates fighting within opposition communities. Once intra-SPLA (or associated group) fighting begins, local leaders are forced to turn to kin groups for support. This gives regime-backed

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<sup>43</sup> Economist Intelligence Unit, *Sudan*, Sept 2001, 25.

<sup>44</sup> Douglas Johnson, "The Sudan People's Liberation Army and the Problem of Factionalism," Christopher Clapham, ed., *African Guerrillas*, (Oxford: James Currey, 1998), 54.

militias an opportunity to provoke retaliatory raids and further divide the SPLA, even if they manage to find a small number of actual allies.

Ironically, it has been through the appearance and leadership's control over rent-seeking opportunities that has brought the greatest measures of unity among opposition groups. Anyanya achieved enough internal unity and battlefield success to negotiate a peace agreement in 1972 due in large part to the ability of Joseph Lagu to act as an exclusive mediator between Israeli arms suppliers and fighters in the field.<sup>45</sup> John Garang also recognized that controlling flows of resources was instrumental to maintaining organizational discipline.<sup>46</sup> His alliance with Ethiopia's rulers in the 1980s enabled him to centralize the training and arming of recruits inside Ethiopia and "borrow" Ethiopia's security services to eliminate dissenters. By the late 1980s, the SPLA looked like a classic insurgency, holding "liberated zones" and fielding multiethnic "task forces" to conquer new areas.

Its factional splits in the 1990s highlight the importance of control over resources. The fall of Ethiopia's Mengistu regime forced the SPLA bases back into Sudan, where not only did they face attack, Garang lost control over arming and indoctrination, exposing the group to the predations of regime-inspired militias. Duffield makes a persuasive related argument that the nature of dispersal of humanitarian aid also undermined the capacity of communities to organize defenses or cooperate to achieve other political goals. It is not the presence of aid, per se, that undermines cooperative action.<sup>47</sup> Rather, it is its distribution and the sociological context of the control of violence that shape how resources are used. The use of outside resources is primarily a consequence of a sociological context, not the cause of it, though resources may play an important role to reinforce patterns of organization.

### ***Redrawing the Map, Starting Over and Preserving Credibility***

Sudan's problem with the international community is not only that it violates human rights. Many states violate human rights, albeit few on the scale of Sudan. International insistence that Sudan remain a single political community, however, stands in the way of change. Perhaps a future regime in Khartoum

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<sup>45</sup> Elias Nyamlell Wakoson, "The Origin and Development of the Nya-Nya Movement, 1955-1972," Mohamed Omer Beshir, ed., *Southern Sudan Regionalism & Religion*, (Khartoum: University of Khartoum, 1984), 117-31.

<sup>46</sup> John Garang, *John Garang Speaks*, (London: KPI, 1987).

will jettison a deep-rooted religious nationalism much as Germany and Japan shed national goals after 1945. But the latter required powerful outsiders to expend massive energy and wealth to transform the environment in which they found themselves. It is not credible to suppose that the international community will do the same in Sudan. Meanwhile, much more limited engagement confronts the contradiction of trying to impose an order and revive a model that both major adversarial parties to the conflict want to change. This contradiction does not exist, or not nearly to this extent, in failed states because the primary interlocutors do not fight for a collective interest beyond the interest in the survival of their private association and promoting its hold on power, which is defined through access to wealth.

The alternative in Sudan is to encourage or bribe all sides to share a point of view. But “restoring” a democratic Sudan will likely push a principle on those who soon will violently reject it, especially if major groups use democratic rights to dissolve the state that others are committed to upholding. Another alternative is to target income-generating activities like oil production. This will mitigate the regime’s capacity to commit acts of violence. But as explained above, it is unlikely to modify its behavior. In fact, the Khartoum regime is well on its way to organizing a less efficient, but politically “hardened” business arrangement that will protect it from political demands of outsiders. Unless outsiders are willing to support a mechanism to decertify the sovereignty of states that are currently recognized as members of the international system, Sudan’s regime will be free to exercise the prerogatives that every other sovereign state enjoys, within the constraints of sanctions specific to Sudan.

Meanwhile, Sudan’s internal situation resembles much more that in Kosovo or Palestinian areas than Congo, Angola, Sierra Leone, Liberia or other failed states. The Kosovo Liberation Army is the region’s major clandestine market operator. But it is not primarily a ruling clique or a rival fragment of a patronage network in a hollowed out failing state. It is an armed force that is the bearer of a shared nationalist goal of creating a Greater Albanian state for an ethnically defined political community, or at the very least an independent Kosovo state grounded in a community’s shared Albanian ethnic identity. In Kosovo today NATO pursues a goal of ethnic integration and incorporation in Serbia that both parties to the conflict reject. Reports from the field indicate that most Kosovars share an interest in independence or inclusion in a Greater Albanian state. Thus the primary military threat to NATO is from the KLA, NATO’s

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<sup>47</sup> Mark Duffield, “Aid and Complicity: The Case of War-Displaced Southerners in the Northern Sudan,”

putative allies who seek to drag Macedonia into a conflict to create a Greater Albania. This is an outcome that is unacceptable to the vast majority of Kosovo's remaining Serbian population. NATO now faces a prospect of permanent occupation of its Kosovo protectorate and may find itself having to fight against both sides in a foreign land's civil war. Like Liberia's and Congo's, this is a war about resources too. But it differs from those conflicts in mobilizing populations around grand projects of creating new political communities or preserving old ones.

There are valid reasons to intervene, and interveners may be able to impose their will. But this analysis challenges the assumption that if one cuts off natural resources peace is restored because instrumentally motivated entrepreneurs will no longer have material incentives to fight. In fact this may be the case in some failed states, especially if the majority of the population regards conflict as a consequence of the predation of small numbers of enterprising individuals. One ought to try to tame violence, but identifying natural resources as a central element in all cases will not establish a new political order at low cost because it ignores that fact that people often fight out of conviction and belief. Without massive political or economic engagement sufficient to change the whole structure of conflict in Sudan, cutting off oil investment will not do it. As matters stand, if the international community wants to stop violence against the south, it will have to intervene to do so or it will have to arm southerners to enable them to get what they want. A less costly alternative is to starve the Khartoum regime of resources. But given current priorities, this is likely to result in real starvation of citizens and will do little to change minds there.