THE ROLE OF OIL IN THE CONFLICT IN SUDAN: 
IMPLICATIONS ON THE IMPLEMENTATION 
OF THE COMPREHENSIVE PEACE AGREEMENT, 2005- 2009

BY

CATHERINE KHASOA SIAMBI

A DESSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE 
REQUIREMENTS OF THE DEGREE OF MASTER OF ARTS IN INTERNATIONAL 
CONFLICT MANAGEMENT TO THE INSTITUTE OF DIPLOMACY AND 
INTERNATIONAL STUDIES (IDIS), UNIVERSITY OF NAIROBI.

SEPTEMBER 2010
DECLARATION
This dissertation is my original work and has not been submitted for a Degree to any other University.

[Signature]                                      24/11/2010
Catherine Khasoa Siambi                        Date

This dissertation has been submitted for examination with my approval as a University Supervisor.

[Signature]                                      24/11/2010
Dr. Ibrahim Farah                                Date
DEDICATION
To my dear husband Dr Moses Siambi, my late Mother Mrs. Mary Angela Barasa and my sons Biko, Samora and Jesse.
ACKNOWLEDGEMENT

First I would like to thank God for his grace and for giving me good health during this period of my research and throughout the entire course. I would like to give my gratitude to my Husband for his immense encouragement and support; and for being there for me during the duration of this course. My children gave me the courage to finish the course and be a living example to them; that hard work and perseverance can get the right results.

To all my lecturers, I am grateful to them for sharing with us their knowledge in this interesting and emerging area of research that is so important in this era of global conflicts. I am especially indebted to my Supervisor, Dr Ibrahim Farah for his diligent guidance and encouragement that made it possible for me to complete this study.

I would like to acknowledge the people who responded to the study questionnaires for their acceptance and willingness to share their knowledge of Sudan and offer their candid views on the various topics.

Last but not least, to all my colleagues with whom we shared many anxious moments during the Coursework and finalizing our program; I hope we can all use the knowledge we have acquired to make the World a better place for all.
The study reported here analyzed impact of oil as a valuable natural resource on the progress in the implementation of the Comprehensive Peace Agreement (CPA) signed in Nairobi, Kenya in 2005 between the Government of the Republic of The Sudan and the Sudanese People’s Liberation Movement/Army. The slow pace of implementation with regard to the sharing of oil revenues has two facets. Firstly, the implementation of the Experts Report on boundaries that would have resolved the issue of the geographical location of the oil producing areas has not been accepted and ratified by the National Congress Party (NCP) and the Misseriya tribe. Secondly, the delay in the formation of the National Petroleum Commission caused suspicion between the two signatories since the determination of sharing of the oil revenues was to be implemented by this body. In its absence or in its presence but with interference from the NCP, it is still not possible for the Sudan people’s Liberation Movement/Sudan people’s Liberation Army (SPLM/A) and other interested parties to have access to the oil contracts and the amount of revenue generated so that the stipulated percentages of sharing can be seen to be genuine. Other structural causes of the delay in implementation of the CPA are related to the militia and rebel activity in the regions close to the Southern region. This study recommends that the issues of the geographical location of the oil fields; oil exploration and production statistics and formulae for sharing be revisited so that the momentum gained when the CPA was signed, and the aspirations of the Southern Sudanese who are war weary are not lost.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABC</td>
<td>Abyei Boundaries commission</td>
</tr>
<tr>
<td>AEC</td>
<td>Assessment and Evaluation Commission</td>
</tr>
<tr>
<td>AU</td>
<td>African Union</td>
</tr>
<tr>
<td>AWS</td>
<td>Agreement on Wealth Sharing</td>
</tr>
<tr>
<td>CJMC</td>
<td>Ceasefire Joint Military Committee</td>
</tr>
<tr>
<td>CPA</td>
<td>Comprehensive Peace Agreement</td>
</tr>
<tr>
<td>FFAMC</td>
<td>Fiscal and Financial Allocation and Monitoring Commission</td>
</tr>
<tr>
<td>GONU/GNU</td>
<td>Government of National Unity</td>
</tr>
<tr>
<td>GOS</td>
<td>Government of Sudan</td>
</tr>
<tr>
<td>GOSS</td>
<td>Government of Southern Sudan</td>
</tr>
<tr>
<td>GNPOCC</td>
<td>Greater Nile Petroleum Operating Corporation</td>
</tr>
<tr>
<td>IGAD</td>
<td>Inter-Governmental Authority on Development</td>
</tr>
<tr>
<td>JEM</td>
<td>Justice and Equality Movement</td>
</tr>
<tr>
<td>NCP</td>
<td>National Congress Party</td>
</tr>
<tr>
<td>NDRF</td>
<td>National Reconstruction and Development Fund</td>
</tr>
<tr>
<td>NPC</td>
<td>National Petroleum Commission</td>
</tr>
<tr>
<td>SLA</td>
<td>Sudan Liberation Army</td>
</tr>
<tr>
<td>SPLA</td>
<td>Sudan People’s Liberation Army</td>
</tr>
<tr>
<td>SPLM</td>
<td>Sudan People’s Liberation Movement</td>
</tr>
<tr>
<td>SPLM/A</td>
<td>Sudan People’s Liberation Movement/ Sudan People’s Liberation Army</td>
</tr>
<tr>
<td>SSDF</td>
<td>Southern Sudan Defense Force</td>
</tr>
<tr>
<td>SSIM/A</td>
<td>Southern Sudan Independent Movement/Army</td>
</tr>
<tr>
<td>SSRDF</td>
<td>Southern Sudan reconstruction and Development fund</td>
</tr>
<tr>
<td>UDI</td>
<td>Unilateral Declaration of Independence</td>
</tr>
<tr>
<td>UNAMIS</td>
<td>United Nations Advanced Mission in Sudan</td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

Declaration ........................................................................................................................................i
Dedication ........................................................................................................................................ii
Acknowledgement ........................................................................................................................iii
Abstract ...........................................................................................................................................iv
List of abbreviations .......................................................................................................................v

**CHAPTER ONE: INTRODUCTION TO THE STUDY........................................................1**

1.0 Introduction................................................................................................................................1
1.2 Background................................................................................................................................2
1.3 Statement of Research Problem ...............................................................................................5
1.4 Objectives ..................................................................................................................................6
1.5 Justification of the Research Problem .....................................................................................7
1.6 Literature Review
   1.6.1 Introduction........................................................................................................................7
   1.6.2: The conflict in Sudan........................................................................................................8
   1.6.3 The CPA
      1.6.3.1 The Machakos Protocol.............................................................................................10
      1.6.3.2 The Power Sharing or Naivasha Protocol.................................................................11
   1.6.3.3 Wealth Sharing Agreement.......................................................................................14
   1.6.4 Impact of discovery of oil on political landscape ........................................................15
   1.6.5 Oil revenues and Accountability.....................................................................................17
   1.6.6 Literature gap...................................................................................................................20
1.7 Theoretical Framework........................................................................................................21
1.8 Hypotheses...............................................................................................................................23
1.9 Research Methodology...........................................................................................................23
   1.9.2 Scope and Limitations.....................................................................................................24
1.10 Chapter outline......................................................................................................................24

**CHAPTER TWO: THE ROLE OF OIL IN THE CONFLICT IN SUDAN: AN OVERVIEW. .............................................25**

2.0 Introduction........................................................................................................................25
2.2 The Relationship between Oil and Conflicts..........................................................................26
   2.2.1 Causes of Intragate Conflicts .......................................................................................26
   2.2.2 Economic Control by use of Violence as a Political Instrument ................................26
   2.2.3 The Link between Resources and Conflict...................................................................27
   2.2.4 Resources and Transitions to Peace ............................................................................28
2.3 Historical Background of Oil and Conflicts in Sudan ..........................................................28
2.4 Addis Ababa Agreement and Resumption of Conflicts ......................................................30
2.5 Transformation of the Anya Nya to SPLM/A .....................................................................32
2.6 The CPA ..................................................................................................................................35
   2.6.1 Machakos Framework Protocol of July 2002 .................................................................37
   2.6.2 Protocol on Power Sharing ...........................................................................................38
   2.6.3 Agreement on Wealth Sharing (AWS) .........................................................................39
# CHAPTER THREE: THE ROLE OF OIL IN THE CONFLICT IN SUDAN, AND THE IMPLICATIONS ON THE IMPLEMENTATION OF PEACE AGREEMENT (CPA)

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.0</td>
<td>Introduction</td>
<td>43</td>
</tr>
<tr>
<td>3.1</td>
<td>Implementation of the CPA</td>
<td>43</td>
</tr>
<tr>
<td>3.1.1</td>
<td>Agreement on Wealth Sharing (A W S)</td>
<td>43</td>
</tr>
<tr>
<td>3.1.2</td>
<td>The Importance of Abyei Protocol on Oil</td>
<td>48</td>
</tr>
<tr>
<td>3.2</td>
<td>Historical perspective of Ethnic and Religious Differences</td>
<td></td>
</tr>
<tr>
<td>3.2.1</td>
<td>Sudan</td>
<td>51</td>
</tr>
<tr>
<td>3.2.2</td>
<td>The North versus the South in Abyei</td>
<td>53</td>
</tr>
<tr>
<td>3.2.3</td>
<td>The South-South War</td>
<td>56</td>
</tr>
<tr>
<td>3.3</td>
<td>Issues threatening the CPA</td>
<td>58</td>
</tr>
<tr>
<td>3.4</td>
<td>Conclusions</td>
<td>59</td>
</tr>
</tbody>
</table>

# CHAPTER FOUR: THE ROLE OF OIL IN THE CONFLICT IN SUDAN: A CRITICAL ANALYSIS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0</td>
<td>Introduction</td>
<td>60</td>
</tr>
<tr>
<td>4.1</td>
<td>The Challenges Facing the SPLM/A</td>
<td>60</td>
</tr>
<tr>
<td>4.2</td>
<td>Socio-economic challenges</td>
<td>63</td>
</tr>
<tr>
<td>4.3</td>
<td>Second Session of the Naivasha IGAD Peace Talks (6th October 2003 - March 2004)</td>
<td>63</td>
</tr>
<tr>
<td>4.4</td>
<td>The contested areas</td>
<td>65</td>
</tr>
<tr>
<td>4.4.1</td>
<td>Causes of war</td>
<td>66</td>
</tr>
<tr>
<td>4.4.2</td>
<td>Religion</td>
<td>66</td>
</tr>
<tr>
<td>4.4.3</td>
<td>Governance and self determination</td>
<td>66</td>
</tr>
<tr>
<td>4.5</td>
<td>Consequences</td>
<td>66</td>
</tr>
<tr>
<td>4.6</td>
<td>Other ecological causes of conflict</td>
<td>67</td>
</tr>
<tr>
<td>4.7</td>
<td>Marginalization of Ethnic Groups in Oil-Bearing Regions</td>
<td>69</td>
</tr>
<tr>
<td>4.8</td>
<td>Multinational Corporations</td>
<td>71</td>
</tr>
<tr>
<td>4.9</td>
<td>Ethnicity vs. Religion</td>
<td>75</td>
</tr>
<tr>
<td>4.10</td>
<td>Conclusions</td>
<td>83</td>
</tr>
</tbody>
</table>

# CHAPTER FIVE: CONCLUSIONS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0</td>
<td>Summary</td>
<td>84</td>
</tr>
<tr>
<td>5.1</td>
<td>Key Findings</td>
<td>85</td>
</tr>
<tr>
<td>5.2</td>
<td>Recommendations</td>
<td>87</td>
</tr>
<tr>
<td>5.2.2</td>
<td>Embracing democracy</td>
<td>87</td>
</tr>
<tr>
<td>5.2.3</td>
<td>International Support during Transition Period</td>
<td>87</td>
</tr>
<tr>
<td>5.2.4</td>
<td>Monitoring progress of CPA implementation</td>
<td>88</td>
</tr>
</tbody>
</table>
CHAPTER ONE
INTRODUCTION TO THE STUDY

1.0 Introduction

Conflicts between marginalized groups or regions with governments abound in many African countries. But the case of Southern Sudan stands out as one of the longest Civil Wars on the continent. Even with the achievement of a partial solution to the conflict five years ago Comprehensive Peace Agreement (CPA), the situation remains volatile as the time approaches for elections in 2010 and a referendum in 2011 for “self-determination” by Southern Sudan.

The disputed access to natural resources ranges from availability of farming and pasture land to the extraction of oil; and perceptions that this revenue is used by the incumbent government in fueling more conflict. In the case of the North-South conflict, the popular perception is that it was a predominantly Islamic North fighting against the predominantly Christian South; with the former being accused of trying to enforce its religion and culture on the later through Sharia Law.

The historical background to conflict has been attributed to the failure by the British who colonized Sudan to develop policies that would have united the country. For example, the “Southern Policy” that prohibited the use of Arabic in the South, and restricted Islamic teaching may have also increased the animosity between the two regions. These issues form some of the Structural causes of conflict not only in Sudan but elsewhere in Africa and the failure to address them could be the weakest link in any endeavour to achieve peace.

5Ibid, pp.155-162
The Comprehensive Peace Agreement (CPA) signed in Nairobi in 2005 after two and a half years of negotiations brought to an end many years of war and an opportunity for self-determination of the Southern Sudanese. The CPA provided for a broad referendum after six years; and this period has been characterized by innuendo and suspicion that is historical in nature. One of the major stumbling blocks is the issue of sharing the oil revenues and authority to issue contracts to foreign oil exploration companies. The CPA provided for roughly a 50-50 sharing of the revenues but the intricacies of how this would be implemented has led to accusations from both sides and a near stalemate in resolving the problem.

The work reported here sought to understand how natural resources in general and specifically oil, in the context of the North-South Conflict have shaped discussions during the period 2005-2009.

1.2 Background
The conflict in Sudan started in 1956 after the departure of the British who were the colonizing power from 1898 to 1952; leaving behind two regions that viewed the independence of Sudan in different ways. This was partly as a result of the separate administrative structures put in place by the British; that allowed the two regions to be viewed and developed in different ways.

---

It was, therefore, only a matter of time before conflict would occur as there were no clear structures to address the issue of the many years of underdevelopment in southern Sudan.\(^{11}\)

A first attempt by the new government to discuss the issues of marginalization and underdevelopment for the South was convened in 1965.\(^{12}\) However, this meeting did not yield any results as the protagonists failed to reach any comprehensive solution other than proposing that a joint commission be set up to further explore peace initiatives. There was an escalation in armed conflict in the south and after another bloodless coup by Colonel Jaafar Nimeiri in 1969; a further attempt was made at reaching a peaceful solution to the problem.

The Addis Ababa Peace Conference in 1972 may have been a turning point in efforts to resolve the problem as it culminated in a Presidential Decree by President Nimeiri that provided for the Southern Provinces Regional Self-Government Act of 1972. The Addis Ababa Agreement provided for constituent local elections and an autonomous regional government in Southern Sudan, which were issues that had been pursued by the South for many years.

In May 1983, the Sudanese People’s Liberation Movement and the Sudanese People’s Liberation Army led by Colonel John Garang were formed with the aim of providing a formidable opposition to discriminatory government policies that marginalized the South following the abrogation of the Addis Ababa Agreement. The declaration of Sharia law for the whole country, and sub-division of the south into three regions created an untenable situation for any negotiations; and for a period of ten years there was intensified rebel activity in the South.


The exploration of oil in Sudan was started by Agip Company of Italy in 1959 in the Red Sea and North Eastern Sudan. The Chevron Company of USA started oil exploration in 1974 on the Red Sea and nearby states. Four years later the company discovered large oil deposits in South-Central and Southern Sudan; and more significant deposits of oil were later discovered in the same area.\(^{13}\)

After seventeen years of operation in Sudan, the Chevron Company wound up its operations as a result of constant attack on its personnel and facilities by SPLA/M, and due to political pressure back home. It sold its assets to a Sudanese company called Concord that later sold its Concessions to Arakis Energy of Canada. The Concessions were later sold to a consortium of several companies that formed GNPOCC (Greater Nile Petroleum Operating Corporation) and built an oil pipeline that saw the first export of crude oil from Sudan in 1997\(^{14}\).

Firstly, the discovery of oil in itself provided an opportunity for the government to diversify its sources of revenue\(^{15}\). What followed after the discovery oil were blatant attempts by the government to alter boundaries since the oil fields were located in the South. This meant use of force to evacuate the communities; which in turn escalated the resentment of the government in Khartoum by the southerners.

Secondly, because disputes surrounding the location and exploitation of oil as well as the revenues the government found it necessary to use most of the revenues to buy military hardware to defend the oilfields as well as defeat the emerging resistance by SPLA/M. In which case, instead of the resources being used for the development of the areas where the

---


oilfields were located, they were instead diverted and used for oppression of the people of southern Sudan.\(^\text{16}\)

This study discussed and critically analyzed from the available literature the perceptions and realities of the use of oil revenues from both sides; and how this has influenced peace initiatives over the year and specifically the early period of implementation of the Comprehensive Peace Agreement signed in Kenya in 2005.

1.3 Statement of Research Problem

The conflict in Southern Sudan brought immense suffering and the greatest need for humanitarian aid in the region\(^\text{17}\) and the displacement of a large population.\(^\text{18}\) Therefore, it provides a perspective both in the length of a war and at the same time a unique situation where the presence of natural resources that could change the lives of the communities have instead led to more suffering as a result of competition for exploitation of these resources.

Unlike in other countries where conflicts may have been based on ideology and historical injustices, the case of Southern Sudan combines several volatile elements i.e religion, injustice, exploitation, as well as the presence of oil that has become a valuable resource in recent times when oil prices have rocketed. This complex mesh of structural causes provides a recipe for the proximate and trigger causes to come into play whenever a suitable opportunity arises.

The renewed interest in Southern Sudan by several countries because of the oil fields discovered in the 1970s is a common experience the world over. Its brings an international


political perspective, and creates a complex situation because of the vested interests of other countries as oil is a valuable natural resource.¹⁹

The Comprehensive Peace Agreement (CPA) signed in Nairobi in 2005 provided for the equal sharing of revenues from oil production, but this created new challenges in the conflict resolution process because of the many unresolved issues surrounding the actual implementation of the sharing formula. Most of the oilfields are located in the south or in areas where the boundary between the North and South have been disputed (for example Abyei).

This research examines the root causes of conflict with specific reference to the role of oil. It critically analyzed how the presence of natural resources has hampered the peace process due to vested interests by the main Actors (NCP and SPLM/A), and the rebel activities in other parts of Sudan that have continued because of the failure to have a holistic approach to the war in Sudan. The study seeks to investigate the role of oil in the conflict in the Sudan and attempts to answer questions like what are the effects of this conflict in Sudan in relation to oil? What are the effects of the conflict on political governance in Sudan? And lastly what are the roles of external and internal factors on the implementation of the Comprehensive Peace Agreement?

1.4 Objectives

The main objective of this study was to examine the role of oil in the implementation of the Comprehensive Peace Agreement for the period 2005-2009. The specific objectives of the study are:

1. Provide an overview of the conflict in the Sudan and the Comprehensive Peace Agreement;(CPA)

2. Assess the CPA situation with specific reference to its implementation phase
3. Find out other possible causes of conflict in the Sudan

1.5 Justification of the Research Problem

The problem of natural resource conflict in the Sudan is not unique as this is experienced in other parts of Africa for example Sierra Leone. However, the conflict in Sudan was not initially as a result of the discovery of oil in the South but due to historical injustices and religious differences between the two regions of the country. The discovery of oil in the 1970's simply added another dimension to the conflict, and this has probably had an impact on the conflict resolution process.

Therefore, the study is of academic interest to understand the conflict resolution mechanisms within the wider framework of conflict resolution to identify important elements that made it possible for the adversaries of many years to agree to the CPA. An understanding of this process could enhance the peace-building process and may be of wider application in other countries in Africa that still find themselves in the unfortunate situations of wars that have no end in sight.

In terms of policy and access to natural resources it provides lessons on how inequitable development policies are detrimental to national cohesion in countries with diverse ethnic groups and religious affiliations; but at the same time gives an opportunity to learn lessons from parts of the Agreement that could not be implemented due to lack of a legislative framework, inadequate human resources, or infrastructure.

1.6 Literature Review

1.6.1 Introduction

The literature review will make an analysis on some key themes as discussed by various scholars' The conflict in Sudan, the North-South conflict, the comprehensive peace
agreement, impact of the discovery of oil on the political landscape and oil revenues and accountability.

1.6.2: The conflict in Sudan

The literature is replete with many examples from other parts of Africa and the world where Civil wars have been fought and still continue as a result of inequitable wealth distribution from natural resources.\(^{20}\) Eprile postulates that the long war in Sudan was waged based on several reasons other than natural resources,\(^{21}\) but the discovery of these resources complicated the process for achieving peace and reconciliation. It has been regarded as one of the most devastating wars, with an estimated two million dead and another four million displaced.\(^{22}\) The main Actors in the war discussed in this document are the National Congress Party that came to power in Sudan in 1989 through a military coup, and the Sudanese People’s Liberation Movement/Army.

In an analysis of the mechanisms in natural resource conflict and their resolution, Humphreys has given examples and tested theories of the continuous war in Chad, Angola and Sierra Leone that is a result of fighting over oil or other natural resources.\(^ {23}\) They showed in an empirical analysis that probably the various theories so far used to explain natural resource conflict are not of universal application; and conclude that wars that involve several natural resources especially oil, could end quickly because of the weaknesses in the structures of rebels due to the presence of easily loot able resources.

The discovery of oil in southern Sudan in the 1970s, and eventually the production for export that commenced in the 1990's brought a new dimension to the war. A lot has been written on this, so the historical context and issues surrounding oil discovery and exploitation up to the period of this study will only be mentioned in brief to provide the context for further examination of the various efforts for resolving the conflict.

In their discourse on the structural causes of conflict in Africa, Alexander and Smith have stated that peace and security is a global public good that can only be guaranteed if the root causes that may threaten this status are addressed. They have observed that intra-state crises will continue to prevail in Africa as long as the conditions that threaten human security are not fully addressed.

A holistic approach that addresses the dynamics of conflict can identify potential as well as actual causes of conflict and, therefore, prevent or bring to an end any eventual conflict. In the analysis of these causes Alexander and Smith have categorized them as: structural, proximate, and triggers. The study focused on the structural and proximate causes of conflict as these causes appeared to be the most distinguishable and discussed in the literature. The Structural causes include bad governance, lack of political participation, lack of economic and social opportunities, inequitable access to resource wealth and ethno-politics.

Johnson argues that the North-South conflict in Sudan from both a historical and post-CPA period combines all these elements of Structural causes of conflict that needed to be addressed by the CPA for long term peace to be achieved. This study focused on the contentious issue of wealth sharing in relation to access to oil contracting, production, and revenues that has the components of inequitable access to resource wealth and ethno-politics.

---

as identified by Alexander and Smith. In their discussions regarding negotiating natural resources for peace, Hayson and Kane cite Sudan as a case study and argue that the CPA itself failed to address the issue of ownership of the natural resources and instead postponed it; and hence the Agreement on Wealth Sharing that cannot be fully implemented without giving thorough attention to this issue.27

1.6.3 The CPA

The Comprehensive Peace Agreement (CPA) was signed in Nairobi, Kenya in 2005 and brought to an end many years of fighting between the SPLM/A and the government of Southern Sudan.28 It lays out in Five Chapters and Annexure and appendices the various issues that were agreed upon over a period of two and a half years of negotiations in Kenya.

1.6.3.1 The Machakos Protocol

This refers to the Agreement signed at Machakos in Kenya in 2002 and laid the basis for the resolution of the more contentious issues over a period of two years. IGAD secretariat on peace outlined in two parts the six principle of Machakos Protocol which was designed to guide peace resolution efforts. The major principles identified the fact that the marginalization of the South needed to be addressed; and if possible the option of a united Sudan should be pursued without denying the Southern Sudanese the right to self determination should a unified Sudan be unworkable.29

Part B of the Machakos protocol outlined the transition process which needed to be accomplished in the “pre-interim” and “interim” periods once the hostilities had ceased.30 The two periods were identified as six months and six years, respectively and clear milestones were set out that were to be achieved within the two periods. Again, six key items

29 Ibid.,(2005), p.2
30 Ibid, p. 3
of this Transition Process were identified among which it was clearly stated that neither party could revoke or abrogate the Agreement unilaterally as had been the case with previous agreements. Other issues dealt with in Part B included a statement on the relationship between the State and Religion.

In Part C the protocol observed that the National Constitution would remain the Supreme Law in Sudan and guarantee the necessary rights and freedoms of the citizens of Sudan. It also outlined the structures of government National levels and addressed the issue of unfavorable existing legislation that could compromise the religious beliefs of other communities in the country. The constitution may be a good suggestion on paper, what may be at stake is it implementability as this is the case of many Africans societies. A constitution that does not reduce the imperial powers of the presidency will automatically hamper the implementation of CPA. Centralization of state powers in Khartoum and the executive leeway to use a decree as was shown in the Bashir - Al Turabi “rivalry”, would render the central government’s power over the control of the constitution moribund.31

One of the most criticized aspects of the CPA is in relation to the right of “Self-determination” by the people of Southern Sudan as enshrined in this protocol. In this protocol, it was recognized that the people of southern Sudan could through a referendum after six years of signing of the CPA decide to remain as part of a unified Sudan or choose to secede, and again it was re-emphasized that any unilateral decisions regarding this peace Agreement were untenable.32

1.6.3.2 The Power Sharing or Naivasha Protocol

In this protocol the parties agreed to a framework of the distribution of power and establishment of the structures, and again outlined the importance of autonomy of the

---

32 The CPA. (2005), p.4
Government of Southern Sudan (GOSS) and integration of the Southern Sudanese into the political and social fabric at the national level. An important aspect of the first part (part I) of this protocol is that it outlined the various freedoms and other issues related to respect for human Rights and the process of healing and reconciliation at the national level.\(^{33}\) As much as power sharing deal is a good idea it is an elitist paradigm and may not address pertinent problems relating to the grassroots masses. IGAD Secretariat reinforces this perspective by its assertion that in every corner of the country, groups and regions are demanding that their grievances be addressed.\(^{34}\)

The Second Part of the protocol outlines the government structures and institutions at the National level, the composition of the National Executive and the recognition of Khartoum as the national Capital of Sudan. An important aspect of this protocol that will also be examined in this study is the “Government of National Unity” (GNU) that was prescribed in this protocol.

The creation and composition of the GNU was clearly identified, with the National Congress Party being represented by fifty two percent, the SPLM/A by twenty eight per cent and the remaining percentage of representation being taken by the group of Northern political parties at fourteen per cent and the Southern political parties getting six per cent. This part of the protocol also recognized the legal and constitutional institutions and arrangements and stressed the need for equitable representation of all regions in the national Civil Service.

However it should be noted that the GNU is mere utopia since it is only serving the interest of a small clique at the centre leaving the wretched at the periphery. Hettinger’s contribution is a justification of the above view points. She urges that the CPA had shared out power between the ruling National Congress Party (NCP) and the SPLM/A while creating


some limited space for other political forces, and neither was or is inclined to convert their ruling partnership into a larger configuration.\textsuperscript{35} The moment people's needs are not met as depicted in the arrangement of GNU, it would obviously lead to frustration hence aggression. Therefore chances that violet conflict may recur in Southern Sudan.\textsuperscript{36}

The Third part of this protocol appears to be the most contested because of its spirit and structures for the setting up of a Government of Southern Sudan (GoSS). The structures appeared to have assumed that Southern Sudan exists as one contiguous region, and did not take into consideration the existing differences in religion and culture and the historical migration and settlement of people from the North. Lack of recognition of different ethnic identities is a recipe for violence owing to the discursive potentials of ethnic identities.\textsuperscript{37}

The composition of the Executive arm of Government Southern Sudan was for SPLM to have a seventy per cent representation; the National Congress Party fifteen per cent and also fifteen per cent for what were collectively referred to as “Southern political forces”, which in essence did not distinguish who they were and what level of representation would have been equitable for them.\textsuperscript{38}

The fourth part of the Naivasha protocol dealt with the structures of the states, and again provided for a majority of representation in the Legislature to come from the National Congress Party (seventy per cent) for the States in the North, and also seventy per cent representation for SPLM for the states in the South. The structures of the Executive and Judiciary were also clearly set forth in this protocol, and as was the case for the legislature, the representation was skewed towards NCP and SPLM.

\textsuperscript{35} J. T. Hottinger, “Darfur Peace Agreement: Expectations unfulfilled” (Sweden, Swiss Department of Foreign Affairs. 2006.), P. 3.
\textsuperscript{38} The Comprehensive Peace Agreement between the Government of the Republic of The Sudan and The Sudanese People’s Liberation Movement/Sudan People’s Liberation Army. (2005), pp. 32-34.
The final part of this protocol (Part V) comprised of the various schedules that defined the Legislative and Executive Powers of the government structures from the National to the State level and defined the issues that would require interaction among the various levels of power to resolve conflicts between the different levels of authority.

1.6.3.3 Wealth Sharing Agreement

Wealth sharing is often a part of power-sharing arrangements, the reconstitution of normal politics in a post conflict society through new institutional arrangements.\(^3\) This seems to be informed by the wealth sharing arrangement provided for in chapter 11 of the Naivasha protocol signed in January 2004.

In a critical evaluation of the CPA in 2006, the International Crisis Group (ICG) argued that even fifteen months since the CPA was signed, there were clear signs that some of the contentious issues may come back to haunt the peace process\(^4\). Prunier and Gisselquist elaborates that the slow pace of implementation was as a result of the NCP exploiting the gaps in the CPA as well as the weaknesses within the SPLM;\(^4\) more so especially after the death of Dr. John Garang. This analysis has further outlined specific points on how the process could have been moved forward at this point when it looked like it had stalled.

Key among the recommendations regarding the oil sector was for the NCP to allow the SPLM access to information regarding oil production and contracts. Matus discusses that one of the easily discernible weakness in the implementation of the stipulations of the CPA is the lack of a universally acceptable criteria for gauging progress of implementation because in as much as many Commissions had been formed in line with the recommendations if the


CPA; many of these were not effective due to various reasons. 42 This being the case, it was not going to be possible for these under-resourced Commissions to deliver on what had been accepted in the protocols.43

1.6.4 Impact of discovery of oil on political landscape

El Battahni comments that natural resource allocation and ownership can be a very sensitive issue especially in countries where the resources provide an economic lifeline for the government in power; and this in turn leads to conflict as other players position themselves to share the benefits.44

Firstly, the discovery of oil in itself provided an opportunity for the government to diversify its sources of revenue45. In an analysis of the correlation between natural resources and civil war in thirteen countries including Sudan, Ross postulated seven hypotheses that were tested in an effort to provide more empirical evidence of this relationship. In this analysis using the “most likely” research design, a hypothesized causal relation is “plausible” if found to be present or “falsified” if absent. Ross examined in depth seven testable hypotheses that link natural resources to the onset and duration of civil and reached eight conclusions of which one of the most important was that certain types of natural resources including oil, gemstones and drugs indeed influenced the duration of civil wars in the selected countries46.

Another attempt to understand the linkage between oil wealth and civil war was done by Smith in which contrasting scenarios often articulated by many scholars that oil wealth can either undermine or enhance regime durability were examined. Using data from 107

---

developing countries including Sudan between 1960 and 1999, Smith conducted cross-national tests to investigate the effects of oil wealth and the oil booms and busts on political stability. The results showed that regimes in oil-rich state can stay for long in power because of access to oil revenues; hence oil dependence was a positive predictor for durability of the regimes. The results from ordered logistic regressions of the relationship between oil wealth and civil war led to the conclusion that the presence of oil does not necessarily provide an attraction for rebel activity or the “oil- as-spoils” thesis that has been advanced in other literature. This contradicts the observations of Ross regarding the relationship between natural resources and civil war.

Rone analyzed the use of oil revenues in Sudan and the procurement of war machinery and showed that the government was using oil revenue for clearing communities off newly discovered oil fields and also protecting the old ones. Again this fits into the Structural as well as Proximate causes of conflict because displaced communities are deprived of their inheritance and disenfranchised by the government that is supposed to protect them.

Jok further gives another analysis of oil development in Sudan also points out that the presence of oil could be an impediment to the resolution of the North-south conflict. Reeves has pointed out that the arrangement at that time when all oil revenues went directly to the ruling party (National Islamic Front) did not provide any mechanisms for accountability or equitable distribution of revenue to benefit the Southern region where it was exploited. With reference to IMF data Reeves again points out that military spending by Sudan had drastically increased as oil revenues increased.

In the context of this study, a combination of hypotheses was used to critically evaluate the case of Sudan for the selected period because of the complexities of the post-CPA period as well as ethno-politics of "self-determination" not only for the whole of Southern Sudan but also for disputed oil producing areas such as Abyei.

According to Heleta, the search for peace in Sudan may be elusive due to the inability to fully address the Structural causes of conflict beyond the CPA. The pull-out of SPLM ministers in 2007 from the Government of National Unity in Khartoum left a vacuum for political representation at a national level. Within the category of proximate causes of conflict is the failure by the government of Sudan to disclose facts and figures surrounding the production and oil revenues that would then have been the basis for the 50-50 sharing as envisaged by the CPA.50

1.6.5 Oil revenues and Accountability

The CPA was the culmination of many years of negotiations and conflict a resolution process in which a number of protocols and peace agreements were signed in stages.51 The CPA was applauded by the international community as the final solution to the problem of war in Sudan. In an Analysis of Sudan’s Oil industry in 2008, a report of the EU project carried out by Fatal Transactions and ECOS identified the following provisions as being the sources of contention and the continuing uneasiness regarding the peace settlement in Sudan; the provisions for wealth sharing, especially revenues from oil and the other clauses that detailed the role of the state governments and the affected communities in formulating contracts for exploration of oil and compensation for those on whose land the oil had been discovered.52

50 S. Heleta, “Is Peace in Sudan Possible? Conflict Types. MPhil. Conflict Transformation and Management” (Nelson Mandela Metropolitan University, Port Elizabeth, South Africa. 2007), pp.10-17
The government has not been forthcoming in making these clauses operational by pretending that the information surrounding contracts and oil exploration was confidential. These Clauses addressed both the Structural and Proximate causes of conflict as identified which must be implemented for the achievement of equitable resource allocation and reaping of the benefits by the local communities.

The road to the CPA was a long one and many countries and organizations participated in several fora to try and bring the war to an end. The government of Sudan made several good-will gestures that were in most cases rebuffed by the SPLA/M because of past failures in implementation of Agreements.\textsuperscript{53} For the current CPA, the IGAD brokered process that made wide consultations is what eventually led to the success, however, it has also been pointed out that the people in the war torn areas were getting weary of the war and wanted it to end.

With pressure mounting on both the government of Sudan and SPLA/M, the IGAD peace process started to play centre-stage in the eventual resolution of the problem. It has been pointed out that the major turning point in the conflict resolution process was the meeting in Machakos, Kenya in July 2002 often referred to as the “Machakos Protocol” at which the principles for further negotiations were laid down. This provided the blue print for the resolution of highly contentious issues such as the referendum for self-determination by the south and the formulae for sharing of oil revenues.\textsuperscript{54}

The crux of the current crisis is that the government of Sudan has not followed through on several of the CPA arrangements and provisions that relate directly to oil exploitation and revenue sharing. This is mainly because three major issues that had been agreed upon at the signing of the CPA have been partially implemented or not at all. In

\textsuperscript{53} A. Alier, "Southern Sudan: Too many Agreements Dishonored." (Exeter, Ithaca. 1990), pp.30-78

summary, the following have been the major achievements until 2008\textsuperscript{55}; the formation of the Presidency and other government institutions, a dual banking system and several commissions.

Tellness comments that the Wealth Sharing arrangements are partially implemented as has been discussed elsewhere, with the payments being made to GOSS lacking a basis for calculation since actual quantities of oil production remain a guarded secret by the Khartoum government.\textsuperscript{56} Johnson comments that the Government of National Unity was implemented but has since collapsed because of the departure of individuals and parties from the arrangement leading to a situation where the NPC remains the predominant party in the North and SPLM/A is the main party in the South.\textsuperscript{57}

Some of the Sudanese scholars for example Ati and Tayeb have argued that the reason the CPA has faced implementation challenges is because of structural weaknesses and interest-guided bias in deciding on which parts should be implemented and when.\textsuperscript{58} The major failures are perceived as thus; the exclusive nature of the CPA that appears to have put the success or failure of resolving the conflicts nationally into the hands of only two parties – NPC and SPLM/A when in fact, there are so many other interested parties including various rebel and militia organizations; there continues to be rebel activity because the signing of the CPA may have also send the wrong message that “armed conflict can be rewarded” as evidenced by the continuing conflict in Darfur and Eastern Sudan.

Bude postulates that the fact that the CPA could have raised the expectations of rebels and the various peace agreements may luck sufficient appeasement for rebels to abandon


their quest: the failure to acknowledge that by accepting to have an "Islamic" North and a Secular South the religious differences had been greatly amplified by the CPA to the extent that even if the Constitution would enshrine the rights and privileges of people of different religions regardless of where they were living, it may not be possible as the majority religion in each region could foster discrimination: the country is in a unique situation where the NPC would prefer to delay discussion and implementation of politically contentious issues for its own survival. Jooma further argues that the SPLM on the other hand lacks the necessary infrastructure for enforcement of some of the proposed changes in governance, financial management and general delivery by a well trained Civil Service and other government social services. The international community appears lethargic about the implementation process, probably as a result of "donor fatigue" and the fact that there are other competing issues that require urgent attention on the continent.

1.6.6 Literature gap

Various scholars for example Jok, Johnson and Rone have written a lot about the conflict in Sudan yet they do not go deeper to seriously analyze the root causes of this conflict, this study will bring out the dynamics of the conflict in relation to oil as a natural resource as well as the comprehensive peace agreement, and how all these have impacted this conflict. It is because of this gap that this research will use the theoretical framework of structural violence as a paradigm to analyze the conflict in Sudan. The link between the conflict and these variables is a changing phenomenon as the implementation progresses, and this study adds to this body of knowledge for the period under review.


1.7 Theoretical Framework

This study used the peace research paradigm as the main theory for understanding the conflict in Sudan. Peace research paradigm began with the works of Johan Galtung in the 1960s on structural conflict. It denotes a form of violence which corresponds with the systematic ways in which a given social structure or social institution kills people slowly by preventing them from meeting their basic needs.

To achieve better understanding of oil related conflict in Sudan, it is crucial to first take a look at the Structuralists view of the word, where structures and institutions are central to analysis. Landman argues that Structuralists analysis focuses on the holistic aspects of society, including interdependent relationships among individuals, collectivities, institutions, and/or organizations. Structuralist’s analysis is interested in the social, political, and economic networks that form between and among individuals. Structures manifest themselves in a variety of forms both at the domestic and international levels.

Galtung first defines violence as ‘avoidable impairment of fundamental human needs or, to put it in more general terms, the impairment of human life, which lowers the actual degree to which someone is able to meet their needs below that which would otherwise be possible.’ According to Galtung, ‘when the potential is higher than the actual [it] is by definition avoidable and when it is avoidable, then violence is present.’

Ho argues that the expanded conception of violence in terms of it’s avoid ability criteria and the idea of a gap between what is possible and what is actually attained presents a myriad of contestable issues. The most troubling aspect among the peace researcher is how would one determine/define what is possible or potential? How does one decide or even

---

ascertain when something is avoidable or not? What seems to be avoidable to a certain community/society may be unavoidable to other thus the concept may draw a lot of critique when one needs to define it.

Paul Farmer a medical anthropologist and physician, elaborates on Galtung’s formulation of structural violence and asserts that structural violence is ‘not the result of accident or a force majeure; they are the consequence, direct or indirect, of human agency’.67 Specifically, this human agency is implicated through structures that reflect an unequal distribution of power as witnessed in both North and south Divide of Sudan. The inequalities that exist in terms of disproportionate life chances because of disease or poverty are directly caused by an unequal distribution of resources but the underlying problem is that ‘the power to decide over the distribution of resources is unevenly distributed.’68

Structural violence has ‘exploitation as the centerpiece. This simply means that some, the top-dogs, for instance the Arabs ruling class get much more out of the interaction in the structure than the other, the under-dogs, Southern Sudan, African dominated.69 Structural violence, therefore, originates in this unequal distribution of power among actors and can further trace its origins to human agency. This unequal distribution of power then systematically disadvantages those who do not hold as much if any power at all.

According to the objectivist point of view, conflict need not to be felt for it to exist, conflict is, therefore, not dependent on the subjective perspective and it can be perceived by the their parties even if it’s not perceived by the actors, and that what Groom refers to an “happy slave situations.”70 The objectives idea in conflict emerges from clash of real interests rather than a perceived interest however actors may not perceive who their real enemies are.

Thus, this implies that if in a particular social system one group gains what the other group loses, then structural conflict exist even if the losing group does not perceive what is taking place; rather they would require the third party to identify to them that they are in conflict and things are not working in accordace.

However, subjective views are that for conflict to exist there has to be at least some perception of the incompatible goals by the actors. According to the objectivists, if people cannot subjectively perceive a conflict and its effects, then they are not in a situation of conflict Southern Sudanese are fighting due to unequal distribution of oil revenues among other social, political and economic needs mainly because they have perceived the incompatibility of their collective goals.

Structural violence therefore is closely linked to the inadequate satisfaction of basic human needs because it is closely related to the people’s inability to develop their full potential\(^{71}\) when people’s basic needs are not met adequately, there is a gap between their potential and actual realization, this gap is the centerpiece of structural violence.

### 1.8 Hypotheses
The following three hypotheses are to be tested:

1. The presence of oil in Southern Sudan has prolonged the resolution of the conflict in Southern Sudan
2. Proximate causes of conflict are a hindrance to post-CPA implementation
3. The abundance of natural resources (oil) is an impediment to achieving lasting peace in Sudan

### 1.9 Research Methodology
As is many cases where the stakes and sensitivities are high in fairly recent conflict situations; and in this case when the Sudanese were going to elections in May 2010 as well as

\(^{71}\) P. La Dicola and A. Shupe. “Violence, Inequality and Human Freedom” (Lanham, 2003), pp. 333-336.
a "referendum" ten months later; collection of data relied mostly on secondary data. Primary
data was obtained through interviews (questionnaires) with Key Informants from Southern
Sudan who are resident in Kenya and The Embassy of Sudan and the Southern Sudan Liaison
Office.

Secondary data targeted a number of recent peer-reviewed publications as well as the
gray literature of various Non-governmental organizations working in Southern Sudan. The
Primary data collection instrument comprised of a structured questionnaire that provided
information on some key variables related to understanding the post-CPA situation in Sudan
as see through the eyes of the Sudanese themselves.. These data was used to test the
prescribed hypothesis

1.9.2 Scope and Limitations
Due to the sensitive situation as the country approaches the national elections in 2010,
the collection of Primary data from Sudan presented a challenge. Several Sudanese
interviewed were reluctant to be captured on record as they were not sure how the
information obtained would be used. However, for those from whom information was
gathered in the questionnaire, it was evident that in many of the questions their views were
fairly similar and a true reflection of the situation on the ground as discussed in some of the
recently published literature.

1.10 Chapter outline
Chapter One: Introduction to the study
Chapter Two: The role of oil in the conflict in Sudan: An overview
Chapter Three: The role of oil in the conflict in Sudan: A Case study
Chapter Four: The role of oil in the conflict in Sudan: A critical analysis
Chapter Five: Conclusions
CHAPTER TWO

THE ROLE OF OIL IN THE CONFLICT IN SUDAN: AN OVERVIEW

2.0 Introduction
Chapter one provided an introduction to the study by laying out the basis for undertaking it and briefly delved into the historical background of the study topic. The chapter also discussed in brief the historical background before outlining the important aspects of the CPA through a review of some relevant literature. This chapter provided a justification of the study based on three objectives and identified a Theoretical framework to guide the study. The research methodology, scope and limitations of the study were also discussed.

This chapter provides an outline of the various Agreements that constitute the Comprehensive Peace Agreement (CPA) and identifies some of the challenges for its implementation. To achieve the above, the chapter discusses the relationship between oil and the conflict and cites examples from other parts of Africa; and broadly discusses the relationship between natural resources and conflict. This chapter delves into the historical background of the conflicts in Sudan to provide an understanding of why the war was so prolonged and peace so difficult to achieve. It finally outlines the various components of the CPA and briefly discusses the challenges that have been experienced for the period of the study. The various sections identify the causes of the conflict based on the Structural Theory aspects of economic development and marginalization as the major drivers of the conflict and the determinants of the outcomes of the peace Agreements.
2.2 The Relationship between Oil and Conflicts

2.2.1 Causes of Intrastate Conflicts

Wars like other social activities do occur if financial and other resources are available, and this fact may explain many intra-state conflicts in Africa. There are underlying historical causes for conflict usually attributed to domestic grievances, but these could also be intertwined with conflict over natural resources and eventually cause national instability as is the case in the DRC, Angola, Sudan and Liberia. Religion has been used as a political tool in mobilizing warfare, as has been practiced over and again with succeeding regimes in Sudan where Muslims and Christians are involved in conflict.

Poverty, in combination with marginalization and divergent political ideologies forms a recipe for "motivations" for civil war. However, it can be a complex situation where it is difficult to draw a line between real "grievances" and "greed" for exploitation of a particular natural resource or hunger for power. This requires critical analyses based on grievance and greed models; the grievances variables are inequality, political expression, ethnic and religious motivations for conflict, while greed analyses the desire for resources to finance and maintain the civil war.

2.2.2 Economic Control by use of Violence as a Political Instrument

Countries that are faced by unique environmental circumstances such as scarcity or abundance of particularly valuable natural resources are often unable to address the problem of resource management without using violence. Therefore, a violent distributional struggle over the abundant resource results into a debilitating effect on economies and governing institutions. This violence can therefore, be viewed as a means through which groups create

---

and sustain profitable patterns of resource exploitation and wealth distribution. In cases where resources involve production or extraction of subterranean minerals, violence always takes the form of a struggle for territorial or state control.

2.2.3 The Link between Resources and Conflict

It has been observed that the more difficult a resource is to loot, the more it will lead to separatist conflicts; but if it is easily extractable then it will more likely increase the duration and intensity of conflicts as each side struggles for the wealth generated to be able to re-arm and claim even a greater share of the proceeds. Similarly, the more riches that is available in a country, the more the war and suffering for its people.75

The link between resources and wars can be conceptualized from the basis of need and greed.76 Economically, an abundance of natural resources is generally associated with poor economic performance and greater social inequities.77 Resources can also motivate secessions in resource rich countries especially if the local population perceives that outsiders are extracting local resources without sharing the wealth. This is most evident in cases where the local population is displaced by the extractive industry or suffers environmental degradation without tangible compensation. In the same way, the fear of secession can also lead to severe repression by the central government.78 The reaction of most governments faced with thus dilemma is to suppress the local population in order to get more revenue from the extracting agencies, which in hindsight is usually for short term gains but will lead to continuous and prolonged conflict.

78 P.Billon. Op Cit. p. 27.
2.2.4 Resources and Transitions to Peace

The wealth from natural resources, whether actual or perceived, often prevents successful political and economic reform and a rapid transition to sustainable peace. It also weakens leverage of external peace initiatives as evidenced by the international community’s lack of cohesion, willingness or leverage to forge consensus. The resource thus acts as a divisive factor among international players, and bilateral actors are inclined to accommodate domestic anti-reform interests in order to secure commercial benefits particularly for their transnational corporations. Because violent conflict can yield economic benefits for some actors, it is important for any conflict resolution process to employ a Stakeholder analysis of civil war; and seek to identify which actors benefit from the war and hence may act as spoilers to its peaceful resolution.

2.3 Historical Background of Oil and Conflicts in Sudan

Sudan’s problems started with the Ottoman–Egyptian Turkiyya regime which was established by conquest in 1820–21, that opted to rule smaller entities representing the country, but failed to consolidate control over the south. Sudan was a British Protectorate 1882-1922, and later came under the Anglo-Egypt condominium. Due to a rebellion in the South, the British closed off the South from most northerners with the “Closed District Ordinance” and created Native Administration, a form of indirect rule. It worked through village Sheikhs and tribal paramount chiefs. Egypt encouraged Islamic values in the north while Britain developed the north economically and socially resulting in disproportionate economic and political power that created a base for southerner’s discord. The country was, therefore, separated by default into Muslim (Arabic) north and Christian (English) south, and

79 Ibid, p. 37
the two sides became incompatible in many aspects due to these disparities in education and
general infrastructural development.81

Therefore, it came as no surprise in that the Northerners dominated the political class.
while only a few Southerners could fill the vacant administrative posts under the
Sudanization schemes of the early 1950s. Britain granted independence to Sudan in 1956
following a three year transition period of handing over of political power namely; the control
of the Army and Civil Service and management of economic resources. Due to the strategic
position of the Northerners in the government, most of the high positions went to the northern
“Elites”, mainly from today’s Khartoum and Nile States.82 With the departure of the British,
the Northerner’s saw themselves as “Masters” of the Southerners due to the massive presence
of the former in the Civil Service.83 The northerners also began defining the nation with the
Arab-Islamic identity to which the Southerners were supposed to conform without regard to
the fact that this was not their religion.84

Violent conflict in Sudan had its origins in the August 1955 mutiny by the Torit
Garrison at the headquarters of the army’s Equitorial Corps in Southern Sudan. The mutiny
was as a result of discontent and disappointment over the Sudanization process dominated by
the northern Arab elites who dominated the Civil Service, the Army and the Police.
Southerners perceived this as Northern domination and re-colonization.85 The mutiny was also
as a result of the arrangement that seemed to discriminate the Southerners and frustrate their
efforts to retain autonomy and address their demands for secession. What then followed was
anarchy; Northerners in the South were killed and looting occurred on a large scale and the
government reprisal was harsh – with imprisonment and shooting after court marshal. Those

83 Ibid, p.203.
85 Berghof Foundation for Peace, “Sudan: Conflict Analysis and options for systemic conflict transformation. A
Northern and Southern View.” (Berghof Foundation. 2006), p. 5.
who escaped fled to the bush and formed an armed movement called Anya Nya, a southern insurgency fighting for southern independence and self-determination between 1955–1972; and is widely recognized as the precursor of the SPLM/A.

2.4 Addis Ababa Agreement and Resumption of Conflicts

The attempts to establish peace in Sudan over the years have been many and with mixed results of success. Ismail al-Azhari, the first prime minister held the reigns of government from January 1956 during a parliamentary rule of 2 years but was overthrown by General Ibrahim Aboud. Post-independence governments since the General Aboud reign from 1958 sought to modernize the state and economy and to create a Sudanese national identity on the basis of Arabic culture and Islam. His regime set out to suppress the opposition in the South, while imposing religion as a political and cultural instrument that would unify the country. This caused acrimony and protest among the southerners.

After the mainly northern uprising against the military regime of General Aboud in October 1964 led by Professional Associations and Trade Unions, the Darfur Development Front, the General Union of the Nuba mountains and the North and South Blue Nile Unions later formed the Sudan Rural Solidarity Party. The aim of this party was to guard against political, economic and cultural marginalization. Meanwhile, the Anya Nya faced many internal differences, but were eventually unified under Joseph Lago’s command in 1970.

Jaafar Nimeiri’s group of Left Wing army officers seized power in 1969 and signed a peace agreement with Lago’s Southern Sudan Liberation Movement in Addis Ababa on

---

88Ibid, p. 255.
February 1972 to end the civil war. Under this agreement, the south was granted a large measure of regional autonomy with an interim government led by Abel Alier. However, progressive actions on the part of the Nimeiri government prepared the state for another round of conflicts. In 1973 a secular state and presidential political system was established throughout Sudan, and traditional land tenure arrangements in the North were abolished. Also, it is at this time that plans were made to construct the Jonglei Canal to further exploit the Nile waters and this caused great disaffection by the local population. The pursuit of a policy of highly mechanized export-oriented agriculture resulted in the forced relocation of residents.91

Traditional conflicts over land can be traced to tribal rule in which leadership was traditionally restricted to the original landlords. This position was reinforced by colonialists, and these conflicts over land were further politicized by the 1970 “Unregistered Lands Act” which entitled the government to use force in acquiring land. This encouraged accumulation of land by a minority of rich investors, with the resultant effect of loss of land by agropastoralists who also lost their rights and incomes relating to water, land and grazing. The south fought to resist the north’s policy of government ownership since traditionally, the south regarded land as being owned by the community.92

In the national reconciliation of 1977, Nimeiri brought into his government Umma leader Sadiq al-Mahdi and Hassan al-Turabi of the Muslim Brotherhood thereby increasing the Islamist nature of his rule. This culminated in the Islamic revolution of 1983 which abrogated the standing Addis Ababa Agreement of 1972 by continuing along the historical, political and economic marginalization of the South. Sharia law was promulgated in the entire country including the Christian and Animist South. In addition to this, the Southern

Regional Assembly was dissolved and the south split into three regions. Nimeiri also moved to alter southern state boundaries to ensure the north would have access to future oil earnings. The plan was for the central government to take revenues from the newly-discovered oil fields.

The foregoing provides a summary of the genesis of resource-based conflict in Sudan, which has been spiced with poor and selfish political decisions by each successive government dominated by the Arab-Islamic north. It is logical to conclude that the chronology of events that led to the abrogation of the Addis Ababa Agreement and the various unilateral and discriminatory events that followed were as a result of the discovery of oil. In the 1970s, Chevron USA had made the bold move to conduct extensive on-shore exploration activities and mapped out the Muglad and Melut basins with major discoveries at Bentiu which was later renamed Unity. The company was then granted by President Nimeiri the right to explore Sudan’s on-shore oil potential in 1974, but successive negative events led to Chevron’s departure in 1992. First was an attack on its facilities by Anya Nya II who killed three workers; then a US Ambassador’s assassination in Khartoum in March 1973; and eventually the growing tension with US over imposition of Sharia Law and Khartoum’s open-door policy to seemingly every Islamic militant group was the last straw. After Chevron’s departure, various oil companies from Canada, China, India, Sweden, Austria and Malaysia made a foray into the Sudanese oil fields.

2.5 Transformation of the Anya Nya to SPLM/A

The political and economic violations of established agreements inflamed grievances among southerners and the only option open to them that would help redress the situation was war. After the mutiny by several garrisons in the South in January 1983, former army

---

Colonel John Garang de Mabior formed SPLM/A in Ethiopia and this marked the beginning of the second Civil War. The aim of SPLM/A was to achieve a unified secular New Sudan by addressing the regional grievances and unifying those in the Southern Blue Nile, Southern Kordofan and the Nuba Mountains. The SPLM/A was against interference in the selection of leadership of the southern region, the unconstitutional dissolution of the regional assemblies and the re-division of the South into three regions.55

The government in Khartoum sought to counter the south through the use of local tribes and provided military assistance to the Arabic Miseriyya and the Bagara nomadic tribes in the north, which was later to transform the war into a way of life and cause untold misery even in recent times. GOS encouraged ethnic tensions by granting the Arabic herdsmen an unwritten authority to pillage and destroy the Dinka and Nuer African pastoralist communities of the south. This divide and rule tactic was to deny the rebels access to resources and recruits, prevent SPLA from uniting destitute groups in the south with those in the north, and to establish a local power base that would later on ensure access to lucrative oil reserves. The war was also fueled by grievances of the settled populations seeking retribution, while the government was using the military to gain control of more oil-bearing regions. Oil revenues improved the government’s capability and resolve to annihilate the southern communities in order to have greater access and freedom to exploit the oil without hindrance.96

An Islamist military coup in April 1985 toppled the democratically elected government of Nimeiri and Sadiq al-Mahdi became Prime Minister in 1986. The new government embarked on an Islamization and Arabization crusade, that was based on fundamentalist, repressive, exclusivist and polarizing brand of Islam. The center-periphery conflict therefore escalated and spread. The National Congress Party (NCP) led government

---

of Gen. Omar al-Bashir had received tremendous support for the coup from Hassan al-Turabi’s National Islamic Front (NIF), only to break ranks in 1999 due to power rivalry. After Bashir’s takeover, NCP moved towards securing oil-fields by gaining control of strategic areas in the south through the use of the proxy “Mujahideen” militias and fighting the rebels thereby took a “Jihad” perspective. With this religious dimension added to the conflict it was impossible for the warring factions to seek objective solutions to the problem.

Oil was discovered by the Chevron Company of USA in 1978 and began to be exported in 1997 after construction of a pipeline to the sea. Unfortunately, most of the fields were in the South; therefore, the government had to carry out massive military mobilization to secure them. The result was a “scorched earth” policy in Unity State and the proliferation of Nuer militias and indiscriminate government attacks on civilians. In the 1990s Khartoum exploited the internal divisions between the Dinka and Nuer ethnic ranks of the SPLA thereby enabling the military to secure more strategic oil bearing areas. Oil development exacerbated the conflict by representing an economic prize for GOS; as the government advanced to capture territory in oil-bearing regions, the SPLA increased its activities of disrupting exploration and extraction activities.

Paradoxically, the successful development of oil industry and economic agenda led to the moderation of NCP’s ideology and led to the evolution of a business faction in the party. Oil development thus became the first priority of the government although it maintained its Islamist rhetoric and commitment to the Sharia law. Its primary objectives were now to maintain the unity of the country so as to keep control of the disputed location of the oil fields. In October 1989, as a reaction to the policies of the new NCP government, the National Democratic Alliance (NDA) was created and included key northern opposition parties such as the Democratic Unionist Party (DUP), Umma Party, Sudan Alliance Forces,

---

97 Berghof Foundation for Peace, op. cit. p. 5.
99 Berghof Foundation for Peace. op. cit. p. 16.
Communist Party, Baathist Party and the SPLM/A. The NDA’s main aim was to overthrow the dictatorship through a non-violent campaign to abolish Islamic laws and form a new transitional government.\(^{100}\)

2.6 The CPA

The North-South war was just one part of a broader web of conflicts involving competing claims by various shifting groups to land, water, natural resources, political power, and cultural identity.\(^{101}\) From the very beginning, the deepening regional disparities and marginalization that favoured northern regions in allocation of development projects and investment opportunities have been identified as the root causes of conflict. In addition, the unequal access to resources was aggravated by social and economic injustices, as well as political mismanagement.\(^{102}\)

The complexity of the causes could be summarized as political marginalization through a centralized, minority-dominated and a non-democratic government. The nationalization of customary land and its leasing to a few mostly external investors; discrimination and racism and a lack of religions and cultural freedom all add to the long list of grievances whose gravity varied by the amount of brutality inflicted by the government on the communities and the type of resources that were targeted. The agenda of Islamization and Arabization including imposition of Sharia Law and a segregated education system designed to promote this agenda contributed to the underdevelopment of the south and hence the observed inequality in filling of high level government positions. The three areas that bore the brunt of the conflicts were the Nuba Mountains which was also a part of the state of Southern Kordofan, State of Southern Blue Nile now called Blue Nile and Abyei which was


\(^{102}\) Ibid p.8
defined ethically as the nine chiefdoms of the Ngok Dinka. These areas were two of SPLM/A’s five administered regions.\(^{103}\)

The major grievance by SPLM seemed to have shifted after the discovery of oil. The SPLM was convinced that the exploitation of the oil resources by GOS without providing tangible benefits to local populations was unacceptable, considering that majority of the country’s unexploited reserves were located in the south. The fact that the sole export pipeline was constructed through the North was on their part a clear sign that the government had no intention to let the surrounding communities enjoy the revenues from oil.\(^{104}\)

From the foregoing analysis of the various deceptive approaches used by the government in Khartoum, it can be concluded that the conflict in Sudan is primarily caused by political and economic marginalization with issues of identity and religion being only secondary or proxy causes that have been exploited and manipulated in the wake of the conflict.\(^{105}\) GOS and SPLM/A were involved in continuous negotiations from 2002 to 2004 without a general and permanent cease fire. The SPLM/A had feared that the government would use the ceasefire as a window of opportunity to re-invest the oil revenues in more exploration and extraction as well as the strengthening of its military hardware.\(^{106}\)

The CPA signed on 9th January 2005 was a landmark deal to settle one of Africa’s longest civil wars between GOS and SPLM/A and contains interim arrangement for the structure of the state until a 2011 referendum on independence in Southern Sudan.\(^{107}\) It attempts to deal with the root causes of the conflict especially the system of governance and


\(^{105}\) Berghof Foundation for Peace Support, op. cit. p.4.


ensures the right of self-determination for the South together with separation of religion from the state.  

The CPA comprises of six protocols namely Machakos Protocol, Protocol on Power Sharing, Agreement on Wealth Sharing (AWS), The Resolution of the Abyei Conflict, The Resolution of Conflict in Southern Kordofan and Blue Nile States and Agreement on Security Arrangements (ASA). The CPA was envisaged to be implemented over a 6 ½ year period composed of 6 month pre-interim period running from January to July 2005 and a 6 year interim period running from July 2005 to July 2011.

2.6.1 Machakos Framework Protocol of July 2002

In this framework, GOS and SPLM/A declared their commitment to a negotiated, peaceful and comprehensive resolution by addressing the root causes of the conflict and establishing a framework for governance. The protocol established the mechanisms through which power and wealth would be equitably shared as well as the guarantee and respect for human rights. In addition, the interim constitution which embodies all six protocols of the CPA has a solid bill of rights.  

This protocol established a six year period dated from 9th of July 2005 during which the Southern Sudanese Government will have the right to govern affairs in their region and participate equitably in the national government. The spirit of the accord was to make the unity of Sudan as the most attractive option, with a designated lag phase for reflection on separation; which then provided for the idea of a referendum in 2011.

After this interim period, southern Sudan would have the right to vote in an internationally monitored referendum either to confirm Sudan’s unity as one Nation or to vote for secession. It was also stipulated that Sharia law would only be applicable in the north and at the same time some parts of the constitution were to be rewritten to make it clear that

---


109 Ibid. p.43
Sharia law does not apply to any non-Muslims throughout Sudan.\textsuperscript{110} The Machakos protocol of 20\textsuperscript{th} July 2002 can, therefore, be summarized as thus: Sharia for the North and Self determination for the South, hence providing a general framework for a political settlement of the Sudanese conflict.\textsuperscript{111}

\subsection*{2.6.2 Protocol on Power Sharing}

In this protocol, a national government with representation from both sides is to be formed as well as a Government of Southern Sudan. The government will take the form of a decentralized system and positions will be distributed as follows: Position of government and SPLM Southern States will be in the ratio of 70:30 in favor of NPC while in the Southern States it will be 70:30 in favor of SPLM. The Executive will comprise of a Presidency with two Vice Presidents of which the Chairperson of SPLM would be the First Vice President. The National Assembly will be comprised of specific percentages as follows: NCP to have fifty two per cent of the seats, SPLM to have twenty eight per cent other northern parties to have fourteen percent and other southern parties to have six per cent The elections are to be held by the end of the third year of the interim period.\textsuperscript{112}

Together with the Machakos Protocol of July 2002, the protocol on power sharing of May 2004 have the power to provide the basis for solving Sudan’s governance conflicts. This could lead to the abolition of the dictatorial regime that has held on to power for 15 years and also address grievances of the Southern Sudanese. The protocol calls of the establishment for a regional government, representation in the national government the presidency and the civil

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{111} R. Emeric, Designing an Integrated Strategy for Peace, Security and Development in Post-Agreement Sudan. Netherlands Institute of International Relations. 2005.p.27.
\item \textsuperscript{112} M. EL- Mukhtar Hussein, “Negotiating Peace: The Road to Naivasha.” Op. cit. p. 28.
\end{itemize}
\end{footnotesize}
service, exception from Sharia Law in the South and Commitment to a referendum on self-determination to be held in early 2011.\textsuperscript{113}

2.6.3 Agreement on Wealth Sharing (AWS)

Oil concerns precipitated into the signing of this agreement during the pre-interim and interim period in January 2004 a year before the final CPA was signed. In this agreement, revenue sharing and management of the petroleum sector is addressed but not the important issue of ownership.\textsuperscript{114} Under this agreement, the National Land Commission, Southern Sudan Land Commission and State Land Commissions are to be formed. In addition, a National Petroleum Commission is also to be established to manage petroleum resources.

The oil revenues will be distributed as follows: 2% to go to oil producing states in Southern Sudan in proportion to their output while the remaining net revenue is to be allocated to GOS and GOSS on a fifty-fifty basis. The GOSS, however has no power to renegotiate any of the oil leases granted by the national government prior to the CPA. Both governments will be able to collect taxes in north and South respectively but a commission to ensure the transparency of collection and use of revenues is to be formed. There will be two banking systems and two separate currencies until one currency for the whole of Sudan is designed by the Central Bank.\textsuperscript{115}

The Wealth Sharing Agreement therefore, sets out the principles for the sharing of resources, institutional arrangements for governing Sudan’s economy,\textsuperscript{116} sustainable decentralization establishes comparative “underdevelopment” and “war affected status” as


the key criteria for prioritization of public revenue allocations. It also assigns the right to receive funds for reconstruction and development including external assistance.\footnote{Berghof Foundation for Peace Support, op. cit. p. 70}

\textbf{2.6.4 Protocol on the Resolution of the Conflict in Abyei Area}

Signed in May 2004, this protocol provides that the Abyei Area be accorded special administrative status during the interim period following the definition of the Abyei Areas by the Abyei Border Commission (ABC). Abyei area will also have representation in the legislature of Southern Kordofan and Warap states and at the end of the 6 year interim period, Abyei residents will vote in a referendum either to maintain special administrative status in the north or to become part of Bahr al-Ghazal or Warap state in the South. Wealth sharing of oil revenues from Abyei is to be split between the North and South in the ratio 50:42 with the remaining eight per cent shared by other states and ethnic groups as follows: two per cent each to Ngok Dinka, Misseriyya, Bahr-al-Ghazal (Warap State) and one per cent each to Southern Kordofan State (SKS) and the Western Kordofan Sub-state component of SKS.\footnote{M. EL- Mukhtar Hussein, "Negotiating Peace: The Road to Naivasha" op. cit. p. 28.}

This protocol by all purposes seems strong in its protection of the rights of Abyei people and in its provision for financial support for recovery. It also provided guaranteed grazing rights in Abyei to the Misseriya and other nomadic tribes.\footnote{Ibid. p. 30.}

\textbf{2.6.5 Protocol on the Resolution of the Conflict in Southern Kordofan and Blue Nile States}

This protocol was signed in May 2004 and provides that the two states will be represented at the national level in proportion to their population size as follows: At state level, NCP will have fifty five per cent while SPLM will have forty five per cent of the state Executive and state Legislature. The state legislature will have 36 members from SKS and 18 from Western Kordofan State (WKS) while the state executive will have 7 members from SKS and 4 members from WKS. Al-Fula will have branches of all state ministries and
institutions headed by a Deputy while the legislature will convene sessions alternatively at Kadungli and Al-Fula. Governorship of each state shall rotate between the NCP and SPLM during the interim period. Also, two per cent of SKS oil due to the state is to be shared between the two state components while two per cent share of Abyei’s oil due to state is to be equally divided between the two state components. The two per cent forming the Misseriyya share in Abyei oil shall benefit the previous western Kordofan Component while the State Land Commissions will be established. Apart from providing power sharing and wealth sharing, this protocol also provides security reform.

2.6.6 Security Arrangements - 2003 and 2004

During the interim 6 year period, the Joint Integrated Units (JIUs) of 21,000 soldiers are to be formed with equal numbers from the Sudan Armed Forces (SAF) and the SPLA. These forces are also to be deployed to sensitive areas such as the three disputed areas of Abyei, Southern Kordofan and Blue Nile States and will be commonly stationed but maintain separate command structures. Each Army is also to down size through demobilization, disarmament and reintegration (DDR) programmes while the following redeployment must occur: 91,000 SAF troops to be moved from the South to the North within two years while the SPLA had eight months to withdraw its force from the North.

The above is to be done in reference to the 1956 border even though the SAF is authorized to maintain 12,000 troops in Southern Sudan within the JIUs with the ultimate objective being to shift from joint to fully integrated units within 52 months by May 2009.

In October 2002, the “Cessation of Hostilities Agreement” was signed to represent the first real effort since 1989 to bring the military confrontation to a halt in the South. Hostilities reduced but did not cease due to the weaknesses in the monitoring mechanisms. Initially, the MOU on the suspension of hostilities did not include an on-site monitoring body

120 M. EL-Mukhtar Hussein, “Negotiating Peace: The Road to Naivasha” op. cit. p.28.
but a “channel of communication” to be established by IGAD secretariat hence was almost immediately violated. The parties then agreed to the creation of the Verification and Monitoring Team (VMT) under the leadership of a Kenyan who had been deeply involved in the peace process – Major General Lazarus Sumbeiywo, and IGAD Secretariat for peace in Sudan composed of both parties’ representatives and international monitors to investigate any complaints. The product of these efforts was UNMIS whose mandate is to support CPA implementation; specifically the security provisions related to the permanent ceasefire; the redeployment of forces; the formation of JIUs, and the DDR activities.\(^{122}\)

### 2.7 Conclusions

From the above discussion based on several sources of literature, it is evident that there is a significant correlation between natural resources and internal conflicts in the case of The Sudan. The spirit of the CPA as indicated in the various Protocols endeavored to capture the salient features of resource sharing and recognition of likely disputes in geographical location of the resources. The CPA as a bilateral agreement between GOS and SPLM/A is neither the beginning nor the end of peace making for Sudan because a lot of issues regarding the agreement still require more discussion before successful implementation can be done.\(^{123}\)

But more importantly, it presents a useful and formidable framework for resolving the longstanding North-South conflict. One major short-coming of the implementation of the CPA has been the failure of the main signatories to the Agreement recognizing and actively encouraging the participation of other Stakeholders from other regions of the country.\(^{124}\)

Other regions that remain just as marginalized and problematic are Darfur and the East of Sudan.

---


CHAPTER THREE

THE ROLE OF OIL IN THE CONFLICT IN SUDAN, AND THE IMPLICATIONS ON THE IMPLEMENTATION OF PEACE AGREEMENT (CPA)

3.0 Introduction

Chapter two laid out the background and the historical causes of the conflict in Sudan. The Chapter delved into the structural causes as well as the historical background of the conflict and the likely implications on the implementation of the CPA. This chapter analyzed the role that the discovery and subsequent production of oil has played in the politics of the country, and the eventual negotiations that led to the signing of the peace agreement. It also pointed out why the oil revenues still remain a thorny issue in the implementation of the Agreements.

This Chapter approaches the study from the perspective of the major differences between the North and South, and discusses the salient features of these differences in relation to geographical location of oil and the CPA agreement with specific reference to the Wealth Sharing protocol. It dwells on the thorny issue of the location of the boundary between the North and South and the conflicts this has caused in the past and why it remains unresolved. This chapter also looks in a snapshot at some of the problems within the south itself, and how these could affect the implementation of the CPA during the interim period and the outcome of the Referendum for “Self-determination” by the South in 2011.

3.1 Implementation of the CPA

3.1.1 Agreement on Wealth Sharing (AWS)

The Agreement on Wealth Sharing was signed on 7th January 2004 and stated the framework for the sharing of oil and non-oil revenues; the management of the oil sector; the monetary authority; and the reconstruction of the South and other war affected areas during the pre-interim and interim periods. Section 3.1.2 of this Agreement provides for the empowerment of the appropriate levels of government to develop and manage, in
consultation with the relevant communities the various stages of oil production within the overall framework for the management of petroleum development during the interim period.125

The pre-interim period lasted the first 6 months, while the interim period will last for 6 years from the day that the agreement was signed. The parties agreed that the oil sector shall be managed to cater for the national interests and the interests of the local population in the affected areas.126 An independent National Petroleum Commission (NPC) was to be established to develop strategies and programs for the petroleum sector consistent with the national interests and the welfare of the local population in the affected areas.127 Once formed, it was to be responsible for the sector including engaging in negotiations and approval of all new oil exploration and development contracts. The 4th section of the wealth sharing agreement dwelt with the existing oil contracts and allowed SPLM to appoint representatives to have access to all contracts once the interim period is over in July 2011. Similarly the 5th section lays down the guiding principles for sharing oil revenues.

The implementation of CPA appeared to face difficulties earlier on due to initial actions by both parties. In the run-up to the signing of CPA, a few SPLM officials had quietly negotiated a deal with White Nile Ltd and eventually broke Block B into 2 sub-concession as follows: Block Ba signed with White Nile, Block Bb signed with Planitis, an American Company and Block Bc signed with Supiri Energy Corporation of Canada on 23rd December 2004. Block B had been a concession area leased by the Khartoum government to a consortium called Total FinaElf which had held the rights since 1980.

The government in Khartoum, therefore, regarded the above as a violation of the CPA while SPLM wanted to demonstrate that since the Khartoum government began selling

---

127 Ibid. p. 295.
off nearly all the remaining concessions, it also had the right to enter new contracts even if this was against the spirit of the CPA. In late December 2004 just before the peace accord, Total FinaElf signed a renewed production sharing agreement with the government. These agreements were done after CPA was completed and therefore, constituted a breach since they had not been signed by the National Petroleum Commission.

During the formation of the GNU, apart from being denied the Ministry of Energy on the 20th of September 2005 by NCP, GOSS alleged that the NCP deliberately weakened some of the core functions of those ministries prior to its taking over their leadership. This was not a violation of the CPA but went against the spirit of Naivasha and failed to show either good faith or good will on the part of the NCP.

Another major grievance by the SPLM as a member of the National Petroleum Commission is that there is little transparency in the revenue figures it was receiving from NCP. Since it was blocked from the production and marketing of the oil, it had no way of knowing how much oil was really produced, sold and at what price and details of the existing contracts. The SPLM, therefore, had to accept on trust the NCP’s accounts and the shares due to GOSS as their primary source of income. The National Petroleum Commission has remained ineffective, deadlocked and ceremonial.

In the late January 2005, President Salva Kiir of GOSS publicly complained that GOSS was not receiving its fair share of the oil revenue. In January 2007 at the ceremony of the Second Anniversary of the signing of the CPA, President Kiir publicly criticized the

---

130 Ibid p. 2
NCP again for lack of transparency regarding the oil revenues. On October 11, 2007, SPLM announced that it was suspending participation in GNU because NCP was not implementing key aspects of the CPA.

After a series of high level meetings and measures, SPLM rejoined the government with a reorganized Cabinet on 27th December 2007. Following the second SPLM walkout from GNU in Khartoum in October 2009, the party began lobbying IGAD to convene a special session to review the status of CPA implementation. The IGAD summit was subsequently held on 8th to 9th March 2010 in Nairobi being the first such meeting since 2005. The final communique emphasized the body’s centrality in the CPA process and demonstrated its commitment evidenced by opening a liaison office in Juba to follow-up CPA implementation, provide technical support on border demarcation and to the referendum commission, and immediately undertake shuttle diplomacy to nurture mutual trust and build confidence.

The parties have failed to agree on the parameters for calculating oil wealth, or which oil fields lay in the South. This is because there has not been any progress on ascertaining the North–South borders which determine the division of the oil fields. The Commission report that defined the boundaries was rejected by the government as well as the Militias that are supported by the Khartoum government in the disputed regions. Without having resolved the boundary dispute, NCP claims that the South is entitled to roughly seventy three per cent of oil produced in Blocks 1, 2 and 4. Despite failure of NCP to make the contracts available, SPLM shares the blame because it lacks trained personnel. When GOSS received nearly US $80 million on February 2006, it had difficulty in absorbing and disbursing the money.

Corruption is a worrying problem and is more visible in the South\textsuperscript{137} as was evidenced by a corruption scandal in which led to the suspension of the Minister for Finance in March 2007. When another Minister was appointed, the Ministry of Finance immediately froze payments from GOSS line ministries and reviewed all contracts.\textsuperscript{138} This incident coincided with a steady decrease in the transfer payments from Khartoum as the South’s share of the oil revenue.

Challenges facing GOSS are compounded by a growing financial crisis. For example, the GOSS budget for 2007 was based on assumptions derived from the 2006 figures for oil revenues. The transfer of oil revenue to the GOSS fell in March 2007 from more than US $90 million to US $ 44 million; while salaries and operating costs for SPLM, the GOSS and State Civil Services stood at US $60 million per month. The resultant cash flow problem hurt the operating ability of the GOSS, which had already spent its reserves.\textsuperscript{139}

Some analysts have also attributed the relatively slow pace of implementation to the internal problems within the SPLM, but a greater part of the blame lies with the intransigence of the NCP. Since Dr. Garang’s death, it has become evident that the NCP has been doing everything possible to delay implementation on issues related to the electoral time table, in order to gain time to create alliances, organize constituencies and accumulate wealth to persuade tribal and local leaders. Delays in the CPA provisions dealing with democratization and transformation allow the NCP to maintain control and political structures while those relating to Abyei, the borders, troop deployment and oil transparency permit it to continue to retain control of resources.\textsuperscript{140}

\textsuperscript{139} Ibid. p. 6
3.1.2 The Importance of Abyei Protocol on Oil

By 2003 more than one quarter of Sudan’s oil production was from Abyei, but since then production at most fields in the concession and in all fields in Abyei has began to decline. However, Abyei continues to elicit much interest due to the amount of oil that it produces and its potential to turn around all the gains made by the CPA. According to map 1 of the ABC report and an oil field and oil infrastructure map of Sudan’s Muglad and Melut Basins, Abyei has 3 major oil fields namely Heglig, Diffra and Bamboo Complex. Abyei also has roughly ten per cent of the Toma South Field.

According to the estimates by the International Crisis Group, the major producing oilfields would decline in their production to almost one quarter of the oil production of 2005. This would have serious implications on the political dynamics if new discoveries are again mainly in the south while the major refineries lie in the northern territory. The total revenue of the Abyei oil fields would decline from roughly six hundred million dollars in 2005 to about three hundred and ninety million by 2009 and this would strain the provision of social services and any development for the whole of Sudan.

The CPA defined Abyei as the traditional nine Ngok Dinka Chiefdoms that were transferred from Bahr el –Ghazal to Kordofan by the British in 1905. The Ngok Dinka had been massively displaced over the course of the Second Civil War, and the main intention of the Agreement was to allow them to return to their homes and villages. However, some of these villages had been settled by the Misseriya with the encouragement of Khartoum thus marking the initial violations of the CPA. Unlike the Agreements for the Blue Nile and Nuba Mountains, the Abyei Protocol is less categorical on the administrative arrangements.

---

142 Ibid, p. 5.
The CPA established a special Abyei Boundaries Commission (ABC) made up equally of SPLM, NCP and International experts appointed by the US, UK and IGAD to determine the boundaries of Abyei as of 1905. Irrespective of territorial definition, the agreement guaranteed traditional grazing rights of the Misseriya and other nomads and it was agreed that the Abyei Boundaries Commission’s (ABC) outcome will be final and binding to all parties.\footnote{International Crisis Group, “Sudan’s Comprehensive Peace Agreement: The Long Road Ahead” \textit{Africa Report No. 106} (Brussels, ICG. 2006). p.4.}

The ABC convened in Nairobi on 10\textsuperscript{th} of April 2005 and heard presentations from SPLM, and government delegations on 13\textsuperscript{th} of April 2005 and spent six days in the field hearing the testimony of the Ngok, Misseriya and the neighbouring Dinka.\footnote{Ibid , p. 10.} The views collected in the field revealed consensus between those by SPLM and Ngok but contradiction for those between NCP and the Misseriya.\footnote{Ibid p. 12.} The ABC found that the Ngok Dinka Chiefdoms included territory or settlements where they had dominant rights and where they had secondary rights or seasonal use. The Ngok seasonal rights overlapped with Misseriya secondary rights.\footnote{Ibid. p. 13.}

The report defined Abyei as a broad area stretching from the borders of Bahr el – Ghazal, East to the border with Upper Nile and North to the villages of Umm Sakina, Turda and Edd Dibekir including large oil producing areas that the NCP had counted on remaining in the North.\footnote{International Crisis Group, “Sudan’s Comprehensive Peace Agreement: The Long Road Ahead” \textit{Africa Report No. 106}. (Brussels, ICG. 2006), p.5.} The report was presented to the 3 members of the presidency on 14\textsuperscript{th} July 2005 but there has been no progress since that time and even though SPLM accepted the report, NCP rejected and misrepresented it to the Misseriya.\footnote{D.H. Johnson, “Why Abyei Matters: The Breaking Point of Sudan’s CPA?” \textit{op. cit.} p 13}
According to the ABC report, Misseriyya rights of claims of ownership of land could not be sustained while those of the Ngok were supported by the SPLM view. The SPLM stated that the area of Ngok chiefdoms had extended as far as the belt of stabilized sand dunes called Qoz that separated the two peoples. The Misseriya claims that Dar Misseriya had always extended south of the Bahr el – Arab river all the way to the provincial border with Bahr al-Ghazal and that the Ngok Dinka lived there only by the permission of the Misseriya. This assertion was contradicted by the government’s position that Bahr el-Arab was the province boundary between Kordofan and Bahr el-Ghazal in 1905 and that the Abyei Area under discussion was confined to the territory south of the River and did not even include Abyei town.\textsuperscript{149}

The NCP rejected the report and undertook to misrepresent it to the Misseriya by claiming that the experts had exceeded their mandate and ignored the evidence from the government; and that the experts had included Keilack far to the North of the boundary in Abyei. As a result, the Misseriya representatives rejected the report.\textsuperscript{150} With the death of John Garang on 3\textsuperscript{rd} July 2005, Khartoum has been able to block the implementation of the decision and the establishment of the Abyei administration despite the explicit provisions of the CPA. NCP’s primary motivation appears to be economic, driven by the fear of losing the huge oil reserves in Abyei should it vote to join an independent south. Officially NCP presents resistance to the ABC boundary provisions as grassroots opposition from the Misseriya, but in practice the resistance has been mobilized from within the government.\textsuperscript{151}

In 2008 both parties agreed to go the Permanent Court of Arbitration in The Hague; and in July 2009 a final award was made.\textsuperscript{152} After lengthy arguments by highly professional

\textsuperscript{149} Ibid, p. 11.
\textsuperscript{151} Ibid, p. 13
\textsuperscript{152} The Permanent Court of Arbitration, In the Matter of an Arbitration before a Tribunal constituted in Accordance with Article 5 of the Arbitration Agreement between the Government of Sudan and the Sudan
and legal teams constituted by each side, the Final Award of the Tribunal redrew the boundaries of Abyei in which the Misseriya were excluded and the town of Abyei given to the Ngok Dinka and recognized as their historical settlement. More importantly, the Tribunal awarded the Hegleig oilfields to the North and one oil field to the south and this has been the bone of contention for the implementation of the Wealth Sharing as stipulated in the CPA. The decision of the court was accepted by both parties; however, on the issue of oil it causes another hitch in the implementation of the CPA. The sharing formula was based on the fact that the areas were disputed but with the final boundaries determined by the Hague, the NCP does not see any reason why the oil from the oilfields determined to be in the North should be shared with the South; but a likely point of conflict arises from the fact that the oil wells in the North could be running dry in a few years, therefore the temptation by the Khartoum government to enter into new contracts in other areas and cause further disillusionment to the SPLM/A.

3.2 Historical perspective of Ethnic and Religious Differences

3.2.1 Sudan

Sudan has a majority Muslim population with a quarter of its citizens adhering to traditional African religions while about seven per cent are Christians. The minority religions are mainly practiced in the South, and only five per cent of the population in this region is Muslim. The Arabic language which remains the major language in the North was only introduced to the South after independence. Half of the Sudanese people speak native languages and the greatest diversity of languages is found in the South.

Despite the provisional constitution after independence being secular, successive governments ran violent campaigns to unify the country through the spread of Islam and

Lesch concluded that the various measures taken by the government which alienated the South even further, transformed southern region’s unrest into full-scale rebellion. According to Deng, the South has consolidated a legacy of resistance to slavery, Arabization and Islamization in the past. This has indirectly resulted into two antagonistic identities with two contrasting visions for the nation. One was an Arab-Islamic vision while the other was a Secular – Black African vision.

Deng also points out that this polarized view of Sudan as an Africa - Arab dualism does not represent the true situation as there are some communities of Africa – Arab descent in the North such as in the Nuba Mountains, Southern Blue Nile and Darfur. These people are black Muslims and indistinguishable from the people of the South. Ironically the Misseriya Arabs are the prototype of the identity crisis that the country experiences. Although they are the closest to the Black African race and culture, they are paradoxically among the proudest of their Arab identity in the context of racial mixture. One explanation that is characteristic of such peoples is that the more a fictional or mythical purist position is held by a people, the more their identity is asserted to compensate for the discrepancy.

On the surface, Sudan is a theatre of proliferating conflicts that have their roots in racial, ethnic, cultural and religious identities. However, it is not mere differences that cause conflicts but the implications for the shaping and sharing of power, wealth, services development opportunities and the overall enjoyment of the rights of citizenship. At independence, the South found itself to be the most marginalized and dissimilated region in

156 Ibid. p. 418.
158 Ibid. p. 157.
the country and as a result, the first conflict between the North and the South erupted only a few months after independence.\textsuperscript{160}

While the first war was Separatist, the declared objective of the Second war championed by SPLM/A was to restructure the country into a New Sudan that would be free from any discrimination due to race, ethnicity, religion, culture and gender. It can be argued here that at this point the SPLM had changed tact by addressing the underlying Structural causes of conflict that could appeal to even people in the North who were still disadvantaged by the present system. This change in issues gained support in the North especially in the non-Arab regions consisting of the Nuba of Southern Kordofan, the Ingessana or Funj of Southern Blue Nile and Darfurians.\textsuperscript{161}

\textit{3.2.2 The North versus the South in Abyei}

It was noted in the background information in Chapter I and the Literature Review in Chapter 2 that the Government of Sudan made desperate attempts to re-draw the boundaries between the North and South when it was evident that oil may be discovered in the disputed areas. The Abyei area is often referred to as the "bridge" between the North and South and as such is of great significance to both regions.\textsuperscript{162} The main part of the disputed Abyei area consists of a network of water ways flowing into the Bahr al-Arab on its way through Kordofan into Bahr al – Ghazal.

This forms the heart of the area where the Ngok Dinka have had their permanent settlements for more than two centuries, while its pastures are used in a seasonal rotation by both Ngok Dinka and the Humr section of the pastoralist Misseriya Baggara Arabs. To ensure survival of their herds during dry spells, the Misseriyya move south from their main

\textsuperscript{161}Ibid. p. 158.
settlement areas of Muglad and Babanusa through Abyei up to River Kiir and further southwards. The Ngok and the Misseriya both entered Kordofan from different directions in the 18th century and occupied two distinct ecological zones. The former were part of a broad migration of Padang Dinka who moved westward along the Bahr al-Ghazal, while the Baggara trace their migratory movement along the Savannah belt from Wadai through Darfur and Kordofan.163

The establishment of large ivory and slave trading companies operating in Bahr-el-Ghazal, Kordofan and Darfur in the Midcentury brought out a commercial alliance between northern merchants from the Nile Valley called “Jallaba” and various Baggara groups including the Humr. These groups made raids on both Dinka and other people of Bahr-el-Ghazal for slaves and cattle; which was a marked a departure from the traditional conflict over cattle.164

The Condominium government evolved a policy of including hostile and competing neighbors within the same province with the conviction that this approach would make it easier for them to resolve their conflicts. The Ngok Dinka and part of Twic Dinka were transferred from the administration of Bahr-al-Ghazal Province to Kordofan to be placed under the same governor as the Arabs.165

During the First Civil War fighting spread into Abyei in 1965 because of the clashes between the Ngok Dinka and the Misseriya over grazing areas. There were mass murders of Ngok civilians in the towns of Muglad and Babanusa. A provision was made for Abyei in the 1972 Addis Ababa Agreement which entitled the Ngok Dinka to vote in a referendum on

164 Ibid p. 3.
165 Ibid p. 5
whether or not they wanted to be incorporated into the newly formed Southern region. In the meantime, Abyei was given special status under the office of the President.\textsuperscript{166}

A combination of events including changes in rainfall patterns, expansion of mechanized agriculture and marginalization at both provincial and national levels led to a return of armed hostilities by the Misseriya. Northern Civil administrators were replaced by southern administrators; and the police and Army were reconstituted and composed mainly of former Anya Nya II Fighters. Because of these disparities in the administrative structure, disputes between the Ngok Dinka and the Misseriya over pasture were usually settled in favour of the Ngok. Mobile Patrol units that were mainly composed of SPLA were established to patrol the grazing grounds and often clashed with the Baggara.\textsuperscript{167}

According to Hutchinson, the impending and likely plans to transfer the southern border permanently to Bahr el-Ghazal for the Ngok Dinka through the referendum resurrected the ‘Murahleen’ armed militias of the Miseriya. These were auxiliary cattle guards formed in the 1960s during the first civil war to protect Baggara herds during the Southward movement. The Baggara Arab militias thought to have been provided with arms by the government and declared a ‘Jihad’ against the Southern population composed of the Dinka and the Nuer. They killed, raped and enslaved Dinka and Nuer children and women; which was in breach of previously respected ethical norms in inter-tribal warfare in this region.\textsuperscript{168}

The International Crisis Group has pointed out that attacks on the Ngok were particularly severe in 1977 and 1980; and these were indeed a departure from the customary patterns of dry season conflict. The new wave of attacks appeared to be aimed at permanent settlements, standing crops and grain stores rather than at cattle camps and herds. It marked

\textsuperscript{167} Ibid p. 6.
the opening of a long term campaign to secure the Bahr el–Arab area for exclusive use by the Misseriya. In the war that followed, the Abyei area became the testing ground for a new government strategy combining regular Armed Forces with Arab militias to clear the Ngok Dinka population out of the oil fields and their traditional homes.¹⁶⁹

### 3.2.3 The South-South War

When the SPLM/A disintegrated in August 1991, two warring factions which took an ethnic dimension were formed. One was led by Dr. John Garang, a Bor Dinka while the other which was named SPLA – Nassir was led by Dr. Riek Machar, an ethnic Nuer. The division came as a result of a failed coup attempt against Garang by Machar which was triggered by fears of arrest and imprisonment. The second reason for the division was the loss of SPLA’s main supply lines and military bases in South Western Ethiopia after the collapse of the Mengistu government which had previously heavily supported SPLA.

The Khartoum government actively fanned the flames of these conflicts as part of its long standing efforts to wage a “proxy war” against SPLA. This South-on-South war mainly took the form of attacks on each side’s civilian population and duplicated the atrocities committed in the war with Arabs consisting of mass murders, rape and capture of women and children. Unfortunately, causalities suffered in this war since 1983 exceeded those suffered from the war against the SAF. After March 1993 SPLA – Nassir was renamed SPLA – United, then Southern Sudan Independent Movement /Army (SSIM/A), and then SSDF. At this point, Machar sought alliance with GOS and received arms to fight SPLA in this war.¹⁷⁰

Between 1997 and 1998, Machar was fought by factions led by a former rebel warlord based in Bul Nuer and sponsored by GOS. As a result, Machar abandoned the government in January 2000. Unfortunately, this division ensured GOS of political and military control

---


over strategic oil fields in Nuer regions in the Western Upper Nile. In January 2002, Machar rejoined SPLA after 11 years of the South-on-South war but SSDF and SPLA remained separate armies.\(^{171}\)

This unification did not however stop internal disagreements from taking place as exhibited by the fighting between SSDF and SPLA in Longochuk country in North -Eastern Upper Nile State on 16\(^{th}\) of April 2006. The cause of this clash was an assassination attempt on a country commissioner who belonged to SPLM. The Juba Declaration of 8\(^{th}\) January 2006 between GoSS President Kiir and Paulino Matiep of SSDF led to SSDF forces joining SPLA and Matiep became SPLA’s deputy commander in chief.\(^{172}\)

Most recently on 2nd October 2009 in Unity state which is a major oil producing region in the South, elements of SPLA attacked the bodyguards of Matiep who blamed SPLA’s top echelon of trying to eliminate him. In 2009 the International Crisis Group reported that SPLM politicians were increasingly accusing NCP of fueling clashes in South Sudan. The recent establishment of a new political party called SPLM for Democratic Change is an indication of increasing South-South tensions especially between the Dinka, Nuer, Shiluk and Equatorians. It has been stated by Rolandsen that the frequency of local conflicts has increased, especially in 2009 and this is linked to structural issues and natural resources allocation and exploitation that GOSS needs to address if it is to achieve any stability in the South.\(^{173}\) These tensions are also exacerbated by the declining oil revenues that are due to falling international oil prices.\(^{174}\)


3.3 Issues threatening the CPA

Those who view CPA as a threat to their control have in recent times dominated NCP after the death of Garang, and have sidelined GNU Vice President Taha by seeking to protect their control on the state and economy. The NCP itself wants a partnership with SPLM but one that neutralizes the SPLM as a national challenger and defines it as a purely southern based junior partner. Though the NCP and the International Community correctly blames SPLM for some of the delays in functioning of bodies, there is a more sinister pattern discernible where NCP via the presidency is delaying and manipulating the legal establishment of some key commissions and other institutions called for in the CPA.

The SPLM remains deeply divided on priorities between those who favor a “southern-first” strategy that concentrates on the referendum; and those who support Garang’s New Sudan vision that would unify the country. The Later group seeks to change the country’s governance and would prefer that the grievances of its marginalized regions should be addressed. This in-fighting has weakened CPA implementation and the party’s position as compared to NCP; while international guarantors and the UN remain dangerously disengaged on the CPA due in part to preoccupation with Darfur and also because of the lack of consensus on the way forward.

Among the list of items to be completed include an effective National Petroleum Commission; demarcation of the 1956 North – South border; a fully functional FFMAC and the National State Reconstruction and Development Fund; National Land Commission; demarcation of Abyei’s boundaries in accordance with the Abyei tribunal’s arbitration and financial support for Abyei to operate and start rehabilitation and reconstruction. Other pending items include the setting up of the Commission for the Abyei territory referendum.

---

177 Ibid, p. 2
and disbursement of the allocated shares of Abyei oil revenues. In addition, there should be full disbursement of the National Reconstruction and Development Fund for Abyei, Southern Kordofan and Blue Nile.178

The CPA created the Fiscal and Financial Allocation and Monitory Commission (FFAMC) to handle transfer from the centre to the states with the goal of greater fiscal transparency and accountability in the background. FFAMC was to handle such transfers based on mutually agreed criteria. According to UNMIS, the main obstacle is that the finance ministry continues to divert funds intended for the states in contradiction to FFAMC directives.179

With more than 50 national bodies and commissions to be formed, multiple systems and levels of government, the parties, partners and observers are understandably overwhelmed. Only the Ceasefire Joint Military Committee (CJMC) and the Assessment and Evaluation Committee (AEC) have met regularly.180

3.4 Conclusions

From the study, the issue of the boundary between the North and South with regard to the Abyei area is still contentious even after resolution by The Hague. The CPA cannot move forward without the resolution of this issue since it determines the oil revenues and modalities for sharing them. This in essence can either build or cripple the fledgling South should it choose to secede at the Referendum in January 2011. Also, there was a fairly good understanding of the protocol by most Southern Sudanese; religion was mentioned as a major historical structural cause of the conflict; and the discovery of oil changed the focus by both parties during the CPA implementation.

179 Ibid. p. 5.
CHAPTER FOUR

THE ROLE OF OIL IN THE CONFLICT IN SUDAN: A CRITICAL ANALYSIS

4.0 Introduction

The previous chapter analyzed the case study of the conflict with specific reference to the Wealth Sharing Agreement of the CPA. It was observed in this chapter that even with the Final Award by the Permanent Court of Arbitration in The Hague, much remains to be done to finally resolve the issue of Abyei. The over-reliance on oil revenues could in the long run present a challenge to both sides because of the decline in production. The historical problems of the North versus the South as well as the South-South conflicts were discussed. The South-South conflicts are a significant symbol of the structural problems that the SPLM/A will have to deal with to bring stability and development to that region. The assumption that the “South” is one contiguous region both in geographical location, culture, and norms was an overstatement in the CPA, and may come back to be one of the challenges to be addressed before the referendum.

This Chapter presents a critical analysis of the key themes of the study namely; the current challenges facing the SPLM/A in delivery of the stipulations of the CPA, the Second Session of the Naivasha Accord and the issue of the contested areas and their implication on the sharing of revenue and general principles of natural resource allocation and utilization, and the role of Multi-national companies among other issues.

4.1 The Challenges Facing the SPLM/A

The Southern government needs to include the development of good governance and democracy in southern Sudan. The CPA has designed a democratic system of governance but
this needs to be realized on the ground. The SPLM/A has come out of a totalitarian military system and urgently needs to transform into a democratic political organization.¹⁸¹

Southern Sudan is a region in which tribal and clan ties are stronger than ideological and political relationship. Even though there are political groupings and parties, the government actions will in many instances be viewed from the tribal and regional angle. The government of Southern Sudan will have to develop sound strategies for overcoming this phenomenon when dealing with the allocations of services, relief development aid and jobs. The Southern government has to guard against the manipulation of tribal and provincial loyalties by some of the southern politicians who would do that to achieve their narrow political interests. Keeping a tribal balance so that all groups are seen to benefit equally is going to be a big challenge and one that must be overcome if peace is to be sustainable.

The security arrangements present a challenging issue during the transition while the presence of small arms and light weapons among communities require disarming, and former combatants to be demobilized. The rejection of the Experts’ report on the boundary issues present a major challenge since it divided the regions along religious lines, and support by NCP and SPLA/M showed partisan interests.¹⁸²

Security is the base for progress and stability, the two decades of war opened a gate for proliferation of arms in the whole of Southern Sudan. Today in the south, pastoralists are guarding their cattle with guns instead of spears and clubs as was the tradition. The Southern government has set up a demobilization and control of arms programme the law enforcement officials like the police and the army should be trained so that they are not vulnerable to some vices while carrying out their duties in the process of demobilization and control of firearms.

Regional states and institutions will need to consider how best to respond to the structures enshrined in the CPA especially on representation and respect for human rights..

¹⁸² Ibid, p. 76.
Unfortunately, not enough planning is being done in this regard. Regional states must therefore prepare for South Sudan’s possible independence by engaging Khartoum and Juba on practicalities of the referendum and peaceful implementation of its outcome. This includes reiterating firm support for the referendum timeline, preparations to include clear modalities for extending official recognition to the south if it votes for independence and developing policy responses to alternative scenarios including unilateral declaration of independence (UDI).183

Democratic transformation should remain a key goal as ultimately only this can entrench peace and stability, therefore, referendum must be held not later than 9th of January 2011. Further, it is imperative for parties to negotiate a Darfur Peace Agreement that allows Darfuris to vote in national elections, implement legal reforms necessary for a free and fair national election process and to agree on the commissions for the South’s self-determination referendum and the Abyei referendum. Were the South to choose independence, a framework will be required to negotiate the relations between these two states. This should cover two periods: first from the day after the referendum to July 2011 when the Interim period ends; and secondly for a further several years, for example 4 years to complete implementation of the peaceful transfer of sovereignty and decide numerous practical details.

The NCP and SPLM should negotiate this framework as early as possible in 2010.184 Apart from resolving the Darfur crisis, the five steps on the way forward for CPA implementation include re-engagement by CPA’s international guarantors led by the United States and targeted multi-lateral sanctions to influence the regime to implement its commitments under the CPA and in Darfur. Building a consensus that includes China, Russia and Arab league for CPA implementation would correct some of the past mistakes.185

4.2 Socio-economic challenges

The low level of economic development in southern Sudan is a particular concern with regard to finding effective and sustainable reintegration opportunities. Managing expectations and matching reintegration programmes with the expectations of former combatants and associated groups will be vital. There is limited access to basic social services and a shortage of trained human resources across the country, and particularly in the south. Extensive capacity building of human resources and institutions will be essential for the effective implementation of demobilization, disarmament and reintegration.

4.3 Second Session of the Naivasha IGAD Peace Talks (6th October 2003 – March 2004)

It started discussing the political status of the three areas in Abyei, Nuba Mountains and Southern Blue Nile. These are contested over their status whether to be in the South or North. While SPLM/A sought for the autonomy of the Nuba Mountains and the Southern part, GOS proposed autonomy for the same areas; but with no referendum or popular consultation and insisted that Abyei remains in the North but be administered directly by the Presidency.186

On the ownership of land and natural resources, the parties agreed that the regulation of land tenure, usage and exercise of rights in land shall be a concurrent competency exercised at the appropriate levels of government. In addition, a National Land commission will be established to arbitrate on claims over land and make recommendations to the appropriate levels of government concerning reform policies and advice government on how to coordinate land policies on national projects. The Southern Sudan land commission shall be established and carry out equivalent functions in the South.187


Section 6 and 7 tackle the procedures that the Southern Sudan and GOS shall follow to raise revenues and allocate them to state/regional levels of government. The national government will be entitled to legislate, raise and collect revenues from personal taxes, corporate tax, customs, ports, service charges, VAT and excise duty. GOSS will be entitled to collect similar taxes in the South but should not encroach on the exclusive national government taxes.\textsuperscript{188}

Section 7 talks of equal allocation of national non-oil revenue to the GOSS to meet development costs and other activities during the interior period. Others are financing of transition and the monetary policy, banking and currency. National government will assist SPLM/A during the pre-interim period in establishing new transitional government at the state and regional level.\textsuperscript{189} On monetary policy, the parties agreed to have a dual banking system – Islamic in North and conventional in South. The Smith has demonstrated the intent to run Bank in Southern Sudan – GOSS with its currency-the new Sudan Pound. However, the New Sudanese Pound still has so many features of Arabic origin and therefore does not give full ownership to the GOSS.

The Central Bank of Sudan will be responsible for ensuring currency stability, maintaining stable exchange rate, sound banking system and issuance of currency. The last section addressed reconstruction and development funds; there are two separate funds established – Southern Sudan reconstruction and development fund (SSRDF) and the National Reconstruction and Development Fund (NDRF). SSRDF was to raise funds for the reconstruction of the South while NDRF was to develop the war affected areas and least developed areas. This is another cosmetic making by the Northern government to convince the international community that unity is attractive, currently the capital city of GOSS, Juba.

\textsuperscript{188} Ibid.pp.1-16
very few miles of roads are tarmac, no electricity among many others, thus it’s ironic to mention that such development bodies are in place.

4.4 The contested areas

Abyei: – Which would remain under special status upon the signing of the peace agreement. It would be accorded special administrative status under the institution of presidency. Oil production from Abyei area shall be shared as follows: fifty per cent to the National Government, forty two per cent to the GOSS, two per cent to Bahr el Ghazal Region, two percent to Western Cordovan, two percent to locally Ngok Dinka and two per cent locally with the Misseriya people.  

South Kordofan and Blue Nile States shall be defined by the same boundaries of former Kordofan Province when greater Kordofan was sub-divided into two provinces. Popular consultation shall be made to ascertain the views of the people of Southern Kordofan/Nuba Mountains and Blue Nile states on the comprehensive agreement reached by the GOS and SPLM. The states shall have a defined structure of state government and the governors shall run the state with executive powers. The state government shall have concurrent powers with the national government on socio-economic matters that range from education, health, banking, transport and communication, environment and jurisprudence.

The states will run as semi-autonomous entities but their concurrent powers shared with the national government places them at a position of vulnerability in sensitive issues like legal and economic matters. The states are allowed to exercise these powers with government support in budgetary allocations. The parties agreed to share the government in the two regions at fifty five per cent for NCP and forty five per cent for SPLM. The percentage guaranteed balancing the autonomy with retention under the Northern

---

administrative umbrella. Something that has not been implemented since CPA was signed in Nairobi in 2005.

4.4.1 Causes of war

4.4.2 Religion
The relationship between religion and state is the most controversial. Islam has dominated GOS since it came to power. The Resources involved included – Oil, prime agricultural land and water of the vast Sudd swamp and the Nile River. There was huge displacement of Southerners after the discovery of oil and during operations by the firms in this exercise. Unemployment was rife amidst poor food security; the productive lands were Nuba Mountains, and Southern Blue Nile and Northern Bahr al-Ghazal regions. The Government attempted to drive out local populations off productive lands in order to give it to its supporters.\(^{192}\)

4.4.3 Governance and self determination
This is a primary cause of conflict. This is manifested through abusive governance and concentration of power in the hands of a small elite group for example, failure to grant Southerners broader economic and political rights. Human resource rights violations fuelled insurgency and racial discrimination (racism had been institutionalized within government since colonial period according to Southerners). Race based domination and exclusion helped to fuel the conflict on both sides. Self – determination was a fuel for rebellion – first by Anya Nya war of 1955 – 1972.

4.5 Consequences
The Oil income boosted government revenues amidst forced displacement and raids attacking the Dinka and using tribal militia to weaken the Dinka. The Bhar el Ghazal famines

in 1998 and 1987 were used by militia attacks. Dinka men killed and captured women and children and destroyed crops. However, as much as many would see the quandary of Dinkas, some other ethnic communities also became victims. The use of scorched land policy in the upper Nile oil fields by government and also by Nuer vs. Dinka peoples, not only affected the population in Nuba mountains and freed land for agriculture, business but it also created surplus labor. The use of food as a weapon was frequently used by GOS to cut out food aid.

4.6 Other ecological causes of conflict:
This significance of the natural environment in conflict situations has many dimensions and sometimes may not be fully captured to establish causal linkages. The failure in the governance structures (institutions, policies, laws) to resolve tensions in a manner that is perceived to be equitable that leads to specific groups being disadvantaged and ultimately to conflict. At a basic level, tensions arise from competing demand for the available supply of natural resources. However, once conflict has emerged, another dimension to the problem is the illegal exploitation of resources. Conflicts occur over scarce resources including land, forests, water and wildlife. Countries whose economies are dependent on the export of a narrow set of commodities are more likely to be politically fragile.

The conflict over natural resources occurs in three ways; it occurs over the fair opportunity of wealth derived from “high value” extractive resources like minerals, timber, stones etc. The local abundance of variable resources, combined with acute poverty or the lack of opportunity for other forms of income creates an incentive for groups to attempt to capture them by taking control of resource-risk territories or violently hijacking the state.

The economic fortunes of countries that mainly export raw or unprocessed natural resources are held hostage by the fluctuating prices of the commodities on global markets; and it makes it difficult for developing countries to add value or generate widespread employment for such exports.

Once conflict has started, resources can be used to generate revenue for financing armed forces and the acquisition of weapons thereby undermining peacemaking as was evidenced in the Sudan by a rapid acquisition of weaponry after the government started exporting oil. Economic initiatives related to the presence of valuable natural resources can hinder the resolution of conflict and complicate peace efforts. As access to the revenues saved from resource exploitation increases the chances are that peacemaking efforts will be hampered as the combatants each delay the process to exploit more resources.

In peace building, it is critical that the environmental drivers and impacts of conflict is managed, that tensions are defused and that natural assets are used sustainability to support stability and development in the longer term. Conflicts associated with natural resources are likely to relapse into conflict in the first 5 years. Sadly, less than a quarter of peace negotiations aiming to resolve such conflicts have addressed only resource might mechanism. Framing the environment and natural resources as issues to be addressed at a later stage is a mistaken approach. Successful integration of environment and natural resource issues is achieved by not treating them in isolation but instead form an integral part of the analysis-reassessment that guide peace building interventions.195

In peace building, it is critical that the environmental drivers and impacts of conflict is managed, that tensions are defused and that natural assets are used sustainability to support stability and development in the longer term. Conflicts associated with natural resources are likely to relapse into conflict in the first 5 years. Sadly, less than a ¼ of peace negotiations

195 United Nations Environmental Programme (UNEP). ¹ From Conflict to Peace building: The Role of Natural Resources and the Environment Report¹ (UNEP, February 2009)
aiming to resolve such conflicts have addressed only resource might mechanism. Framing
the environment and natural resources as issues to be addressed at a later stage is a mistaken
approach. Successful integration of environment and natural resource issues is achieved by
not treating them in isolation but instead form an integral part of the analysis- reassessment
that guide peace building interventions.\textsuperscript{196}

It can be deduced that a source of conflict in Southern Sudan was the access to and
control over the oil field and the land areas they represented. Conflict over the right to
participate in decision making over oil rights allocations and share in the benefits of oil
production is another angle. Environmental impacts of oil exploration, production and their
social consequences also constitute another factor.

4.7 Marginalization of Ethnic Groups in Oil-Bearing Regions.
The discovery of oil led to an attempt by the government to appropriate oil-bearing
land. Efforts to appropriate land from groups will give them a voice in the decision-making
process and without what they perceive to be equitable compensation lead to rising social
tensions and outbreaks of rebellion.

This rise in social tensions is compounded by the environmental consequences of oil
production that diminish the fractional sources of livelihoods finally. Oil revenues finance
the government’s military action and purchase of advanced weaponry intensifying the
military campaign against the inhabitants of the oil-bearing regions and rebels. Rebels on
their part focus their company on oil production and transport facilities strategic targets due
to their central importance to the government and to the companies upon which the
government depends for revenues.\textsuperscript{197}

\textsuperscript{196} United Nations Environmental Programme (UNEP), ‘From Conflict to Peace building: The Role of Natural
Resources and the Environment Report’ (UNE P, February 2009)
The North – South Sudan conflict has shifted from being predominantly about religion to issues of marginalization and the current borne of contention is the control of resources which are largely in Sudan. Southern Sudan continues to exert pressure on the North in an effort to alter the social structure. The revenue collected from the oil resources in the South is shared equally between the South and the North, whereas the taxes collected from the oil are retained by the Sudan government for use mainly in the North. This disparity in the distribution of revenue poses a potential risk and is exacerbating the already delicate relation between the North and South.

It makes the possibility of a United Sudan a grim reality that will forever remain unattractive to the Southerners. It is evident from the literature presented in the previous chapters that the government of Sudan cannot afford to lose control of the exploitation of oil resources found mainly in Southern Sudan. Therefore, it can be argued that maintaining the status quo is of great benefit to the present government of Sudan dominated by people from the North, and that they would do anything possible to prolong the impasse.

The most contentious issue in the Sudan conflict is that of resource sharing which in the current arrangement appears to favour the elites in the majority ruling parties. Gelb has stated that conflicts usually arise when two parties fight for the control of any strategic resource. It was established in Chapter Two that resources of strategic importance fall normally under the control of the current government. The inequitable distribution of the wealth obtained from the exploitation of resources usually creates a problem between the communities in the areas where the mining is being done and the government or companies involved. This lack of access to the resources creates a grievance among the locals who may

---

eventually opt to fight for representation in government in order to secure some of the resource wealth or try to take control of the resources.

Oil is an economic resource and has little value to the traditional people of the Southern Sudan region in terms of their survival. It represents economic wealth only to the extent that it can be found, extracted from the ground, processed and shipped to industrial centers for use. SPLM/A is composed of the Dinka for whom livestock and cattle remain the paramount form of subsistence of wealth.\textsuperscript{201}

4.8 Multinational Corporations

Multinational Corporations (MNCs) engagement has aggravated conflict and fed pervasive corruption through the extraction of lucrative natural resources such as oil and natural gas. For the past 50 years, international oil companies have explored the burning coasts and diverse terrain of the Sudan for oil amid harrowing civil war. Oil fields were heatedly, contested areas of strategic control between warring factions and witness to horrendous human rights violations against civilian populations. The activities of the MNCs provided Khartoum with a source of revenue to strengthen its brutal military machine. As a result, fervent international human right advocacy moved to clear the indirect, but more the less, detrimental, corporate influence on an already devastating civil war. NGOs seemingly drove susceptible western oil companies out of the war-stricken country but this western abandonment allowed state owned corporations from China, Malaysia and India to form a stranglehold on Sudan's oil industry.

Actual influence however came from political pressure of government. Economic considerations, access to relief aid and abundance of natural resources were crucial in motivating warring groups. Conflicts were seen now to contain a self-financing nature, with the exploitation of natural resources providing the fuel and regional international linkages in

\textsuperscript{201} J. H. Graul, "Oil and Violence in Sudan." (African Center for Technology Studies/ Canadian Department of Foreign Affairs and International Trade. April, 2002). p. 32.
a globalized world that ignited civil war. MNCs further upset the socio economic and political stability of conflict – affected countries, altering the character and prolonging the length of civil wars. MNCs undermine incentives for peace; Both government and rebel groups have utilized private sector actors as vehicles to earn the needed revenue and establish the required international connection to access military arms and continue fighting. The private sector has magnified the political and social grievances that drought the conflict in the first place.202

The causes of violence ranged from the popular portrayal of war between Arabs and African, Muslims and Christians. From the outbreak of the North-South Civil war in the early 1980s until its formal end after the signing of the CPA, Greed, retribution, poverty, external intervention and religious and ethics divides all motivated violence. But the overarching cause remained the same as the war before a historical consistency of oppressive (governance from Khartoum promoting regional organization and exploiting social divisions. The same neglect and exploitative intervention by the Khartoum government caused growth rebellion in the Western region of Darfur leading to a full fledge civil war at the North-South civil war approached a formal end.

There are different categories of secessionist from the North and that the best way to end that oppression is for the Southerners to choose separation. There is support for session on religious grounds because the South is predominantly Christian or has traditional African beliefs while the North is predominantly Muslims. They think that with the huge business and investment opportunities that the benefits from separation in Sudan are guaranteed if the people of Southern Sudan chose to remain in a united country. However, there is no guarantee that if the people of Southern Sudan Secede then there shall be peace. Southern

Sudan is equally deeply divided along the ten region and on ethnic line, something that if not checked on time would lead to a very severe civil war in the South.  

Most African countries are dotted with secessionist movements on religions, racial or ethics grounds. This is the main reason behind the decision of OAU in 1963 to preserve the borders inherited from the European colonial powers on the eve of independence. The principle of border sanctity is one of the main factors of the relative peace and stability in Africa. Secession by Southern Sudan may open a Pandora box that cannot be closed regionally and may be globally.

The fear is escalating among Southern Sudanese that the Southern Sudan referendum on independence may be delayed or some arrangements will have to be made for it to be stopped as time is too short to hold the vote as required. This is quite ironical because since the CPA was signed, there had been enough time to put in place the necessary referendum requirements rather than claiming last moment that time is short for referendum.

The commission itself was appointed at the end of June 2010, more than two years late, with still no agreement on the key executive secretary – general position. Since the time is short, there are two alternative choices – some of the procedures, which would be unacceptable; it could affect the endorsement of the referendum or limited delay to the referendum timetable to complete the procedures (not longer than 6 months). NCP and SPLM stalled over agreeing post – election arrangements including demarcating the border, defining citizenship and sharing Sudan’s oil wealth, mostly located in the disputed border.

It is still unclear with the current implementation challenges whether a united and democratic Sudan will emerge from the transition period because the Machakos Protocol tends to reinforce ethnic, religious and cultural differences throughout the Sudan and in addition goes further to stipulates procedures for separation should the centre not hold. There

---

are also serious challenges of governance for SPLM/A given the huge area and potential to give SPLM/A tremendous power and potential difficulties to exert full control. SPLM/A also lacks qualified personnel.\textsuperscript{204} CPA bears the seeds of secession by adoption of two different systems of governance in the country which might eventually lead to a fresh eruption of the conflict and is therefore weak in as far as it leaves it open for power struggles between the two signatories and also among all political factions.\textsuperscript{205}

There is still a high level of uncertainty as to whether the ruling party is ready to share power in an equitable manner such that a government of national unity will not be dominated by NPC and still be fully functional.\textsuperscript{206} The formation of Federal or southern governments was delayed because the two parties were a deadlocked concerning discussions of the ministerial portfolios; especially with respect to the powerful Ministry of Energy and Minerals that was eventually left to go to GOS. The two parties also wanted to bring other political parties to participate in GNU but some of these political parties rejected the offer.\textsuperscript{207} SSDF poses one of the greatest threats to the Peace Accord since its Commanders are from the Nuer community that is the majority in the oil-rich Unity State. They may be dissatisfied with the provisions of AWS which allocated only two per cent of the oil revenues to oil producing states versus forty per cent which existed in the 1997 Khartoum agreement.\textsuperscript{208} SPLM/A should, therefore, be willing to share power with SSDF to a considerable extent.\textsuperscript{209}

Since 2005, the AWS has faced implementation challenges such as the National Petroleum Commission not meeting regularly, and existence of problems with regard to


\textsuperscript{205} Ibid.,p.12.


\textsuperscript{207} Ibid.,p.70.

\textsuperscript{208} R. Emeric, ‘Designing an Integrated Strategy for Peace, Security and Development in Post-Agreement Sudan.’ (Netherlands Institute of International Relations, 2005), p.27.

transparency of oil exploitation and distribution of oil revenues to the GOS. In May 2008, significant fighting occurred between SAF and SPLA in the disputed oil-rich Abyei region. A similar area of potential problem in the southern oil fields are the southern militias securing the areas on behalf of GOS may disagree with AWS or security arrangements and resist disbanding. It has been hinted that GOS may relocate militias from rural areas to the Southern Garrison towns instead of transferring the towns to SPLM in order to maintain control and to prevent the militiamen from joining SPLM/A.\textsuperscript{210} The long term sustainability of CPA is yet to be proven since insecurity in the south remains, the Darfur Peace Agreement (DPA) of May 2006 appears to be in a state of collapse and it is yet to be seen how effective the Eastern Sudan Peace Agreement (ESPA) of October 2006 will turn out.\textsuperscript{211}

The demarcation of Abyei area is likely to create problems and may impact the deployment of the joint battalions stipulated in the protocol, while the protocol on Southern Kordofan is unlikely to respond to the Nuba’s grievances and may trigger discontent on the part of Western Kordofan state as well.\textsuperscript{212} It can also be stated that both the Abyei Resolution and the AWS do not stipulate whether and how any compensation arrangements will be implemented in case of separation after referendum.\textsuperscript{213}

4.9 Ethnicity vs. Religion

Sudan is partially divided into three camps such as: Muslims, Christians and non-religious groups. These groups have waged wars against each other and within each group;


there has also been many conflicts regardless of their religious affiliation. During those conflicts, it has become apparent that ethnicity is more valued and trusted than religion. 214

However, the Global witness noted that Sudan has two major cultures, the Arab and the Black African with hundreds of tribal divisions and language groups, which makes effective collaboration among them a major problem. 215 And even by climate itself, Sudan is divided between the Arab and Black-African, in which the Arabs live in desert areas, while the Black-Africans live in tropical areas. Albino has pointed out that the geographical, climate and ethnic differences between the South and the rest of the country are considerable and have given rise to political opposition between the two parts. 216 Indeed, such differences were reinforced when the Anglo-Egyptians ruled the country. The Europeans on the other sides were appeasing the Arabs so that they kept Egypt under control and therefore the Muslims were more respected than those of African descent.

The interests of the Europeans were translated into a religious affair in which Southerners were seen as people of one identity and not people with different identities. 217 The application of religions in the country has indeed become an issue across the regions. It was obvious that an establishment of potential trade in Southern Sudan was one of the issues for which missionaries competed. Sanderson observed that the Catholics in contrast had established themselves in the South with remarkable speed and efficiency, but this was nothing to the Government of Sudan. 218

Today, it appears that the Africans of Southern Sudan have not only realized the need to retain their identity and dignity, but see a clear-cut difference between their aspirations and

217 Ibid, p. 73.
those of the Arabs.\textsuperscript{219} These aspirations of ethnic groups have divided Sudan beyond anyone imagination because each group is striking to benefit and be heard. Albino noted that these relations existed before independence, and yet there were no clashes between the Africans and the Arabs, simply because they were kept at arm’s length from each other by those who wielded political power.\textsuperscript{220}

Sudan’s mismanagement of ethnicity is the core of the problem in the country and as a result of this mismanagement; economic prosperity has entered into the theatre of ethnic groups’ aspirations, going to be the next major issue in Sudan’s politics, even after the long anticipated referendum. During the several conflicts in Sudan, it has become apparent that ethnicity is more valued and trusted than religion. For this reason, the next few years to come, Sudan will be facing a disintegration of ethnicities in the country because every ethnic group wanted an independent or regional power, while in those regions; there are many ethnic groups who do not get along with each other.

Even though the current crisis is being resolved through the implementation of the CPA signed in 2005 in Nairobi, there is still a high probability that a new conflict will rise in any region of the Sudan because of ethnic groups’ interest. It may sound like a realist when emphasizing ethnic groups’ interest as a major cause of the future conflict in the Sudan, there is high probability that conflict is eminent in post referendum in especially among the Southern Sudanese as a result of conflict dynamics changing from North – South to ethnic based among the Southern Sudanese, a prediction of the reality that will face the country in the near future. There are realities of course that ethnic groups’ interest are going to dominate Sudan’s politics in next decades to come and an example of those issues can be seen from the previous conflicts and the current political affairs of the Southern Sudan.

\textsuperscript{220} Ibid, p.73.
Ethnicity and racial differences between the Southerners and the Arabs in Sudan constituted the roots of conflicts in the country. All ethnicities in Sudan have contributed greatly to what has gone wrong in the country.\textsuperscript{221} Even though some ethnic groups have a long history of rivalry for which they have complicated each other; for example, Nuer and Dinka have long history of rivalry since they were hunter-gatherers and up to modern life. One would simply say that Dinka and Nuer should not be looked upon as a major problem that set Southerners back from struggle. It is believed that all ethnic groups in Southern Sudan are responsible for what had taken them decades to achieve.

The politicians in Sudan do not tell the truth; instead they used ethnicity and religion as a road to power. If the politicians in Sudan stood up and said this is wrong, one would assume that Sudan would not have been as vulnerable as it was. This suggests that all ethnic and religious groups in the Sudan should be held accountable for the destruction of Sudan as one country. This is because ethnic groups’ aspiration for economic survival appears to override any efforts at pursuing economic activities that would bring about collective benefits for the whole country.

In January of 2005, the Government of Sudan and SPLA signed a peace deal. The agreement includes a permanent ceasefire and accord on wealth and power sharing. This peace agreement seemed to have resolved the conflict between the North and the South, but according to these research findings of the country ethnic groups’ dimensions, the future of the country remains bleak. This is due to the fact that there are many militants who wanted to go on with their own ways of acquiring resources for living.\textsuperscript{222} Acquiring resources indicate that ethnicity is going to be the next major issue in Sudan’s politics. During the several conflicts in Sudan, it has become apparent that ethnicity is more valued and trusted than


\textsuperscript{222} Ibid, p. 540.
religion. For this reason, the next few years to come, Sudan will be facing a disintegration of ethnicities in the country because every ethnic group wanted an independent or regional power, while in those regions; there are many ethnic groups who do not get along with each other.

Even though the current crisis is resolved, there is still a high probability that a new conflict will rise in any region of the Sudan because of ethnic groups’ interest. It may sound like a realist when emphasizing ethnic groups’ interest as a major cause of the future conflict in the Sudan. However, this research is predicting the reality that will face the country in the near future. There are realities of course that ethnic groups’ interest are going to dominate Sudan’s politics in the next decades to come and an example of those issues can be seen from the previous conflicts and the current political affairs of the Southern Sudan.

The link between the presence of oil in southern Sudan and prolonged conflict resolution has to some extent been established since most of the oilfields are located in the south (eighty five per cent) where the boundary between the North and South have been disputed, Abyei. It was apparent that the conflict would occur at two levels, the conflict processes at the first level needed to take care of the fact that natural resource had been discovered and also the need for there to be equitable access of revenues to be exploited, and at the second level to resolve the issues of the boundaries that would then be the basis for discussion of any wealth sharing.223

Secondly the use of oil revenue would be a challenge because of the two levels of disputes mentioned above but would in addition provide the government with greater resources to deal with.224 The government in the north attempted to use the resources to invest in a military solution, thus further aggravating the conflict. In which case instead of the

224 East African: How Khartoum uses oil to advance its Agenda, (23 October, 2007)
resources being a blessing to the inhabitants of the southern region they instead turned out to be a curse and created greater suffering.225

Sudan’s tribal, cultural and religious diversity is often referred to when various factors explain the causes of conflict in Sudan. However while it is true that cultural differences and tribal loyalties often play a role in violent conflicts they cannot explain why Sudan has been ridden by violent conflicts for half a century.226 The racial and religious distinctions between ‘Arabs’ and ‘Africans’ and between Muslims and Christian or non Muslims are perceived as synonymous with the distinction between friend and enemy in the overall civil war. The parallel distinction between Muslims and non Muslims which also has historical roots sometimes overlaps with the racial distinction.227

The representation of the conflict as one between Islam and Christianity is widespread but simplistic and highly political. Admittedly neither Islam nor Christianity played any major role at the beginning of the 1980’s when violent conflict broke out again, however due to the polarization and radicalization caused by the war, political religious extension has become a growing force.228

However we need not overemphasize the religious element of the conflict, many southerners do not see the conflict as a war of Christianity against Islam as a defense against the Islamic end Arch imperialism and the assimilation policy of the GoS. It is evident that there is a significant correlation between natural resource and internal conflicts in the case of Sudan. The abundance of a commercially valuable natural resource in a country has a potential to trigger a civil war.229

228 Berghof Foundation for Peace Support, op. cit, p.62
229 Ibid, p. 63
The impact these resources have on conflict depends on three discernable characteristics. Firstly the easier it is to loot the resources the more likely it can benefit the local people or rebel group. Secondly an easily extractable resource can create disciplinary problem inside an armed group as it is currently the case in eastern DRC where peacekeeping troops from different countries are embroiled in black marketeering conflicts. Because of these two characteristics it can prolong the duration of war since it becomes a source of livelihood for both rebels and the local population.

Thirdly a non-loot able resource encourages separatist conflicts since government can control and exploit its existence while rebels cannot do so due to lack of resources for exploitation. On the other hand resources that can be obstructed increase the duration and intensity of the conflict. The frequent strategy used by rebels to disrupt government efforts to exploit this resource provides them with an opportunity to extort a protection fee. Funds acquired are used to purchase arms and continue fighting the government.

The CPA as a bilateral agreement between GoS and SPLM/A is neither the beginning nor end of peace making because a lot of issues regarding the agreement still require more discussion before successful implementation can be done. But more importantly, it presents a useful and formidable framework for resolving the longstanding north-south conflict. One major short coming of the CPA has been the failure of the various protocols to boldly recognize that the relationship of the successive governments with other peripheral players is a key issue and there should have been participation of other stakeholders from other regions of the country.230

From the analysis of the peace process, the oil resource can be described both as an obstacle and as an incentive towards peace. Oil areas have been targets of depopulation by the GoS, as the population around those areas was perceived as supporting rebels. The GoS

has also used oil to purchase arms for the purpose of combating the civil war and or paying higher wages to the fighting forces.

Chapter three demonstrated that the access to oil rich areas require security and the GoS has displayed its ruthless means to get into the oil fields with an aim to have concession over them. The research managed to achieve its objectives and hypotheses. The first hypotheses stated that the presence of oil in Southern Sudan has prolonged the resolution of the conflict in Southern Sudan. This was confirmed as true. The first objective intended to find out how the oil resource has transformed the conflict since it was discovered in 1978.

The oil resource has influenced the political events in Sudan all along since 1978. The research verified that the oil resource transformed the conflict from that of agitating for political representation to that of territorial control to access it. The third objective ties up with the second hypothesis since both are trying to link the oil resource and peace.

The observations derived from chapter four show that indeed the abundance of oil resource has brought the parties to agree on vital issues that they would not agree upon ten years ago. The oil resource has become a factor not only among domestic actors but also among the regional and international actors. The domestic actors can no longer act and ignore the international community. The parties must incorporate the interests and wishes of exogenous actors in the peace processes. The result achieved will favor the parties to articulate their interests in the international arena.

The major complaint by SPLM was the exploitation of the oil resource by GoS without providing tangible benefits to local populations in light of the fact that majority of the country's unexploited reserves lie in the south while the sole export pipeline runs through the North. From the above, it can be concluded that the conflict in Sudan is primarily caused by political and economic marginalization and issues of identity and religion are only

---

secondary or proxy cause that has been exploited and manipulated in the wake of the conflict.\footnote{Berghof Foundation for Peace Support, “Sudan: Conflict Analysis and Options for Systemic Conflict Transformation. A Northern and Southern View” (Berghof Foundation for Peace Support, 2006), p.4.}

4.10 Conclusions

The study has examined the root cause of the Sudan conflict with the specific role of oil in determining innovative approaches for conflict resolution that would determine losers and winners in the exploitation of a valuable resource. The study has seen how the presence of natural resources has hampered the peace process. The CPA signed in Nairobi in 2005 provided for the equal sharing revenues from oil production but this has created new challenges in the conflict resolution process because of the many unsolved issues surrounding the actual implementation of the sharing formula.

The Second civil war in the Sudan has been mainly fought with a major aim of gaining control of oil resources, which is a departure from the historical conflict that was mainly portrayed as one of Islam against Christianity. The lack of development in the South presents such a contrasting picture of the country that in itself is a rallying point for the marginalized communities of the South. The intransigence shown by the GOS with regard to solving the problem of Abyei shows a lack of good faith on its part to implement the CPA and further strengthens the resolution by Southerners that the Referendum will be a day of formalizing the secession rather than a process of making informed choices about the future of the region.
5.0 Summary

Chapter One provided an introduction to the study and briefly delved into the historical background of the study, objective, justification as well as the hypotheses. It identified a theoretical framework to guide the study. The research methodology scope and limitations were also discussed. It was observed from the review of literature in this chapter that the historical injustices, especially the governments’ insistence on making Sharia law operational all over the country was one major reason for the conflict.

Chapter Two delved into the historical background and the structural causes of the conflict. It analyzed the role that the discovery of oil has played in the politics of Sudan as a country and the eventual negotiations that led to the signing of the CPA. Like in any other war situations where resources have been a point of contention, the case of the Sudan is not any different. The government used all manner of coercion to gain access to the resources to the exclusion of other Stakeholders. The communities in the oil producing region whose culture and appearance was different from that of the typical Arab-descent were brutalized and made to vacate their ancestral land. The CPA provided a framework for wealth sharing, but the issue remains unresolved satisfactorily due to operational issues.

Chapter Three analyzed the case study of the conflict with specific reference to the Wealth Sharing Agreement of the CPA as well as the North versus the South conflict; as well as the South-South structural problems. The issue of contested areas e.g., Abyei is complicated by the presence of oil as well as the historical claims to pasture land. The refusal by the government to accept reports regarding the boundary delayed the resolution of

the Abyei problem in the Pre-interim phase; and even after the ruling by the Permanent Court of Arbitration at The Hague and both parties having accepted, it still remains a thorny issue. It has major implications on the implementation of the CPA since availability of oil revenue is critical to the functioning of both governments in the North and the South.

Chapter four looked at the link between the presence of oil in Southern Sudan and the prolonged conflict. It also examined the root causes of the Sudan conflict with the specific role of oil in determining approaches for conflict resolution. It was clear from the actions of the Government of Sudan after the discovery of oil, and the prolonged negotiation process before the Wealth Sharing Agreement was signed that the issue of oil was very critical to the achievement of long-term peace in The Sudan.

5.1: Key Findings.

The issue of “one religion for all” in Sudan can never be acceptable in a country with religious diversity like the Sudan. The government in Khartoum must come to grips with this reality and convince the North that the pursuit of this religious dominance remains one of the main structural causes of conflict that could forever keep the country divided.

The IGAD mediators have to date managed to convince the parties to accept the structures provided for in the Power Sharing Agreement and encouraged them to build a working relationship that will allow both parties to achieve their visions. The fact that some structures have been established such as the National Petroleum Commission shows a semblance of commitment, but the fact that the data on production and contract arrangements with exploration companies remains confidential is a sign of lack of trust on both sides of the divide.

---

For the CPA to be entrenched, the status of the three areas being contested must be comprehensively defined. Abyei has been granted the option of remaining in the North or South depending on the outcome of the Referendum. But the conflict in Nuba Mountains and Blue Nile States must be resolved since these regions might continue to cause problems because of the religious difference and the likely discovery of more natural resources in these areas. In the Nuba Mountains and Blue Nile States, any autonomy granted should allow self-determination by the people in these regions without any outside influence. If the secession by the South succeeds then the situation could be made more complicated by the fact that the rebels in other regions could interpret this as a “reward” for the persistence of the South to have fought the war.\(^\text{236}\)

The security arrangements still present a challenge during this transition period. The presence of Small Arms and light weaponry within the communities presents a challenge because causalities could be high in case of any small conflicts. They need to be disarmed, and in addition the former combatants need to be demobilized in line with the stipulations of the security arrangements agreed upon in the CPA. The rejection of the Experts’ report on the boundary issues presents a major challenge since it has divided the regions along religious lines, and support by NCP and SPLA/M revealed partisan interests.\(^\text{237}\)

The study revealed that most Sudanese, especially those from the South had a very clear understanding of the CPA and its stipulations; and they were keenly aware of the failed implementation of the Wealth Sharing Protocol. One important aspect that these surveys revealed that has also been documented elsewhere is that the signing of the Comprehensive Peace Agreement brought relative peace to the Southern region and has allowed for a return to normalcy for some aspects of the daily lives of the common people. This is an achievement


that needs to be emphasized even if there are still many stumbling blocks on the way to full implementation of the CPA.

5.2 Recommendations.

5.2.2 Embracing democracy.

The Sudanese as a whole need to understand that democratic transformation is what will ultimately entrench peace and stability in the country, therefore, the Referendum must be held as scheduled in January 2011. Was the South to choose autonomy or full-fledged secession, a framework on how the two separate entities will operate must be put in place. This arrangement should out of practicality cover two periods; first from the day after the Referendum to July 2011 when the Interim period ends; and secondly for a further probably 4 years to complete implementation of the peaceful transfer of sovereignty to Southern Sudan. The NCP and SPLM should negotiate this framework as early as possible in 2010.238

Apart from resolving the Darfur crisis, the five steps on the way forward for CPA implementation include re-engagement by CPA’s international guarantors led by the United States and targeted multi-lateral sanctions to influence the regime to implement its commitments under the CPA and in Darfur. Building a consensus that includes China, Russia and Arab league for CPA implementation would correct some of the past mistakes.239

5.2.3 International Support during Transition Period

It is unfortunate that only the US has imposed sanctions against the NCP led government. On the 29th May, 2007, the US imposed additional economic restrictions on 31 NCP-associated businesses and targeted sanctions against three individuals, a rebel leader and two medium-level NCP officials. Even though the US has had a robust sanctions regime


against Khartoum for more than ten years, these further measures will not much affect the NCP in the absence of the international players. Punitive economic and diplomatic measures must therefore be pursued if Khartoum persists in undermining CPA implementation.\textsuperscript{240}

To avoid clashes and ensure safety to the residents of the new SAF/SPLA frontier in Abyei and those along the North-South border, UNMIS should plan for a demilitarized buffer zone around the border areas starting with the contested areas of Abyei, Southern Kordofan and the other oil producing areas. Abyei itself is a bone of contention but is tied into broader CPA challenges such as transparency and revenue sharing in the oil sector and the demarcation of the North-south border.\textsuperscript{241}

\textbf{5.2.4 Monitoring progress of CPA implementation}

The AEC which is a joint International /NCP/SPLM oversight body tasked with monitoring and overseeing CPA implementation has not performed satisfactorily. It has failed to penalize those responsible for creating obstacles in the implementation process and may be seen to be influenced by the Government of Sudan. Recommendations to the Security Council via the UNMIS Special Representative’s monthly reports to the UN Secretary General should be done in order to keep the implementation benchmarks on the international radar screen. Monitoring the implementation process effectively is therefore essential\textsuperscript{242}.

Finally, it is fair to state that the slow pace of implementation of the CPA is closely related to issues of natural resource ownership and control that could likely spiral into another phase of aggrieved parties going back to the “bush” to try and rekindle the lost vision with the hope of gaining control of valuable natural resources.\textsuperscript{243} The CPA has brought a


\textsuperscript{242}Ibid, p. 1

semblance of peace to the country, but the fact that the “Referendum” looms large in the next few months, it is difficult to state what the map of Sudan will look like after this phase.

The work reported here has brought forth the complex nature of the processes needed to achieving long-term peace in the Sudan and what has so far been achieved after signing the CPA. The three hypotheses outlined in Chapter One have been proven through a literature review and critical analysis of the situation and confirmed by interviews with Key Informants. The role of oil in prolonging conflict even after the Agreement was signed is quite evident. Since there still remains other areas of conflict in Sudan and in other parts of Africa, a plausible further research question would be whether the lessons learnt from the implementation of the CPA in Sudan be used for resolving other similar natural resource-based conflicts in Africa.
Bibliography


Berghoff Foundation for Peace. Sudan: Conflict Analysis and Options for Systemic Conflict Transformation. A Northern and Southern View 2006, pp.4-70


Christian Aid, The Scorched Earth: Oil and War in Sudan, 2006, p. 49


______, ‘Sudanese President finally gives Ex-rebels Oil ministry’. Daily Nation 17th June 2010, p. 18

______, ‘Sudan may ask UN to Run Key vote Daily Nation 21st June 2010, p. 19

______, ‘News of the World “Call to delay South Sudan Independence Vote”. Khartoum’

Monday September 2010


East African Standard Correspondent. ‘Ghosts of Darfur conflict hang over Sudan referendum’ East African Standard, Tuesday 22nd June 2010, p. 28

________, ‘Sudan Creates Referendum Body’ East African Standard Tuesday, 29th June 2010, p. 30


______, A Structural Theory of Aggression. 2003, pp. 95-119


http://www.globalsecurity.org/military/world/para/darfur.htm


Hottinger J. T., “Darfur Peace Agreement: Expectations unfulfilled” (Sweden, Swiss Department of Foreign Affairs. 2006.), P. 3


Africa Report No. 96, pp. 1-20


Crisis Group. Africa briefing No. 50 ,pp. 22-31


John, H. G. ‘Oil violates in Sudan. African later for Technology studies, and Canadian Center for Foreign Policy Development. Canadian Department of Foreign Affairs and Internal Trade.


Magdi A. Mofadal, M. A., A United Sudan Is Better For Africa; Opinion Column - By Diplomat At Sudan Embassy, Nairobi


Rolandsen O. H., “Why is violence escalating in Southern Sudan?”Noref Policy Brief No. 2
February 2010. (Norwegian Peacebuilding Centre, Toyen, Oslo. 2010)


UNEP, From Conflict to Peace building: The Role of Natural Resources and the Environment, February 2009.
