

Sudan's economic agenda: food and oil self-sufficiency

by Marcia Merry

June marked the completion of the first year of Sudan's "National Economic Salvation Program—1990-1993," formulated at a conference in October-November 1989, convened by the government of Gen. Omer Hassan El-Bashir, which came to power in June 1989. Regarded as a "medium-term program" by its initiators, the major objectives of the plans are to promote agriculture growth and to develop the nation's oil wealth.

In terms of physical resources, Sudan ranks as one of the world's top 10 "natural" breadbasket regions, and in the last 25 years, major oil deposits have been confirmed. However, the case of Sudan offers a stark picture of how rich economic development potential has been systematically looted and thwarted by foreign powers. Ruled directly by Great Britain from 1898 to 1956, Sudan's economy has not since recovered. The El-Bashir government came to power over the issues of the need for economic rescue measures, and for a peace plan to end the civil war.

Over the past year, despite the impact of the Persian Gulf War, internal strife, drought, and hostile actions from the Bush administration and its collaborators, the Khartoum government has remained committed to its stated goals. On June 6 and 7 in Washington, D.C. the Sudanese embassy, in collaboration with the Middle East Institute, held a conference, "Focus on Sudan," in which government representatives gave a status report on their "National Economic Salvation Program." Prof. Abdalla Ahmed Abdalla, an agriculture specialist and Sudanese ambassador to the United States, and Dr. Taj Alsir Mustafa, Sudanese Minister of Industry, discussed development goals and emergency measures undertaken by their government.

The economic strategies adopted by the government in 1989, as given in a release circulated at the conference, are: "(a) Self-reliance in rebuilding the economy and enhancing production; (b) creating a favorable environment for investment through necessary policies and legislation; (c) maintaining agriculture as the main axis for development; (d) giving absolute priority for food production viz. *dura* (sorghum), wheat, oil seeds, etc.; (e) exploitation of the discovered oil fields; (f) more attention to be paid to the untapped mineral resources."

In the first year of the new program, the "1990 Investment Encouragement Act" was passed to rehabilitate existing agriculture projects, and to start new ones. Regulations favorable to investors were established regarding foreign exchange accounts, tax breaks, etc. Newly implemented financial policies include a two-tier pricing policy for gasoline and sugar, designed to favor the poor; a sales tax, except on food; and the establishment of a fund to finance cottage industry and handicrafts. A progress report issued in June by the Ministry of Finance and Economic Planning, and elaborated by Industry Minister Taj Alsir Mustafa, stressed that privatization of certain government companies and assets was under way, for example, hotel properties in Khartoum.

What follows is a summary picture of the economic history and potential of Sudan, and some of the views stated by the government representatives at the "Sudan Focus" conference.

Vast agriculture potential

Sudan is the largest nation in Africa, with close to 1 million square miles, much of it with gentle terrain. It is equal in size to the U.S. area east of the Mississippi River, which makes it about 120% of the size of the 12-nation European Community.

Extending from just below the Tropic of Cancer, all the way south nearly to the Equator, this span of latitudes allows Sudan great agro-ecological diversity, ranging from wheat and other grains in the north/north-central region, to fruits, vegetables, and fiber crops, through to coffee and tropical products in the south. **Figure 1** shows the agriculture land use zones.

The accompanying precipitation map (**Figure 2**) shows how the average rainfall bands vary from 25 millimeters a year in the desert north, bordering Egypt, through to 400 mm in central Sudan—similar to the North American prairies—down to 1,100 mm a year in the south, where there are swamps and rainforests.

From south to north, the great Nile River courses through Sudan. With its tributary system, the Nile is the longest river in the world, running over 4,130 miles from the uplands in the Horn of Africa and central Africa, through Sudan and

FIGURE 1
Sudan's diverse agro-ecology: land use zones

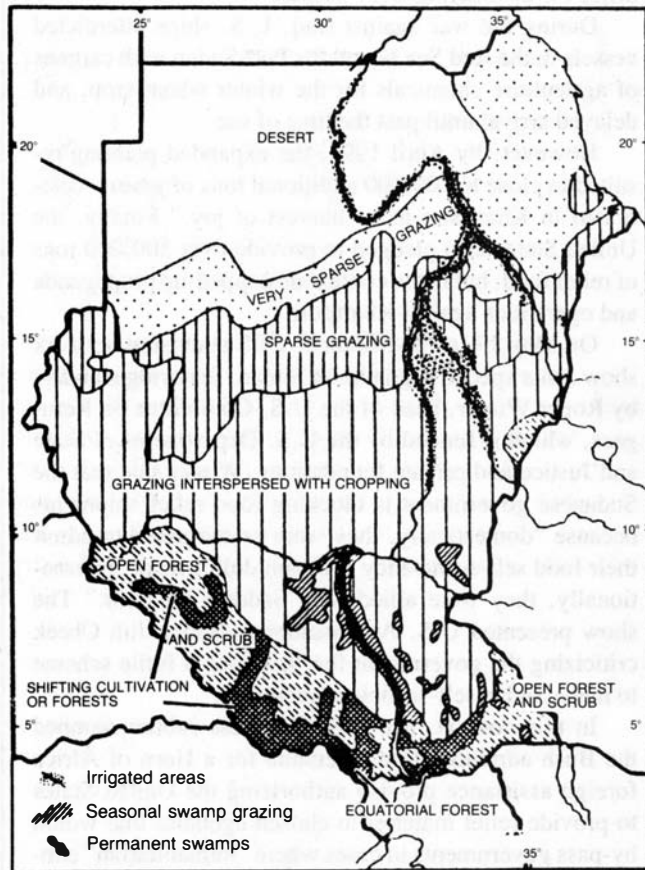
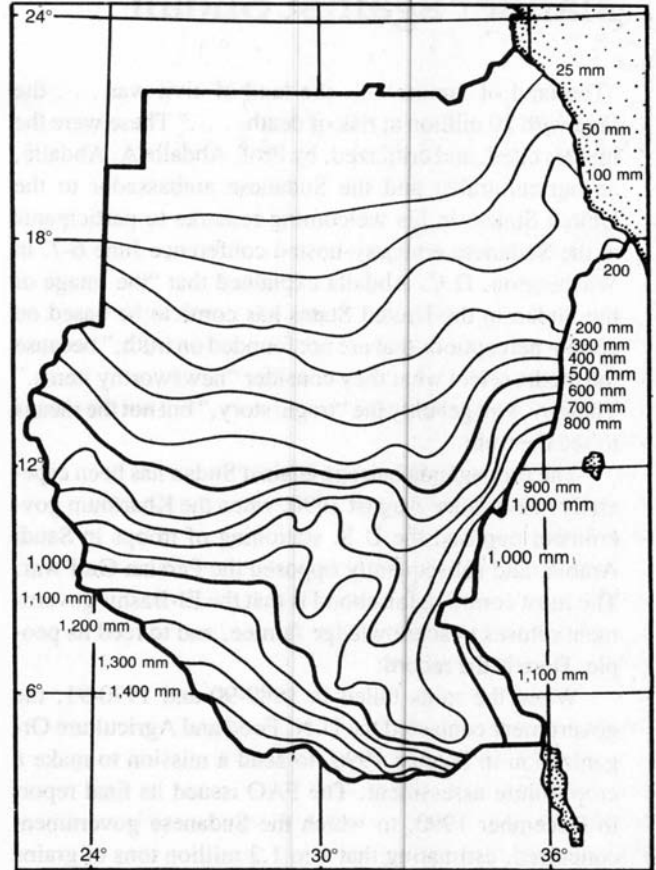


FIGURE 2
Sudan's average annual rainfall



Egypt, into the Mediterranean Sea. Egypt and Sudan have a water-sharing agreement for the existing river volume, which could itself be increased by at least 10% with dams and canal improvements on the White and Blue Nile feeder systems.

Sudan has at least 200 million acres which could easily be cultivated—about half the cultivated acreage-base of the United States. This size acreage could potentially produce crops sufficient to feed almost all of Africa. Sudan has another 218 million acres suitable for forestry, and 57 million acres for pasture.

However, at present, only 17 million acres out of the potential 200 million arable acres are cultivated—only 8.5% of the potential acreage base. Of these 17 million harvested acres, 12.5 million are rainfed cultivation, and 4.5 million are irrigated. Because annual rainfall is highly variable—up to 40% variation—the annual output of rainfed agriculture is highly variable.

Therefore, the outline is clear of which agricultural improvements are called for that could result in national food self-sufficiency in staples in the three-year timetable set by

the Sudanese government last year. Other factors being equal, the biggest drawback is the small population—only about 25 million residents and another 2.5 million refugees, in an area where 150 million live in the United States, or 300 million in Europe.

This is the summary of agricultural improvements needed:

1) *More irrigated agriculture.* In the short term, production of sorghum and other food staples on irrigated acreage must be increased, by reducing plantings of cotton—whose marketing for export is controlled by world agriculture cartels, which impose unfavorable terms of trade. In the longer term, Sudan needs to expand irrigation acreage for a chosen “balance” between food staple crops and export cash crops. At present, 70% of sorghum (*dura*), the nation’s grain staple, is produced in rainfed conditions, which are highly variable. In 1989, for example, instead of 3 million tons of sorghum, there were only 2 million tons produced because the rainfall was 50% below the long-term average.

2) *Resumption of water infrastructure development.* The

A campaign of lies and slander against Sudan

"The land of famine . . . the land of civil war . . . the land with 10 million at risk of death. . . ." These were the images cited, and criticized, by Prof. Abdalla A. Abdalla, an agriculturalist and the Sudanese ambassador to the United States, in his welcoming remarks to participants at the Sudanese embassy-hosted conference June 6-7, in Washington, D.C. Abdalla explained that "the image of the Sudan in the United States has come to be based on certain perceptions that are not founded on truth," because the media select what they consider "newsworthy items." Thereby, you get only the "tragic story," but not the means to see the truth.

The propaganda barrage against Sudan has been especially heavy since August 1990, when the Khartoum government opposed the U.S. stationing of troops in Saudi Arabia, and subsequently opposed the Persian Gulf war. The most common falsehood is that the El-Bashir government refuses to acknowledge famine, and to feed its people. Here is the record:

When the rains failed in 1989-90 and 1990-91, the government contacted the U.N. Food and Agriculture Organization in August 1990, to send a mission to make a crop failure assessment. The FAO issued its final report in December 1990, to which the Sudanese government concurred, estimating that 1 to 1.2 million tons of grains were required by about June 1991, to fill the food gap caused by the harvest failures. In December, President Gen. Omer El-Bashir issued an international appeal for food aid.

Additionally, the government took steps in October through December to sow a second wheat planting. Instead of 300-500,000 wheat acres in 1990-91, acreage to wheat was doubled to 1 million. In irrigated areas, there was also an increased sowing to sorghum.

The government also attempted to purchase additional imports, with little means to do so. And the appeals for international assistance came at the same time as the U.S. buildup for the Persian Gulf war. The United States condemned Sudan's disapproval of the deployment of U.S. troops in Saudi Arabia, and in October, the U.S. turned back a commercial shipment of 45,000 tons of wheat bound for Sudan. At the same time, the International Monetary Fund declared Sudan a "non-cooperating member," and moved to cut off financing.

When the U.N.'s World Food Program shipped 19,000 tons of grain to Port Sudan at the same time that the U.S. diverted the 45,000-ton vessel, American officials

protested, and demanded that the Khartoum-based World Food Program official, Trevor Page, be removed from office for obstructing U.S. wishes.

During the war against Iraq, U.S. ships interdicted vessels in the Red Sea bound for Port Sudan with cargoes of agriculture chemicals for the winter wheat crop, and delayed arrival until past the time of use.

However, by April 1991, the expanded planting resulted in close to 800,000 additional tons of grain—celebrated in Khartoum as a "harvest of joy." Finally, the United States also pledged to provide over 300,000 tons of relief food, but in the context of stepped-up propaganda and operations against Khartoum.

On May 19, a "60 Minutes" CBS television network show ran a special segment on Sudan, featuring slanders by Roger Winter, head of the U.S. Committee on Refugees, which is funded by the U.S. Departments of State and Justice and private foundations. Winter said that the Sudanese government is blocking food relief shipments because "domestically, they were embarrassed to admit their food self-sufficiency program didn't work. Internationally, they were allied with Saddam Hussein." The show presented U.S. Ambassador to Sudan Jim Cheek criticizing the government for "hatching a futile scheme to make Sudan self-sufficient overnight."

In this context, the U.S. Congress rubber-stamped the Bush administration's demand for a Horn of Africa foreign assistance proviso authorizing the United States to provide relief matériel to chosen agencies that would by-pass governments in cases where "humanitarian" concerns justified overriding sovereignty.

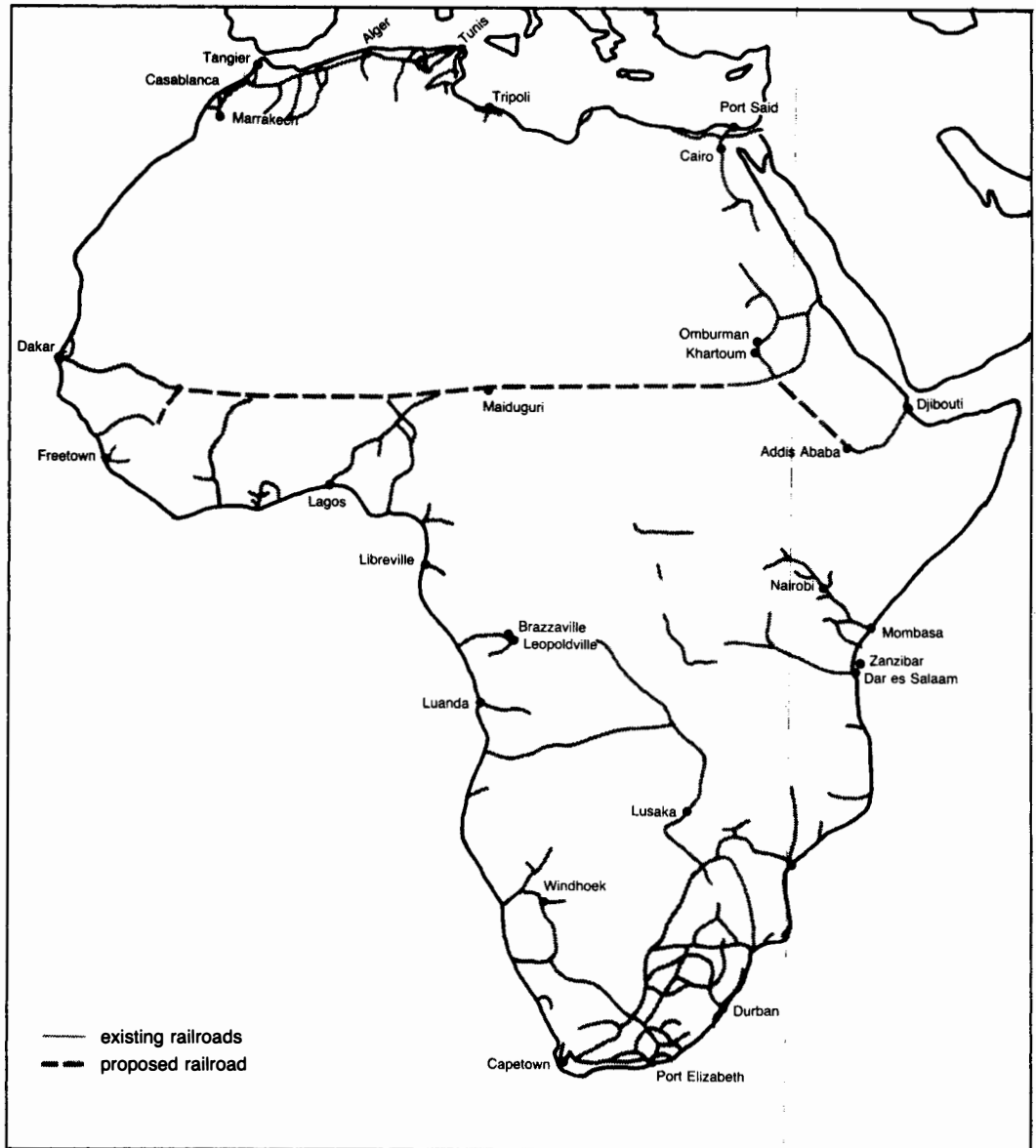
The refugee crisis

Further aggravating the situation, as of the end of May, Ethiopian refugees were entering Sudan at the rate of 20,000 a day. There are now estimated to be 240,000 newly arrived Ethiopian refugees, in addition to the 2 million already in Sudan as of the beginning of 1991.

The government issued repeated calls for help, and on June 17, a statement was released by Col. Mohammed El-Amin Khalifa of the Revolutionary Command Council, reporting that the Sudanese Refugees Commission had mobilized convoys of trucks with supplies for the refugees, and formulated a three-month contingency relief plan, at a cost of \$18 million and 10 million Sudanese pounds.

On June 27, the Sudanese government reached an agreement with the U.N. World Food Program director, James Ingram, on procedures to handle relief supplies for the refugees. The response of the U.S. State Department has been to charge the Khartoum government with bombing the refugees.

FIGURE 3
Proposed
Trans-Africa rail
route from Dakar
to Djibouti



The pattern of the modern-day rail lines shows the railways were built for serving colonialist export and military needs, not for nation-building.

priority projects required for irrigation, and also for power and for safe public water supplies, must be resumed. In the short term: Pumps and diversion channels should be installed to lift up groundwater that is under the arid lands in the northwest and other regions. Satellite overflights have located water under the Sahara Desert, and have also indicated the presence of water in many other locales in the Horn of Africa, for example in Ethiopia.

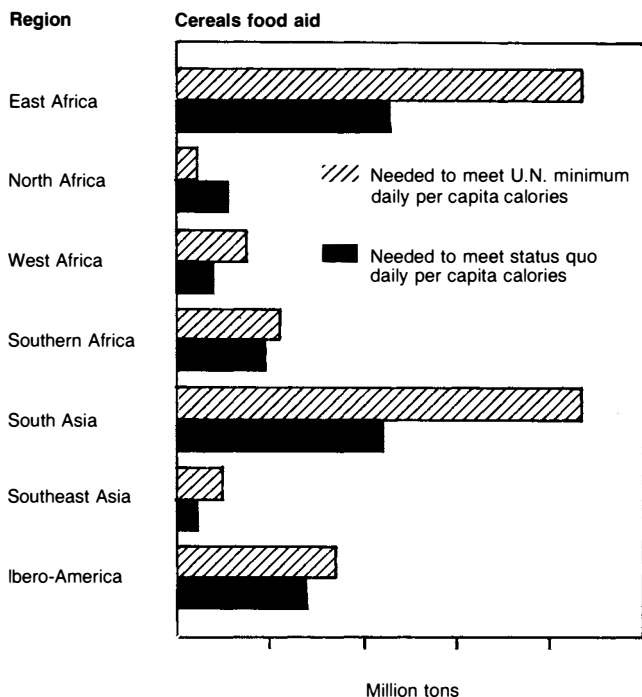
In the medium term, the project to heighten the Roseires Dam, for more water and power from the Blue Nile, must be completed. For the longer term, Sudan will initiate collaboration with all political and production-oriented circles abroad that will mobilize to resume the Jonglei Canal project to control the drainage of the White Nile, to provide more useful water for agriculture and related purposes.

3) *Transportation improvements.* Rail development and priority road paving are essential. In the long term, the Jonglei Canal will provide a throughway for both road transport, an aircraft landing strip, and a waterway. A rail connection westward across Chad to Maiduguri in Nigeria has been planned since the nineteenth century, and this trans-Africa route would serve as a corridor for development (**Figure 3**).

Even to upgrade track and rolling stock on existing rail lines would make a vital difference in distributing food relief, and providing inputs for agriculture. Rehabilitating the Sudanese Railway is the one remaining development project of the World Bank, but a go-slow order has been in effect. In recent months, Sudanese government officials appealed repeatedly for help in fitting out the railway for use in food relief and other deliveries, to which the only response has

FIGURE 4

East Africa tops the list of regions in amount of food aid needed, 1990-91



Source: USDA "Global Food Assessment," Economic Research Service (GFA 1), November 1991.

been Britain's offer of some second-hand railcars.

4) *Power, agriculture inputs.* Oil development, for nationalized fuel and fertilizer supplies, would have a major impact on agriculture output.

5) *Food security.* The facilities and logistics must be built to gather in harvests, store and transport food, so that even when bad weather occurs, there is food security, and no need for mass dislocation and misery. Food irradiation facilities at strategic sites would vastly reduce food losses from rot and pests.

Making any or all of these changes would have a dramatic result. The conservative estimates made by the Arab Fund for Economic and Social Development in 1976 give an indication of Sudan's potential. The Fund estimated that the area then cultivated—about 15 million acres—could be expanded to around 80 million acres. In 1976, Sudan irrigated about 3 million acres of land, and, according to the Fund estimates, this could be expanded to over 8 million acres. About 12 million acres were then cultivated on rainfall alone, and the Fund calculated that this could be expanded to 75 million acres. Another 200 million acres could be used as livestock rangeland.

In 1976, the Arab Authority for Investment and Agricultural Development came into Sudan with a commitment to

invest Saudi Arabian petrodollars into modernized agriculture improvements. The Authority announced plans for 100 projects at a projected investment of \$6 billion. In the end, by mid-1981, only \$15 million had been spent in Sudan. The Sudanese government, which had made investments, was saddled with a large short-term debt and balance of payments crisis. This gave the rationalization for the International Monetary Fund to move in and impose conditionalities, including the cancellation of new development projects, in particular, agriculture programs.

Despite this, Sudan, in collaboration with Egypt, pursued the Jonglei Canal project, until it was forced to be abandoned, half-finished, by 1984.

Sudan's agriculture has been suppressed

The vast potential of the agriculture resources of Sudan poses the question to the world, as stated June 6 to the Washington conference participants by Professor Abdalla, "Why is a country with such resources—land, water, diverse ecology, and independence for 36 years—why should it fail to provide security for its people?" He asked, why should it be that over the past 20 years, Sudanese agriculture output has been stagnating, even declining, and leading to food "insecurity"? (See Figure 4.)

The causes for this, as reviewed by Professor Abdalla, point up the necessity of the measures needed to reverse the agricultural decline:

- *Colonial history.* The British colonial agriculture policy for Sudan was cotton production for export. "King Cotton" meant that all crop research, infrastructure, training, marketing, and the like emphasized cotton. For example, in 1902, the British established an agriculture research facility in Sudan, which focused solely on productivity and quality of cotton. When Sudan gained independence in 1956, there was not one single research station concerned with food. In 1925, the British started the Gezira irrigation scheme—what came to be the largest irrigation project south of the Sahara, and devoted exclusively to cotton.

Therefore, the entire period of British control, from 1898 to 1956, was characterized by lack of suitable improvements in crops and livestock, and low food output productivity.

- *Variability of rainfall.* In Sudan, and the Sahel generally, the coefficient of variation in rainfall can reach 40%. This climatic characteristic is directly linked to the occurrence of drought, and, in the absence of agricultural improvements, to the needless occurrence of famine. As it is, whenever there are two to three years of poor rains, then small farmers and herders are dislocated. They are forced to sell animals and seek other ground. There was drought and famine in the 1983-85 period, and drought again in the 1989-90 period, with a marked food gap of 1.2 million tons, according to the estimates of the U.N. Food and Agriculture Organization and the Sudanese government.

- *Government policies.* Over the course of successive

governments, there have not been policy initiatives directed to provide support for agriculture.

● *Infrastructure.* The nation's infrastructure for transportation, drinking water, power, agriculture, and industry is undeveloped. Since Sudan is a large country, poor transportation is especially inhibiting. When the British left in 1956, there was not one paved road in the country. There was only the railroad, and it was designed for special military and export purposes, and *not* to serve the rural areas.

After independence, when the Sudanese proposed to the World Bank that infrastructure development be undertaken, this was refused. When it was proposed to other foreign investors and/or donors of aid, that there should be links to infrastructure development, these linkages were refused. Instead, so-called development aid was "donor-driven," and directed to quick-return cash crops for export.

The legacy of these factors, plus poor agriculture extension services and other problems, have led to the current situation of recurring food crises. In view of this, the stated policy of the Sudanese government is to reach and maintain food self-reliance. According to Abdalla, "the syndrome of dependency must be stopped."

Stop the 'syndrome of dependency': oil

The Sudanese "National Economic Salvation Program" stated as a chief goal: "Reallocation of the meager resources left to achieve the objective of self-dependency, particularly in view of the mounting economic pressure put on the revolution by many external powers through reduced external assistance and suspension of aid flows." Besides agriculture, oil is the priority economic development issue, and the oil production potential of Sudan is considered by experts to be in league with parts of the Arabian Gulf fields.

Significant oil deposits were mapped by the Chevron division of Socal in the 1970s and '80s, located in central and southern Sudan. Proven reserves of 200 million barrels were announced. Chevron and the government had a \$1.2 billion development program, with one project at Bentiu, in the upper Nile region, 500 miles south of Khartoum. A 1,425 kilometer pipeline to the coast was planned.

In February 1984, Chevron suspended its preparations for oil extraction in southern Sudan, after a guerrilla attack on a drilling barge killed three expatriate workers and wounded seven more. Chevron refused to carry on with the project, citing the dangers of civil war, but authorities in the oil trade reported that Chevron accepted a payoff arrangement from Saudi Arabia, to suspend development of Sudanese oil. Chevron's parent company, Socal, sold 25% of the Sudanese venture to Royal Dutch Shell, including the White Nile assets.

Next year, the Chevron rights expire for extracting Sudanese oil. The Sudanese government has now taken direct responsibility for developing its own oil, with the current limitation being refinery capacity.

Interview: Madame Fatuma Isak Bihi

Situation in Somalia is 'catastrophic'

by Christine Bierre

We are witnessing today the ethnic fragmentation of Somalia, thanks in substantial part to the policies of the foreign powers who are sponsoring the various warring groups. Some 2 million refugees have fled Somalia toward the borders of neighboring countries—Ethiopia, Djibouti, and Kenya—since January, when the armies of the Congress of Somali Unity took over the capital, Mogadiscio, under the direction of CSU chief General Aydid, and drove out the current head of state, Siad Barre.

In the south and center of the country, CSU troops have perpetrated terrible massacres; in the village of Brava, hundreds of medics, teachers, and intellectuals were murdered. In the north, the Somali National Movement (SNM) has announced its secession, and the creation of the Republic of Somaliland. Throughout the country, battles rage between forces loyal to Siad Barre and the forces of the other movements. The dislocation now under way follows years of poverty under Siad Barre, who remains in the country.

In area, Somalia ranks in size with France and the Low Countries combined, where over 80 million people live, compared with the 8.5 million in Somalia. During Siad Barre's tenure in office, Somalia placed among the six poorest nations in the world, with its revenue coming almost entirely from the export of bananas and livestock.

The United States supported Siad Barre until 1988, then did an about-face. Since the end of the cold war, Somalia, once considered an important strategic place, evidently holds no more interest for the United States. Following an often-used *modus operandi*, it was a report by Amnesty International denouncing "massive violations of human rights" in Somalia, which preceded Washington's reversal. All forms of aid have been cut, propelling the country into a situation in which famine, civil war, and epidemics threaten its very existence. An international conference to establish peace is mooted for Cairo, under the auspices of Italy and Egypt, but no date has been set.

Madame Fatuma Isak Bihi, former ambassador of the Democratic Republic of Somalia to the European headquarters of the United Nations and international organizations in