

Sudan: Analysis and Prospects

(Reflections on the CPA)

March 2006

Many changes in Sudan: but the constant fact of a political-economic system that is extremely successful at generating wealth and sustaining a small elite in power, through systematic dispossession of the peripheries. This is no Machiavellian scheme, though Machiavellians can prosper within it. It is no ideological agenda, although ideologues find much material to work upon. Disorder is a political instrument. The state itself is an agent of lawlessness. While professing loyalty to the state and its apparatus, and using those structures, the country's governors emasculate the state in pursuit of private interest.

Sudan's questions of national identity are unresolved. Its institutions are weak. In other circumstances, this would be a recipe for political leaders to invoke sectarian and ethnic agendas to compete for electoral office, tearing the country apart in the process of democratization. This may indeed happen in Sudan.

Overview

1. The country is fearful that deeply ingrained political traditions remain unchanged, that the ruling elite has so perfected its capacity for permanent crisis management that it is immune to pressure for significant change. Is the current North-South peace merely a lull before another storm? Is crisis, as seen in Darfur, to become a structural condition of the Sudanese peripheries that does not pose any threat to the governing class? Is the international engagement reverting to the default option of containing the perpetual turmoil so as to minimize the threat to others? Or is there still a chance for reconstructing Sudan as a democratic country—and if so, what does 'democracy' mean in this context? This month's briefing consists of reflections on these broader questions, thirteen months after the signature of the CPA and seven months after the death of Dr. John Garang, and possibly with him, the political program of creating a 'New Sudan'.

2. Sudanese politics is characterized by high levels of publicly-visible activity along with ongoing intrigue. Sudanese public figures are engaged in a process of constant recalculation of a shifting political landscape and reconsideration of their options. The Sudanese tradition of personal civility and dialogue means that there is always scope for optimism: if certain configurations can be altered and aligned at the appropriate moment, then breakthroughs can be obtained. Cynics and pessimists can, by the same token, ascribe Machiavellian motives and capacities to certain well-placed figures and organizations, and conclude that peace talks, democratic processes and legal reforms are no more than a façade beneath which nefarious agendas are being pursued.

3. In his 1990 book, Sudan: The Unstable State, Prof. Peter Woodward surveys almost a century of Sudanese history and concludes that the Sudanese polity is marked by a swirl of activity and a succession of failed attempts to establish a stable governing coalition among competing elites. Building on Woodward, we can identify :

- a. The traditional sectarian elite of the Ansar/Umma Party, including landowning interests and the rural aristocracy of western Sudan;
- b. The traditional sectarian elite of the Khatmiyya/Unionist Party, including trade interests and the rural aristocracy of the northern and eastern regions, which along with the Umma has dominated each of Sudan's parliamentary periods;
- c. The administrative elite including the military, overlapping with each of the above but with distinct interests in the civil service and army, with significant numbers of Southerners co-opted since the 1972 Addis Ababa agreement;
- d. The 'modern forces', overlapping with each of the three above groups, politically organized through trade unions, professional associations, and the Communist Party, with the late Dr Garang representing one of its most eloquent exponents;
- e. The Islamist movement, drawing its members from each of the above, its finance from the diaspora, the remittance-driven consumer sector, and the emergent informal sector, adopting an ideological nationalist project of socio-political transformation, which had by the late 1990s become exhausted;
- f. Regional elites in the South and the Northern peripheries, which have both flirted with and been disappointed by each of the above in turn (many still hoping that a grand alliance of the marginalized can push through a 'modern' 'New Sudan' agenda), which remain fragmented and without strong financial and organizational bases.

4. Sudanese politics has alternated been combinations of coalition and coercion. Each of the country's dictatorships has used both. The same is true of civilian governments: Sudan's 'democratic' governments have all pursued civil wars. Military governments start with fierce repression and are then compelled to liberalize, ending up with quasi-democratic forms of political participation in which a single ruling party encompasses a broad spectrum of opinion, while the leadership negotiates with civil and armed opposition. Civilian governments begin with unbounded liberal hopes and promises and end up adopting states of emergencies and using clandestine measures to fight civil wars and intimidate civilian opponents. Successive Sudanese leaders are accused of hypocrisy and vacillation—but rather than asking whether the country deserves such poor leaders, we should ask, what is it about ruling Sudan that repeatedly brings out these characteristics in those who try to govern it?

5. The swirl of change and instability has masked important continuity. Woodward characterizes the Sudanese state as a project of the northern tribes who have provided every head of state since independence: the Shaygiyya, Danagla and Jaaliyyin who live along the Nile north of Khartoum. These groups did not take over a pre-existing state: in the 19th century they, along with their Turko-Egyptian patrons, actually created Sudan as an imperial exercise. Their domination was given practical and ideological endorsement by the British, and in 1956 they simply took over the mantle of state power as if by birthright. A combination of accumulated investment in capital and human resources, proximity to political power, and possession of the socio-cultural resources associated with the Arabic language, education, control of a sophisticated media, has given this group disproportionate and deeply-entrenched power.

6. Sudan has created and sustained one of the world's most dramatic center-periphery political economies. The country's center: Khartoum, Gezira, Gedaref, and a handful of

towns notably including Port Sudan, are prosperous by African standards. From the 19th century, this area—‘Sudan utile’—received the vast majority of the country’s investment and services and its people, ‘awlad al balad’, benefited. The rest of the country was simply hinterland, required for labor supply or mined for a quick trading or agricultural profit. The geography remained unchanged, despite the expansion of commercial farming deeper into the savanna belt, until the exploitation of oil, which has generated new economic interests in the geographical peripheries, though not in the people who live there.

7. Coercion has ‘failed’ in two important respects: it has neither won a war nor established a stable state. But coercion has brought other benefits to those in power. Many of the merchant-officer-administrator class have become wealthy. Constant states of emergency justify the maintenance of a security apparatus removed from legal accountability, and which is itself an important locus for profit. The coercive apparatus is fully employed even when it is not fighting a war or detaining political opponents.

8. Sudan’s rulers are proven experts at managing multiple crises. There can be few governing elites who have managed to stay in power despite being bankrupt, at war internally and with powerful neighbors, internationally ostracized and sanctioned, while all the time lacking a strong governing apparatus. Crisis management has become a political way of life, and when Sudanese leaders aver that they are unafraid of any measures the international community can envision and implement, they are not joking. Amid apparently intractable crisis, Sudan’s elite has continued to prosper. The absence of a ‘solution’ to each of the conflicts in the periphery is not intrinsically a problem for this group.

9. Sudan’s long wars and other crises have wrought immense and irreversible changes of the country’s social economy. Fifty years ago, Sudan’s wealth was in agriculture and, to a much lesser extent, in manufacturing. The towns were administrative and trading centers. Ten years ago, before Sudan became an oil producer, wealth had been redistributed. The most prosperous economic sector was the urban remittance-based economy and its offshoots, especially in the informal sector. Studies of the economy in the 1970s showed a clear pattern whereby the rural economy was mined (by traders and agricultural entrepreneurs) and the profits invested in the core region, especially Khartoum. In the 1980s, this was followed by an even more dramatic export of capital to Europe, America and the Middle East. (Even while Sudan was officially bankrupt, private citizens owned more assets abroad than the country’s official debt.) People followed capital: vast migrations to Sudan’s urban centers and emigration of the skilled and professional classes. Each provincial crisis generates more urbanization. The Darfurian town of Nyala has grown from 35,000 in 1973 to perhaps 1.5 million today. Peace and development projects may slow this urbanization, and perhaps briefly reverse it, but they will surely not halt it.

10. The implementation of the CPA is currently carried out by President Bashir and Vice-President Salva Kiir, who appear to have different priorities to Ali Osman Taha and Garang, who had negotiated the process. Ali Osman Taha, who was previously perceived as the prominent political figure within the NCP, seems to have been progressively isolated partly as a result of Garang’s death and partly due to a power struggle within the Islamist movement. Notwithstanding this internal power struggle within the ruling party, the NCP clique still maintains full control over the State apparatus. This enables the NCP to formulate a long-term strategy that will guarantee continuous rule over the country and a consolidation of power in the North. Furthermore, the NCP is succeeding in its divide-and-rule control strategies. In the East, the NCP divided the Eastern Front by reaching a separate agreement

with the Rashaida group, in Darfur the rebel groups are splintered and the NCP is actively trying to divide them further, and in the South, the NCP keeps under its control part of the South Sudan Defence Force (SSDF), in case they would opt to destabilize the South.

11. The Sudan People Liberation Movement (SPLM) is much weaker than the NCP, it is poorly overseeing the implementation of the CPA, and, most worryingly, it lacks a political strategy which goes beyond the desire of secession. The SPLM's inaction following the unbalanced appointment of the GoNU and the NCP's several violations of the agreement is raising discontent within the SPLM itself. It is becoming clear that the capacity and the experience of the SPLM officials is inadequate comparing to those of the NCP. In addition, the SPLM appears to be divided between the current leadership, Salva Kiir and his new personal cabinet and the old cabal, who was close to Garang. On the contrary, Salva Kiir's role in the South seems to be more conciliatory and has seen the South South Dialogue progressing smoothly. On 9 January 2006, Salva Kiir and the leader of the SSDF Paulino Matiep signed the Juba Declaration on Unity and Integration (9 January 2006), agreeing to integrate their two forces to form one unified army, under the name of SPLA. This is a positive trend and the most important most important result, since Garang's death. However, some SSDF members rejected the agreement. The SSDF is likely to remain divided between those who will join the SPLA and those who will remain under the Sudan Armed Force (SAF), mainly because of personal economic interests.

12. Whilst on the surface the implementation of the CPA is slowly progressing, the partnership between the SPLM and the NCP is surviving but is not working. The NCP is behind schedule regarding the formation of the Joint Integrated Units (JIUs). It is reportedly still supporting the Lord Resistance Army (LRA) and it seems that is not allocating the agreed amount of oil revenues to the South (50 per cent). According to the CPA the 30% of the ministries' staff should be from the South; however it is still composed almost only by Northerners. In addition several commissions were formed, including an Assessment and Evaluation Commission (AEC), a National Petroleum Commission (NPC), and a Boundary Commission. However many of the CPA commissions were established by presidential decrees rather than by the National Constitutional Review Commission (NCRC), as per the CPA.

13. In Darfur, the authority has fragmented on all sides. Both government and armed movements lack cohesion. There is no ceasefire and the parties' commitments to cease hostilities have yet to be translated into action. Once again, the talks in Abuja are making painfully modest progress, with hardliners on both sides dictating the pace. The dispute between Chad and Sudan made a Darfur settlement more problematic. Although the report tries to trace the current alliances between Darfur groups and regional actors, such alliances are very fluid and likely to change. In Chad the competition on who should be the next president is opened, since Deby is not likely to end his third term due to his serious illness and his weak power base. The power transition in Chad is linked to the Darfur conflict.

14. In the East, the separate agreement between the NCP and the Rashaida Free Lions Movement coupled with the recent fighting over Hamash Koreb town, indicate the military and political weakness of the Eastern Front (EF). Given the deteriorated relations with Ethiopia, Eritrea could be willing to end its support to the EF in exchange of Khartoum neutrality, should a conflict between Asmara and Addis break out. If a peace talks between the EF and the government takes place, the EF will arrive very weak to the negotiation and it is unlikely that will get some concessions from the government.

15. The international community has invested immense resources, time and energy in Sudan and has not seen results on a commensurate level. The GoNU is fully controlled by the old regime, power sharing protocol has been already violated, and there is a lack of transparency on the wealth-sharing. The international community is failing to avoid derailment from the CPA correct implementation modalities and these factors make eventual secession more likely. The dispute between Norway and the UN, over the presidency of the Assessment and Evaluation Commission (AEC), initially undermined the role of the highest institution to oversee the implementation of the CPA. Also many question the real interest of the NCP and the SPLM in being overseen by a commission composed by internationals.

16. On Darfur, due to the complexity of the conflict, the main actors of the international community lack both a strategy and an influence in the peace process. As the UN envoy Mr. Jan Pronk admitted “our peace strategy so far has failed.” It is planned to hand over the African Union mission in Darfur to the UN, with the process initiated at the end of March. However, without a peace agreement in Abuja and real implemented ceasefire on the ground this will not be possible, and both AU and UN will face an extremely difficult situation.

CPA Implementation

17. The South started to receive oil-sharing revenues from the Government of National Unity (GoNU). The oil share officially allocated to the South was calculated to be \$305 million for nine month (from July 2005 to March 2006), which allegedly represents the 50% of the total oil coming from the South. As the NCP controls the Energy Ministry and the SPLM is not in the position to verify the exact amount of oil revenues of the South, the figure of \$305 million is the result of a calculation made by the NCP. In other words, other than the clique of the NCP no one knows the total amount of oil revenues coming from the South. For instance, it is possible that this figure is calculated only on the basis of export incomes, without including domestic revenues. In addition to this, doubts are arising because the government’ figures do not reflect that the oil revenues have increased despite the rise in the oil price, as a consequence many suspect that the Government did not price the oil according to the international price, arguing that there needs to revise all the previous oil contracts. So far it has been calculated by the NCP and temporary accepted by the SPLM (until a Boundary Commission will make the final decision) that the 40% of the national oil-fields are in the North and 60% in the South. However, it remains to be clarified that according to the CPA the South should receive only the 50% of the oil of the South. For the SPLM is crucial to know the right amount of the oil revenues. Because of this the GoSS is thinking to establish an internal commission in charge of investigating the real amount of Sudan’s oil income (such task is not under the responsibilities of the National Petroleum Commission).

18. Abyei’s issue was considered one of the most difficult challenges for the CPA implementation in the interim period. In accordance with the CPA, the Abyei Boundary Commission (ABC) in charge of demarcating the borders of Abyei¹, has delivered its final and binding report which established that the oil-fields of Hijilij and Difra are located south of the border. The report has been accepted by the Dinka Ngok community but fully rejected by the “Arab” Misseryia, as well as by the NCP which strongly criticised the decision.

¹ According to the CPA Abyei’s territory is defined as the area of the nine Ngok Dinka chiefdoms transferred to Kordofan in 1905. The Misseriya and other nomadic peoples retain their traditional rights to graze cattle and move across the territory of Abyei.

According to the CPA, residents of Abyei will be citizens of both Western Kordofan and Bahr el Ghazal and they will be administrated by a local Executive Council elected by the residents of Abyei. Pending the elections of the Executive Council, its initial members will be appointed by the Presidency. However, as retaliation measure, the Presidency has not yet appointed a local administration. As agreed in the CPA, the Presidency shall also establish an Abyei Referendum Commission which will be responsible for the organisation of the Abyei referendum simultaneously with the referendum of Southern Sudan. In the referendum, who will be considered by the referendum committee, “residents of Abyei” will choose, either to retain the special administrative status within the North, or to be part of Bahr el Ghazal (in the South).

19. The National Judicial Service Commission, the Fiscal and Finance Allocation Commission, and the National Petroleum Commission were established by Presidential Decrees disregarding the CPA. According to Art. 2.10 of the Power Sharing Agreement of the CPA, the National Constitutional Review Commission (NCRC) is the body responsible to detail the mandate and provide for the appointment of the ad hoc CPA commissions². In addition to the commissions mentioned above, other laws like the Back of Sudan Act, the police immunity act, and the NGO Act were passed through presidential decrees and they are now in front of the Assembly for discussion. It is not clear why the SPLM never intervened as all decrees are approved by the Cabinet. This may be partly because the SPLM focused many human resources and efforts mainly in the South and partly because of lack of coordination and communication between SPLM’s officials in Juba and Khartoum. Therefore the SPLM should establish a small SPLM body at executive level in order to build up a permanent SPLM coordination between Khartoum and Juba. Such body should also be aimed, providing technical assistance also ensuring that the SPLM leadership in Khartoum works with the NCP observing the CPA and the Interim National Constitution. In addition to this, there is the need to set up a small task force within the Ministry of Legal Affairs to review the conformity, legality and constitutionality of some CPA instruments, including the NJSC Act, the Bank of Sudan Act, the National Petroleum Commission Act, the AEC, the NGO act as well as any other presidential decree relating to the implementation of the CPA. On the National Petroleum Commission, the NCP came up with a draft law in the Commission Preparatory Team proposing that all oil contracts are to be managed by the Secretariat of the Ministry of Energy, which is controlled by the NCP. Contrary the CPA says that this is the fundamental duty of the National Petroleum Commission, which is equally composed by SPLM and NCP members. The SPLM rejected the NCP proposal and the issue has now reached presidential level.

20. As per the CPA, in the interim period, the SPLA should withdraw from the East to Khartoum and the South. On the other hand, the Sudan Armed Forces (SAF) should redeploy its troop from the South to the North. However, in the South the redeployment will not take place until a Joint Integrated Units (JIUs) is established. The JIUs, which will be composed of the SPLA and the SAF, should be the base of a national army in case the southerners vote for unity. So far, while the SPLA is ready to deploy its units and its troops have already arrived in Juba, the NCP is behind schedule regarding the formation of the JIUs. Yet, the JIUs do not have a central command which is crucial to develop a joint SPLA-SAF decision making body. The redeployment and the JIUs are scheduled to conclude within the next two years.

² Ad hoc commissions include National Electoral Commission, Human Rights Commission, National Judicial Service Commission, National Civil Service Commission, Fiscal and Financial Allocation Commission, ad hoc commissions on self-determination of people of south Sudan.

21. According to many SPLM and GoSS officials, the Ugandan rebel group of the Lord's Resistance Army (LRA) is still supported by the Sudanese Military Intelligence. The SPLM offered to mediate between the LRA and the Ugandan government, however, for the time being, this option remains unlikely³. According to the previous Government of Sudan, the Army was not in the position to expel the LRA from the country. As a result Sudan authorised the Ugandan Army to cross the border and to expel the LRA out of South Sudan. However, every time that the Ugandan Army enters in the Sudanese territory, it communicates its positions to the GoS. As a consequence the LRA may be in the position to receive information from Military Intelligence on the Ugandan Army's movements. Uganda, which is enjoying the SPLA support, is keen to push the LRA into the Democratic Republic of Congo (DRC), as this would enable Uganda to defeat the LRA with the political support of the DRC's government. It serves Military Intelligence well to keep the LRA as a proxy force in case of future need in Southern Sudan. In addition, by now it is clear that the LRA issue cannot be solved only through military tools since the rebel group is also an ethnic militia which has a support in the area in which is traditionally based.

22. On 31 October, the first meeting of the Assessment and Evaluation Commission (AEC) was held in Khartoum. The AEC is the highest institution in charge of overseeing the implementation of the CPA and its role includes making proposal to the Sudanese Presidency to support the peace-process. The AEC is chaired by Amb. Tom Vraalsen from Norway and co-chaired by Kenya. Among others Ethiopia, US, Italy, Netherlands, and UK are participating as members while EU, AU, and Arab League⁴ are observers⁵. The UN were invited to the AEC as observer, however the UN Special Representative in the Sudan, Mr. Jan Pronk refused to participate in the works of the AEC, unless the UN was chairman. The reason given was that, according to Pronk, Norway is not in the Security Council and therefore the report which will be taken in consideration by the Security Council will be the UN report on the implementation of the CPA rather than the AEC one.

23. However, as a high level official of the SPLM said, during the peace process in Naivasha the UN agreed together with the other members and the parties (SPLM and NCP) that Norway should have been chairman. After having failed to become the chairman of the AEC, Mr. Pronk decided not to participate in the AEC and such a decision has been approved by the Secretary General. Indeed the UN, which is deploying 10,000 peace-keepers in the country, is one of the main stakeholders in the implementation of the CPA. However, it is broadly perceived that the UN decision was a mistake. Firstly it divided the international community, undermining the works of the AEC, despite the fact that AEC is and remains the key tool of the international community to oversee the CPA. Secondly, Norway does not intend to renounce to the chairmanship and, in order to counterbalance the UN absence, is likely to ally to the US. This could give the US enough space to monopolise the AEC. In addition, in the second AEC meeting, on 13 December, the representatives of the SPLM and the NCP did not show up. The following day they promptly showed up, apologising. Although the Chairman said to believe that the absence of both the parties was the result of disorganization, many analysts think that this is an indication of the poor interest that both

³ Also, since the SPLM and Ugandan government are allied, the SPLM would be not a neutral mediator.

⁴ However the Arab League did not attend the first meeting.

⁵ According to the chairman Tom Vraalsen the AEC will meet one time per month and also when needs are arising. The AEC has the right to establish working groups. 20-30 persons will work as staff in the AEC, including 4 key expert who will follow legal, economic, and security issues in addition to the implementation of the protocols of the transitional areas.

parties, including the SPLM leadership, have in being supervised by a commission mainly composed by internationals.

The National Congress Party

24. The composition of the GoNU indicates that Vice-President Ali Osman Taha may be isolated as a result of a power struggle within the NCP. The struggle was not noticed until the appointment of the GoNU (20 September 2005), specifically when Nafie Ali Nafie was surprisingly appointed as Assistant to the President, a position which was not contemplated by the CPA and which gives Nafie⁶ the upper hand in the party. A second indication is the appointment of Abdul Rahim Mohamed Hussein as Minister of Defence. During the previous government Abdul-Rahim Mohamed Hussein was Minister of Interior and he subsequently resigned, officially because of corruption. In reality, there are reasons to believe that his resignation was the result of pressure from Taha who did not want him. A third indication is the appointment as Minister of Interior of Prof. Al-Zuber Bashir Taha⁷, who is considered one of the most militant Islamist and a close ally of Nafie Nafie. Also Salah Abdalla Gosh was confirmed Head of the Security and currently he is reportedly closer to Nafie than Taha. Therefore it may be argued that Nafie, Salah Gosh, Al Zuber, Abdul Rahim Mohamed Hussein in addition to the Minister of Energy Al Jaz are now the core of the clique of the NCP and the real decision makers of the country.

25. It can be argued that Nafie has now the control of the Security services, through which Islamists ensured their survival since they came into power. Although the CPA limited the traditional powers of the Security⁸, the NCP's clique increased its control over the state apparatus through other institutions, like the police⁹ and the army. In addition to the Security, Islamists lead the Ministries of Interior, Defence, and the police, keeping General Omar al-Bashir as President because it ensures their alliance with the army¹⁰. If this analysis is correct, President Bashir was only indirectly involved in the power struggle and sided with Nafie, probably because he resulted to be the most powerful. Although in making decision the President may be less influential than his Islamist deputies (today Nafi'e, previously Taha, and in the past Turabi), so far he has been capable of using their divisions to remain President.

26. Ali Osman Taha seems now isolated, however he still enjoys support from some Islamist sectors and, most importantly, a good reputation among the international community, because he negotiated the CPA. Although the NCP was not defeated in the battlefield many think that Taha made large concessions to the SPLM in return for staying in power at the expenses of the security apparatus and the army. Taha's political career appeared to be linked to the implementation of the CPA and most importantly to his partnership (or, as many believe, his under-table agreement) with Dr. Garang. Garang's death enabled discontents like

⁶ Nafi'e Ali Nafi'e was appointed Chief of the Security of the National Islamic Front (NIF) when he was Professor of Agriculture in the University of Khartoum. From 1989 he acted as Head of the National Security and he was forced to officially resign in 1996 because of pressure following Mubarak's failed attempt in Addis (1995). However unofficially he continued to act as Chief of the Security.

⁷ Former Minister of Science and Technology.

⁸ In the previous government the security services enjoyed the right to arrest and detain which is now an exclusive duty of the police.

⁹ The NCP is also recruiting PDF soldiers in the police thus enlarging his influence in the police.

¹⁰ In addition, while in the previous government there was just one Attorney for the crime against the state, now they created three Attorneys respectively in charge of the state security, the crime against humanity, and corruption.

Nafie Ali Nafie to isolate Taha. However, for the time being, Taha is likely to remain in power mainly to cover the NCP's face in front of the international community, though with limited power.

27. Much of the NCP strategy focuses on sustaining its electoral base for the elections scheduled for 2008. The electoral strategy is founded on sustaining the core geographical and political constituencies of the NCP and making tactical alliances outside these groups using the power of incumbency and control over most of the machinery of state and local government. Any political concessions made in Darfur and Eastern Sudan must be seen in this light: the NCP will not sacrifice any significant individuals or undermine any existing bases of support in order to gain peace, because this would erode its standing with its members. The NCP leadership is acutely aware that the party is suffering politically because it was seen to give away substantial powers to the South and also make concessions in the North, such as dismantling Western Kordofan State. It is notable that Majzub al Khalifa, who is secretary for organization in the NCP, is also chief negotiator for the GoNU in Abuja. The NCP aim is simple and clear: to avoid the fate of many incumbent parties in elections, i.e. losing the vote on a tide of popular discontent. The NCP intends to remain in power and everything is subservient to that goal.

28. In light of the coming elections and because of the perceived lack of popular support, the NCP is formulating a new investment's strategy. The ruling party is keen to focus investments (education, services and employment) in the Northern axis of Dongola – Sinnar – El Obeid excluding Darfur and the East. This would allow the NCP to build up a popular support base and a viable state in case the South chooses to secede. Many in the NCP assume that the financial flows from the Oslo Agreement will be late, far less than pledged, surrounded by rules and bureaucracy of the donors, and supervised by commissions which ensure that they will go to areas already predetermined in the CPA (South, Nuba and Southern Blue Nile). Since independence the economic and political power in the North is in the hands of the tribes which live along the Nile (the so-called "riverian tribes"), including Shaigiyya (Ali Osman Taha and Nafie Ali Nafie's tribes), Ja'aliyeen (President Omar Bashir's tribe). These three tribes come from the area which is supposed to be targeted by the investment's strategy.

29. Contrary to the CPA, whose aim of investment during the transitional period was to make unity attractive, the NCP investment strategy is only aimed at ensuring the continuation of the Party in power. In addition, it indicates that the NCP has developed a longer-term strategy that goes beyond the interim period. It would seem that the NCP, unlike the National Islamic Front, is no longer interested in bringing Islam to the rural areas but is only concerned with staying in power and enriching the country's elite.¹¹ Such a strategy is unlikely to decrease discontent and conflict in the "Northern" marginalised areas of Darfur and the East, will certainly raise tensions in Kordofan, and will convince southerners to vote for independence.

30. The Minister of Finance made a statement calling for freezing for two years the membership of Sudan from COMESA, a regional organisation which establishes a free market area among 22 African countries. The call came after that a meeting of industrial heads took place in Khartoum, in which the Industrial Chamber said that Sudanese goods were uncompetitive because of COMESA. According to the Industrial Chamber, Sudan

¹¹ Such a strategy is a contradiction of the former National Islamic Front government's agenda aimed at expanding Islam in the peripheries.

imports much more than what it exports, as a consequence the two years time out of COMESA would enable Sudan to reduce its costs of production and improve the goods' quality. Indeed Sudan is suffering from cheaper and better quality goods from other COMESA countries, however Sudan high costs of production are due to internal factors¹², which should be addressed by a serious economic reform and not by isolating the country from its regional relations.

31. The call has been made by the Minister of Finance, who belongs to the NCP while the concerned Minister of Foreign Trade, who oversees the COMESA desk and belongs to the SPLM, was not consulted. While the NCP may be thinking to re-orient its relations from sub-Saharan countries to North Africa and Middle East, the GoSS is not interested in cutting its trade relations with southern neighbours, especially because it needs to import goods for the "construction" of the South. Also, it has to be considered that such a decision would be impossible to implant on the ground due to the porosity of Sudan's borders. However, most probably, the NCP will not follow the call of the Minister of Finance also because it would be not in the interest of Egypt¹³, which has a large influence in the ruling party. In addition to this, according to the Minister of Legal Affairs of the GoSS, in case such decision is taken by the GoNU, it will not be applicable in the South because international agreements fall under the jurisdiction of the GoSS.

The SPLM and the Government of South Sudan

32. While the change of the leadership in the SPLM/A was peaceful, its political strategy is still recovering from the shock of Garang's death and it will probably take time before it will formulate an articulated agenda. So far, the three challenges of the SPLM/A include the repatriation of millions of IDPs to the south, the share of the resources that will come from the oil-revenues, and the construction of infrastructure and institutions in the South, which will be also supported by donors. Although Salva Kiir was not initially perceived as sharing the same tribalist orientation as Garang¹⁴, when it comes to decision-making, he seems mainly to rely on his so-called personal cabinet which include Justine Arop Yaac, Bona Malwal, Arthur Akwen, and Aldo Ajou. These personalities come from the same area of Salva Kiir or they belong to his same tribe. Bona Malwal and Justine Arop Yaac (Dinka Apuk) come from Gogreal while Arthur Akwen and Aldo Ajou are from Aweil (Dinka Twik). Secondly, they were previously excluded by Garang, who in his appointment favoured the Bor Dinka. Secondly they all of them participated in the Nimeiri government. Bona Malwal was Minister of Information, Justine Arop Yaac Minister of Health, Arthur Akwen Minister of Agriculture

¹² The internal factors influencing the high costs of production include:

- The cost of borrowing money is high because of the Islamic banking system which is time consumed.
- The electricity is expensive (three times the costs of electricity in Egypt).
- The food industry is the biggest sub-sector of the country's economy and is suffering by the price of industrial sugar that the government sells for more than three times the international price.
- There are many taxes among others the Zakat (in addition to the taxes, the 2,5% of the income should go to the state).

¹³ Egypt goods are not competitive in Asia and Europe; as a consequence Egypt main export is channelled to African countries, particularly Sudan. Therefore Egypt is not interested in a Sudan out of the free market area of COMESA. It has to be mentioned that one week before the call of the Minister of Finance, a Government delegation led by Ali Osman Taha went to Egypt to sign 12 trade protocols. According to the Minister of Trade the protocols were signed under the framework of COMESA.

¹⁴ John Young "John Garang's Legacy to the Peace process, the SPLM and the South" Review of African political Economy, 106:535-48, 2005.

(now he is Minister of Finance of the GoSS), and Aldo Ajol Deputy Speaker of the National Assembly. Indeed the new leadership marks a shift away from the old guard.

33. SPLM's personalities who were particularly close to Garang and who refused to be involved in the GoNU have been now appointed in the GoSS. Rebecca Garang (the widow of Dr. Garang) has been appointed Minister for Transport and Roads, which is considered one of the most lucrative sectors in the South. Also, Nihal Deng and Pagan Amoun, who helped to negotiate the CPA, were appointed respectively Minister of Regional Cooperation and Advisor for the diplomatic relations. However these are "redundant positions", as the key responsibility lays with the Foreign Minister in Khartoum, Lam Akol. This helps to explain their disappointment with the current leadership, which they consider partly composed by Garang's traditional enemies, who are now more influential than themselves. In addition to Pagan Amoun, Rebecca Garang, Nihal Deng also Deng Alor, Minister of Cabinet Affairs in the GoNU, is considered part of the SPLM discontents' group.

34. According to rumours they would be also eager to reshape the leadership of the SPLM by unifying all the discontent groups, calling for a SPLM conference in which the Chairman of the movement should be then elected. Riek Machar, Vice-President of the GoSS, is taking a middle position between the two groups. On one hand he is acting as official deputy of Salva Kiir and does not want appear as the one who want to take his post. On the other he is not eager to be perceived as Salva's loyalist, because this would prevent him to be considered an alternative leader by those discontents with the current leadership. Lam Akol is not in the position to play Machar's role, due to his personal dispute with Pagan Amoun over the leadership of their tribe, the Shilluk. In addition Lam Akol is now in a difficult position; as Foreign Minister he has to cover the face of a government which is full controlled by the NCP. As a consequence he risks undermining his reputation in front of the Southerners.

35. So far the SPLM has inadequately overseen the implementation of the CPA and it seems to be constantly out-manoeuvred by the NCP. Since the appointment of the GoNU (when the SPLM left the Ministries of Energy and Finance to the NCP) the new leadership of the SPLM chose to have a non-confrontation attitude towards the NCP, because of fear to give the NCP an excuse to prevent the referendum for secession to take place. However, such strategy is very risky because it enables the NCP to consolidate its control, thus undermining the yet weak balance of power established by the CPA. The SPLM should not underestimate the importance of national decision, also because they are likely to have implications for the South in the near future. In the national government the SPLM is suffering because its weak experience in government especially comparing to the NCP officials, who led the government for more than fifteen years. Garang has consistently minimised institutionalism in the SPLM in order to make the movement dependent on his authority, as a consequence civil administration in the SPLM is traditionally weak.

36. Indeed, the change of leadership within the SPLM has already led to a change of vision in the movement. There are several issues that indicate the passive role of the SPLM in the North, which can also be noticed by the decrease of SPLM's gatherings in Khartoum. Firstly, as the Bar Association election demonstrated, the SPLM is no longer interested in keeping its traditional alliance with the northerner opposition. In the Bar Association election, if the SPLM had sided with the opposition, the SPLM candidate would have easily won, as the lawyers' circle in Khartoum is traditionally leftists. However the SPLM decided to withdraw its candidate in order to support the NCP's man Fatih Khalil, because an alliance with the opposition would have been perceived by the NCP as an action aimed at undermining the

CPA¹⁵. Secondly, despite the South lacks infrastructures to host a large number of returnees, the SPLM wants southerners IDPs in Khartoum to go back to their original areas, also because it would increase the number of SPLM/A voters in the light of the referendum in the South. Before the signature of the CPA, IDPs in Khartoum and the international community as well, wrongly assumed that the SPLM, once in government, would have pressured the NCP to stop reallocation of IDPs in the Khartoum state. However, so far, this did not happen. Hence, the SPLM is no longer attracted to unity and it is not even considering the strategic importance in having many southerners in Khartoum. Thirdly, despite its rhetoric, the SPLM is not longer interested in the Darfur problem, which considers an issue of the NCP.

37. The issue of Abyei reflects the different visions of the two SPLM factions. On 5 December, Deng Alor, Minister of Cabinet Affairs and member of the SPLM said that his movement will resort to the East African Inter-Governmental Authority on development (IGAD) to exert strong pressure on the Government to implement the Abyei Protocol, adding that the SPLM will not accept to go back to negotiations on this issue. However, no decision has been taken so far neither by the NCP and nor by the SPLM, which indicates that Alor's statement was a personal deliberation. Contrary to Deng Alor, the members of Salva Kiir's cabinet seem not to consider Abyei a priority. According to an observer Abyei is perceived by them mainly as a Garang's issue. If Abyei issue is an obstacle to the achievement of the independence of the South, they will leave it to join the North, regardless the role of the Abyei's people in the SPLM struggle and their will to join the South in case it will separate from the North.

38. The Government of South Sudan (GoSS) is composed of twenty Ministers and seven Advisors. Fifteen of the ministerial posts went to the SPLM, while three went to the NCP, and one each to the Democratic Salvation Front (DSF) and the Southern Sudan Democratic Forum (SSDF). One of the vacant posts was reserved for the United Democratic Front (UDF). Six of the Advisors' posts went to the SPLM, while one went to the NCP. The GoSS inherits a huge bureaucracy composed of 30,000 civil servants, most of them appointed because of their tribal affiliation rather than capacities. To suddenly dismiss such number of civil servants would easily create discontents and instability. As a consequence the GoSS has to choose either to keep civil servants, maintaining stability at the expense of development and professionalism, or to reduce and replace them, thus risking instability but spending more resources for development and eventually for the army.

39. The GoSS seems more comprehensive than expected from what would have been a "Garang-appointed GoSS". However while all six Southern parties were represented in the GoNU, not all of them got ministerial positions in the GoSS. Also the Nuer caucus in the Southern assembly blamed the Dinka over their domination in both the governments, complaining over the Nuer ongoing marginalisation¹⁶. In Yambio, Western Equatoria, clashes between farmer Equatorians and Dinka Bor took place. Because of the civil war, Dinka Bor from Bahr el Gazal and Upper Nile moved with their cows from their areas into Western Equatoria. Despite Garang's propaganda of a New Sudan, which emphasised the "Nation" over ethnic and religious differences, the tribe to which he belonged, Dinka Bor, had a prominent role in the rebel movement. In Western Equatoria many SPLM commanders

¹⁵ According to many, Gazi Suleiman (SPLM) had an important role in convincing Salva Kiir to renounce to an alliance with the opposition. The decision was criticised by many in the SPLM, who prefer to withdraw their candidate and not to participate in the Bar election.

¹⁶ It has to be mentioned that the SPLM promised 25 percent of the seats to women, but only two ministers out of 20 were female.

are Dinka Bor, as a consequence their presence is traditionally perceived by Equatorians (especially Mandaris and Moros) as a political domination. Now that peace came, Equatorians want Dinka Bor to return to their original areas with their cows, also because Dinka's livestock poses a serious threat to their farmer activities. Dinka's relocation from Western Equatoria was initially hindered by SPLA Dinka Bor's commanders who fear to remain in the areas of assignment without their livestock. Now the relocation started but it remains to be seen how they will be integrated in their original areas.

40. Although the South Sudan Defence Forces (SSDF) did not get any position in the GoSS, the SSDF feel politically protected by the presence of those parties and personalities which, during Garang's, time were allied with them against the SPLM/A. Furthermore the SSDF has three members in the southern parliament¹⁷ and is well represented in the southern states with one minister per state and a total amount of 60 MPs. Because of its nature (an armed force), the SSDF was mainly interested in military agreement rather than political representation and therefore it was negotiating with the SPLA on conditions to join the former southern rebel army¹⁸. On 8 January 2006, the leader of the SSDF Paulino Matiep and Salva Kiir signed the *Juba Declaration on Unity and Integration* between the SPLA and SSDF. According to the declaration they agreed to immediately integrate their two forces to form one unified, non partisan Army under the name of SPLA. The SSDF will be integrated into the SPLA and its command structures and all its component units including the Joint Integration Units (JIUs). In exchange of integrating its forces into the SPLA¹⁹, Paulino Matiep would like to be appointed as Minister for SPLA affairs. For the time being, the agreement does not specify how many SSDF's units will join also the SPLA's posts in the JIUs²⁰, which was one of the main SSDF demand during the negotiations with the SPLA.

41. However, Paulino Matiep's decision was not approved by his Deputy Maj. Gen. Gordon Kong²¹ and others SSDF officials as Altom Daldum²² and Gabriel Tangina²³. As a retaliation measure, they overthrew Paulino Matiep as Chairman of the SSDF. It is to be mentioned that the SSDF has never been a cohesive group and its future depends on the personal interests of its leaders. As a consequence it is not surprising that the SSDF is not taking a coherent decision and it is likely to be divided between those like Matiep who joined the SPLA and those like Gordon Kong who will be part of the Sudan Armed Force (SAF)²⁴. However, Matiep's decision to join the SPLA is a positive development regarding the implementation of the CPA and the status of the Other Armed Groups (OAGs). In the meantime the main obstacle to the integration of the SSDF into the SPLA is the SPLM/A lack of budget to pay the soldiers. This may convince many SSDF members to stay under the SAF rather than to join the SPLA.

42. President Salva Kiir's strategy is characteristically methodical and patient. He is focusing on building the civil and military institutions of Southern Sudan, knowing that this is his base

¹⁷ Bol Gatkouth, Gen. Ismail Kogne and Col. John Peter Meskin.

¹⁸ According to the CPA all the armed groups that are neither SPLA nor SAF should join one of the two parties.

¹⁹ The SSDF seems to have a larger number of troops comparing to the SPLA.

²⁰ Both the SPLA and the SAF have 20.000 units each in the JIUs. 24.000 of the 40.000 JIUs will be deployed to the South.

²¹ Maj. Gen. Gordon Kong is a Nuer from Nassir.

²² Altom Daldum comes from the Fertit tribe in Bahr al Ghazal; he is incidentally uncle of Edwal Lino, SPLM Intelligence chief.

²³ Gabriel Tangina is a Nuer from Wat.

²⁴ According to a previous agreement between the SSDF and the NCP, 6.000 SSDF units will join the Sudan Armed Forces (SAF) in the Joint Integrated Units (JIUs) in the South.

for dealing with the North on strong terms. This is interpreted by many as preparing for independence in the Referendum, now just five and a half years away. Whether or not Salva Kiir wants independence, it also serves as the most effective strategy for negotiating with the NCP to leverage concessions in the interim period. Many in the NCP have meanwhile concluded that Southern independence is a foregone conclusion, and are preparing themselves to respond to this eventuality. While sticking to the letter of the CPA, both SAF and SPLA are reorganizing their militaries in case of future hostilities.

Darfur

43. The humanitarian crisis in Darfur had stabilized during the first nine months of 2005, but has regressed since October. The main reason for this has been increased insecurity in many different parts of Darfur. The escalating fighting is driven by several factors. One of them is the breakdown of discipline among SLA fighters on the ground, many of whom are running short of food and other supplies. They have turned to looting for sustenance. The situation has got so bad that both commercial and humanitarian truck drivers are threatening to strike. A second reason is continuing attacks by Janjawiid in some areas.

44. More politically significant has been the mobilization of forces along the Chad border, associated with preparations by both governments for a war. These preparations include organizing and arming proxy forces on both sides. The GoS has armed the FUC coalition headed by Mahamat al Nour, which includes Janjawiid forces that have begun raiding in eastern Chad. A sweeping operation along the border in November-December drove SLA Masalit forces into Chad and prepared the way for an assault. This was launched against the town of Adre on 18 December and was a debacle for the opposition. On the Chad side, preparations have included organizing and arming SLA factions, including especially the Minawi faction and to a lesser extent the Masalit forces headed by Khamis Abbaker. Deby has brokered a deal between SLA-Minawi and the Justice and Equality Movement, to create the 'Alliance of Revolutionary Forces for Western Sudan.' This is widely seen as a Chadian defence pact and a Zaghawa alliance. Minawi has also allied with the NMRD. This has all led to attacks by the Zaghawa factions of the Darfur Movements.

45. The leadership of the SLM/A is in dispute. Minni Minawi gained the upper hand when he convened the Haskanita Conference in October, with finance and logistics from Libya. However, he immediately overplayed his hand by appointing his own loyalists to top positions, by trying to seal his political advantage by military attacks on his rivals, and by failing to cooperate with US attempts to unify the movement. Since Haskanita he has seen his support drain away and his presence on the ground reduced to just a handful of camps on the border with Chad, plus a mobile unit in the south. With new arms from Chad, Minawi may be ready to go on the offensive again. Abdel Wahid Nour, the historic Chairman, has been unable to capitalize fully on Minawi's disarray, because of his indecisive leadership. Despite his disappointments, the great majority of the SLM is now with Abdel Wahid because they do not want further divisions, and because he has committed himself to negotiating a peace deal in Abuja.

46. On the GoS-Janjawiid side there are spoilers too. Military Intelligence seems ready to continue to pursue a military solution. It has used the pretext of Deby's declaration that Chad is 'in a state of war' with Sudan to organize a major military buildup on the border. It has rearmed and reorganized its forces in Darfur and has treated AMIS with contempt. One of its most striking violations was to paint military helicopters in AMIS colours and insignia. This

is defined as perfidy under the Geneva Conventions and is a war crime. MI would like to defeat the SLA militarily either in Chad or in Darfur and is waiting for the signal to begin its work. Its main target will be the Zaghawa forces but it will attack others too.

47. The Abuja peace talks have been making very slow progress. They resumed in late November with all sides committed to making this round the last one. Until the New Year, the main impediment to progress was the fact that unity among the SLM factions and JEM was maintained by giving the negotiating lead to the hard-liners in JEM and the Minawi faction. They consistently blocked any progress at all, insisting that they had only one position and even the smallest compromise was unthinkable. As a result, the GoS delegation was not tested, and the Abdel Wahid group, which was keen for real negotiations, became more frustrated. It is widely reported that Abdel Wahid and the GoS delegation initiated direct contacts in order to seek a deal, and it appears that these have failed to progress because Abdel Wahid is insisting on a formal inclusive agreement within the Abuja framework, while the GoS would like a simple bilateral deal.

48. The dynamic of the negotiation changed in mid-January. The GoS delegation, humbled by the failure of Bashir's bid to lead the African Union, came with a new seriousness. The announcement of the JEM-Minawi Alliance in Chad on 18 January was the signal for Abdel Wahid to repudiate his agreement to stick to a common negotiating position, and his delegates began to talk more constructively. The mediation format changed, especially in the Commission on Security Arrangements, allowing more constructive discussions. The result was that by the end of the month, most of the items necessary for a proper verification and monitoring system for the ceasefire had been agreed. However, the talks were overshadowed by ongoing ceasefire violations on the ground.

49. The political calculations on both sides are informed by the crisis of confidence between the NCP and SPLM over the implementation of the CPA. While the prospect of a real NCP-SPLM partnership for national unity remained real, the option of bringing the SLM in as a junior partner in this coalition was real. With the polarization of today, the SLM is looking for stronger guarantees and the NCP is keener than ever to consolidate its core political base, minimizing its concessions to the SLM. Meanwhile, JEM has shown little inclination for serious negotiation in Abuja. It is likely that its separate parallel talks with the NCP in the context of plans to reunify the Islamist movement are equally significant.

50. The African Union is confident that it can make substantial progress towards an agreement in February and reach agreement in March, in time for the AU to request a well-ordered transition from AMIS to UNMIS on the ground in Darfur. If this is to be achieved, the mediation will need to be more energetic and to coordinate its efforts more closely with international partners, especially the US.

Chad and Libya

51. Because of his serious illness, Chadian President Idris Deby (a Bedeyat, close to the Zaghawa) may not be able to end his third term as President. In addition, he is politically weak due to the proliferation of armed opposition in the country and the rival ambitions within his own tribe. Hence, the competition over the Presidency is opened. In Chadian politics what matters is tribe and money. Deby is a master of political manoeuvre but his options are becoming more limited. In the meantime there are three main scenarios.

52. Firstly, a new military alliance between Arab tribes, Gorane, Tama and other small tribes²⁵ may be possible, especially in the light of their long isolation from power and their support from the GoS. A second scenario is a coup within the Zaghawa. In the beginning of the Darfur insurgency President Idriss Deby faced discontents within his own tribe, since he was accused of not having protected Zaghawa in Darfur. As a consequence he feared to be overthrown by the same tribal constituency that brought him to power. Nevertheless it still remains the question of who should then rule, since Deby seems to have eliminated all Zaghawa leaders who could have ruled the country. Thirdly, it cannot be excluded that the new President may come from one of the prominent Chadian figures who live abroad.

53. The Chadian opposition also has based in Central African Republic. Some leaders prefer to support that front, partly because they fear control from Khartoum and partly because it lessens entanglement with the politics of north-east Chad, where the Zaghawa have their strongest presence. The primary political problem in Chad is internal and many Chadians are worried that internationalising the crisis will not be to their advantage.

54. Because of its military agreement with Chad, Paris wants to keep Deby as President. It sees no alternative for now. French troops are deployed in Abeche and they overfly the Chadian border. Despite France's determination to keep its role to logistics and intelligence, an eventual attack from Sudan could involve them. Hence, French priorities include the improvement of the relations between Chad and Sudan and to stabilise the security situation in Darfur. France considers that a limited war in eastern Chad would not threaten N'djamena. While this may be correct, such a war would be a humanitarian disaster and hugely complicate Darfur.

55. Libyan roles and ambitions in Darfur and Chad are complicated. There are Zaghawa and Bideyat holding influential military posts in southern Libya, who are supporting the Zaghawa alliance. They provided extensive support to Minawi in 2005, but were disappointed when he failed to fulfil his promises and instead continued casting around for other backers. They are suspicious of JEM and Idriss Deby. But Gaddafi is fearful of an international military presence on his southern border. He has not forgotten how the CIA and French trained Libyan exiles in Chad in the 1980s and backed Hissene Habre's army, which inflicted the biggest ever defeat on the Libyan Army at Ouaddi Doum in 1987. He also wants to play a leading role on the African stage, including mediating the Sudan-Chad conflict and the Eastern Sudan conflict. Few of the players, especially the GoS, take Gaddafi seriously. Their approach is to manage him with flattery and attendance at his meetings but in all other respects they try to neutralize his influence, and usually succeed.

The East

56. The Eritrean dispute with Ethiopia coupled with the SPLM lack of interest to the North indicate that a large-scale conflict is unlikely to erupt in the East. In November/December the leadership of the Eastern Front (EF), a coalition between Beja Congress and Free Lions (the tribal movement of the Rashaida), was in Asmara for training sponsored by the UK and organised by Concordis (a UK-based NGO), aimed at supporting the EF in building their agenda. In the training, which ended on 5 December, Concordis tried to convince the EF to

²⁵ The current leader of this alliance is Mahamat al Nour Abdel Karim, traditionally supported by Khartoum. Nour comes from the Tama tribe and his forces include some Janjawiid. Because he is not from an Arab tribe, he may be used by Khartoum for a short-period before being replaced by an Arab leader, for example Ahmat Subian.

be realistic and to demand to the government the 40 per cent of local resources rather than 90, as previously demanded by the rebel group. As precondition for acceptance of Libyan mediation efforts, Tripoli agreed to the EF's request that Eritrea should co-mediate with Tripoli. Talks between the EF and the government had been due to start in Libya in December but the EF proposed to postpone the talks to January. An agreement between the Free Lions Movement and the NCP was reached in Tripoli on 24-25 December, following secret negotiations between Free Lions' leader Mabrouk and NCP secretary for external relations Kamal Abeid. Although the agreement is limited to the issue of the 600 Land Cruisers of the Rashaida that were confiscated by the government in the early 1990s, it undermined the unity of the Eastern Front. As a consequence of Libyan support to the Rashaida-NCP agreement, the Beja rejected Libya as mediator.

57. Following a series of high-level meetings between Sudan and Eritrea, on 7 December the two countries agreed to raise the level of diplomatic representation to ambassadorial level and to arrange a summit meeting between the two presidents. Asmara intends to temporarily neutralise Eastern rebels in exchange of Khartoum's neutrality, in case Eritrea and Ethiopia will go to war. This would enable Eritrea to move its troops from the Western to the Southern border and Sudan to move its troops from the East to other areas of the country. If fighting between Ethiopia and Eritrea does break out, a large number of refugees is likely to flow into Eastern Sudan.

58. However, for the time being, it is likely that Asmara will continue to use the EF as a tool to pressure the Sudanese government. Since the EF leadership is under the control of Asmara, the Eastern issue can not be solved genuinely. Therefore many suggest that the EF should replace its current leadership, empowering the youth within the movement. This would enable the EF to have a genuine agenda without being only instrumental to Eritrean interests.

59. According to the CPA, the SPLA was obliged to withdraw from the Eastern Front held town of Hamash Koreb by 9 January 2006. Because of logistical problem, in the Joint Defence Board (JDF), the SPLA demanded to postpone its withdrawal, which should not take place until a Joint Integrated Units (JIUs) will be formed. On 11 January, part of Hamash Koreb was occupied by the militia of Suleiman Ali Betay, who is the son of the founder of the town, Ali Betay. Formerly allied with the Beja Congress, Suleiman Betay switched back to the GoS in 1998 and has since maintained a semi-autonomous militia as part of the Popular Defence Forces. Suleiman Betay has his personal and tribal reasons for occupying Hamush Koreb, which he sees as his fiefdom. But it is also likely that his action was supported by the NCP and SAF.

60. The occupation of Hamush Koreb was the first major ceasefire violation of the CPA. A major confrontation did not happen, as it served the interests of neither side. However, the problem of a security vacuum following the withdrawal of SPLA forces remains.

Implications

61. The prospect of a transformation of Sudan into a version of a 'New Sudan': united, pluralistic and democratic, is fading. Success would have required strong leadership in both North and South with full commitment to these ideals. That was always in doubt and has further faded since the death of Dr John Garang and the subsequent loss of Ali Osman Taha's leadership. Sudan is instead reverting to its most characteristic feature of the last 25 years:

crisis management as a way of political life. Sudan's ruling elites have become expert at managing multiple crises (political, diplomatic, financial, military) without losing their balance, and while consolidating their own power on top of ever-shifting domestic alliances. The international engagement is also reverting to type: introverted crisis management, lacking strategic vision and always responding to events.

62. In this context, the CPA becomes a defensive, status quo deal for the major parties. For the SPLM, it is primarily a mechanism for consolidating its hold on the South preparatory to a Referendum which will certainly result in an overwhelming vote for independence. For the Northern elite, the CPA is a trap which should either be sabotaged, or turned to political advantage through enabling them to control Northern Sudan indefinitely. This formula threatens to reproduce the same pathologies across the North, of violent resistance against an unrepresentative power elite.

63. The UN, the US, and the European Union and its members should reconsider their approach to Sudan. The CPA brought a change only in the South while in the North it consolidated the power of the NCP. In the North, the interim period is fast becoming merely an extension of the previous ruling system, thus demoralising the Northern opposition, including political parties, civil society, Darfurians, and Easterners. The CPA is proving a good deal to solve the Southern issue; however it created a balance of power which impedes the solution of the other Sudan's regional conflicts.

64. Assuming that an agreement in Abuja will bring Darfur rebel groups in the government, they are likely to get few and insignificant positions. In addition, a change in the composition of the government is not going to have any implications on the lives of Darfurians. What Darfurians and Easterners need is a new and viable system which changes the relations between the centre and the peripheries rather than a Vice-President from their areas. A viable system cannot be built through disparate negotiations mainly aimed at adjusting the composition of the government according to the population of an area. Such framework is also unlikely to bring stability, because it does not consider the local level of the conflicts. At the moment, however, there is no alternative to pursuing this piecemeal approach.

65. The key to sustainable peace in Sudan is free and fair elections, which should be held within four years from the beginning of the interim period, as agreed in the CPA. There is a long tradition of free elections in Sudan and the main traditional parties are banking on this. Sudan's election will be closely scrutinised by international observers. It will be difficult for any incumbent parties to engage in large-scale rigging or fraud during the electoral process itself. As noted, the NCP's electoral strategy focuses on selectively rewarding loyal constituencies. In any free election, the NCP is still likely to be punished by voters for what will be almost 20 years of misrule. But any government that is formed after the election will certainly be a coalition. Coalition building is the future of Sudanese politics. If the regional movements and political parties take the opportunity provided by electoral politics, they can reshape the balance of power created by the CPA.

66. In the meantime, the CPA, although it has problematic implications in the Northern marginalised areas, it should be implemented as agreed in Nairobi.

- In Darfur, Abuja talks should be replaced by a new process focused on security issues and aimed at bringing stability in the area. This initiative should be led by an international actor rather than the government, because its neutrality is questionable.

Unless there is security in Darfur, free and fair elections are unlikely. Once stability is achieved, the rebel movements should focus their activities in their constituencies, building up efficient institutions which allow the rebels to administrate their areas and IDPs and refugees to go back to their original areas. The international community should support this process by promoting capacity building activities. Such process would help the rebel movements to maintain security, to strengthen their popular support, and to allow elections to take place in their areas.

- The same approach should be used in the East. At the root cause of the Eastern instability is the poor economic condition of the region. Talks and conferences should be focused on income generating strategies and wealth-sharing rather than on political issues and power-sharing. This would easily decrease tension without involving the parties and the international community in tricky and no-end negotiations. The international community could promote a series of confidence-building measures around critical issues such as unemployment opportunities in town and services in the rural areas. Eastern Front may gain much more from an election than from a negotiation, especially given their military weakness.
- The SPLM never experienced elections; however it is likely to obtain a positive result, given the support from the southerners. The prospect of an election will oblige the SPLM to be more interested in the political development in the North, eventually considering an alliance with the northerner opposition parties, in case the NCP will get few votes. Election would enable the SPLM to bring the leadership closer to the southerners and to speed up the institution building needed to develop an accountable and responsible leadership. All the parties involve in the elections should commit themselves in the implementation of the agreement, thus recognising the South's right of self-determination after the interim period. This precondition is aimed at decreasing international community and southerner's fears that an election may bring to power a coalition in the north which would open up the peace agreement.
- Given its lack of popular support, the security cabal, which controls the NCP, is not interested in free and fair election, because it would threaten their stay in power. The NCP may support an election but under its direct control, thus making eventual election neither free nor fair. The international community should act as "watchdog" to the election process, beginning from the establishment of the election committee, which should be inclusive and balance. Due to NCP's lack of interest in election and SPLM non-confrontation attitude with the NCP, international community's involvement in this area is essential. In case the NCP will loose election, it remains to be seen if the NCP will accept the result, given their full control over the security and military apparatus.
- The UN is in the process to deploy a peace-keeping force of 10.000 soldiers, aimed at protecting the implementation of the peace agreement. Elections are part of the CPA, therefore the UN should protect the result, even if the NCP looses. However, many in the international community view with concern the possibility of elections. Indeed many Northerners perceive the international community's support to the CPA (i.e. to the NCP and SPLM), as a move to counter democratic transformation in the country. This perception is strengthened by good relations between the CIA and the Head of Sudanese security services Salah Gosh. Given its "war on terror", the US may prefer intelligence sharing with the NCP rather than to promote a genuine democratic transformation in the country, which may lead to a change of government. However, such strategy is questionable. In the long term, it would seem that the peace process is

leading the South to break away from the North. An independent South is likely to push the North closer to the Arab World, increasing its radical Islam. On contrary, elections are likely to show the Islamist's lack of support, increasing the power of secular forces.