

A Call for a Marshall Plan for South Sudan (1-2)

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"There is no shortage of funding in the world, only shortage of fund-able plans"- Author's personal conviction

January 14, 2013 - South Sudan obtained its independence from Sudan in July 2011, six months after voting overwhelmingly to secede from the country in a referendum conducted on 9th January 2011.

The baseline on which the government of the independent South Sudan had launched its developmental effort was grim, even by African standards. With a population of 8.26 million, as per World Bank's December 2010 census, about 90 percent lived on less than one dollar per day and 33 percent were classified as chronically hungry. Only six percent had access to improved sanitation, 85 percent of adults were recorded illiterate, and there was only one teacher for every 1,000 students. Moreover, one in six mothers dies during childbirth, and 135 out of 1,000 children die before the age of five.

The region's infrastructure—roads, bridges, and electricity—is poor or non-existent. Other sectors of the economy, such as agriculture, are under-developed. Landlocked and with no productive industries of its own, South Sudan imported everything from Sudan, Kenya, and Uganda, while exporting nothing in return.

To fund development effort, South Sudan relied heavily on oil revenues which formed 98 percent of the government of income from the sale of the crude in international markets. Unfortunately, barely six months into independence, the government's oil revenues dried up, following the shut-down of oil production in January 2012, a consequence of a dispute with Sudan over the level of transit fees.

A World Bank brief about the possible adverse impacts of oil shut-down on South Sudan's economy in June 2012, predicted a jump in the number of people living under poverty line (or those spending less than USD 1.2 per day) from 51 percent in 2012 to 83 percent in 2013; infant mortality rates for under 5s to double from 10 percent in 2012 to 20 percent in 2013; school enrolment was predicted to drop from 50 percent in 2012 to 20 percent in 2013 (the level it was some eight years ago). With continuing disagreement over outstanding issues with Sudan, and with no sources to fund development effort, the future of the nascent country looks unsettling.

Most recently, the United Nations added South Sudan to the list of the world's poorest 46 countries.

The Challenge of Triple Traps

Mirroring the diagnosis provided by economist Paul Collier in his book, *The Bottom Billion* (Collier, 2007), South Sudan appears to be suffering from at least three structural ailments or traps: abundant natural resource trap (resource curse); a land-locked nation with bad and powerful neighbours (Sudan); and being a relatively new and small country facing governance challenges, as reflected by 7-year long liaises-fair rule by Sudan People's Liberation Movement (SPLM) that is still carrying on unabated.

And as one South Sudanese academic commented (Blackings, 2012), the SPLM nationalist leaders [like other Africa anti-colonial leaders before them] were clearer on what they wanted to end, than on what they wanted to put in place to replace it (quoting Ajayi, 1982).

What's more, hopes were raised that the signing of Addis Ababa Agreement between South Sudan and Sudan on 27 September 2012 would resolve outstanding issues between the two countries, remove the ghost of a renewed war, prevent the collapse of the economies of two Sudans, and allow South Sudan to focus on affecting a resemblance of socio-economic development for its citizens. But regrettably, nothing of this sort is forthcoming as the government of Sudan began to attach an ever increasing list of impossible preconditions before it would allow South Sudan oil to flow through its territory.

It is worth pointing out that one of the most serious obstacles to normalizing relationships between South Sudan and Sudan is the continuing accusation by Sudan that the former provides moral, material, and logistical support to Sudan's armed dissidents, precisely the SPLM-North which is waging war in South Kordofan and Blue Nile, and Revolutionary Front fighting in Darfur, despite denial by South Sudan. And rather than pressurizing the government of Sudan to negotiate peace with SPLM-North, the international community persistently pressurizes South Sudan to normalize relationship with Sudan, a great irony of our time.

No Good Crying Over Spilt Milk

And even if oil money were to flow again into South Sudan's government coffers, and without well reasoned economic vision backed by commitment and credible action plans, many analysts expect that it is going to be business as usual in Juba, with hundreds of millions of petro-dollars coming in every month, and with no impact whatsoever on provision of badly needed services such as health, education, and critical infrastructure development; or possible diversification of the oil dominated

economy.

That said, enough criticism has been labelled against South Sudan ruling party, SPLM. And if criticism would kill anything, SPLM would have long been dead, as once noted by Ambassador Sabit Alley currently South Sudan ambassador to UK, in defence of SPLM, many years ago on an internet discussion forum. It would therefore be more instructive for South Sudanese (be they in the government or outside the government) to brainstorm in order to come up with ideas that would help the nation find its path out of current stagnation and despair into a bright and prosperous future. Some indigenous think-tanks as well as individuals using social media are already debating this issue, but more of such a debate is needed.

The author believes this article is a small contribution towards this debate, hopes that it is going to stimulate further discussion, and in due time, leads to crystallization of a shared vision which we could all embrace and execute with determination, honesty, and commitment.

While embarking on this debate, we must keep an open mind. We should also forget about what is generally perceived as mediocre failure of our government. We have come a long way since our ancestors rebelled in Torit in August 1955 and we should be proud of what has already been achieved, realizing that in any worthwhile project, failure is part of the game.

And yet, as the saying goes, failure is not so much about falling down, but rather it is more about failing to rise up again. And for us in South Sudan, rising up against all forces of gravity is not an option, but national duty. So rise we must.

A Marshall Plan for South Sudan

For those unfamiliar with the term, it was at the end of World War II that the government of United States came out with a plan that extended credit and financial assistance to many European countries to accelerate the revival of their war-ravaged economies. The plan's official name was European Recovery Program (ERP), but became historically more popular as the Marshall Plan after the US Secretary of State George Marshall, who revealed the plan for the first time in a speech he delivered to graduate students at Harvard University on 5th June 1947. The essence of the Marshall's speech was captured in the following lines, and I quote (Marshall Plan, Wikipedia):

"The modern system of the division of labor upon which the exchange of products is based is in danger of breaking down...It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health to the world, without which there can be no political stability and no assured peace...[the Plan] purpose should be the revival of a working economy in the world so as to permit the emergence of political and social conditions in which free institutions can exist." Unquote.

Looking back to over half a century when this speech was made and the Plan subsequently launched (1948-1952), one cannot help but admire how far-sighted and ahead of its time the Marshall Plan was, and that the leaders of United States who conceived the Plan had already realised the economic and political interdependence of the countries of the world, now christened as Globalization.

Given the leading role the United States, Norway, and Britain had played in the birth of South Sudan as world's newest nation, it is morally right that these countries and many others with good will and self-interest extend such assistance to South Sudan, irrespective of whether or not oil export resumes sooner or later. No conditionalities should be attached to granting favourable credit terms or extending financial assistance save that the plans which would be prepared and presented by South Sudan for funding be credible, realistic, and well designed. Otherwise, the goals for a Marshall Plan for South Sudan are in essence not much different from those that inspired the original Marshall Plan – the advancement of world's political stability and peace.

The experience of Multi-donor Trust Fund in South Sudan has left much to be desired. Therefore, this time around, the proposed Marshall Plan for South Sudan should put the government and people of South Sudan in the driving seat (foreign consultants, need not apply, must be its good-faith empowering philosophy!).

Priorities should be made and programs designed by the government of South Sudan with participation and consultation of wide sector of South Sudan society including South Sudan Diaspora. Funding would be composed of a combination of grants and loans from Marshall Plan Fund, negotiated and supported by the Obama Administration in partnership with Norway, Great Britain, Germany, France, Japan, Canada, Australia, Denmark, China, amongst others. The Plan should last 10 years from the date of its launch.

The South Sudan Marshall Plan's strategic goals should be to enhance South Sudan's social, economic, and natural capitals.

The Plan would do so by aiming to enhance social justice and improve the quality of life for great lot of society, achieve economic growth that would raise living standards, and sustain global and regional environmental quality (Elkington, 1989; Maathai, 2009).

Exact details of the programs could be worked out and it suffices to say that the programs should include among others the promotion of trade and long-term economic integration of South Sudan into East African Community (Beny, 2012), provision of sufficient education and health services; provision of clean drinking water; achieving food security; implementation of

electrification program for towns and country-side; building of communications and ICT infrastructure; development of country-side; building of efficient transport infrastructure that links South Sudan states and links South Sudan to the East African coast by high-speed railway line to Djibouti or Kenya (Reeves, 2012); funding of socio-economic research, and transfer of science and technology; building value-added industries; increasing non-oil exports; harnessing the country's tourism potential; promotion of small and medium-sized enterprises (SMEs). This list is not all-inclusive.

Making it Work this Time!

In order to succeed, institutional reforms would be necessary. Laws and regulations would have to be enacted in order to create an enabling environment for opening new business and attracting foreign direct investment. South Sudanese must be trained to acquire employable skills through the widening opportunities in higher education, technical vocational and second chance programmes. Women and girls must be empowered through education and elimination of cultures that oppress them in order to achieve women's potential and garner their effective contribution to the well being of South Sudanese society. My next article will shed more light on some of these proposals.

Before ending the article, I must borrow a powerful phrase from British Liberal Party's pamphlet that was published at the end of 1929 (Clarke, 2009) and apply it in the context of our nation:

SPLM has successfully mobilized its people for war. It MUST now mobilize South Sudanese people for peace and prosperity.

Finally, President Salva, once again our pleas that you lead the marsh to the promised land... Our support and our sweat guaranteed.

Recommended Readings that inspired and lend support to many ideas in this article:

- Ajayi, Ade (1982). Expectations of Independence. Daedalus. Quoted in Blackings, Mari John (2012), South Sudan, One Year On: From World's Newest State, to Another African Story, Paper presented at Sudanese Programme Conference, St. Antony's College University of Oxford. June 23, 2012.
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- Marshall Plan. http://en.wikipedia.org/wiki/Marshall_Plan.
- Reeves, Eric (2012). Oil Transport from South Sudan to Kenyan Coast, an Alternative to Oil Pipeline (<http://www.sudanreeves.org/2012/02/24/oil-transport-from-south-sudan-to-the-kenyan-coast-an-alternative-to-the-oil-pipeline-proposal-that-would-promote-immediate-employment-national-unity-and-long-term-economic-growth/>)