

Blair Sinks His Fangs into South Sudan, Which Is Struggling To Survive

by Lawrence K. Freeman

Aug. 10—On the eve of the first anniversary of the creation of South Sudan, it was announced that Tony Blair's "African Governance Initiative (AGI)" has become an official advisor to the government of the Sudan People's Liberation Movement (SPLM). Consider this the "kiss of death" for this new nation, which also bodes ill for its northern neighbor, Sudan. Blair represents the Liberal Imperialist faction of the British Empire, and is using the AGI to expand its influence in the governments of Sierra Leone, Rwanda, Liberia, Guinea, and now South Sudan. If you have any doubts that Blair's new operation is a continuation and expansion of the Britain's financial empire in Africa, take note of the support for AGI by Baroness Lynda Chalker, the Minister of State responsible for the Commonwealth's "Overseas Development" of Africa from 1986-2007, essentially the British Colonial Office. USAID Administrator Rajiv Shah could not control his gushing praise for Blair and the AGI's "political skills and capacity development to help African government actually deliver [sic] to their people."

As Great Britain's Prime Minister, Blair became infamous, among other things, for his doctrine of the "responsibility to protect" (R2P), which advocates discarding over three centuries of the lawful recognition of the supremacy of the sovereign nation-state, established by the 1648 Treaty of Westphalia, which ended over a century and a half of religious warfare in Europe. Blair's anti-nation-state doctrine insists that the so-called international community has the right to use its more powerful militaries to eliminate governments under the amorphous notion of "humanitarian intervention."

It was Blair who led the easily manipulated President George W. Bush into a war of regime change in Iraq, with no evidence ever presented that weapons of mass destruction existed that, as Blair asserted in the

preface to a British government dossier issued in September 2002, could be deployed by Saddam Hussein within 45 minutes. It was also Blair's R2P that was used to justify the ouster and assassination of Libya's President Muammar Qaddafi, and it is same policy that is being applied today by President Barack Obama and his screeching UN ambassador Susan Rice to eliminate the government of Syria, thereby threatening potential nuclear war with Russia and China. Blair is also advising President Obama's re-election campaign.

Blair's claim that AGI's goal is to help African countries realize their vision is a wicked lie, which only the most naive could possibly believe. If the South Sudanese understood how the British operate, and what is behind Blair's encroachment into Juba, the capital of South Sudan, it would realize that it has more reason to fear from their government's new partner than from President Omar al-Bashir in Khartoum, Sudan.

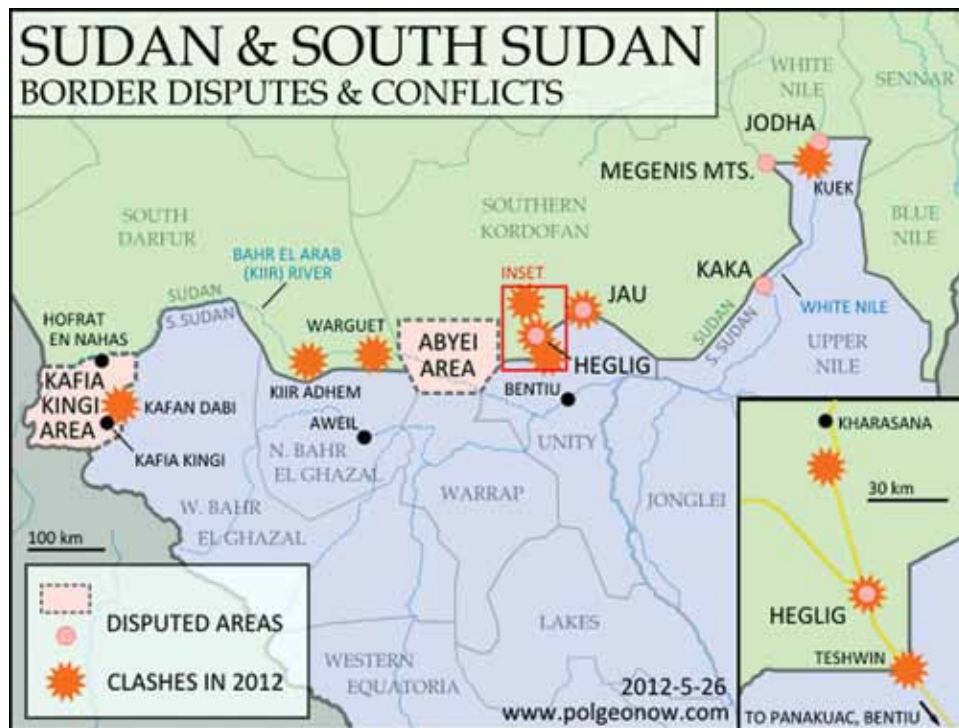
Peace Pact Failed the Sudanese People

July 9, 2012 marked the first anniversary of the secession of the Republic of South Sudan from Sudan, using borders drawn from the period of open British colonialism. Following the independence of South Sudan, the two neighboring countries have been mired in continuous military conflict, with the people of both nations enduring the pain of failed economies.

The Comprehensive Peace Agreement (CPA) signed in January 2005, which led to elections in the South in January 2011, and the creation of the new nation six months later, did not serve the people of South Sudan well, nor those living in the newly configured Sudan to the north. It has brought neither peace nor prosperity to either nation. Both countries are faced with a massive financial-economic crisis, exacerbated by a border war that is bleeding both of them (**Figure 1**).

The seeds of destruction were sown in the CPA by

FIGURE 1



allowing key issues to remain unresolved, which have come to back haunt both nations. More importantly, the sponsors of the CPA did not put in place a pathway that would ensure that each nation would have a viable economic future. These glaring failures all but guaranteed that the fighting would continue, and the economic dividends associated with peace would be illusory. The land mines planted in the so-called peace plan went off on schedule to cause war and more economic hardship.

The truth of the matter is that the leading nations that imposed the CPA—the United States and Great Britain—had no intention to develop the full capacity of either nation, before, during, or after the CPA process. The U.S. lacks any true vision for the development of this fledgling nation (much less Sudan), and has limited itself to empty promises about how the “free markets” will build their economy. Under the reality of the crushing financial-economic crisis in the trans-Atlantic countries, the U.S. is pulling back from South Sudan in its time of need. Ambassador Richard Ross, an advisor to State Department on African Affairs speaking at the Heritage Foundation in Washington on July 31, speculated that the government of the SPLM could collapse at the turn of the New Year. This would be catastrophic for the entire region.

Will South Sudan Be Sacrificed?

There are many anti-Khartoum fanatics who were jumping for joy as they watched the demonstrations in Sudan following the imposition of austerity in mid-June, hoping that their decades-long “wet dream” of overthrowing the government in Khartoum will finally come to pass, while foolishly ignoring the perils facing the Government of South Sudan (GoSS).

Ominously, for the first time, U.S. analysts, bloggers, press outlets, and institutions have begun to criticize, often quite harshly, the GoSS, with some already calling South Sudan a “failed state,” in a shift from their

previous support for the world’s newest nation. This change in attitude, taken together with the combined hyperinflationary and austerity policies that U.S. and European governments are implementing against their own populations, translates into a shrinking level of assistance, much less any intention to actually help develop a productive economy for South Sudan. Turning South Sudan into a new oil depot, a home for a new military base to support counter-terrorism deployments in Africa and beyond, and allowing foreign predators to grab up land and other assets, will not help this struggling nation overcome its huge deficit of basic infrastructure, which is vital for a functioning economy.

Two actions by the GoSS this year that further wrecked the already fragile economy and expanded the military front with Sudan, almost leading to all-out war, appear almost inexplicable. Sources on both sides of the Atlantic insist that the SPLM was emboldened to take the reckless actions, endangering its very survival, by Western donors, along with British and American operatives in Juba, and rogue elements in the SPLM itself. One cannot dismiss the possibility of cynical manipulation of South Sudan in pursuit of the demented obsession to topple the Khartoum government,

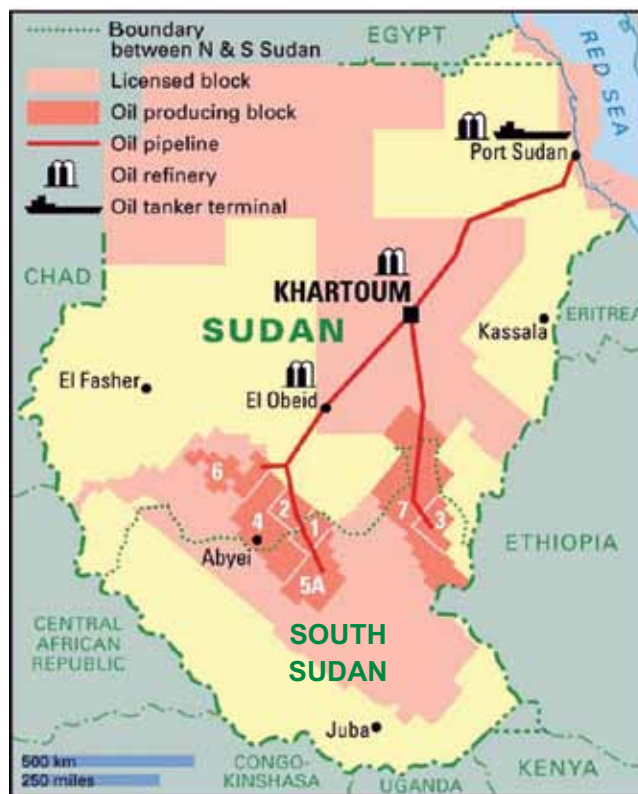
even if it results in the destruction of South Sudan itself.

First of all, in January, South Sudan shut down its own oil production of 350,000 barrels per day (bpd), resulting in the loss of billions of dollars in oil revenues so far this year, in an economy that relies on oil money for a whopping 98% of its budget. (See **Figure 2.**) Many dangerous fools believed that the loss of oil transit fees, paid to Sudan by South Sudan for the use of the northern oil pipeline, would further squeeze the weakened economy of Sudan, leading to greater unrest and the downfall of the government of President Bashir.

A leaked March 2012 memo from the World Bank following South Sudan's self-imposed oil shutdown was the subject of an article entitled "World Bank to South Sudan: Are you out of your freaking mind?" in the *Foreign Policy* blog on May 8 by Colum Lynch. The *Los Angeles Times* headline was, "South Sudan austerity budget in doubt; economic collapse feared." The author of the World Bank memo, Marcelo Giugale, wrote that "neither the president nor the senior ministers ... were aware of the economic implications of the shut-down."

The cuts in the government's budget as a consequence of eliminating its single source of revenue are expected to increase

FIGURE 2
The Petroleum Industry



the poverty level from 51% to 83% in 2013, for a population of over 8 million, and to double mortality rates for children under five from 10% to 20% of live births. (See **Figure 3.**) Various predictions are that the GoSS could run out of money as early as August, depending on the severity of its austerity budget.

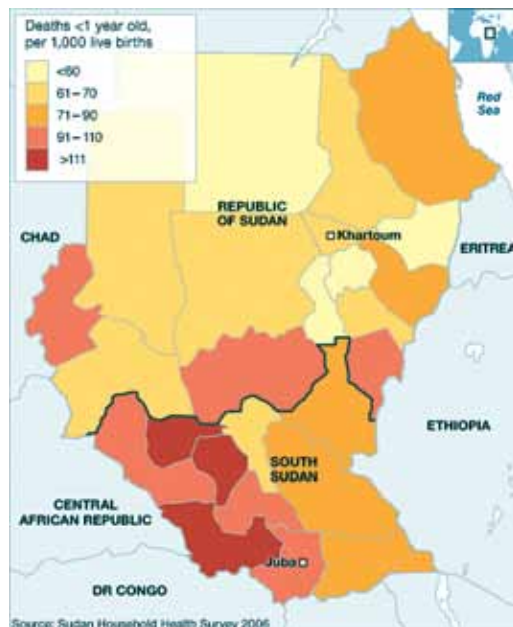
Secondly, South Sudan, in April, invaded Sudan Heglig's oilfield. The *Los Angeles Times* article raised the question of why Juba would do this, "when you know you are financially vulnerable? This doesn't need economics. It's more common sense...." The Heglig oil complex in South Kordofan is vital for Sudan's oil production. The invasion

was meant to further cripple Sudan's economy, and occurred days before important meetings between the countries were being scheduled. It was such a blatant violation of the CPA-demarcated border, that for the very first time, there was an international outcry against South Sudan, with threats of sanctions.

Conditions in South Sudan Worsening

Conditions in South Sudan have indeed deteriorated, with the South Sudanese pound being devalued over 70%, from 3.55 to 6 to the dollar, and inflation increasing to 74% in June from 20% a year earlier. UN agencies estimate that about half of South

FIGURE 3
Infant Mortality



Sudan's population will be food-insecure this year. According to a report produced by the Brookings Institution's African Growth Initiative, in rural parts of the country only 47% of the people have access to clean water, and only 6-7% have sanitation, with conditions in the towns just a few percentage points better.

As a consequence of South Sudan's austerity budget, even minimal but vital infrastructure programs have been postponed or cancelled, while essential social services are declining or being eliminated. With a paltry 186 miles of paved roads in a country almost the size of Texas, South Sudan can ill afford to delay its plans to construct 4,300 miles of roads, but these projects have been postponed due to the budget/economic crisis.

The UN humanitarian news service IRIN, in a July 9, 2012 release, reported that as South Sudan marks the anniversary of its independence, "the economy is in a free fall." Its budget for fiscal year 2012-13 (starting in July) has already been cut by almost 40% from \$10.2 billion last year to \$6.4 billion, with less than half of it actually resourced. IRIN fears that investments in agriculture, water, education, and other necessary services will be discontinued or retarded, causing increased violent tribal conflicts over limited food and water. IRIN highlights South Sudan's poor health care, reporting that it has only 120 doctors and just over 100 registered nurses for its entire population, and, before the budget cuts, had the highest maternal mortality rate in the world.

Donors are now shifting their priorities, directing what little money there was for development, to emergency assistance in services that the government cannot provide. The UN has doubled its estimate of the amount of money South Sudan will need in 2012 from \$783 million to \$1.5 billion. South Sudan has asked for funds from the U.S. and the European Union. China pledged \$8 billion, but has only agreed to deliver \$170 million. When South Sudan asked the Chinese government to help finance and build a new oil pipeline eastward to the coast of Kenya, the Chinese refused and told them to use the existing pipeline, which runs through Sudan.

Even the United States is taking a harder line, which Special Envoy Princeton Lyman made clear when he testified before the Senate Foreign Relations Committee on March 14, that the U.S. will not make up the deficit in lost oil revenues. Also, for the first time officially, the U.S. acknowledged South Sudan's violation of Sudan's sovereignty in the ongoing war in South

FIGURE 4

The Issue Is Water



This satellite photo shows the huge preponderance of arable land in South Sudan compared to Sudan in the North, but in both countries, water infrastructure projects are desperately needed. In South Sudan, vast swamplands in the south need to be drained and channeled. The Jonglei Canal project, started in 1978, was halted during the civil war in 1984 by the Sudanese People's Liberation Army (SPLA) and never resumed.

Kordofan, when State Department advisor Ross criticized South Sudan for supporting the SPLM-N guerrilla forces in South Kordofan, whose stated aim is the overthrow of the Khartoum government. This is strong language from Washington, which has been considered the "patron saint" of South Sudan. But, as one African economist in Washington told me, Europe and the United States must take moral responsibility for the conditions in South Sudan today.

Water and Food, More Valuable than Oil

South Sudan is arguably the most underdeveloped nation in the world. Oil is not the answer to developing its economy, but it can be useful if utilized to gain foreign exchange to develop the full potential of the economy. What is urgently required are massive investments

in infrastructure—not a road here and there, but brute force development of water, power, and rail transportation so that food can be grown now!

Look at the reality. South Sudan's land area is over 644,329 km², or 64,432,000 acres, the 42nd-largest nation in the world. Of this, 58 million acres, *over 90%*, is deemed suitable for farming, giving South Sudan one of the largest concentrations of uncultivated arable land on the planet (see **Figure 4**). The Nile River flows right through it, along with several smaller river systems, yet only *4.5% of its land is under cultivation and it has to import 90% of its food*. U.S. visitors to South Sudan report seeing large acreages of lush, green growth, indicating that the land is ideal for cultivation of crops.

Building up the agricultural sector should be the number one priority to ensure the viability of South Sudan as a nation-state,¹ far more critical than fixating on extractive industries. Basic infrastructure directed to support farmers, along with programs like an agricultural extension service, first created in the United States by President Lincoln to educate farmers on the best methods of planting, tilling, and animal husbandry, are essential for the livelihood of the nation.

The British Still Hate Khartoum

Since the death in 1885 of the British mercenary appointed as governor of Khartoum, Charles "Chinese" Gordon, killed by the forces of the Mahdi in 1885 when they took control of Sudan, the British have never forgotten nor forgiven Sudan. In retaliation, the British Empire in 1898 deployed its superior army, led by Lord Herbert Kitchener, to avenge the death of Gordon and retake their colonial possession, murdering over 20,000 followers of the Mahdi in the process.

Britain ruled Sudan through the Anglo-Egyptian condominium from 1899-1956, dividing the nation into a North and a South in 1922, which created the conditions for the outbreak of war between the two parts six months before the nation became independent in January 1956. In effect, there has been one long civil war that has gone on for generations, incubated during the period of British colonial rule, and continuing to the present day.

Is this some quirk of human nature, that the Sudanese people have wanted to kill each other for over half a century? Or, has there been a deliberate inten-

tion to manipulate and nurture prejudice and hatred, spawned from scores of years of British colonialism for the purpose of preventing the emergence of a sovereign nation-state, strategically situated in the Horn of Africa, and including a large section of the Nile River?

Washington's Anti-Khartoum Cabal

The British-indoctrinated Rhodes Scholar Susan Rice has demonized the Bashir government and sought regime change for Khartoum since she entered the U.S. government almost 20 years ago, serving in the two administrations of President Clinton, and now as President Obama's ambassador to the United Nations.

Anti-Sudan activist John Prendergast recently revealed that when he was being interviewed for a position to work for Rice, then senior director for African Affairs at Clinton's National Security Council, his answer to one question got him the job. Rice asked him if he agreed with her that Khartoum was "incorrigible." When he agreed that Khartoum was "too deformed to be reformed," she hired him. Rice told him afterwards that that was the most important question of the interview.

When Ambassador Lyman, speaking in Washington on Aug. 1 at the Atlantic Council's Ansari Center, reviewed U.S. relations with Khartoum, he failed to mention the U.S. bombing of a pharmaceuticals plant in Omdurman in 1998, which the U.S. later admitted it had mistakenly believed was producing chemical weapons. Mistake or not, it is disingenuous not to recognize that a collection of U.S. government officials have led an anti-Khartoum cabal in the White House and Congress that goes back to 1980s.

The British geopolitical intent to break up Sudan into several warring entities has been maintained by a nest of scoundrels who have been leading the campaign against Sudan for almost three decades, and remain active today, playing prominent roles in misleading South Sudan down the path of destruction.

One of them is **Roger Winter**, who is now in Juba as an advisor to the SPLM government; he previously served as USAID administrator under President Clinton and in President George W. Bush's State Department, on Sudan.

Another is **Ted Dagne**, who worked in the Congressional Research Office, and is now an official advisor to the Juba government. There are reports that Dagne fled South Sudan, fearing for his life, after drafting a letter

1. See interview with South Sudan's Agriculture Minister, Betty Achan Ogwaro, in *EIR*, Jan. 6, 2012.



EIRNS/Douglas DeGroot

The Merowe Dam in Sudan is one of Khartoum's grand achievements in infrastructure building, but much more is needed.

for President Kiir Mayardit calling on former government officials to return \$4 billion in stolen government funds.

John Prendergast, a key member of this cabal, after leaving government, founded, with another Clinton African specialist, **Gayle Smith**, the Enough Project out of the Center for American Progress, whose seed money came from drug-legalization moneybags George Soros. Smith has since rejoined the government, working in President Obama's National Security Council. Prendergast, who has recently criticized the U.S. for not providing more direct assistance to the rebels in Sudan who are trying to overthrow President Bashir, acts as an unofficial advisor to South Sudan; he has recruited the loony **George Clooney**, *cum* "expert" on Sudan and Africa, who acquired his "expertise" as a philandering, drug-using Hollywood movie star.

Susan Rice, throughout her career, has shown nothing but disdain and visceral hatred towards the Khartoum government. Before joining the Obama Administration, Rice displayed her diplomatic skills, when she, former National Security Advisor **Anthony Lake**, and **Rep. Donald Payne** wrote a *Washington Post* op-ed on

Oct. 2, 2006 calling for the U.S. and NATO to bomb "Sudanese airfields, aircraft and other military assets" and to "blockade Port Sudan."

Samantha Powers, a creation of George Soros, is a fellow traveler of this gang, and heads President Obama's Atrocities Prevention Board, whose first meeting in the White House targeted Sudan.

These and other "friends" of South Sudan, along with mischievous rogues in the SPLM itself, are emboldening some in the GoSS to make self-destructive decisions that may even lead to the downfall of the SPLM government.

The People of Sudan Are Also Suffering

In the past year, Sudan too has entered very tough economic times, having lost 75% of the oil revenues of the former unified country, which were its main source of foreign exchange, thus leading to a 100% devaluation of its currency. One of the many provisions of the CPA that was not resolved before separation was how to compensate Sudan for the \$7 billion in lost oil exports. After South Sudan seceded, Sudan's oil production was reduced to only 120,000 bpd, from 470,000 bpd before the split (350,000 bpd was produced in the South).



EIRNS/Danielle Detoy

Construction of a spillway on the Upper Atbara River, north of Khartoum, in April 2012. The government is struggling to continue infrastructure projects, even as falling income from petroleum has dried up the funds for them.

South Sudan's shutdown of its own oil production caused additional economic difficulties for Sudan in lost revenues. The provocative attack on Sudan's main oil facility in Heglig further exacerbated Sudan's economic troubles, resulting in Khartoum's announcement of its own austerity measures to make up for the first quarter 2012 budget deficit of \$2.4 billion (compared to a \$1.7 billion budget surplus a year earlier). From June 2011 to June 2012, inflation rose 37%, transportation fees by 35%, and prices for basic commodities like cooking gas, edible oil, and charcoal all rose significantly.

President Bashir announced on June 18 the removal of fuel subsidies, which drove the price of gasoline up over 50% from 8.5 Sudanese pounds to 13.5 per gallon; an increase on the tax on imports; elimination of five ministerial posts; firing his presidential advisors; and a 25% cutback in the salaries of government officials. Street demonstrations broke out in response to the austerity budget.

Government officials think somehow Sudan will muddle through this economic crisis to better times

next year, ignoring the economic disintegration of the trans-Atlantic system and its effects on the rest of the world. No austerity budget will ever produce economic growth, and even if South Sudan reopens its oilfields and resumes paying transport fees to Sudan, which is being negotiated now in Addis Ababa. However, this will not solve Khartoum's long-term problem: an inadequate commitment to fully develop Sudan.

Human Nature Is Creative and Demands Progress

A platform of integrated infrastructure projects of water, energy, and rail transportation would have helped to unite the whole country before the split. The failure

to implement such a program reflects a two-fold problem.

First is the lack of comprehension—hardly unique to Sudan—that real physical economics is not about money; money has no intrinsic worth, but is only useful when it is deployed as credit for productive and socially necessary activities. Credit is a commitment to the future development of society. *Intention* to create a desired *future state*, 10, 20, 30 or more years beyond the here and now, is what must actually dictate the policies of the *present*. Where do you intend your nation to be decades from now, for future generations, is the question that must be asked to guide decisions today. Only a credit system can take a society into the future, and that defines real wealth, as opposed to monetary values. For example, many in Sudan deluded themselves for years into believing International Monetary Fund and World Bank reports showing levels of growth of 9% and above for Sudan prior to July 2011.

For years, the Khartoum government accepted the monetarist valuation of oil as the (false) measurement of wealth and failed to understand that the real wealth



USAID

Farming in the Nuba Mountains of South Sudan. It will take more than sticks and shovels to turn Sudan and South Sudan into a breadbasket for Africa—but it can be done.

should have been the mission for Sudan, and now must become the mission around which the two independent nations can find a pathway to peace and cooperation.

Unfortunately, prejudices and animosities in Sudan and South Sudan run deep. Tolerance will have to be replaced by shared self-interest, which can gradually lead to the shedding of prejudicial beliefs. It will take time, but the first steps must be taken. Those advocating the overthrow of the governments of either Khartoum or Juba, directly or by promoting policies that could lead to regime change, are the enemies of not only the Sudanese people, but of all of mankind.

of the economy is measured by the effects of directed investments, especially in physical infrastructure, that raise labor productivity—its economic power to produce the physical wealth that society requires to grow. Real economic progress continuously creates an increase in the surplus of physical wealth over what is consumed, through advancements in science and technology. A rising rate of economic progress will by necessity embody new and more powerful levels forms of energy production measured in higher levels energy-flux density.

This requires a commitment to scientific and technological progress, which flows from the power of the creative mind. The ability to advance through new technologies, as a residue of discoveries of new scientific principles, is the springboard for leaps in economic progress.

Second is the absence of an overriding *mission* to improve the quality of life for all Sudanese, overcoming all obstacles. Present levels of poverty are morally intolerable. The complete failure of the United States to promote or initiate any policy to develop Sudan over decades is the most striking indictment of its bankrupt policies, and greatly contributed to the division of Sudan, formerly the largest nation on the African continent.

A top-down commitment to transform this vast, underdeveloped territory into the breadbasket for Africa

Endless war and economic depravation nurture the continuation of bigotry between and within nations. All human beings are created good, endowed by the Creator with the same innate potential for creative thought, which defines our true humanity. It is that “divine” quality of the creative spirit of our minds that unites us, transcending our ephemeral differences. Only when mankind reaches the heights where man respects man for his or her sacred capacity for creative thought, will we leave behind all these childish prejudices, which are so prevalent on the African continent.

It is time for true statesmen to begin the journey toward collaboration for the great mission of ending the misery that plagues Africa. This can be accomplished by embracing scientific and technological progress as the pathway to eliminate hunger and poverty once and for all. Let us all mobilize our talents for that great moral mission, and in the words of Lyndon LaRouche, finally “deliver justice to Africa.”

It is incumbent on the patriotic leadership of both Sudan and South Sudan, to act with their hearts and minds overflowing with deep concern for the welfare of their citizens, if they are to escape from the present web of death and destruction that has entrapped both nations. I say this as a true friend of the Sudanese people.

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