

Sudan at the Crossroads: Sanctions Are Killing Off Africa's Breadbasket

by Lawrence K. Freeman

The author spent more than a week visiting Sudan, from June 10-18. This is his report.

July 5—As Sudan approaches the third anniversary of the division of the country with the creation of South Sudan on July 9, 2011, the leadership in Khartoum will be making momentous decisions over the next 12 months that will affect not only its own future, but that of South Sudan and the Horn of Africa.

After meeting with a wide range of people and institutions in and out of the government, two things are immediately clear to me. 1) The country is trying to cope with the detrimental effects of the partition of Sudan, once the largest country in Africa; of murderous sanctions; poor economic performance over the last three years; and a continued armed insurgency. 2) This has led to a healthy flux of discussions on many aspects of policy, including initiating a reform within the ruling National Congress Party (NCP), a “national dialogue” with the almost 100 opposition parties, and a debate on how to approach relations with the United States, which is at one of its lowest points. It is vital that in this environment, which includes reflection on past practices, a new, positive path for Sudan be laid down.

It was evident in the many discussions I had that there is insufficient understanding among the Sudanese of the nature of the global strategic crisis brought on by the bankruptcy of the trans-Atlantic financial system; the Anglo-American policy to dismantle the central government in Khar-

toum; and the need for a visionary economic policy that would transform the country, dramatically improving conditions of life.

Genocide Against Sudan Is Called Sanctions

While many foolish people in the West were duped politically and financially into supporting unsubstantiated claims of genocide in Darfur, the real genocide against the Sudanese people is being carried out by U.S. and European sanctions. For almost the entire 25 years since the bloodless coup in 1989 that brought Gen. Omar al-Bashir to power, Sudan has been suffering from multiple layers of sanctions. U.S. Presidents Bill Clinton, George W. Bush, and Barack Obama, supported by European nations, have brutally imposed years of privation on the Sudanese people, despite promises by U.S. Presidents to remove some sanctions in 2005 with Sudan's signing of the Comprehensive

Peace Agreement (CPA) with rebel forces in the South, and in 2010 with Sudan's acceptance of South Sudan's decision to separate. Economic sanctions applied to a poor, undeveloped country like Sudan, have only one effect: They kill people, and should be challenged legally as “a crime against humanity.”

According to the Convention on the Prevention and Punishment of the Crime of Genocide adopted by UN General Assembly in 1948, genocide is defined as “any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group as such:

FIGURE 1
Sudan





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Lawrence Freeman (third from right) with members and friends of the Sudanese Women Parliamentarians' Caucus, in Khartoum. The Caucus is circulating a pamphlet on "The U.S. economic boycott and its effects on health, education and services and their impact on women and children," June 2014.

"a) Killing members of the group;

"b) Causing serious bodily or mental harm to members of the group;

"c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part."

Contrary to all the hypocritical wailing about violations of human rights today, the most essential and sacred human right is *the right to life*, which sanctions take away.

Here are some of the worst effects of the sanctions:

Medical:

- Advanced HIV-testing technology that can determine whether babies are HIV-infected within three days of their birth cannot be imported, so infants have to wait until they are 18 months old before it can be determined whether they have the virus.

- No import of advanced incubators;
- No import of certain life-saving equipment and medicines; the price of other medicines is three times higher than the market price.

Airlines:

Due to inability to import spare parts, Sudan's airline industry has one functioning airplane, forcing it to rent additional aircraft.

Railways:

Rail transportation from Khartoum to Port Sudan formerly depended on importing U.S. locomotives and coaches from General Electric. From 1975 to 1986, Sudan purchased 106 trains from GE. After 1997, sanctions stopped all these purchases, as well as the import of spare parts, leaving Sudan with 18 functioning trains, forcing it to cancel its 1994 Five Year Plan for expanding rail transportation.

Roads:

Sudan is forced to buy less efficient road-building machinery from countries that have not imposed sanctions.

Science and Technology:

Khartoum University's "Africa City of Technology," which has the largest super-computer for research in Africa, connecting to 40 universities on the continent, and which has 120 researchers (including many young women) and students, who have to go outside Sudan for certification. Google will not allow users in Sudan to purchase software needed for their scientific work.

Jobs:

The Ministry of Industry estimates the loss of 100,000 jobs due to lack of American and European technology.

Sanctions Sour Sugar Production

Sugar production is one of Sudan's biggest industries, and the third-biggest in Africa—not surprising, given the country's "sweet tooth," whereby tea is served with heaping teaspoons of sugar on every street corner in Khartoum. Sugar farming/production employs thousands of workers and tens of thousands of farmers who support hundreds of thousands in their families. The Sudanese Sugar Company (SSC) runs four of the six agro-industrial sugar factories, built from 1962-81 by Germany, all of which are under sanction because they sell their sugar to the government. These are Guneid, N. Halfa, Assalaya, and Sennar, whose combined production of processed sugar peaked in 2009 at 356,395 tons. The fifth plant, Kenana, is considered private and not under sanction; it yields another 400,000 tons, totaling 750,000 tons at peak level for all five.

This is about 450,000 tons short of Sudan's consumption needs of 1.2 million, which is made up through imports. The White Nile Sugar Company, which began operations in 2012, is expected, when fully functional, to eliminate the need to import sugar. However, due to the long-term effects of sanctions of the last five years, production at the four sugar plants has dropped to 271,077 tons in 2014—a steep 25% decline from 365,395 tons in 2009. Sugar farmers reported that they lost 150-200,000 tons of sugar in 2013 due to lack of American technology, which is recognized as superior to others. SSC would like to increase capacity to 700,000 tons by bringing new land into production, more mechanization, and improved technology. This would allow Sudan to become a sugar exporter, and help reduce poverty by increasing the employment of workers and farmers.

This author visited the Guneid sugar farm, built in 1961-62, and saw the graveyard of U.S.-made John Deere farming equipment—harvesters and tractors that are now dysfunctional due to lack of spare parts. They have been unable to buy new farm equipment since the 1997 sanctions were imposed. Production at Guneid declined by more than 20% from its peak of 92,440 tons in 2012, to 73,139 in 2014. Guneid, with an area of 27,000 feddans, is supplied by 2,500 farms, with each farmer owning 15 feddans. The operation affects over



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U.S. tractors, sold to Sudan in happier years, are now dysfunctional due to the country's inability to buy spare parts, under the sanctions regime.

80,000 families, who own their land and cultivate additional food crops for everyone in the area. When Guneid tried to circumvent sanctions by purchasing six John Deere harvesters from the privately operated Kenana farm for \$4 million, the U.S. government objected, and after two years threatened Kenana, forcing Guneid to return them.

In surveying the fields of cane, I was impressed with the innovative irrigation system. One feddan (slightly more than one acre) of sugar cane uses 10,000 cubic meters of water per planting season—a year to 16 months—to produce 40 tons of cane. To irrigate the fields, they pump the water directly from the Blue Nile River into a canal, which is contoured to allow the water to flow naturally to the rows of cane. There are two pumping stations, each with four pumps (a maximum of three operate at the same time) which pump 1,500,000 cubic meters of water per day from the Blue Nile. It is a sight to see, watching the old pumps churning, bringing the water through huge pipes to fill the canal—yet it works efficiently enough to produce rows of stalks of sugar cane, as far as the eye can see.

The Shock of 2011

Sudan has not recovered from the shock-effects of its dismemberment in 2011. One well-respected Sudanese economist described the severe and deep problems

that followed separation, which resulted in Sudan losing 10% of its GDP, 75% of its foreign exchange, 50% of its budget revenues, a third of its land, and almost 25% of its population. After South Sudan emerged as an independent nation, Sudan lost the revenues and foreign exchange from 350,000 barrels of oil per day that came from the oil fields of the South. Sudan was left with less than 150,000 barrels of oil per day, an agricultural sector that had been severely neglected during the heyday of the big oil years, 2000-10, and found itself desperately searching for new sources of foreign exchange. The immoral sanctions and full court press by the West to deny Sudan assistance, credit, and investment have had their intended results.

The three-year 2011-14 survival plan that was supposed to help Sudan transition to better times did not succeed, and the austerity measures taken by the government have failed to improve the economy. The government did not reduce its imports of wheat and sugar (the country still has to import 1.2 million metric tons of wheat—60% of its 2 million tons of consumption). Subsidies on fuel and other products were lifted, as demanded by the IMF, provoking unrest among the population, which is living with a 40% inflation rate. A gold rush has taken over parts of the country, not entirely dissimilar to what happened in the U.S. in the 1840s. The Khartoum government, in order to get a commodity that can be sold for foreign exchange, is forced to buy gold from “scavengers” at the black market rates of 9 Sudanese pounds (SDG) to \$1, but can only receive payment at the official rate of SDG 6 to \$1 on the international exchange.

Over the last three years, Sudan’s sovereign debt has risen from approximately \$36 billion to \$45 billion, as arrears have grown due to its inability to pay. Promises were made at the time of separation, when Sudan assumed the total debt for the two countries, that Sudan would be allowed debt relief under the IMF’s Heavily Indebted Poor Countries Initiative. Like so many other promises, this one was broken by the West.

Some in the ruling party, the NCP, insist that austerity will have to be maintained in the short term, but there are strong objections inside the party to continuing this failed policy. There is widespread agreement that after years of neglect, Sudan will have to prioritize



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Sudanese Minister of Agriculture and Irrigation Ibrahim M. Hamid briefs Freeman on his ambitious plans to increase food production, June 2014.

the development and expansion of its agro-industrial sector. However, while there are plans for various agricultural, industrial, and infrastructure projects, thus far there is no bold transformative economic growth plan. This is one of the important discussions taking place in the country, in which the ideas of Lyndon LaRouche are valued, as he and *EIR* are well respected for their work with Sudan over many years.

A Snapshot of Industry

Sudan’s industrial production, as a percentage of GDP, rose from 7% in 1956, the year of independence (it was formerly ruled by the British—officially by an Anglo-Egyptian condominium), to 24% and then decreased to 16-17% in the late 1990s after the 1997 sanctions. As a result of oil revenues in the early 2000s, some investments in the economy were made, resulting in a rise of industrial production to 28% of GDP from 2004-10.

Movement of cargo by railroad suffered after 1997, even as purchases of locomotives from China and South Africa replaced the superior ones made by GE. Rail freight declined from 4 million tons in 1995 to 200,000 in 2004. There is no functioning train from Khartoum to Sudan’s major port on the Red Sea, Port Sudan, and the tracks have been ripped up and sold off for scrap iron. In a huge country like Sudan, where roads are minimal at best, without extensive rail lines to move goods and

people, the economy will never develop. With no foreign exchange, no credit, the inability to even transfer money through banks in the West (which block remittances), lack of technology, capital equipment, and spare parts, and the additional loss of oil revenues, factories are operating at best at 30-40% of capacity. Under these conditions there is no possibility for Sudan to develop a healthy economy that will provide sustenance to its people.

Providing Food Security

Out of approximately 170 million feddans of arable land, less than 30% is presently used for food production. Sudan's large, flat areas of fertile land are ideal for growing wheat, sorghum, alfalfa, and similar crops, for human consumption and animal fodder. If *developed*, Sudan's agricultural output could not only feed its 40 million people and eliminate hunger in the Horn of Africa and North Africa, but also become a net exporter to other countries, such as China, which has already requested from Sudan 1 million tons of alfalfa for fodder. Agriculture contributes almost 35% of Sudan's GDP and employs 60% of its working population, but is still dominated by small-scale traditional farming. To realize Sudan's potential as a major food exporter would require a fully integrated infrastructure platform of rail transportation, water management, and electrical power. The failure to realize Sudan's agricultural potential decades ago can be considered a "crime against humanity," because it would have prevented the deaths of millions of Africans due to minimal food/nutrition.

No state-supported agricultural projects, such as the Gezira Scheme, which will require a large and costly rehabilitation program to overcome its deterioration during the past decade, can get credit, technology, or equipment from the West because of sanctions.

Increased use of modern irrigation is required for expanded food production. Of the 40 million feddans planted with crops, the vast majority is rain-fed, and yields are significantly lower than those grown on the 3 million feddans of irrigated farmland. For example, on



A sorghum farm along the Nile River, April 2012. The country's large, flat areas of fertile land are ideal for such crops.

EIRNS/Danielle Detoy

irrigated land, wheat and cotton yields are respectively 1.2 and 1 ton per feddan, more than twice the output per feddan on rain-fed farms, which account for almost 93% of all lands planted. To utilize the rain more efficiently, water conservation by tilling the land to reduce water runoff, and planting more grass to hold the water, are being practiced, but that does not significantly impact the output when only 7% of the land is benefiting from mechanized irrigation.

Minister of Agriculture Ibrahim M. Hamid intends to increase agricultural production and has graphs showing the large differences in yields between Sudan and more productive countries. In the short term, he wants to double yields of cotton from 1 to 2 tons per feddan and wheat from 1.2 to 2 tons per feddan. His ambitious plans for the future are to increase output per feddan by 500%, though increased use of good seeds, fertilizer, more mechanization replacing traditional farming, expansion of extension programs to educate farmers on new methods of growing food, and making more credit available.

Sudan is also leasing large tracts of land in northern Sudan to other countries; here the yields of wheat are higher, due to the large underground lake-aquifer that provides water. An Arab fund will finance the needed infrastructure, and the countries concerned have agreed to transfer 35% of the food output from the leased lands back to Sudan, as payment in kind. Saudi Arabia has contracted to lease 225,000 feddans; Qatar 275,000;



EIRNS/Douglas DeGroot

Sudan's Merowe Dam is the kind of great infrastructure project that the country urgently needs, to feed its own people and become a breadbasket for the world, April 2009.

The idea is for seven leaders representing the three parties currently participating in the government—the NCP, Umma, and DUP—to meet with seven leaders chosen from the over 90 opposition parties, plus President al-Bashir (the “7 plus 7 plus 1”) to discuss a new direction for Sudan. This will have to include reforms within the NCP, reforms within the government, and a new Constitution. Undoubtedly the challenges facing the future of the President, who is still a target of the fraudulent International Criminal Court, will also have to be considered.

Lebanon 216,000; and Brunei 100,000. Initial leases are for 25 years, and can be renewed three times, with Sudan never giving up ownership of the land.

The National Dialogue

At the beginning of 2014, a year and half before the 2015 Presidential election, President al-Bashir launched a “national dialogue,” inclusive of all parties from all religions and ethnicities, from all parts of the country, to discuss fundamental concerns that will affect the Sudan’s future. The effort has moved forward in fits and starts, with Washington having designs to use the national dialogue for its own purposes.

Sayed al-Khatib, the Director of the Center for Strategic Studies in Khartoum, is responsible for the initial phase of creating the four principles of the national dialogue: peace, democratization, combating poverty, and a national Sudanese identity. Resting on these four pillars, the concept is for the dialogue to cause “a leap” in people’s thinking, recognizing past mistakes, reflecting, and hopefully leading to a change in the consciousness of Sudanese society. As al-Khatib described it, everyone must go through a personal *intifada* (the Arabic word literally means “shaking off”) to “shake yourself up.” This process is expected to result in changes in the Constitution, and in the practices of government and parties.

The African Union is supportive of whole process, recognizing it as a positive step by the government of Sudan, and thinks it should be accompanied by lifting of sanctions and debt relief.

The West is once again involving itself in Sudan’s sovereign affairs by commenting on what it considers to be an “acceptable” national dialogue. The “regime change” faction in Britain and the United States would like to pervert the national dialogue to implement its own version of a “New Sudan”: one that has a weak central government, with the NCP stripped of its dominance, and with President al-Bashir removed from power. To wit: regime change by other means.

U.S.-Sudan Relations

In the midst of these new initiatives by the leadership in Khartoum, and with the country facing enormous economic challenges and combating an insurgency whose goal is to overthrow the government, the NCP is involved in an intense discussion of how to approach the U.S. with hopes of having sanctions lifted. Despite Washington’s horrible treatment of Sudan for the last quarter century, the people of Sudan do not hate the U.S., and would welcome its leadership. However, those who want to believe that the U.S. policy towards Sudan can be changed by education and public rela-

tions should understand that persuasion will not work. National Security Advisor Susan Rice, an administration insider with long experience in the subversion of Sudan, will not allow it, and her view is backed up by UN Ambassador Samantha Powers. A reliable Washington source told this author that anyone in the State Department who hints at a change in U.S. sanctions against Sudan essentially can forget about a career in the foreign service. President Obama has no policy for Sudan, nor the rest of Africa for that matter, other than to continue the genocide.

To understand the Obama Administration's policy, one has to understand that the world is pivoting around the conflict between the economically collapsing trans-Atlantic nations and those of Eurasia, led by Russia and China. President Obama is a creature of the bankrupt trans-Atlantic monetarist system, which is ideologically opposed to economic progress, especially in Africa, which its spokesmen view as overpopulated. The West will not provide long-term, low-interest credit for infrastructure in Africa, as a matter of a policy, thus increasing the death rate there.

Number One Enemy Is Poverty

In Khartoum, a representative from Ethiopia described how the mindset of the leadership of his country changed in 2000-01, when the ruling coalition of the EPRDF party came to realize that the greatest danger to the stability of Ethiopia came not from any belligerent country, outside political force, or internal insurgents, but from *the poverty of its people*. They understood that the only way for Ethiopia, a land-locked nation with the second-largest population in Africa (95 million), and one of the poorest, to survive and progress, was to eradicate poverty. A similar transformation is required for the NCP and others if Sudan is to realize the full potential of its people and its land. Ethiopia's leaders comprehended that the production of more physical wealth for its people created improved conditions to national unity.

To strengthen the Sudanese identity, which is one of the four principles of the national dialogue, Sudan should embark on an historic national mission, uniting the country with a military-like commitment to eliminate hunger and feed the world. Imagine the excitement this would arouse in Sudan, in Africa, and around the world, given everything that Sudan has endured over the last 25 years.

Investment is urgently needed in water, energy, and rail. High-speed railroads are vitally necessary to link

all parts of the country, extending to its immediate neighbors—Egypt, Chad, Ethiopia, through South Sudan to Kenya and Uganda, and eventually connecting to east-west and north-south continental rail networks.

The absence of one continuous road from Sudan to South Sudan highlights the historic realities that contributed to the partition of the country.

The natural alliance between Ethiopia and Sudan can be built around a common mission to grow food, utilizing Sudan's large tracts of arable land and Ethiopia's expanded energy production. This can also provide much-needed stability in the region. Both Sudan and Ethiopia are already receiving large numbers of refugees from South Sudan and Somalia. Over 500,000 desperate people have migrated from South Sudan to Sudan in the last six months, and with South Sudan on the edge of a humanitarian disaster of unbelievable proportions, there is grave concern about what will happen, if that country implodes.

Ethiopia is exporting about 100 megawatts (MW) of electrical power to Sudan and would like to increase that to over 500 MW in the near future, as its Gibe III hydroelectric plant comes on line, providing 1,870 MW of power. Ethiopia is looking to the future with plans to achieve 40-50,000 MW of hydroelectric power in the next 25 years. Ethiopia, with less fertile land, has increased food production from 5 million tons to over 25 million tons in 20 years, through aggressive educational programs to teach subsistence farmers new methods of farming, by building 28 agricultural colleges since 1991. However, while Ethiopia can grow vegetables and some cash crops, it is not well suited to produce large amounts of grains and cereals, which it needs to feed its population of 95 million. Ethiopia would like to help develop Sudan's land with the export of electrical power and by managing the rivers, which flow from Ethiopia into Sudan, for improved irrigation. All this is perfectly feasible.

Unfortunately, thus far, this type of visionary outlook for the future of Sudan is absent from the political discussion today, even as Sudan engages in its national dialogue and reforms, and prepares for elections in 2015. It would be a strategic error with fatal consequences, if a program for the development of Sudan were not articulated and discussed with its citizens in this period of *intifada*.

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