# U.S. Sanctions Threatening Sudan's U.S.-Ratified Internal Peace Agreement

by Douglas DeGroot

May 22—The Obama Administration is continuing to establish a new tone on foreign policy issues, seeking diplomatic solutions while not being confrontational. But will there be real changes of policy that will challenge the framework established by the London imperial financial cartel toward the former colonial sector?

This imperial policy framework is premised on limiting or reducing population growth, and keeping nations in the trap of only being able to provide raw materials for the foreign market. It has been the basis for manipulated conflicts and destabilizations, allowing no possibility of internal economic development.

The latest demonstration of a change of tone was indicated May 20 in testimony to a Senate hearing on the continuing crisis in Somalia, by Assistant Secretary of State for African Affairs Johnnie Carson. He acknowledged that Somalia was going through a new phase of its prolonged internal conflict, in which opposition forces were trying to overthrow the latest Transitional Federal Government (TFG). He called for resolving these problems by developing a comprehensive solution that would promote stability, reconciliation, and economic opportunity in Somalia, without being specific about how this could be carried out (see p. 37).

Other indications of this change in approach are: 1) bilateral negotiations with Sudan initiated by Obama's Special Envoy to Sudan, Maj. Gen. Scott Gration (U.S. Air Force, ret.), who is holding out the possibility of improved ties with Sudan, including discussion of lifting economic sanctions; 2) UN Ambassador Susan Rice has somewhat moderated her attacks on the government of Sudan; and 3) with respect to Zimbabwe, Secretary of State Hillary Clinton, while remaining critical of President Robert Mugabe's government, has recognized the significance of the role Mugabe played in Zimbabwe's fight for independence.

If the United States were concerned about stopping the suffering and conflict in Sudan, the rational approach would be to organize large-scale infrastructure projects. This is what was envisioned for Africa by President Franklin Roosevelt, and has long been called for by Lyndon LaRouche.

The ongoing U.S. diplomatic activity with Sudan will provide the test case as to whether the changes in policy will go beyond superficiality, and become a substantial, serious, and positive effort focussed on facilitating the development of the entire nation. Such a change would include normalizing relations, and lifting economic sanctions, which are serving to divide the country, and making it very difficult to implement the 2005 Comprehensive Peace Agreement (CPA), which settled the 50-year-long conflict between North and South.

The Obama Administration has followed the Bush Administration in not taking Sudan off the list of state sponsors of terrorism, despite the removal from the government of the British-intelligence-controlled Muslim Brotherhood asset Hassan al-Turabi in 1999, when he tried to reduce the position of President to a ceremonial post. Turabi had invited Osama bin Laden to Sudan, and opposed a negotiated peace with the South. After Turabi's departure from government, Sudan cooperated with the United States against terrorism, and made a peace deal with the South.

The normalizing of U.S.-Sudanese relations, which had been promised if Sudan signed the CPA, is long overdue. The United States has not kept its word in this matter, opening itself to charges of negotiating in bad faith.

### The Darfur Flank Against Sudan

The other flank being used against the Sudanese government, is the insurgency in Darfur. In response to Sudan's commitment to reach a negotiated end to the war with the South, the London-based financial cartel launched what it termed a "rebellion" against the Khartoum government, in Darfur, in April 2003, which was

FIGURE 1
**Greater Horn of Africa**


run from outside the country. Darfur was already flooded with weapons, because of Libya's efforts to take control of neighboring Chad, beginning in 1978. Darfur had been used as a staging base for Libyan-backed opponents of the Chad government. Many refugees from the Chad conflict moved into Sudan, and the influx of population, plus the 1984 drought, fueled conflict in Darfur. In 1987, two years before the government of President Omar al-Bashir came to power, the internal conflict in Darfur had already led to entire villages being burned.

The 2003 rebellion, carried out in part by close allies of Turabi, targeted law enforcement and government institutions, greatly reducing government influence in Darfur. Khalil Ibrahim, leader of one of the two main insurgent groups, the Justice and Equality Movement (JEM), is based in the capital of Chad, N'Djamena. Several other JEM leaders live in London. The JEM is based on one clan of the Zaghawa tribe, which also makes up the present government of Chad, though that group only accounts for 5% of Chad's population.

The Zaghawa grouping straddles the border between eastern Chad and western Sudan. The other main insurgent group, the Sudan Liberation Movement (SLM), was the largest of the two insurgent movements, although the British press now claim that the JEM (a British pawn) is larger, or better armed. The SLM is headed by Abdelwahid al-Nur, who lives in Paris. Britain and France are at the forefront in supporting the insurgency. On May 7, the London *Economist*, a mouthpiece for the City of London financial cartel, revealed the cartel's real desire: "Sudan has long seemed inclined to fragmentation and conflict."

Intent on saving the CPA agreement it was negotiating, the Sudan government subdued the insurgency, with no intention of wiping out any of the 89 tribes occupying Darfur. Not long after the government signed the CPA with the South in January 2005, by which time the Darfur insurgency had been contained, a well-funded foreign public relations campaign was launched, spearheaded by the U.S.-based Save Darfur Coalition (SDC); it charged the government with intending to carry out genocide against the insurgents. The coalition called for international intervention against the government.

## Peace Accord in Danger

The foreign-run insurgency in Darfur and the economic sanctions against Sudan are posing a serious threat to implementation of the CPA. For the peace accord to succeed, economic development is crucial.

Indicative of the thinking of some institutional circles around Obama, Witney Schneidman, who was Obama's advisor on Africa during the Presidential campaign, addressed a forum in Washington on May 20. Although not an official spokesman for the Obama Administration, he said that its attitude toward Sudan is to review all policies and reexamine the difficult situations. He insisted that there must be full implementation of the CPA, and no return to a North-South war. He said that the Obama Administration is working with the Sudanese government to get it to the negotiating table, and that the issue of sanctions was being discussed.

Schneidman also claimed that aid for infrastructure development was *not* on the table. During the Clinton Administration, Schneidman was Deputy Assistant Secretary of State for African Affairs, dealing with economic and commercial issues. He designed an Africa policy which advocated accelerating Africa's integration into the (bankrupt) globalized economy, and deepening "democracy," for the Obama campaign.

## Sanctions Are Wrecking the CPA

The U.S.-backed CPA was signed on Jan. 9, 2005. This was followed by the Save Dafur Coalition (SDC)

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*A sane U.S. policy toward Sudan would lift sanctions, to help Sudan build the infrastructure to enable the country to develop. This is the only way to stop conflicts and suffering. Here is the new Merowe dam, which Sudan built with Chinese cooperation since it could not get the desired American help.*

public relations campaign attacking the government of Sudan. All the money the SDC raised was used to pour out more propaganda—none of it went to help the people of Darfur.

Sanctions had been imposed against Sudan in 1997 for debt arrearages and alleged support of international terrorists—this was the period before Turabi was thrown out of the government.

After the SDC campaign had continued for more than a year, the Bush Administration, in 2006, hit Sudan with more economic sanctions, switching the justification from terrorism to the counterinsurgency effort in Darfur. The sanctions were further expanded in 2007.

In October 2006, the U.S. Congress passed the Darfur Peace and Accountability Act, which targeted the Khartoum government, but excluded Southern Sudan, Darfur, some internally displaced persons camps near Khartoum, and border areas between North and South. Despite claiming to support the CPA, which calls for developing a unified Sudan, the United States has two policies toward Sudan: one for the government, and another for these designated areas of the country. This apartheid-style approach is sabotaging the CPA, since under the CPA, the government is supposed to make unity attractive to the South.[1]

According to the CPA: "The people of Sudan agree to work together to: establish a democratic system; find a comprehensive solution to the economic and social deterioration of the Sudan; and make the unity of Sudan an attractive option especially to the people of southern Sudan."

The U.S. Treasury Department's Office of Foreign Assets Control (OFAC) is in charge of investigating any financial dealings related to U.S. sanctions. If a U.S. company wants to develop a project in the South, OFAC has to approve all aspects of the deal and license the project. No participation by any U.S. economic entity in the sanctioned part of the country can be involved. Logistics for such a project is a nightmare, since goods brought in for the project must come through the part of Sudan which is subject to sanctions. The companies involved in the logistics will be registered in the sanctioned part of the country, making OFAC approval beyond problematic.

To avoid this nightmare, one option is to ship supplies in from neighboring Kenya. This is much more expensive, and undermines national unity between North and South, thereby setting up conditions for secession when this question comes up for election in 2011.

OFAC prohibits, except in the exempted areas of Sudan, any American from concluding any contract, including financing, anywhere in the routing process. Since, according to the CPA, Sudan's Central Bank is the location for budget management for all of Sudan, and since it is located in Khartoum, any transaction that passes

1. See "U.S. Sanctions on Sudan: Intended and Unintended Consequences," compiled and researched by Executive Research Associates. The full report can be obtained at http://www.erassociates.co.za/reports_more.asp?ID=10.

through it is subject to compliance with U.S. sanctions.

Sanctions have also greatly reduced South Sudan's income, including limiting the market for Sudan's oil, because OFAC monitors dollar-based oil transactions. Sanctions have also prevented American oil companies, with more sophisticated technologies for oil production, from operating in Sudan. Even though a large percentage of the oil is in the South, the oil industry was not exempted there. This has prevented increased oil output, which would be beneficial to the South as well as to the people of Sudan as a whole.

Sudanese sources report that there is now a monthly $250 million budgetary shortfall in the South. As a result, sanctions are giving ammunition to those in the South who want to secede, since this is the only way to avoid the constraints on economic development, which have resulted from the sanctions imposed on the government.

# New Somali Government Struggling To Hold On

by Douglas DeGroot

May 23—Somalia's beleaguered Transitional Federal Government (TFG) struck back militarily yesterday against opposition radical Islamic insurgents who have vowed to destroy it. The TFG, headed by President Sheikh Sharif Ahmed, a moderate Islamist, had lost territory to the insurgents in recent weeks, and, according to news reports, controls only a few roads and key installations in Mogadishu, the capital, with the help of approximately 4,000 African Union peacekeepers.

Preventing the establishment of a stable government in Somalia, which has been without one since 1991, has been part of a long-term strategy of the London-based imperial financial cartel to destabilize the entire Horn of Africa, and surrounding nations. Keeping the region embroiled in dealing with the chaos in Somalia, serves that purpose. There have been numerous reports of a large input of funds into Somalia from Dubai, one of the financial clearing houses for laundering drug money of the British Dope, Inc. operation. Some of these funds and supplies come to Somalia directly, via flights from the Gulf. Some are funneled through the desperately poor neighboring country of Eritrea.

In a hearing on Somalia held May 20, by the African Affairs Subcommittee of the Senate Foreign Relations Committee, U.S. Assistant Secretary of State Johnnie Carson acknowledged that the situation was critical, and said the Obama Administration is considering ways to bolster the TFG, without being specific beyond pledging aid to AMISOM, the African Union peacekeeping mission in Somalia, and humanitarian aid. At the hearing, subcommittee chairman Sen. Russ Feingold (D-Wisc.) announced he has proposed that the Obama Administration consider appointing a senior envoy for the Horn of Africa.

In a news conference in Mogadishu, Mohammed Abdi Gandi, Somalia's Defense Minister, said the TFG had no choice but to undertake yesterday's counteroffensive, if it wanted to survive. After the fighting, both sides claimed victory. Many Somalis fear that the well-armed, radical militias are on the verge of toppling the TFG.

President Ahmed was elected in January 2009, after UN-brokered reconciliation talks in neighboring Djibouti, which began last year. The departure of the Ethiopian occupation facilitated the outcome of the talks, and his election.

Ken Menkhaus, an expert on Somalia and the Horn of Africa, also testified at the hearing, noting that past U.S. policies have made things worse for Somalia and its neighbors. He pointed out that the two-year Ethiopian occupation of Somalia had raised anti-Americanism there to a very high level. The Ethiopian invasion had been encouraged by former Vice President Dick Cheney and former British Prime Minister Tony Blair, as part of their so-called War on Terror, which aided the British deployers of the terrorists.

The TFG is under siege by a loose coalition of hardline Islamist insurgencies—most notably Shabaab and Hisbul Islamiyya, which received support from the population because of the Ethiopian presence, said Menkhaus. But since the Ethiopian withdrawal, they have continued to survive because of strong external support.

He cautioned against any military interventions, because that would play into the hands of the radicals. He said that the majority of the Somali people do not like the fact that al-Qaeda-linked movements are "urging Somalis to kill one another in the name of a radical, Wahhabist interpretation of Islam," just because these movements think the TFG is too willing to co-exist with Ethiopia and the West. He cautioned against globalizing the crisis in Somalia as part of a war on terrorism or piracy, because this would play into the hands of the radical militias.