

BTI 2016 | Sudan Country Report

	scale	score	rank	trend
Status Index	1-10	2.44	# 125 of 129	
Political Transformation	1-10	2.48	# 125 of 129	➔
Economic Transformation	1-10	2.39	# 124 of 129	➔
Management Index	1-10	2.02	# 124 of 129	

This report is part of the Bertelsmann Stiftung’s Transformation Index (BTI) 2016. It covers the period from 1 February 2013 to 31 January 2015. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

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Key Indicators

Population	M	39.4	HDI	0.473	GDP p.c., PPP \$	4068.9
Pop. growth ¹	% p.a.	2.1	HDI rank of 187	166	Gini Index	35.4
Life expectancy	years	62.0	UN Education Index	0.306	Poverty ³	% 38.9
Urban population	%	33.6	Gender inequality ²	0.628	Aid per capita \$	30.2

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | UNDP, Human Development Report 2014. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.10 a day at 2011 international prices.

Executive Summary

The period 2011 – 2013 has seen a further regression in Sudan’s democratic and economic transformation. Political instability continues on four main fronts.

At the elite government level, there are disputes within the ruling party, with military and security figures appearing more powerful than Islamist civilians. During the worsening economic and security conditions of recent years, military figures have come even closer to the fore, and have favored the long-time President Omer al-Bashir (a military man), who is standing for election again in 2015. However, some civilians in the ruling National Congress Party (NCP) – especially younger ones – believe it is time for reform, hence the intra-party tensions.

Next come the major opposition parties, the Umma and Democratic Unionist (DUP) parties, led respectively by the former prime minister and Mahdist sect leader Sadiq al-Mahdi, and his traditional rival Mohammed Osman Mirghani, the leader of the Khatmiyya sect. Their dilemma has been whether to seek agreement with the ruling party through National Reconciliation, or to take a harder line in opposition, perhaps even linking themselves to rebels.

There has been growing discontent among the population at large concerning the austerity resulting from the economic crisis, with the worst ever urban disturbances in 2013, which were violently repressed by the government. These still have the momentum to continue.

In outlying areas, the government has been unable to prevent ongoing armed resistance; some opposition parties seek to make common cause with this movement. There have been some moves to negotiate settlements, especially in Darfur in the west, but hardliners in the military favor persisting with force, and they are in the ascendant.

This instability affects the economy. It combines with Western sanctions, poor management and longstanding corruption to severely limit FDI. China, more than other Asian countries, remains involved, especially in infrastructure and mineral development, but increasingly recognizes the

problems faced. In addition, the labor force is of low quality, with many professionals and skilled workers leaving the country (though their remittances are vital for many families). Large rain-watered areas of agricultural potential in the south and west remain in conflict, hindering agricultural investment, while the east is quieter, resistance remains possible.

Meanwhile, the oil revenues lost following the secession of South Sudan have not been replaced by comparable new mineral finds. There has been some extraction of gold but major new oil finds have not taken place. Western countries still follow the U.N. sanctions imposed in 2004/2005, while Asian investors are also concerned by the political uncertainties; in sum, international cooperation remains very limited on both the political and economic level.

History and Characteristics of Transformation

Sudan has been ruled by an almost uninterrupted parade of various undemocratic regimes since it was carved out of Africa by the Turkish-Egyptian regime of Mohamed Ali in the 1820s. Ali's regime was followed by Mahdist rule from 1885 – 1898, and then the British-dominated Anglo-Egyptian condominium.

At independence in 1956, Sudan appeared to have embarked on a course of liberal democracy with a unitary state governed by a British-style parliamentary system. However, the potential for instability was soon exposed by a number of competing strands.

At the elite level, the two dominant political parties were based on Islamic sects that were led by extra-parliamentary religious rivals. These highly competitive sects regarded elected politicians as their representatives and sought to control parliamentary government from outside the legislature. The resultant pattern of unstable elected coalition governments gave way to Sudan's first military regime in 1958. The alternation between weak, unstable elected governments and military rule was to be repeated. In 1964, a popular uprising against the military led to a return to the old unstable parliamentary system. As predicted by many, a further military regime took power in 1969, and lasted until another popular uprising in 1985 saw the parliamentary system established for the third time.

However, the hold of the sectarian parties was weakening and intellectuals were developing new movements on the left (the Sudanese Communist Party or SCP) and right (the Muslim Brotherhood-dominated National Islamic Front or NIF). The NIF was behind the third successful military coup in 1989. It presented itself as the first Islamist government in the Sunni Arab world. It set out to develop not just an "Islamic state" but an "Islamic society" – something that proved beyond its capabilities in a heterogeneous country. Things came to a head in 1999 when the main Islamist ideologist, Hasan al-Turabi, endeavored to oust the military from power, but he was soon put down, with President al-Bashir becoming dominant once more. Since then, Sudan's government is mainly based on the army, and the weak economy gets further strained by high military expenditures.

While the majority of Sudanese were Arab Muslims – albeit of different strands – the southern third of the country was home to peoples of Sub-Saharan African descent who were overwhelmingly non-Muslim, and a small Christian elite. The south's position in the unitary state was resisted from the outset and led to civil war from 1962 to 1972, when autonomy was granted. However, this status was effectively revoked by 1983, when a larger civil war broke out.

After 1989, the new Islamist regime sought to finally crush the south, but when that failed and oil in the region was being developed by China and other countries, there were moves toward peace in 2005. It was hoped then that a new democratic era would develop both nationally and for the autonomous south. But that agreement soon faltered, and in July 2011, according to an agreement reached in July 2005, the south seceded. Subsequently, both states quarreled over oil revenues and the resulting blockage by the south of oil exports brought economic crisis to both governments, with increasing inflation and unemployment rates.

Meanwhile in other outlying areas of Sudan, such as Darfur in the west and the Nuba Mountains, the government could not crush revolts that broke out. The combination of economic crisis, growing popular discontent and armed revolts has left both the government and the state itself in great uncertainty.

The growth of a market economy has had a similar record of uncertainty. Sudan inherited a typical post-colonial economy, with the formal sector focused on the export of cotton, but that was to go into long-term decline. The military regime of 1969 first tried to build a socialist economy, then moved to a managed economy centered on agricultural development for export to the Arab world. But that faded, leaving behind the beginnings of Sudan's long-term international debt. The post-1969 regime claimed to be market orientated but has been limited by sanctions raised following its links with international terrorism, and has turned to Asia, especially China, to accelerate the development of its oil sector. However, even the oil business in Sudan declined rapidly following the secession of South Sudan, where most oil fields are situated, in 2011. Against this unstable background, any hope of a competitive market economy has become mired in corruption and crony capitalism. The overall economic performance of Sudan has also been damaged by the years of civil war that have given rise to high levels of military expenditure and very limited expenditure on social services of all kinds.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Question
Score

The state continues to control the central areas of the country, especially the capital and other major cities. In 2013, it had to suppress the largest widespread urban unrest against the government since it came to power in 1989. These were largely spontaneous events resulting from austerity measures which cut subsidies on fuel and food commodities in response to the economic crisis. The demonstrators were also provoked by a press conference at which President al-Bashir justified the austerity measures, and in part by a social media movement. In addition to the capital, Khartoum, the cities involved included Medani in Gezira State, Port Sudan in Red Sea, Atbara in River Nile, Nyala in South Darfur and Kassala and Gedaref in the east. The security forces used live ammunition: the government admitted 74 deaths, while observers put the figure at over 200. Several hundred were injured and over 1,000 activists arrested. The central position held by the various security forces at the heart of the regime is widely opposed and there were soon calls for regime change.

Monopoly on the
use of force

3

Power structures officially function on a federal basis, but the national government is clearly the center of power, while states are often inadequately resourced and perform limited functions.

In outlying rural areas, especially Darfur, southern Blue Nile and South Kordofan, the state faces long-running armed rebellion by various groups. Some seek to change the government, while others seek secession. In Darfur, the Sudan Liberation Movement/Army (SPLA) is prominent among a number of groups including the Sudan Revolutionary Front (SRF) and the Justice and Equality Movement (JEM); the U.N. Mission in Darfur (UNAMID) is still present but has a difficult relationship with the government, which in 2014 expelled two senior U.N. officials. Meanwhile, the level of conflict increased in 2014: peacekeeping has proved difficult for UNAMID because no peace exists. Conflict also continues in Blue Nile and Southern Kordofan with the Sudan Peoples Liberation Movement-North (SPLM-N) – a continuation of the larger conflict with the SPLA both in these regions and across what is now South

Sudan. Abyei is the only quiet area. The Intergovernmental Authority on Development (IGAD) deployed Ethiopian peacekeepers who have proved quite effective: however, the long-term future of Abyei between Sudan and South Sudan remains unresolved, as has the final agreement on the border itself.

The president claimed that with the secession of the Christian, animist and “African” South Sudan in 2011, Sudan could now assert its Muslim and Arab identity. However, Islam, and the current Sudanese form of an “Islamic state” (not to be confused with today’s quasi-statal “caliphate” in parts of Iraq and Syria) are contested by many Muslims, including traditional Sufi and neo-Sufi groups such as the Khatmiyya and the Mahdist Ansar, both of which were associated with political parties in the liberal-democratic era that preceded the Islamist coup of 1989. Arab identity is also open to dispute. In some areas, such as Darfur, Kordofan, Blue Nile and Nubia in the north, some ethnic groups regard themselves as African, while the question of secession for Darfur has been raised by the SRF. The rhetorical Islamizing project of the current regime started in 1989 and continues in the elections campaign that is planned for April 2015.

State identity
3

Sudan is now defined as an Islamic state governed by Shariah law. The principle is accepted by many, but the interpretation of Islam and the operation of it is challenged by a number of groups. The older Umma and Democratic Unionist parties are led by leaders of more Sufi-inclined movements that have long practiced a more tolerant version of Islam than the regime has introduced. In addition, a challenge was mounted by Mahmoud Mohammed Taha and his “Republican Brothers” after the first introduction of Shariah law in 1983, and there was shock when he was hung for apostasy in 1985. In response the regime has become more accepting of Sufi social practices, including singing and dancing, than during its early years in the 1990s. However, the old parties now have less of a voice in the parliament, which is dominated by the ruling NCP. Human rights groups have tried to challenge aspects of the way Shariah is practiced, though they have been harassed in consequence.

No interference of
religious dogmas
3

Women are worst affected by Shariah law. They often face harassment under public order laws that aim to limit their presence in the public sphere. Sudanese women are particularly disadvantaged by the Sudanese personal law that is based on Shariah, especially in matters such as marriage contracts, divorce, rape, custody, inheritance and opposition to female genital mutilation (FGM).

The Christian minority and in particular Copts and Christians of South Sudanese origins are permitted to practice but have raised claims of harassment and discrimination in public life: both communities have seen many emigrate in consequence. Global attention was raised by the case of a Christian woman who was first sentenced to death for converting from Islam and for apostasy in 2014, but then released and allowed to leave the country for the United States.

Following the secession of South Sudan in 2011, a larger percentage of Sudan is now administered on an officially federal basis. However, the maintenance of law and order in outlying areas is very patchy, while in some areas, such as those in which rebels are fighting, the security forces themselves are frequently accused of perpetrating crimes against civilian communities.

Basic
administration
3

Though the government favors certain regions and ethnic groups, especially those of the central Nile valley (birthplace of Omar al-Bashir), service provision beyond law and order is poor at best all over the country. Little of the national budget is spent on health or education. According to World Bank data for 2012, 56% of Sudanese citizens have access to private or public drinking water pipes, and only 24% have access to sanitation – data are particularly bad in outlying areas. Although Sudanese states officially have a federalized structure, they depend heavily on the central government for financial support, which is often disbursed only in part and with major delays.

However, the state's exorbitant military expenditures to some extent include social spending, as army members enjoy special privileges.

Infrastructure is one area that has been addressed in recent years. Though the country has long been dependent on an antiquated rail system inherited from the colonial era, there has been a good deal of road building, and in the eastern, northern and central areas of the country, recent improvements have linked many more of the country's cities.

2 | Political Participation

The dominant NCP continues to control the government. It won the 2010 parliamentary elections easily, while most of the opposition parties boycotted the elections, claiming that there would be widespread fraud. Similar claims were made against the presidential elections, held in the same year.

Free and fair
elections
3

There has been repeated talk of a national dialogue to draw in other parties ahead of general elections (parliamentary and presidential) scheduled for April 2015. Much of 2014 saw maneuvering around the issue and by the end of the year there was a bloc of parties planning to boycott the elections again, including the Umma Party of Sadiq al-Mahdi, which was in power at the time of al-Bashir's 1989 coup, and continues to claim to be the last democratically elected head of state. The current government claims that 17 parties are committed to the 2015 elections: the three major parties being the NCP, the Mohamed Osman Mirghani faction of the divided DUP, and the Popular Congress Party (PCP) of Hassan al-Turabi, the ousted éminence grise of the Islamist movement. Fourteen candidates are registered to stand against al-Bashir. The 7,233 polling centers shall be distributed in different regions of Sudan.

Meanwhile, there is leaked evidence suggesting that the NCP is preparing to manipulate these elections. The electoral commission is regarded with suspicion by opposition parties, as all past elections were flawed and no credible change is in sight. The NCP is using state resources for its campaigns and controlling the media, including newspapers and TV. The other political parties are not allowed to carry out public election campaigns that extend beyond their small centers, and cannot broadcast their programs to wider constituencies.

The ruling NCP has the majority in the elected legislature and thereby claims democratic accountability. However, opposition parties boycotted the last elections and thus dispute these claims. In addition, the core figures in the executive (apart from the president) were not elected, but are military and security figures. In consequence, there is little sense that elected representatives have effective power.

Effective power to govern

2

2014 saw continuing tensions within the security organizations, partly reflecting the popular hostility shown in the violent demonstrations of the previous year. Pressure on al-Bashir to retire was one issue, particularly when he suffered from poor health in 2012, but by the end of 2014, it was clear that having apparently recovered, he would stand again.

Association and assembly rights have been increasingly subject to interference as economic conditions worsen. Student protest movements have been broken up on a number of occasions, while the most widespread urban unrest in over 50 years of independence was violently repressed in 2013 with an estimated 200 deaths. Civil society groups are frequently harassed if they are not openly “Islamic” and have not been encouraged by the government. Measures include a requirement to register annually; advanced approval before receiving any foreign funding; obstruction of permits for public assembly, especially following the demonstrations of 2013; and penalties and fines if actions are judged as showing opposition to the government. In December 2014, the Sudan Intelligence and Security Service (NISS) detained Faroug Abu Eisa, leader of the opposition National Consensus Forces (NCF), Amin Mekki Madani, chairman of the Sudanese Civil Society Initiative, and Farah al-Agar, senior consultant of the SPLM-N when they returned from Addis Ababa, where they had discussed their potential participation in the National Dialogue with the AU’s High-level Implementation Panel (AUHIP), a mediation team for Sudan.

Association / assembly rights

3

The government has increasingly attempted to control the media. It controls state radio and TV, though outside sources are widely received within the country. The press is subject to increasing interference, with editions seized before publication (security officials regularly monitor the presses), and papers temporarily closed or fined if they are seen as too critical by the government. Journalists have been frequently arrested and held in prison without sound reason, such as two print journalists taken into custody on 22 September 2014, and another on 23 October 2014. There are concerns about a further crackdown on the press during the run up to

Freedom of expression

3

the elections. As a result, the papers that do publish regularly may be forced to operate a degree of self-censorship, while the ruling party has its own press outlets. Social media has proved more difficult to control, and the government has denounced its use by Sudanese outside the country, allegedly to whip up opposition. It has also sought to obstruct some use of social media.

3 | Rule of Law

The separation of powers is largely a process managed by the government. Following its seizure of power in 1989, the regime established a new Islamic constitution with legal codes based on its interpretation of Shariah. This saw the emergence of a new legal culture in which the executive oversaw the training of new judges and lawyers, many of whom graduated from Islamic colleges with generally low academic standards. The severity of the enforcement of these laws has changed over time, but the judicial branch has little autonomy. The parliament, widely controlled by the governing NCP, has completely failed to express any opposition to the executive, not least because of massive crackdowns on its very few opposition members.

Separation of powers

3

In theory, the judiciary is independent, but in practice, the post-1989 introduction of Islamic law has increasingly seen government management of the legal system as a whole. Gradually Islamic institutions took over from existing universities and colleges in the provision of legal training along the lines of Islamic law, and older judges were retired or not replaced. The result was a shift in the court system, as many of the new judges were less well-trained and were often accused of hurried, corrupt and arbitrary justice. They were almost always loyal to the NCP. Appointment and promotion in the judicial system is widely seen as reflecting political acceptability to the regime, as well as on occasion being the result of kinship and ethnic links.

Independent judiciary

2

Though Sudan signed the U.N. Convention Against Corruption (UNCAC) in 2005, the government is widely regarded as still being generally very corrupt. The U.S. State Department states that “Sudanese law does not provide criminal penalties for official corruption, and officials frequently engage in corrupt practices, [including] cronyism, patronage, and embezzlement.” Yet some prosecutions do take place, such as the ten-year imprisonment of a government official from the Ministry of Guidance and Endowments in April 2013. The Auditor General’s Chamber has issued reports on embezzlement by other public officials, but little or no action has been taken.

Prosecution of office abuse

2

In order to be seen to address the problem, an Anti-Corruption Agency was established in 2012. There was little action in the first year, though in 2014 there were calls from business and international human rights organizations for more action. Domestic publicity does erupt on occasions, sometimes from opposition groups and generally spread by social media and word of mouth.

Civil rights are codified under Islamic law, but the courts interpret them with considerable flexibility and with judgments that are often seen as unfair. The security services are frequently regarded as operating outside the constraints of the law and are rarely, if ever, punished for violations committed.

Civil rights
1

International NGOs such as Amnesty International or Human Rights Watch keep long lists of civil rights violations, including illegal detention, torture in prison and inhuman treatment by the security forces. Particularly devastating is the situation in Darfur, where private houses get bombed and complete villages are destroyed by military aircrafts and marauding militias. Corporal punishments, including amputations of hands and feet, are also said to be carried out in Khartoum.

Equality before the law is denied to women and religious minorities in particular. In 2014, there was outrage when a pregnant Christian woman was sentenced to death for apostasy, a move that human rights lawyers had argued was unconstitutional. The vociferous international outcry contributed to the decision eventually being overturned on appeal, and after being forced to give birth in prison, the woman left the country.

4 | Stability of Democratic Institutions

The elections to the legislature fall short of standards that could be regarded as “free and fair,” and thus it operates under the strong control of the executive. On occasion, some elected members voice complaints, but such voices are comparatively rare and have little influence on the government. The generally authoritarian character of the regime is heightened by the ever-greater dominance of security and military figures in its senior positions.

Performance of
democratic
institutions
2

There is little acceptance of the existing institutions or their claims to legitimacy. Opposition leaders point to the overthrow of the democratic system in 1989 and argue that the system subsequently in place has never achieved public acceptance. Popular opposition appears to have grown, especially with the economic downturn and a threat of a successful uprising – which has been realized twice in the past – has been stopped only by force. The 2013 demonstrations were seen by some as Sudan’s potential “Arab Spring,” especially in the larger diaspora. However, within the country they seemed more like a response to the sudden dropping of subsidies on basics such as bread and oil and consequent rapid inflation. Few beyond the Islamist movement (mainly the NCP and PCP) appear to believe that the 2015 elections have the potential to bring significant change. At the same time, some view al-Bashir as “the devil they know,” capable of maintaining a degree of security – albeit with repression when challenged – and consider that the downfall of the regime could bring a worse scenario along the lines of neighboring Libya or Syria.

Commitment to
democratic
institutions
2

Meanwhile, armed revolt continues in three outlying areas, reflecting both local issues that promote local conflicts, especially in Darfur, and in Blue Nile and south Kordofan, issues of national marginalization that have been at the center of the SPLA from its formation in 1983.

5 | Political and Social Integration

The ruling NCP has been fairly stable during the past decade but has recently shown signs of uncertainty, not least over its candidate for the presidency in the elections in 2015. President al-Bashir has been in power since 1989, and there have been questions raised about his longevity and his health. However, he announced in late 2014 that he would run again, though it is widely believed that there are differences of opinion within the party.

Party system
3

Opposition parties continue to exist, including some from the pre-1989 era, and there are uncertainties concerning their relations with the NCP, including whether they will, in the end, actually contest the elections. In 2010, they pulled out shortly before complaining about the electoral system, and several have said they will boycott the 2015 elections. Opposition figures are harassed and sometimes arrested if they take actions that are alleged to threaten the government, such as making agreements with rebel groups. In 2014, the Umma Party made an agreement with the rebel SPLA-N, known as the Paris Declaration, and a further agreement of opposition groups took place in Addis Ababa in November. It led to arrests in Khartoum, while Umma leader, Sadiq al-Mahdi, remained outside the country.

In theory there are independent interest groups including professional associations and trade unions. However, these were historically seen as having significant political influence and even involvement in successful uprisings and coups. In consequence, since 1989 the government has increasingly taken these interest groups over, often with an “Islamic” justification.

Interest groups
2

The existing legislation on CSOs (Voluntary and Humanitarian Working Act, 2006) is neither stringent nor specific. Its narrow understanding of humanitarian work is particularly problematic: Article 6 restricts it mainly to emergency relief. For the International Center of Not-For-Profit-Law, “it is thus clear that the Act is intended for humanitarian relief and charitable work, rather than the wider scope of civil society pursuits, such as the rule of law, democratic transition, justice and fundamental human rights and freedoms.”

Independent organizations with a political agenda face increasing difficulties; in December 2014, NISS arrested Farouq Abu Eisa, leader of the opposition NCF, Amin Makki Madani, chairman of the Sudanese Civil Society Initiative, and Farah al-Agar,

senior consultant of the SPLM-N following their return from Addis Ababa, where they were invited by the AU's High-level Implementation Panel (AUHIP).

The government has often established its own "civil society groups," which are essentially government organized non-governmental organizations. Independent groups such as human rights organizations have often been harassed. Cooperation is difficult among groups that are in any way critical of government, though some have increasingly tried to make common cause.

Public opinion surveys play a very limited role in Sudan. There is external monitoring such as the Arab Opinion Index, which shows inter alia strong support for democracy, but has differing interpretations. Historically Sudan has gone back and forth between liberal democracy and military regimes three times. Liberal democracy was welcomed until it became mired in unstable party rivalry, at which point coups have been expected and even welcomed for delivering decisive government – at least until the successful popular uprisings in 1964 and 1985. The Islamists' seizure of power in 1989 was followed by the expression of a different interpretation of democracy, which placed it within the context of an Islamic society that the regime set out to construct. Those at the center of power still express such views. However, the 2013 austerity measures sparked popular demonstrations that revived memories of 1964 and 1985, although the government was determined to crush them using a level of force that its predecessors avoided. The 2015 elections will be a test of current Sudanese opinion, with a number of parties saying they will boycott them.

Approval of
democracy
n/a

Following its seizure of power in 1989, the regime cracked down on the long Sudanese tradition of cultural associations. However, in recent years it has become less interventionist, having acknowledged how popular such activities are. While greater cultural freedom is welcomed, it has not had the effect of raising levels of trust in the population as a whole. In urban areas, the NCP has been active in recruiting and is trusted by those who join, such as youth groups. However, many older people are less enthusiastic. Rural areas have generally been less penetrated and local ethnic and social ties often command more support.

Social capital
3

II. Economic Transformation

6 | Level of Socioeconomic Development

Question
Score

Socioeconomic
barriers
2

Poverty is widespread as living standards for many fall. In the formal economy, the drop in government income due to the sharp decline in revenue from oil following the secession of South Sudan in 2011 resulted in austerity measures which hit hard. Nearly half the population live on less than \$2 per day. However, the latest available Gini index (for 2009, thus describing only the situation before the split of South Sudan) puts Sudan above average – though much of the statistical data on the country is open to doubt. The UNDP HDI ranks Sudan low at 0.473.

Gender inequality remains high, though while more boys than girls are in education generally, women have become far more numerous in higher education. Most of the women in higher education are from urban areas: opportunities for women at all levels are fewer in the more traditional rural areas.

Many people living in rural areas are involved in the informal economy, and both desertification and floods have worsened living conditions in recent years.

Economic indicators		2005	2010	2013	2014
GDP	\$ M	26525.0	65634.1	66480.7	73815.4
GDP growth	%	7.5	3.5	3.3	3.1
Inflation (CPI)	%	8.5	13.2	30.0	36.9
Unemployment	%	14.8	14.8	15.2	-
Foreign direct investment	% of GDP	5.9	3.1	2.5	1.7
Export growth	%	0.4	5.1	2.9	3.0
Import growth	%	8.2	6.8	63.8	-11.0
Current account balance	\$ M	-2472.7	-1725.4	-5397.7	-4848.8
Public debt	% of GDP	95.0	73.1	89.9	74.0
External debt	\$ M	17613.4	22233.3	22415.5	-
Total debt service	\$ M	400.4	492.2	295.3	-

Economic indicators		2005	2010	2013	2014
Cash surplus or deficit	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	13.8	10.7	7.8	6.7
Public expnd. on education	% of GDP	1.6	-	-	-
Public expnd. on health	% of GDP	1.4	2.1	1.4	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	4.4	-	-	-

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | International Monetary Fund (IMF), World Economic Outlook, October 2015 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2015.

7 | Organization of the Market and Competition

The government has consistently proclaimed the virtues of the free market economy, but its record remains weak. The institutional framework is weak and widely regarded as one of the most corrupt in the world. In general, it is an example of crony capitalism, with those in the ruling circle having privileged access to the market. With little domestic constraint on corruption, the combination of U.S. and U.N. sanctions has limited the possible corrective of engagement with Western capitalism: indeed Sudan ranked as one of the most difficult countries in which to do business. In addition, the rise of Asian (especially Chinese) involvement has helped to sustain the system rather than encouraging reform. The government intervenes in certain sectors, most notably the arms industry, though this received a setback following an attack, allegedly by Israel, on arms manufacturing facilities in 2012.

The informal sector remains strong in rural areas, where self-subsistence remains significant.

COMESA's 2013 Competition Authority does not appear to have had a significant impact on Sudan. In reality, much of its trade is with Asia and the Middle East rather than Africa (though trade with Ethiopia is growing).

In theory, there are regulations to maintain a competitive market system, but in practice, little is done to try to implement them. With the close relations between the political elite and major businessmen, both monopolistic practices – especially pertaining to the business activities of the security forces – and cartel type arrangements operate widely. The scale of the military-industrial complex is shrouded in secrecy and is protected by the NISS.

Market-based
competition
2

Anti-monopoly
policy
3

Given the lack of accountability in the system, and the failure to address the country's reputation for widespread corruption, little light is thrown publicly on the way the market functions. However, Sudan's low rating for business practices according to the World Bank (160 out of 189 countries) is indicative of the kinds of obstacles to free market operations that persist.

The liberalization of foreign trade has been restricted by the continuation of U.S. sanctions on the country. This has forced Sudan reluctantly to focus much of its trade on Asia and the Gulf States, often entailing restricted trading arrangements. Trade with these states consists largely of the export of oil to Asia, now much reduced due to the sharp drop in national output, and agricultural products, especially cattle, to the Gulf. Trade with the east is legal and unaffected by U.S. sanctions as long as the companies involved are not seeking to be registered in the United States. Recent austerity measures have limited imports. The simple mean of the applied tariff rate for manufactured products was 12.87% in 2011.

Liberalization of
foreign trade

4

In the very same year, when oil prices were high before the secession of South Sudan, Sudan recorded its best ever trade figures with a positive balance of \$704,214,000. However, in 2012 when the oil flow from South Sudan was cut, it plunged to the lowest ever figure of -\$987,552,000. In 2014, a combination of partial restoration of oil revenue and austerity measures reduced this figure to -\$305,824,000.

Sudan first sought to join the WTO in 1994 but talks stalled in 2004. In 2014, it was announced that Sudan would submit a further application for membership.

The entire banking system operates on the principles of Islamic banking. Comparative surveys show that it is moderately efficient in comparison with other Islamic banking systems, though retaining staff in the face of competition from the Gulf States in particular has been a problem.

Banking system

2

The banks have come under increasing state control, from the Bank of Sudan down. The presidency retains an overarching role and shapes Bank of Sudan policy when deemed necessary. The economic downturn of the last three years has resulted in poor returns to the banks from domestic investment, while the lack of foreign exchange has led to a number of banks being refused credit by Asian and Gulf banks. European banks became particularly reluctant to act in Sudan following the heavy U.S. fines on BNP Pariba in 2014. In all, there is little capital available either externally or internally, while the government funds its deficit by instructing Bank of Sudan to print money, contributing to inflation and the higher cost to banks of foreign trade.

8 | Currency and Price Stability

Following the secession of South Sudan and the sudden dramatic loss of oil revenues, the optimism of 2000 – 2010 has faded rapidly. FDI has evaporated, including that from Asia and the Arab Gulf. Inflation has risen rapidly to around 45% in 2014. The exchange rate has fallen with the official rate of the Sudanese pound at SDG 5.8 to the U.S. dollar, though the black market rate is higher at more than SDG 9.5 per dollar. The external debt has risen to \$46.9 billion, while the foreign exchange reserves are among the lowest in the world at \$1.5 billion – enough for two months of imports at current levels. Repeated negotiations with the IMF for debt re-scheduling have brought little respite, while the United States continues to refuse to lift sanctions that have a marked effect on banking as well as foreign investment.

Anti-inflation /
forex policy

2

The government has been surviving hand to mouth as the economy has continued to weaken. Public debt remains high at 74% of GDP, while external debt has also continued to rise. In several areas, there are no known or reliable data, including the deficit and military expenditure on which the government relies to maintain itself in power. Macroeconomic stability has become a distant dream since the loss of 75% of the oil revenue following the secession of South Sudan – revenue on which the government had banked for projected development.

Macrostability

3

9 | Private Property

Property issues have been highlighted in recent years by government efforts to attract foreign investment – in particular from the Gulf States – for the country's considerable agricultural potential. To this end, data from the World Bank suggests the process has gone comparatively smoothly. However, there have been complaints from these rural areas that local land rights have been disregarded, with small farmers forced out or turned into landless laborers. In one of the most pressing examples, the independent daily Sudan Vision reports that the Khor Dunia Reserved Forest in the Blue Nile state “was leased by the state for a foreign investor for SDG 2 per feddan for 99 years.”

Property rights

3

In urban areas, there are numerous property disputes, partly due to the high rate of urbanization from poor rural areas. With these disputes have come complaints about the fairness of the legal authorities that adjudicate each case.

The government pursued a privatization policy from the 1990s onward, but much of it involved the transfer of businesses into the hands of those close to the regime, making a crony capitalist system. With the sanctions on Sudan, new foreign businesses have been encouraged in principle and have come mainly from the Gulf, Asia and more recently Turkey. Since the rapid economic decline after 2011, even investment from “friendly” countries has diminished sharply.

Private enterprise
4

While there have not been notable nationalizations of private enterprise, the ubiquity of the rise of military corporations makes the distinction between “public” and “private” ambiguous. The military-industrial complex includes Sudan’s expanding arms manufacturing sector, but also extends into other areas such as transport. In such areas, it can deploy logistic and other advantages to the detriment of any would-be competitors.

10 | Welfare Regime

The welfare regime provided by the state is extremely limited and in many areas scarcely exists. In 2013, with the backing of the IMF, the government ended subsidies for basics such as oil and wheat, and it was this decision that triggered the worst urban disturbances since independence in 1956. These were firmly repressed by the government.

Social safety nets
1

Food insecurity is widely reported in outlying rural areas, and in some districts, such as Darfur in the west, international relief has been made available, albeit often with apparent government reluctance to recognize the needs that exist.

In both urban and rural contexts, people rely heavily on extended family and social networks for assistance with many of their needs. In this context, relatives living abroad who send remittances home are especially important.

Only 2.1% of GDP is available for health, so public services are poor. The majority of medical doctors leave the country if possible, many for the Gulf States and some for Europe and other developed regions. Some expensive private health services are available in major cities. Medical supplies are available but are expensive for most people, and prices are now rising.

The numbers in education have risen, but the quality is widely perceived as having declined. Several private schools and colleges have been established, but are mainly reserved for the elite and international residents.

Equality of opportunity remains limited. The professions are dominated by people from comparatively wealthy families with many of the poor, especially in rural areas, being restricted. Literacy has spread but is overwhelmingly confined to Arabic, especially following the Arabization of the education system in the 1990s. Overall, levels are still low (overall literacy rate 73.4%), with men (81.7%) clearly advanced over women (only 65.3%, World Development Indicators 2015). Data on overall and gender-differentiated enrollment rates do not exist, but it is believed that there have been more job opportunities for women partly because of their greater access to higher education, but also because many educated men seek to emigrate, leaving vacancies for the generally less mobile women to fill. Indeed, Sudan's 2013 female labor force rate of 29.4% is better than in all other Arab states.

Equal opportunity
3

People of southern Sudanese origins who have stayed in Sudan experienced some discrimination after South Sudan's secession in 2011. Many lost their jobs and some had to sell their homes off cheaply, particularly where they were denied access to public services. However, those who have taken refuge in Sudan from the 2014 fighting in South Sudan have generally been well received.

11 | Economic Performance

Following the development of oil fields in the then southern Sudan from 1998 onward, the economy grew rapidly, reaching levels of 8% per annum. In 2004, FDI reached a respectable 7% of GDP. However, the dramatic fall in oil revenues following the secession of what is now South Sudan in 2011 has impacted heavily on GDP growth, which now stands at -6% for 2013; total GDP was \$66,565.9 million in 2013, after \$63,152.2 million in 2012 but \$67,320.8 million in 2011. Accordingly, GDP per capita was \$3,373.0 in 2013 (\$3,608.9 in 2012 and \$3,524.0 in 2011). With FDI in 2013 at only 3.3% and inflation at around 45%, it is estimated that 25% to 30% of the population are unemployed.

Output strength
2

With international debt of over \$40 billion, there is now a current account deficit of \$6,241.8 million (in 2012, after -\$1,341.0 million in 2011); in consequence, the government has been officially running a policy of austerity. First successes are visible. As for 2013, the World Bank mentions "only" \$4,481.3 million as a current account deficit.

The major area of government expenditure is widely understood to be on the security services, though no official figures are given.

12 | Sustainability

In theory, there has been concern about environmental measures since the major drought and famine of the 1980s. This included a government agency set up to counter desertification. However, since that time there has been neglect of the pressing environmental needs which included inaction on desertification, and the unbridled embrace of oil industry and more recently gold mining. Since the 1990s, there have also been sizeable developments in dam building on major rivers, most notably the Nile, with little concern for the potential environmental impact.

Environmental
policy
2

Sudan's violent conflicts have further contributed to ecological concerns, as natural resources have been damaged by the fighting.

More recently, climate change has produced continuing desertification, while more frequent river floods have occurred, with little effort undertaken to prepare for such events.

Education policy has produced an increase in student numbers, especially of women in higher education, but the quality is poor in many fields. This is partly due to the tense security situation in many parts of the country, particularly Darfur and the Nuba mountains, where fighting frequently forces thousands of families to leave their homes, so that children cannot attend school (Sudan's "lost boys" generation). Most recently, more than 3,000 citizens from the South Kordofan and Blue Nile states fled into South Sudan between 23 December 2014 and 31 January 2015, according to UNHCR, ending in refugee camps filled with more than 80,000 people, where children were a majority and often malnourished. Arabization of the education system has in addition lowered access to international academic developments, while access to international books and journals is severely restricted. Critical thinking was never part of the education curricula under the Islamist government. Accordingly, expenses on R&D are also very low. While figures on education spending are not available, the total is widely believed to be low.

Education policy /
R&D
2

In April 2013, Minister of Human Resources, Development and Labor Ishraga Sayed Mahmoud admitted that due to the economic crisis and insufficient salary payments at public schools and universities, 1,002 professors had left Sudan in 2012, with 988 going to Saudi Arabia alone (compared to only 21 in 2008, as reported by Sudan Tribune).

Transformation Management

I. Level of Difficulty

Structural difficulties in governance remain high. Poverty is still widespread, especially in outlying areas. World Bank figures indicate that 44% of the population live on less than \$2 a day; in Darfur, there is international food aid, especially in and around the large IDP camps, yet many Sudanese, particularly children, suffer from malnutrition and retarded physical development.

Structural
constraints
9

The numbers involved in education have risen, but standards have been falling in many government institutions. This was not helped by the government's decision after seizing power in 1969 to replace English with Arabic as the language of higher education wherever possible, as well as extensive religious education emphasizing the government's own approach to Islam. In addition, graduates in the most sought-after fields of study such as medicine frequently leave the country.

The geographical location is such that a large part of the country is desert; while there are hopes that this might be more productive of minerals, thus far it has yielded comparatively little, though the output of gold has risen. The secession of South Sudan in 2011 cost the country its largest oil fields.

There have been advances in infrastructure, especially roads, and there are efforts to rehabilitate the rail network. However, Sudan remains one of the largest states in Africa and many outlying areas suffer from poor infrastructure and communications.

Desertification has risen and there are more frequent floods on the Nile in particular.

HIV/AIDS is believed to be widespread but there are no official figures as the government denies the spread of this disease. So far, the official response to this problem has been inadequate and many experts in the health sector fear that it will increase.

Rural–urban migration is widespread in Sudan. Due to the absence of basic services in the regions, many people left their villages to settle in the bigger cities. However, due to lack of adequate skills and absence of capital to start businesses, the majority of these economic migrants practice marginal economic activities and transform from

productive sectors of society to idle ones. Unemployment is increasing and the government is failing to secure jobs for the majority of the graduates.

The very numerous Sufi sects are among the longest-established institutions of civil society. Some date back to the nineteenth century, with the larger ones being linked with the older political parties, which still exist uncomfortably alongside an autocratic military regime seeking to impose its own Islamic state.

Civil society
traditions
7

Since the Islamists came to power in the coup of 1989 they have also sought to create a new tradition of Islamist identity in civil society. Many new charitable and other bodies were established to promote this new orientation; however, older traditions have survived and increasingly the government has had to allow a less restrictive civil society than it endeavored to create in the 1990s.

The tensions between the older traditions and the government's preferred vision of an Islamic civil society have resulted in new tensions and reduced social capital.

After the signing of the Comprehensive Peace Agreement (CPA) in 2005, there was a breakthrough in the presence of public and civil engagement in Sudan. With significant support from the international community, numerous NGOs and civil associations started to contribute to peace and civil education after years of having their work blocked, hence civil society was stronger. However, since the separation of South Sudan in 2011, the government has deliberately weakened civil society and tightened the noose on its work by actions such as closing cultural centers and arresting many activists.

It was hoped that the CPA in 2005 would lead to greater peace in Sudan, but this has not transpired, nor did the secession of South Sudan lead to an end to hostilities.

Conflict intensity
9

The longest-running conflict is that in Darfur in the west, which intensified in 2003 and still continues. It involves local ethnic conflict within the region as well as armed movements of an anti-government character. There have been long-running peace talks but the region remains characterized by conflict.

Since 2005, conflict has also grown in two of Sudan's most southerly areas, Southern Blue Nile and South Kordofan. In eastern Sudan the situation has been more contained but remains fragile. Yet overall, hundreds of thousands of Sudanese are IDP or have even fled across borders. They live in extremely harsh and volatile conditions.

Central areas have been less prone to civil war, but the urban riots of 2013 indicated that tensions have been rising there as well.

II. Management Performance

14 | Steering Capability

Question
Score

In so far as the government has strategic priorities, it focuses on the maintenance of the regime and the Islamic state that it has established. The centrality of Islamist theory was reduced after the ejection of its leading ideologist, Hasan al-Turabi, following his failed challenge to President al-Bashir in 1999, but the use of Islamist rhetoric persists, especially at election time. Official rhetoric also speaks about state-led development and macroeconomic planning, yet real progress is scarcely visible.

Prioritization
2

Decision-making is confined to a small group around the president, within which it appears that the security chiefs have advanced to a commanding position over the civilian politicians of the ruling party. The power of the security heads was increased through the need to repress the civilian demonstrations of 2013, coupled with the aim of crushing the rebels in southern Blue Nile and South Kordofan. Some younger members of the NCP called for term limits of the state president, but the confirmation of al-Bashir as presidential candidate in 2015 suggests that their influence is limited. In theory, the government is pursuing a “national dialogue” with opposition parties while preparing for elections in 2015, but in practice, both objectives are heavily compromised. Meanwhile military progress in the rebel-held territories has been limited.

The effective control of civilian ministers is limited by the ruling clique. There is, however, internal division in the ruling party, especially over the running of President al-Bashir for a further term in 2015. He will have been in power for more than 25 years by then.

The government’s priorities are not supportive of an open democracy or an effective free market.

The government’s central policy is regime survival, and by divide and rule tactics and repression, it has survived in power for longer than any government since independence. However, that does not mean that it has succeeded in quelling rebellions in three outlying areas, or that peace in those areas seems near.

Implementation
2

It failed to make unity attractive to South Sudan and thus lost the region, which seceded in 2011 with subsequent loss of 75% of Sudan’s oil revenue – on which the government was heavily reliant. In addition to that loss, a dispute with South Sudan in 2012 led the latter to stop the flow of oil altogether, causing financial crisis in both countries. Though the flow resumed in 2013 it was at a reduced level. This was the

direct cause of the tough austerity measures of 2013 that then led to the mass protests in various cities and regions across the country.

On the economic front, the Sudanese government has been able to proceed on some infrastructure projects, largely due to the continuing involvement of China, which shows long-term confidence in the country. Road, rail, airport and dams are the major focuses of China's activities. However, China's involvement thus far indicates a lack of awareness of the local impact of projects such as the Merowe dam, which has given rise to discontent among affected farmers in particular. Furthermore, most of China's activities have been in central areas, exacerbating the marginalization of more outlying regions. Sudan also has some support from Qatar and Saudi Arabia in particular. But it has failed to restore relations with the United States and have sanctions removed, however much it protests about them and calls for their withdrawal.

Policy learning appears to consist largely of crisis management and has increasingly centered on the institutions and personnel of the security services. Here its techniques have advanced in relation to the urban areas in particular as living standards have fallen, but it has failed to regain control in outlying areas either by force or mediated negotiations. This approach indicates the lack of government attention to the root causes of the social unrest, which range from urban demonstrations to continuing civil wars of the kind that brought the eventual secession of South Sudan.

Policy learning
2

Some elements of the SPLA and JEM in Darfur have raised calls for secession, but following the departure of South Sudan the government in Khartoum is determined to resist further territorial losses. Instead, it is committed to upholding the Doha Agreement with the new Liberty and Justice Movement, even though the latter appears to have limited support in Darfur itself. This agreement upholds a federal approach to Darfur while ruling out possible independence for the region.

15 | Resource Efficiency

Central government has overseen the politicization of the civil service in an endeavor to ensure that the Islamization strategy of the government is pursued, or at least not opposed. Ideological acceptability has been put above ability, with efficiency undermined by corruption and weak work performance in many departments. Commonly, every department features only a few individuals who do the work and get allowances while many others are left idle and demotivated.

Efficient use of
assets
2

Though there is a federal system in place, the states are largely dependent on central funding, which has been weakened by a combination of official austerity and inflation. Therefore, the burden of social services provision is shifted to the

community's responsibilities, which has resulted in deficiency and the absence of these services in most of the regions.

Central government has a high level of debt, especially external debt, and has difficulty managing it as a result of problems with the IMF and World Bank. On paper, there are reform arrangements in place, but in practice, little effective reform has occurred.

A politicized working environment in the public sector, low pay and frustration for private sector staff has led to high levels of educated Sudanese seeking to leave the country. Over half the medical graduates migrate, mainly to the Gulf, Europe, North America and Canada. The government has been relaxed about the "brain drain," pointing to the value of remittances; however, it is widely believed that the government also views this as the departure of professionals who were often prominent among critics of the government. In 2013, Saudi Arabia started expelling Sudanese workers, partly to create more openings for its own young workers. Whether this will improve the supply of trained and experienced workers in Sudan remains to be seen.

There is little indication of policy coordination. There have been obvious cracks in the ruling party with regard to the future of President al-Bashir in particular, but he seems determined to continue and at present, the military and security heads support him.

Policy
coordination
2

There appears to be little coordination between departments, with most lacking resources and struggling to function effectively. In their daily encounters with the government, people often experience contradictions between the policies of different state departments.

Federal states are also left largely without adequate resources, while there is little coordination between them in relation to the center (where in any case state governors are ultimately responsible).

Officially, the government opposes corruption. However, little or nothing is done to counter it and it is widely regarded to be widespread in all areas of government. An anti-corruption agency established by the government in 2012 has made little progress. It has been inadequately resourced, and has been unable to process any alleged cases to the point of successful prosecution. In addition, it is widely perceived as a tool used by the government to silence oppositionists or dissidents. This was apparent in the initial appointment of a trusted NCP figure to head the agency, even though he did not even possess a legal background. A year later, he was dismissed, and since then the government has moved toward overlooking the whole question of corruption.

Anti-corruption
policy
2

16 | Consensus-Building

There is deep conflict concerning a long-term consensus on the constitution. It was hoped after the agreement between the government and the southern rebels in 2005 that there was a clear path toward multi-party democracy, but that hope has since faded. In recent years debate between the major actors has centered on a National Dialogue to find agreement on a way forward, but it has produced more rhetoric than action. The government has sought to participate in the National Dialogue on its own terms by including approved actors who are more amenable to it, but also by marginalizing others, especially representatives of rebel groups or other political actors with links to them. At the start of 2015, the government hopes simply to go ahead with elections scheduled for April, while the main opposition parties appear to be moving toward a boycott, which was their final position shortly before the 2010 elections.

Consensus on goals
3

All political actors claim to support a market economy, but there is little consensus about how to achieve it. The government claims that it seeks reform, but is hindered by international sanctions. The opposition claims that the market is rigged by crony capitalism, and points out that Sudan is ranked as one of the most corrupt countries in the world, and one in which it is generally regarded to be very hard to do business.

Officially, the country remains an Islamic democracy, with the government claiming a substantial victory in the elections of 2010, although they were boycotted by most opposition parties.

Anti-democratic
actors
2

Various opposition leaders have called for reform, and some have appeared willing to participate in a National Dialogue with the government. However, attempts by reformers to unite in opposition to the government have been hindered both by media control and the arrest of opposition figures.

In November 2014, four major opposition leaders signed the Sudan Call in Addis Ababa seeking to unite the country around a reform agenda. Two of them, Farouq Abu Eisa, head of the umbrella movement the NCF, and distinguished human rights campaigner Amin Makki Madani, were arrested on their return to Khartoum and held in detention. The two other signatories, Umma Party leader Sadiq al-Mahdi and SLM leader Suliman Arku “Minni” Minnawi from Darfur, did not return to the country. Farah al-Agar, a legal consultant who also was in Addis Ababa but did not sign the Call, was also arrested upon his return. All have been kept in prison since.

The political leadership endeavors to divide and rule, thus maintaining if not accentuating cleavages among both opposition parties and rebel movements in outlying areas. Mediation efforts have come largely from outside the country, especially through the AU, with repeated but unsuccessful negotiations mainly in Addis Ababa, or in the case of Darfur in Doha.

Cleavage /
conflict
management
2

During 2014, the AU organized talks between the government and the SPLM-N in Addis Ababa, but to no avail. In a renewed effort to defeat the SPLM-N, the military bombed areas of the Nuba mountains in South Kordofan in particular, including targets used by the civil population such as hospitals. Toward the end of 2014, there were also talks between the government and the main rebel groups in Darfur, but once more agreement proved difficult. Human Rights Watch documented organized mass rape of at least 221 women and girls in Tabit (Darfur) by military members in October 2014 over 36 hours.

The political leadership views civil society through its own image of an Islamic society. It has thus encouraged a number of organizations, but essentially only those under its own control. There is an older liberal tradition of civil society which still struggles to survive, such as human rights groups. However, the government regards these as being influenced by the generally hostile West, so they come in for regular harassment, as well being excluded from the policy process.

Civil society
participation
2

The expulsion of international NGOs in 2012 has not been rescinded, and there are restrictions on local Sudanese NGOs receiving funding from international NGOs.

Historical acts of injustice have been particularly evident in Darfur, but have never been addressed. The official response is generally to deny injustices or, if there is clear evidence, to brush them under the carpet. A typical example was the response to allegations from a U.N. source in 2014 that Sudanese troops had raped more than 200 women and girls in one Darfur village. A short inquiry was held some days later which exonerated the soldiers and no further action was taken. In early 2015, Human Rights Watch tabled a detailed documentation of the mass rape, still with no satisfying response from Khartoum. Likewise, during the repression of the civilian protests of 2013, the government rejected widespread claims that over 200 had been shot dead by the security forces, suggesting instead a much lower figure of 74, though no effective inquiry has been established.

Reconciliation
1

Peace initiatives such as the Paris Declaration signed by Sadiq al-Mahdi (head of the Umma Party) and Malik Agar (co-founder of the SRF) on 8 August 2014, or the Sudan Call signed by four oppositionists in Addis Ababa on 3 December 2014, have been rejected by the government and branded as irrelevant or even “treason.”

17 | International Cooperation

International sanctions constrain the extent to which Sudan can access international assistance, but it has been successful with regard to assistance from the Gulf and Asia. The country was a major breakthrough point for China's expansion into Africa in the mid-1990s, establishing a considerable development in oil production as well as a number of infrastructure projects including dams. Malaysia and India also joined in the oil exploitation. The viability of Sudan as a long-term oil exporter was greatly diminished by the secession of South Sudan, where the majority of the country's oil fields are located. The subsequent disputes between the two countries even shut down most oil production, which remains reduced.

Gulf States, particularly Qatar, have declared an interest in investment in large-scale agriculture, but intentions have rarely turned into actions on the ground. The accelerated land-grabbing by international investors is problematic for the local population.

The long-term viability of both oil and commercial agriculture thus remains in doubt for economic and political reasons.

Turkey has also become more active in Sudan in recent years as part of its broader push into eastern Africa. As well as new commercial outlets, it has constructed a new bridge over the Blue Nile in Khartoum. Turkey has also moved on the cultural front, including a promotion of academic links.

Sudan has also been trying to improve relations with Europe, partly in the openly expressed hope that Europe will influence the United States to take a softer approach to sanctions. European concern with human trafficking encouraged Sudan to bring in a law in 2013 intended to reduce the flow. In 2012 the United States had pointed to Sudan as both a source and a transit route for forced labor and sex trafficking. In 2014, Sudan hosted an EU–AU conference to harmonize European and African efforts to reduce trafficking, known as the Khartoum Process.

Sudan's relations with the U.N. have become strained, especially with regard to UNAMID in Darfur. Overall UNHCR estimates that there are 6.9 million people in need of humanitarian assistance, while the number of IDPs has risen in recent years by 400,000, while conflict in South Sudan in 2014 has generated 100,000 refugees.

Effective use of
support

2

In spite of repeated international efforts, the government is not seen as a reliable partner by much of the international community. The signing of the peace agreement with South Sudan in 2005 did lead to hopes that the government would become a credible partner, but its subsequent record has depleted any credibility achieved at that point. International efforts persist, especially through the AU and the regional IGAD, as well as Qatar, but progress has been extremely slow, with the government reluctant to cede effective power in any potential settlement.

Credibility
2

The distrust of the government was heightened when President al-Bashir and two others were indicted by the ICC for war crimes and crimes against humanity with respect to Darfur. In 2014 the ICC announced that its investigation was no longer active but frozen, although the charges had not been dropped.

The government is aware of the advantages of cooperation with selected neighbors. It seeks to cooperate with Egypt with regard to the Nile Waters, while also cooperating in that area with Ethiopia. It also cooperates with Eritrea in the east and Chad in the west with regard to opposition movements that are endeavoring to operate from those countries. It has also sought to cooperate with Ethiopia economically, especially with regard to hydro-electricity and oil.

Regional
cooperation
3

However, its relations with its new neighbor South Sudan have been poor, with both countries claiming that the other supports rebel groups in their respective border areas. Relations with regard to oil, which flows from South Sudan through Sudan to the Red Sea, deteriorated to the point where South Sudan closed the taps, precipitating a crisis in both countries. Some oil flow has resumed, but at lower capacity than in the past.

Sudan's relations with the AU are important as the latter has a High-Level Implementation Panel led by Thabo Mbeki based in Addis Ababa. Meetings have been held there concerning both national politics and Darfur, though progress on all issues has been prolonged and produced few positive effects. IGAD, the regional actor, has been less directly involved in affairs with Sudan following the secession of South Sudan, in which it has a more direct role.

Strategic Outlook

The 2005 Comprehensive Peace Agreement appeared to outline a democratic future for the country as a whole, with a democratic autonomous government for South Sudan. In addition, the national government and the South Sudanese government agreed to work to make unity attractive for South Sudan in its agreed referendum on secession in 2011. In the years leading to 2014, all these intentions failed to materialize: reform would require a return to the 2005 outline, though now without South Sudan, which chose independence by an overwhelming majority.

Reform has to start at the top. Under the 2005 constitution, the president is elected for up to two five-year terms. At present, President al-Bashir (in power since 1989) appears to intend to stand yet again, disregarding the constitution. Now, without any democratic input, the president has changed the constitution to allow him to stand for the 2015 elections. Therefore, constitutional amendments should pass a special procedure that is more strict and should not be enacted unless they attain super-majorities in the legislature or direct approval by the electorate in a referendum.

The executive was meant to share power between northern and southern Sudanese politicians. That failed, contributing to the South's secession, following which executive power has become more concentrated in the hands of effectively unaccountable security heads. Effective executive power should be returned to the hands of civilians, with security services made accountable to them, and the civilian ministers in turn should be accountable to the legislature. More freedoms should be allowed such as freedom of press and association. Political parties should be allowed to practice campaigns and more freedoms should be given to CSOs.

As well as reform of national government, measures should be taken to devolve resources and power to the federal states. At present, the final decision on state governors rests with the president, while most states lack the resources to deliver the services they are tasked with providing in fields such as health and education.

In a number of states, there are ongoing revolts which the government has endeavored to crush unsuccessfully: in these areas, more serious attempts at political solutions are required.

In addition to more effective power, the legislature will only acquire a measure of legitimacy when elections themselves acquire greater credibility. This will require an electoral commission with greater independence from government than the one presently established, and the machinery to run freer and fairer election than has been held for many years in Sudan.

A more level playing field will also be needed for political parties. Currently there is a dominant party established by the original military government, which is able to access resources of the state and obstruct the opposition parties. One such obstruction is the curtailment of the freedom of the

press. While there is state control of television and radio, opposition parties can run newspapers, but these are frequently harassed by the security agencies and journalists are restricted.

Greater freedom for CSOs is also required, with government controlling a number of areas such as the trade unions, and harassing independent bodies in fields such as of human rights monitors.

Opposition parties have long called for a multi-party conference to address all the above issues. The government has conceded the idea of a National Dialogue but has tried to control any such event in ways that have led most current opposition parties to remain outside it. There is a real possibility that major parties will boycott the 2015 elections, as they did those of 2010.

Reform of the economic sector would also be necessary, especially to open up a freer market and restrict the close links between the ruling party and business, which is often described as crony capitalism. In particular, it will be necessary to bring in effective anti-corruption measures in one of the worst affected countries in the world. There is a need to reduce military spending and prioritize the security of the population over the security of the state. Clearer opposition to international terrorism could also help lift the international sanctions which affect the financial system and deter much FDI into Sudan's undoubted potential in agriculture, as well as in the mineral sector.