

# Aid to Poorly Performing Countries: Sudan Case Study

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## 1. Introduction

Over the years, Sudan has been variously described as a complex political emergency; as a politically fragile state; as a strong, but unresponsive state; and on occasion, as a failed state. In more recent times a new set of labels have been applied: a Low Income Country Under Stress; a poor performer; and a country where traditional models of development cooperation remain difficult.<sup>1</sup>

Sudan was selected as a case study for this report to assess conflicting elements of performance, to highlight the inconsistency of aid flows, the politics of international engagement and international perceptions of performance. As a case study, it also provided an opportunity to explore the challenges a country faces where juridical sovereignty is in a state of 'limbo', as the peace process signals the potentiality of an independent state for southern Sudan. The case study was particularly concerned with disaggregating the factors that are driving the international community's current re-engagement in Sudan, seeking to understand whether decisions to re-engage with Sudan were premised on a demonstrated commitment on the part of the government to invest, deliver and meet the basic needs of the population or on other factors. It also sought to understand whether the recent categorisation of 'poor performer' (or LICUS) by some actors in the international community has resulted in different policy approaches, and if so, what these are designed to address and the potential impact they might have.

On one level of analysis, Sudan experience over the past two decades reflects many of the conditions of a country difficult to assist, as highlighted in the report's conceptual model. Sudan remains a chronically poor, highly indebted and divided country, where the government has failed to deliver the minimum level of basic services and security to a large portion of the population; where the juridical status of the territory is challenged; where the diplomatic door was firmly closed for over a decade, and humanitarian aid has been the primary instrument for aid engagement.

Yet there are difficulties with this analysis. Sudan also has a number of features which do not fit squarely with the notion of 'poor performer'. Strategically situated, the country boasts a wealth of natural resources, including huge reserves of rich agricultural land, significant oil reserves and water resources, and a large and growing population. In recent years, the government of Sudan has demonstrated its capacity to successfully manage and stabilise its fragile economy, which has contributed to comparatively high levels of economic growth in the late 1990s. Despite this, there is evidence of declining human development outcomes and widening inequality. Poverty is deep and widespread. In the late 1970s, average per capita income was estimated at over \$500; today, it is estimated at \$340, lower than the sub-Saharan average of \$460.

## 6. Conclusions Sudan: a poor performer?

The framework for assessing the debate around poor performance – that countries are difficult to assist where at least two of three factors, including juridical sovereignty, empirical sovereignty and international recognition are problematic – has currency in its application to Sudan. Strikingly, poor development performance *per se* has not been the defining problem at issue for the international community. Drivers for international engagement and disengagement, including the provision of aid in Sudan have not been premised on core concerns of empirical sovereignty, for instance, on a demonstrated commitment on the part of the government to invest, deliver, meet and protect the basic needs of the population. Aspects of empirical sovereignty that acted as the strongest drivers for international disengagement were the significant violations of human rights and an inability or willingness to address the considerable debt crises. The drivers for re-engagement, including the promise of a resumption of significant levels of development assistance, is designed explicitly as an incentive for the peace agreement to be signed and implemented. International pressure, particularly from the US, in this process should not be underestimated. The recent favorable economic conditions, driven in part by the government and interventions by the IMF, may have assisted the drive for re-engagement, acting as a fiduciary incentive for bilateral donors to pledge assistance.

The case study on Sudan highlights an important disconnect occurring in the relationship between development outcomes and empirical sovereignty. In the situation of southern Sudan, where the international community has played a significant role in maintaining the welfare of vulnerable populations for nearly two decades, indicators revealing general levels of welfare (for example infant mortality data) may explain much about the international communities effectiveness and capacity to respond, and yet tell us very little about empirical sovereignty. Thus measuring Sudan's country-wide progress towards attainment of the Millennium Development Goals or measuring performance in general might not indicate anything in relation to the government's willingness and ability to respond to the developmental needs of its population. The challenge to Sudan's juridical sovereignty has only recently been formally recognised, and is yet to be determined. Yet the secessionist claims of the southern population are not new and have been informally acknowledged for many years by some in the international community, including through the provision of assistance to the south through local authorities. Funds have been channelled via local SPLM/A structures in recognition of changing levels of authority and legitimacy. At this interim stage, whether it be unity or a separate 'two-state scenario' in Sudan, the path that the international community, particularly the donor community, will have to navigate during the future 6-year interim period will be complex. Responding to this challenge will require developing effective aid instruments that can be deployed to support the poor populations living in much of Sudan. Ensuring appropriate governance arrangements around the allocation of aid, a respect for international humanitarian law, as well as an ability to measure the impact of assistance measure will be important.

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