

HOW FAILS FAILED STATES

A Sudan Study in Getting it Wrong - Twice

1 Introduction

In January 2005, John Garang, for the Sudan People's Liberation Army, and Ali Othman Taha, for the National Congress Party, signed a Comprehensive Peace Agreement (CPA), ending over 20 years of war in southern Sudan. In parallel with the peace negotiations, the two parties had been working with the World Bank and the United Nations to draw up a "Framework for Sustained Peace, Development and Poverty Eradication".¹ Known as the Joint Assessment Mission, or JAM, John Garang and Ali Othman Taha signed the framework in March. It presented a six-year, \$16 billion programme to consolidate the peace and facilitate development. The whole process was backed by all the major aid donors, who emphasised their wish to "re-engage with Sudan in ways that are well coordinated and minimize fragmentation and unnecessary transactions costs."

The CPA was about sharing power. It allowed the SPLA to establish an autonomous government for Southern Sudan and to be represented in a Government of National Unity. After a six-year interim, the South was to have a referendum on independence. Nevertheless, the aim was to make "unity attractive to the Southern Sudanese population before it votes ... on whether to remain unified with the North or to become independent." John Garang's vision was for a unified, secular Sudan. There were not many others who shared it: within the SPLA, among the Southern Sudanese people, or in the north of the country. Even the international community's support was only skin-deep. Most donor countries had a deep mistrust of the Islamist northern government of Omar al Bashir. None were likely to shed a tear if the South seceded. Some would see it as the final victory in a war which they had actively supported.

The chances are that the South would have voted for independence anyway. However, there was one thing which might have made a reality of Garang's vision: a rapid and substantial peace dividend in South Sudan. The JAM was the international community's promise to provide this peace dividend, a promise they abjectly failed to fulfil. In doing so, they also completely disregarded their own rhetoric about coordination and providing "flexible and swift responses" to support a coherent public expenditure process for South Sudan.

The CPA was something rare in modern conflict: a negotiated settlement between two well-established parties with sufficient legitimacy to commit their respective constituencies. For all the jockeying and brinkmanship, the basic settlement has proved workable over its six year duration and beyond. As it went about forming the Government of S. Sudan, the SPLA had reason to be genuinely grateful for the West's support during the war years. They also knew how much help they would need to build the institutions of a modern

¹ JAM Sudan, March 2005 – Framework for Sustained Peace, Development and Poverty Eradication, 3 vol. (Originally published on the UN Sudan Information Gateway. Now available on <http://reliefweb.int/organization/jam-sudan>.)

state. As a result, S. Sudan saw less of the constant battling between government and aid donors than is typical in most developing countries. Development aid was very badly needed and, at the same time, genuinely welcome. This was the best opportunity the donors were ever likely to have to make their post-conflict strategies work. They missed it.

Only a very unlucky country like Sudan can provide two examples of how not to manage post-conflict aid. The other case is, of course, Darfur, where aid programmes have been a long way short of the joined-up effort needed to significantly dampen conflict, let alone re-build the institutions of a peaceful society. Darfur is a harder case than South Sudan, for many reasons. Even so it is not difficult to see how things could have been done much better.

2 What a Pre-Failed State Needs

“We are not a failed state, we are a pre-failed state.” This exasperated comment by a southern Sudanese bureaucrat reflected his boredom with donor discussions about failed states. Nevertheless, it sums things up. Neither the colonial or post-independence governments had given S. Sudan more than the most rudimentary public institutions, and the war had destroyed what little there was. The new Government would have to build an entire public service ‘virtually from scratch’. Primary school enrolment was the lowest in the World, with teachers paid as little as \$92 a year and only 6% of them qualified. The health situation was worse: 45% of children malnourished, and one in every four dying before they were five. Such services as did exist were supported by NGOs or the communities themselves. At best they only reached a quarter of the population.²

There were no paved roads outside Juba and two other towns garrisoned by the Sudanese army during the civil war. South Sudan’s only links to the outside world were a broken-down railway from Wau to north Sudan, antique barges along the Nile also to the North, and a broken-down gravel road through Nimule to Uganda and ultimately to Mombasa: a journey of over 1,500 km.

Every aid programme makes a compromise between meeting immediate needs and building for the long term; between doing things for people and helping them to do it for themselves. The strong presumption is that real development comes from the second approach: from building capacity, ensuring sustainability and aspiring towards resilience, as the aid jargon has it. Just giving things to poor people will not really help them, and it is only justified during an emergency, as humanitarian relief. This leads to endless debates about when humanitarian aid should stop and how to manage the transition from relief to development. In principle that transition is complete when national authorities take back their responsibility for all public services and the relief agencies withdraw. The international community’s failure to adequately recognise that a pre-failed does not have the institutions or the capabilities needed to do this was central to what happened. It left South Sudan in a development no-man’s land, fitting none of the available aid categories.

² JAM op. cit.

It was not difficult to see what was needed, and the JAM presented a coherent statement: a total of \$8 billion with so much for health, so much for education, so much for roads, etc. The weakness of the South's institutions and capacities was recognised. Some 23% of the total budget was allocated to Capacity Building and Institutional Development, and to Governance and the Rule of Law. But the JAM was only a first outline, in essence a funding proposal for the international community. It identified the issues. It could not offer answers to the many questions of strategy and tactics which face a pre-failed state.

Much of the CPA period was to be wasted in debating these questions, without, in most cases, reaching any effective answer. The biggest questions concerned the nature of the South Sudanese state. As a 2010 evaluation put it, there was a 'conceptual vacuum around statehood'.³ The first, simpler question was whether South Sudan should be a 'supply state', in which Government provides health, education and other services directly, or a 'facilitating state'; one which enables civil society and the private sector to do the work and regulates how they do it. This choice was fairly well understood, and an answer was implicit in most programmes. At least until its capacities were greatly stronger, the southern Sudanese state had no option but to concentrate on facilitation. The second, much bigger question was not considered at all: How should the State play its role as the guarantor of justice and the security of the citizen?

A state's its reason for being, is defined by its relationship to the individual citizen, by its sovereignty. The international community's strategies for dealing with 'failed states' are built on the implicit belief that this can take only one form: a direct contract of rights and obligations between the individual and the sovereign State; a State which is endowed with the full panoply of powers, including a monopoly of violence, and which is directly accountable to its citizens as individuals. It is expected that the relationship will be mediated by a capable, honest bureaucracy and by representative democracy. The standard analysis of state failure goes on to suggest that the only obstacle to this western ideal is some version of what is now called 'neo-patrimonialism'; whereby corruption and patron-client networks are embedded in the bureaucracy and democratic politics and block their proper functioning. This thinking is clear in the JAM, which allocated \$285 million for 'Governance and Rule of Law' under the standard categories of the modern democratic state: 'constitutional and electoral reforms'; 'the judiciary'; 'law enforcement'; 'media'; 'culture'; and 'human rights'.

Sudan, and many countries like it, do show many elements of neo-patrimonialism. Accordingly, the West classifies them as 'failed', but this is not at all accurate. Most of them are just different, built on alternative solutions to the fundamental social issues of justice and security, and on different ideas of the relationship between society and the citizen. If Darfur, South Sudan, Yemen and Afghanistan lack the architectures of western liberal democracy, this does not automatically make them failed states. Their

³ Bennet, J, et al., 2010 – Aiding the Peace: A Multi-Donor Evaluation of Support to Conflict Prevention and Peacebuilding Activities in Southern Sudan 2005-10, ITAD Ltd, UK (Available on www.norad.no/en/tools-and-publications/publications/evaluations.)

sovereignty is real but it is dispersed and indirect; often two-tiered with tribes, clans and other forms of association providing the intervening link and fulfilling many of the State's functions. The individual's social capital is invested in these associations, which mediates his or her relations with the State and with the society at large. In these societies patron-client relations are not some aberration from the bureaucratic and democratic norm. They are a fundamental element in the mechanisms of sovereignty. And when these States fail, it is because their alternative solutions to the question of sovereignty have collapsed under the pressure of globalisation, geo-politics and aid itself.

3 What South Sudan Got

Between 2005 and 2011, the JAM programme for South Sudan was to cost \$8 billion. Sudan was expecting substantial oil revenues, and it was estimated that aid donors would need to contribute a little less than half the total. (That was in addition to some \$1 billion a year for UNMIS, the UN peacekeeping force.) The targets were comprehensive and ambitious: 'a motivated and responsive public service'; rural markets in 86 counties; 30,000 primary classrooms and teachers to go in them; 4,000 new wells and water systems serving 3.2 million people; 2,800 new doctors and nurses and much more.

The institutional development and governance targets made the western liberal model and the underlying neo-patrimonial analysis explicit: 'accountable public financial management'; 'anti-corruption systems'; 'a constitutional framework based on commitment to democratic processes and respect for human rights'; 'functional courts'; 'prisons in 15 more counties'; and 're-training of police staff'.

In money terms, at least, the West met its commitments. A 2010 evaluation estimated that between 2005 and 2009, donors had spent nearly \$3 billion: on track for the JAM total of \$4 billion up to 2011. It is much more difficult to find out what that money actually bought; but all the indications are that it was massively short of the JAM targets. Take schools. The target was 3,750 eight-room primary schools. The same 2010 evaluation reported that "*At current rates, it seems highly unlikely that the Multi-Donor Trust Fund [MDTF] target of 44 schools will be met. In contrast, by the end of 2009, the Basic Services Fund [BSF] had succeeded in completing 34 schools. Another 12 schools are expected to be completed by June 2010, bringing the total to 46.*" Although other organisations were building schools, the evaluation reported no numbers and it seemed clear that the results will be an order of magnitude less than what was promised. Teacher training was no different: 1,229 by the MDTF and 2,290 by the BSF. Mysteriously, there was little link between schools built and teachers trained and the numbers of school children or teachers. A UNICEF 'Go To School' campaign, linked to school feeding programmes, had stimulated a massive rise in primary school enrolment: from 343,000 to 1.6 million. This revealed the scale of the country's education backlog. Of 439,000 pupils in the first year of primary school, 377,000 were too old for their class. There were young men aged up to 26 in the same classes as six year olds. In 2009, there were 25,000 teachers on the Government payroll, well on the way to the JAM target of 30,000. However,

this had little to do with aid-funded teacher training as only 13% had any training at all; and there were strong suggestions that the payroll was padded with political appointments, or payroll ‘ghosts’.⁴ In other words, aid had succeeded in revealing, or even creating, demand for education but done little to improve the supply.

If South Sudan had one blindingly obvious need it was roads. Any kind of development at all would depend on very large supplies of cement, roofing sheet and many other basic materials. Whether over 1,500 kilometres of bad roads from Mombasa, or on a slow boat down the Nile, transport costs meant that Juba was to have some of the most expensive building materials in the world. Conversely there was little chance of any Sudanese goods being competitive on export markets after a three week journey on dirt roads, many of them impassible during the rains. Transport was also a political barrier. If there was one thing which might have opened up more normal day-to-day relations between the two Sudans, it was regular traffic between Juba, and Khartoum and Port Sudan. This would have been of particular benefit to the million southern Sudanese living in Khartoum and other parts of the north.

The JAM did give due weight to roads: \$750 million for ‘national infrastructure’ in South Sudan, with a further \$150 million for local roads: in total over 10% of the total budget. A Roads Master Plan was to be completed by the end of 2006 and implemented in the remaining years to 2011. Yet in 2010 it was reported that:

*“although one of Dr John Garang’s priorities was the building of trunk roads, many donors preferred, initially at least, to fund more media-friendly projects”.*⁵

One can hardly imagine a more media-friendly event than the opening of the first tarmac road from Juba to Khartoum: breaking the single greatest constraint to South Sudan’s development and opening the most important door to better relations between North and South. However, in this context media-friendly seemed to mean ticking donor boxes on generating local employment, especially for women, and using appropriate technologies. It is fair to mention that after Garang’s death, only a few months after the CPA was signed, the northern and southern ruling parties may have needed persuading to accept the establishment of better transport links, but the donors seem never to have made the effort.

Whatever the reasons, progress reported at 2010 was limited to the building of offices, markets, local roads and such media-friendly activities as “a food for work initiative [which] mobilised people and repaired three bridges.” The promised Roads Master Plan was only completed in 2012, and the only major international link was to be 67 km of tarmac between Juba and the Uganda border at Nimule: not completed until late 2012.⁶

⁴ Bennet et al. – op. cit.

⁵ Bennet et al. – op. cit.

⁶ idem

4 The Twin-Track Strategy

In Southern Sudan's health sector strategy, the critical choice between meeting immediate needs and building capacities for the long term was explicitly addressed. A two-track strategy was proposed, with "*the development of core capacities of the health system*" on Track 1, and "*the delivery of essential services*" on Track 2.⁷ Something similar was implicit in most other sectors. In practice, however, Track 2 was dominant. Increasingly, Track 1 came to be put in the 'too difficult', or perhaps the 'very, very slow' box. Capacity building work continued but no immediate results were expected.

This interpretation of the Two-Track strategy was convenient for many. It allowed NGOs and the UN to concentrate on what they liked doing: service delivery. It gave organisations which did have a mandate for capacity building, most notably the World Bank as manager of the Multi-Donor Trust Fund, an excuse for their extremely poor performance. There was a more important weakness as well. The two-track strategy was meaningless without a clear plan to manage the switchover from the delivery of services on Track 2 to the capacity built on Track 1 and a target date for the change. Without this, the two tracks could run in parallel forever. There never was any such plan. Early programmes like the Basic Services Fund (BSF) were set up on Track 2, with the objective of handing over to the MDTF, once it had set larger Government-run programmes running on Track 1. But this was pious hope, not a plan. The original 18 month BSF programme had to be extended several times, and it was still running after the South's independence celebrations.

BSF was one of the few programmes which did make an attempt to bring the parallel delivery and capacity tracks together, involving Government in the management of the programmes it funded and requiring the NGOs it supported to prepare exit strategies and hand their work over to Government. In October 2009 it was reported that "*none of the NGOs believe that the exit strategies they have prepared are realistic. Nor do the government officials who would be expected to take the services over. Few local government structures are in place. State government budgets are highly unpredictable,*" Whether from the general – only one functional County department of health out of 25 – or the particular – a State health department with only \$5,000 a month for running costs, and dependent on Goal the Irish NGO for its electricity – it was evident that the time when South Sudan could switch from donor-managed health services on Track 2 to a Government-managed service on Track 1 was a long way off. "*Estimates of how long it will take before a handover is possible range from two years to four, or even ten.*"⁸ In short, both the scale of the task and the time needed to make it a reality were grossly underestimated.

Another major strategic choice concerned standards. Some argued that the southern Sudanese were entitled to and must have the highest quality of service immediately. Government accordingly issued standards for cement

⁷ idem

⁸ BSF Mid Term Review, 2009 - www.bsf-south-sudan.org

schools and clinics and, on advice from aid advisers, a Basic Package of Health Services which included such high technology elements as prostate and cervical screening. These standards were impractical or impossibly expensive. The result was general uncertainty over priorities and long debates among implementing agencies and sector working groups over more affordable approaches. These are not new choices in Africa. Soil-cement blocks are just one example of the many proven low-cost construction techniques available. However, donors seemed blind to these critical technical issues and did not support the strategic analysis and planning needed to resolve them. Some capable NGOs and contractors made the right choices. The majority followed the Government standards regardless of the cost.

The one area in which there was a good case for higher standards was the one where donors were least willing to consider it - roads. The technical issues affecting African roads have been well understood for at least half a century. The choice lies between gravel roads, which are cheap to build but difficult to maintain, and tarmac, which is vastly more expensive but 10 times more durable. In Sudan, a gravel road will not last a year if heavy lorries are not kept off it during the rains. Even if they are, the road should be re-graded from one end to the other at a minimum once a year. Countries with far greater maintenance capacities, and far stronger traffic police, than South Sudan have been unable to solve this dilemma. For all these reasons, a limited network of tarmac trunk roads, with a good link to Port Sudan or Mombasa would have delivered a bigger peace dividend than almost anything else.

5 Coordination and Harmonisation – NOT

In the JAM donors emphasised their commitment to coordination – working together to minimise transaction costs – and to harmonisation, matching their programmes with the priorities of the Government of S. Sudan. The first commitment was comprehensively broken as soon as the ink on the JAM was dry. In 2008, a Government Donor Mapping recorded 26 different donors supporting 169 different projects to Government. Many more went unreported. There were 37 different projects in health alone. On average 11 different donors were working in each sector. In a bad month the result was that Government of South Sudan, short of capacity as it was, had to deal with 13 different donor missions.⁹

This was completely at odds with the JAM commitment that Sudan's recovery and development programme would work mainly through two multi-donor trust funds: one for North Sudan and one for South. These MDTFs would pool all donor contributions and manage a fully integrated programme, working directly with Government ministries. This would ensure "coordinated, flexible and swift donor responses for financing of priority expenditures in the context of a unified budget and a coherent public expenditure process." In a striking exception from usual aid relations, the Government's of N and S Sudan were

⁹ Min. Finance & Economic Planning, Govt of S. Sudan, 2007 – Donor Mapping presentation by Director of Aid Coordination

to place part of their own oil-revenues under the management of the Multi Donor funds.

Some donors did not support this approach. The USA, for example, did not contribute anything to the MDTF. At the other extreme, the Netherlands, Norway and the UK were strongly committed to coordination and harmonisation and made substantial contributions to the fund. Nevertheless, by 2008 the UK had more bilateral projects than the USA, and all the main supporters of the MDTF had projects in eight or nine different sectors: again more than the USA.

To ensure at least some degree of linkage, if not full harmonisation, with Government priorities, all projects were supposed to be reviewed by an Inter Ministerial Appraisal Committee. In 2008, donors had only submitted 25 out of 169 projects for review, without considering those projects which had not been reported to Government at all. More broadly, the donors' reluctance to support John Garang's wish for trunk roads can be seen as an early example of the way they only harmonised their programmes with Government S. Sudan's priorities when those priorities matched their own agendas.

6 Channels, Modalities and Narratives

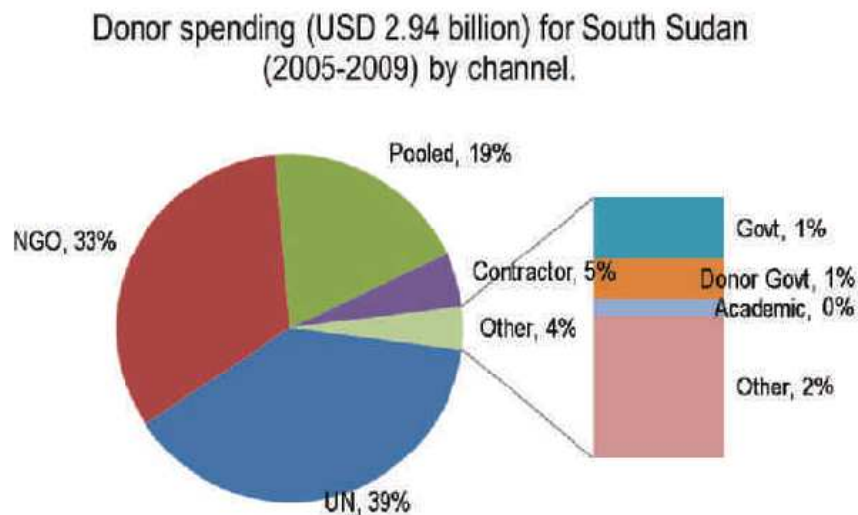
Humanitarian relief is the principal business of UN organisations such as UNDP, UNICEF, and the World Food Programme. It is also a core activity for international NGOs: from OXFAM and Save the Children to many smaller agencies such as Tearfund and Caritas. Since the beginning of Operation Lifeline Sudan in 1989, these organisations have had a major presence in to southern Sudan. Conversely, South Sudan has had major influence on their operations and on their funding. The UN World Food Programme's Humanitarian Air Service is a good example. It has been running this service in S. Sudan for over 10 years. Thirteen aircraft flying, at an annual cost of \$44 million plus cost recovery, amounts to a substantial airline. This operation underpins the network of aid activities across the whole country. However, if the country is dependent on UN services, so those services are dependent on the country. WFP now runs similar air services in Afghanistan, Mali and elsewhere. But South Sudan is still by far the biggest, with a budget twice that for the Democratic Republic of Congo. Without the core funding Sudan brings, the case for WFP being in the airline business at all would be much weaker.

The CPA presented these relief organisations with a dilemma. Should they consider their job done and withdraw; should they continue with relief work, even though the hope was that it would not be necessary for very long; or should they convert themselves into development organisations? For many withdrawal would have left a large hole in their funding and operations, and few chose that option. Most claimed to be making a transition to the development role, but without any real change in the way they worked. To a large extent they carried on regardless. They had been running clinics before the CPA. They continued to run them after. Expatriate staff had been on a six-weeks on, two-weeks off rotation before. They stayed on that rotation after. Most importantly, aid in South Sudan continued to be dominated by the one-year planning cycles common in humanitarian relief. This meant that

NGOs and contractors had to prepare new bids for every annual funding round. Crucially they could not give their staff certainty of a substantial assignment. Nor could they give their partners in Government or Sudanese society any guarantee that they would be around beyond the end of the current funding round. Reflecting how the humanitarian influence continued long after the CPA, between 2005 and 2009, donors continued to classify the largest part of their South Sudan funding as ‘emergency relief’; at 31%. This made it more than twice as big as the next largest sector, Governance and Civil Society.

The figure below shows how by far the largest share of the donor funds went to the agencies which had led the humanitarian relief effort: 39% to the UN and 33% to NGOs. This underestimates the NGO’s share because they also worked on grants from the UN and from pooled funds like the BSF.¹⁰

Figure 7: Donor Actual Expenditure by Channel in Southern Sudan¹²⁰



The Joint Assessment Mission was one of the highlights of the new era of aid effectiveness. Almost all the donors worked together with the north and south Sudanese. Critically the two major development institutions, the World Bank and the UN, led the mission together. This atmosphere of cooperation evaporated rapidly. It had been decided that the Bank would manage the MDTF. A key aim was to involve GoSS agencies in managing the programmes and working with governments was supposed to a particular strength of the Bank. On the other hand, the UN was the organisation with the most experience in South Sudan. It was expected that the two organisations would work together, with a substantial share of MDTF funds going to UN specialist agencies such as UNICEF for education and WFP for roads.

Almost as soon as the MDTF was established in mid 2005, the World Bank and the UN fell out over accounting and audit. Not unreasonably the Bank sought some oversight of UN agency expenditure. The UN response was to

¹⁰ The figure is taken from Bennet, J. et al. – op. cit.

state that this would violate the “single audit principle” applicable to all UN agencies. Having accepted that UN agencies would follow their own procurement and financial management agencies, the Bank only sought retrospective access to procurement documentation in the event of fraud. Even this the UN would not yield, offering instead to advise the Bank of the ‘contents of procurement documentation’. Had the two organisations, and the donors who funded them, felt the slightest sense of urgency over delivering a peace dividend to South Sudan, this trivial matter could surely have been resolved in weeks. Instead it took over 18 months from signature of the JAM to reach a compromise. This was only after Norway had threatened to withdraw its funds from the MDTF and angry correspondence at the highest level. In October 2006, Agnes van Ardenne-van der Hoeven the Dutch Minister for Development wrote to Paul Wolfowitz, President of the World Bank: “I do not understand how administrative quarrels can be allowed to put the reconstruction process in Sudan at risk.” It is worth pointing out that there was never the slightest suggestion that the UN would be subject to external review over the fundamental question of value for money. The final compromise gave the UN almost all of what it appeared to want, freedom from accountability to the Bank. Which meant they were not accountable to GOSS or the donors either.

The MDTF had no better luck with the other powerful interest group in South Sudan, the NGOs. Because of their long presence on the ground it was assumed that they would undertake much of the development work. However, in their different way they were just as unhappy as the UN with the way the fund proposed to work. Some lobbied their own governments on both policy and specific disagreements over tendering.

Beneath it all, both the UN and the NGOs were saying just one thing. That they did not see why they should change the way they worked after the CPA. NGOs, in particular, argued that MDTF procedures were designed for private contractors, who would not engage the community or include capacity building to the same extent as NGOs. This was to ignore the fact that the MDTF had the JAM targets to meet. This could only be done by implementing large programmes with firm targets, fast. In education, for example, they tried to let a contract for a national programme to train 6,000 teachers. The major Norwegian NGOs announced that this was unrealistic and withdrew from the bidding. In health one NGO had been involved in a ‘very participative process’, with the Ministry of Health and the UN and NGOs which had started as early as 2005. However, when selected at last in 2007 to act as Lead Agency in one state, the NGO felt it could not start until it had done a situation analysis which would take a further six months.

It is clear that the World Bank badly underestimated what would be needed to make the MDTF work. The Secretariat in Juba had 15 senior posts: one specialist in each sector.¹¹ This can be compared with USAID who had a team of 100 running their bilateral programme.¹² MDTF job descriptions summed up the hands-off approach. They were for “oversight and technical

¹¹ MDTF SS, 2006 – Staffing Plan presented in 3rd Quarterly Report, MDTF, Juba (www.mdtfss.org)

¹² Bennet, J. et al. – op. cit.

advisory services”, not for “management and delivery” or even support to GOSS in “management and delivery.” Apart from sporadic technical assistance, this left a Government which was trying to build its public service from scratch on its own in unknown territory; organising large and complex programmes; and somehow trying to dragoon the UN agencies and the NGOs, into working in ways they were not used to and which they did not like. Even when supporting Government directly, the MDTF performed extremely badly. Contractors were hired to fill four critical gaps in GoSS capacity: General Accounting; Procurement; Project Accounting; and External Audit. In three out of four cases, the contracts were both late and poorly designed. For procurement it was so late that *“it can be argued that GoSS procurement has never fully recovered.”* Later on it became evident that the contract requirements had completely failed to match *“the envisaged size of the team [with] the scope of the task, covering all aspects of procurement for a newly-forming Government with no procurement capacity whatsoever, and over \$1 billion in revenues every year.”*¹³

The poor performance of the MDTF allowed free-play to the different interests operating in South Sudan. Almost from the start the UN lobbied for the establishment of a separate fund under its own management. This was despite the fact that UNDP was already managing the Common Humanitarian Fund with over \$50 million a year of grants to UN agencies and NGOs. This fund had grown out of the relief approach developed by Operation Lifeline Sudan during the war years, with: *“... , multiple actors and myriads of projects present[ing] their own problems. There is an expectation that everyone ‘gets something’, even very small NGOs, and in practice, the plan tends to reflect the projects submitted, making it less strategic and more the sum of all its projects.”*¹⁴ The NGOs depended on the CHF, but they also resented the fact that the UN agencies nominated as sector leaders made sure their own organisation’s share of the funds was large. So they lobbied for greater preference through the CHF as well as the MDTF.

The aid community worried endlessly about the situation. Most recognised that things were not working well, especially after the first euphoria of the CPA had worn off and it was realised that GoSS had the same problems with politics and accountability as any developing country. There were many efforts to bring things together, most notably through the Budget Sector Working Groups in which Government, the UN, the NGOs and donor representatives worked to plan coherent annual budgets and sectoral strategies. However, coherent budgets and strategies at the national level could not solve the two basic problems: the inability to deliver, promptly and economically, the major programmes promised in the JAM; and the lack of any realistic strategy to manage the changeover from Track 2 to Track 1, from relief and recovery to sustainable development.

Reflecting the interests at play, most saw the delivery problem in terms of the different funding mechanisms. Among the pooled funds, the MDTF never

¹³ F. Davies, 2009 – Contracting Out Core Govt. Functions and Services in S. Sudan, AfDB/PDG Conference on Contracting Out in Post-Conflict and Fragile Situations, Tunis 2009. (Available on www.bsf-south-sudan.org)

¹⁴ H. Goyder, J. Cosgrave, 2011 – Evaluation of The CHF: Sudan, Channel Research, Belgium

performed convincingly. Independent observers felt the funds run by the UN agencies were not much better. They did get more money spent, and they did support the large network of NGOs, but there was no monitoring to check the quality of the work and larger UN programmes were almost as slow to move as the MDTF. Evaluation studies tended to report that bilateral aid projects were more effective than pooled funds, and that pooled funds managed by contractors were more effective than those managed by the multi-lateral agencies. By 2009 this view was so strong that it was decided to transfer \$70 million from the MDTF to the contractor-managed BSF.

This focus on funding mechanisms hid a more important issue. Apart from some large bilateral programmes, almost all the work was being done in small and short packages - \$200,000 to \$2 million in one year tranches. In other words, aid was carrying on regardless in its humanitarian relief mode. Attempts were made to shift the Common Humanitarian Fund into a development mode. Longer programmes were encouraged with funding rolled over for two or three years. However, funds were still allocated on a *'collective prioritisation of the need getting the whole humanitarian community engaged with coordination and setting priorities'*. In reality the process had a large element of 'cake sharing', some might call it a carve-up: *"those sitting around the table all want CHF funding, and collectively decide on who should get it."* The figure shows the cake for health in Blue Nile State: divided into five small packages, only two over the \$200,000 minimum.¹⁵ With two UN co-leads and five agencies, the State Ministry of Health must have struggled to know who it was dealing with.

CHF allocations (USD) for Health and Nutrition in Blue Nile in 2008	
GOAL	127,145
Malaria Consortium	127,145
Samaritan's Purse	127,145
Unicef (Sector co lead)	427,145
WHO (Sector co-lead)	289,145

Almost regardless of whether the funds came from a humanitarian fund, a basic services fund or a multi-donor fund, NGOs were building schools, drilling boreholes and even constructing roads, as well as supporting day-to-day services and training staff.

Whether they did the construction themselves, with community support, or used local contractors, few NGOs had the quality controls which would be expected on even the smallest construction contract: Bills of Quantities in the contract and supervision by clerks of works, quantity surveyors and, for boreholes a drilling supervisor. Only a minority could produce completion reports and tested the quality of the water in the wells they drilled. One result was that costs varied by a factor of 100% from one programme to another, without any particular difference in the circumstances: for boreholes from

¹⁵ Goyder & Cosgrave, op. cit.

\$7,000 to \$15,000; for schools from \$160,000 to \$300,000. Even the lower prices are high by international standards.¹⁶

7 A Darfur Coda

Darfur is a different case. All Darfuris are muslim and in the Fur Sultanate the region had a history of statehood and more advanced traditional institutions than anything in South Sudan. However, it was partly because of this history that divisions within the region are older and more entrenched than any in the south. What is happening in Darfur is as least as much a civil war between Darfuris as it is an uprising against the Sudanese State. No anti-government movement could hope to win the broad support enjoyed by the SPLA in Southern Sudan, and some communities are firmly on the government side. One result is that there is still no credible peace agreement for Darfur. Since 2006, three rebel groups have signed peace agreements with Government, first at Abuja, then in Doha. A majority section of one of the most powerful groups, the Justice and Equality Movement, is still outside the peace framework.

However, the most significant difference was in the international community's position. In southern Sudan, the CPA was signed over ten years after the start of Operation Lifeline Sudan. This long engagement had given the most influential donors a relatively mature attitude. One which did not seek to label the Government of Sudan as criminal and *genocidaire*. One which accepted that realpolitik was justified to win a lasting peace, even if meant sitting at the same table as the Islamist ruling party of the north. This contrasted with the initial hysteria of international reactions to the violence in Darfur after 2004; reactions which made it very difficult for donors to engage with Government at any level. In the words of one donor representative, their primary aim was to avoid touching something 'toxic' in Darfur, something which might bring the US Darfur Coalition and other powerful civil society movements down on their government for dealing with an international criminal like Omar El Bashir.

This left the collective of humanitarian relief agencies with an even freer hand than they had in South Sudan. In Darfur, there was no suggestion that they should be building Government of Sudan's capacity. Instead, they were encouraged to deal directly with communities, not with local government. With little involvement by the multi-donor fund for North Sudan, Darfur became the particular territory of the UN agencies and NGOs, funded directly or through the UN, and working in much the same style as in south Sudan, carrying their humanitarian relief approaches over to development. This tendency was reinforced by the donors' abhorrence of the Government of Sudan. One UN programme, the Darfur Community Peace and Stability Fund had a specific brief to undertake recovery activities, taking account of a lesson learnt in the South, that recovery work should start as early as possible, even before a peace agreement had been signed.¹⁷ But the word recovery was loaded. For the donors, to even talk about recovery might be seen as an

¹⁶ BSF - Final Report Lessons Learned Drinking Water, Mid-Term Review 2009. www.bsf-south-sudan.org

¹⁷ DCPSF Terms of Reference. Oct 2007 - www.sd.undp.org/DCPSF.htm

endorsement of the Government's view that the situation in Darfur was improving. Added to which, recovery activities would unavoidably involve some engagement with Government agencies. It did not matter that these purely political attitudes were not much use to the people of Darfur. They meant that there was even less chance of an effective strategy for peacebuilding or statebuilding than there was in South Sudan.

Three UN-managed programmes, mainly funded by the same group of donors, appeared to offer a sensible architecture for building peace. At the highest level a Joint Mediation Support Team, led by joint Darfur Special Envoys from the UN and the African Union, was working to enable negotiations between the different rebel movements and Government at the national level. Within the region, support was given to a Darfur-Darfur Dialogue and Consultation process (DDDC), aiming to identify key common ground issues and enable Civil Society to voice them in the political negotiations. The third pillar was the Darfur Community Peace and Stability Fund (DCPSF), which funded NGOs to work with individual communities and encourage reconciliation on the ground.

However, the complementarity of these three programmes was apparent, not real. Although the same donors contributed to all three, they were managed separately by three different UN agencies. The DDDC and DCPSF were expected to work together but did not. There were even reports that the heads of DDDC and the JMST had fallen out personally.¹⁸ The result was that no one held a brief to develop a clear, coherent strategy for peace and reconciliation, or to set out a workable framework for re-establishing security and justice. Without such a strategy, there was a *"clear risk that influential actors would agree a purely political settlement which did nothing to improve the situation for ordinary Darfuri's."*¹⁹ In other words, the international community's conceptual vacuum about statehood was even bigger in Darfur than it was in South Sudan.

8 Interests and Narratives

Aid is an act of political will. As such it is uniquely open to political pressures from all points of the compass. Academics lobby for their theories, and for funding to develop them; politicians seek causes which appeal to their constituencies, and aid bureaucrats seek high profile issues on which to launch their career.

The greatest pressure, however, comes from the struggle for institutional survival, in other words for funding. From the World Bank and the UN down to the smallest NGO, all agencies must fight this fight. It is not an accident that the very first hit on a Google search for the term 'institutional survival' is "Organizational Change and Institutional Survival: The Case of the U.N. Peacebuilding Commission". The Commission's story is revealing. It was a late arrival and it was only in 2010 that it opened up yet another channel for donor funds into South Sudan. Formed at Kofi Annan's initiative to

¹⁸ C. Morris & S. Archibald, 2009 - DCPSF: Incentivising Peace and Stability in Darfur.

¹⁹ DCPSF, 2010 – Darfur Community Peace and Stability Fund, Annual Report, 2010. DCPSF Secretariat, Khartoum. (www.sd.undp.org/DCPSF.htm)

“coordinate the efforts of international actors ... working to rebuild failed states”, it had little impact on the way those actors worked. Nevertheless, it has been very successful against a different yardstick: *“institutional survival in a very densely populated organizational habitat: the community of international post-conflict reconstruction and state building agencies centred in the United Nations.”*²⁰ Mirroring the UN’s struggle with the World Bank over the MDTF in South Sudan, what made the Peacebuilding Commission valuable was its support for the UN agency’s claim to take the lead in post conflict work. Already supreme in security, peacekeeping and humanitarian relief, the UN system was not willing to yield the post-conflict arena to the World Bank just because the Bank held the mandate for development.

These powerful institutional and political interests were expressed in different narratives about how peacebuilding should work, and why it was going wrong. By postponing awkward questions about when humanitarian and relief action should end, the transition narrative - from relief through recovery to development - allowed all players to get a share of the funding cake. Meanwhile the neo-patrimonial, failed-state narrative justified technocratic efforts to build the institutions of western liberal democracy, while allowing donors to avoid difficult, potentially toxic questions about how to deal with the reality of societies which express sovereignty and power in ways the West finds disconcerting.

The currently fashionable narrative is Conflict Prevention and Peace Building. This puts political economy and ‘conflict analysis’ in front of everything. All development programmes, however basic and straightforward, must be measured against their contribution to conflict reduction.²¹ When peacebuilding efforts fail, it is because donors do not develop a *“sophisticated and nuanced analysis of power relations, causes of vulnerability, and drivers of conflict”*. If, for example, there is conflict in the new state of South Sudan, it is not because Aid failed to deliver the peace dividend promised by the JAM. It is because it put too much emphasis on delivering that dividend - health, education, etc – and not enough on resolving conflict. It is because the JAM programmes were planned at scale, over three to five years, and could not provide the flexible responses needed to resolve multiple localised conflicts.²² In terms of the struggle between the relief and development agencies - between the UN and the World Bank and their respective supporters - this new narrative is a clear win for the relief constituency. Locally sensitive, flexible, and essentially unplanned approaches are what they consider as their key strength.

Some may win and some may lose in these debates. However they all gain one major benefit. Avoidance of any serious discussion of their collective poor performance. In reality, the JAM did not fail because it did not pay

²⁰ R. Jenkins, 2008 - "Organizational Change and Institutional Survival: The Case of the UN Peacebuilding Commission," *Seton Hall Law Review*: Vol. 38: Iss. 4, Article 5

²¹ OECD/DAC, 2008 - Guidance on Evaluating Conflict Prevention and Peacebuilding Activities, OECD/DAC Network on Conflict, Peace and Development Cooperation and the OECD/DAC Network on Development Evaluation

²² Bennet, J et al. – op. cit.

enough attention to conflict. Nor did it fail because it provided the wrong peace dividend. It failed because what it delivered was far short of what was promised, and little of that was sustainable. Many individuals and many agencies working in South Sudan and Darfur did incredible work under very difficult circumstances. They saved lives and maintained basic health and education for hundreds of thousands of people. This work did do something to build both peace, and to help the Southern Sudanese State establish itself. Relative to the need, however, and to the money spent, and relative to what could have been achieved with clear strategic direction and capable management, Aid has let South Sudan and Darfur down shockingly badly.

Strategic direction and management are essentially simple skills. Perhaps even more shocking than the extent of the aid agencies' lack of these skills is their inability to recognise that lack. Instead of seeking ways to do simple things better, the international community has already moved on: to new narratives, to ever more innovative approaches and to different institutional tussles. If they are given the chance, therefore, there is every reason to believe the aid agencies will do it all over again.