

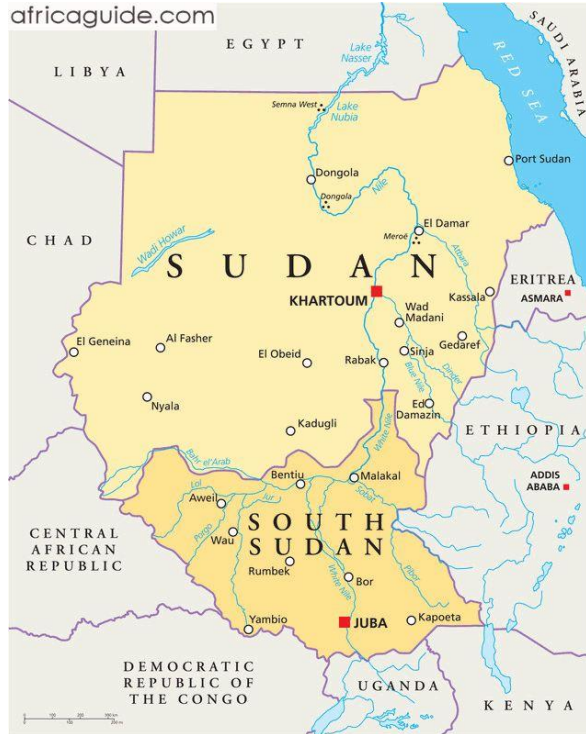
Split of Sudan

the role of the oil extraction and transit



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After 9 July 2011 there are two Sudans. How?



That's how.

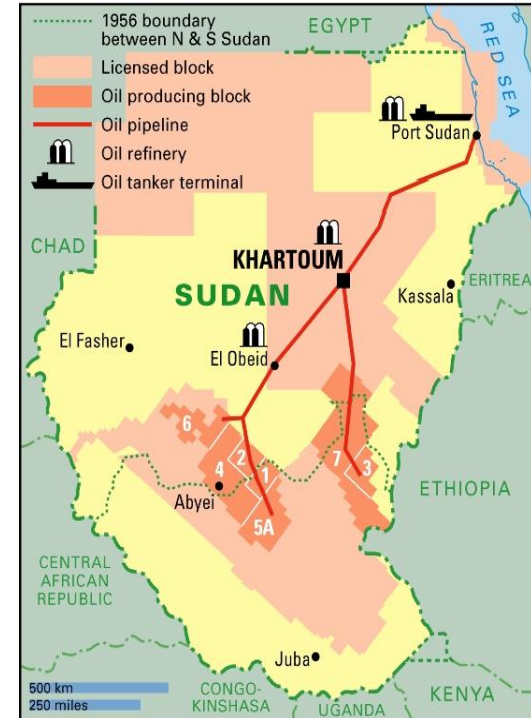
Since 1956 (independence from Anglo-Egyptian rule) - civil war
1) Muslim Arab (North) vs. Christian and African tradition religion ethnic groups (South): **Southerners blamed Northerners** for imposing sharia and getting predominant role in politics.

2) Conflict escalates when the oil is discovered (by American Chevron in 1979).

¾ of oil is extracted in the territory of South Sudan (controlled by African ethnic groups) but pipelines were built on the territory of northern Sudan (controlled by Muslim Arabs) = **transit issue**

Moreover, oil became the main export item for Sudan (except for agricultural sector). Now oil makes up to 98% of South Sudan economy.

*<http://edition.cnn.com/2011/WORLD/africa/01/04/sudan.qa/index.html>;
<https://www.cia.gov/library/publications/the-world-factbook/geos/su.html>



Oil & Transit issue

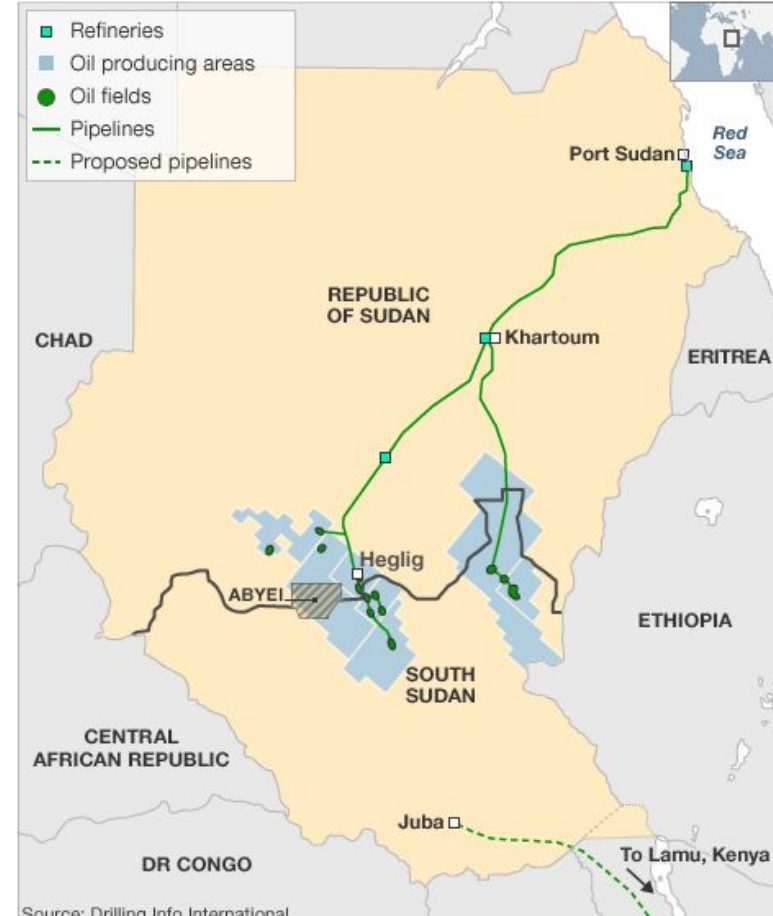
What does Republic of Sudan:

- 1) Imposes transshipment fees on pipelines
- 2) Sudan develops non-oil sources of revenues (gold mining), agriculture continues to employ 80% of the work force

What does South Sudan:

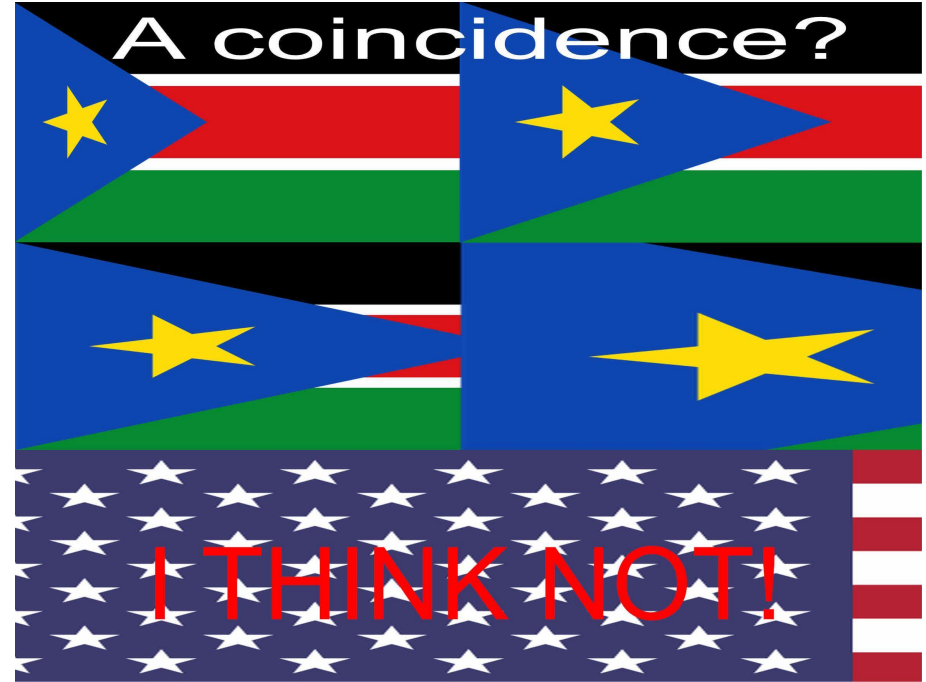
- 1) Suspends production
- 2) Tries to build new pipelines to Kenya and Cameroon but...
- 3) ...resource curse - inner ethnic groups can't share power properly

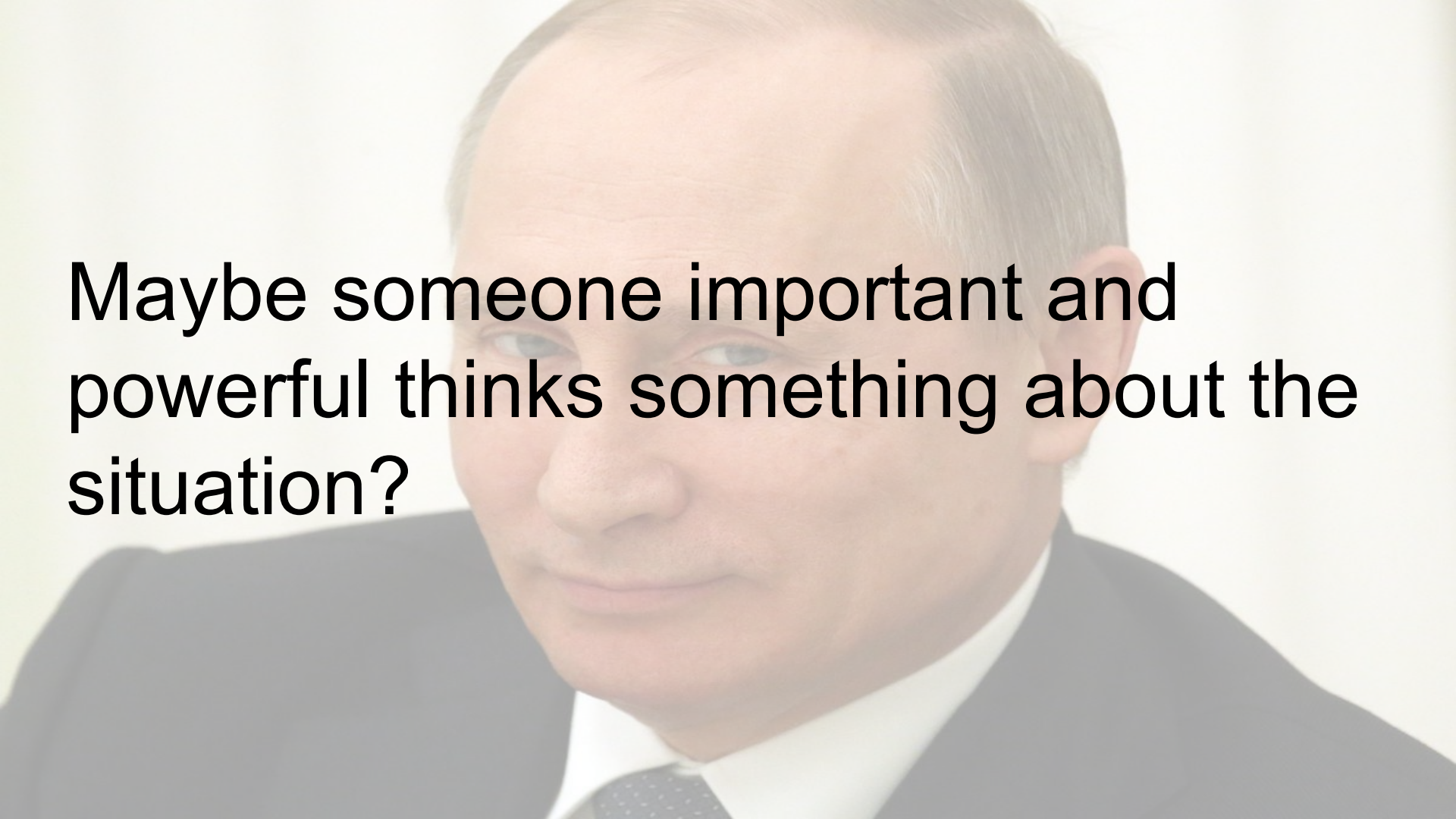
(<https://www.kommersant.ru/doc/3036181>;<https://www.cia.gov/library/publications/the-world-factbook/geos/od.html>;<http://www.bbc.com/news/world-africa-12115013>)



What other countries do?

- **China and Arab countries** support Sudan **by trading** (*export*: China \$3.06B, the United Arab Emirates \$805M, Saudi Arabia \$683M; *import*: China \$2.58B, India \$912M, Jordan \$781M, Egypt \$596M and Saudi Arabia \$515M). Whereas South Sudan has established economic relations mainly with **non-advanced countries** (Pakistan, Ethiopia, Ukraine, Uganda, etc).
- In fact, some Russian experts regard **South Sudan as an American geopolitical project**. The only opponent to the USA could be Beijing, which has been present on the South Sudan's market long before.





Maybe someone important and powerful thinks something about the situation?

(23 of November, 2017) President of Sudan meets Putin to ask for protection from USA politics



<https://www.rbc.ru/politics/23/11/2017/5a16b2779a79479f26366fb4>

What has to be done with Sudans?

- **Russia** is not present at the market but is “interested in Sudan’s hydrocarbon resources”. The Kommersant also blames the USA for failing its ambitious plan of creating the state of South Sudan.
- **The USA** (The Washington post): “... consider reaching out to a younger generation of more technocratic leaders who are fed up with the failures of their elders. The administration should also press Egypt, Uganda and Ukraine to stop the flow of arms to South Sudan. The United States cannot forsake a people caught in the grip of misery; it must begin to look beyond the men who made this awful mess, including Mr. Kiir {President of South Sudan}.”

https://www.washingtonpost.com/opinions/its-time-for-the-us-to-make-a-fresh-start-in-south-sudan/2017/10/20/02678dfc-b2b1-11e7-be94-fabb0f1e9ffb_story.html?utm_term=.07c0ce6feebe

Summary

- Oil discovery has reinforced religious and ethnic conflict in post-colonial Sudan
- Although oil seemed an opportunity to advance the country's economy, none of split parties of Sudan have succeeded yet
- South Sudan, a landlocked country, is seeking for another paths to transit oil, which is not possible in conditions of political instability
- Both South Sudan and Sudan are politically unstable and none of the interested parties (the USA, China, Russia, etc.) could not provide a solution yet

Thank you for attention!

References

1) <https://www.cia.gov/library/publications/the-world-factbook/geos/od.html> (South Sudan)

<https://www.cia.gov/library/publications/the-world-factbook/geos/su.html> (Sudan)

2) <http://countrystudies.us/sudan/35.htm>

3) <http://edition.cnn.com/2011/WORLD/africa/01/04/sudan.qa/index.html>

4) <https://www.cia.gov/library/publications/the-world-factbook/geos/od.html>

https://www.washingtonpost.com/opinions/its-time-for-the-us-to-make-a-fresh-start-in-south-sudan/2017/10/20/02678dfc-b2b1-11e7-be94-fabb0f1e9ffb_story.html?utm_term=.07c0ce6feebe

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