## So. Sudan Must Become A Net Food Exporter

by Lawrence K. Freeman

Dec. 30—Once mankind survives the current danger of world war and economic breakdown (which is by no means certain), we can begin the important task of a real planetary economic recovery, driven by breakthroughs in science and technology. For the new Republic of South Sudan, the government must begin now to finally realize its agriculture potential, providing food not only to its own people, but also to its neighbors in the Horn of Africa and in the Maghreb to the north. This will not only require investments in essential infrastructure way beyond what is presently envisioned; it must include, above all else, the Republic of the Sudan (in the North) and the Republic of South Sudan each accepting the other as its most important ally, linked by shared economic development. "We need the North as much as they need us," says the Hon. Betty Achan Ogwaro, Agricultural Minister of the Republic of South Sudan (see Interview). And she is right!

sidizing their agricultural sectors, the ability of nations to simply feed their own people has been intentionally destroyed.

There are no conflicts on the continent that are not driven, to one extent or another, by fights over scarce resources. Food shortages also contributed to the Arab Spring uprisings, which will spread to Sub-Saharan Africa in 2012, unless immediate measures are taken to feed the people. This will require breaking the grip of *monetarist* control by the City of London and Wall Street over national economies.

Governments of African nations have the right and obligation to intervene against the so-called "free markets" to ensure that food is not used as a weapon of genocide, especially when all the *objective conditions* exist for these nations to provide an adequate supply of food to their people.

African nations have been deliberately denied the vital investments in infrastructure projects that would supply the water, energy, and transportation networks to increase the development of their economies by several orders of magnitude. As a matter of policy, the predator financial interests have shown that they are more interested in having weak and easily manipulated governments that give them access to the resources in the land, than in seeing the people prosper who live on that land. Creation of integrated "infrastructure plat-

## **Development: The Pathway to Peace**

There is a growing food shortage throughout world, one deadly feature of the collapse of the trans-Atlantic financial and economic system. Africans have been dying for decades for lack of an adequate food supply, but this is far from a "natural" condition. From the 1960s, into the early 1980s, many African nations were at or approaching food self-sufficiency. But after a quarter of a century of globalization, malthusianism, and British free-trade diktats by the World Trade Organization against countries sub-



Winrock International

Farmers in South Sudan are in desperate need of technology for agriculture: Even these ox-drawn plows are an improvement over the current primary mode of human manual cultivation (hoes). Shown is a USAID training program.

68 Economics EIR January 6, 2012

forms" would serve as the foundation for economic growth, especially for growing food, storing it, and transporting it.

In Minister Ogwaro's interview, she makes clear that all the conditions exist to produce enough food for the 8.2 million people living in South Sudan, and notes that agriculture, not oil, "is the backbone of South Sudan." Yet productivity is constrained by very poor infrastructure, backward and labor-intensive methods of farming, heavy loss of crops due to pests, predominance of subsistence farms, lack of credit, and damage to the land by years of war. The country is utilizing only 4% of its land.

Water is of far greater value than oil, and the country is endowed with many water systems. Oil production in South Sudan already peaked in 2009, and "is expected to decline by more than 40% over the next five years, and cease completely by 2035, if there are no new discoveries," reported Stephen Dhieu Dau, Minister of Petroleum and Mining. It would be tragic if South Sudan became a giant "oil refinery," focusing on joint ventures with indusrialized countries, and wasting time and money trying to build new routes to export its oil.

Nigeria is a glaring example of this failed approach. More than a half century since oil was discovered in the Niger Delta, 160 million Nigerians cannot power their homes without generators, nor can they adequately power their industry. Even with much larger oil reserves than South Sudan has, Nigeria has failed to provide for the well-being of its population, with over 100 million Nigerians still forced to live on \$1-2 per day.

South Sudan, rather than limiting itself to the goal of meeting the needs of its small population by producing 1 million metric tons of food (from the current 700,000), should adopt the mission of exporting surplus food to alleviate food shortages in the rest of the Horn of Africa and the Maghreb. Such a mission would lead to a dramatic and liberating change in thinking about the future of the country, which would require a different array of policy decisions to be made in the present. A scientific approach to economics requires a focus on future needs, that will govern policy action in the present.

## An 'Infrastructure Platform'

To accomplish this mission, large-scale transformative infrastructure projects embodying advanced levels of science and technology will be necessary, not only to increase the physical output of the economy, but, just as important, to raise the skill level of the population. The true wealth of South Sudan should not depend on a single resource; but rather, by utilizing the concept of an "infrastructure platform," it will lie in the ability to increase the *productive power* of the labor of its people. The people so empowered will actually own their national economy, and their future, by being the source of the new wealth produced for the benefit of their posterity.

According to the South Sudan Development Plan for 2011-14, expenditure allocations for economic development begin at 13% of the total budget in 2011, rising to 18% in 2014, and infrastructure allocation rising from 7% to 11% over the same period. But to transform the economy, expenditures in infrastructure should reach 50% of total budget expenditures as rapidly as possible. South Sudan must reject the demands from the Western financial institutions to liberalize its economy. Opening the young South Sudan to the salivating financial predators trying to gobble up its resources will "kill the baby in the cradle." Already there are reports that foreign investors, since the signing of the Comprehensive Peace Agreement with the North in 2005, have been buying up large tracts of land in South Sudan: 5.15 million hectares—more than 8% of land area-with "little evidence of investment activity on the ground."1

South Sudan requires a visionary, but no less real, conception of what is possible and necessary to alleviate its extreme poverty, low literacy, and horrific rates of child and maternal mortality. While the recently completed 192-kilometer all-weather road from Juba to Nimule, connecting to the Ugandan capital of Kampala, is useful, it is insufficient, and feeder roads are not enough. High-speed rail transportation connecting South Sudan to North Sudan, Egypt, Ethiopia, Somalia, Kenya, and Uganda would not only revolutionize the economies of all these nations, but the whole of Africa.

This is the way forward for the six-month-old Republic of South Sudan. Once our minds entertain these new ideas, then action becomes possible. So let us think these new bold thoughts, and then act accordingly.

lkfreeman@prodigy.net

January 6, 2012 EIR Economics 69

<sup>1.</sup> The Oakland Institute, "Understanding Land Investment Deals in Africa, Country Report: South Sudan," 2011, www.oaklandinstitute. org.