A Sudanese Strategy for Peacebuilding, National Renewal and Agriculture-led, Transformative Economic Growth

March, 2025

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Abstract

This paper is premised on the view that Sudan's post-conflict national renewal and reconstruction would require a broad-based participatory peacebuilding process. However, the scale of destruction and the depletion of the already limited pre-war national capabilities, coupled with the collapse of social cohesion due to the war-related strained inter-ethnic relations leave almost no chance for ending this war, much less building sustainable peace, without external support. Therefore, we call for a multi-dimensional, transformative UN/Regional peacekeeping operation (PKO) for Sudan. However, while the envisaged PKO can enhance the *quality* of peace, it will likely fail in sustaining it after the mission is ended, especially in ethnically divided societies, such as Sudan. Instead, *sustainable* peace hinges on the achievement of transformative economic growth that promotes inter-ethnic cooperation through modernizing the economy, accelerating urbanization and expanding the middle class. Yet, the received evidence suggests that most incumbent elites, including those ruling over conflict-prone, fragile societies do not necessarily espouse growth-promoting policies and institutions. Therefore, this paper adopts a strategic approach to post-conflict reconstruction that includes ensuring a more equitable political landscape to foster sustainable development and peace; building pro-growth coalitions; and unleashing agricultural-led growth anchored on strengthening the linkages of this richly-endowed and diverse sector with industry and services through agro-industrial growth corridors.

JEL Classification:

Keywords: Sudan, Ethiopia, peacebuilding, elites, growth coalitions, transformative economic growth, agricultural-led growth, growth corridors, FDI.

1. Introduction

Sudan has been devastated by a high intensity factional military war between the Sudanese Armed Forces (SAF) and the paramilitary Rapid Support Force (RSF) that erupted since April 2023. This war is a tragic legacy of the long-reigning kleptocratic "Ingaz" regime of General Omer al-Bashir, which ruled the country for some thirty years since June1989 until it was deposed by the leadership of the two armies in April 2019, following a massive popular uprising in December 2018. As discussed in the literature, the presence of a divided military institution in Sudan could be attributed to the "coup-proofing" strategy of "coup-fearing" autocrats, willing to undermine the military effectiveness of the state when trying to extend their own tenure (Powell, 2014). We extensively discussed the rift between the leadership of the two armies and the ensuing conflict elsewhere (Elbadawi and Fiuratti, 2024).

This current Sudanese internal conflict resembles an interstate war in terms of the intensity of violence and the scale of death and destruction associated with it, not to mention its immense humanitarian crisis. The Armed Conflict Location and Event Data Project (ACLED) - an organization that collects conflict and crisis - reported that some sources have put the death toll in the first 20 months of war as high as 150,000. Even by its much lower records of 28,700 reported fatalities by the end of November 2024, Sudan ranks as the fourth-deadliest conflict in the world, according to the ACLED Conflict Index[1]. This conflict has left over half of Sudan's population in need of humanitarian aid, some 12.4 million people are estimated to have been displaced across Sudan since April 2023, more than 9 million of them internally. More than 3.3 million people have sought refuge in neighbouring countries, making Sudan the largest displacement crisis in the world (OCHA, Feb, 2025)[2]. Moreover, because unlike traditional insurgencies, this war has been fought in the capital and other major cities, it has also substantially damaged the country's industrial base, education, and health facilities. The war also led to the collapse of critical services - including commercial, financial, information and communications technology services - and the erosion of state capacity, with detrimental impacts on food security and livelihood.

This paper is aimed at contributing to Sudan's national renewal and reconstruction in the aftermath of the war. It is a no-brainer that the most immediate and urgent national agenda for Sudan as a prerequisite for economic revival is ending the current destructive war and building genuine, sustainable peace. This requires a broad-based peace process in which civilian stakeholders, such as political parties, civil society and local communities have a seat at the table as part of a national peace conference. Peace efforts were mounted by several regional and international actors since the early phases of the conflict, including those of the African Union, the Intergovernmental Authority on Development (IGAD) and the Jeddah Forum. However, these initiatives were met with limited success so far. Unfortunately, despite its unimaginable humanitarian crisis and tremendous economic cost, in the absence of a credible peace process for ending this war or a decisive win by either of the two armies, the worse is yet to come. This is

[1] See, https://acleddata.com/conflict-watchlist-2025/sudan/.

[2] United Nations Office for the Coordination of Humanitarian Affairs (OCHA): https://www.unocha.org/news/sudan-conflict-whats-really-going.

because this high intensity violence is already morphing into large-scale, long-duration ethnic/regional war.

We will argue in section two that even if these regional efforts managed to end the war, Sudan would still need a hybrid UN/Regional multi-dimensional peacekeeping operation (PKO). In addition to enforcing and keeping the peace, it would provide support in several critical transitional agenda, such as meaningful security reforms commensurate with accepted international norms, capacity-building and institutional development. However, the received literature also suggests that, while such comprehensive UN-led missions have been successful in enhancing the *quality* of peace, they usually fail in sustaining it after the mission is ended, especially in ethnically divided societies, such as Sudan. Instead, it takes transformative economic growth that addresses inter-ethnic grievances and promotes inter-ethnic cooperation. We review available evidence on this thesis to further make the case for the need to embed the envisaged PKO into a national renewal and development agenda, anchored around the achievement of sustained, transformative economic growth.

However, the majority of scholarship community and most country experiences suggest that elites will likely choose growth-depressing, inefficient policies, broadly defined to include institutions, in order to maintain their political power and hence their ability to access rents in the future. In section three, we review the main debates regrading why some elites chose to "gamble" on development by tying their legitimacy and advent to power to their success in achieving tangible economic outcome, such as sustained economic growth that transforms lives and enhances the social welfare of the population. In section four we contrast the strategies of the elite of the Sudan Ingaz regime to those of the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF) in Ethiopia and ask the pivotal question as to why the latter chose "economic legitimacy" as an instrument for maintaining political power, while the former opted for kleptocracy fuelled by rents distribution as the main tenant for holding on to power. Using the insight from these two case studies, we glean some lessons for promoting pro-growth coalitions in post-conflict Sudan.

In section five we argue that the diverse and richly endowed Sudanese agriculture could be both the main driver of growth and a magnet for attracting the required foreign direct investment (FDI) for financing the envisaged agriculture-led, transformative economic growth. The Sudanese agricultural sector has long seen as a potential "breadbasket" magnet, attracting large FDI associated with regional food security initiatives, especially for the capital-surplus GCC countries. The recent global supply chain disruptions have significantly enhanced the drive toward re-localization and regional cooperation, especially with regard to food security. This would undoubtedly generate renewed interest in Sudanese agriculture, once the current war is ended and the country managed to embark on deep economic reforms to anchor positive expectation about the future. Section six concludes.

2. Building Peace for Reconstruction and National Renewal for Sudan

As a prerequisite for reconstruction and transformative development, the envisaged peace must not be just ending the war (the so called "negative" peace), primarily confined to the military protagonists in the civil wars and anchored around power-sharing agreements (PSAs). Sudan had experienced such kind of peacebuilding efforts that included four PSAs, supported by the international and regional communities. Unfortunately, they all failed to achieve sustainable peace and some led to disastrous outcomes. This disappointing legacy of the Sudanese peace initiatives is consistent with predictions from the peace-building literature, which suggests that peace agreements confined to the military protagonists in the civil war, such as the Sudanese PSAs, are not likely to lead to inclusive post-conflict democratic transitions (Elbadawi, 2008)[3].

Instead, Sudan would need a broad-based peace process in which civilian stakeholders, such as political parties, civil society and local communities should also have a seat at the table as part of a national peace conference. Therefore, this comprehensive approach to peacebuilding would encompass the need to build the economic, political, and social institutions and attitudes, required for the peaceful settlement of conflicts and prevention of future conflicts. The empirical articulation of this concept is what Doyle and Sambanis (2006) call "participatory peace", which involves an end to war, no significant residual violence, undivided sovereignty, and a minimum level of political openness. They analysed the prospects of "participatory" peacebuilding in an empirical model that specifies the probability of peace-building success as proportional to the area of the "peace-building triangle". The size area of the triangle is smaller the more hostility prevalent at the start of the peace process or the lower the local capacities for post-war recovery and development; and larger the more robust the international capabilities in support of peace-building. The main idea behind the peace-building triangle model is that the international competency element can ameliorate the negative impacts of high hostility and limited local capacity.

However, considering this model, the prospects for achieving the required "participatory peace" for Sudan is likely to be extremely challenging. As we have shown elsewhere[4], even by the standard of post-conflict societies, Sudan is characterized by low inter-communal trust and social cohesion as well as low local competency. Compared to previous civil wars in Sudan and elsewhere, the scale of death, displacement and destruction caused by this war is unprecedented and there are already signs that the war has further hardened the country's social divisions. In turn, this has fuelled the aggressive recruitment campaign largely along ethnic and regional lines by both sides to the war, further depreciating the country's already low social capital. According to the global social capital index, which accounts for indicators associated with the capacity of a society to generate social cohesion and a certain level of consensus, out of 191 countries, Sudan was ranked at 170 in 2024[5].

Moreover, and notwithstanding that the main protagonists remain SAF and RSF, there is mounting evidence of deepening foreign meddling and fragmentation of the war. According to ACLED watchlist-2025 on Sudan, "several armed groups, often seeking foreign backing, are positioning themselves to fill power vacuums across the country and establish themselves as security providers. Popular Resistance Forces, dominated by followers of the so called "Islamic

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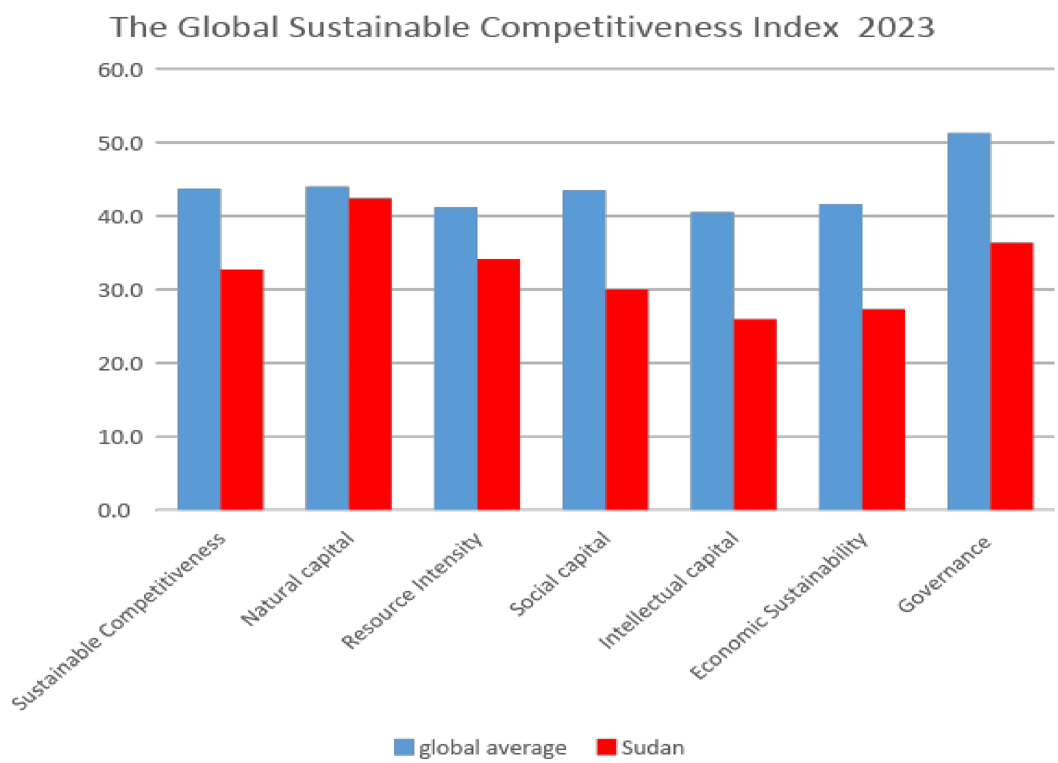
[4] See Elbadawi and Fiuratti (2024) for detailed review of the evidence.

[5] https://solability.com/the-global-sustainable-competitiveness-index: countries at the bottom of this list are those characterized by a combination of crimes, violent conflict, low availability of health care services and child mortality, limited freedom of expression, and unstable human rights situations.

Movement" - armed militias consisting of civilians in arms - have emerged in several regions with support from SAF, opening the door for the proliferation of armed groups and small arms. Also, Eritrea opened its borders and established training camps for SAF-allied forces in the east, bolstering its influence along the Red Sea coast. These moves have raised fears that ethnic conflicts in the region may reignite." On the other hand, "the RSF's decentralized and horizontally organized structure, which builds on existing communal social networks, could also lead to fragmentation and exacerbate violence."

And in terms of local competency, Sudan is among the ten African countries with the largest population without access to electricity in 2021. Even more compelling is the very low scores of the country's multi-faceted competitiveness indexes relative to the global averages (Figure 1).

Figure 1. Sudan's Domestic Capabilities Relative to the Global Average



Notes:

1. Source: data on global sustainable competitiveness index can be obtained from the link below https://solability.com/the-global-sustainable-competitiveness-index/the-index
2. The Global Sustainable Competitiveness Index (GSCI) measures competitiveness of countries based on 190 measurable, quantitative indicators derived from reliable sources, such as the World Bank, the IMF, and various UN agencies. The 190 indicators are grouped into 6 sub-indexes: Natural Capital, Resource Efficiency & Intensity, Social Cohesion, Intellectual Capital, Economic Sustainability, and Governance Efficiency.

2.1 The case for a Multi-dimensional UN PKOs:

Invoking the Doyle and Sambanis concept of the "peace triangle", the Sudanese political and civil society forces must address the war-ravaged social capital and depleted institutional capabilities, which constitute the two sides of this triangle. This would require building a broad-based coalition for civil democratic peace. However, in view of the massive destruction and the evolving military contest between the two armies, it is virtually impossible ending this war, much less building sustainable peace, without external support. In particular, we would argue, for securing a decent chance for peace, the third side of the peace triangle must be an adequately mandated and fully equipped multi-dimensional, transformative UN/Regional peace keeping operation (UN/Regional PKO). Such hybrid operation would not only help enforce and maintain peace but would also support the much needed security reforms for re-building an apolitical, professional armed forces that is also totally divorced from dealings in commercial activities or any form of economic interest. It is pertinent to stress that, unlike unilateral, non-neutral external interventions by individual countries, proper UN peacebuilding operations operate under strict mandate that ensures neutrality and impartiality and subordination to the sovereignty of the country in question[6].

However, how successful has the UN PKOs been? The received literature provides robust evidence on the positive impact of essentially all types of UN missions, especially those with multi-dimensional, strong mandates[7]. Using an updated version of the Doyle and Sambanis dataset and applying different estimation strategies to analyse the short-term and long-term effects of UN peace missions, Sambanis (2008) corroborates the findings of the earlier literature as well as produces new further results, some have far-reaching implication for the case of Sudan.

Firstly, a ceasefire treaty between the two duelling armies is a precondition for a UN or hybrid Regional/UN multidimensional PKO. This has been the key objective of the regional peace initiatives, such as the Jeddah Forum and the IGADD. Unfortunately, such treaty remains an elusive goal and, if anything, even more death, destruction and humanitarian catastrophe might be required before it could be achieved. This is because, as rational choice models of war predict, it takes time in lethal conflicts before the warring parties come to realize the limited utility of continuing the war and appreciating the benefit of a peaceful settlement. However, Sambanis finds that the very same factors that eventually make peace treaty possible tend to have strong negative impact on the rate of success of participatory peace. It is precisely in these circumstances that the UN is useful: it can help parties implement the peace when peace is in their interest, despite a high degree of hostility.

Secondly, the above result is particularly important for the envisaged Sudan peacebuilding strategy. In view of the high stakes for the two warring military protagonists, both might opt for a PSA- type settlement that would guarantee the continued dominance of the politics and the

[6] See, for example: https://peacekeeping.un.org/en/mandates-and-legal-basis-peacekeeping.

[7] See, for example, Doyle and Sambanis (2000, 2006); Fortna (2004, 2008); Gilligan and Sergenti (2008); and Sambanis (2008).

economy in post-conflict. Though such a settlement is bound to reproduce the failed, tragic legacy of previous PSAs, it might be more expedient and, hence, appealing to consider for regional peacebuilding actors. To guard against this potential type of "negative" peace, a full-fledged, sufficiently mandated UN PKO is critical for Sudan.

Thirdly, another important result, also of high relevance for Sudan, is that while UN missions are effective in implementing agreements and promoting broad-based participatory peace and democracy, their influence tends to fade in the longer run after the mission is concluded. Instead, Sambanis finds that sustained, transformative growth help countries avoid post-conflict relapses and maintain peace in the long run. Very strikingly, he finds that, despite the negative effects of lingering post-war hostility, countries with higher levels of income and fast-growing, more diversified post-conflict economies are far more likely to experience longer peace durations[8].

Therefore, the premium associated with sustained, transformative growth is particularly high for a country like Sudan, where the intense wartime inter-ethnic hostilities are likely to persist for some time in the aftermath of the war. Moreover, the country has been reeling from the resource curse since before the war, while illicit gold mining became one of the main sources for financing the war machine[9].

However, how might sustained, transformative economic growth promotes long-duration peacebuilding? It has been argued that transformative economic growth can effectively enhance inter-ethnic cooperation through enhancing supra-ethnic, nationwide economic progress and welfare; hence mollifying inter-ethnic hostilities. In socially fractionalized societies, growth-promoting inter-ethnic cooperation would, therefore, auger well with the UN Security Council concept of "sustainable peace", which is defined as, "an attempt after peace has been negotiated or imposed, to address the sources of present hostility and build local capacities for conflict resolution." This concept of peace hinges on the "capacity of a sovereign state to resolve the natural conflicts to which all societies are prone by means other than war," (Doyle and Sambanis, 2000: p. 3).

Moreover, growth is not only a major driver of sustainable peace, but also a major determinant of sustainable democracy[10]. Economic growth is at the heart of the debate on the modernization theory, which argues that as countries develop, social structure becomes complex, labor more active, technological advances empower producers, civil society is also empowered,

[8] In contrast to models of war onset, Samabnis results coheres with models of civil war duration, which find significant association between greater social fractionalization and longer duration (Fearon 2004; Collier, Hoeffler, and Soderbom 2004). He argues that these results suggest that ethnic differences seem to be "activated" to support mobilization for violence once conflict levels are high (during and after war).

[9] See, for example, a recent study by Sudan Transparency and Policy Tracker (STPT, 2024): https://mcusercontent.com/b3101ea3866029414729ab5e5/files/c8f448d8-cfac-5e67-9571-f8635d4b632c/GoldSectorEN.pdf

[10] Rodrik and Wacziarg (2005); Collier and Rohner (2008); Epstein et al (2005); Elbadawi and Makdisi (2011, 2016).

and dictatorial controls become less effective. This interpretation essentially characterizes the Lipsetarian modernization view as the framework for understanding the process of transition from autocracy to democracy (Elbadawi and Makdisi, 2016). And, in socially fractionalized societies, growth-propelled processes of "modernization", such as industrialization, accelerated urbanization, universal education, and access to mass media, promote inter-ethnic deliberation, interaction and ultimately supra-ethnic cooperation and national identification at the expense of ethnic and other communal forms of subnational group identification.

However, some scholars have argued that in fact the rapid transformations associated with modernization have created uncertainties that strengthened the need for co-ethnic solidarity as well as opportunities that could best be captured by exploiting network externalities within social groups. Therefore, ethnic group identification "did not immediately wane and, in some cases, even seemed to grow stronger" (Robinson, 2014). Nonetheless, it can be argued that to the extent that modernization has a stronger impact on national relative to ethnic identification, nation-building is still feasible. In the words of Paul Collier: "a society can function perfectly well if its citizens hold multiple identities, but problems arise when those subnational identities arouse loyalties that override loyalty to the nation as a whole," (Collier 2009, p. 52). Subscribing to this view, Robinson (2014) tested the relative modernization hypothesis in an encompassing model of group identification, using (Afrobarometer) individual-level survey data on national versus ethnic identification from a representative sample of citizens in sixteen African countries. The results lend support to the classic modernization theories by showing that living in urban areas, having more education, and being formally employed in the modern sector are all positively correlated with identifying with the nation above one's ethnic group[11].

However, though the focus on "the role of large-scale social transformations - economic modernization and colonialism - rather than on political agency in explaining patterns of group identification in Africa today" is justified, the case of Tanzania as an outlier in Robinson's study, which could not be explained by modernization nor by colonial legacy makes clear that national policy has an important role to play. Tanzania was the best performer in terms of national identification in the data due to highly effective nation-building policies consistently pursued since the country's independence, such as "the widespread use of a single common language (Kiswahili), the nationalist content of primary school education, and the equitable distribution of state resources in the early post-independence" (p. 737-738).

3. The Political Economy of Growth: An Overview of the Theory

No doubt, the achievement of transformative, widely-shared growth is not only a worthwhile national project in its own right, but it is also critically important for sustainable peacebuilding, especially in socially fractionalized societies. Yet, most incumbent elites, including

[11] Robinson also tested for the so called "African colonial legacy" hypothesis and finds that the "purported obstacles to national unity in Africa—highly diverse states and partitioned ethnic groups—are actually associated with higher levels of national versus ethnic identification."

those ruling over conflict-prone, fragile societies do not espouse growth-promoting policies and institutions, such as strong property rights, measured and effective regulation, or competitive real exchange rates. The evidence suggests that elites will likely choose inefficient policies, broadly defined to include institutions, in order to maintain their political power and hence their ability to access rents in the future[12]. For example, in their analysis of the limited industrialization in 19th Century Europe, Acemoglu and Robinson (2006) explain that the then incumbent elites in some European countries reckoned that growth-oriented industrialization and the ensuing expansion of the urban middle class was bound to undermine their entrenched rural-based political power and, hence, their capacity to expropriate economic rents.

To motivate the analysis for Sudan, I would like to focus on three contributions to the literature that asks three pivotal questions of high relevance to building a national agenda for transformative economic growth for post-conflict Sudan.

Firstly, why are political transformations sometimes not sufficient for better economic outcomes?

This question was addressed in another paper by Acemoglu and Robinson (2008), who use a theoretical model composed of two groups: elite and the citizens. They show that economic outcomes are determined by the interaction between *de jure political power* - which is controlled by political institutions, such as constitutions, elections, parliaments ..etc. - and *de facto political power*. However, unlike the former, 'de facto political power' is determined by the agency of the elites rather than by institutions. The elites are assumed to be more keen and capable than the general public on investing in de facto political power because of their "wealth, weapons, or ability to solve the collective action problem". The key insight from Acemoglu and Robinson model is that, "a change in political institutions that modifies the distribution of de jure power need not lead to a change in equilibrium economic institutions if it is associated with an offsetting change in the distribution of de facto political power (e.g., in the form of bribery, the capture of political parties, or use of paramilitaries)" (p. 268).

The Sudanese "December 2018 revolution" was a massive popular uprising that managed to topple an entrenched, long-reigning authoritarian regime and produced major political transformation. However, the military elite who ceased the opportunity to remove the former regime and subsequently became partners to the revolutionary civilian leaders were able through the exercise of *de facto political power* to frustrate one of the key economic reforms agenda associated with fighting the legacy of the decades long corruption and the eradication of the "tamkeen" system[13]. As part of this instrument of kleptocracy, the regime was able to co-opt the

[12] The political economy literature is dominated by this interest-oriented view, see for example, Bates (1981), Acemoglu and Robinson (2006, 2012) and the literature cited therein.

[13] "*Tamkeen*"- an Arabic word for "empowerment" - giving an otherwise good concept a bad name, because very crucially it was meant to be exclusive empowerment for only the narrow popular base of the Ingaz regime.

top brass of the armed forces and militias supporting the regime through lavishly financing companies and other economic interests controlled by the military (Elbadawi and Alhelo, 2023). Therefore, the insight from Acemoglu and Robinson paper suggests that the de facto political power of the military elite had enabled them to partially or even entirely offset changes in the de jure power brought about by the Sudanese December Revolution.

Secondly, how can we explain divergent economic outcomes in essentially similar political regimes?

In an insightful paper Rodrik (2014) challenged the dominant strand of the political economy literature, in that vested interests are the ultimate determinant of economic performance. Instead, he argues that "new ideas about policy - or policy entrepreneurship - can exert an independent effect on equilibrium outcomes even in the absence of changes in the configuration of political power." (p. 190). In this context he argues that elites can in fact creatively devise strategies that would allow them to take advantage of enhanced economic opportunities without losing power. And, that the "restriction on feasible strategies is often relaxed in practice" by what he dubbed as innovation in the area of "political ideas," where he likened the term "political innovation" to "technological innovation", which is commonly thought of as those that relax resource constraints.

To corroborate his theory, Rodrik reported a few examples where elites were able to pursue creative political ideas to relax political constraints, to "make themselves (and possibly the rest of society) better off without undermining their political power". Perhaps the most compelling such experience was that of the Chinese Communist Party's "state-directed industrialization, gradual concessions to the rising industrial classes, diversification into commerce and industry, alliance with industrial interests, and similar choices ensured elites could benefit from industrialization while retaining much of their power." (p.199). Another example from the Chinese innovative political strategy is the dual track trade reform via the special economic zones, where, "rather than liberalize its trade regime in the standard way, which would have decimated the country's inefficient state enterprises, China allowed firms in special economic zones to operate under near-free-trade rules while maintaining trade restrictions elsewhere until the late 1990s. This enabled China to insert itself in the world economy while protecting employment and rents in the state sector. The Chinese Communist Party was strengthened and enriched, rather than weakened, as a result." (p. 200).

Thirdly, what influence elite to bargain, even to gamble, on development through growth?

In an analogous view to Acemoglu and Robinson (2008), Dercon (2023) argues that while institutions (broadly understood to include the formal and historical informal rules of the game) are important in shaping economic policies, it is also at least as important how they are "currently interpreted, followed, used, or abused" by the incumbent elites. Elite groups, he argues, "have substantial agency, which significantly impacts present outcomes. The starting point is then to view the prevalent or dominant set of actions and behaviours by key players in an economy as a collective action equilibrium, whereby some places seem to be stuck in low-level equilibria and others in better ones… These equilibria are expectations equilibria: the actions of each player can be understood as rational in view of what they expect others to do (or what they expect a dominant coalition of others to do). A "better" equilibrium in terms of growth and development is present if there is a consensus that other influential players will behave broadly consistent with such an outcome. In other words, there is an elite bargain for growth." (p. 4).

However, he argues, the choice of elites to favour growth-promoting policies at the cost of pursuing economically inefficient but rents-enabling policies is a *gamble*. This is because there are only general principles for achieving transformative growth but there is no recipe (Dercon, 2022). A key question to ask, therefore, is what development partners could do to minimize the uncertainty of such gamble in order to improve the odds for growth-oriented elite bargain.

In the following section we, firstly, review the recent growth performance of Sudan during the last thirty years of the Ingaz regime, which opted for economically inefficient kleptocratic polices and institutions. Secondly, we contrast this regime strategy to the case of the EPRDF elite, who were able to pursue "creative political ideas to relax political constraints" in the sense of Rodrik, enabling them to adopt growth-promoting policies, while maintaining their capacity to remain in power. Thirdly, drawing from the insight of the above political economy discussion, we address the ultimate question as to how post-conflict transition in Sudan might be designed in a way that underpins elite bargain on transformative economic growth. And, in response to the above question, we discuss programs that the international development community might do to increase the chances of success and reduce risks of failure for growth-promoting elite, while squeezing the gains from rent-seeking practices.

4. The Political Economy of Growth: A Tale of Two Countries

The similarities and contrasts between Ethiopia and Sudan were very aptly characterized by Sarkar and de Waal (2022: p. 1): "These two large multi-ethnic developing countries share a common border, the Blue Nile, and a host of political and economic challenges from separatism to chronic food insecurity, and both faced scenarios of imminent state failure at the cusp of the 1990s. For a generation thereafter, the respective governments in Addis Ababa and Khartoum pursued radically divergent political and economic policies, each guided by its endowment and history, but also by leadership decisions. In the policymakers' caricature, Ethiopia became a model for an African developmental state while Sudan reproduced a pathological rentierism that foretold intractable crisis."

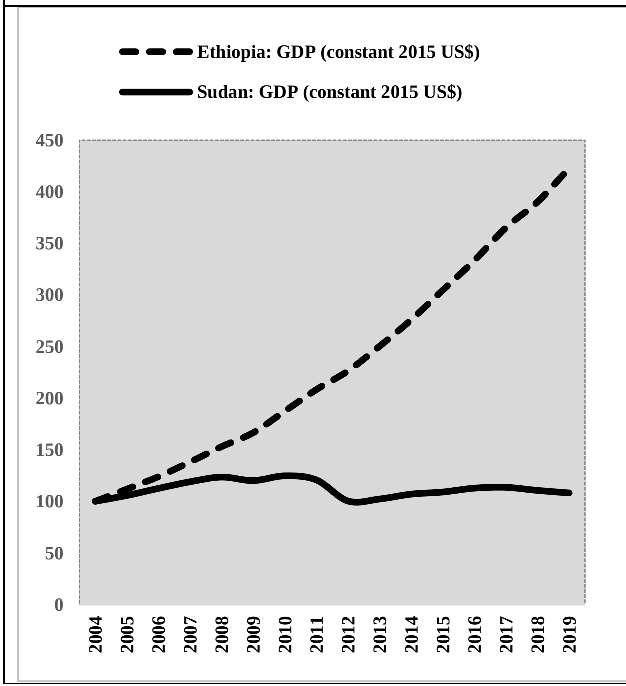
Our analysis would corroborate the above quote, revealing the extremely divergent growth experiences and shedding light on the very different cast of elites who governed the two countries. While the Sudanese economy stagnated for 15 years, the Ethiopian economy more than quadrupled. In less than one generation, the Ethiopian economy bridged the gap of more than $60 billion that separated it from the Sudanese economy in 2004 (Figure 2). In the same vein, while per capita income in Sudan remained stagnant for 15 years, Ethiopia's income per person increased by nearly three times, which allowed abjectly poorer Ethiopia to reduce the income gap from nearly a fifth of the Sudanese per capita income in 2004 to a half in 2019 (Figure 3).

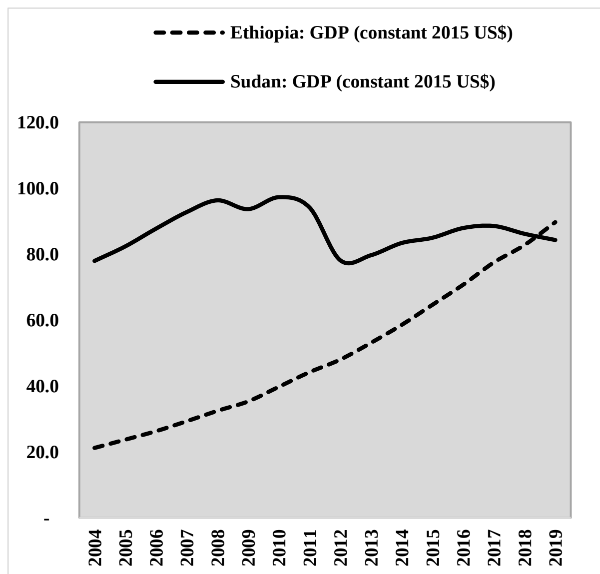
Indeed, Ethiopia achieved half a miracle, as its average annual growth rate of per capita income reached about 7% for a period of 15 years[14]. On the other hand, growth in Sudan was modest and unstable, and almost collapsing in the aftermath of the secession of the south and the consequent loss of most of the oil resource base.

Figure 2. A Tale of Two countries:

Ethiopia and Sudan Divergent Growth Path

Panel A: GDP in Sudan and Ethiopia (scaled)	**Panel B: GDP in Sudan and Ethiopia (in Billion US Dollars)**





Source: The World Bank, World Development Indicators.
Note: In panel A, GDP for both countries converted to index using 2004 as a base year, we divided GDP for both countries during (2004-2019) by GDP in 2004 and multiplied by 100. Therefore, in 2004 both GDP equals 100 in 2004 for both countries. In panel B, constant GDP in US$ for both countries is used.

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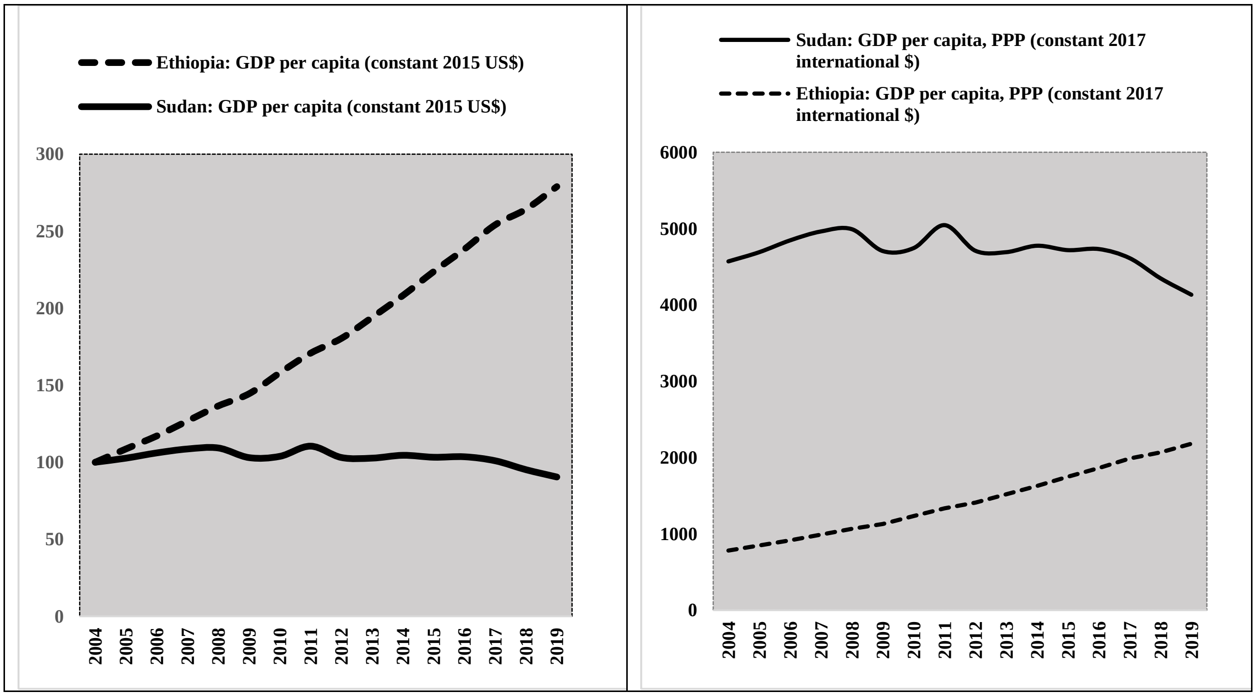
[14] The "Growth Commission" report (https://www.growth-commission.com/) identifies growth miracle developing countries as those that achieved or exceeded a threshold of 7% annual average growth for 25 years.

Figure 3. A Tale of Two countries:

Ethiopia Closing on Stagnating Sudanese Income Per Capita



Source: The World Bank, World Development Indicators.

As a first approximation, most scholarship community coalesce around the view that states emerge as a result of agreement by the elites to share the rent available under the existing power, no matter how small it is. However, only in a few cases ruling elites would "gamble" on development and, therefore, willing to sacrifice available rent for future growth and development. This is a gamble because there is no recipe for success, just general principles, such as investing in physical and human capital, institutions …etc. Hence, if success is not guaranteed, why would some elites take the risk?

Ruling elites might choose to gamble on development should they reckon that there is an imminent risk for the incumbent regime due to economic stagnation, such as the case of the Chinese Communist Party (CCP) elites following the era of the "Cultural revolution". Under Chairman Deng Xiaoping, who assumed power shortly after the death of supreme leader Mao Zedong in 1976, the CCP leadership radically restructured the party's ideology and public policy and transformed China into a phenomenal growth miracle. In other cases, such as countries coming out of devastating civil wars, choosing to bet on development depends on the ability of elites to learn from mistakes and engage in course-correction path. The Ethiopian ruling elites under

Melees Zenawi decided to undertake major economic transformation in 2004 after a decade of adopting an extreme Albanian brand of Marxism.

In view of their apparent economic success, the Ethiopian elites, therefore, decided to build "economic legitimacy" as a basis for regime survival in power. Instead, the elites of the Ingaz at their own peril relied on oil and gold-financed kleptocracy to hold on to power. The lessons from the experiences of the Ethiopian EPRDF and the Sudanese Ingaz regimes suggest that developmental authoritarianism has a better chance of survival than do outright kleptocracy. However, equally important is the lessons from the failure of the former to maintain peace in the highly socially fractionalized Ethiopia, with looming risks of civil war and political instability threatening to undo two decades of spectacular economic achievements.

The equally socially divided Sudan, still reeling from a 30 years of dysfunctional kleptocracy and severe political instability and more recently a devastating factional conflict within its army, needs genuine democratic transition. Moreover, for sustaining peace and democracy in the longer run, the emerging democratically elected elites must also choose to "gamble on development" and seek "economic legitimacy" and not be content with a sheer electoral "political legitimacy".

4.1 How might a pro-growth coalition be built in postconflict Sudan

A key question to ask at this juncture, is why the Ethiopian EPRDF elites were able to build a pro-growth coalition that gambled on development through transformative economic growth, while the Sudanese Ingaz elites did not; or to put it more concretely in the context of Rodrik's political innovation theory: why was the EPRDF political system blessed with a greater abundance of political innovations than the Ingaz regime?

As explained by Rodrik (2014), "…policy ideas that relax political constraints can be thought of as the consequence of both idiosyncratic processes and purposive behaviour" (p. 202). Contrasting the experiences of the two elites in terms of the nature of their relationship with China would reveal that both idiosyncratic processes and purposive factors were at play. Though both regimes had strong economic and political ties with China, the EPRDF elite were most interested in emulating China's success in special economic zones as a strategy for economic diversification. Instead, the elite of the Ingaz regime were totally focused on harnessing their partnership with China for developing the oil sector, which eventually became a mono-driver of the economy to the detriment of the vast potential of Sudanese agriculture. Moreover, the strong ideological affiliation of the EPRDF elites with the Chinese Communist Party is perhaps another motivating factor explaining why they took the Chinese development model more seriously.

On the other hand, the elites of the Ingaz regime who were not ideologically in tune with communism were more concerned about exploiting their economic and political ties with China to overcome the elaborate US and other Western sanctions through accessing Chinese technology and finance to develop a new viable resource base for financing the regime's political marketplace and keeping the regime afloat. According to Alex De Waal (2016: p. 1), the political marketplace is," a system of governance run on the basis of personal transactions in which political services and allegiances are exchanged for material reward in a competitive manner. A ruler bargains with members of the political elite over how much he needs to pay - in cash, or in access to other lucrative resources such as contracts - in return for their support. They exert pressure on him using their ability to mobilize votes, turn out crowds, or inflict damaging violence."[15] It could be argued, therefore, that both oil rents and political ideology might be idiosyncratic factors that set the two elites apart in terms of how they exploited their close ties with China and why the EPRDF elite drew the right lessons from the Chinese development model, while those of the Ingaz did not.

Moreover, the dominance of the military and its pervasive business interests in the case of the Ingaz regime, having assumed power through a military coup, was another factor contributing to the failure of this elite to attain the required political innovation for adopting efficient growth-promoting strategy. The top brass of the Sudanese army and other uniformed forces have been the main beneficiaries and actors in the "political marketplace" of the former regime, which was the central institution for political settlement. The complicity of the leadership of the armed forces in such corrupt practices did not only degrade the professionalism of this critical national institution but it also turned the army into a potent impediment to stable civilian democratic rule. Instead, the EPRDF elite came to power following a successful rural insurgency in which the army has been largely under the control of the civilian leadership of the ruling coalition.

In addition to learning from other countries experiences, crises provides lessons for elites to learn from past mistakes and reconsider prevailing strategies as well as better understand 'what is to be done' (Blyth, 2007, p. 762)[16]. Again, the EPRDF elite responded to the Ethiopian famine crises by targeting food security as a central tenant of its development strategy, including by reversing a decade long policy of pervasive controls in agricultural land and providing land tenure security to farmers, as part of a comprehensive agricultural transformation agenda and a productive safety net program, aimed at reducing dependency on emergency food aid and building community resilience through providing food or cash transfers to millions of food-insecure households in exchange for participation in public works projects[17]. Instead, the response of the Ingaz elites to the loss of most oil rents following the partitioning of Sudan and the major crisis that ensued was one of continued search for new sources of rents (Elbadawi et al, 2023).

While it might be challenging to come up with compelling answers to the general question as to why some political systems were blessed with a greater abundance of political innovations than do others, perhaps it is more straightforward to come up with ideas for enhancing the capacity and interest of elites to pursue growth-promoting policies. In this context we discuss a homegrown

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[15] See also De Waal (2019).

[16] Cited in Rodrik (2014).

[17] However, despite these efforts, Ethiopia continues to face food security challenges due to recurrent droughts, conflict, locust invasions, and global economic pressures.

strategy for a Sudanese post-conflict transition as well as external measures that could be considered by the international development community.

How to Level the political playing field for the Sudanese post-conflict transition toward building and sustaining growth coalitions?

The Sudanese political transition in the aftermath of the December 2018 popular uprisings was built around a constitutional power-sharing between the military and the civilian leadership. This allowed the military establishment to continue wielding strong influence in shaping the political, security and economic landscape during the transitional period, including protecting its vast economic interests that was built during the former regime. As such, the military leadership showed little interest in moving forward with security reforms, nor were they willing to enable the ministry of finance to exercise control over their massive commercial companies and other economic interest (Elbadawi and Alhelo, 2023).

According to Acemoglu and Robinson (2008), it takes deep democratic reform in order to "create a sufficiently level political playing field so that it becomes no longer profitable for the elite to invest heavily in their de facto political power. Such democratization will lead to significant changes in equilibrium outcomes. In contrast, more moderate steps toward democracy may lead to little or no change in economic outcomes." (p. 287). It is not surprising, therefore, that the Sudanese political transition of the December 2018 popular uprising was not enough to enable the liquidation of the kleptocratic institutions of the "tamkeen" system.

The key lesson for the envisaged Sudanese post-conflict transition from this experience would be to ensure that the role of the military in the transition should be strictly a "functional participation", not a "constitutional partnership", as had been the case under the past transition. Such participation is necessary for ending commercial activities and liquidating the non-military economic assets of the military and other uniformed forces. This constitutes a fundamental departure from the dysfunctional broad-based "constitutional partnership" between the military and the civilian leaderships in the past.

How might the international development community support elites to gamble on growth-promoting policies?

Firstly, the international development community could enhance the incentive for forming and sustaining growth coalitions in developing countries. For example, by supporting countries to better respond to external shocks, such as the ensuing debt crisis in the aftermath of the recent global shocks. It is estimated that in 2022 about 25 developing countries paid more than 20 percent of total government revenue in external debt service - a number not seen since the year 2000 at the beginning of the Highly-Indebted Poor Countries (HIPC) initiative. This crisis revived initiatives aimed at separating risks under direct or indirect control of the debtor, and those exogenous to the contract, such as natural disasters or global supply chain disruptions and consequent shocks to commodity prices. For example, the IMF (2017) proposed instruments for the so called "state-contingency debt" (SCDIs).

These crises also triggered several proposals for reforming the financial architecture. For example, the United Nations Secretary-General's report on "Sustainable Development Goals (SDGs) Stimulus to Deliver Agenda 2030" puts forward three areas for immediate action: Firstly, "tackle the high cost of debt and rising risks of debt distress, including by converting short-term high interest borrowing into long-term (more than 30 year) debt at lower interest rates"; secondly, "massively scale up affordable long-term financing for development, especially through public development banks, including multilateral development banks, and by aligning all financing flows with the SDGs;" and thirdly, "expand contingency financing to countries in need" (UN DESA, 2023: p. 2).

Sudan has been grappling with a substantial external debt burden, which has significantly impacted its economic stability and development. As of 2021, Sudan's external debt was approximately $62.4 billion, a significant portion of which is owed to the IMF and the World Bank. In 2023, the government debt was recorded at 256% of the country's GDP, indicating severe debt distress. The country was on course to receive a significant debt relief during the transitional government (2019-2021), as part of the HIPC Initiative. Unfortunately, this process was halted after the army staged a coup in October 2021, which subsequently set the country into grave economic and political crises that eventually led to the outbreak of the ongoing civil war.

Therefore, by resuming the process for a major debt relief and rehabilitation of the country as a bona fide member of the International Financial Institutions (IFIs), the international development community would have a potent incentive for the post-conflict Sudanese ruling elite to opt for pro-growth policies.

Secondly, the international development community could also make it harder for elites to conceal and appropriate state resources under their control for their own private enrichment. Beyond the loss of resources that could be used to finance growth and social welfare, there is ample evidence on the negative externality of this common practice by elites in most failed states. The ability of elites to enrich themselves at the expense of their countries and get away with it also has a second, perhaps more profound effect on growth. As argued by Dercon (2023: p.13), "…elites often collude not to generate growth and stability, but instead to steal and control resources that can be used to maintain their power (through patronage) or set themselves up for a life of luxury either at home or abroad. This is more likely if they believe that others in the elite behave similarly (contributing to a low-investment, low-growth local equilibrium), and even leads to ordinary citizens who cannot launder money being less committed to basic tax collection (breakdown of fiscal contract)."

Sudan has long struggled with illicit financial flows and challenges in asset recovery. These problems are linked to more than three decades of the kleptocrtaic rule of the Ingaz regime, which presided over widespread corruption, with state resources siphoned off by elites. Gold smuggling is a major issue, with large quantities illegally exported, depriving the country of much needed revenue[18]. The exact amount of stolen assets during the Ingaz regime (1989–2019) is difficult to determine due to the secretive nature of illicit financial flows. However, various estimates suggest that billions of dollars were siphoned from Sudan through corruption, embezzlement, and illicit financial activities. The Sudan's transitional government stated that Bashir and his network stole at least $64 billion over his 30-year rule, which includes illicitly acquired real estate, bank accounts, and businesses linked to his inner circle, including at least $9 billion of Bashir's personal assets.

Following the ouster of the Ingaz regime, the Sudan's transitional government attempted to recover stolen assets, freezing bank accounts and confiscating properties linked to corrupt officials. However, progress has been slow due to legal and political hurdles and were completely abandoned following the coup of October 2021.

Supporting Sudan in the aftermath of this war and the, hopefully, ensuing democratic transition to recover these assets will not only provide much needed finance for the country's reconstruction, but would also promote the building of pro-growth coalition. On its part, for Sudan to effectively combat illicit finances and recover stolen assets, one of the high priority agenda for the transition should be to build strong anti-corruption institutions with enforcement power; improved financial transparency and regulation; continued international cooperation to trace and repatriate stolen funds.

5. The Sudanese Agriculture: An Investment Magnet and Growth Driver[19]

The Sudanese agriculture is the backbone of the economy of Sudan, being a home for more than 60 percent of the population; the source of almost all non-oil and mineral exports; contributing more than 35% of the country's GDP and 47% of its employment. Moreover, it has long seen as a potential "breadbasket" magnet, attracting large FDI associated with the Pan-Arab "Sudan Breadbasket Strategy", mostly financed by the capital-surplus countries of the GCC. This initiative came about during the 1970s oil boom, which also coincided with the Addis Ababa Peace agreement in 1972 that ended the first civil war in Sudan. The FDI and the peaceful resolution of the long-standing war had both combined to empower an impressive growth of about 10% per annum for about a decade but could not be maintained due to the failure to develop other complementary growth drivers. And eventually it came to a grinding halt in 1983, when the second phase of the civil war plunged the country into conflict and political instability.

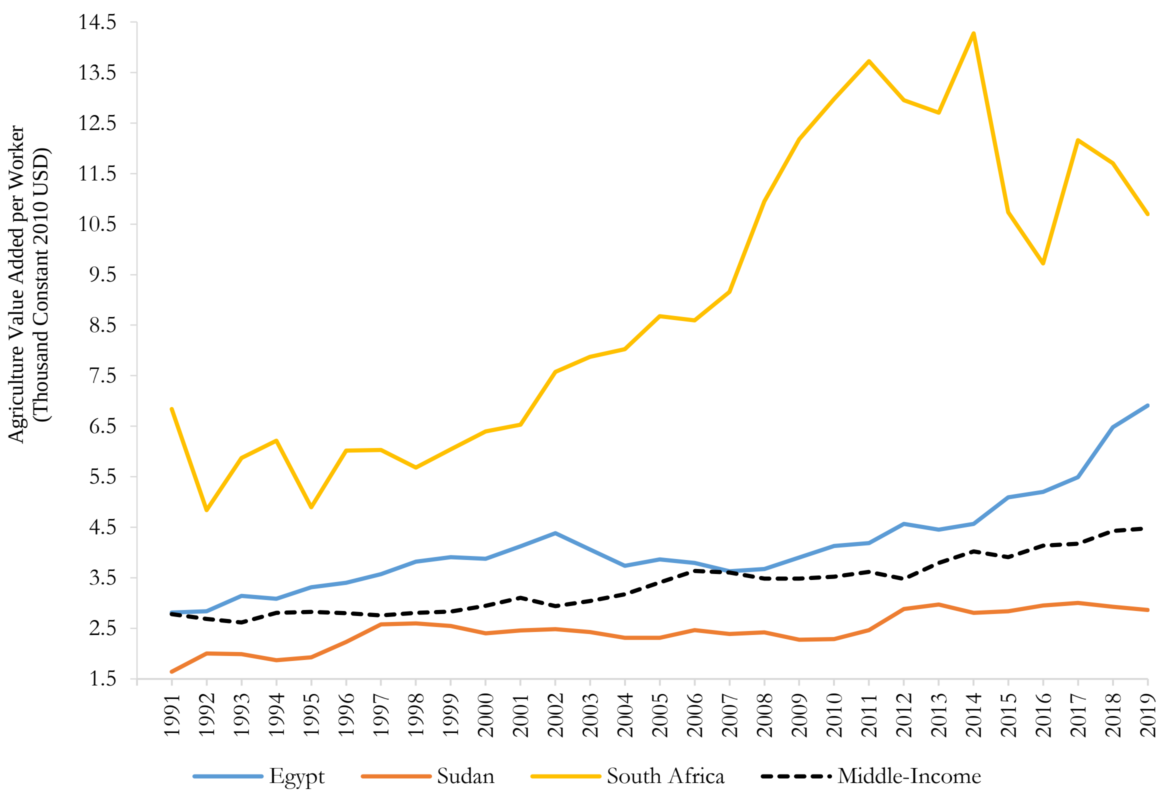
The recent global supply chain disruptions associated with the Covid-19 pandemic and the Russia-Ukraine war has significantly enhanced the drive toward re-localization and regional cooperation, especially regarding food security. This would undoubtedly generate renewed interest

[18] See, for example, Patey (2024).
[19] This section draws from Elbadawi and Fiuratti (2024), Elbadawi et al (2023), Elbadawi et al (2022) and Elbadawi and Ismail (2021).

in Sudanese agriculture, once the current war is ended and the country managed to embark on transformative economic reforms to anchor positive expectation about the future.

However, despite its importance and immense potential, the sector remains backward, and beset with low productivity, weak linkages to modern agro-industry, while most of the farming community continues to languish in poverty and poor access to basic services. For example, agricultural labour productivity in South Africa and Egypt were, respectively, more than 3.7 and 2.4 times that of Sudan in 2019 (Figure 4). In the same vein, while the average return to a feddan of cultivated agricultural crop ranges between $600 to 700, it was an appalling $20 for Sudan (Mahgoub, 2023). This is not surprising in view of the acute undercapitalization of the sector, as can be seen in the low levels of fertilizers use. For example, though Sudan's arable land area is more than six times that of Egypt, yet its total fertilizer consumption in 2010 was no more than 15% of Egypt's consumption. While Egypt's fertilizer consumption was around 0.47 tonnes per hectare of arable land, Sudan only consumed 0.01 tonnes per hectare (Elbadawi and Ismail, 2021). Therefore, the low of productivity of Sudanese agriculture makes clear that its dominance of the economy is more a reflection of the poverty of this economy rather than the vitality of its agricultural sector.

Figure 4. Agriculture Labour Productivity



Source: Elbadawi and Ismail, 2021.

Note: This figure presents the evolution of agriculture labour productivity, over the period 1991-2019, for Sudan, Egypt, South Africa and the middle-income median.

Subscribing to the above, we propose an agriculture-led development model that combines inclusive agricultural production, tight linkages to industry, and strategies to rapidly improve productivity over time through education, new technologies, and investments in infrastructure. The envisaged development program would aim to bring about profound structural transformations in the Sudanese economy, to spawn rapid, sustainable and broad-based growth for expanding job opportunities for youth, combating poverty and making major strides toward achieving the SDGs.

5.1 Agricultural Growth Corridors and Investment Transitions

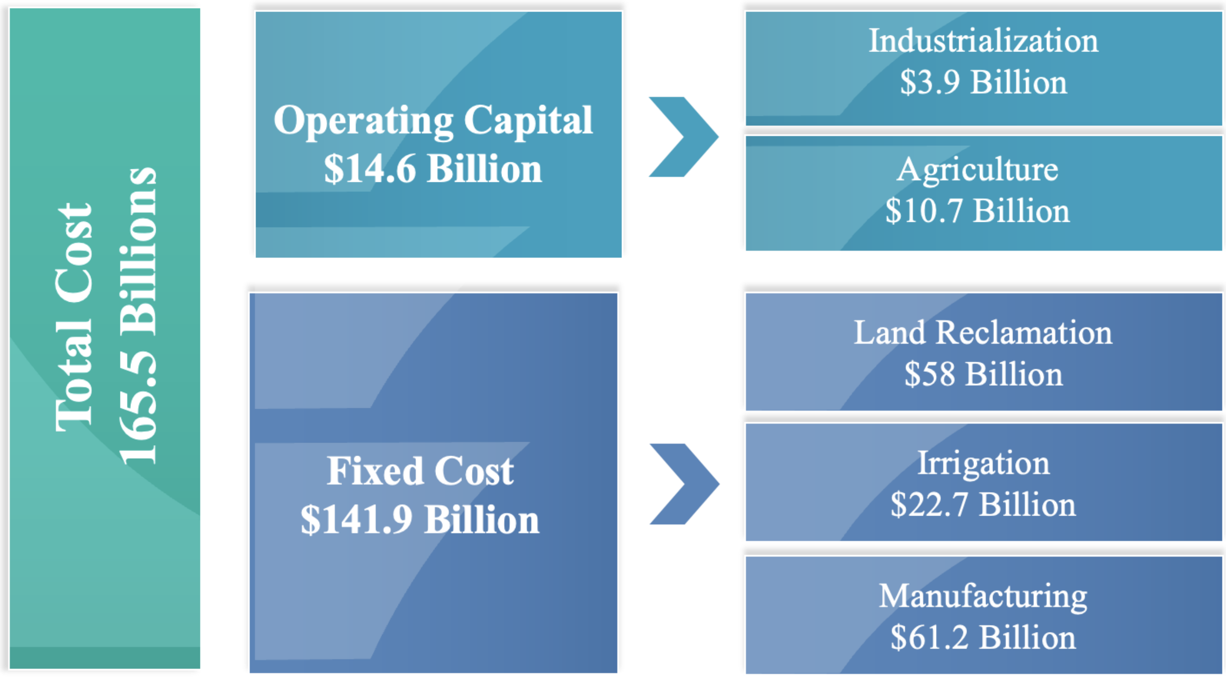
The proposed development model for Sudan is anchored on strengthening the agricultural sector's linkages with industry through agro-industrial growth corridors. An economic corridor is defined as a conceptual and programmatic model for structuring physical and socio-economic responses to develop an area building upon a linear agglomeration of economic activities and people along the physical backbone of transport infrastructure (Healey, 2004). Agro-industrial growth corridors, therefore, are economic zones that combine agricultural policies with agro-industrialization, agribusiness and infrastructure investments. Since they are usually planned and managed as strategic private-public-partnerships, they promise to bring together expertise, funding and coordination that are usually dispersed and aim to benefit from multiple synergies that arise (Brüntrup, Michael,2019). This large-scale approach has several advantages, including attracting participation of many investors because the risks are pooled; concentration of agribusiness allows economies of scale and lowers cost per unit of production; diffusion of technology takes place more easily; creation of various supportive markets form to serve the area; utilization of development potential of all areas and the benefit of economic growth is shared by the population across the different regions of a country.

Articulating this development model for Sudan, Elbadawi et al (2022) proposed fourteen agro-industrial corridors around productive cities, accounting for the overall richness and diversity of Sudanese agricultural resource base and strengths and opportunities of each area, bearing in mind the necessity of stimulating growth, poverty reduction and food security in the different regions of the country. For features, and supportive interventions of each corridor (see Annex Table and Map).

However, finanicng this ambitious development model would require substantial investment for an extended period, following the achievement of credible peace in Sudan. Using a popular empirical growth model, Elbadawi and Fiuratti (2024) estimate that the aggregate investment for financing fast agriculture-led growth (at 10% per annum) would come to about \$186 billion (in fixed 2021 dollars) for the first ten years. The proposed agro-industrial corridors would absorb most of the required investment. As stipulated in Figure 5 below, \$160 billion out of \$186 billion FDI required to support the envisaged "miracle" growth for the first post-conflict decade, could be accounted for by domestic and FDI inflows for financing modernization and structural transformation of the Sudanese agriculture, as part of a renewed interest on investing in Sudan as a "breadbasket" for the Arab world and Africa (Mahgoub, 2023).

Moreover, given the critical role of infrastructure as a main catalyst for development and economic growth, transforming the Sudanese agriculture as premised in the above strategy would also require further economy-wide investment in transport; renewable and nonrenewable energy; and, information and communication technologies. Sudan's infrastructure is in massive need for new implementations, rehabilitation of decaying installations and preventive maintenance to support the proposed vision of a vibrant and integrated growth corridors, especially in the energy and transport sectors. Improved telecommunication coverage and introduction of advanced IT technologies will propel efficiency and productivity. For example, the Transitional Government's Ministry of Transportation presented an infrastructure investment plan totalling almost $30 billion to donors and investors at the Paris Conference in 2021, covering rehabilitation, maintenance and new projects in sea ports, river navigation, railways, highways, and air transport.

Figure 5. Financial Requirements to Cover Basic Food Commodities Deficit in the Arab World



Source: Mahgoub (2023), translated from Arabic.
Notes:
1. Cost of total investment (with enhanced productivity) is US$ 156.5 Billion
2. Cost of total investment (with current productivity) is US$ 321.2 Billion

In view of the immense potential of Sudanese agriculture, such hefty investment target should still be possible to mobilize during the first decade in the aftermath of the current war. For example, a World Bank report (2020) suggests three reasons as to why Sudanese agriculture might be so attractive for FDI. Firstly, Sudan's agro-ecological characteristics are suitable for a wide variety of crop cultivation, and animal husbandry with 74 million hectares of cultivable land, 110 million heads of animals, marine and freshwater fisheries resources, underground and surface water supplies, biodiversity, and genetic pool presents opportunities. Secondly, Sudan is home to a diverse basket of agriculture products, in some of which it has a unique advantage. The country's favourable location at the crossroads of Sub-Saharan Africa and the Middle East places it in greater proximity to some of the largest sesame importing countries (China, Iran, and Turkey) and meat (goat and sheep) importing countries (China, France, the Middle East, and the United Kingdom) compared to competing exporters. It had distinguished strength in gum Arabic, a key input in food and industrial products worldwide. A wide basket of oilseeds—cottonseed, groundnut, sesame, and sunflower—also enables relatively better resilience against imports of cheaper oils (a dynamic being faced by all edible oil deficit countries that do not produce palm oil). Thirdly, there is a significant headroom for agricultural production growth. With only under 23 percent of arable land being cultivated and yield level of most crops currently being lower than Sudan's own best in the past, the potential to raise production remains high.

6. Conclusions

This paper is premised on the view that Sudan's national renewal and reconstruction after this devastating war would require a broad-based participatory peacebuilding process, at the centre of which should be the Sudanese democratic forces and other civilian stakeholders. This concept of peacebuilding would entail "an end to war, no significant residual violence, undivided sovereignty, and a minimum level of political openness". Indeed, this country can ill-afford a repeat of the of the tragic legacy of the peace processes of the power-sharing agreements that allowed the military institution and the insurgency armies to dominate the transitional governments that followed the ending of wars. The experiences of Sudan with this "narrowly" focused approach to peacebuilding did not only fail to achieve sustainable peace but had led to disastrous outcomes.

However, the scale of destruction and the depletion of the already limited national capabilities by more than 30 years of the Ingaz kleptocracy, coupled with the collapse of social cohesion due to the strained inter-ethnic relations leave almost no chance for ending the war, much less rebuilding sustainable peace, without external support. Articulating a popular model of peacebuilding for the case of the current war, we argue that a decent chance for achieving peace is highly unlikely without shoring up these two sides of the national "peace triangle" with credible external competency. In this context, I call for an adequately mandated and fully equipped multi-dimensional, transformative UN/Regional PKO. The proposed hybrid UN/Regional PKO is deemed essential to enforce peace, provide civilian protection and humanitarian assistance as well as support meaningful security reforms, democratic transition and economic development programs.

Moreover, the proposed PKO must be embedded in a bone fide national renewal and development agenda, anchored around the achievement of sustained, transformative economic growth. As the evidence from the received literature and mounting country experiences suggest, while such comprehensive UN-led missions have been successful in enhancing the *quality* of peace, they usually fail in sustaining it after the mission is ended, especially in ethnically divided societies, such as Sudan. Instead, *sustainable* peace hinges on the achievement of transformative economic growth that promotes inter-ethnic cooperation through modernizing the economy, accelerating urbanization and expanding the middle class.

No doubt, the achievement of transformative, widely-shared growth is not only a worthwhile national project in its own right, but it is also critically important for sustainable peacebuilding, especially in socially fractionalized societies. Yet, most incumbent elites, including those ruling over conflict-prone, fragile societies, in fact, do not espouse growth-promoting policies and institutions, such as strong property rights, measured and effective regulation, or competitive real exchange rates. The evidence suggests that elites will likely choose inefficient policies, broadly defined to include institutions, to maintain their political power and hence their ability to access rents in the future.

To promote the formation of pro-growth coalitions, we argue that the peace-building process must ensure that the political playing field is sufficiently levelled to guard against special interest groups, including the military and other unformed forces, gaining enough political clout that might allow them to undermine the envisaged growth-promoting agenda. While the political settlement might democratize the *de jure power*, through formal political institutions, influential elite might still retain *de facto power*, allowing them to divorce economic outcomes from the progress at the political front. Probing further we compare the elites of the Sudan Ingaz regime and their EPRDF counterparts in Ethiopia and ask the pivotal question as to why the latter chose "economic legitimacy" as an instrument for maintaining political power, while the former opted for kleptocracy, fuelled by rents distribution as the main tenant for holding on to power. Using the insight from these two case studies, we argue that both oil rents and political ideology might be idiosyncratic factors that set the two elites apart in terms of how they exploited their close ties with China and why the EPRDF elite drew the right lessons from the Chinese development model, while those of the Ingaz did not. Moreover, the dominance of the military and its pervasive business interests in the case of the Ingaz regime, is another factor militating against the emergence of pro-growth coalition in the case of Sudan.

In addition to home-grown design of the peace-building institutions that compels the elites to be accountable for economic legitimacy, the international development community could also help. Firstly, by resuming the process for a major debt relief as part of the HIPC initiative and rehabilitation of the country as a bona fide member of the IFIs, the international development community would have a potent incentive for the post-conflict Sudanese ruling elite to opt for pro-growth policies. Secondly, assisting the country to recover the massive illicit assets will not only provide much needed finance for the country's reconstruction, but would also promote the building of pro-growth coalition.

Finally, we argue that when the political economy of growth is sufficiently aligned for the building of stable growth coalitions in the aftermath of this war, there are great prospects for fast, sustained agriculture-driven growth. The richly endowed and diversified Sudanese agriculture could be both a driver for growth as well as a magnet for attracting the much needed FDI. In this context, we propose a development model for Sudan anchored on strengthening the agricultural sector's linkages with industry and services through agro-industrial growth corridors. The recent global supply chain disruptions have significantly enhanced the drive toward re-localization and regional cooperation, especially with regard to the food security agenda of the capital-surplus countries of the GCC. These countries had invested heavily in Sudanese agriculture in the 1970s and continued to be engaged, despite the challenging conditions under the former Ingaz regime. Therefore, undoubtedly there would be renewed interest in Sudanese agriculture, once the current war is ended and the country managed to embark on transformative economic reforms to anchor positive expectation about the future. The Sudanese agriculture presents a blend of potential opportunities for FDI that could hardly be rivalled by other African or Arab countries.

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Annex Table: Proposed Agro- Industrial Growth Corridors

Corridors	Strengths and Opportunities	Prospective Industries
1 Merawi- Dongla -Halfa Corridor	• Weather suitable for production of wheat, pulses, forages, fruits (citrus, mango, dates) • Potential to produce different crops in two seasons(summer-winter) • Major reservoirs and the rivers for fishing • Proximity to Egyptian market with population of 100 million expected to reach 180 million by 2050. • Established research, educational institutions, and banking services. • Two main airports and more than 1000km paved road (from Egyptian border to Khartoum) • Presence of several tangible surface and ground water resources and vast land areas for agricultural investment • Presence of historical processing facilities	• Wheat mills • Slaughterhouses • Fruit processing • Animal feeds industry • Fishery industry development (mainly on Lake Nubia and Merawi dam).
2 Khartoum-Shendi-ElDammer Corridor	• Government HQ and Investment Administration • Closeness to the services and government authorities and institutions • Large consuming market for vegetable, fruits, dairy and poultry market • Available wage labor • Established research and education institutions. • Established expanded public and private banking system. • Relatively adequate basic infrastructure in terms of roads, electricity, water, communications and markets • Potential for expanding the irrigated agricultural area e.g., Hawad Project with a size of more than 1.5 million hectares. • The existence of a large number of projects in food and related industries • Khartoum international airport	• Cereals milling • Meat industry (beef, sheep, poultry, fish) • Dairy industry • Vegetable oils • Agricultural input procuring and or manufacturing • Processing of fruits and vegetables • Leather industries
3 Gezira- Managil Corridor	• Established large irrigation production schemes with more than 0.90 million hectares of irrigated land and relative stability in production. • High government and international community attention to invest and rehabilitate the irrigated schemes. • Presence of historical good processing activities (ginning and textile - vegetable oil -milling- Leather). • Available finance from the public and private banks • Established farmers' organizations and contract farming models.	• Textile industries • Wheat and sorghum mills • Vegetable oil mills • Fruits and vegetable factories • Feeds factories • Feedlots for livestock fattening • Manufacturing of agricultural inputs • Dairy Industry

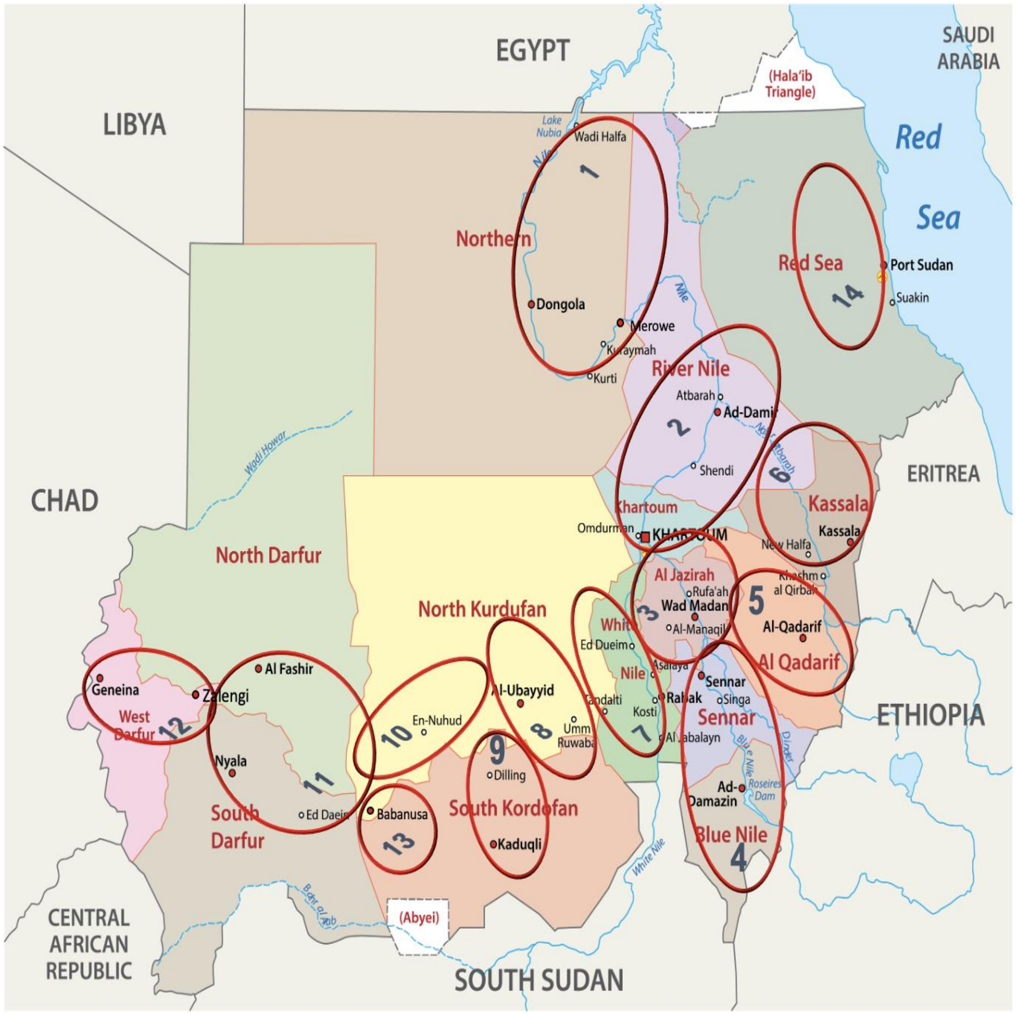
	• Proximity to Khartoum market • High livestock population • Presence of infrastructure such as roads, communication, input services, markets and government institutions. • Presence of agricultural research head quarter, several well-established research stations and agricultural colleges.	• Aquaculture
4 Sennar- Elsuki-Eldinder-Eldamazin Corridor	• Vast under-utilized agricultural lands and diverse production systems (mechanized, traditional rain-fed and irrigated, livestock, horticulture and fishing). • Large areas of banana, fruits, vegetable, cotton, sugar cane, sesame and sorghum production • Large diverse livestock population • Strategic location, rich resources and access to all states • Potential of new irrigation schemes in Rosaries and Eldinder • Available different water sources and water infrastructure (dams) and a hierarchical controlled irrigation system of water distribution. • Dinder wildlife reserve park • Presence of historical processing activities (sugar-vegetable oil - textile). • Presence of several research stations and agricultural colleges.	• Sorghum mills • Ginning and textile factories • Vegetable oil mills • Fruits processing • Animal feeds industries • Feedlots for animal fattening • Sugar factories • Development and promotion of tourism in Dinder reserve park
5 Gedarif-Rahad Corridor	• More than 2 million hectares of semi-mechanized farming and about 150,000 hectares under irrigation • Largest market for sorghum and sesame crops. • Wealth of animal resources and the presence of vast rangelands (Butana) • Largest grain silo in the country • High potential for oil crops, livestock and horticulture crops industry (raw material) • Presence of historical processing activities (Vegetable oils- Ginning). • Industry represented in oils, soap and sweets industry in the city of Gedaref. • Presence of infrastructure such as roads communication, storage facilities, input services, markets and government institutions, research and well established specialized financial institutions) • Close proximity to Port Sudan by paved road and neighboring several countries(market)	• Sorghum milling • vegetable oil(sesame)industry • Animal feeds • Ginning and textile factories • Feedlots for livestock fattening
6 New Halfa-Kassla Corridor	• More than 200,000 hectares under irrigation (Gash and Halfa irrigation project) • New Half Sugar Scheme and industry • Fruit production in Kassala • Contract farming experience with cotton growers	• Sugar industry • Wheat milling • Vegetable oil processing

	• New Upper Atbara irrigation Project is in the pipeline. • Wealth of animal resources • Industry represented in oils, soap and sweets industry. • Presence of infrastructure such as roads communication, storage facilities, input services, markets and government institutions, research and financial) • Close proximity to Port Sudan and neighboring several countries(market)	• Animal feeds factories • Textile industry • Fruit processing • Feedlots for livestock fattening
7 Kosti-Eduiem Corridor	• Vast agricultural lands of mechanized and traditional rain-fed and irrigated. • High production diversity in crop, fishing, horticulture and livestock production • About 200,000 hectares of irrigated lands under-utilized • Large livestock population • Presence of historical good processing activities (sugar-oil-fish-milk-textile-milling). • Established sugar factories including Kenana and Asalya factories. • Ginning factories • largely carried out traditional fishing and milk products industry • Financial institutions established. • Closeness to the capital and port through railway lines and roads- Connected to Khartoum and neighboring states by paved road	• Textile • Sugar • Feeds factories • Meat and Dairy industry • fishing industry (taking, culturing, processing, preserving, storing)
8 Elobeid-Rahad-Umrawaba-Bara-Sodari Corridor	• Strategic location (center of the country) -airport and road connection with several states and established major crop and livestock markets. • Important producer of sesame and Kerkrade • World largest market for gum arabic, and other gums (covers large part of Gum Arabic Belt) • Presence of traditional vegetable oil industry • Main producer of the famous Kabashi sheep • Production of fruits and vegetable, mainly at Bara • Elobeid-Bara-Omdurman Road reduced the time and cost of transportation. • Well established agricultural research station and university • Financial and banking institutions are established across the state. • Presence of infrastructure such as roads, communication, markets and government institutions)	• Production of vegetable oils • Processing of Gum Arabic • Slaughterhouses for livestock • Processing of fruits and vegetables • Processing of kerkade • Leather industry •
9	• Important area for production of rain-fed cotton • Eight ginning factories	• Textile industry which is labor intensive and could

Dilling-Kadugli-Abassyia Corridor	• Important area for fruit production, especially at Abassya and Abugebeha • Large animal population • High potential for oil crops, livestock and horticulture crops • Presence of historical agricultural research • Kadugli airport and roads connection with West and North Kordofan • Potential for using contract farming models	contribute to poverty reduction. • Vegetable oil processing • Fruit processing
10 Enahud-Gobiesh Corridor	• Main sheep producing area for the domestic and export markets. • Main producing area for Gum Arabic covers the largest part of Gum Arabic Belt • Main groundnuts production area • Presence of traditional vegetable oil industry • Presence of infrastructure such as roads, communication, markets and government institutions).	• Slaughterhouses for export of sheep meet. • Groundnut oil production • Animal feeds • Leather industry Gum Arabic processing
11 Fashir-Nyala-Edien-Corridor	• Comparative advantage in production of livestock, oil crops and gum arabic • Major source of beef for the domestic and export markets • Major producing area for groundnut and millet • Large tracts of rainfed semi-mechanized under-utilized lands • Potential markets in neighboring countries • Agriculture, veterinary and animal production colleges and agricultural research stations constitute good research system. • Roads and airports at the main cities (Nayala and Fashir) • Presence of developed groundnut processing plants	• Meat industry • Leather industry • Vegetable oil industry • Production of honey • Cereal milling • gum Arabic processing
12 Genena-Zalengi Corridor	• Production of livestock, oil crops and gum arabic • Important source of orange of high quality (Jebel Marra) • Good vegetation cover of various tree species • Potential markets in neighboring countries • Agriculture, veterinary and animal production colleges and research stations • Roads and airport at the main cities (Genana) • Jebel Marra represents an important tourist center (Investment opportunities in tourism). • Presence of several NGOs working in livelihood issues and rural development	• Animal feeds factories • Meat industry • Leather industry • Vegetable oil industry • Fruit processing industry • Production of honey • Cereal milling • Tourism (Jebel Marra)
13	• Important area for production of millet-groundnut-gum Arabic-rosselle • Large livestock population, especially, cattle depending mainly on natural rangelands.	• Meat and Dairy industry • Leather industry

Elfula-Babanusa-Lagawa Corridor	• Important area for field watermelon production • Road connecting Elfula with kadugli and El-Obeid • Centre for petroleum extraction • Presence of agricultural college and research station • Presence of historical processing facilities (Roselle processing and Dairy) • Potential for using contract farming models. • Vast under-utilized agricultural lands	• Vegetable oil industry • Roselle processing • Production of honey • Cereal milling • Gum Arabic processing
14 Red Sea Corridor	• Extends along the Red Sea coast, with more than 800 km of coastline. • Providing great possibilities for tourism, marine islands, coral reefs and natural reserves, kinds of marine life, mangrove forests. • Proximity to the country main ports, handles the majority of the country's international trade and neighboring several countries(market) • Infrastructure in port Sudan such as roads communication (railway lines and roads), storage facilities, government institutions, and financial institutions. • Recent political attention to rehabilitate and develop the area. • Investment opportunities in mining, fisheries, borders trade, and tourism. • Delta Tokar, with cultivated area (about 150,000ha) having very fertile soil offer significant growth opportunities in agricultural production. • Livestock estimate in the state 1.7 million heads of cattle.	• Animal feeds factories • Textile industry • Marine aquaculture industry (Offshore fishing; aquaculture; pearl oyster farming) • Tourism

Annex Map of proposed growth corridors



Source: Elbadawi et al (2022).