

# SOUTH SUDAN'S FIRST ANNIVERSARY: PROGRESS, CHALLENGES AND PROSPECTS

John Mukum Mbaku and Jessica Elaine Smith

## Introduction

On July 9, 2012, South Sudan will celebrate its first anniversary as an independent and sovereign state. The January 2011 referendum effectively ended the prolonged, violent confrontation between the Republic of Sudan and the territories that would ultimately gain independence as South Sudan. This development marked an important stage in the implementation of the Comprehensive Peace Agreement (CPA). In addition to regulating relations between the two feuding parties from 2005 to 2011, the CPA also implemented the framework for the creation of two separate nations. Despite the success of the CPA in guiding South Sudan's path to independence, the young nation must now address a myriad of challenges related to its domestic policies as well as continued hostilities with the Republic of Sudan.

As international observers applauded the CPA's success, the people of South Sudan also celebrated the birth of their nation with high expectations. Independence brought with it hope for a better future and the opportunity to build a united developmental state. Revenue from valuable oil resources, which were a primary source of the conflict between the two nations, gave South Sudan the opportunity to invest in the development of its natural and human resources. Additionally, formal separation was expected to end the long-standing conflict with the Republic of Sudan. However, these expectations were tempered by the many restraints that came with establishing conditions for sustained economic growth and improving the delivery of public goods and services.

After many years of brutal civil war, South Sudan emerged with extremely poor infrastructure and a population with limited human capital. More importantly, the country was born with weak institutions that were not suited to the delivery of sustainable economic growth and development. Finally, while the people of South Sudan were largely unit-

ed in the war against Khartoum, the country is to a large degree ethnically fragmented, with each group seeking to maximize its own objectives—a process that has significantly weakened the ability of the government to work toward national integration.

South Sudan's first year of independence has been fraught with major challenges, like the continuing struggle with the Republic of Sudan over their common border. These conflicts have become top priorities for the country, impeding the ability of the government to concentrate on economic growth and human development.

The Africa Growth Initiative (AGI) at the Brookings Institution has been following developments in South Sudan in order to offer independent policy proposals that can translate into sustainable economic growth and development, effective delivery of public services, and the building of institutions for a united and peaceful nation. This collection of policy briefs seeks to highlight some of the important issues that have affected South Sudan during the country's first year of independence and identify policy areas that both South Sudan and the international community must emphasize in order to enhance the nation's ability to achieve peace, economic growth and human development. It is important to note that many of the policy recommendations offered by the various briefs are similar even though each brief was based on independent analysis. This is due primarily to the fact that many of the issues faced by South Sudan lend themselves to similar solutions.

**Basic Services in South Sudan.** Kevin Watkins from Brookings Center for Universal Education examines service delivery in the country since independence and makes recommendations on how the Government of

South Sudan (GoSS) can make sure that it provides its citizens with the services that they need to ensure continued improvements in human development. He cautions that delays in human development, most of which are likely to come from either poor or opportunistic provisions, have extremely high costs.

**Future Engagement between South Sudan and the Republic of Sudan.** Mwangi S. Kimenyi discusses the key issues of border demarcation, nationality and the oil pipeline. Kimenyi stresses the urgency of resolving these outstanding issues.

**Efficient and Equitable Natural Resource Management.** John Mukum Mbaku and Jessica Elaine Smith suggest ways in which South Sudan can enhance the equitable and efficient allocation of its natural resources, minimizing the “resource curse”, and use its enormous resources to promote sustainable economic growth and development. They emphasize that the government must manage the oil sector as one part of a greater transparent, comprehensive program to develop a well-integrated national economy and reject the colonial-era Nile Waters Agreements.

**Managing Ethnic Diversity.** Julius Agbor and Olumide Taiwo provide insight into how South Sudan can deal with violent ethnic mobilization by focusing on the need to strengthen sub-national governments and provide a comprehensive process to define property rights. They argue for respect for traditional institutions (e.g., village or tribal councils) and encourage the government to engage all citizens in the construction of the country’s laws and institutions.

**Making Federalism Work in South Sudan.** As the Republic of South Sudan moves from a transitional constitution to a more permanent framework for governance, a debate about whether to use a unitary or federal system is building. Mwangi S. Kimenyi assesses both governance systems and shows how a unitary governmental system has failed many African nations in the past. He urges South Sudan to retain, strengthen and deepen federalism, and significantly improve allocations to the states.

**The Anti-Corruption Agenda.** John Mukum Mbaku and Jessica Elaine Smith contend that the key to effective public financial management is budgeting. Specifically, they advise the government to maintain budget compe-

hensiveness and to make certain that civil servants and political elites are well-constrained by the law to minimize corruption and waste.

**South Sudan’s Quest for Regional Integration.** South Sudan’s economy is relatively small and extremely underdeveloped. Access to markets, especially in the East Africa region, is critical for the country’s growth and development. Anne W. Kamau describes South Sudan’s eligibility for joining the East African Community (EAC) and outlines the short- and long-run costs and benefits of joining the community.