Globalized agriculture, localized livelihoods; the predicament of development in Sudan

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Introduction

The perishing of almost 200 farmers, suffocating in the tiny cell to which they were sent for laying out their demands to the first independent government in February 1956, was the ultimate fidelity that post-colonial rulers could show to the extractive model of their predecessors. What later known as Jouda events, were mainly triggered by cotton farmers along the White Nile pump-irrigated projects, mostly privately-owned, who expressed several demands, among which were their unpaid three years dues and the recognition of their farmer union.

While exports of cash crops, cotton mainly, were highly lucrative for both governmental and privately owned schemes during the Anglo-Egyptian Condominium times, Niblock (1987:46) points to how this has never materialized into significant ameliorations of the livelihood of agricultural communities. Production conditions experienced by farming communities were similar to that of Jouda farmers; with the already unfair cash-cropping agreements not being honored (Ali, 1994: 81).

Post-independence agricultural policy frames, showed no signs of interest in the country's food sovereignty. Pimbert (2009) lays a holistic model for food sovereignty that centers the interests of local farmers and local communities at large. Such as prioritizing food production for local markets rather than exports of cash crops, public or community control over productive resources rather than their privatized and monopolistic control. This model stands in contrast to the historical agenda of Sudan's agricultural sector that has been putting the accent on flows of hard currency, competitiveness, attractiveness for investors, rather than the food security or livelihood of the thousands of farming communities.

Sharing the fate of Jouda farmers, who were not part of the decision-making process of the crop to be produced, and couldn't enforce their right to their produce or its returns, local farmers across Sudan have seen the stakes they have in setting agricultural agendas continuously diminishing. external interests that have been determining production choices on one hand, and the local and international investors who dominated their production on the other, have been the two defining features of agricultural policy making. The different manifestations and implications of such policies will be discussed in the next sections. The paper will also attempt to trace the underlying dynamics that weighed on Jouda farmers, and continue to do so on the Northern farmers who are currently challenging the impoverishing practices dictated by the global free market and its institutionalized agents.

External interests shaping agricultural development

Subsistence farming has characterized agriculture in the geographical space known today as Sudan for thousands of years. This took on a new direction since the Anglo-Egyptian occupation; summarized in the extraction of economic surplus of local communities through the export of high-demand cash crops and the import of finished goods.

Short time has separated the success of the experimentation with cultivation of cotton in 1906 and the fervent race to expanding mega-scale agricultural schemes; from the plains of Gezira irrigated scheme along the Blue and the White Nile and deep down the less trodden heights of the Nuba mountains to the South (Niblock, 1987). By 1956, the independence year, cotton represented 80% of Sudan's exports (Ali and Elbadawi, 2004:5). Around 49% of cotton production was imported by Britain in 1954 (Ali, 1994: 83), with manufactured clothes coming back from Lancashire to the foreign and local elite of the capital, while the surplus profit was mostly paid back to the British investors that made up the largest shareholders in the key governmental schemes.

Colonial priorities were also manifested in critical infrastructure projects such as railways and water dams, whose development to date follow the colonial blueprints. Regarding railways, the map of the colonial railway is the trajectory that cattle and so-called cash crops follow, linking production centres in Kurdufan, Gezira, Al Gadaref and Algash region to markets via Port Sudan and Egypt (Al Gadal:2002:262-266), leaving the arid and less profitable regions of Darfur without a single station. Regarding dams, Jebel Awlia dam, 24 Km to the south of Khartoum, whose construction has displaced tens of thousands of people, was initially built to regulate the annual flow of the White Nile to Egypt. The flooded areas of indigenous farmers were compensated for by the allocation of what was known as the Alternative Livelihood Schemes that were administered by the government, mainly to produce cotton.

The Alternative Livelihood Schemes were soon followed by a wave of expansion along the White Nile, where the 20 000 feddans of 1949 reached a 200,000 feddans in 1958, mostly of privately owned pump-irrigated schemes (Ali, 1994: 81). Farmers of Jouda events, as well as thousands of other farmers of irrigated schemes, were victims to the unfair crop sharing agreements in these areas. Ali (1994: 85-87) explains that in the extremely profitable private cotton schemes whose payback period can be less than three years, 40% of profits were allocated to farmers, and 60% to the project owner. In reality, scheme owners enjoyed substantial powers, from control over irrigation water flows, ginning, marketing and sale of produce, as well as imposing sanctions on farmers, lending money on their terms and delaying due payments to an average of two years (ibid).

The emphasis on cash crop production has its persisting implications on food sovereignty. The traces of the large shift of Sudanese diet from a sorghum and millet dominated diet with small portions of wheat, to a mix that is largely wheat-dominated can be traced to the US wheat aid received by the military regime in 1959, shortly after Sudan's independence. What started as free support by the US, rapidly grew to become a pressure item on the state, which was still able to produce 48% of its wheat requirements by 1978 (Suliman, 2006).

The steady decline in international prices of cotton caused post-independence governments to question the total dependence on such extractive agricultural practices. However, it was only in the 1970s that the national economic plans started to show a significant divergence from the colonial era. This divergence, in the ideologically volatile years of General Nimeiri, took the form of, initially, nationalization and sequestration of big private businesses, only to consolidate its power through loans from the Eastern bloc as well as the neoliberal Bretton Woods Institutions. The foreign finance, in the later years of Nimeiri's reign, was directed to the establishment of poorly implemented and ad hoc projects, such as massive agricultural and industrial complexes that set the debt trap without achieving their development promise of hard currency nor improved livelihoods (Niblock, 1987:279-286).

The 1970s marked the early signs of financialization of the Sudanese economy at the expense of agriculture. Two leading major events took place in 1978; First, under the pressure of receiving wheat with long term facilitation, the government of Sudan implemented the 1st IMF structural adjustment program, curbing the state support for agriculture, and causing a shift in the market dynamic, that persisted through 1950s and 1960s, from producing to meet local needs to export-oriented production (Suliman, 2006). Second, the establishment of the Faisal Islamic Bank of Sudan (FIBS), cementing the presence of the rising Gulf oil & gas economic power in the Sudanese economy. FIBS legislation that was orchestrated by the Islamic Brotherhood members of the parliament - and allies of the gulf – and, unlike any other financial institution, enjoyed unprecedented powers and exemptions (FIBS legislation, 1977). The legislation allowed it to be used by the Islamic Brotherhood as a tool to concentrate wealth and economic power through speculations in prices of agricultural products, and as a political tool to rally allies through financial support. It allowed the Islamist to steadily concentrate the power necessary to carry out the coup of 1989.

The effects of the 1978 major shifts in the economy can be reflected on by studying the change of response to the two waves of droughts of 1972-1975 and 1982-1985. The market and production setup to serve local consumption, allowed the Sudanese communities to push back against the 1st wave. Whereas during the second wave, and under the pressures of the IMF to continue exporting, and the KSA subsidy to the Sudanese sorghum - KSA paid 220 $/MT to Sudanese sorghum compared to 170 $/MT to its Thai counterpart – the country persisted in exporting sorghum that accumulated to 621,000 MT, and led to one of the worst famines of the century affecting 8.4 million people (USAID, 1986), which amounted to 70% of the population. It is also worth noting that by 1987, the state was only able to produce 28% of its wheat requirements, and resolved to importing the remaining portion.

In addition to distribution biases, food sovereignty of local communities has also been hampered by the declining capacity for production of their traditional lands as the support by the state continued to recede. Between 1995 and 1997, a new privatization policy for seeds was adopted; public sector seed production operations were privatized, and the mandate of the Seed Administration was changed to a regulatory function. Expecting that a heavy research and development investment that takes a financial cycle of more than 3 years such as seed production would be made by the private sector, simply proved wrong over time. Private sector naturally gravitated towards shorter investment cycles such as importation of wheat, and agricultural machineries and inputs. Figure 1. below indicates that only 11.5% of seed requirements overall are met through local production.

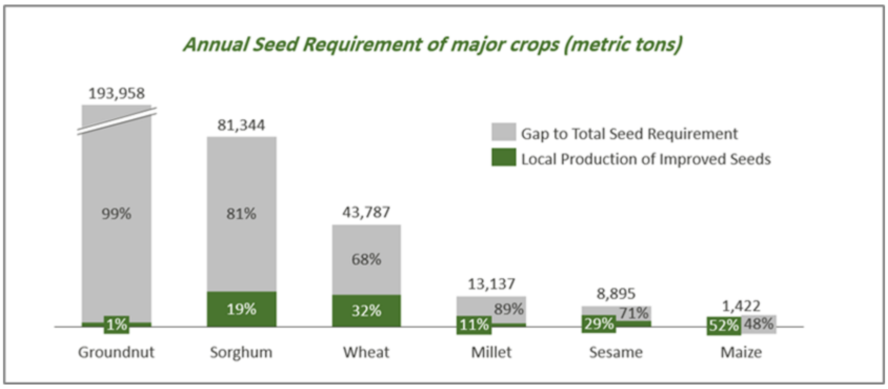

Figure 1. Annual Seed requirements of major crops (Ministry of Agriculture and Forestry, 2019)

1998 was the year Sudan started to export oil. In the same year there was a noticeable drop of wheat production. The state relied heavily on wheat importing as shown in Figure 2. Imported wheat was made available in major cities with heavy subsidies. These subsidies were implemented on mostly imported wheat at the expense of support availed to local farming activities. Resulting in reduction in access to local grains.

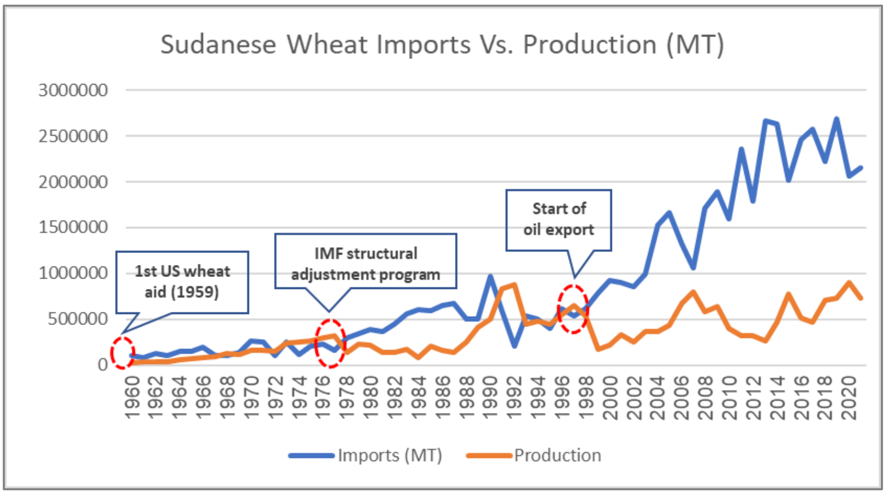

Figure 2. Sudanese wheat imports vs. production (United States Department of Agriculture, 2021)

Investors-oriented agricultural development

In addition to the irrigated cotton production, another modernization effort by colonial rule was the introduction of mechanized agriculture in rain-fed regions. First experiments with this modern technique took place in the Eastern parts of the country in the 1940s. Initially following administrative arrangements similar to the irrigated schemes in Gezira that were abandoned shortly after. The government struggled to run the project under its administration due to the inexistent culture of crop-sharing amongst the local farmers, which led to the opening of mechanized schemes to private investors on leasehold basis. Despite the fact that local farmers and inhabitants were given priority in plots allocation, conditions laid for investors in terms of capital and operation costs were way beyond farmers' affordability range (Niblock, 1987: 40). This has put the majority of these schemes in the hands of an outsider elite from military personnel and businessmen, who exported surplus profits elsewhere and showed little concern for the long-term impacts of their mechanized activities.

Suliman (2006:125) demonstrates how the area of mechanized agriculture has grown from 6,000 feddans in 1956 to around 20 million feddans by the mid-2000s, as the clientelist regime of Basheir was empowering its allies through the allocation of these plots. The massive expansion in this sector has been behind the accelerated degradation of arable land, encroachment on traditional farming and livestock, removal of forests, alteration of local precipitation and a prominent factor in many of the ongoing civil conflicts in the country (ibid).

The attempts to revive the agricultural sector as a source of hard currency after its negligence during the oil decade of the 2000s took on newer forms of abuse. Attracting petrodollars from the gulf countries for long-term leaseholds was the strategy that put millions of hectares in the hands of foreign investors to make up for the lost oil revenues with the secession of South Sudan. In December 2015, as part of Saudi Arabia's efforts to reduce pressure on its exhausted renewable water resources, a plan to phase out the local cultivation of green fodder by 2019 was announced. The Saudi ban came as good news for the waning rentier state of Bashier. It triggered an increase of 342% in the amounts of Sudanese green fodder exported between 2016 to 2020 as in Figure 3.

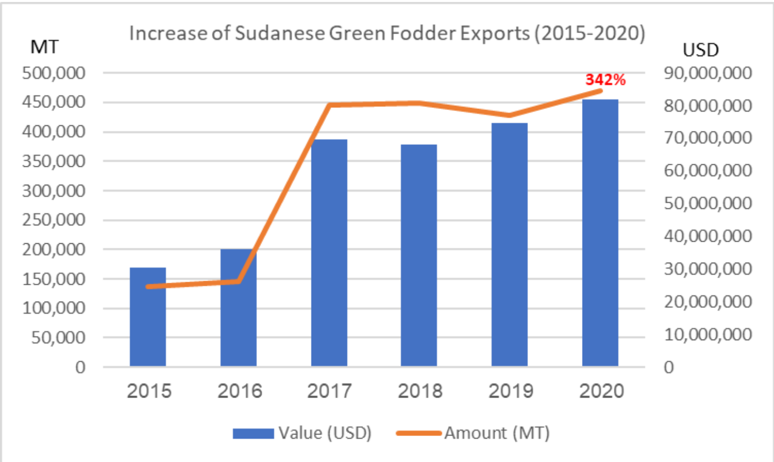

Figure 3. Exports of Sudanese Green Fodders (2015-2020). (Central Bank of Sudan, 2021)

Another manifestation of the state's bias to supporting investors shows clearly in its financing policy. The Agricultural Bank of Sudan (ABS), the main source of formal financing for agricultural activities, has been linking its offers to the ability of providing collateral and higher cash flows, which greatly favor traders, manufacturers, and large-scale farmers over smallholders.

ABS' data shows two main types of financing, short term (less than 1 year) and the collateral being the grain itself, and medium term (1 to 5 years). An average of 70% of the finance provided by ABS between 2017 to 2020 was directed towards short term financing and captured mostly by traders. Whereas traditional rain-fed farmers received less than 1% of the available financing as shown in Figure 4.

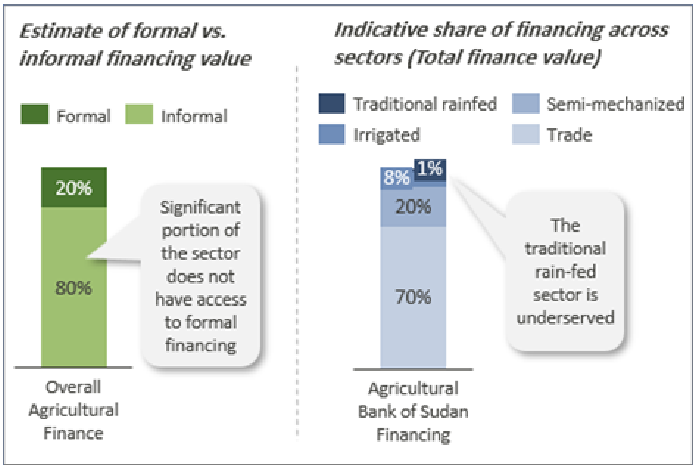

Figure 4. Finance breakdown of the Agricultural Bank of Sudan (Agriculture Bank of Sudan Annual Report, 2019)

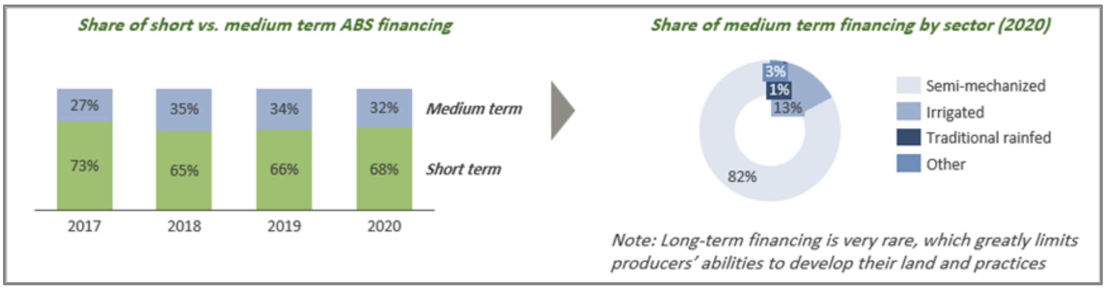

Figure 5. Agriculture Bank of Sudan long and medium-term financing. (Agriculture Bank of Sudan Annual Report, 2019)

The results of these biases appear when analyzing the groundnut value chain in Eastern Darfur for example, where the return on investment (ROI) for each actor in the value chain is indicated in the chart below.

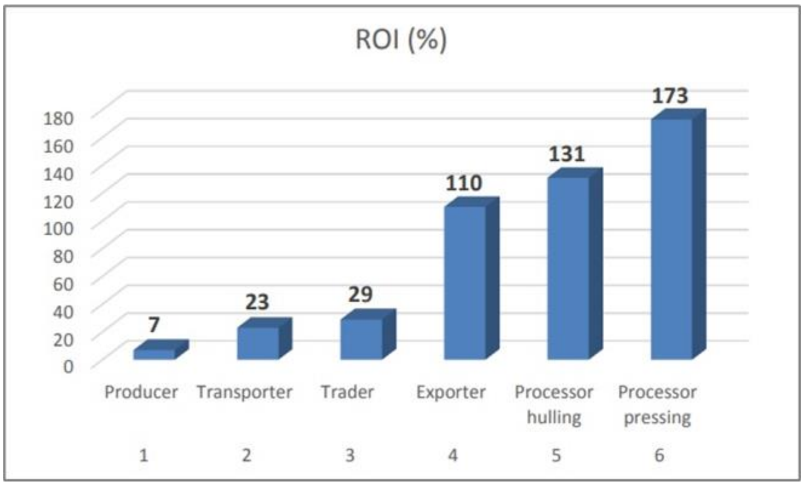

Figure 6. Return on Investment for groundnut breakdown (Natural Resource Management Project for Sustainable Livelihoods East Darfur State, 2017)

The toppling of the Basheir regime in 2019 was counted on to put an end to the kleptocratic and impoverishing agricultural policies and to boost productivity. The Combination of favorable rainy season and a wide national and international support that the post-revolution government enjoyed led to an increase of 25% in the productivity of grains in 2020/2021 than the average of the past five years (FAO, 2021:3). However, the cost of international support was particularly high; as debt relief and loans from International Financial Institutions (IFIs) were only given in exchange for drastic budgetary restructuring. The accelerated lifting of subsidies of bread, fuel, electricity, and the consequent skyrocketing of prices is harshly hitting smallholders in unmistakable ways and giving birth to new resistance fronts.

Following the 25th of October military coup, a new front of resistance emerged as agricultural communities along the main Nile to the North of the country appropriated new forms of civil disobedience.

The Northern barricades

At the beginning of 2022, the post-coup Ministry of Finance attempted to make up for the suspended foreign aid by further lifting of subsidies, amongst which was electricity tariffs. 2000% was the increase in the agricultural electricity tariff for local farmers, whose tariffs increased from an average of 1 SDG to 21SDG, while that of foreign farmers went up from 6 SDG to 27 SDG (Sudan Tribune, 2022). The steep tariff increase in the midst of the agricultural season has culminated in a tremendous rage of pump-irrigated smallholders in the Northern region who are barely covering their inputs' costs. Farmers backed by resistance committees and other civil forces agreed to barricade a key junction at the main trade route between Egypt and Sudan, and through which raw materials are exported while finished goods are brought into the country.

Their initial demand was the reversal of electricity tariffs, but a list of older demands was soon added to the conditions of barricade removal. The decades-long demands ranged from compensations for the lands flooded by the hydro dam to a call to put an end to smuggling of gold and raw materials to Egypt. The success of the barricade in paralyzing the route, and of the community in taking full control over the crossing vehicles, in addition to the partial reversal of the electricity tariff (from 21SDG to 9SDG), encouraged additional 14 communities to replicate the barricade technique on different spots along the same national way. This has ensured that whenever a point is attacked by security forces, the points ahead can fulfil its role (Beam Reports, 2022).

Conclusion

More than sixty years since the massacre of Jouda farmers the aspirations of Sudanese people for a true independence from the servitude to the interests of the changing faces of the colonizer, remain unachieved. Mobilization at the Northern barricades cannot be read separate from the widely spreading fervor of civil resistance that has seized the country since December 2018 and has been organically correcting and renewing itself. And finding its means in the same tools devised for its oppression; with security forces blocking the key bridges in the capital on protests days, leaving the whole capital in a strike-like state. Or the economically oppressed and deprioritized farmers managing to put the major economic activities of the country in a limbo.

Realizing that what was announced in 1956 was not a true independence was a life-costing lesson for Jouda farmers that millions of Sudanese are gradually fathoming. Modern day smallholder farmers understand the extractive state model that exports raw material and imports finished goods profiting from the surplus of the farmers' production. Smallholder farmers are demonstrating these learned lessons through their resistance to this very dynamic. The threat of being suffocated to death might have been able to silence millions of farmers for decades, but the ever-diminishing distance between death and the life of misery to which smallholder farmers are subjected on daily basis is rendering people more and more indifferent to such threats. The disillusion with the false promises of the historical political elite is unmistakable today across the country, yet its translation into radical structural transformations is still unfolding.

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