

UK opens up to Sudanese oil business, just as the country may be headed back to war in 2011

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Tony Blair, Gordon Brown, David Cameron, and a host of politicians from all over the UK political spectrum have expressed outrage at the atrocities committed in the Darfur region of Sudan. But further out of the public eye is the very real threat that the country's fragile peace agreement between the North and South could unravel into war- largely over division of natural resource wealth. [Avery Hancock](#) questions whether the UK should encourage investment in the country's oil sector when the stakes are so high.



Recently the [Independent](#) reported that the UK government welcomed the first trade delegation from Sudan since the International Criminal Court issued arrest warrants for the country's president Omar al-Bashir on ten counts of crimes against humanity, war crimes and genocide committed in Darfur. It was just in August that [Catherine Ashton](#) expressed her anger over Kenya's reception of Mr Bashir and urged the country to hand him over to the ICC. Britain has also been one of the staunchest supporters of the ICC's indictment of Bashir and has supported various EU and UN arms embargoes, travel bans, and asset freezes for other Sudanese politicians and generals suspected of war crimes.

But now the UK government seems to be signaling that when it comes to Sudan – the country is open for business. The "Opportunities in Sudan" event was reported as signalling a 'new epoch' in trading relations between the UK and Sudan. It's fair to assume that none of the businesspeople welcomed in Parliament last week to promote untapped oil resources were on the UK's travel ban list. But what sort of message does this send about the ethical dimension of UK's foreign policy?

The Conservative Party's 2009 green paper on International Development categorically stated that 'the regime in Sudan has created misery for millions'. That does not apply only to Darfur but to southern Sudan, where a 20-year civil war between the Arab-dominated North and the underdeveloped, mostly Christian South was finally halted in 2005 – after over 1.5 million people died. The war's legacy and ongoing violence in Darfur, eastern Sudan, and contested areas along the North-South border have left the country in dire need of humanitarian assistance. In 2008-2009 Sudan was the top recipient of DFID's bilateral aid at almost £107 million.

William Hague's [speech](#) last June on the future of foreign policy promised that Britain would continue to have a foreign policy with a conscience. At the same time, however, he questioned the power of sanctions to influence regimes such as Burma, Iran, and [Zimbabwe](#)

(although in opposition he called for the EU to 'keep the pressure on' in terms of sanctions for Mugabe's regime.) Sanctions are not a panacea for dealing with so-called 'pariah states', and there is certainly a case for private sector-led growth and investment in poverty-stricken countries. But what Hague would call pragmatism in dealing with Sudan critics might say seems too much like opportunism and a bid to catch up with China's investment in the country's massive oil reserves. According to *Bloomberg News*, in 2008 China purchased 40 per cent of Sudan's 25-million-ton annual output of oil, accounting for about 6 per cent of all Chinese oil imports.

In 2006 both Hague and Andrew Mitchell (now Foreign Secretary and DfID Secretary of State respectively) spoke after a heart-wrenching tour of Darfur. Then they [lamented](#) that



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'International diplomatic initiatives intended to decisively influence Khartoum continue to be thwarted by other countries more interested in pursuing their economic or political advantage than in promoting human rights... and that Sudan's status as an Islamic government, oil exporter and a significant importer of arms has proven to be a successful deterrent against any united international action. has proven to be a successful deterrent against any united international action.'

Hague's June 2010 speech rightly noted that the 'much of the economic weight in the world is passing to countries which either do not fully share our concepts of democracy and human rights', that is, China and the Gulf States who have invested in Zimbabwe, Sri Lanka, and of course, Sudan. But does this mean the UK should throw in its lot with the rest?

Hague might well respond here that British investment would not condone Sudan's elites but would rather help lift ordinary people out of poverty. But there is a raft of evidence that the country's oil wealth accrues disproportionately to President Bashir's National Congress Party. Under the 2005 Comprehensive Peace Agreement the country's oil reserves (which are found predominantly in the South) are meant to be divided evenly between the North and the impoverished government of South Sudan – a semi-autonomous state created out of the 2005 Peace Agreement, and a region which will hold a referendum on its independence this coming January. A recent [report](#) by the London-based charity *Global Witness* argued that the lack of transparency in the country's oil industry is fueling mistrust between the North and South. This is a tinderbox that could explode into more civil war should the South decide to secede. And according to the [BBC](#) even the money that is transferred to the South is not necessarily spent on badly-needed development infrastructure. There is certainly still a huge [gap](#) in development indicators between the North and South. Overall, Transparency International [ranks](#) Sudan as the most corrupt country on its watchlist – ahead only of Myanmar, Afghanistan, and Somalia.

The UK government could stand to be more cautious about encouraging British investment in Sudan, especially at a time when fair resource management could be the only factor that holds the country's fragile peace together. Just when the Sudanese delegation came to town Hague enjoyed a [meeting with Barack Obama](#) and Sudan's vice-presidents to discuss these very issues. Country-wide elections in April returned Bashir to power, but the [EU](#) cited 'irregularities and significant deficiencies' in the vote. Fighting around the oil-rich [Abyei](#) region (which both North and South claimed as their own) just narrowly missed the potential to kick off another round of war. As one of the 'international guarantors' named in the 2005 Comprehensive Peace Agreement the UK is committed to ensuring the full implementation of the deal – and will be one of the countries expected to 'help pick up the pieces' if the agreement falters.

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