



## **Time To Lift Sanctions Against Sudan To Battle Terrorism And Improve Human Rights**

Doug Bandow

January 23, 2017

On his way out of Washington President Barack Obama provisionally lifted economic sanctions against Sudan. The action was long overdue. Newly inaugurated President Donald Trump should complete the process of bringing Khartoum back in from the cold.

Sudanese President Omar Hassan al-Bashir took power in a coup in 1989. His rule has been autocratic and Islamist, under which political opponents and religious minorities alike suffered. Worst has been the internal conflict. A brutal civil war long raged in the south, leading to creation of a separate nation. Bloody strife still afflicts other areas.

In 1993 the Clinton administration cited Khartoum as a state sponsor of terrorism. President Bill Clinton added more restrictions four years later to punish Sudan for other issues. In 1998 the administration bombed a pharmaceutical factory, mistaking it as a chemical weapons plant tied to Osama bin Laden. The Bush administration tightened economic restrictions still further because of ethnic fighting.

Washington prohibited most business with Sudan—financial transactions as well as exports and imports. The former restriction has been particularly severe, since no foreign bank doing business in America can handle Sudanese business. The potential for substantial penalties has deterred many foreign firms even from engaging in deals exempted for humanitarian reasons.

Unsurprisingly, then, “Sanctions create many obstacles to the development process,” as one Sudanese economics official observed when we met last year. The result is less foreign investment, higher interest rates, reduced trade, less debt relief, and no access to the international financial system. Khartoum officials told me that the agriculture, health, information, and transportation sectors were particularly hard hit.

While flying internally I could see the impact on the latter. I interviewed Abdelmagid Abdel Gadir, Secretary General of the Gum Arabic Board, which oversees the Gum Arabic industry, important for soft drink production. He noted farmers were “using old tools back” going back in time since new American technologies were not available. Sanctions also had damaged the rail system and limited production of Gum Arabic, he added.

Overall the economy is strangely devoid of American products, advertising, and people, as well as influence. But money from the Mideast, Russia, and increasingly China helps fill the investment gap. In October Khartoum inked an agreement with Egypt for a “comprehensive strategic partnership agreement.” Last year the Europeans initiated a large, well-funded project to deal with “the root causes of irregular migration and forced displacement.”

Some American products show up via third party purchase, but more often Sudanese find foreign substitutes. A businessman told me that he imported goods from Europe: In Sudan, he noted, you “find cars from around the world.” The airlines turned to Antonov and Illuyshin aircraft, one Sudanese official pointed out. Some Sudanese go abroad when necessary: one said he sent his iPhone with a friend to Dubai to get it repaired.

Something more personal also is lost. Older Sudanese proudly describe studying or working in America. Even many government “ministers had U.S. PhDs, had lived in America and had friends there,” noted Ahmed Amin Addellatiff, president of the CTC Group. In contrast, younger Sudanese, under 40 or so, typically have little contact with the U.S. Addellatiff added: “U.S. universities don’t come to Sudan” and Sudanese students go elsewhere. Indeed, El Fatih Ali Siddig, ex-minister of finance, who was educated at the University of Wisconsin, warned that Sudanese are not exposed to many Americans, even though “personal contact can change attitudes,” as it did for him.

While there has been much to dislike in Khartoum’s behavior over the years, sanctions have done little to change it or otherwise promote American ends. Economic penalties are Washington’s coercive tool of choice, but rarely succeed in forcing governments to act against their perceived interests. Although the threat of hitting firms from allied nations in effect turned Washington’s unilateral into multilateral penalties, Sudan has steadfastly pursued its own course. Yet circumstances have changed involving many of the policies of greatest offense to the U.S. Argued Ahmed Badawi, head of the Sudan Centre for Strategic Communications in Khartoum: “All of the issues that brought Sudan to the activists’ table have been addressed.”

Bashir remains in power. An indictment by the International Criminal Court has had no effect other than to limit his travel. Whatever the virtues of the so-called “National Dialogue,” which is intended to promote political reconciliation, the government remains ever-ready to employ the big stick of repression. In November it arrested opposition activists, shuttered four newspapers, and closed a television station to prevent reporting on a general strike and civil disobedience.

However, the government’s dalliance with Islamic extremism, including hosting Osama bin Laden at one point, ended with 9/11; today Khartoum actively works to disrupt groups like al-Qaeda and ISIS, which threaten it and other Sunni Muslim states. One Sudanese official told me last year that “Sudanese are equally worried about terrorism, especially Daesh,” or ISIS.

Even the Obama administration admitted in its report on terrorism: “Sudan remained a generally cooperative partner of the United States on counterterrorism,” “appeared to oppose the financing of extremist elements,” and combatted “money laundering and terrorist financing.” American diplomats with whom I spoke had little complaint with Khartoum’s behavior in this regard. Moreover, the regime had shifted away from Iran and Hamas, support about which Washington complained, and toward U.S. ally Saudi Arabia.

Sudanese Christians and other religious minorities continue to live with the sort of abuses and disabilities common in majority-Muslim nations, but unlike elsewhere Christians worship openly. The Catholic cathedral sits next to the foreign ministry. Problems are real but are most likely to come, one Sudanese Christian told me, for those who get into politics or otherwise cause the government “trouble.” Moreover, Muslims also are victims of repressive laws: in late 2015 the state charged 25 Muslims with apostasy, punishable by death, for rejecting the authority of the Hadith.

Some who work with the Sudanese government admit that it is its own worst enemy. For instance, two pastors, Hassan Abduraheem and Kuwa Shamal, Christian convert Abdulmonem Abdumawla, and Czech aid worker Petr Jasek, were jailed and accused of espionage and warring against Sudan for helping with a Darfur refugee’s medical expenses. Shamal recently was acquitted by a Sudanese court, but the others remain in custody. There have been other similar cases in recent years.

The government also deserves abundant blame for years of conflict which took a tremendous human toll, but ethnic strife has substantially diminished. Creation of the nation of South Sudan resolved the worst of the civil war, though the latter subsequently dissolved into its own fratricidal fight. The conflicts always were more complicated than commonly presented. For instance, though the fighting in the south typically was seen as Muslim versus Christian, in practice it was more ethnic and tribal. When I visited Sudan in 2015, Isaiah Kanani of the Presbyterian Nile Theological College told me “What you see going on in the south has nothing to do with religion. It is about tribal conflict.”

The collapse of South Sudan into civil war in December 2013 demonstrated that the insurgents were no angels. The United Nations has detailed human rights abuses on “a massive scale” and last year warned that South Sudan “is on the brink of catastrophe.” In November Katherine Almqvist Knopf of the Council of Foreign Relations said the country risked genocide, something Sudan long had been blamed for. Washington should feel chastened by the disastrous collapse of its independence project.

The Darfur insurgency to the west was separate and particularly horrid. Moreover, that fighting was, if anything, even more complex: One Sudanese said the imbroglio was an “inter-communal conflict due to migration and crop destruction, plus an insurgency and military movements.” Local fighters as well as government forces were accused of human rights abuses. Jerome Tubiana of the International Crisis Group observed: “The government, the rebels, and all the other players need to work together to stop the violence in all Sudan’s peripheries.” Thankfully “Darfur today is a long way away from Darfur 2003,” observed Badawi. A high-level U.S. diplomat admitted to me that “it used to be a full-on civil war and a full-on insurgency,” but no longer.

That doesn’t mean there is peace, of course. Today some combat continues, but mostly along the new border in the provinces of Blue Nile and South Kordofan (which contains the Nuba Mountains). Again, Khartoum deserves substantial blame, but so does South Sudan, which also has been involved, as well insurgent groups. A ceasefire has been reached, though it also has been oft violated.

In citing intransigence by the opposition Sudan People's Liberation Movement-North, Donald Booth, U.S. envoy to both Sudan and South Sudan, observed that "Just as there are hardliners within the Sudanese government who hold on to false notions that military victory can be achieved, so too there are leaders of the armed groups who believe they are right to fight on no matter what the cost to their people." Thus, he added, "Even though we hold the government to its commitments to peace, we must also demand that the opposition set aside personal political ambitions and put their people first."

Many of the combatants are at least nominally Christian, but the conflict is not primarily about religion. And in none of these cases have sanctions ended or even limited the fighting. The prospect of the removal of restrictions might have encouraged Khartoum to accept the south's independence, which cost Sudan roughly 70 percent of its oil reserves, but Washington's failure to live up to its commitment sacrificed its credibility. On my trip last year a former government minister told me: "it is difficult to take the word of the U.S. seriously."

Obama administration officials realized that sanctions had outlived whatever justification they once had. Indeed, American diplomats in Khartoum with whom I met in both 2015 and 2016 complained that sanctions mostly hurt the wrong people and left them with little ability to influence the government.

Last year Washington began negotiations "to encourage Sudan to take positive steps like ceasing hostilities and committing to providing access for humanitarian relief." A week before leaving office President Barack Obama provisionally lifted, apparently with the approval of incoming Trump officials, sanctions in return for continued intelligence cooperation, access for aid organizations, ending intervention in South Sudan's civil war, resolving domestic conflicts, and combatting the insurgent Lord's Resistance Army. He revoked sanctions as of July 13, subject to certification then that "the Government of Sudan has sustained the positive actions that gave rise to this order." At the same time, the Treasury Department amended its Sudanese Sanctions Regulations to allow currently prohibited transactions as well as unblock Sudanese property. Sanctions remain on named individuals. So does the state terrorism designation.

This change will give Sudan the opportunity to become a normal country again. A White House aide with whom I spoke explained that lifting economic and financial curbs would have "the greatest impact on the general population," which has borne most of the cost of U.S. policy. However, retaining targeted sanctions and the terrorism designation would continue to punish responsible officials and limit military sales.

Nevertheless, the move met with angry opposition. Leslie Lefkowitz of Human Rights Watch called the decision "inexplicable." Eric Reeves at Harvard University complained that "There is no reason to believe the guys in charge have changed their stripes." Esther Sprague of Sudan Unlimited charged that President Obama was "backing off of the commitment to resolve the crises in Sudan." House Foreign Affairs Committee Chairman Ed Royce stated that "much more progress—particularly on the humanitarian front—will need to take place before we can be satisfied."

Unfortunately, sanctions advocates appear ready to sacrifice the good for the perfect. The world is full of bad governments run by bad people. Sanctions won't change that. Moreover, no government will voluntarily dismantle itself, irrespective of the penalties imposed. Some

supporters of the status quo argue that Sudan is at the brink and would yield if only the U.S. more rigorously enforced sanctions and pressured other states to go along. Yet Sudan resisted Washington's dictates even after the secession of South Sudan and dramatic reduction in oil revenue. Similar predictions of imminent collapse have characterized the 50-year embargo on Cuba.

In fact, most of the policy's justifications no longer apply. Admitted one U.S. diplomat: "We put on sanctions because Sudan was promoting terrorism, pro-Iran, had a civil war in the south, and was interfering with its neighbors. Today it is not involved in terrorism, has broken relations with Iran, South Sudan is independent, and there is no evidence it is interfering with its neighbors. You could make the case that the U.S. has achieved all of its objectives."

Sudan's behavior remains imperfect, but is neither unique nor uniquely awful. Noted policy analyst and journalist Phil Giraldi, formerly at the CIA: "Sudan passes the smell test for being a disagreeable regime that is compatible with United States' broader interests." In fact, using Sudan as a standard, the U.S. should launch economic war against a host of other nations.

For instance, Washington currently arms Saudi Arabia, which is less free politically, suppresses all minority religions, has served as a fount of terrorist funding, and is actively engaged in a murderous war against its neighbor Yemen. Egypt, the recipient of abundant American aid, is far more repressive politically and has done little to stop violent attacks on its sizable Christian (Coptic) minority. Pakistan, another aid recipient, has nuclear weapons, interferes in its neighbor Afghanistan, and persecutes Christians and other religious minorities. For years NATO ally Turkey carried on a brutal campaign against its Kurdish minority; until recently Ankara aided the Islamic State in Syria and even now focuses its military activity in Syria against Kurdish forces. Moreover, the Erdogan government has grown more repressive domestically. An American diplomat admitted: "There is inconsistency in our policy. Sudan is not worse than others."

Having failed to reward Khartoum for its improved behavior, the U.S. gave the Bashir government no reason to make further changes. Enforcing isolation left Washington with nothing to offer to encourage change in Khartoum. A Sudanese businessman complained: "You said to release south of Sudan. We did so. What else is necessary to end sanctions?" A member of parliament complained that "Sudanese feel like they are being teased."

Among the more perverse consequences of U.S. policy has been to harm efforts to dry up terrorist financing: by pushing the entire economy toward cash, sanctions made it difficult to track funding flows. A businessman told me that you could walk into any bank in Sudan with a million dollars and they would accept it. Even the State Department acknowledged that "The Sudanese government's ability to monitor illicit finance flows is increasingly hampered by the Sudanese banking sector's difficulty finding correspondent banks to process international transactions, leading most Sudanese to instead move money in cash."

Moreover, Washington effectively opened Sudan for Russia and especially China. I spoke at a conference of the Global Relations Centre last year, where one Sudanese participant commented that "Sudan cannot just stand still until sanctions are lifted. Sudan is left with no choice but to look east to China and Russia." A businessman told me his country was "changing to China." An American diplomat stationed in Khartoum admitted that "China is the best alternative to the U.S.," offering investment while not "meddling with internal affairs."

A study from the University of Khartoum found that Chinese investment “had augmented the technological and financial capabilities of the country’s oil sector” and “strengthened local firms.” A foreign ministry official talked about Chinese officials coming “ready to invest in a lot of areas, not just oil.” The university report noted that Chinese money also was “found to contribute to creation of capacity in import-substituting industries.” By making investment and trade difficult if not impossible for any Western company, Washington’s sanctions have essentially turned the Sudanese market over to less squeamish parties.

Perhaps the most tragic impact of sanctions has been to cause poverty and unemployment, hurting the least of these in Sudanese society. When I visited Sudan in 2015 Hamid Salih Asanay, Minister of Social Affairs of the Red Sea State, complained that “Vulnerable groups, such as women, children, and the disabled, are suffering a lot.”

Of course, that is what one expects the government to report. But the evidence bears out his claim. Last October the Osgood Center for International Studies hosted two speakers in Washington on the impact of sanctions.

One was Aisha A. Haghamed, who currently heads an NGO which advises on using aid and development to assist Sudanese women. She related that six of ten rural Sudanese were poor. Women and children make up about 70 percent of that population, since many men have migrated to urban areas in search of work, leaving “women [to] struggle alone as household heads.” Problems include excessive malnutrition, ill health, and infant mortality.

While there are many causes of Sudan’s economic difficulties, she pointed out that “the severities of economic sanctions have contributed to massive cuts in social services and have adversely affected the health system and health infrastructure.” Moreover, “health indicators are highly correlated with living conditions.” Overall, U.S. sanctions are affecting people’s “livelihood, health, stability and social cohesion.”

The other participant was Ahmed Badawi, a Sudanese and British citizen who worked on country risk and international development in London and Washington before returning to Sudan. Very simply, he declared: “A fundamental truth of blanket sanctions” is that “they have an inverse relationship with the base of the pyramid. They hit the poor hardest.”

He emphasized a point recognized by the poor themselves. Those with money and power find ways to “cushion themselves.” General sanctions never hit people evenly. Rather, “they always hurt those we want to help—ordinary people—while leaving the targets of the sanctions unscathed.” Last year a Coptic member of parliament, Tereza Nageeb Yassa Tawadrous, similarly argued that economic penalties “do not affect officials and elite groups,” but “deepen gaps in Sudanese society and between regions.”

Badawi noted that there is less spending on social welfare and infrastructure. Moreover, by slowing economic growth sanctions have “narrowed” people’s “escape from poverty.” Another impact often missed is the fact that “most Sudanese haven’t seen a Western firm operating close up.” However, Badawi did not whitewash the Sudanese government: “Ending Sudan’s wars permanently and providing international humanitarian access to those affected by the conflicts are both vital.” And he pointed to the use of “smart sanctions” with “a laser-like focus on the actions of individuals whose behavior we want to change” as an alternative.

Exemptions from the U.S. Treasury for humanitarian purposes were available, but Badawi argued that the process was “only a caricature for addressing the unintended consequences of sanctions.” In fact, if one talked to people who applied it was apparent that the exemption process was mysterious, unpredictable, and unreviewable. Moreover, companies, NGOs, and banks often refused to take risks when exemptions were provided, since even an innocent mistake could result in heavy fines and jail time.

For instance, last year in *Foreign Policy* Amy Maxmen detailed how the sanctions degraded medical care. She noted: “These sanctions have become increasingly complex and difficult to navigate over the years, making it tough to import equipment, even such basic items as sutures.”

I visited the Khartoum Cancer Center, which possesses only a small number of radiotherapy machines, which frequently break down. Dr. Ali Bagir Ali Tayib, a clinical oncologist and Projects Director at the Radiation and Isotope Center, complained that the exemption process is “very long and complicated for us.” Some companies refused to cooperate or charged much more for “taking the risk to deal with Sudan.” He and other staffers discussed a number of cases when they could not get spare parts, service for the machines, or training for the operators. It also was difficult for doctors to access the web and keep abreast of medical study.

The impact fell on average folks, not the elite, who sought treatment overseas. While the examples were impossible to confirm, a U.S. diplomat allowed that sanctions did hinder access to such basic humanitarian goods. Another one who had served in Sudan acknowledged that it could take months or years to get licenses. A third said it was “very difficult” to take advantage of such exemptions because many bankers refused any Sudan dealings: “the biggest question is how do you pay for a legitimate transaction?”

Perhaps the great irony is that while the penalties were backed by many U.S. religious groups, among the biggest victims of the policy were Sudanese Christians. I met with a number of religious leaders from different churches. Their typical view was articulated by Rev. Filotheos Farag of Khartoum’s El Shahidein Coptic Church: “we want to cancel all the sanctions.”

He and other Christians explained that it was hard to get medical care; it was difficult to operate businesses; it was inconvenient to buy modern electronics; it was complicated for churches to receive international financial support; it was difficult to fund their schools; it was hard for members to support their churches. A Catholic priest, Antonio Manganhe Meej said that while the U.S. might believe it is punishing the government, it is “only punishing the people,” who “feel it more.”

Lifting sanctions was long overdue. In a region aflame Sudan remains relatively stable and committed to halting the spread of radical Islam. It is evident that isolation has not alleviated human rights failures. The Trump administration should make the new policy work, since U.S. businesses and banks may be wary of opening relationships which could end in just a few months if the new administration reimposed controls. In fact, the Trump administration should remove Sudan from the list as a state sponsor of terrorism, which has not been justified for a long time.

“A lot of people have made money off of Sudan,” an American diplomat told me, while its people suffered. After a quarter century of economic war, Washington should take a different approach. Many Khartoum policies may still offend, but that’s an argument for reengagement. Last year Badawi told me: “U.S. sanctions block Sudan from being what the U.S. wants it to be: stable, peaceful, people seeking opportunity.” It’s time to draw Sudan closer to America and the West.

*Doug Bandow writes about international politics, economics, and development.*