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# RESOURCE-BASED CONFLICT IN SOUTH SUDAN AND GAMBELLA (ETHIOPIA): WHEN WATER, LAND AND OIL MIX WITH POLITICS

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#### Introduction

This article aims at analysing the issue of resources-based conflicts in the Horn of Africa region, looking at two different case-studies – the newly independent country of South Sudan and the Gambella region, the westernmost region of Ethiopia. The main aim is to understand how natural resources may have been or are at the core of the conflicts that have been affecting the two regions over the last decades. It is well documented that oil (a valuable natural resource) has been a main factor of competition and contention in the long-lasting conflict between North and South Sudan. But if we look at the internal conflicts within South Sudan, other natural resources appear as key elements of a complex puzzle of conflicts, whereas access to land and water for livelihoods (agriculture and pastoralism in particular) figure prominently as main sources of conflict. Just across the South Sudan-Ethiopian border, in the Gambella region, similar patterns of conflict can be observed. The aim of the article is not to make a comparison between the two cases, but instead to assess how the management and allocation of water and land resources has been the basis for both conflict and cooperation between different societal groups.

The analysis takes as point of departure that land and water are key resources in the livelihoods of the populations living in South Sudan and Gambella. The two regions have in common the fact of being poor and marginalised in the political context of their respective countries (Sudan, as before the separation, and Ethiopia), whereas the "periphery versus centre" political complexity is evident. When looking at it from a resource perspective, we are talking about two regions where natural resources such as land, water, forests, fisheries and mineral resources (oil, gold, etc.) are abundant. Despite this "abundance", livelihoods and subsistence are still deeply marked by strong vulnerabilities. These vulnerabilities are intimately related to political factors – widespread and long-lasting civil conflict, external political interference, border porosity, dependence on international aid, forced migrations, asymmetric power relations and fragility of institutions, among others – that have been hindering socio-economic development in the two regions for the past decades. This article is an attempt to understand the nexus between the (mis)management of natural resources and the overarching political trajectories.

Finally, this article looks at the latest developments in South Sudan and Gambella and attempts to understand the ongoing "new race for resources", and its possible impacts. In the case of South Sudan,

we see how a potential oil economy has blinded the development agenda in the newly independent country since separation of the two Sudans and, in Gambella, how foreign direct investment (FDI) in large-scale commercial agriculture in the region (since 2009/2010) seems to be affecting local political dynamics and livelihoods.

#### Resource-based conflicts in the Horn of Africa

The Horn of Africa region has experienced plenty of conflicts during the last century – be it interstate or intra-state conflicts, or even proxy wars. Sudan, Ethiopia, Somalia and Uganda have experienced long-lasting civil wars involving heavily armed central governments to opposition groups with diverse agendas – cultural, economic, ideological, religious and/or political – and usually also militarily well equipped (Clapham, 1998). Inter-state conflicts have been less common in the region, although the 1998 Ethiopian-Eritrean war was among the most deadly. But proxy wars have been a common feature of conflicts in the region and "support the enemy of your enemy" has been a main military strategy (Woodward,1996). Ethiopia and Uganda supporting Sudanese rebels, Sudan supporting Ethiopian and Eritrean opposition groups, Eritrea supporting Somali insurgent, and the story goes on.

Although all these conflicts have their own specificities, they often have a characteristic in common – control over natural resources is a bone of contention (Markakis, 1998). Natural resources can include valuable mineral resources such as oil, gas, gold, uranium, etc; but they can also include natural resources such as water, fertile land for agriculture, pasture land, forests, wetlands, that are essential factors in the livelihoods of the region's populations of the. The Horn of Africa region is inhabited by millions of small subsistence farmers, agro-pastoralist and pastoralist communities. The region is home to the three main African livestock producers – Sudan, Somalia and Ethiopia (Knips, 2004). Land and water are key factors of production in the economic activities of these societal groups. Conflict and cooperation between users and uses is as old as history (Fukui and Markakis, 1994). Manipulation of "normal" competition for livelihoods has often been used with political intentions – in order to attain, maintain or expand political power. Examples are plentiful in the region – but resource-based disputes are sometimes more visible as root causes of the conflict than others.

What this article will try to show, by looking at the two examples in Gambella and South Sudan – is that natural resources are often fuelling conflicts in the Horn of Africa region. The main cause of the conflicts may be ethnicity, religion, inequality, underdevelopment, colonial past, etc – but natural resources play a role in fuelling conflicts. Struggles to control the resources can serve to monopolise rents, finance military spending, empower and disempower certain groups or marginalise certain regions. As the cases of Gambella and South Sudan will show, oil, land and water have been key elements in the conflicts of these regions – not only during times of full-scale war but also in times of low-intensity disputes.

#### South Sudan conflict – the role of oil and other natural resources

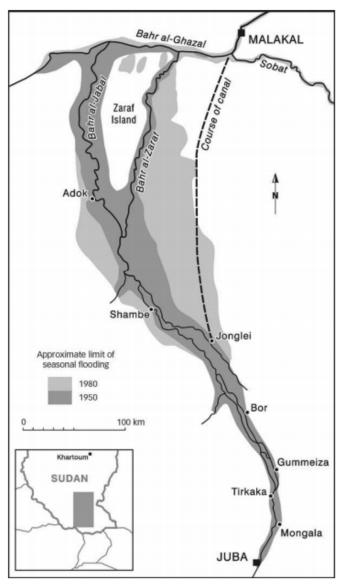
The murky waters of the conflict

The newly independent country of the Republic of South Sudan was born from a series of bloody wars – the root causes of the conflict have been studied by many authors, but it has also been the subject of several intentional misinterpretations (Deng, 1995; Johnson, 2003). Portrayed as a religious conflict by some and as an identity conflict by others, the conflicts have been also intimately linked to control over natural resources (Collins, 2005). This article looks at the particular resource-based perspective of these conflicts.

South Sudan, as part of the whole of Sudan, had been colonised first by the Ottoman Empire (1820-1898) and later by the Anglo-Egyptian condominium (1899-1955). South Sudan would become the southernmost region of independent Sudan in 1956. The north-south Sudan divide started immediately during negotiations for the independence of Sudan at the very beginning of the 1950s, but only escalated to a civil conflict (usually called the First Sudanese Civil War) in 1955, months before the independence of Sudan was declared. The war lasted until 1972, when a peace agreement was signed in Addis Ababa, Ethiopia; among the root causes of this conflict were the different understandings between North and South on how to divide political power, and the autonomy that the South strongly claimed to manage its own affairs, especially the use and development of its natural resources (Johnson, 1998). Seventeen years of war helped to seriously jeopardize any plans for development in the South. But when peace came back, there were high expectations.

Between 1972 and 1983, South Sudan experienced a window of peace and generalised political stability after autonomy was granted to the region by the 1972 Peace Agreement. The region became known as Southern Sudan Autonomous Region. During the post-war period of grace, the South Sudan region was able to focus on its socio-economic development - it experienced rapid agricultural development and became a net exporter of food commodities for both agricultural and livestock products. By then South Sudan was getting significant external support from the international community to foster economic development at regional level, especially by focusing on developing institutions and infrastructures to make use of the country's plentiful natural resources (fertile land for agriculture and livestock, water, wetlands, forests, etc) (Goldsmith, Abura and Switzer, 2002). However, at the very same time, the government in Khartoum was making plans to use the same resources (in particular water) for other types of political adventures. As per the 1959 Nile Waters Agreement signed between Egypt and Sudan (in which the South Sudan region did not have a say), the countries embarked on plans for "water conservation" (Agreement, 1959). These plans included the construction of a 360km mega open-air canal to divert the Nile waters vertically crossing the Sudd region, which was entirely located within the South Sudanese territory. This top-down development approach was in complete contradiction to the terms of the peace agreement, and was not very welcome in the autonomous region.

Figure 1: Map of the Jonglei Canal



Source: Ahmad (2008).

The goal of the Jonglei Canal project was to drain the Sudd wetlands, in order to make more water (around 4 bcm) available for irrigation projects in north Sudan and Egypt. Despite all the expected severely negative impacts (studied by the Jonglei Investigation Team) the government of Khartoum decided to go ahead with it (Collins, 1996). Major impacts were expected on the livelihoods of local communities in the South, in particular the pastoralist groups such as the Nuer, Dinka and Shilluk. Negative impacts included: curtailed water for grazing land, massive resettlement of pastoralist and agriculturalist populations and drainage of the fragile wetlands ecosystem (Howell, Lock and Cobbs, 2009). Moreover, once the canal was dug it would represent an artificial disruptive "border" between the east and west banks of the Nile that would endanger the movement of people, livestock and wildlife in South Sudan. Construction began in 1978 – consultations with the political power in South Sudan were limited and their concerns completely ignored, and the seeds for a new conflict between north and south

were planted. It was probably no coincidence that the communities most affected by the Jonglei Project became the leaders of the guerrilla that would lead the second wave of civil conflict between north and south.

In 1984, when 240 km out of a total of 360 km of the canal had been excavated, the infrastructure was bombed by the SPLA and the damage was huge. Its construction was never resumed. The symbolic message of such an attack was an obvious one: South Sudan was not going to tolerate new colonial adventures in the south and the Nile waters crossing South Sudan were not going to serve the vested agricultural interests of Sudan and Egypt (Goldsmith, Abura and Switzer, 2002). This event was symbolic in the re-start of new conflicts between North and South Sudan – the Second Sudanese Civil War had already been ongoing since the end of 1983. This war would last for more than twenty years (until the signing of the Peace Agreement in 2005) – and its consequences for South Sudan's livelihoods and socioeconomic development were devastating.

## Oil resources in the South – fuelling the conflict

Water was however not the main natural resource at the core of the North-Sudan second civil war, but another globally, regionally and nationally more strategic resource – oil. It was during the peace window (1972-1983) that the first reports about the existence of oil resources in South Sudan territory came to the public domain. Chevron, the big American oil company, began explorations for oil in South Sudan in 1975 but it was only in 1980 and 1982 that major reserves were found out in the Unity region (Goldsmith, Abura and Switzer, 2002). This would change the dynamics of conflict in the region for ever – oil became the fuel in a raging conflict that mixed political power, religion, identity, culture, ethnicity, control over water and land, etc (Prendergast, *et al.*, 2002). The prospects of turning oil into a major input in the political economy of Sudan further blinded the political decision-makers. The struggle to exploit and control this valuable resource was just starting – and no longer involved just the internal actors, but brought to the scene a lot of external actors, such as western countries and private oil companies. In the last two decades of the 20<sup>th</sup> century, the conflict between north and south Sudan became an explosive mix between a battle for political control and a battle for oil resources.

OIL AND GAS CONCESSION HOLDERS Greater Nise Petroleum Operating Company: EGYPT Talisman Energy Inc. (Canada). 4 (Kalkang) Petronas Cargal (Malaysia), Sudapet and China National Petroleum Corpor Gulf Petroleum Corporation (Qutar), SAUDI ipet (Sudar) and China Rational Per oration (SNPG) ARABIA 5 (Central) TotalElfina (France) RED NEA Port Sudan China National Petroleum Corporation (CNPC) ERITREA CHAD NORTHERN KORDOFAN Pil Obeid Ed Danie CENTRAL ETHIOPIA AFRICAN REPUBLIC virol O Panyagor SUDAN eee Open Кароета A USAID DEMOCRATIC 0 Sees Viend REPUBLIC OF UGANDA THE CONGO Controlled by the SPLM 5

Figure 2: Map of the oil fields in Sudan

Source: USAID (2001).

Oil entered the North-Sudanese second civil war in many ways. Oil money helped to finance the conflict by offering extraordinary financial resources to the Sudanese government (as a federal system, the oil was under the responsibility of the central government and not the regional government) to buy extensive military equipment to fight the insurgents. Oil fields became major stages of war – with the rebels using them as targets of military attacks, because these attacks had serious disruptive outcomes for the oil production, revenues, the companies and the government in Khartoum (Goldsmith, Abura and Switzer, 2002). Foreign governments and companies also became part of the complex conflict equation – by taking sides and by directly and/or indirectly contributing to the continuation of the war. The lack of regulations (economic, social and environmental) framing oil production and exportation in Sudan was translated into a "no man's land" complex in which oil companies were operating, and apparently giving

support. Peace did not seem to be factored into the business plans of these companies or the governments backing them.

Throughout the 1980s and 1990s, oil became the *par excellence* resource for fuelling the struggle – it became the central piece of the conflict (Field, 2000). In particular since 1999, when Chinese and Malaysian companies started operating full-scale, oil became the major source of revenues of Sudan. A booming oil economy was on the rise, in particular to the benefit of the elites in north Sudan although more than 2/3 of the oil fields were located in South Sudan. Elites in Khartoum were so inebriated with the oil revenues, that commercial agricultural production (once the main source of state revenues) was completely sidelined in the political agenda. However, with the escalation of the war, exploitation of the oil also became a riskier enterprise because the oil fields became major battlefields, especially in the western Upper Nile region. Not surprisingly, oil also became the centre piece of attempts at reconciliation and fragile negotiations for peace. Contrary to the peace negotiations in the 1960s/1970s, distribution of power was no longer the main issue. It was the distribution of wealth (from oil) that was the main bone of contention. Oil revenues jumped the queue of political priorities – negotiations for peace were negotiations on how to share the oil, with or without secession on the horizon.

In brief, oil has that double capacity of fostering development and conflict at the same time. The Sudan experience shows that oil has helped to improve the economy of Sudan – in particular north Sudan, but not so much South Sudan. Who is to blame for the lack of economic takeover in South Sudan is another question discussed further in this article. But oil had also been the reason for the prolongation and deepening of the conflict – because benefits were not shared equally between different social and economic groups (between north and south or within the two regions). But mainly because it might have provided a source of funds to sustain repressive state institutions, fuel official corruption and/or sustain armed governments and opposition groups (Goldsmith, Abura and Switzer, 2002).

### Peace negotiations and agreement: only oil?

Negotiations for a peace agreement between north and south started in 2002, which led to the signing of the 2005 Comprehensive Peace Agreement (Agreement, 2005). Several issues were covered by the major pre-agreements and initiatives, such as decentralisation of economic and political powers, increased autonomy and possibility for a secessionist scenario, equitable distribution of wealth, development plans for the southern region, etc (Grawert, 2010). Embedded in all these topics was the issue of the management and allocation of natural resources, also a very important component in the backstage calculations of both sides – namely the recognition that good governance and management of the resources (be they mineral, water or land) were indispensable to distribution of wealth and power and a sustainable peace.

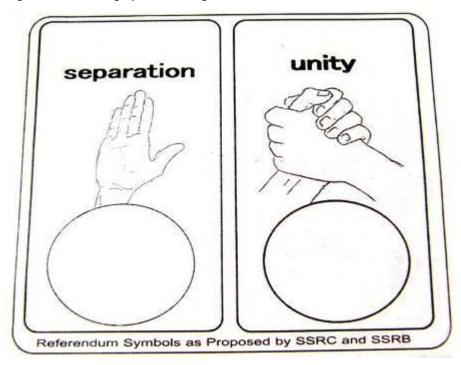
However, when analysing the different protocols signed from 2002 to 2005, it is interesting to note that oil resources and revenues became the major priority of the two parties to the conflict. The three main protocols signed in Naivasha in 2004 – Agreement on Wealth Sharing, The Protocol on the Resolution of the Conflict in Abyei Area and The Protocol on the Resolution of the Conflict in Southern Kordofan and Blue Nile States – were mainly about oil and the strategic regions where the main oil fields were located (Grawert, 2010). The final comprehensive agreement was signed on 9 January 2005, when all the protocols became operational. Decisions about oil production and revenue sharing during the interim period were clearly defined on the basis of a 50-50 per cent sharing formula. The deal was somehow a trade-off: most of the oil fields were located in South Sudan, but the pipelines, refineries and other facilities were located in north Sudan – therefore the wealth should be shared equally between the two parties. This arrangement lasted from 2005 to 2011, when South Sudan became an independent state.

Interestingly enough, other natural resources such as land and water were somehow kept out of the Comprehensive Peace Agreement. Why that decision was taken is an interesting point of debate. If we take into account that historically speaking resource-based conflict (for control of water and land) had always been the source of the conflict between different groups, this absence is surprising but indicates that South Sudan itself had problems on how to deal with these issues. Long-lasting conflicts between agriculturalists and pastoralists (and among different groups of pastoralists) had been a central feature of conflicts within the South, and in the independence and post-independence period this became more obvious.

Independence and post-independence: role of natural resources

According to the 2001 report of the UN Commission on Human Rights, "the government [of Sudan] rejected all accusations that oil revenues would be used to fuel the war and claimed that they were instead invested for the development of the south. So far the government has not provided sufficient evidence supporting this claim" (UN, 2001). Evidence shows that during the negotiations and the interim CPA period, the government of Khartoum not only did not promote socio-economic development in the South but also increased its military spending. The promise from the North to promote development in the South during the interim period (2005-2009), in order to provide serious incentives for South Sudan to vote for unity in the referendum of 2011, failed on several accounts (LeRiche and Arnold, 2012). The magnanimous 99 per cent of votes in favour of the secession (instead of unity) in the referendum of January 2011 was an outcome of this failure, although mixed with other political motivations of the South Sudan leaders. However, what is interesting to observe is that the new South Sudan government in power since the independence seems to be deploying a copycat strategy.

Figure 3: The voting options during the referendum in South Sudan



Source: author.

Since independence, the government of South Sudan itself is being accused of not equitably sharing the benefits of the lavish oil revenues or promoting socio-economic development for the different sectors of the population. It is easy to use North Sudan's interference in the internal affairs of South Sudan as a scapegoat excuse for this lack of development, but it is an argument that is losing credibility as the years pass. Dinka and Nuer leaders, at the top of the power institutions of the new country, are being accused of monopolising the country's resources of the country for their own benefit (ICG, 2011a). Interethnic warfare has been increasing rapidly since independence, opposing the mainly-agriculturalist populations of the Equatoria regions (south of South Sudan), where the capital Juba is located, to the pastoralist groups (the majority in governmental positions). The accusations are deep-rooted in the history of the country, with the agriculturalists coming back to accusations of marginalisation and exploitation; but inter-ethnic warfare is also rampant between the three major pastoralist groups – Dinka, Nuer and Murle – which became a mix between conflicts for control of livestock, pasture routes and now politically powerful positions in the government (ICG 2009; ICG, 2011b).

Resource-based conflicts in South Sudan are back on the agenda – if they ever left – but with new nuances due to some current and potential developments, such as:

a) Interruption of oil exploitation and revenues: after the independence of South Sudan, the 50-50 per cent deal between Sudan and North for the sharing of the oil revenues was over, as it was an agreement only for the interim period (Agreement, 2005). Since then the two parties had been unable to reach a new formula for sharing and oil exploration was eventually shut down (January).

- 2012-April 2013) and the economic impacts were severe for both sides, in particular for South Sudan, which is near a bankruptcy. This had been translated into economic downturn, interruption in the development of infrastructures, increase dependency on foreign aid and ultimately an increasing mistrust between different groups of society (Lieng, 2013);
- b) Unclear economic policy: it is still to be seen what the economic future of South Sudan will be as an independent country. An oil economy but without the institutional capacity to manage the resources and benefits? An agriculture-based economy, that gives priority to improved subsistence agriculture and food security and/or market-led commercial agriculture? An economy based on high-value livestock products for export, like north Sudan is doing?
- c) Land "grabbing": the South Sudan government is being accused of making misuse of land resources in the country on the one hand, appropriating land to which farmers claim property rights (mainly in the Juba area), and on the other hand, selling off fertile agricultural land and forests to foreign investors, where the land lease contracts are far from being transparent (Deng, 2011). Unclear land tenure and unsettled conflict resolution mechanisms altogether make the situation potentially very explosive in terms of social conflicts.
- d) Generalised pastoralist conflicts: successive accounts of bloody cattle raids, communal clashes and violence, revenge attacks and selective killings in regions such as the Jonglei and Upper Nile areas (north of South Sudan) and in the Akobo area bordering Gambella in Ethiopia, make headlines almost every month (IRIN, 2009; IRIN, 2011; IRIN, 2012). The frequency and intensity of these conflicts has been increasing rapidly since independence, and there is no clear resolution in sight.
- e) The return of the Jonglei Project idea: although many see the infamous Jonglei Canal has something from the past, the fact is that resumption of the project is not off the agenda. The CPA says nothing about water resource development, but since independence South Sudan has also been negotiating with north Sudan (and Egypt) on how to use the Nile resources intricate negotiations might lead South Sudan leaders to consider the construction of the canal, as a trade-off for support for other developments such as hydropower that would provide the much-needed energy sources. Many consider that going back to the project would be like calling back the war, as many would feel that once again central governments were disregarding the rights of local people in the Sudd area.

This section has tried to show that resource-based conflicts in South Sudan are not only about oil resources, but also the management, allocation and control over land and water resources. Oil revenues and possible development coming out of good use of these revenues are not necessarily going to make the conflicts disappear, instead they might once again fuel the conflicts, as was the case in the second civil war between North and South Sudan. Dismissing this lesson learned from past experience would be an unwise, expensive mistake for the government and people of South Sudan.

## Gambella – unlocked potential?

## A coveted region

The political history of the Gambella region is *sui generis*. Located in a strategic geographical corridor, where the border between Ethiopia and South Sudan now lies, the region has been the stage of several colonial political power games. The Gambella region (in particular the lowland areas) had been under nominal British control during the 17<sup>th</sup> and 18<sup>th</sup> centuries, and as such was part of the British empire and later the Anglo-Egyptian Condominium; at the end of the 19<sup>th</sup> century, the region was occupied by Ethiopia, which was by then conquering territory southwards of its stronghold in the Ethiopian highlands (Bahru, 1976). Officially, Gambella only became part of Ethiopia in 1902, after long and complex negotiations between Emperor Menelik II and the British, which were translated into a swap of territories between the two empires – Gambella was exchanged for Kassala, located in the northern border of the two empires (Markakis, 2011). After the adoption of the bilateral agreement, Gambella became then the westernmost border of Ethiopia – until 2011 bordering Sudan and after separation bordering the new country of South Sudan.

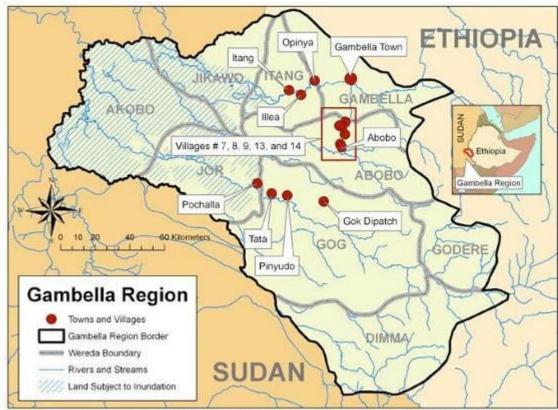


Figure 4: Map of the Gambella region

Source: Anyuakmedia (2006).

The strategic location of Gambella is very much explained by its hydrology – the region is crisscrossed by several rivers (Baro, Akobo and Gilo being the major ones) that are tributaries of the White Nile, and as such part of the geopolitically very important Nile River Basin. The confluence of the rivers is located at the most western point of the border, then becoming the Sobat River and later White Nile River. The river had perfect navigation conditions and had therefore always been considered perfect to become a main corridor for trade (imports and exports) between the neighbouring countries. At the beginning of the 20th century, traders and mercenaries from different parts of the world and the Ethiopian government itself had great plans to transform the Baro-Sobat-White Nile into a major trading corridor and trade station in the Horn of Africa region (Bahru, 1987). By then, Gambella had jumped the queue from a marginal region to the centre of the political ambitious of the government of Ethiopia in Addis Ababa. Grandiose plans were frustrated by the political events that followed – abuses by the imperialist powers, disregard for the rights of local populations (in particularly the Anuak), allegations of slave trade, social instability, political destabilisation and conflicts (Dereje, 2011). As a result, Gambella returned to its position as a marginal and marginalized region in the Ethiopian political context until very recently, as discussed at the end of this section.

White Nill River

Total

Sobat River

Baro River

Akobo-River

Gillo River

Gillo River

Figure 5: Map of the rivers in the Gambella region

Source: author.

#### People and livelihoods of Gambella

Gambella is of the eleven regional states of the federal republic of Ethiopia – the smallest in terms of territorial size and population. According to the latest census the current population of the region is 300,000 people (Census, 2007), although these statistics are contested by many in Ethiopia. Its population is very diverse. The major ethnic groups are the Nuer (46 per cent), Anuak (21 per cent), Highlanders (9 per cent), Kafficho (5 per cent), Oromo (5 per cent) and Mezhenger (4 per cent) (Census, 2007). The Anuak are the original inhabitants of the region and until recently the majority of the population.

Nuer have also been living for a long time between the Gambella region and South Sudan, shifting between different areas due to the transhumance nature of their livelihoods. Highland settlers were moved to the region mainly from the mid-1980s, as analysed in the next section.

Livelihoods in Gambella include subsistence agriculture (Anuak and highlanders mainly), pastoralism and agro-pastoralism (Nuer), fisheries (Anuak) and beekeeping (Mezhenger). The livelihoods of three main groups – Anuak, Nuer and Highlanders – living in the lowlands areas of the region are very much linked to the use of water and land resources (Aleme, 1978; Kurimoto, 1994). Conflict and cooperation have historically characterised the socioeconomic and political dynamics between the three groups. The Anuak have always lived along the Baro and Gilo rivers, practising recessive agriculture – meaning agriculture on the river banks in the period after the floods- as rainfall levels in the region are high from May to August and agriculture usually takes places in the remaining months (Mengistu, 1999).

The Nuer have been moving back and forth in the Gambella and South Sudan regions, where they move with their livestock in a regular basis between the inland (during the rainy season) and the river banks (during the dry season). Access to river by Nuer and their cattle was often based on cooperative processes with the Anuak neighbours, and in times of competition between uses and users conflicts had been usually addressed through traditional conflict resolution mechanisms (Dereje, 2011). The role of the central state of Ethiopia in these processes of conflict and cooperation had been limited (or unsuccessful), at least until the 1980s. The arrival of the new settlers coming from the Ethiopian highlands to the region during the Derg period and the establishment of a new political system in Ethiopia based on ethnic federalism since the 1990s changed the political landscape of the Gambella region (Pankhurst, 1997; Dereje, 2004). The livelihoods of the new settlers had been mainly based on agriculture, as well trade in the last decade.

As mentioned in the introduction, land and water resources are abundant in the Gambella region but this has not prevented resource-based conflict in the region. One of the main factors is the concentration of long-standing and newcomers in the same geographical areas, namely the Baro and Gilo river banks, that has contributed to increasing social tensions between the different groups due to competition for the same natural resources (Mengistu, 2005). Nevertheless, the intensity of the resource-based conflicts has exponentially increased due to political motivations related to the management and allocation of the natural resources, and more recently a race for political power resources. The role of the Ethiopian central state, first during the Mengistu's regime and later during the Meles Zenawi period, had been extremely influential on how customary resource-based conflicts have escalated to widespread mistrust and social conflicts. The next section looks at the critical developments in the region since the 1980s and their impact in the nexus between resources management and political "transformation".

1980s: a population explosion in the region

The mid-1980s are a tipping point in the history of the Gambella region, with two extreme events that changed the socio-economic and political dynamics to an unprecedented extent. The population of Gambella was estimated to be 50,000 people in 1984, and in the following couple of years the population in the region increased sevenfold in a very short period of time (Mengistu, 2005). The first event was the arrival of 150,000 settlers, mainly Ethiopia highlanders, as a result of a resettlement programme including a forced migration policy by the Derg regime in 1984 (Mengistu, 2005). The second event was the arrival of 300,000 South Sudanese refugees and military contingencies soon after the resumption of the Sudanese civil war on the other side of the border. The Gambella region was not only the location of three of the main refugee camps for Southern Sudanese (Itang, Punydo and Bonga), but also where the SPLA headquarters was located. The SPLA received military, logistical and financial support from the Ethiopian Derg regime until its fall in 1991 (Johnson, 1998).

Sobat River

Conflict

AkotseRiver

MAP OF GAMBELA AREA

River

Conflict

AkotseRiver

Also Highlander

Figure 6. Map of population pressure over the riverine areas of the Gambella region

Source: author.

The impacts of these migrations were multi-fold, and it is not the goal of this article to provide an extensive account of them and the enormous changes that they brought, but to look in particular at their

impact on the sharing and allocation of natural resources. But in brief, five major consequential changes can be identified:

- a) Population density: most of the newcomers (from Ethiopia and South Sudan) moved to overlapping or adjoining areas where local populations where already living, helping to increase social tensions.
- b) Competition for resources: access to land and water became more competitive, and severe challenges occurred in terms of land tenure and rights to use the water resources.
- c) Disruption of customary conflict resolution mechanisms: the efficiency of the traditional mechanisms to resolve conflicts among different sectors of the population were disrupted or dismantled, and not necessarily replaced by an efficient new way of dealing with the new types of conflicts.
- d) New layers of power relations: the arrival of the newcomers contributed to the complexity of power relations in the region and increased asymmetries – the already existing ones (empowering some of the local communities at the expense of others) and new layers (newcomers had political resources and networks that the local populations could not benefit from).
- e) Increasing dependency on aid: with the arrival Southern Sudanese refugees, also a lot of international aid agencies arrived providing all kind of humanitarian assistance. This also included food aid, which contributed greatly to the disruption of agricultural production in the region.

In the last half of the 1980s and throughout the 1990s, these challenges became more acute and contributed to a generalised situation of conflict and political instability in the Gambella region. Two different facets of the conflict can be identified. On the one hand, the region suffered from the spillover effects of the civil war in Sudan – military activities also took place on the Ethiopian side of the border (Johnson, 1998; Dereje and Hoehne, 2010). On the other hand, it contributed to the proliferation of a central-periphery type of conflict between the regional powers in Gambella and the central powers in Addis Ababa. This was translated into marginalisation of the region in terms of economic development – few or no investments or infrastructures were made in the region during this period. The exception was the beginning of construction of the Alwero Dam (see next section) in the Gilo River, which would have a very symbolic importance in the years to come. The dam was not completed before the end of the Derg regime however.

#### Post-Cold War Gambella

The end of the Cold War, by domino effect, had multiple impacts on the political kaleidoscope of the Gambella region. By the beginning of the 1990s, a new regime took power in Addis Ababa, replacing the socialist regime of Mengistu Haile Mariam by the western-supported government of Meles Zenawi. In

the aftermath, we can identify two political outcomes with major consequences for the Gambella region. First, the SPLA lost its precious support from Ethiopia, and the Southern Sudanese army had to pull back its troops and headquarters to the other side of the border, but left behind thousands of refugees and traces of political instability (Dereje and Hoehne, 2010). Second, in 1994 the new Ethiopian government adopted 'ethnic federalism' as a new political system, and Gambella (before called Illulabor) became one of the eleven regional states. The political transformations at national and regional levels of power were to affect the region, including distribution of positions in the new regional government. The race for political power was just starting and natural-resource based conflicts took on a new dimension (Merara, 2003).

Although Gambella never became a conflict-free region in the 1990s, conflict would come back in force to the region later, in 2005. The root causes of the conflict could be traced back to the history of Gambella – marginalisation of the region by the central government of Ethiopia, mistrust between local communities (in particular the Anuak) and the Ethiopian central government, accusations of attempted genocide by the Anuak community, tensions between old and new (highland) settlers, etc (Sommer, 2005; HWR, 2005; Chan, 2007). Among the many complaints of the Anuak there was an allegation that customary land tenure rights were not being respected and that their land was being sold off without the consent of the local communities. This claim became stronger in later years because of major land deals between the Ethiopian government and foreign investors interested in large-scale commercial agriculture in the region, as discussed later in this section.

#### Water: a strategic resource

As mentioned previously, the hydrology of the Gambella region is one of the reasons that have made the region attractive to several outside actors. At the beginning of the 20<sup>th</sup> century the river was attractive as a trade corridor that could be used to import and export goods between Ethiopia and neighbouring countries, in particular Sudan. At the beginning of the 21<sup>st</sup> century, the Gambella's rivers became attractive no longer as a highway but because of the water resources themselves.

Ethiopia, usually called the "water tower of Africa" has several rivers running throughout the country, the Nile system being the most important in hydrological and geopolitical terms. The Blue Nile/Abbay, the Tekezze/Atbara and the Baro-Akobo/Sobat rivers are the three tributaries of the Nile Basin in Ethiopia. Of these three rivers, the Baro-Akobo/Sobat river is the second most important (after the Blue Nile/Abbay) in terms of flow contribution – 23bcm of water annually, which means around 14 per cent of the total Nile flows. Despite its vast water resources, little or no development took place in the basin. There are external and internal reasons, such as the complex hydropolitics between Ethiopia and its downstream neighbours Sudan and Egypt, but also the lack of priority given to this basin due to the attraction of potential developments in the Blue Nile. However, it is possible to say that the main reasons

for the lack of development were the persistent political instability in the region. It was only during the Derg regime that this basin's water resources gained strategic importance.

The Alwero Dam in the Gilo River was studied and planned in the Mengistu period, and construction started in 1984. The main purpose of the Alwero dam was to store water for large-scale irrigation. The dam was completed in 1992. Its completion had both positive and negative effects in terms of local livelihoods. On the one hand, it made water available for agriculture in the Abobo area, both for Anuak and highlander populations. It also helped to generate a new economic activity – fishing in the dam reservoir (Mengistu, 2005). On the other hand, it reduced the flow downstream and affected the water available for pasture for livestock. Consequently, the pastoralist populations have been moving more close to the riverine areas and tensions between agriculturists and pastoralists have substantially increased.

Nevertheless, the water in the Alwero Dam reservoir was never used for its intended purpose, i.e. the development of large-scale irrigated agriculture. The irrigation were never built in the first phase of construction (still during the Derg period) and no priority or investment went to it under the new government that came to power in the 1990s. The potential remained there however – and almost thirty years later it looks like the water stored in the dam is going to be used for the purpose for which it was built – as analysed next.

In brief, the waters of the Baro-Akobo-Gilo are a strategic resource for the local livelihoods of the groups living in the region, for the Ethiopian central government and private investors, and even beyond the border for South Sudan, Sudan and Egypt. Are the demands of these different users compatible? This is the big question that needs to be answered. And the socio-economic and political future of the Gambella region lies in the answer to this question.

#### Land and water "grabbing" in the Gambella region

Gambella and its water and land resources are back on the agenda of the Ethiopian government and once again a grandiose plan is dominating the decision-making process. This time we are talking not about navigation but about large-scale agriculture, but where trade is still the key word. The story goes that in 2008 the world woke up to a global food crisis, with an unprecedented spike in the prices of several food staples like rice and cereals. This propelled governments and private companies, mainly from water-scarce countries (such as the Gulf countries), to lease land for agriculture production in many African countries (Pearce, 2012). Ethiopia, and in particular the Gambella region, became particularly attractive to these new ventures. This was because there was plenty of land and water resources available and the Ethiopian government had been offering attractive incentives for direct foreign investment (Cotula, et. al., 2009; Weissleder, 2009). Because of its fertile land, high levels of rainfall and the riverine areas Gambella became a main region for these land deals – and at the same time Mengistu's past slogan that land in Gambella was virgin (i.e. not being currently used) came back to the limelight. The slogan is as much

contested nowadays as it was in the 1980s – land and water are being used by local communities and are therefore not virgin. Despite that, several land deals between the Ethiopian government and investors had been signed in the past five years, and for the first time in history Gambella was making headlines in the international media as the example of what is called "land and water grabbing".

Figure 7: The Saudi Star rice project



Source: author.

As of 2013, two large agricultural projects are starting in the Gambella region. A large-scale rice farm (potential: 140,000 ha of land) in the Abobo area, that will soon start using the water stored in the Alwero Dam reservoir once the irrigation canals are. This project is run by Saudi Star Agriculture Development, a private joint venture between Saudi and Ethiopian investors. The other is a large-scale sugar-cane and corn farm (potential: 400,000 ha of land) run by Karuturi, an India-based private agrobusiness company operating globally. The farms are currently undertaking rain-fed agriculture, but have shown an interest in moving towards irrigated agriculture using the water in the Alwero Dam and/or the Baro River. The lease contracts include deals on the extension (in hectares) of land that the private companies can use for their agricultural activities, though they are somehow omissive about the water resources – but it is a given that they will need water to expand agricultural production. How much water the projects are going to use in the future is still unclear.

Despite all the international media attention given to this new business in Gambella, it is too early to draw conclusions about the impacts these projects may have, both in terms of water (and land) resources and in general political terms. But two major questions can be raised. Will these projects contribute positively to the socio-economic development of Ethiopia and the Gambella region in particular? Or will these projects impact negatively on the already-complex dynamics in the region, by increasing resource-based competition and conflict of interests between the different users? The picture may not be black and white. Extensive fieldwork and interviews with relevant actors in the region indicate that the answer to both questions is yes. The answer to the first question is "yes", as it can help improve the socioeconomic development in the region at least in the short-term by developing new infrastructures (roads, airport, hotels, etc), creating jobs, increasing food production, transfer of technology, increasing smallscale trade, bringing more (national) investors to the region, reducing its geographical marginality and increasing availability of hard currency in the Ethiopian national treasury that could potentially be used for the socio-economic development of the region. But this kind of analysis takes into account only the shortterm benefits, which might not be sustainable in the medium- and long-term future, and when only some experimental plots have been developed within the large-scale schemes. It is also pertinent to keep in mind that for the moment the local populations are still giving the benefit of the doubt to investors (and by default to the Ethiopian government) and are not (yet) being significantly affected by the projects. But this could change at any moment.

The answer to the second question is also "yes" – the mega-projects have the potential to impact negatively on the region and its populations in several different ways. In general terms, if the investors and the government fail to deliver and fairly distribute the benefits/outcomes of the projects, the likelihood of local populations turning against them is high. Dangerous political games of empowering and/or disempowering of some of the local groups at the expense of others, as has happened in the past, can also be extremely risky. But it is the specific concerns related to land and water resource management and allocation that are more relevant for the purpose of this article. Three major risks can be identified. First of all, major abstractions of water resources for the large-scale projects (which will occur as soon as the projects take over in a big way) can reduce the amount of water available for agricultural and pastoralist activities, and this will increase the likelihood of conflict between local groups and companies, and between the different local groups. Second, expansion of agricultural production beyond the current experimental plots may overlap with land areas that are currently being used by the local communities, and the lack of clarity on land tenure, resettlement policies, compensation and conflict resolution mechanisms might be translated into a major uproar with unpredictable negative consequences. Last but not the least, the mega-projects may have medium and long-term negative impacts in the environment deforestation, reduced water quality and increased climate variability - and all of them may have consequential negative impacts on the livelihoods of the local people as well as in the Gambella National

Park, which is located very close to the projects and considered an important asset to the region due to its untapped tourism potential.

In brief, land and water are at the core of the development of the Gambella region but they may also be at the core of potential exacerbated conflicts. The balance may be difficult to reach, but it is not impossible if social, economic, environmental and political dimensions are factored into the decision-making processes. Political wisdom is an essential requirement – and this only possible if the needs and concerns of the local populations are taken into account.

#### Conclusion

The two case studies analysed above put in evidence that resource-based conflicts are intimately linked with political volatility and economic fragility. Gambella and South Sudan are vivid examples on how natural resources conflicts have a social and economic basis. Colonial and post-colonial history has set the stage for complex dynamics that go beyond one single factor explaining why a war/conflict starts and is maintained. Central governments, opposition groups and local communities have operated and interacted in a context where political, legal and institutional frameworks were far from being clear and not informed by notions of common goods and equitable development. In the most recent years, despite the consolidation of state and regional institutions, clarity is not yet taken for granted. Governance structures on how to manage and allocate natural resources are still to be improved – if fair exploration and distribution of resources and wealth is to be achieved. Legal and institutional frameworks to deal with issues such as land tenure, water rights and conflict resolution need to be developed further, such as political and economic governance at all levels – inter-state, state, regional and local.

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