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The Long-term Implications of Education Expansion and Economic Liberalisation on Politics in Sudan

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INTRODUCTION

While there has been much discussion of political violence in Sudan’s peripheries, less attention has been paid to Khartoum, the country’s capital and its historic locus of civic mobilisation. Student protests, union strikes, controversies within the National Congress Party, and an alliance between oppositional parties and rebel groups all signal mounting instability. This paper argues that a more grounded sociological perspective is needed to understand this instability. The Islamists did not merely use military power to seize control, but long-term economic and ideological power to upset sectarian control over politics and reconfigure state-society relations. Specifically, they pursued financial Islamisation, higher education expansion and liberalisation. In the process, they destroyed any semblance of a public, institutionalised system of governance, creating a more private, decentralised and transnational one. The Islamists have thus far demonstrated considerable talents in retaining control over this system, but it will become more difficult as oil revenue dwindles.
The paper draws on three sources: 18 months of ethnographic fieldwork conducted on university campuses and recruitment centres between 2008 and 2010, 159 interviews with civil servants, managers and job seekers and a 400-person survey conducted in 14 different organisations (3 banks, 2 engineering consultancies, 1 large private family business, 4 hospitals and 4 NGOs) and on public buses. This survey was adapted from Mark Granovetter’s study of United States job searching and asked how employees had found their current jobs (Granovetter, 1973). While fieldwork sought to uncover changing employment and recruitment practices, a broader story of political change emerged that warranted attention. This paper links empirical findings on employment to wider questions of state-society relations. More broadly, it engages with ideas about the development of patrimonialism (Bach 2012; Van de Walle, 2012). It is no longer enough to declare a state neo-patrimonial, but rather to inquire what kind of patrimonialism pervades (Bach 2012; Van de Walle, 2012; Kelsall, 2013). Are channels of patronage confined to elites or do they trickle down? Education expansion and liberalisation should theoretically allow a regime to broaden its networks, but such policies may also slacken control and reduce the capacity of the regime to direct the economy for political gain. Such policies may also diminish coordination between non-state actors if such expansions and liberalisations weaken societal trust and communication. A transition from elite clientelism to mass clientelism involves a coordinative structure for directing power and opportunity.

The paper is divided into four sections. The first section introduces the concept of wasṭa, or personal intermediation. The colonial state nationalised relations of wasṭa into an institutionalised and state-centralised system that favoured certain social groups over others. Within this system, alternative political groups were unable to challenge sectarian control. The
next three sections employ a historical narrative charting Islamist strategy to over-turn this system. Section two describes the movement’s role in the Islamisation of finance and the encouragement of entrepreneurship from the 1970s. Section three and four then break Islamist rule into two periods: a period of *tamkeen* (empowerment) from 1989 to 1999 and a more pragmatic period in the 2000s. Section three focuses on the informalisation of state institutions and the disintegration of institutionalised trust, while section four concentrates on the ‘exogenous modernisation’ of the economy through Asian and Gulf investment. This section underscores the regime’s dependence on oil to maintain patronage and contain the instability caused by state informalisation. The conclusion asks whether the disintegration of sectarian control under the Islamists may have laid the groundwork for broader political engagements in future. It argues that while Islamist policies have destroyed the restrictive elite clientelism of sectarian politics, they have done so only through destroying the broader coordinative capabilities of the economy and political system.

1) *WASTA*: LOYALTY PLUS ACCESS TO POWER

During my fieldwork, graduates would smile and ask, ‘So you are studying how people get jobs? So you are studying *wasta*, right?’ ‘*Wasta*’ is the Arabic word for personal intermediation. It signifies both the possession of ties (a person can ‘have *wasta*’) and the person who intermediates on behalf of someone (a person can be ‘one’s *wasta*’). It has become so important in securing livelihoods that young people refer to it as ‘Vitamin Waw’. In my survey of 400 professionals, a clear pattern emerged: *wasta* appeared to be growing more important and stronger.
Figure 1 shows the source of job information used by employees, broken down by age. We observe how older respondents were more likely to have heard about their jobs from central work offices and from newspaper advertisements. In contrast, over 80% of the respondents in the lowest age bracket received information about their jobs from personal contacts. A similar trend is observed when comparing sources of information by period of recruitment. Those hired in earlier periods were more likely to use direct application (government bodies) or newspaper advertisements than those today.

**Figure 1 Source of information about job by age**

Figure 2 shows ‘strength of tie’ by age. Strength refers to the frequency of contact between the informant and job-seeker: if someone saw the contact very frequently prior to the job, she would be classified as a strong tie. Figure 2 reveals the dependence of the youth on very strong ties for job information. A similar trend is again observed when using period of recruitment. Respondents hired in earlier periods were more likely to have been given information by weaker ties than those today.

**Figure 2 Strength of tie by age**

Lastly, the survey revealed that graduates from peripheral areas like Darfur and South Sudan depend on state bodies, newspaper advertisements and on weaker educational and occupational-based ties. These three findings signal that *wasta* is not a tribalistic force rooted in the past, but rather one that is a dynamic and feeding upon liberalisation. I propose that the strengthening of *wasta* in the labour market stems from Islamist policies that have sought to upset sectarian
political control. This upsetting of the institutional order has created a ‘hyper-inflation’ of qualifications and a dissolution of trust between strangers and weak ties. In order to understand this point, it is first necessary to describe how *wasta* came to be institutionalised in state institutions during the colonial period and why the Islamists felt it necessary to restructure society so dramatically. What the rest of this section shows is the dual development of sectarian political governance and state (and elitist) forms of *wasta*.

Cunningham and Sarayrah describe how *wasta* began as an ‘intercessory force’ of conflict mediation in communities (Cunningham and Sarayrah, 1993). A *wasta* was a well-respected community member trusted to intermediate between conflicting parties. When the British colonised the Arab world, this system was hijacked for political expedience. Under colonialism, a *wasta* drew power both from his role as mediator but also as a broker of state resources. If a father wanted his son to go to a government school or if a businessman wanted a government contract, a *wasta* had to be found. Throughout the Arab world, *wasta* was intimately involved in state and nation-building (Makhoul and Harrison, 2004; Al-Ramahi, 2008; Lust-Okar, 2009).

In Sudan, *wasta* developed along three main axes: religious sectarianism, tribal/ethnic solidarity and ideological affiliation. It would be wrong to describe *wasta* as mere ‘kinship’ or ‘tribalism’. Rather *wasta* has mutated within institutions of power in different time periods. It is loyalty *plus access to power*. The colonial period centralised *wasta* in the state, but as this paper shows, more recent manifestations have followed a more decentralising logic.
The British colonial administration used sectarian and tribal leaders to institutionalise the state. Most Sudanese Muslims traditionally belong to one of the major Sufi sects in the country. The two largest are the neo-Mahdist Ansar led by the al-Mahdi family and the Khatmiyya led by the al-Mirghani family. They have historically been characterised by particular geographies, with the Ansar predominating in the West and the Khatmiyya in the East (Al-Shahi, 1981). It was upon this mosaic that state-society relations took shape (Woodward, 1991). The Ansar and the Khatmiyya established huge agricultural estates and trading networks (O’Fahey, 1997; Salih, 2004) and founded the two dominant parties, the Umma and the National Union Party (which later became, the Democratic Union Party) (Willis and El-Battahani, 2010). For those in South Sudan, or indeed among non-Muslims in the North, party politics was therefore problematic. Furthermore, even within the North, sectarian parties were never able to claim an overall majority and were often forced into unstable coalitions. Accordingly, from independence in 1956 up until the Islamist coup in 1989, Sudan experienced three periods of democracy interrupted by two periods of military rule.

Set against this mosaic, the colonial state implanted another source of power. The British saw a trade-off between education and political consciousness. Economic opportunities were thus heavily restricted, first through British, Egyptian, Greek and Levantine networks and then through a class of educated Sudanese elites (Mahmoud, 1984). Education was limited to those necessary for colonial economic development (Sanyal and Yacoub, 1975; Beshir, 1977). Gordon Memorial College (which later became the University of Khartoum) provided the principle entry point and prestigious regional secondary schools like Hantoub, Wadi Sedna, Rumbek and El Fasher acted as feeders, drawing individuals from around Sudan into Khartoum. Graduates were
rare and valuable. If *wasta* intervened, it intervened at the point in which students entered education. The children of the elite primarily gained access but if others entered, they could easily get jobs after graduation (Abdelsalam, 1989; Medani, 1993). Northern Sudanese, and specifically, the Dongolawi and Ja’ali tribes, were the first groups brought into educational institutions and state employment. Known as the *jallaba*, they organised trade through families maintaining positions within the state in order to expand their businesses (Collins, 2008).

The system secured the reproduction of elite power by institutionalising privilege into public institutions (Umbadda, 1990). Foreign investment was channelled through the Ministry of Finance and the Sudanese Development Corporation, and economic development was geared towards large-scale, state-directed agricultural projects like the Gezira, Zande and Kenana Schemes (Barnett, 1977; Bernal, 1991; Hassaballa, 2008). The state engaged in large-scale information gathering and economic coordination, conducting nation-wide surveys and extending communication and transportation links through the extension of railways. The state sat at the centre acting as a ‘gatekeeper’ to foreign investment and national economic policy-making (Cooper, 2002; see also Allen, 1995).

While this system was exclusive, it was also institutionalised, backed by a meritocratic logic. Those who achieved the highest education received the best jobs. It provided the predictability necessary for modern economic development: by restricting education to a small few, universities could ensure the value of their qualifications and allow managers to trust graduates. It is for this reason that we observe weaker ties among job contacts in earlier periods. This was patrimonialism at its purest; the public provision of education allowed for the development of a ‘national’ economy in which trust and information could circulate easily but this ‘national’
economy was dominated by a group of elites best able to monopolise state opportunities through their control of the sectarian-tribal political system.

While this system allowed for the development of a rationalised and some might say ‘modern’ economy within Sudan’s centre, it was ultimately built upon an unstable geopolitical settlement outside the centre. The vast majority of Sudanese were excluded from national development plans (Young, 2013). As Alex De Waal (2009) has written, governance in the peripheries came to develop its own logic, with power from the centre filtering through a ‘patrimonial marketplace’ in rural areas. Northern elites competed to secure the loyalties of patrons in more remote areas and in the context of wider regional conflict, violence increasingly became the medium through which these loyalties were re-negotiated (Prunier, 2005; De Waal, 2009). To De Waal, therefore “[p]opular resistance to misgovernment… birfurcated into a non-violent civic mobilisation in the central part of the country and violent insurrection in the peripheries” (De Waal, 2013: 214).

The governance system was also fiscally precarious. International terms of trade for Sudan’s key commodities deteriorated in the 1960s and planners failed to move into more diversified forms of agriculture and manufacturing. Due to the political influence exercised by the ‘dominant social forces’ of land-owners, merchants tribal and religious elites (Niblock, 1991), subsequent governments struggled to make changes, even when professing radical ideologies. Similarly, leaders were unable to impose measures deemed necessary by international financial institutions because of internal political pressures (Brown, 1990). Numayri’s ambitious ‘bread-basket’ strategy is an example of such a failed attempt. While the scheme could have broadened economic opportunities beyond the traditional elite, it relied on foreign investment and was had
an unsound fiscal basis. When foreign investment dried out, Numayri was forced to engage in a ‘National Reconciliation’ with traditional elites to avert political disaster (Brown, 1990). This reconciliation, however, did little to address the underlying fiscal crisis looming beneath the country’s foundations.

While the Ansar and the Khatmiyya had essentially come to monopolise control over the state’s economic apparatus, alternative political groups were brewing in Khartoum and Atbara (an industrial town in the North). Both the Communists and the Muslim Brotherhood began in universities and professional associations, and particularly within the University of Khartoum’s Student Union (Woodward, 1991; Warburg, 2003). These groups were important to the functioning of the civil service and civil society in Khartoum but they were by no means representative of the wider national population. The next section demonstrates how the Islamists attempted to upset the prevailing system by propagating their own parallel channels of *wasta*.

2) 1970S TO 1989: ‘GOING TO THE MARKET’

The Sudanese Islamist movement emerged from within elite secondary schools and universities. Unlike the Umma and DUP, which could command large voting blocks in rural areas, the Islamists had little appeal outside Khartoum. Their form of Islam was fundamentalist and internationalist, unappealing to most Sudanese (De Waal and Abdelsalam, 2004; Zahid and Medley, 2006). However, as petrodollars began to fill Sudanese pockets in the Gulf, Islamist fortunes began to change (Jamal, 1991; Sidahmed, 1997). As Jamal writes: ‘[r]emittances from the Gulf, in the context of Sudan’s exceedingly bankrupt economy, … [came] to play [a]… formidable role in privileging certain social groups and influencing political developments’ with
‘[t]he political future of Sudan’s Muslim Brethren to some extent depend[ing] on social groups with financial links with the Gulf states’ (Jamal, 1991: 108). Much of this influence was informal, through personal family networks, but much was channelled by the Islamist movement.

The story of Islamic finance is illustrative. Ali Abdullah Yacoub was an Arabic teacher living in Saudi Arabia who became friendly with Prince Mohamed al-Faysal. He convinced the prince to establish Faysal Islamic Bank in Sudan. Having poor knowledge of economic matters, Yacoub approached Abdel Rahim Hamdi, a friend from his political days at university, to help establish this venture (Abdel Rahim Hamdi later became the Minister of Finance).

The new Islamic bank used a rigorous selection process to identify candidates. It offered intensive training by Egyptian specialists from Abu Dhabi Islamic bank. Slowly over time, other banks were established: al-Tadamon, al-Shamal, Gharb and al-Baraka. These banks cooperated to change the system as a whole. Just as Abu Dhabi Islamic Bank had offered training to Faysal, in turn, Faysal sent its general manager, Ali Omar to help establish al-Tadamon. Abdel Rahim Hamdi described this cooperation as part of a wider strategy to launch Islamic finance:

We wanted to expand the idea of Islamic banking and if you have three or six entities, it is better than just playing it alone, in a system that was a little bit hostile. And we wanted to impose upon the Central Bank the idea that this was a system and not just a single company, Faysal Islamic Bank, because the Central Bank was very traditional but when they saw four or five banks, they thought about us and tried to find systems to accommodate us.

One long-standing manager, who had worked in both Faysal and al-Tadamon, backed up this sentiment by describing Faysal as ‘paving the way for the others’. Another singled out the
Islamic Development Company as a place where prominent Islamist businessmen and politicians gained training:

Four or five ministers and two or three general managers used to work in that company, although it was a very small company. The ex-Minister of Justice was the legal advisor (Ali Osman Yassin)… it was a building place for training them, to take this office, together with Faysal Bank [and] Tadamon.

He added that, in contrast to private companies that would have commercial reasons for retaining trained staff, these organisations were ‘not commercial companies- they were breeders for the whole country’. Many former employees went into private ventures in both Sudan and the Gulf, forming an Islamist business network that was sympathetic to the movement. By 1983 Islamists pressures convinced Numayri to islamise all banks and introduce the Civil Procedure Act (Gordon, 1985). In practice many banks continued to operate with interest. However under the new regime, the Central Bank took a more active approach and ‘islamised’ the entire banking field in 1994 (Kahf, 2004).

The new Islamic banks favoured small and medium sized businesses. In 1992 over 90% of their investment was distributed to export/import and only 4% to agriculture, thereby ‘effectively ensur[ing] support for the Muslim Brethren from the middle and lower strata of urban entrepreneurs’ (Jamal, 1991: 106). In contrast, the old guard of merchants, especially those connected with the Khatmiyya sect, was unable to secure access to commercial borrowing. They first turned to the black market and then in 1982, ‘a number of wealthy Khatmiyya merchants established the Sudanese Islamic Bank …[in] a clear bid to regain their monopoly of the country’s retail trade and financial system’ (Jamal, 1991: 107). Nevertheless those who had not previously been embedded in the traditional elite were able to tap foreign investment. As one
non-affiliated manager joked, in reference to the Islamist movement: ‘They have been telling us, you have to go to the mosque, you have to go to the mosque but all this time, they have been going to the market’. The Islamists were building up their own channels of *wasta*. Crucially these channels drew their power, not from proximity to the state or to the Ansar and Khatmiyya, but rather from remittance flows, Islamist societies and international Islamic finance.

One recipient of a Faysal loan was Samia Shabbo. She studied at the University of Cairo, Khartoum branch (later renamed Neelain University) and was involved in the Islamist movement while at university. Samia began trading at age twelve and by age eighteen, had a ‘mini-factory’ using six machines and six workers. She then moved into women’s photography. At this point, an Islamist social club established by Hassan al-Turabi supported her. In 1987 Samia received a loan from Faysal Islamic bank to start her own photography company. Later she established two salons and a wedding boutique. She is currently running the Businesswoman’s Association, with Widad Yagoub Ibrahim. In cooperation with the Family Bank, it has started a development centre to help other women businesses. The Businesswoman’s Association also has links with the Businessman’s Association and the Chamber of Commerce, both of which were privately described as ‘dominated by Islamists’. One foreign economist seconded to the Ministry of Finance expressed his frustration that these organisations dominated meetings and made it difficult to identify non-affiliated businesspeople.

This entrepreneurial approach trickles down into the younger generation. Both the *shabab al-watan*, (Youth Federation) and the *shabab al-benaa* (Youth Building Association) are affiliated with the movement. The *shabab al-watan* provides vocational training and micro-credit loans to
unemployed youth in 117 centres. The government also has a similar state project, the Graduate Fund, re-established in 2003 by the President and the Minister of Welfare. Under previous governments, it was charged with finding state employment for graduates, but under the Islamists, it has focused on providing support for self-employment and entrepreneurship. One the manager of the Graduate Fund revealed that he had worked in both shabab al-benna and shabab al-watan and had also been involved in local politics as an Islamist candidate. He described how his political connections allowed him to get training and access to important people, so that he did not ‘need to go to the wazifa rasmia (formal employment)’.

While the Islamists were gaining power within the market, they were still politically weak. The deepening of the fiscal crisis would provide them with an opening. In 1985 economic pressures led to a popular uprising that toppled Numayri. Elections were held and the Islamists managed to secure a handful of seats, but the Umma controlled parliament. From 1986 to 1989, Sudan stumbled along under an unstable coalition, with the Islamists first lending support to the Umma, then retracting support when the DUP pressured the Umma to make peace with the SPLM rebels in the South. Fearing the repeal of Shari’ah law, the Islamists pulled out. The remnants of Numayri’s poor economic management and the conflict in the South made it difficult for the Umma to hold on.

In 1989 a military coup put an end to this short period of democracy, with the military soon installing an Islamist government. The new regime was highly suspicious of state institutions and universities, wary of their role in the downfall of former military regimes. It therefore pursued a harsh policy of tamkeen (empowerment) to capture the state for itself. The following sections
describe two processes that the Islamists used to reconfigure the state: *tamkeen* and liberalisation. While these two processes overlap, I deal with them consecutively as the first process diminished in 1999, following a political split and the coming of oil.

3) 1989-1999: *TAMKEEN*

*Tamkeen* refers to the period when the Islamist regime sought to empower itself and consolidate its control over the state. *Tamkeen* can be understood both ideologically, as a way of imposing ideas about Islam onto society, and politically, as a way of eliminating opposition. This section focuses on the informalisation of state institutions and the privatisation of *wasta* during *tamkeen*.

In the early 1990s, universities were purged of political influence and the curriculum was 'Islamised' and 'Arabised' (Breidlid, 2005; Bishai, 2008). The number of public universities increased from four to twenty-four in a seven-year period and the system was decentralised into new regions (El-Tom, 2007). The re-classification of secondary schools, polytechnics and religious institutes fuelled this expansion. Financial responsibility was devolved and universities began to offer 2 and 3-year diplomas in an effort to raise funds. National intake rose from 6,080 in 1989 to 13,210 the following year and to 132,047 by 2008 (Assal, 2010).

These changes reduced educational quality substantially (El-Tom, 2007). One university professor summed it up by describing how she felt she was working in “a pretend university… that [was] giving out false qualifications”. While members of the movement now justify the expansion as a response to the high social demand for education, it may also be interpreted as a way of diluting the power of the University of Khartoum. Both the 1964 United Front of
Professionals and the 1985 Gathering that toppled former dictators had strong connections to the University of Khartoum and its graduate constituents. The Education Revolution thus allowed the regime to simultaneously weaken potential political opposition while extending an ideological education to large numbers of youth. As the system expanded, education moved out of its colonial mentality, no longer reflecting economic needs, but becoming a joint neo-liberal Islamist endeavour. A ‘hyper-inflation of qualifications’ ensued, with expansion largely driven by commercial and profit-making pressures within universities, and by radical social and political interests within government.

The regime also weakened trade unions, first abolishing them and then consolidating them into a single union. Ever since, the head of Sudan’s Federation of Workers Union has been an Islamist politician. Similarly tamkeen involved a wide-scale re-shuffle of all branches of government: military, civil service, parastatal companies, universities and even some private businesses. In the Sudan Development Corporation, one interviewee estimated that at least 45% of staff was replaced. When asked how the Islamists knew who was loyal, he replied:

You know, these people, the regime, the party, or the Muslim Brothers, to be clear, they know each other, starting from the elementary school, secondary school, the high school, the university, they know each other and they don't trust anybody who is not part of the team. That's why, to make sure, that nobody will disturb their rule, they opted to just dismiss those who were not part of them.

University proved to be the place where people had become ‘known’ and those affiliated with the communists or the two sectarian parties were replaced. While these policies allowed the party to gain control of the state and carry out its radical social policies, tamkeen had a number of undesirable effects.
First of all, *tamkeen* isolated Sudan. Due to the regime's connection to Osama bin Laden, Sudan was placed under US sanctions in 1997, which were further increased in response to the violence in Darfur. Companies with US interests refrained from having direct business links. In 2005 the United Nations also imposed economic sanctions and made European companies more hesitant. By now, the fiscal situation had also deteriorated and Sudan was finally declared uncooperative by the IMF and was unable to receive loans.

Secondly, the politicisation of the universities and civil service greatly weakened the government and private sector’s ability to function. Those with experience were replaced with people with little or no experience and patterns of recruitment and promotion became heavily influenced by personal preference. Institutions like the Ombudsman and *lajnat ikhtiyar* (recruitment office) lost what little power they had (Numayri had also weakened them), while the legal system grew so politicised that international jurisdictions became routine for corporate arbitration proceedings (even when the government was a party). Constant shuffling of civil servants had the effect of compressing the regime’s time-frame, encouraging short-term corruption over long-term vision. Similarly, it became more difficult for those in the private sector to trust others. For example, the level of prestige associated with the older universities disappeared. The degradation of qualifications had the effect of stopping managers from advertising positions openly. Instead, they relied on personal recommendation or used the internet, which they perceived as being more elitist and therefore ‘safer’. Managers could not afford to filter thousands of applications on the basis of ‘public’ information like qualifications and so they increasingly kept information about vacancies private.
Thirdly *tamkeen* aggravated the flight of skilled workers and encouraged students to travel abroad to seek meaningful qualifications and training. This had the effect of distributing members of the traditional elite around the world. The success of DAL group, Sudan’s largest and most diversified company testifies to the importance of transnational networks in re-building the private economy (Mann, 2013). DAL has succeeded precisely because it has used Sudan’s displaced elite, luring them home and building internal capacities that do not rely on the state. *Wasta* grew more globalised, as members of the diaspora became ‘gatekeepers’ of extraversion in their own right (Cooper, 2002). A transnational *wasta* emerged.

Lastly *tamkeen* had a profound effect on the Islamist movement. It had emerged from within a very limited number of prestigious schools and universities. Student bodies were small and students knew one another intimately. As universities began to expand, new Islamists could not be known in the same way. Influence through ideological devotion gave way to influence through powerful families and strategic political alliances. Today it is common to find highly ‘Westernised’ children of leading politicians benefitting from the older generation’s piety, while those on the periphery of the movement have begun to struggle and dissent. One professor who had been close to important Islamist politicians at school complained they were now inaccessible. If others asked him for favours from these politicians, he would direct them to the mosque at prayer time because he said, ‘that is the only time you see them’. Another Islamist in a less powerful government body reflected this frustration, countering, ‘if “*alwalaa gabel al-addaa*” (loyalty before performance), then why can’t my son get a job?’ Another professional elaborated:
Within the NCP, there is now three generations. The old guard, the middle one and you could say, my generation or even younger. What is important, what will give you access to everything is if you have history with them, if you joined early or if you didn't join early but your father did. That will give you access… You can't be NCP anymore. Yes, of course, you can join but you won't be accepted within the old guard. Yes, you will be NCP but you won't have the benefits.

Many interviewees stressed a change of direction in 1999, when Hassan al-Turabi was pushed out of the party. He had been behind some of the regime’s more radical policies but he had also been popular among Darfurians. When he left, Darfurians came under increasing suspicion and they were purged from government and security (De Waal, 2005). In response, the Black Book pamphlet appeared on the streets of Khartoum, documenting the dominance of the awlad al-bahr (children of the Nile) in government (Collins, 2008). Many managers used the Black Book as a justification for distrusting Darfuri applicants and employees, who they considered ‘trouble-makers’. Similarly, among members of the wider population, the threat of Darfur’s violence spilling closer to home made them more wary of political instability and thus more sympathetic to the government.

In the beginning, tamkeen had been about ideology. The Islamists had isolated Sudan from the Western world to transform it along Islamist lines. They had spent millions of pounds of zakat taxes re-orienting people in Islamist training camps (De Waal and Abdelsalam, 2004). They had expanded education dramatically and Islamised the curriculum. However, over time, the institutional basis of the state disintegrated and the party jettisoned its radicals. In 1999 the movement changed its name from the National Islamic Front to the National Congress Party to reflect a change. After the signing of the Comprehensive Peace Agreement with the SPLM in the
South and the outbreak of violence in Darfur, the pragmatists realised that they had to find new ways to win Northern support.

Speaking to members of his party in 2005, Abdel Rahim Hamdi, declared that in the interests of winning the forthcoming election, ‘[their] mandate [was] to talk about investment… [as] a party manner and not a government nor a state affair’ (Hamdi, 2005). He singled out the ‘geographic North [as the] decisive voting bloc’ and distinguished between ‘international investment’ flowing from the Oslo agreement that would go to areas ‘predetermined in the Peace Agreement’ (South Sudan and the transitional areas) with ‘Arabic and Islamic investment, both official and private [which] will go to the Geographic North’ (Hamdi, 2005). He added: ‘As we in the North have personal and official connections with the investors in this category, we can influence it much more than our chances with Western/European investment’ (Hamdi, 2005). There is some evidence to suggest that the government did indeed attempt to extend the party’s presence in rural areas in the year leading up to the 2010 election. One engineer described how ‘researchers’ were sent into rural areas to talk to residents about their needs and explain that the party (not the state) was bringing water and electricity. Similarly interviewees in Khartoum revealed how senior staff members attempted to use their positions in organisational hierarchies to mobilise voters. Hassan al-Sauori, a professor at Neelain, explained how the NCP was the first party to really do this, describing:

The DUP Party was depending on sect and sectarianism is deteriorating and diminished. They did not get ready for recruiting other people, not from the sect and the same with the Ansar; they have four or five wings in the Umma party, four or five wings in the Union party. But now, when you are in government, you make patronage to have some connections… patronage, patronage all over. They go to this village and they give them electricity, they give them water and this is the only government who did this for us. Patronage, now, is working everywhere. Not politics, patronage. Because they have
something, they will vote for them. Not because they are Islamists.

To fund this patronage, the party abandoned its ideological commitments to social transformation in favour of a more pragmatic form of political control. It began to work with Gulf and Asian partners to privatisate the state (Hibbou, 1999) and ‘exogenously modernise’ the economy (Westerfield and Abbink, 2004). However, as the next section demonstrates, patronage and waste at the ground level became more disorganised and difficult to direct.

4) 1999-2013: LIBERALISATION

This last section deals with the period after 1999, when the Islamists used oil revenue to redirect rents and to ‘exogenously modernise’ parts of the economy. They had always been committed to a neo-liberal agenda, but the specific form of that agenda changed with time. From the 1970s onwards, their economic power emanated from a vibrant entrepreneurship among small and medium businesses. Once in power, they used the neo-liberal planks of privatisation and liberalisations to correct macroeconomic problems (thus garnering some acceptance among established businesspeople) and to transfer economic power from traditional state elites into politically affiliated hands (International Crisis Group, 2011). Once oil began to flow, this politicisation of the economy became more effective, as foreign investment from Asia and the Gulf allowed them to develop new, profitable parts of the economy. Lastly, privatisation removed economic demands on the state caused both by tamkeen and by external political sanctions. This section concentrates on these last two aspects in detail.

If we contrast the fate of Sudan Airways with that of the Sudanese oil industry, we see how much liberalisation has re-configured the state. Sudan Airways has been badly affected by
sanctions and cannot import necessary parts. In 2007 it was privatised and sold to mainly Kuwaiti investors. The government retained a 30% share, but derives little benefit. In contrast, the rents from its sovereignty in relation to foreign airlines are huge. Each time a foreign plane lands, the government receives landing fees, flying fees, baggage handling fees, passenger handling fees and customs fees, so the more ‘frequency’ an airline has, the more it pays to the government. The government is now taking part in negotiations over the ‘Open Skies’ policy, which will allow commercial airlines to have as many ‘frequencies’ as they want.

Privatisation has therefore allowed the party to re-orient itself away from the liabilities of state enterprises towards partnership with foreign investors. Describing similar developments in the Ethiopian agricultural sector, Jon Abbink has referred to this kind of partnership as an ‘exogenous modernisation’ in which political elites use foreign expertise and investment to compensate for the weaknesses of the domestic economy (Westerfield and Abbink, 2004; Abbink, 2011). In Sudan, this strategy is clearest in the petroleum sector.

Prior to the South’s secession, Sudan had large petroleum reserves but insufficient infrastructure. Therefore, the government established the Greater Nile Petroleum Operating Company (GNPOC), a body composed of four companies: Chinese CNPC, Malaysian Petronas, Indian GNC and Sudan’s state company, Sudapet. These companies competed for access to blocks and construction tenders. This situation set up a reciprocal relationship between the NCP and foreign companies and a new kind of economic space, neither public nor private but ‘outside of Sudan’, as one Sudanese petroleum employee put it.
This employee graduated from a Humanities program at the University of Khartoum and immediately got a job at CNPC through his uncle. He declared that CNPC ‘didn’t follow the [quota] rules’ and estimated that ‘even today (2009) less than 40% of the office [was] Sudanese’. He felt that Sudanese employees were just ‘extras on a set’, present because the government forced CNPC to hire them. He believed that the majority of his Sudanese colleagues had gotten their jobs through relatives in the NCP as part of a reciprocal relationship in which companies received tenders in return for favours (in my interview with the Sudanese HR manager at CNPC, I was told that all appointments went through the lajnat ikhtiyar, the government recruitment office). In one case, the niece of a powerful politician came to work. She was fired two days later because, as the Chinese managers described, ‘she was lazy’. Despite the short nature of her commitment, she received a six-month severance package.

Another graduate studied in the Department of Petroleum at the University of Khartoum. He received training in the Malaysian company, Petronas and upon graduation came to work in the company. He admitted that employment was ‘a little bit political’. Along with high performing students, the relatives of politicians would receive preferential treatment. He explained that these relatives would be sent to the University of Petronas in Malaysia and would return well qualified. Another graduate gave an indication of how such selections worked:

In the year 2002, [an oil installation company] wanted to recruit five people. They were supposed to have been chosen through the direct result of 20 interviews, which had been chosen from the result of a 1,800-person test. Unfortunately of the five people employed, three of them didn't even go to the exam.
As domestic higher education continues to expand and quality does not improve, foreign education becomes more important to the Islamists in retaining their control. In effect, they are re-institutionalising *wasta* but through international institutions.

In 1999 only 32 Sudanese students were enrolled in Malaysian universities (Khalid, 2004) but by 2010, that number had jumped to 3,000 (Lim and Mun, 2010). In 2010 this foreign training was officially extended to civil servants, with the Minister of Human Resources announcing a partnership that would train 4,000 to 5,000 senior public officials at the University of Malaya (NPUMA, 2010). Some students receive scholarships but many more finance their education through independent means or through government schemes controlled by the regime. Many interviewees complained such opportunities were restricted to those with *wasta* through the party.

The patronage potential of exogenous modernisation exceeds those employed in the oil sector. A 2007 World Bank Public Expenditure Report indicated that the Sudanese government had made substantial increases in civil service employment in both North and South Sudan from 2001 onwards (World Bank, 2007). Although unclear on specific categories of expenditure, the data reveals concentrated expenditure in the transferring of federal funds to local government, SPLA demobilisation and South Sudanese bureaucracy, increases in federal salaries (particularly within security and defence) and investment in large projects such as the Merowe Dam (See also Martini, 2012 for information about increased military spending).
This pattern of expenditure reveals opportunities for patronage. Firstly, patronage through exogenous modernisation has extended to other fields, notably engineering and construction. For example, Merowe Dam was jointly funded by the Sudanese government, China’s Import Export Bank and several banks from the Arabian Gulf. Its construction and implementation was likewise carried out by Chinese, French and German engineering companies. Secondly, oil wealth could have played a role in both the distribution of funds to strategic military and security officials and the electoral patronage described in section three. In particular, the transfer of federal funds to local levels of government (in line with the government’s decentralisation strategy) would have provided immense opportunities for patronage, especially under conditions of poor transparency. As Giorgio Musso (2012) has demonstrated, the NCP had strong popular support in the 2010 election. They did not need to engage in wide-scale fraud because many Northern constituents viewed their watered down radicalism up against their ability to provide development projects, and deemed them vote-worthy. The 2010 election could have moved Sudanese politics closer to the norm of other Arab countries where, as Ellen Lust-Okar has argued, voters elect those candidates who are most able to ‘work with government’ and therefore best deliver public services (Lust-Okar, 2009).

The regime has thus used foreign investment, foreign operational expertise and foreign educational facilities to exogenously modernise strategic parts of the economy, re-distribute power within government and channel patronage to constituents during elections. In contrast, less powerful ministries and those living in politically less valuable areas do not enjoy such benefits. Here, there has been an informalisation of formal procedures and a shifting of
responsibility onto local communities to provide public services and assist young people in accessing opportunities (Pratten 2000; Abdalla, 2012; Zug, 2012).

This fracturing between weak and strong parts of the state is undermining the regime’s attempts to promote graduate entrepreneurship and reignite the vibrancy that once gave the Islamists popular grassroots support. For example, a consultant of the Graduate fund explained how low-level taxes (often informal and illegally imposed) weaken central government efforts:

one of the biggest obstacles is the enabling environment, that is to say, the legislative, the laws and the administrative laws in the local community and local municipalities. These constraint those fresh graduates' enterprises… these taxes hinder them and stop their businesses in most cases, but the project… made an intervention with the governance in the states so as to exempt this segment from so many taxes, but nevertheless, the local authority come and say this and this is really a dilemma.

As in Egypt, the NCP have tried to co-opt the discourse around self-reliance and entrepreneurship as empowering for graduates (Elyachar, 2005). They tell students that ‘Education is no longer about employment; it is about knowledge and personal development. Graduates are responsible for making their own economic livelihoods’. However, old expectations remain; the belief that education brings social mobility cannot be so easily undone. When graduates try to start entrepreneurial ventures, they experience excessive and illegal taxes in the first three years and political predation from affiliated competitors. The regime is losing control of wasta at the ground level. While oil wealth has been easy to centralise and control, wealth associated with informal entrepreneurship is much harder to control and the regime lacks the discipline and institutional mechanisms for directing its power through organisations such as
the shabab al-watan, the Graduate Fund and through its affiliates in Islamic banks. The Graduate Fund, for example, has been vastly underperforming and has been unable to meet its targets. Meanwhile, the growth of Sudanese enrolment in foreign, and particularly Asian universities, has created strong feelings of resentment and exclusion among those who cannot afford to travel abroad. The structures that have been built to engage youth are therefore inherently unstable, discharging powerful frustrations as their size grows bigger each year.

The use of exogenous modernisation for broader forms of patronage has been fuelled by oil, providing enormous short-term benefits, enlarging budgets to unsustainable levels and reducing pressures for long-term fiscal and structural reform. Sudan has a weak tax policy and administration, with the World Bank describing: “As a whole, the tax system is fragmented, unevenly applied, and suffers from widespread exemptions and tax holidays that limit the effectiveness of the existing regime- a weakness made possible by continued gains from the oil sector” (World Bank, 2007: 13). The same document details poor communication and coordination between different ministries of government (also documented during my fieldwork). Statistical knowledge on which to base projections and make decisions is meagre. For example, the last labour survey was conducted in 1994, long before education expansion had had time to impact the economy. Liberalisation has thus provided opportunities for short-term gain, but has weakened long-term capabilities to coordinate and control. In other words, while the oil wealth provided opportunities for mass clientelism in the 2010 elections, it is unclear how this system can be sustained in a post-oil political environment.

CONCLUSION
The Islamists had to do something radical. Coups and dictatorships had come and gone, but each time the dust settled, the old sectarian order would re-emerge. The elite was simply too engrained in the country’s fabric. If the Islamists wanted to upset this order, they would have to shake society to its very core. They first began to Islamise the financial system, creating incentives for small-medium enterprise. Upon taking power, they launched *tamkeen*, replacing large sections of the civil service with loyal party members. They privatised and liberalised the economy. They initiated an Education Revolution that expanded universities nearly ten-fold. Thousands of young people entered universities, diluting the restrictive meritocracy of the former elite and making it difficult for young people to become known both economically (as job candidates) and politically (as members of parties). After twenty-four years in power, the Islamists succeeded in creating a very different social order, but in the process, scattered former elites around the world and destroyed any semblance of institutionalised trust at home. *Wasta* became more private, decentralised and transnational. The NCP is an Islamist government, but perhaps more importantly, it is an economically neoliberal and internationalist government.

*Wasta* has not diminished despite the dissolution of state institutions under *tamkeen*. Rather, relationships of power and loyalty have mutated to reflect changing institutional landscapes. Power has become more personal and arbitrary. In place of institutional privileges, the Islamists have asserted their power through individuals and social networks. They were able to escape the creative destruction of *tamkeen* by using oil wealth and support from foreign investors to re-orient the economy and engage in an incipient mass clientelism. Now that South Sudan has seceded, weakening the North’s control over oil, the regime will struggle to maintain control beyond military and security repression.
While Islamist policies have broken the patrimonial basis of the former elite, they have not replaced it with an apparatus for coordination that has any coherence or stability. Expectations have widened but coordination has weakened. More people have been brought into contact with the state and political system through urbanisation, education and liberalisation, but in the absence of oil revenue, it is unclear how the regime will engage these people in future. The government must re-consider its economic policies in light of the weakening importance of its sovereignty in relation to foreign investment. Without oil, occupying the state is not enough to bring about economic development and access to patronage.

Sudan has long been regarded as a potential breadbasket for the Arabian Gulf and the agricultural sector is labour-intensive and spatially spread. Agricultural development could halt increasing youth unemployment and ease urbanisation pressures. Yet many businesspeople confide the regime has squandered its opportunity to use oil wealth for agricultural modernisation. Exogenous modernisation, akin to Ethiopian agriculture or to the Sudan’s own oil sector, seems unlikely. Foreign investors appear hesitant, considering Sudan too risky and underdeveloped in both infrastructure and human capacity. As Woertz writes: ‘many of the involved Gulf institutions do not have a single agro-engineer among their ranks and are at best in a process of commissioning feasibility studies and scouting land leases’ (Woertz, 2011). It is suspected that many agreements are purely speculative. In the long-term, the Islamists would do well to focus on its educated and unemployed youth, synching their education once more with the needs of the economy. Evidence from other countries suggests that strong industrial policy is required to jumpstart risky sectors and overcome collective action problems (Kelsall, 2013). To
do this, the regime must re-institutionalise coordination and restore a functional civil service.

Sudan’s case has wider relevance. While scholars such as Tobias Hagmann and Didier Peclard have framed the negotiation of statehood and state power as a competition over the ‘institutionalisation of power,’ scholars should also strive to understand concurrent de-institutionalisations of power in their analyses of political regimes (Lund, 2006; Hagmann and Peclard, 2010). Similarly, Frederick Cooper’s (2002) concept of the ‘gatekeeper state’ must be revised in countries where alternative political groups have challenged state institutions in order to build their own power bases. The Islamists came to power precisely by channelling non-state remittances into Islamist networks at home, thereby bypassing the traditional elite’s monopoly over state extraversion. Now that the Islamists control the state, unaffiliated firms like DAL Group are similarly using the diaspora to build independent power outside state control. *Wasta* under the Islamists has become more private, more decentralised and more transnational, no longer confined to state gatekeeping. Lastly the paper signals that transitions from elite clientelism to mass clientelism involve both political will (and incentives) and a coordinative structure for directing power and opportunity to new groups.

There will be no return to the old sectarian politics and elite-clientelism of the past. The urban population has simply become too large, too diverse, too transnational and too educated to accept it. At the same time, the Islamists have not managed to build a very successful structure upon which to instrumentalise contemporary *wasta* for mass engagement. While the expansion of higher education and the liberalisation of the economy might have enlarged the possibilities for participation and co-optation, strong institutions and real economic opportunities are needed to
institutionalise that potential into political capital. Luckily for the Islamists, no other political group seems capable of instrumentalising contemporary *wasta* either. What happens next is therefore unpredictable, with a broken state and a regime that has enlarged expectations beyond its own capabilities to manage. Perhaps hope can be found in Sudan’s large and growing diaspora, and in the cumulative efforts of domestic initiatives to resuscitate educational quality and build pockets of competence within the civil service and private sector. However, building such coordinative capacities in opposition to a repressive political elite is a tall order, perhaps unprecedented in African history. Political acquiescence may therefore be needed. Let us hope the Islamists decide to cooperate.
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