SOUTH SUDAN

The unwinnable war

Behind the front lines with rebels in South Sudan

Inside the front lines of South Sudan's unwinnable war

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By Simona Foltyn Jul 4, 2017

Photos by **Jason Patinkin**

KAJO KEJI, South Sudan — Two Toyota pickup trucks filled with heavily armed rebels rattled down a bumpy dirt track. The convoy steadily advanced toward the front lines near Kajo Keji, a small town in the southern Equatoria region of South Sudan that has recently become a hotspot in the country's civil war.

"Salva Kiir has looked for trouble this year," the soldiers sang in call-and-reply, taunting the ruling president they're seeking to oust. "This year it will be fire! Next year it will still be fire!"

The trucks came to a halt in Loopo, about two miles from the front line. The soldiers fanned out as Moses Lokujo, brigadier general in the rebel army, walked through the deserted village. Two weeks earlier, anticipating defeat, the rebels had retreated in what Lokujo described as "tactical withdrawal." When they returned a week later, they found government forces had looted and destroyed Loopo's primary school and torched most of its huts.

Across Equatoria, villages like Loopo are being swept up in violence as government and rebel forces vie for control, spelling destruction for once idyllic farming communities and signifying something deeper: Neither side is anywhere near securing a decisive military victory.

Rebel general Moses Lokujo stands surrounded by his troops in Loopo, an abandoned town in South Sudan's Kajo Keji county.Jason Patinkin

This is now the second war Lokujo, a 39-year-old ethnic Kuku from Kajo Keji, has fought on his home turf. At age 15, he joined the SPLM, the Sudan People's Liberation Movement, then a rebel group that sought to liberate the marginalized south from Sudan and its longtime president, Omar al-Bashir.

After 22 years of fighting, Bashir's government and the SPLM signed a peace deal in 2005, paving the way for South Sudan to become the world's newest country in 2011; the SPLM was installed as the ruling party and Kiir was elected president. But another war broke out just two and a half years later, this time among the SPLM's own ranks as its leaders wrestled for the country's top post. When the army split into factions loyal to either Kiir or his former deputy, Riek Machar, Lokujo sided with Machar's rebel movement, dubbed the SPLM-IO.

At that time, Equatorians like Lokujo didn't play a central role in the conflict, which was confined to the northern Upper Nile region and drew in mostly Kiir's Dinka and Machar's Nuer tribe, the country's two largest ethnic groups. But other tribes (South Sudan has no fewer than 64) shared grievances over the poor governance at the root of the crisis and began rising up against Kiir. Like Machar, Lokujo thought Kiir was running a tribalistic government that favored the president's Dinka tribe.

As violence unfurled across Equatoria, it began to fall increasingly along ethnic lines. Government forces and a militia from the Dinka tribe, called the Mathiang Anyoor, were deployed to the region, targeting local tribes they accused of being part of the insurgency. In November last year, the United Nations warned the conflict could spiral into genocide.

The current war, like the one that preceded it, appears unwinnable. The country's vast, thickly forested rural areas, with unpaved roads that make movement of heavy military equipment difficult to impossible, allow entrenched insurgencies to dig in their heels. Lokujo knows this all too well. He was based in Kajo Keji during the protracted independence struggle, when it was first a rebel stronghold. He believes that this time, too, a negotiated political settlement overseen by the international community will be needed to end the current fighting.

"The international bodies have to make sure there's peace in South Sudan" he said. "If this war is not seen about, it will last [longer] than the one of Sudan."

A botched peace deal

South Sudan's conflict was supposed to be over by now. At least that was the aim of a peace deal brokered by IGAD, an eight-country regional bloc, and backed by the U.S., the U.K., Norway, China, the U.N., and the EU. Signed in 2015 by Kiir and Machar, the pact sought to end the civil war by reinstating Machar to his previous post as the young country's first vice president, divvying up government positions between the signatories, and eventually reintegrating the rebels into the army.

A young insurgent cleans his rifle outside a school building in rebel-held Kajo Keji county.Jason Patinkin

But the agreement was short-lived. In July 2016, just three months after Machar returned to the capital of Juba, fighting again broke out in the city, accelerating the collapse of the agreement and forcing Machar's people, who were outnumbered and outgunned, to flee the capital through the Equatorian bush.

Back in Juba, a small faction led by Taban Deng Gai, Machar's chief negotiator, soon claimed the leadership of the SPLM-IO. Deng Gai was sworn in as first vice president, his faction replacing Machar's in the 2015 peace deal. His rise to power was complete when then–U.S. Secretary of State John Kerry recognized him as the young country's first vice president. Other international guarantors of the peace deal quickly fell in line and Machar, politically sidelined and suddenly unwelcome, fled to South Africa.

But the majority of Machar's troops didn't switch allegiance to Deng Gai as peace-brokers had expected. Machar's rebels are on the back foot in what used to be the main theater of war further north, but they claim to be gaining ground in Equatoria, which has been the epicenter of violence for the past year.

Battling in the bush

The conflict in Equatoria bears the hallmarks of asymmetric warfare. The government has the greater firepower and controls the towns, while the terrain gives the rebels the edge in the bush. Areas of control shift through the ebb and flow of battle, with civilians paying the price.

Both sides have tried to misrepresent the facts on the ground in order to win support from the greater international community. In a June 1 letter to the U.N. Security Council, Deng Gai sought to discredit the presence of Machar's people and further persuade the U.N., the African Union, and IGAD "to desist from engagement" with the rebel leader. He claimed that the government controlled "100 percent" of Equatoria and that the implementation of the peace deal was well underway.

The rebels, in an effort to justify their political relevance, purport to control everything outside Kajo Keji, but they frequently clash with government forces along the rural roads. A few days before our visit, Lokujo said government soldiers had snuck behind the front line in an attempt to attack the rebels' flanks. "We knew they were coming," he said. "So we waited for them."

The rebels laid an ambush, the cornerstone of their guerrilla tactics and their only way to get weapons and supplies (the trucks that ferried us around for three days had been captured from the government a few weeks earlier).

The rebels have always been short of weapons in Equatoria, but over the last year the supply chain has all but dried up. Last year, neighboring Sudan stopped providing arms to the SPLM-IO, one of several conditions the country agreed to meet in exchange for badly needed sanctions relief from the U.S.

Now supplies and ammunition are in such short supply that wasting either can be met with harsh punishment. In our presence, Lokujo sentenced one of his men to 100 lashes because the soldier had drunkenly fired off his gun, squandering 13 bullets. "That could have been 13 enemy casualties," Lokujo explained.

When his men go on an offensive, Lokujo said, up to half of them go armed with nothing but bows and arrows. "If you want a gun or bullets," he said, "you have to get them from the enemy." Because the government used public resources to pay for arms instead of development, Lokujo argued, the rebels had every right to "share" them.

Civilian aid — and casualties

Although the rebels are thoroughly outgunned, they’ve benefited from grassroots support and a steady flow of recruits. Locals join up in opposition to the government’s marginalization of Equatorian tribes and to fight the growing incursions of government-backed Dinka cattle-keepers into their land. More recently, they’ve been spurred by indiscriminate attacks on civilians.

Emmanuel Kenyi, a soft-spoken man in his 20s from the Mundari tribe, used to work for the government’s National Security Services, which alongside the armed forces makes up the government’s security apparatus. He joined the rebels in 2015, just a few months before the the peace agreement was signed.

Displaced civilians walk with their belongings through Logo, a camp where more than 16,000 displaced people have taken shelter in the forests of rebel-held Kajo Keji county.Jason Patinkin

Many Equatorians began aligning themselves with Machar during this time. They saw the peace deal, which returned Machar to office, as an opening to finally get their fair share of government and military patronage. Kenyi voiced frustration at the lack of opportunities for Equatorians, who he said were often relegated to lower ranks in the security forces.

“Since that government it built up in 2005 until now, we Equatorians got nothing,” he said. “That’s what made us come to the bush.”

Kenyi, who is now based in Kajo Keji under Lokujo’s command, was also disillusioned by what he saw as the wanton killing of civilians who didn’t belong to Kiir’s Dinka ethnic group. “Our civilians, they will just be killed,” he said. “Later, the information will come out that [it was] unknown gunmen when it’s the government soldiers killing them.”

In interviews with more than a dozen civilians who fled to Uganda or sought refuge behind rebel lines, there was no shortage of gut-wrenching accounts of what they characterized as government-led atrocities.

Agnes Kiden, a 35-year-old villager who used to lead a peaceful life with her husband growing cassava and maize, said she ducked out of her mud hut on a February morning to go to the bathroom when she heard gunshots. Hiding in the tall grass around her house, she said she watched eight government soldiers shoot her husband, her 3-year-old daughter, and several neighbors. Three of the soldiers, she says, then raped her sister-in-law before shooting her and burning the body.

Kiden blames the fighting in her area on the government, not the rebels. Like many others, she uses the term “Dinka” and “government soldiers” interchangeably, a worrying sign the war is being defined by ethnic polarization that could fuel violence and retaliatory attacks against entire communities.

A rebel soldier peers into a burned out school building in Loopo town of South Sudan's Kajo Keji county.Jason Patinkin

The rebels also bear responsibility in the mounting civilian death toll, albeit on a lesser scale. They turn on those they perceive as sympathetic to the other side. Several members and leaders of the Kajo Keji community, for example, expressed shock at the rebels' January execution of Oliver Jole, a local government official in Liwolo county. His killing was one of several clashes between the government and rebels that spiraled into broader violence against civilians, setting off a mass exodus to Uganda.

Seeking safety from government attacks, civilians have struck a quid-pro-quo arrangement with the SPLM-IO, which draws its soldiers from local tribes and is often described as a community protection force. It's a symbiotic relationship: Civilians contribute food, and the rebels offer protection from the government militia. But the rebels lack the capacity to repel large government offensives, and as a result the relationship exposes civilians to collective punishment.

"After the government soldiers are defeated, they come and pay back the civilians — always," said Bishop Emmanuel Murye, who buried five civilians in Mondikolok after they were killed in one such government assault in January.

A confused international response

The spread of conflict to Equatoria has compounded the humanitarian crisis in South Sudan and precipitated its spillover to neighboring countries. Today, Uganda hosts almost 1 million South Sudanese refugees, but donor funding is nowhere near enough to meet their needs. Tensions over resources between host communities and refugees are on the rise and could escalate, as could ethnic skirmishes between South Sudanese refugees that mirror the conflict at home. There have already been several attacks on members of the Dinka refugee community in Uganda by Equatorians in retaliation for atrocities committed against their kin back home.

With the fallout of the crisis, the financial burden on donors has grown. A staggering $3 billion is needed in 2017 alone for relief programs in South Sudan and neighboring countries that have taken in refugees. The U.S., which played an instrumental role in bringing about South Sudan's nationhood, has been the most generous supporter. Since the onset of the conflict in 2013, U.S. taxpayers have contributed $1.9 billion in humanitarian aid.

But the international community appears paralyzed on the diplomatic front, clinging onto a peace deal that has failed to end the war.

"Everyone realizes the peace deal collapsed, but no one wants to lead the diplomatic effort to forge a Plan B," said Alan Boswell, an author and researcher on South Sudan who is based in Nairobi. "At this point the West prefers waving around its broken plan to rolling up its sleeves and trying again."

International inaction reached a peak in December when a group of countries led by China and Russia blocked a U.S.-backed UN resolution to impose an arms embargo and targeted sanctions. In handing over the baton to the Trump administration, U.S. Special Envoy to Sudan and South Sudan Donald Booth still insisted that his legacy deal was "not a hollow accomplishment," suggesting it could serve as a blueprint for future reforms once an effective ceasefire was in place.

Like many other peripheral foreign policy issues, U.S. policy on South Sudan has been running "on autopilot" since the transition to the Trump administration, Boswell said. Yet the policy vacuum that followed is at least in part a reflection of the previous administration's failures. "Obama ran the South Sudan policy into the ground, then handed over the keys," Boswell said.

The new administration has yet to appoint a special envoy and there's little to suggest what Trump's policy on South Sudan might entail. The conservative Heritage Foundation recently advocated for drastic measures, including a suspension of diplomatic ties and targeted sanctions, it said were needed to change behaviors and restore the credibility of the U.S. among the warring parties.

Regional powers, too, seem to be at a loss for solutions. To prevent the conflict from spreading to Equatoria when fighting first broke out in 2013, Uganda's military intervened in support of Kiir and has continued to back his government since. But that strategy has failed to bring stability, instead giving rise to the continent's largest refugee crisis within Uganda's own borders. Although a major policy shift is unlikely, the fact that the SPLM-IO is able to cross back and forth between Uganda and South Sudan suggests that some elements within the Ugandan government may be increasingly sympathetic to the rebels.

In the absence of a new approach, there are few clear solutions available to the international community but to tread down the path of least resistance. In an effort to revive the peace deal, IGAD recently called for a meeting between the parties, including "estranged groups." Presumably, this means reengaging with Machar, a move the government strongly opposes.

But bringing peace to South Sudan will require more than appeasing personalities. Even if Machar returns to the fold, an endless array of other, smaller militia will be a source of instability unless their grievances over injustices and marginalization are addressed. President Kiir recently launched a national dialogue to engage with these groups, but the process lacks independent leadership and has been dismissed by critics as nothing more than window dressing.

For now, the rebels in Equatoria's bush are settling in for the long haul, knowing they can sustain a low-level insurgency despite limited political and logistical support. With no one stepping forward to lead the way in forging a new path toward peace, South Sudan's conflict could be turning into another forever war.

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How South Sudan’s elite looted its foreign reserves

EXCLUSIVE: Leaked audit report shows how family and friends of top government officials benefited from letters of credit scam.

Link to article: https://mailguardian.atavist.com/how-south-sudans-elite-looted-its-foreign-reserves

Simona Foltyn in Juba

As war rages on, the rich get richer

We all know, intuitively, that there is a powerful link between war and money. When the bullets fly, someone dies; meanwhile, someone else is getting rich.

In South Sudan, we know who is dying. At least 50 000 people, mostly civilians, in nearly four years of fighting. That figure is probably a gross underestimate. Another four million - a third of the population - have been forcibly displaced from their homes, fleeing to squalid refugee camps in neighbouring countries or trying to make a new life in dangerous, unfamiliar conditions somewhere else in the country. Families have been torn asunder, livelihoods abandoned, future generations sacrificed in the near-complete absence of education and basic healthcare.

Now we also know who is getting rich. Simona Foltyn’s painstaking investigation into how South Sudan’s ruling elite have stolen and squandered the country’s reserves of foreign currency is an extraordinary insight into the mechanics of looting on a grand, almost unimaginable scale. Nearly a billion dollars cannot be adequately accounted for, according to a report produced by the state’s own auditor-general - a report which, for obvious reasons, the state has been reluctant to make public.

Implicated in the scam are close friends and family of South Sudan’s most senior officials, including figures aligned to both the government and the rebels. It’s clear there are no good guys leading this war - only the rich and powerful trying to get richer and more powerful, casually risking the lives and futures of South Sudan’s people to do so. - Simon Allison

The looting of South Sudan

Over several months, the Mail & Guardian analyzed data in the audit report and investigated the background of companies that received the largest allocations. An

examination of the shareholders for a sample of companies suggested they were often linked to people in government and the armed forces.

On a hot, dusty day in April 2015, generals, ministers, senior ruling party officials and members of parliament descended on the offices of the ministry complex in South Sudan's capital Juba. Some army men came in their uniforms, accompanied by a flock of AK-47 toting soldiers. Others, perhaps less willing to be seen, sent letters with requests, bearing the seal of whatever government institution they worked for. Some would simply pick up the phone to give instructions.

At first sight, the gathering may have looked like an emergency meeting of the country's leadership. In fact, South Sudan's elites were scrambling to cash in on dwindling foreign reserves - the advanced stage of a systematic effort to loot the resources of the world's youngest nation.

At that time, South Sudan was well into the second year of a bloody civil war — a war that is yet to be resolved. Oil revenues had declined by a third, and the country's dwindling foreign reserves had become its most sought-after commodity — especially for those in power.

In order to address the country's acute shortage of hard currency, the Bank of South Sudan earmarked $993-million in oil revenues between 2012 and 2015 to import vital goods like medicine and food. Ministries allocated the hard currency to selected traders at a preferential exchange rate through letters of credit (LCs), a documentary credit facility commonly used to facilitate international trade.

This is only the latest in a series of corruption scandals in a country whose birth in 2011 was greeted with international adulation and generous financial support

But instead of helping South Sudan's impoverished population, the LCs became one of the biggest corruption scandals in South Sudan's short but troubled history, a *Mail & Guardian* investigation has found. Rather than using the lifeline to import badly needed goods like grains and medicine, many of those involved exploited it as a means to buy scarce oil dollars at a highly discounted exchange rate and resell them on the black market, potentially generating hundreds of millions of dollars in profit.

"Some few officials and fake traders, apparently with the assistance and collaboration from officials in authority, turned the LCs to a mere mean for personal benefit [sic]," concluded a confidential report of the national audit chamber obtained by the *Mail & Guardian*.

"Many beneficiaries of the letters of credit seem to have managed to get their payments without delivering the intended goods or services to the country," said the audit report, which was presented to President Salva Kiir in December 2015. The LCs "have caused the country huge financial losses [...] at the expense of the majority of the populace in the country," it concluded.

Initially launched when South Sudan shut down its oil production in 2012, the scheme took off just as conflict engulfed the young nation. Almost 90% ($875-million) of the funds were allocated in four rounds between May 2014 and April 2015. The practice flourished until the country finally ran out of foreign reserves, eventually forcing the Bank of South Sudan to abandon the fixed exchange rate in December 2015.

The dollar allocations were disbursed through the Qatar National Bank and CFC Stanbic [a subsidiary of South Africa's Standard Bank] in South Sudan and transferred mostly to banks in Uganda and Kenya, including Kenya Commercial Bank, Barclays Bank, Equity Bank and Stanbic Uganda. Since the transactions occurred in USD, and were cleared through US correspondent banks, US law enforcement agencies could assert jurisdiction to prosecute any transactions found to violate US anti-money laundering laws.

The LCs are only the latest in a series of corruption scandals in a country whose birth in 2011 was greeted with international adulation and generous financial support. Although South Sudan ranks second from bottom in Transparency International's corruption index, it remains one of the top recipients of foreign aid. In 2014, at a time when the scheme was at its height, donors spent $1.8-billion as part of the second largest humanitarian appeal in the world, trumped only by Syria. This year, the UN has asked donors for $1.6-billion to respond to a worsening humanitarian crisis, including localised famine in the first half of the year, caused by the cumulative effect of years of war and the worsening economic crisis.

Auditor General Steven Wondu hands over an audit report to President Salva Kiir. Although the AG's investigation into the LCs was presented to the President in December 2015, the report has yet to be tabled in parliament. (Simona Foltyn)

The audit report investigating the scheme, which was completed in 2015 but was never presented in parliament, contains a list of over 1 900 LCs awarded to almost 1 200 companies. It stops short, however, of identifying their owners. Pro-transparency organisations believe the findings are intentionally kept under wraps.

The president's office denied widespread abuse of the LCs and allegations that it was stalling further investigation. "The abuse comes as an exception and I'm not aware of particular details," said Ateny Wek, President Salva Kiir's spokesman. The auditor-general declined to comment on a report that has yet to be made public.

Over several months, the *Mail & Guardian* analysed data in the audit report and investigated the background of companies that received the largest allocations. An examination of the shareholders for a sample of companies suggested they were often linked to people in government and the armed forces. Moreover, evidence corroborated through dozens of interviews and official records suggests that only a small share of the funds were actually used to import the intended items.

"There was nobody who didn't come"

In South Sudan, a country with weak institutions where an artificially-maintained dual exchange rate regime incentivised corruption, the LCs became a portal to self-enrichment

In economies with mature financial markets, LCs form an integral part of international trade, with little room for manipulation. The idea is to minimise the risk for two parties trading across borders: upon request of the customer, a bank issues a written guarantee of payment to the bank of a supplier in another country. The customer deposits the value of the LC with his bank in local currency, the hard currency equivalent of which is released to the supplier's bank as soon as the conditions stipulated in the letter are met. Usually, the release of funds requires documentary proof of delivery of goods.

In South Sudan, a country with weak institutions where an artificially-maintained dual exchange rate regime incentivised corruption, the LCs became a portal to self-enrichment. The decision to place the power to allocate LCs into the hands of ministries, instead of commercial banks as is the practice around the world, laid the ground for lobbying and abuse by office holders.

Every three to four months, when the time came to divide the hard currency available through the LCs, high-ranking members of the ruling party used their political clout to channel funds to companies owned by their associates or relatives.

"There was nobody who didn't come," one source close to the selection process said. "Ministers, members of parliament, generals – everybody came," said the source, who - like most people interviewed for this story - requested anonymity in fear of reprisals.

"There were so many generals, you would think the ministry was the army headquarters," said another source close to the process. "People could not even put their uniform away and come in civilian clothes. [They came] with their guns and with their boys behind them, intimidating everybody."

Government officials rarely owned the companies that received the LCs, which would violate a constitutional provision prohibiting office holders from transacting commercial business. But according to several sources, letters of recommendations from government and army officials supported the vast majority of companies that passed the selection process, allegedly in return for a share of the profits generated through black market currency trading.

The *Mail & Guardian* obtained a few of these recommendation letters, signed by ministers, generals and governors (the details of the letters are withheld to protect the identity of sources that provided them). Several sources close to the process further reported that letters of recommendation came from the office of the president, the office of the chief of general staff of the army, and the office of the first lady, and were usually signed by administrators.

The members of the Joint Technical Committee, a body composed mostly of mid-level technocrats and charged with verifying the authenticity of companies recommended for allocations, felt powerless to intervene.

“We are just sitting there, like tools,” one of them said.

Several members described the vetting process as a facade, based on a set of easily manipulated criteria. The companies that regularly received allocations were often unknown to the business community and were alleged to be briefcase companies created for the purpose of embezzling funds.

One particular case stood out. In April 2015, $10-million was earmarked to import cooking oil. It was an eyebrow-raising amount, equivalent to two thirds of the country’s annual consumption, according to trade data. Although the $10-million was split between five companies in an apparent effort to feign competition, they all belonged to the same businessman of Eritrean origin, Gebremeskel Tesfemariam. Moreover, all five companies were incorporated between September and October 2014, just a few months before securing the LCs, with their designated suppliers in Uganda incorporated around the same time.

Several members of the Joint Technical Committee protested what they considered an obvious attempt to defraud. But the decision had already been made. The request, several witnesses recalled, was said to be “coming from above” and was backed by Daniel Awet Akot, a US-trained general and senior member of the ruling party who currently serves as a top advisor to President Kiir. Akot did not respond to repeated attempts to obtain comment.

It wasn’t unusual that large allocations fell to Eritrean businessmen, who are said to have close business connections to senior army and government officials. The relationships were forged during the Sudanese civil war, when Eritrea backed the South Sudanese rebels in their fight against Khartoum. When South Sudan opened up for business after a peace deal was signed in 2005, the Eritreans leveraged their ties to the rebels-turned-ruling party and obtained access to land and financing, as well as enjoying protection from their South Sudanese patrons.

“The Eritreans became the business partners of our generals,” said one senior member of the ruling party.

This mutually beneficial relationship was evident in the LCs scheme. According to information from the audit report and data obtained from official records, 22 of the top 30 beneficiaries of hard currency allocated for the importation of food were of Eritrean origin.

The *Mail & Guardian*’s examination of official records obtained from the business registry at the Ministry of Justice suggests that other companies may have been linked to those in power:

- Walda Pharmaceuticals, owned by children of the recently removed governor of the Bank of South Sudan, the very institution responsible for overseeing the LCs, received a total of $6.4-million to import drugs, the highest allocation given to any company by the Ministry of Health.
- Golden Star Holdings, a trading company owned by Ajok Wol Atak, then a sitting member of parliament and a wife of Paul Malong, then chief of the army, was allocated a total of $1.4-million by various ministries.
- Quality Pharmaceuticals, a company that received $1-million in 2012 and $300 000 in October 2014, appeared to be registered in the names of close relatives of Oyay Deng,

former SPLA Chief of Staff and Minister of National Security. Deng confirmed that his family owned the business, but denied that the company benefited from the LCs.
- Greenland Trading and Investment, which received a total of $5.7-million through various ministries, appeared to be registered in the names of the wives of Cleto Akot Kuel, reportedly a member of the Dinka Council of elders, a body that is said to wield vast influence over the president
- Well Done International received a total of $6-million to deliver essential goods to two states. The company is allegedly owned by a close business associate of Malong, according to two independent sources close to the former army chief. The company was specifically mentioned in the audit report for securing unusually large amounts of hard currency, sometimes by dubiously replacing competitors late in the allocation process

The *Mail & Guardian* repeatedly attempted to obtain comment from Walda, Golden Star, Greenland Trading and Well Done, using both telephone numbers provided on the business registry as well as externally-sourced contacts. However, telephone calls and emails went unanswered.

The scam seemed to have allowed elites and their loyalists to further concentrate their control over power and resources

The abuse wasn’t limited to a handful of officials and traders. Ministry officials, commercial banks, customs authorities, national security – officials along the entire value chain of the allocation process reportedly took bribes, be it to secure allocations, to provide fraudulent customs documents proving delivery, or to expedite transfers.

The scam seemed to have allowed elites and their loyalists to further concentrate their control over power and resources at a time of conflict when there were few checks and balances: political opponents had defected or fled the country; donors were distracted with humanitarian assistance; and ordinary South Sudanese were simply trying to survive.

“Did the money bring in goods or not?”

It’s unclear what might have happened to the funds, but foreign companies are believed to have used the LCs to repatriate profits in an attempt to circumvent legal procedures for capital transfers, according to the auditor-general’s report.

Even as suspicions of abuse grew, the government did little to verify whether the beneficiaries of the scheme were honouring their obligations to import affordable goods.

“You go to the bank, the money was transferred. But the question is, did the money bring in goods or not? That is what we are asking until today,” said Simon Akuei, Secretary General of the South Sudan Chamber of Commerce, who occasionally represented the chamber on the Joint Technical Committee.

Facing outrage from the business community over perceived irregularities in the use of the LCs, Akuei tried to dispatch a monitoring team to Nimule, the main border crossing with Uganda, where the bulk of goods entered the country. But the proposal received no support from government officials.

“It didn’t work,” said Akuei. “Because [of] the fact that the ministries were the ones allocating the LCs, it became difficult to be part of the committee that could evaluate themselves.”

The banks, too, were accused by the auditor-general of turning a blind eye. The Qatar National Bank and CfC Stanbic, the two banks issuing the LCs in South Sudan, offered lax terms and executed transfers without verifying the authenticity of documents, the auditor general concluded in his report.

In email correspondence, a spokesperson for QNB insisted that the bank “exercised full due diligence applicable or required for such dealings - including customary checking of documents”. CfC Stanbic confirmed that it had issued a $100 million LC facility to importers approved by the government and the Bank of South Sudan, and that LC payments were made only “upon fulfilment of the relevant conditions of the LC and presentation of the requisite delivery documentation as confirmed by [the Government of South Sudan] who were the recipients of the goods.”

Trade data suggests suggests that the bulk of LCs weren’t used to import goods

To date, it remains unknown how much of the billion dollars disbursed through the LC scheme was embezzled. South Sudan is a country where archiving systems are practically non-existent, and a visit to the customs headquarters quickly reveals the futility of trying to gather reliable data: at the time of reporting, the office had no electricity on most days, let alone a proper database of imports.

Yet a peek into the better-kept records of South Sudan’s neighbours, who were party to the cross border transactions under the LCs, offers some insights. Data obtained from the Ugandan Bureau of Statistics, corroborated with the United Nation’s Comtrade database, suggests that the bulk of LCs weren’t used to import goods.

What, for example, happened to the $10-million allocated to the five Eritrean companies for the importation of $10-million in cooking oil from Ugandan suppliers? According to trade data, at best one third was delivered.

In the period April - July 2015, during which the goods were due, only $3.4-million worth of cooking oil was imported from Uganda to South Sudan. (This amount also reflects any cooking oil imported by traders who obtained hard currency on the parallel market, as well as imports by humanitarian agencies. So, the actual value of goods delivered by the five Eritrean companies could be much less than $3.4-million).

Other things, too, raised questions about whether the Eritrean businesses delivered. Their owner, Gebremeskel Tesfemariam, received a total of $38-million between April 2014 and April 2015 through nine different companies, including the five that were supposed to import cooking oil. But when the *Mail & Guardian* visited the premises of one of his companies in mid-2016 and met with Tesfemariam, he claimed he had obtained only "a few hundred thousand here and there" through the LCs, and had largely ceased operations since 2014 due to the shortage of hard currency.

Tesfemariam was presented with the findings of this report by email. During a subsequent phone conversation, he insisted that his companies fully delivered on their obligations, but provided no additional documentation to support his claims.

It's unclear what might have happened to the funds, but foreign companies are believed to have used the LCs to repatriate profits in an attempt to circumvent legal procedures for capital transfers, according to the auditor-general's report.

A second probe into imports of pharmaceuticals is equally damning. Between May 2014 and August 2015, the total value of drugs imported to South Sudan via Uganda was $1.7-million - only six per cent of the $29-million wired to Ugandan suppliers through the LCs and due within that period.

During the same period, Walda Pharmaceuticals alone should have imported $4.8-million in drugs from Uganda. When the *Mail & Guardian* visited Walda in early 2016, the wholesaler's stores were almost empty. Only a few boxes of infant formula stood on the concrete floor. A staff member said Walda had largely stopped importing drugs since the conflict began in late 2013. Achok Koriom, one of Walda's owners and the daughter of the former governor of the Bank of South Sudan, didn't respond to repeated requests for comment.

"It's a kind of blackmail"

The misuse of funds intended for vital food and medicines further increased the burden on donors to fill the gaps.

Simona Foltyn in Juba

One billion dollars could have gone a long way for South Sudan's population of around 10-million, a third whom faced severe food insecurity at the height of the scandal. But while government officials and their business associates used the country's dwindling foreign reserves to enrich themselves, ordinary South Sudanese literally paid the price.

"The pharmaceuticals situation is in a mess," said John Charles Ladu, the owner of St. Joseph's pharmacy. "We don't have a source where you can get the medicine."

Located just across the Juba Teaching Hospital, South Sudan's main secondary health care facility, St. Joseph's is one of the oldest and busiest drug retailers in the capital Juba.

With a turnover not exceeding $500 000 annually, St. Joseph's should have been inundated with affordable drugs from wholesalers who benefited from the $38-million in LCs allocated to the nascent pharmaceutical sector, the size of which industry insiders estimate at only $5-10-million annually.

The misuse of funds intended for vital food and medicines further increased the burden on donors to fill the gaps.

"The LC allocations would have been more than enough to cover the needs of the country for one to three years," said Emmanuel Tongun, who runs Dr Philip's Pharmaceuticals, located just down the road from St. Joseph's. "If the companies had used the money properly, there would be no shortage of drugs now," said Tongun. Even though Dr. Philip's is often described as a large and well-established wholesaler with a reputation of supplying high quality drugs, the company received only $300 000 through the LCs.

Instead, genuine traders like St. Joseph's or Dr. Philip's mostly relied on the black market, where the very dollars obtained through LCs at the official exchange rate of 3 South Sudanese Pounds (SSP) were resold for multiples of that. In 2015 alone, the cost of the dollar on the parallel market shot up by 300%. In December that year, just before the Bank of South Sudan finally abandoned the peg, the dollar traded for 18.5 SSP – over six times the official rate.

It was a mind-bogglingly profitable business for those who were able to swap their LC dollars on the black market, but it cost the South Sudanese dearly. As prices shot up, most of Ladu's customers could no longer afford life saving medicine like antibiotics or antimalarials.

The misuse of funds intended for vital food and medicines further increased the burden on donors to fill the gaps.

The Emergency Medicines Fund (EMF), financed by the US and the UK, supplied around $25-million in drugs in 2014 and 2015. Donors say it was barely enough to cover basic needs. The $38-million in LCs allocated for importing affordable drugs could have filled the gaps, one aid worker familiar with the EMF told the Mail and Guardian.

Some donors say the government has taken advantage of their readiness to provide aid for emergencies, without making steps to spend its own funds more responsibly. Donors fund 80% of South Sudan's health care while World Bank data shows the government spends only 1.1% of its own funds on health – one of the lowest rates in the world.

"It's a kind of blackmail," said one Western diplomat. "If you draw your red line, and you say we will only spend this much, [the government] will just say, okay, don't fund it then. If we don't do it, people will die."

Donors were also forced to pick up the slack when malnutrition rates began to rise in urban centres. In a sign that the LCs failed in their objective to stabilize food prices, the cost of a food basket went up five fold between 2014 and 2016, forcing many urban dwellers to drastically cut their food intake. The spread of hunger to Juba was a worrying development for aid agencies, already stretched trying to avert famine in remote, conflict-ridden areas.

“Most of our assistance has been going to rural areas...but with increased food insecurity, it will require scaling up the activities in the urban areas,” said Joyce Luma, country director for the World Food Programme (WFP) in South Sudan. Together with other agencies, WFP in 2016 launched a new $21-million program to feed the capital’s increasingly impoverished population.

“The citizens are really suffering,” said Aduli Zeitun, a trader in Juba’s Konyo Konyo market. She too never saw the benefit of the LCs. The cost of her janjara beans, brought from Uganda using black market dollars, was beyond the reach of many South Sudanese. Even though the staple beans normally sell like hot cakes, Zeitun’s colourful, neatly stacked buckets of janjara remained full that morning. She worried that her dwindling income might soon not be enough to feed her own family.

“Let the government think about the citizens,” she appealed. “Even the children can’t get enough to eat.”

But with South Sudan’s bloody civil war of over three years showing no signs of abating, there’s little hope that the government will take meaningful steps to stabilize the economy or bring those who embezzled public funds to account.

“We have no power”

Over the years, South Sudan’s legal system has proven ill-equipped to bring corrupt officials to account.

Simona Foltyn in Juba

On a blistering day in April 2016, Filiberto Mayout sat outside his office at the Ministry of Justice, trying to escape the afternoon heat inside. “We have no power,” the prosecutor general said, closing the legal file filled with notes. With no money for fuel, the justice ministry’s generators had been standing idle, and the prosecutor general had resorted to pen and paper.

President Kiir has repeatedly pledged to crack down on corruption.

Mayout was appointed in 2013 to chair an investigative committee that scrutinises companies suspected of having embezzled the bulk of $1.44-billion awarded in 2008 for the importation of grain in a corruption scheme that became known as the Dura grain saga. Three years into the investigation and eight years after the events in question, his team was losing the race against time. Data had been deleted, companies had vanished, valuable information had been lost.

"Of course the passage of time has some impact on the investigation," said the Khartoum-educated lawyer, dabbing the pearls of sweat that perpetually formed on his forehead. "The findings might not be conclusive but at least some of the cases will be considered as fraudulent."

Prosecutor General Filiberto Mayout in his office at the Ministry of Justice. Mayout has handled several corruption cases over the past years, yet few have resulted in convictions, especially of high-level officials. (Simona Foltyn)

Mayout has handled several corruption cases during his tenure, but there's little to show for it. There was the corrupt under-secretary of education who was acquitted and left the country before the prosecutor could appeal. There was the finance minister who was arrested over corruption allegations but then escaped from jail with the help of a friendly militia.

Over the years, South Sudan's legal system has proven ill-equipped to bring corrupt officials to account. The prosecutor general's office, the audit chamber and the anti-corruption commission - the three institutions mandated with investigating corruption - all report to the president, who has the final say over who is prosecuted.

President Kiir has repeatedly pledged to crack down on corruption. But apart from occasional convictions of mid-level bureaucrats, cases that risk implicating high-level officials are hardly ever pursued.

In 2014, President Salva Kiir reportedly requested the auditor-general to stop investigating corruption allegations related to the Crisis Management Committee, a body charged in 2014 with coordinating the emergency response to South Sudan's conflict, but suspected to be a loophole to siphon money into the pockets of the ruling elite. The President is also said to have halted the investigation of senior government officials implicated in the Dura saga, according to two sources, including a senior government official who served as cabinet member at the time. The president's office denied the allegations.

Now, the investigation into the abuse of the LCs risks facing a similar fate. The auditor general's report – the first step on a long road towards a formal investigation – was presented to the president and submitted to the parliament in December 2015. Asked why President Salva Kiir hasn't followed up on the findings of the report, his spokesperson, Ateny Wek, said that "the office of president is dealing with a lot of other things that have more priority."

But pro-transparency activists accuse the presidency of obstruction of justice. "The reason why this report is not being discussed in parliament is because it involves or implicates top officials in the government," said Edmund Yakani, who leads a civil society and activist group called CEPO and who personally lobbied parliament to request an audit of the LCs.

With the re-escalation of fighting since 2016, along with a crackdown on opposition, the press and activists, chances that officials and businessmen who have abused the LCs for their personal benefit will be brought to account have all but vanished.

Edmund Yakani, Executive Director of the transparency advocacy organisation CEPO, lobbied South Sudan's Legislative Assembly to request an inquiry into the Letters of Credit. (Simona Foltyn)

Yakani's only hope is that the international community, which has invested billions in practically unconditional aid to midwife and nurture the world's youngest nation, starts demanding genuine reforms and accountability.

"Donors need to give their foreign support with benchmarks, among them the commitment to really fight corruption," said Yakani. "Everything else is a waste of time."

Can US Sanctions on South Sudan Rein in a Nation of Warlords?

The US helped broker South Sudan's independence only to watch it unravel into ethnic warfare.

Link to article: https://www.thenation.com/article/can-us-sanctions-on-south-sudan-rein-in-a-nation-of-warlords/

By [Simona Foltyn]()

April 9, 2018

Opposition fighters from the SPLM-IO walk past abandoned shelters in Logo, Kajo Keji county, South Sudan. (Simona Foltyn)

Independent news is more important than ever.

Rebel general Moses Lokujo was in his element. The burly commander paced back and forth in front of an audience of roughly 100 civilians who had gathered at an elementary school in the tiny settlement of Pure near South Sudan's border with Uganda, and gave an impassioned speech about the latest battle his men had fought in Kajo Keji county. The opposition fighters had suffered sizable losses, but it was a price they were willing to pay for a better South Sudan, he told the crowd in December. "If we were here for the money and the positions, we wouldn't be here anymore," he preached.

Lokujo had delivered many similar performances in order to galvanize grassroots support for the SPLM-IO, the main opposition movement, led by exiled rebel-leader Riek Machar. For much of 2017, the orations seemed to be working. The SPLM-IO had won over many South Sudanese who suffered at the hands of President Salva Kiir's government, which has committed widespread human-rights abuses in the southern Equatoria region where Kajo Keji is located.

When I first came to Kajo Keji a year ago, locals spoke fondly of the opposition. They called the rebels "our boys," and Lokujo referred to them as "my civilians." People willingly donated food and money, hoping that the rebels would protect and eventually free them from an oppressive government. Many saw the SPLM-IO as a viable alternative to govern South Sudan, a country that gained independence in 2011 but has since been plagued by a brutal civil war, the [biggest]() humanitarian crisis on the continent, [massive corruption](), and what many call a tribalistic government.

But when I returned in December, the mood had changed. Visibly tired of multiple displacements brought about by the latest battle, people looked at Lokujo and his men with skepticism, even disdain. They still clapped when the general paused his sermon to woo their applause—but only after being prompted by one of his soldiers. When the soldiers struck up a call-and-reply war song, only a handful of people joined in. After the spectacle was over and when we moved out of earshot, they told me about their frustrations.

"I'm very, very, very disappointed," whispered one community member, who didn't want to be named in fear of retaliation. "But they have weapons, and they are here with us, so there's not much I can say about it."

In the eyes of many civilians who lived under their rule, the rebels had turned out to be no better than the government they sought to overthrow. People had come to see them not as liberators but as warlords looking out for their own interests and using civilians only as pawns in their quest for power. The commanders pointed to civilian presence as a source of legitimacy and to lure aid agencies to their areas of control, but they threatened or killed those who spoke out against them. They had started stealing civilians' meager possessions, the community member told me, recounting how two days earlier a group of Nuer rebel soldiers showed up demanding he hand over two cattle. They had also begun cutting down the precious forests, according to several local chiefs, selling logs to Ugandan traders to line their own pockets. Worst of all, they had been fighting with another opposition group, handing the government the upper hand and putting civilians in harm's way.

What brought about the rebels' fall from grace was part of a broader, worrying trend: a growing fragmentation of South Sudan's civil war. Ever since the beginning of the conflict in 2013, the opposition had been a fractious alliance. Many men had taken up arms to defend their tribes' land interests. Their shared grievances vis-à-vis the central government brought them together under the umbrella of the SPLM-IO. For a short period, a 2015 power-sharing arrangement signed in Addis Ababa served to unify the coalition by offering rewards in form of government positions. The peace deal was hailed as a breakthrough in ending the civil war, which began in 2013 after months of power struggle between Kiir and his former deputy, Machar. But the agreement collapsed in 2016 when the government and opposition began fighting again in the capital, upending the transitional government and ushering in a new chapter of violence. The SPLM-IO split in two. Disillusioned with the peace process, defectors from the government, the opposition, and other parties to the peace deal mobilized their own militia, often along ethnic lines.

The ripple effects of this disintegration were felt at the negotiating table in Addis Ababa and in the White House, where Trump administration officials were attempting to formulate a new policy to try to end violence. In 2015, the US-backed peace deal included two main warring factions. By the end of 2017, when negotiations resumed, the number had grown to more than a dozen. The latest group to jostle for a seat at the table is the so-called South Sudan United Front, announced today by Paul Malong, the recently ousted chief of general staff and a hard-liner who stands accused of orchestrating much of the war. In a bewildering effort to rebrand himself as a rebel, Malong called on South Sudanese to struggle to "arrest the carnage that has befell [*sic*] our country" and to steer the country toward democracy, according to a statement posted on social media. While few of these groups have forces to realize their lofty ambitions, their proliferation is a sign of growing disunity that risks tearing South Sudan apart, a process that the international community has been unable to halt.

One new rebel group, in particular, was at the center of the fallout in Kajo Keji. The National Salvation Front (NAS) was formed in 2017 by Thomas Cirilo, a famous Equatorian general who had defected from the government army earlier that year. Despite its inclusive name, NAS, like many other armed groups in the country, catered to a narrow ethnic constituency among South Sudan's 64 tribes. Just like SPLM-IO was seen as a movement dominated by Machar's Nuer ethnic group, many of Kajo Keji's ethnic Kukus referred to NAS simply as "the Bari," the name of Cirilo's tribe.

Nevertheless, there was hope that NAS and the SPLM-IO would team up in their fight against the government. "We wanted them to unite so they have strong forces and so they give us freedom," the community member told me. It was a reasonable demand. Both suffered from a shortage of ammunition. They shared the common objective of overthrowing Kiir. Both called for federalism to grant disenfranchised tribes more autonomy from the Dinka-led government in Juba.

But as so often in South Sudanese politics, such decisions hinged on personalities rather than policies. Neither Cirilo nor Machar was willing to relinquish leadership of a united force. When NAS arrived in Kajo Keji in August 2017, it didn't take long for tensions to spill into armed confrontation. NAS accused the SPLM-IO of not wanting to collaborate in a proposed joint operation against the government. The SPLM-IO blamed NAS for provoking violence by turning up unannounced in their territory. The truth was likely somewhere in the middle, with both sides jockeying for control of a strategically located, resource-rich area.

In late October, NAS and SPLM-IO fought each other in several locations in Kajo Keji, each suffering casualties and wasting scarce ammunition. Kiir's government forces, based only a few miles away, watched with delight and anticipation. After 10 days of fighting, with both rebel groups weakened and demoralized, the government made its move. Riding atop machine-gun-mounted pick-up trucks, they swept through areas that had been firmly under rebel control, retaking several villages including Lokujo's headquarters.

The government's assault was a blow to the opposition, but it was the civilians who suffered the most. In April 2017, the sprawling camp for displaced at Logo in Kajo Keiji was quiet and peaceful, tucked behind rebel lines in a forest of mango and papaya trees. Although most of the county's population of 200,000 had fled the war to neighboring Uganda, around 30,000 people had decided to stay. Determined to remain on their ancestral homeland for as long as they could, they set up camp in Logo and two other settlements located just a few miles from the Ugandan border. Their temporary shelters made of grass and plastic tarps offered little comfort compared to the spacious mud huts they had left behind when their villages came under attack by government forces, yet they preferred them to an idle life of exile in Uganda's refugee camps. In Logo, they could farm, look after their cattle, and, during lulls of fighting, sneak back across enemy lines to check on their plots.

By the time I returned in December, Logo had turned into a ghost village. As government forces closed in during the battle, the entire population had escaped across the border to Uganda. To prove that his troops had regained control of the area, General Lokujo took me on a tour of the deserted settlement, a three-mile drive from Pure along a narrow, bumpy dirt road enveloped by thick bush. The silence in Logo was haunting, a stark reminder of what much of war-torn Equatoria looked like. Abandoned livestock aimlessly roamed past burned and ransacked shelters. Heaps of bullet casings lay in the grass where machine guns had ejected volleys of gunfire. "This is where my forces deployed," Lokujo said, picking up a handful of the empty cartridges. “It was heavy fighting.” Lokujo described how his men managed to repel government troops (given the government’s greater firepower, it was likelier it had withdrawn on its own). “It’s safe for my civilians to come and pick their belongings. We have put enough forces to protect them.”

Brig. Gen. Moses Lokujo holds bullet casings fired during a battle between government and opposition forces in Logo in October 2017. (Simona Foltyn)

Such assurances weren’t enough for Rose Diko, who was stuck in a limbo at the border in Pure, unwilling to leave for Ugandan refugee camps, yet unable to return to Logo. “I’m scared to go back. They are still fighting over there,” she said. Just two days earlier, when Diko attempted to return to fetch food, her group came across the body of a young boy. He had been shot the same day, his body left to rot on the roadside as a warning to others. As she spoke, Diko was seething with anger at both rebel groups. “This fighting has caused us a lot of suffering.” Along with her fellow villagers, Diko fled to Uganda, where they set up temporary shelters near the border in hope of returning soon. But Ugandan soldiers evicted them days later, instructing them to register as refugees or return to South Sudan.

Following the rebels’ battlefield losses in Kajo Keji, many of Logo’s inhabitants finally gave up and went to the camps. But something else was pushing people to leave: They had come to dread the opposition almost as much as the government. It only took a few incidents for fear to take root. One was the gruesome beheading of two civilians at the nearby border post of Jale, including a health worker who was running a clinic in government controlled areas. The killings happened just a day after community elders met with government officials as part of a local peace initiative aimed at negotiating the safe return of refugees. The attack was seen as a threat to anyone who struck a reconciliatory tone with the government.

Community leaders who had spoken out in favor of an alliance with NAS also escaped, fearing for their lives. “We were trying our level best to make them join forces, but we failed, and the blame goes to the SPLM-IO,” one chief, who also wanted to remain anonymous, told me in Uganda. “Now, most of the people are supporting NAS.” Such endorsement could be premature. NAS has drawn many of its soldiers and commanders from the ranks of the SPLM-IO, which in turn used to be part of the government army. Given an opportunity to govern, neither the government nor the opposition has done well by their people, and the same risks being true for their offshoots.

The feeling that now reigns over the sprawling refugee camps in northern Uganda is one of resignation and hopelessness. Many South Sudanese see no end to this war, which has killed tens of thousands and uprooted millions. Attempts to unite the armed opposition groups have yielded limited results, with the SPLM-IO refusing to join a recently formed alliance. During the most recent dry season, the government launched several successful military campaigns, pushing rebels deeper into the bush and tilting the balance of power unequivocally in its favor.

One such battlefield victory was secured just as the warring parties sat down to negotiate in Addis Ababa last December, casting doubt on the government’s sincerity in reaching a political solution. The talks were the first attempt in 18 months to resuscitate the failed peace deal. A new cease-fire agreement was signed, but like many times before, it was broken in a matter of hours. The United States, the United Kingdom, and Norway, the three main Western guarantors of the peace deal, known as the Troika, issued a scolding statement, promising to hold those to account "who obstruct the realization of lasting peace for the people of South Sudan."

The warring parties had grown accustomed to such threats, uttered many times in the past without actual consequences. This time, however, political winds had shifted. Last October, US Ambassador to the UN Nikki Haley became the first senior Trump administration official to travel to South Sudan. Her visit was seen as the harbinger of a tougher stance toward South Sudan, whose birth in 2011 was largely the product of US diplomacy and generous financial support. "It's bordering on the line of ridiculous how many cease-fires have been announced and broken," a senior administration official told me during a phone interview last December. Since the parties began negotiating in January 2014, eight agreements to end the war have been signed and violated.

During her visit, Haley demanded that Kiir's government participate in peace talks and ensure unhindered access for humanitarians and UN peacekeepers. If Kiir failed to comply, the United States would impose a series of escalating unilateral sanctions. "We are working to expedite the timeline to bring the parties of the conflict back to the peace table to talk about how to solve this conflict through non-military means," the official explained.

As part of this new approach, the United States has already sanctioned three government hard-liners as well as a close business associate of Kiir. In February, the administration imposed a unilateral arms embargo, followed by a restriction on transactions with 15 South Sudanese oil-related entities believed to have helped finance the war.

"The sanctions, in this case, are actually quite smart," said Nicholas Coghlan, who served as Canada's top diplomat in South Sudan between 2012 and 2016. By requiring a license for US-origin items or US companies that dealt with South Sudan's oil sector, Coghlan argued, sanctions could be loosened and tightened depending on the government's level of cooperation. Moreover, sanctioning the oil sector was unlikely to affect the wider population, who depend largely on aid agencies rather than the government for service delivery. "Few if any of the proceeds of the oil ever make it to the Central Bank, let alone into South Sudan government programming," Coghlan said.

But so far, the sanctions have failed to bring about any positive change in behavior. A second round of talks in February ended in a deadlock. The same month, the government launched a fresh offensive. Incidents of humanitarian obstruction, tracked on a monthly basis by the UN, briefly dropped in January but spiked again in February. Instead of showing a more cooperative side, the government recalled its ambassador to the United States, rallied the public against the West, and vowed to strengthen ties with Russia and China, who already purchases most of South Sudan's oil. "During the war of liberation, I have never seen the American M16. I know AK-47, I know the support from Russia, I know the support from Libya, I know the support from Ethiopia, and I know the support from Yemen," said Vice President Taban Deng Gai in February.

Civil-society leaders worried that without regional buy-in to help enforce sanctions, they could have the opposite effect and harden the government's position. "They may not be changing their behaviors, but they will try to look for workarounds," said Edmund Yakani, who leads a South Sudanese civil-society organization called CEPO. Emboldened by recent military gains, the time when such measures could have been effective may have passed. "We called for sanctions a long time ago, and we missed the opportunity," Yakani said. "We are starting to hear voices asking to give war a chance."

The sanctions had one more shortcoming, experts argued. They were one-sided, targeting only the government. While Kiir is largely to blame for the escalation of fighting since 2016, the rebels are also responsible for acts of aggression. It was Machar's SPLM-IO, not the government, that first broke the December cease-fire. There was little international condemnation and no consequences for the fighting between NAS and the SPLM-IO in Kajo Keji, although it led to civilian deaths and mass displacements.

Punishing rebels who thrived in South Sudan's bush is much harder than targeting established government institutions. Isolated from the world and with no foreign bank accounts to freeze, rebel commanders couldn't care less about travel bans. General Lokujo seemed content enough to rule over his own little fiefdom, making money from selling timber and, according to his own account, gold. If the peace talks don't work out, remaining a rebel for life was a viable alternative. "I'm 37 now. I can still fight 20 years," he said.

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