

ACCELERATED PRIVATIZATION OF IRRIGATED AGRICULTURE IN SUDAN

Many know that Sudan is a hot, arid country which is heavily dependent on irrigation. About one half of Sudan's food supply comes from its 1.9 million hectares of irrigated land, which feeds a relatively poor population of 25 million people. All of Sudan's wheat and 90 percent of its foreign-exchange-earning cotton come from irrigated land, as do much of its supply of sorghum, groundnuts, and vegetables. Some might think that because of its relative poverty, little is changing in Sudan.

What many do not know is that Sudan is, in fact, changing rapidly, both in its overall political economy and in the organization of irrigated agriculture. Economic liberalization and privatization of many public-sector enterprises is reversing the consequences of the 1968 nationalization of the economy (which is now blamed for stagnation and inefficiency). Government agencies involved in irrigated agriculture are rapidly shrinking, being divested, or even disappearing.

Parastatal agencies, which for many years have provided farmers with agricultural inputs and marketing facilities in such large schemes as Gezira and Rahad, are shrinking rapidly as their roles are turned over to profit-making companies and cooperatives. Increasingly powerful farmer tenants' unions are demanding more control over cropping decisions. Beginning in November 1992, the parastatal agencies under the Agricultural Ministry will turn over management of minor canals of the large schemes to the Ministry of Irrigation. Management for field canals will be shifted to the farmers.

Similar trends are occurring for pump irrigation schemes along the White and Blue Nile. In April 1992, the White Nile Agricultural Corporation, a parastatal agency, had

2,196 staff. By the end of August 1992, only 500 staff remained. All released civil servants go on pension. Many are searching for new jobs. All smaller schemes are to be under private management by the November 1992 season. There are two options: 1) self-management by farmers or 2) management by private holding companies. It is expected that management for the larger schemes will more "gradually" be taken over by commercial, profit-making companies. The White Nile Agricultural Corporation (WNAC) currently has an outstanding debt of 290 million Sudanese pounds, among 174 schemes along the White Nile. Ninety percent of the debt is with the farmers or tenants; ten percent is "management debts."

Farmers are eager for self-management but unsure as to whether they will be able to avoid contracts with commercial companies, or if so, whether they will be able to manage effectively without some assistance in the short run. Farmers are often not experienced in obtaining financing for

agricultural loans or marketing their crops. There have been virtually no efforts to organize them for management purposes (with the exception of a small pending IFAD-funded project in the northern Nile area). Farmers in pump schemes will be able to decide by majority vote whether they will manage their schemes directly or enter into contracts with private companies.

Farmers recently interviewed in White Nile pump schemes stated their desire to manage their schemes by themselves but were unsure whether they could obtain the credit necessary to do so. If unsuccessful in obtaining financing, they said they would be forced to seek contracts with commercial companies. If successful, they were confident they could boost production and income significantly. One farmer stated that his group was going to recruit their own "agricultural specialist" to assist them with financing, improving agricultural and water management practices, and marketing. When asked whether they would recruit a displaced WNAC

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Rapid privatization of lift irrigation in Sudan.