

An Attempted Coup or a Mutiny: What Happened on Sunday, Dec 15th, 2013?

Compiled by PaanLuel Wel

The Coup that was; the secret unknown!

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Two weeks ago, Gatbel Biliu, a soldier in the SPLA presidential guard- tiger battalion living in Juba could not hold but goes on hiding after failing what he termed as “second liberation” as he was told by his superior who promised him a position in the government if they liberate his people from Dinka domination! He has provided a detailed account of how the fighting started leading to the current chaos. In a just published narrative he writes about last Sunday evening 15 December after the meeting of the National Liberation Council had failed and they were briefed again by “zol kebir”; (big man).

Gatbel went in to hiding on Monday after their army was over powered by what he called as “Dinka soldiers” from the main military barrack. He could not reach where his other colleagues have run to; so he opted to hide in a house in Khor William, an area behind the military barrack. In the event leading to his surrender, he went fleeing the area through Lologo to the general direction of the forest. After a long night walk, he came to a camp he came to know as Rajaf Police College. He was thirsty and his feet were all full of bruises. Gatbel was taken by a policeman to a room in the Police College, where he was marched past several other people and found himself in a room with other young men, all Nuer. “We counted ourselves and found we were 40,” he told the events. “Then they told us that we are free, as long as we don’t join those fighting the government again.” Gatbel spoke from his hiding that has become an emergency sanctuary to him; fearing backlash from his Nuer brothers for revealing the failed plan. Sitting on a rug in the middle of a dirty room, with bandages covering wounds in his blistered feet and legs, he recalled: “It was horrible, because to survive I had to run, a situation I was not prepared for as the plan was a well laid on and we were sure of success.” The latest violence began on 15 December at 9:45 pm in the military barrack at Atla bara was mistimed. The fight now termed to be between Dinka and Nuer soldiers in the presidential guard, igniting a simmering political power struggle in South Sudan’s ruling party and sparking widespread ethnic killings was not as perceived. According to Gatbel, the plan was designed way back in September. They were briefed by a Nuer parliamentarian called Martha and a colonel from the military justice whose identity he

could not reveal because they are related. He has provided a detailed account of how the fighting started leading to the current chaos on Sunday evening 15 December after they were given 2,000 \$ dollars each and promise more if the mission succeeds. That they were told to start they shooting at midnight of Sunday 15 December at the president's house and capture the president. This seem to have been detected by the security prompting the relocation of all the presidential guards to the Atla bara Military barrack where the Tiger battalion is always stationed. "The information we got is that President Kiir ordered Major General Marial Ciennoung to disarm all of us the presidential guards." "Marial called for a parade of the Tiger Battalion. He briefed the troops and ordered them to surrender their arms. We all obeyed and executed the orders and dispersed." "Now realizing that, we cannot achieve our mission and the whole mission depend on us, we made a quick meeting and call our contact who is in contact with "zol kebir" he called back and said we cannot fail this today, so start in the barrack and coordinate with Bilpham barrack to divert attention. We then started by shooting the officer in charge of the stores." "As they now could not control the situation as more of our soldiers came in and broke into the stores. The fight ensued and our Nuer soldiers managed to take control of the barrack. It was in the morning (Monday) that SPLA reinforcement came in and displaced us." Gatbel narrates. "In my hid, I heard "zol kebir" has left Juba and is saying it was not a plan to remove the government, I was confused! Did my friend died in vein? Was I to die also in vein? Why are we dying for someone's cause?" He asked. "These and many other reasons made me reveal this to you; I love my people and my country!" Gatwich K, 28 a Nuer by tribe, was at home on Sunday evening at around 10pm in the Jabarona area on the outskirts of the capital when shooting started. As it came closer he decided to hide at his home. Gatwich recalls the moment just after midnight when the soldiers all speaking in Nuer, came to his compound as they regroup and talking of how they will overran the barrack and proceed to capture the president! "They divided their money as they leave for the barrack again," he said. "I was afraid to come out and joint in what I don't know" he lamented

An Excerpt from Dr. John Akech's Article (Pro-Kiir): ["South Sudan: Making Sense of December the 15th, Start of War – Part 1"](#)

What Actually Sparked the Fight on Sunday 15th December 2013?

According to some analysts, the shootout that started at the headquarters of Presidential Guards Division of South Sudan army was caused by "rumour and paranoia." Another version provided by sources close to Riek Machar say the conflict was sparked by "an attempt to disarm members of Presidential Guards that belong to the Nuer ethnic group

by a force composed of Dinka elements of Presidential Guards."And still others say it was sparked by "a fight between two drunken soldiers in the Tiger and Buffalo brigades", and evolved into a confrontation between Dinka and Nuer elements in the army.

Furthermore, government officials described it as an "unsuccessful coup attempt by Dr. Riek Machar in collaboration with a number of former cabinet ministers." This was flatly denied by Riek Machar, although he later on admitted being the leader of the mutiny. What is more, a few days later, and precisely on Friday 20th December 2013, Dr. Riek told Al Jazeera interviewer that he wants to be the next SPLM flag bearer in 2015 election, and the next president of South Sudan.

As always, the first casualty of war is truth itself. Major General Marial Chanuong Yol, the Commander of Presidential Guards in South Sudan, told the author:

"I felt something was wrong when Dr. Riek Machar wanted to force his way into the convention hall where the meetings of National Liberation Council (NLC) were scheduled on Saturday December 14 with all his 30 guards who arrived with him in 4 cars. Only one guard was eventually allowed to accompany Dr. Riek into the conference hall and the issue was peacefully resolved after one of his officers almost caused a fight at the gate just before the opening ceremony of the SPLM NLC convention."

Maj. Gen. Marial Chanuong said he was at the division headquarters up to 6 pm on Sunday after which he went home. At 8 pm, he received a report that there had been a dispute at first battalion where a certain Nuer major expressed anger because the number of guards at ammunition store was higher than normal. Chanuong sent a Nuer colonel to resolve the issue. He then requested the colonel on duty to be alert. He also noted that colonels John Malual Biel and Peter Lok, both Nuers, who are first and second battalion commanders had arrived back at the army garrison that evening. "The two were believed to have been in contact with their politicians", according to Chanuong. Also eye witnesses said money was distributed to Nuer soldiers on Sunday and many of them came back to garrison and took up their arms early in the evening that day.

At around 10:17 pm exactly, Colonel John Malual Biel, head of first Battalion shot his deputy, Akol Reec (a Dinka from Warap State) unprovoked. He died a day later from his bullet wounds. At the same time, Abraham Manyuat Ajou was shot by a certain Nuer Brigadier General James Koch Gak (there is slight variation as to who was shot first). Hence at the start of the incidence, the shooters were all Nuer, and the victims were all Dinka. The killing of the two Dinka officers was in cold blood, and was never preceded by arguments or "wrist fight" as some media has reported it.

Fighting then erupted. An unknown number of soldiers were killed on the side of government forces and mutineers. And contrary to reports that the mutineers had control

of army headquarters on Sunday night, Maj. Gen. Chanuong said the battle raged throughout the night and that the mutineers could not succeed to capture the ammunition store and were pushed out of the garrison by 2am of morning of 16 December 2013 into Jebel area of Juba, according to Chanuong.

"Nuer soldiers in non-uniform mobilized Nuer civilians in 107 area and they tried unsuccessfully to take over the ammunition store at New Site", Chanuong relates.

Chanuong also dismissed the reports that it was a fight between the Dinka and Nuers per se:

"More than 50 percent of our forces are Nuer. My deputy is a Nuer. My office manager is a Nuer. Three of LtD colonels under my command on Sunday night operation were Nuer. Why didn't they kill me if it was an issue between Dinka and Nuers? Many of those who defected did so from the wrong information they got in the media."

Asked about the report of atrocities against Nuer civilians in New Site and block 107 area of Juba, he replied:

"I can only speak about the forces I command. We are not responsible for the atrocities reported." He said some of individuals many of whom are not part of the army have been arrested in relation to the atrocities and that investigation is ongoing to identify those involved in the killing of civilians.

Maj. General Marial Chanuong acknowledged that there were indicators that this was coming but did not have evident to make the arrest:

"Had we done that [arrested perpetrators], we would have been accused of sparking the fight. That they have ventured to execute their plans makes them fully accountable for their deeds."

After more than one hour of conversation with the author at his office at Division headquarters where troubles started, Maj. Gen. Chanuong introduced his second in command, Brigadier Simon Yien, a Nuer, as well as other Nuer, Dinka, and other South Sudan ethnicities in the Presidential Guards.

He said:

"Please tell them when you write your report that you found Nuer and Dinka eating together."

This was in stark contrast to claims by some sources that the coup was led by Brigadier Simon Yien, a proof of how much disinformation was being generated in Juba!

Of 11 politicians that have been arrested by the authorities, mostly from Dinka ethnic group, two have been released as at the time of this writing. The government has also agreed to a cease-fire and called for unconditional dialogue with Machar's group.

CONCLUDING REMARKS

In summary, it would appear that what took place on the night of December 15th was less of a Dinka-Nuer conflict, and more of a pre-planned politically motivated mutiny using ethnic card to mobilize a support base. The mutineers were all Nuer, while those fighting against them were a multi-ethnic army. The severity of the conflict has also been aggravated by inaccurate media reporting and the inflammatory statements by some politicians. It has also created an environment of mutual mistrust amongst the citizens as to who is against or for the government; or who is your friend and who is your enemy. In words of Bishop Daniel Deng of Episcopal Church of South Sudan, "we do not know is fighting whom."

December 15th incidence, therefore, presents the nation with open questions as to what were the underlying causes of the conflict, how it might be resolved, how its repeat may be prevented in future, and what are its implications for nation-building, organisation of armed forces, and the future political stability of the country.

It wasn't a Coup –By Dr. Peter Adwok Nyaba (who is pro-Machar), writing from Juba, Dec 20, 2013

Sometimes ago I wrote on the SouthSudanNation website and made the conclusion that "the SPLM must be saved from itself lest it plunged the country into the abyss." The events of the last two weeks seem to vindicate this prophetic statement. South Sudan is on the brink.

The current crisis started last year when Dr. Riek Machar, the SPLM first vice Chairman, declared his intention to contest for the SPLM Chairmanship – itself his democratic right, and was soon joined by Pagan Amum the SPLM Secretary General and Madame Rebecca Nyandeng de Mabior member of the SPLM Political Bureau.

Instead of taking charge of the emerging situation as the SPLM Chairman Salva Kiir allowed matters to slide taking their course until the country was woken up to a presidential decree withdrawing delegated powers from Dr. Riek Machar.

Sooner thereafter more presidential decrees followed dismissing Dr. Riek Machar as Vice President, dissolving the cabinet and suspending the SPLM Secretary General and subjecting him to criminal investigation over corruption charges.

In the intervening period, two opposing trends emerged in the SPLM. The group in the government and that outside made up of most of the dismissed ministers and two

unconstitutionally dismissed governors of Lakes and Unity states respectively. Efforts to reconcile the different trends came to nothing.

Finally, Dr. Riek Machar and group called the shots and on December 6th called a press conference in the SPLM House in which they outlined the main differences and called on the SPLM Chairman Salva Kiir Mayardit to convene the Political Bureau in order to set the agenda for the anticipated National Liberation Council.

Dr Riek Machar also announced the public rally the group would hold on Saturday December 14th on Dr, John Garang Memorial Grounds. The SPLM General Secretariat also scheduled that day for the opening of the session of the National Liberation Council. The two SPLM groups seem gearing towards a collision.

This prompted the Dinka elders' and the Church leaders to appeal to the two sides to postpone both the public rally and the NLC meeting and to give dialogue between the two a chance in order to reach a consensus on the contentious issues. Dr. Riek Machar et al acquiesced and released a statement to that effect.

The NLC meeting, however, started as scheduled on Saturday morning. His Grace Paulino Lokudu Loro, the Catholic Archbishop of Juba reiterated the appeal the Bishops had made earlier and called for calm and harmony.

In his opening speech, the SPLM Chairman made no reference to the internal contradictions that hampered the party functions since March and how to resolve them amicably.

On the contrary, he was bellicose, ignored the appeal of the Archbishop and deliberately referred to the 1991 split within the SPLM/SPLA as a reminder. In this context, I quote the following:

“in the light of the recent development in which some comrades have come out to challenge my executive decisions, I must warn you that this behaviour is tantamount to indiscipline, which will take us back to the days of the 1991 split.”

Chairman Salva Kiir apparently referred to Dr. Riek Machar ostensibly to put him in unfavourable light among the membership of the NLC and to discredit his demands for democratic reforms in the SPLM. This perhaps prompted Riek, Rebecca Nyandeng, and others to boycott the Sunday meeting incensing Salva Kiir into a frenzy, which became the most tragic incident in post war South Sudan.

On Sunday afternoon as the meeting of the NLC was winding up, President Salva Kiir Mayardit, the Commander in Chief of the SPLA, ordered Major General Marial Ciennoung, the commander of Tiger Battalion to leave the meeting venue in Nyakuron back to his H/Qs and to disarm his troops. Marial went and implemented the orders.

However, after dispersing the troops, he ordered the Dinka elements rearmed. The ensuing argument between him and his deputy, a Nuer, attracted the attention of some Nuer soldiers who happened to be nearby. A fistfight ensued between the storekeeper and some Nuer soldiers.

In the confusion, the Nuer soldiers broke into the store and armed themselves. This was the trigger of the fighting in Juba. It was a fight between the elements of the same Tiger Battalion, which makes the presidential guards, that lasted from Sunday night till Monday afternoon.

The rest of the fighting in other parts of Juba, which lasted until Wednesday was the presidential militia terrorising and butchering the Nuers, other Dinka elements presumed to be supporters of Riek Machar, Rebecca Nyandeng and Majak de Agoot.

On Monday, President Salva Kiir called a press conference. Clad in complete military attire, the President declared it was a coup and that the loyal forces has crushed it and were now pursuing the remnants.

The linkage of the fighting among the presidential guards to an attempted coup against the state carried by the president's press briefing makes an incredibly clumsy story.

The absurdity of the coup story comes out clearly, with the deployment of the presidential militia hailing mainly from Warrap and Northern Bahr el Ghazal, who indeed are killing unarmed Nuers soldiers, civilians including women and children in Juba, on the presumption that they were Riek Machar's supporters, that Salva Kiir inadvertently is pushing the country to the brink.

In Juba, many innocent Nuers, some of them government official, members of the NLC, but the majority are civilians women, youths, students and persons from other ethnicities have been executed either in their own houses or are taken under guise of being arrested and killed in ghost houses run by the National Security and Intelligence Service elements in the town. Their bodies buried in several mass-graves secretly by night.

Many people, including the Hon. Speaker of the National Legislative Assembly, whose children missed death by a whisker having been saved by a Dinka woman MP shocked by the killings in the neighbourhood, have run to the UNMISS compound for protection.

Many Nuers have left their homes and have gone to UNMISS or are hiding in the hotels in Juba.

In Jonglei, Upper Nile and Unity states reprisals against elements of the Dinka nationality have been reported targeting those hailing from Bahr el Ghazal.

In Warrap state those who were calling for the removal of Governor Nyandeng have been branded coup plotters linked to Dr. Riek Machar.

There is a direct link between the events now unfolding and Salva Kiir's power perceptions. When he toured the four states of Bahr el Ghazal in September, Salva Kiir made hate speeches against his former deputy Dr. Riek Machar and the former ministers.

In Akon, his hometown, speaking in Dinka, which SSTV aired, Salva had this to say, *"...look, this power which I have belongs to you. You fought and died for it... now some people want to snatch it from me... we you accept it?" "Aci ba gam" meaning we will not accept, shouted the people back.*

It was in this context of retaining power that he ordered Paul Malong Awan to recruit and bring to Juba three thousand young men, which now constitutes his presidential guards.

Now putting together the pieces, a clearer picture begins to emerge.

President Salva has been planning to forestall any democratic reforms in and institutionalization of power relations in the SPLM soon after July 23rd when he dissolved the cabinet and dismissed Riek Machar.

The recruitment of presidential militia from Warrap was to send home the message that power belonged to the people of Warrap and so they should protect it. The story of the coup was just a stratagem to cover his rejection of the appeal by the Church leaders and Dinka elders, and a ploy to arrest Riek Machar and close the chapter of dissent against his leadership.

The arrest of the former ministers was also to accelerate their removal from the government houses they are occupying in Hai Amarat. It is a very simplistic but dangerous game.

In a matter of a few hours, Salva Kiir succeeded to erode the social capital that bounded together our people for centuries.

Now Salva Kiir has come up with another story that it was not a coup attempt but that Dr. Riek and others had wanted to exploit the fighting in the Tiger Battalion for their political ambitions.

Salva Kiir has shot himself in the foot. This is incredible, President Kiir who on Monday was on TV screens worldwide announcing that his forces had crushed an attempt coup is now saying that it was not a coup.

Who again will ever believe Salva Kiir, the president of the Republic of South Sudan? God save South Sudan!!!!

Why South Sudan has exploded in violence

BY PHILIP ROESSLER
December 24 at 8:48 am

This is a guest post by College of William and Mary political scientist [Philip Roessler](#). His research focuses on political violence, and he has conducted extensive fieldwork in Sudan and South Sudan.

As a poor, landlocked, oil-dependent state with a long history of violent conflict and a belligerent neighbor to the north, South Sudan's post-independence challenges were always going to be immense. But there was much hope that with wise leadership, prudent policy-making, an inclusive government and generous foreign assistance, South Sudan could leapfrog some of the post-independence crises that plagued other African countries. Tragically, as evidenced by the [violent events](#) that have transpired over the past 10 days (for a useful backgrounder see [this post](#) by Max Fisher), South Sudan has fallen prey to one of the most pernicious sources of state failure in post-colonial Africa: [the coup-civil war trap](#). This trap leads rulers to pursue ethnic political exclusion as a "coup-proofing" strategy but at the cost of engulfing their countries in violence.

The coup-civil war trap arises when political institutions are weak and ethnic groups are strong. Violence is dispersed among [powerful Big Men](#) who are embedded in and supported by different ethnic groups. And economic benefits are primarily derived from controlling the central government. Under such conditions, peace is often contingent upon power-sharing, in which the ruler strikes alliances with rival Big Men. These alliances allow the ruler to mobilize support and collect information from outside his own ethnic group, which in turn helps to secure peace and prevent civil war.

But the potential danger is that in sharing real power with ethnic rivals, the ruler leaves himself vulnerable to a coup d'état. And there's the rub: the policy solution to civil war in these weak states increases a rival group's capabilities to win power in a coup. In more technical terms, ethnic power-sharing in the shadow of the coup d'état gives rise to a commitment problem, in which the ruler fears that rivals are supporting him only to better position themselves to take power in the future.

This commitment problem is a key source of bargaining failure and conflict in weak states because it prevents rulers from fully committing to peaceful power-sharing. Reluctant to strengthen their rivals, rulers don't share enough power. Fundamentally mistrustful, they pursue defensive safeguards, such as stacking the military and security organs with members of their ethnic group and other loyalists, in a bid to neutralize their rivals' coup-making capabilities. But this only undermines confidence in the ruler. Regime partners question the ruler's commitment to power-sharing and, even worse, fear that, having used his comrades to get to power, he is ready to dispose of them by purge or execution.

In response, rivals counter-mobilize. Anticipating the worst, they prepare to launch preemptive strikes to defend themselves and their share of power. As the sides become locked into an internal [security dilemma](#), eliminating the other side from power is seen as the only way out. Even though the ruler knows that purging ethnic rivals increases the risk of future conflict and forfeits the regime's control over key societal groups and territory, he prefers the risk of a possible civil war tomorrow to the clear and present danger of a coup d'état today.

Broadly, this is what has transpired in South Sudan throughout the past year. Salva Kiir, South Sudan's president, sensed a growing threat from a number of his comrades in the Sudan People's Liberation Movement, especially his vice president, Riek Machar, who [made no pretenses about his ambitions for power](#). Kiir sought to emasculate Machar's influence and power by first [stripping Machar of his authority](#) and then [removing him as vice president](#) (along with the entire cabinet). When violence broke out between rival factions in the presidential guard on Dec. 15 (in what Kiir publicly declared was a thwarted coup d'état), Kiir made a bid to eliminate the internal threat posed by Machar once and for all by [arresting or killing him](#) along with others opposed to the president, such as secretary general of the SPLM, Pagan Amum.

Having narrowly escaped Kiir's purge and fled the capital, Juba, Machar is [now seeking](#) to mobilize his network of supporters, especially among his Nuer co-ethnics in his

home region of Unity State, to try to reclaim power in an armed rebellion. Having forfeited any societal and territorial support among the Nuer, Kiir, leaning heavily on his Dinka co-ethnics, will find it difficult to fight a selective counterinsurgency campaign and will most likely resort to indiscriminate violence. For their part, the rebels will target perceived loyalists to the Kiir regime, using ethnicity as a heuristic device.

This path to regime breakdown and potential civil war is not unique to South Sudan; in fact the sequence of events is nearly identical those that led to the Chadian civil war between Hissène Habré and an insurgency led by his former chief of staff Idriss Déby in 1989; the Liberian civil war between Samuel Doe and Thomas Quiwonkpa's deputies that also broke out in 1989; and Africa's Great War in the Democratic Republic of Congo between Laurent Kabila's regime and his former allies from eastern Congo and Rwanda that began in 1998.

The shadow of history is also very important in the South Sudan case. In 1991, Machar launched a failed bid to overthrow the then-leader of the Sudan People's Liberation Army (SPLA), John Garang. The failed coup triggered an intra-SPLA civil war and large-scale violence along ethnic lines. Machar was prominently involved, mobilizing support from his co-ethnics and targeting Dinka co-ethnics of John Garang, including in the notorious Bor Massacre in November 1991, in which it is estimated at least 2,000 perished. Over the next decade, Machar would ally with the central government in Khartoum and continue to fight against the SPLA until he reconciled with Garang and rejoined the SPLM in 2002. The reunification of the SPLA was integral to the rebels' ability to win the right to independence.

All civil wars are tragic. But this new armed conflict in South Sudan is especially so. Not only because so many South Sudanese who had hoped and prayed that independence would usher in peace and development are now once again fearfully fleeing their homes, like they did countless times in the past. Not only because the mechanics of the conflict were utterly predictable, given how this pattern of state failure has played out time and time again in South Sudan and other African countries. But also because there was a potential path out of the coup-civil war trap that was not realized — namely the institutionalization of power competition through the ruling political party, the SPLM.

A growing body of scholarship points to the [stabilizing effect](#) of political parties and other political institutions in non-democratic regimes. In investing in the party to allocate power, the ruler is credibly signaling his commitment to power sharing but also

protecting himself from the coup d'état. The downside in delegating authority to the party, of course, is the ruler not only constrains his rivals but also constrains himself — which is exactly the point. This generates a new dilemma for the ruler, however: he does not want to strengthen the party only to see it abandon him and back someone else.

This was the dilemma that confronted Salva Kiir. The SPLM was [supposed to hold its general convention in 2013](#) to elect a chairman and the party's presidential nominee for the 2015 election. The holding of the convention would help to regulate the competition for power that was building among top regime elites. If it were to reaffirm Kiir's chairmanship of the party, it could also go a long way toward consolidating Kiir's power vis-à-vis his rivals.

But Kiir increasingly feared the possibility that the party might not reelect him as party chairman and would instead swing its support to Machar or Amum, the secretary general. In the face of such a possibility, Kiir maneuvered to undermine the party's institutions. For example, he refused to call to order party organs in which he might be outvoted, such as the SPLM's political bureau. He also tried to manipulate the convention rules to prohibit the secret ballot. Finally, [he dismantled party structures](#) and postponed the convention indefinitely.

In short, Kiir rejected party rule for personal rule. In doing so, he managed to maintain his position as head of the SPLM, at the cost of leaving the power struggle at the apex of the regime unresolved and intensifying his own strategic uncertainty. The cost is that he has now brought South Sudan to the brink of civil war.

In No One We Trust

JAVIER JAN

By JOSEPH E. STIGLITZ

December 21, 2013

In America today, we are sometimes made to feel that it is naïve to be preoccupied with trust. Our songs advise against it, our TV shows tell stories showing its futility, and incessant reports of financial scandal remind us we'd be fools to give it to our bankers.

That last point may be true, but that doesn't mean we should stop striving for a bit more trust in our society and our economy. Trust is what makes contracts, plans and everyday transactions possible; it facilitates the democratic process, from voting to law creation, and is necessary for social stability. It is essential for our lives. It is trust, more than money, that makes the world go round.

We do not measure trust in our national income accounts, but investments in trust are no less important than those in human capital or machines.

Unfortunately, however, trust is becoming yet another casualty of our country's staggering inequality: As the gap between Americans widens, the bonds that hold society together weaken. So, too, as more and more people lose faith in a system that seems inexorably stacked against them, and the 1 percent ascend to ever more distant heights, this vital element of our institutions and our way of life is eroding.

The undervaluing of trust has its roots in our most popular economic traditions. Adam Smith argued forcefully that we would do better to trust in the pursuit of self-interest than in the good intentions of those who pursue the general interest. If everyone looked out for just himself, we would reach an equilibrium that was not just comfortable but also productive, in which the economy was fully efficient. To the morally uninspired, it's an appealing idea: selfishness as the ultimate form of selflessness. (Elsewhere, in particular in his "Theory of Moral Sentiments," Smith took a much more balanced view, though most of his latter-day adherents have not followed suit.)

But events — and economic research — over the past 30 years have shown not only that we cannot rely on self-interest, but also that no economy, not even a modern, market-based economy like America's, can function well without a modicum of trust — and that unmitigated selfishness inevitably diminishes trust.

Take banking, the industry that spawned the crisis that has cost us dearly.

That industry in particular had long been based on trust. You put your money into the bank, trusting that when you wanted to take it out in the future, it would be there. This is not to say that bankers never tried to deceive one another or their clients. But a vast majority of their business was conducted on the basis of assumed mutual accountability, sufficient levels of transparency, and a sense of responsibility. At their best, banks were stalwart community institutions that made judicious loans to promising small businesses and prospective homeowners.

In the years leading up to the crisis, though, our traditional bankers changed drastically, aggressively branching out into other activities, including those historically associated with investment banking. Trust went out the window. Commercial lenders hard-sold mortgages to families who couldn't afford them, using false assurances. They could comfort themselves with the idea that no matter how much they exploited their customers and how much risk they had undertaken, new "insurance" products — derivatives and other chicanery — insulated their banks from the consequences. If any of them thought about the social implications of their activities, whether it was predatory lending, abusive credit card practices, or market manipulation, they might have taken comfort that, in accordance with Adam Smith's dictum, their swelling bank accounts implied that they must be boosting social welfare.

Of course, we now know this was all a mirage. Things didn't turn out well for our economy or our society. As millions lost their homes during and after the crisis, median wealth [declined nearly 40 percent](#) in three years. Banks would have done badly, too, were it not for the Bush-Obama mega-bailouts.

This cascade of trust destruction was unrelenting. One of the reasons that the bubble's bursting in 2007 led to such an enormous crisis was that no bank could trust another. Each bank knew the shenanigans it had been engaged in — the movement of liabilities off its balance sheets, the predatory and reckless lending — and so knew that it could not trust any other bank. Interbank lending froze, and the financial system came to the verge of collapse, saved only by the resolute action of the public, whose trust had been the most abused of all.

There had been earlier episodes when the financial sector showed how fragile trust was. Most notable was the crash of 1929, which prompted new laws to stop the worst abuses, from fraud to market manipulation. We trusted regulators to enforce the law, and we trusted the banks to obey the law: The government couldn't be everywhere, but banks would at least be kept in line by fearing the consequences of bad behavior.

Decades later, however, bankers used their political influence to eviscerate regulations and install regulators who didn't believe in them. Officials and academics assured lawmakers and the public that banks could self-regulate.

But it all turned out to be a scam. We had created a system of rewards that encouraged shortsighted behavior and excessive risk-taking. In fact, we had entered an era in which moral values were given short shrift and trust itself was discounted.

THE banking industry is only one example of what amounts to a broad agenda, promoted by some politicians and theoreticians on the right, to undermine the role of trust in our economy. This movement promotes policies based on the view that trust should never be relied on as motivation, for any kind of behavior, in any context. Incentives, in this scheme, are all that matter.

So C.E.O.'s must be given stock options to induce them to work hard. I find this puzzling: If a firm pays someone \$10 million to run a company, he should give his all to ensure its success. He shouldn't do so only if he is promised a big chunk of any increase in the company's stock market value, even if the increase is only a result of a bubble created by the Fed's low interest rates.

Similarly, teachers must be given incentive pay to induce them to exert themselves. But teachers already work hard for low wages because they are dedicated to improving the lives of their students. Do we really believe that giving them \$50 more, or even \$500 more, as incentive pay will induce them to work harder? What we should do is increase teacher salaries generally because we recognize the value of their contributions and trust in their professionalism. According to the advocates of an incentive-based culture,

though, this would be akin to giving something for nothing.

In practice, the right's narrow focus on incentives has proved inimical to long-term thinking and so rife with opportunities for greed that it was bound to promote distrust, both in society and within companies. Bank managers and corporate executives search out creative accounting devices to make their enterprises look good in the short run, even if their long-run prospects are compromised.

Of course, incentives are an important component of human behavior. But the incentive movement has made them into a sort of religion, blind to all the other factors — social ties, moral impulses, compassion — that influence our conduct.

This is not just a coldhearted vision of human nature. It is also implausible. It is simply impossible to pay for trust every time it is required. Without trust, life would be absurdly expensive; good information would be nearly unobtainable; fraud would be even more rampant than it is; and transaction and litigation costs would soar. Our society would be as frozen as the banks were when their years of dishonesty came to a head and the crisis broke in 2007.

AMERICA faces another formidable hurdle if it wants to restore a climate of trust: our out-of-control inequality. Not only did the actions of the bankers and government policies influenced by the right directly undermine trust, both contributed greatly to this inequality.

When 1 percent of the population takes home more than 22 percent of the country's income — and 95 percent of [the increase in income](#) in the post-crisis recovery — some pretty basic things are at stake. Reasonable people, even those ignorant of the maze of unfair policies that created this reality, can look at this absurd distribution and be pretty certain that the game is rigged.

But for our economy and society to function, participants must trust that the system is reasonably fair. Trust between individuals is usually reciprocal. But if I think that you are cheating me, it is more likely that I will retaliate, and try to cheat you. (These notions have been well developed in a branch of economics called the "[theory of repeated games](#).") When Americans see a tax system that taxes the wealthiest at a fraction of what they pay, they feel that they are fools to play along. All the more so when the wealthiest are able to move profits off shore. The fact that this can be done without breaking the law simply shows Americans that the financial and legal systems are designed by and for the rich.

As the trust deficit persists, a deeper rot takes hold: Attitudes and norms begin to change. When no one is trustworthy, it will be only fools who trust. The concept of fairness itself is eroded. A [study published last year](#) by the National Academy of Sciences suggests that the upper classes are more likely to engage in what has traditionally been considered unethical behavior. Perhaps this is the only way for some to reconcile their worldview

with their outlandish financial success, often achieved through actions that reveal a kind of moral deprivation.

It's hard to know just how far we've gone down the path toward complete trust disintegration, but the evidence is not encouraging.

Economic inequality, political inequality, and an inequality-promoting legal system all mutually reinforce one another. We get a legal system that provides privileges to the rich and powerful. Occasionally, individual egregious behavior is punished (Bernard L. Madoff comes to mind); but none of those who headed our mighty banks are held accountable.

As always, it is the poor and the unconnected who suffer most from this, and who are the most repeatedly deceived. Nowhere was this more evident than in the foreclosure crisis. The subprime mortgage hawkers, putting themselves forward as experts in finance, assured unqualified borrowers that repayment would be no problem. Later millions would lose their homes. The banks figured out how to get court affidavits signed by the thousands (in what came to be called [robo-signing](#)), certifying that they had examined their records and that these particular individuals owed money — and so should be [booted out of their homes](#). The banks were lying on a grand scale, but they knew that if they didn't get caught, they would walk off with huge profits, their officials' pockets stuffed with bonuses. And if they did get caught, their shareholders would be left paying the tab. The ordinary homeowner simply didn't have the resources to fight them. It was just one example among many in the wake of the crisis where banks were seemingly immune to the rule of law.

I've written about many dimensions of inequality in our society — inequality of wealth, of income, of access to education and health, of opportunity. But perhaps even more than opportunity, Americans cherish equality before the law. Here, inequality has infected the heart of our ideals.

I suspect there is only one way to really get trust back. We need to pass strong regulations, embodying norms of good behavior, and appoint bold regulators to enforce them. We did just that after the roaring '20s crashed; our efforts since 2007 have been sputtering and incomplete. Firms also need to do better than skirt the edges of regulations. We need higher norms for what constitutes acceptable behavior, like those embodied in the [United Nations' Guiding Principles on Business and Human Rights](#). But we also need regulations to enforce these norms — a new version of trust but verify. No rules will be strong enough to prevent every abuse, yet good, strong regulations can stop the worst of it.

Strong values enable us to live in harmony with one another. Without trust, there can be no harmony, nor can there be a strong economy. Inequality in America is degrading our trust. For our own sake, and for the sake of future generations, it's time to start rebuilding it. That this even requires pointing out shows how far we have to go.

Thinking outside the ethnic box in S Sudan

Interpreting conflict as merely ethnic is not only superficial but also dangerous if it drives policy and peace deals.

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Hundreds of people died during the violence in South Sudan in December [EPA]

South Sudan's deepening conflict looks to be a tragic replay of an old, familiar story: rival African tribes killing one another in the latest round of an age-old conflict, this time made more deadly by the presence of modern automatic assault rifles and heavy weapons.

It's a narrative that confirms all that people thought they knew about Africa – that ancient, intractable tribalism once again brings a country to its knees.

It's an analysis that seems to explain everything without actually telling us anything. It allows us to nod sagely, and dismiss the violence as something embedded deep in the blood of the communities now killing one another. At the same time, it excuses us from understanding what really is driving the violence. Interpreting the conflict as “tribal”, is after all, an inherently racist understanding that implies there is something primal and undeveloped about African states in general, and that South Sudan in particular is somehow being dragged down in a bloody, historical inevitability.

In fact, it is an interpretation that is superficial at best, but when it drives policy and peace deals, it becomes downright dangerous.

In South Sudan's case, this particular episode had its roots in the civil war that split the greater Sudan, and created South Sudan in the first place. The causes of the war seemed pretty obvious: the black Christian south rebelled against ethno/religious domination from the Arab Muslim north. It was a narrative that played particularly well in the United States, where the south received political and financial support from two of the biggest lobbies – African Americans and the evangelical Christian churches.

It also led to the only obvious solution – separate the warring ethnic groups. Problem solved.

But the conflict was never really about ethnicity or religion. It is true that Arab Muslims dominate the north, and black Christians the south, but during the war thousands of

southerners sought refuge in Khartoum. And Khartoum sought allies among the southern groups – including the current “rebel” leader Riek Machar.

At its heart, the civil war was about politics. It was a rebellion by the periphery against the control of power and resources by a Khartoum-based elite.

The late John Garang understood that. He led the Sudan People’s Liberation Army – the dominant rebel force in the south – until he died in a helicopter crash soon after signing the comprehensive peace agreement with Khartoum. But he never believed in dividing Sudan. He always argued that the south could achieve its aims through a political revolution, and that its interests were better served by remaining a part of the greater Sudan.

Using ethnic patronage

When he died, that vision went with him. And so did any chance of real political reform, either in Khartoum or in Juba.

Because the focus of the peace negotiators was on an ethnic solution, nobody tackled the far tougher but more fundamental problem of the underlying political crisis. (And because Khartoum’s corrosive, selfish politics never changed, it triggered the Darfur crisis, and rebellions in the Nuba Mountains and Blue Nile provinces).

Not only did the politics remain unchanged in Khartoum; it also remained the same in the newly independent Juba. Instead of solving the problems that triggered the war in the first place, the negotiators simply chopped them into two.

There is of course an ethnic element to the crisis – the slaughter of one tribe by its rivals is plain enough to see. But for anyone who cares to look closely enough, there are enough exceptions to befuddle the notion that blood alone is enough to explain the killing. Rival warlords have never let ethnicity stop them from making deals when it suited them.

The fault lies not in the DNA of the South Sudanese tribes. It lies with the political leaders who use ethnic patronage to build their power bases; or who incite their ethnic kin to carve out a geographic or political niche.

In Juba, as in Khartoum, the institutions of state have centralised power around the presidency. And the political leaders who all came to power as military commanders,

have continued to run politics as they did their armies – in a top-down manner, delivering orders and micro-managing control, and ruthlessly punishing dissent.

Of course that is the polar opposite of the way a democracy is supposed to work. Democracies are messy things, that demand negotiation, compromise and patience. South Sudan's oil wealth hasn't helped, turning the business of government into more of an unseemly scramble for the money than any attempt to create a healthy functioning democracy.

So ultimately, any solution that fails to change the fundamental way politics is done in South Sudan is no solution at all. If we wind up with a “power sharing” deal that papers over the structural cracks without tackling the political culture, the country will settle back into an uneasy calm but it will, inevitably, explode once again. It may take years or even decades, but it is almost guaranteed.