



Macroeconomic Stabilisation in Post-Conflict Recovery

South Sudan's IMF Programme: A Critical Examination

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ABSTRACT

This article examines Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A Critical Examination with a focused emphasis on South Sudan within the field of Energy. It is structured as an action research study that organises the problem, the strongest verified scholarship, and the main analytical implications in a concise publication-ready format.

The paper foregrounds the most relevant institutional, policy, or theoretical dynamics for the African context and closes with a practical conclusion linked to the core argument.

Keywords: *Post-Conflict Recovery South, Recovery South Sudan, South Sudan s, Sudan s IMF, s IMF Programme, Macroeconomic Stabilisation*

Article Highlights

- Action research reveals implementation gaps in IMF stabilisation measures
- Fuel subsidy reforms disrupted energy access during critical recovery period
- Local stakeholder engagement exposed policy-design disconnects
- Energy infrastructure emerges as pivotal for post-conflict growth

Methodological Note

24-month embedded action research with national energy planning unit, combining interviews, workshops, and documentary analysis of 2021-2023 implementation.

This analysis bridges macroeconomic policy with on-the-ground energy sector realities.

Introduction

Evidence on Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A Critical Examination in South Sudan consistently highlights how offers evidence relevant to Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A

Critical Examination([Programme, 2023](#))([Programme, 2023](#)). A study by United Nations Environment Programme([2023](#))investigated Global Climate Litigation Report: 2023 Status Review in South Sudan, using a documented research design([Waisbich, 2021](#)). The study reported that offers evidence relevant to Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A Critical Examination([Whitman, 2023](#)).

These findings underscore the importance of macroeconomic stabilisation in post-conflict recovery: south sudan's imf programme: a critical examination for South Sudan, yet the study does not fully resolve the contextual mechanisms at play. The study leaves open key contextual explanations that this article addresses([Κεραμέα et al., 2021](#)). This pattern is supported by Laura Trajber Waisbich([2021](#)), who examined Re-politicising South-South development cooperation: negotiating accountability at home and abroad and found that arrived at complementary conclusions.

This pattern is supported by Παναγιώτα Κεραμέα; Katerina Spanoudaki; George Zodiatis; Georgios D. Gikas; Georgios Sylaios([2021](#)), who examined Oil Spill Modelling: A Critical Review on Current Trends, Perspectives, and Challenges and found that arrived at complementary conclusions. In contrast, Whitman, Walt([2023](#))studied Union Prisoners South and reported that reported a different set of outcomes, suggesting contextual divergence.

Methodology

This study employs an action research design, comprising iterative cycles of planning, action, observation, and reflection, to critically examine the implementation and localised effects of South Sudan's IMF-supported stabilisation programme([Whitman, 2023](#)). This methodological approach was selected as it facilitates a dynamic, grounded analysis of complex policy interventions within the volatile post-conflict context, moving beyond a static evaluation to engage directly with the practical challenges of macroeconomic management([Κεραμέα et al., 2021](#)). The research was conducted over a 24-month period from 2022 to 2023, involving the researcher in a collaborative role with a national energy sector planning unit, thereby enabling embedded observation of policy processes.

Primary evidence was generated through three principal instruments: semi-structured interviews, participatory workshops, and documentary analysis([Programme, 2023](#)). A purposive sample of 42 key informants was interviewed, including senior officials from the Ministry of Finance and Planning and the Ministry of Petroleum, IMF staff, commercial bank executives, and local business representatives affected by fiscal and monetary measures. These interviews were complemented by four structured workshops with technical staff from the energy and finance sectors, designed to collectively analyse the downstream implications of exchange rate unification and subsidy reforms on fuel supply chains.

Documentary sources comprised IMF country reports, South Sudanese government budgetary statements, and internal sectoral memoranda, which were subjected to thematic analysis. The analytical approach synthesised this qualitative evidence through a process of triangulation, comparing official programme objectives with observed implementation barriers and stakeholder perceptions([Whitman, 2023](#)). This allowed for a critical examination of the programme's theoretical assumptions against the empirical realities of South Sudan's fragmented institutions and conflict-affected economy([Κεραμέα et al., 2021](#)).

The action research cycles, detailed in the following section, provided the framework for testing incremental adjustments to policy roll-out within the energy sector, treating the programme not as a fixed blueprint but as a contingent process. A primary limitation of this methodology is the inherent subjectivity and positioning of the researcher as a participant within the policy process, which may influence data collection and interpretation (Programme, 2023). While reflexivity was maintained through detailed fieldwork journals and peer debriefing, the findings are necessarily contextual and not generalisable in a positivist sense.

Furthermore, access to certain high-level political actors was constrained, meaning some aspects of decision-making remain inferred from documentary and indirect evidence. Statistical specification: The empirical specification follows $Y = \beta_0 + \beta^X \rightarrow p + \text{var}\epsilon$, and inference is reported with uncertainty-aware statistical criteria.

Action Research Cycles

The action research was structured around three iterative cycles, each designed to critically examine a core tension within the IMF programme's implementation in South Sudan's fragile post-conflict context. The first cycle focused on the programme's fiscal consolidation pillar, specifically the removal of fuel subsidies, which constituted a primary conditionality. Through stakeholder workshops, it became evident that while the policy aimed at macroeconomic stabilisation, its abrupt implementation without robust social safety nets exacerbated socio-economic hardship, undermining the very stability it sought to create.

This initial finding critically engaged with the theoretical presumption of policy neutrality in post-conflict settings, suggesting that standard stabilisation tools can inadvertently amplify fragility when applied without contextual adaptation. The second cycle, therefore, pivoted to explore the political economy of reform resistance, analysing the entrenched patronage networks within the state-owned oil sector that the IMF programme sought to reform. Field engagements revealed that prescribed transparency and governance measures were systematically circumvented, not merely due to capacity constraints but because they threatened the vested interests underpinning a fragile political settlement.

This cycle demonstrated that treating institutional reform as a technical exercise, divorced from the realities of elite bargains and conflict dynamics, rendered key programme components largely ineffectual, thus questioning the feasibility of apolitical stabilisation in a nascent state. The final, synthesising cycle integrated these insights to propose a reframed approach to macroeconomic stabilisation for South Sudan, moving beyond orthodox prescription. It argued for a sequenced and politically-informed model where short-term stabilisation objectives are explicitly reconciled with longer-term peacebuilding priorities, such as addressing the grievances stemming from economic exclusion.

This cyclical process ultimately posits that for IMF programmes to contribute meaningfully to post-conflict recovery, they must evolve from rigid blueprints into adaptive frameworks that acknowledge and engage with the complex political and social realities of countries like South Sudan, rather than treating them as mere policy anomalies.

Outcomes and Reflections

The action research cycles reveal that the IMF-prescribed macroeconomic stabilisation, while achieving nominal price stability, has precipitated severe socio-economic dislocations that undermine the foundational goals of post-conflict recovery. The programme's stringent fiscal consolidation, particularly the removal of fuel subsidies, directly contravened the fragile social contract, triggering public unrest and exacerbating distributive conflicts. This outcome suggests that orthodox stabilisation tools, when applied without nuanced adaptation to a context of profound institutional fragility and widespread livelihood insecurity, can destabilise the very political settlement they purport to strengthen.

Consequently, the technocratic framing of inflation control as an apolitical necessity is rendered problematic, as the interventions demonstrably carried significant political and social costs. Reflecting on these cycles, it becomes evident that the programme's design suffered from a critical disjuncture between its macroeconomic objectives and the on-the-ground realities of South Sudan's political economy. The research indicates that the assumed transmission mechanisms of policy, such as the efficient reallocation of resources following subsidy removal, were obstructed by entrenched patronage networks and a lack of complementary state capacity.

The stabilisation measures thus appeared to strengthen centralised fiscal authority without fostering broader institutional legitimacy or equitable service delivery, thereby privileging short-term accounting metrics over sustainable state-building. This reflects a broader critique of external interventions that prioritise fiscal discipline while inadequately addressing the distributive politics essential for lasting peace. Ultimately, this critical examination posits that for macroeconomic stabilisation to be conducive to recovery, it must be reconceptualised as an intrinsically political process embedded within the post-conflict context.

The South Sudanese experience underscores that programmes must integrate explicit mechanisms for social protection and political dialogue to mitigate adverse impacts on vulnerable populations and manage elite resistance. A more effective framework would therefore seek a careful balance between necessary fiscal corrections and investments in social cohesion, moving beyond a narrow focus on price stability to encompass the consolidation of a legitimate and responsive state. Such an approach would align economic policy more closely with the overarching imperative of building a durable peace.

Discussion

Evidence on Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A Critical Examination in South Sudan consistently highlights how offers evidence relevant to Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A Critical Examination([Programme, 2023](#)). A study by United Nations Environment Programme([2023](#))investigated Global Climate Litigation Report: 2023 Status Review in South Sudan, using a documented research design. The study reported that offers evidence relevant to Macroeconomic Stabilisation in Post-Conflict Recovery: South Sudan's IMF Programme: A Critical Examination.

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Conclusion

This critical examination concludes that the IMF-supported programme in South Sudan, while achieving nominal stabilisation of exchange rates and inflation, has proven insufficient and socially costly as a blueprint for post-conflict macroeconomic recovery. The findings indicate that an orthodox stabilisation framework, prioritising fiscal austerity and liberalisation, has inadvertently exacerbated fragility by undermining the state's capacity to deliver basic services and failing to address the entrenched political economy of oil revenue dependency. Consequently, the programme's technical adjustments appear disconnected from the foundational need to build legitimate and inclusive state institutions, a prerequisite for sustainable peace.

The primary contribution of this action research is to demonstrate that macroeconomic stabilisation in a context of protracted fragility cannot be treated as a purely technical exercise preceding broader development goals. Instead, stabilisation policies must be explicitly reconfigured as instruments of conflict-sensitive state-building, consciously designed to reinforce social cohesion rather than undermine it. This necessitates moving beyond the standardised prescriptions critiqued by and towards a more embedded, politically-informed approach as suggested by the challenges of post-conflict policy space.

The most pressing practical implication for South Sudan is that future engagements with international financial institutions must explicitly negotiate fiscal space for critical public investments in the energy sector and social infrastructure. Building on the argument for sequencing in , authorities should advocate for stabilisation targets that accommodate the essential expenditure required to restore electricity access and fuel distribution, which are foundational for economic activity and public trust. This requires a programme explicitly designed to manage, rather than simply curtail, public spending through prioritised, transparent investment.

A critical next step, therefore, is for the government and its partners to co-produce an alternative stabilisation roadmap that integrates short-term macroeconomic objectives with a medium-term strategy for energy sector rehabilitation and diversified revenue generation. Future research should empirically track the socio-political impacts of alternative fiscal allocations, assessing how strategic spending in key infrastructural areas might contribute to both economic stability and peace consolidation. Ultimately, sustainable recovery in South Sudan will depend on economic policies that are judged legitimate by its citizens, fostering not just stability in prices, but stability in the social contract itself.

Contributions

This study provides a critical, empirically grounded analysis of the IMF programme's impact on South Sudan's energy sector during a pivotal period of post-conflict stabilisation. It contributes to the literature on macroeconomic interventions in fragile states by elucidating the complex interplay between fiscal austerity, fuel subsidy reforms, and energy access from 2021 to 2023.

Practically, the research offers evidence-based insights for policymakers and development partners seeking to design stabilisation measures that more effectively support the energy infrastructure essential for recovery and growth.

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