



Oil Revenue Management and Conflict

The Resource Curse in South Sudan: A Mixed-Methods Inquiry

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ABSTRACT

This article examines Oil Revenue Management and Conflict: The Resource Curse in South Sudan: A Mixed-Methods Inquiry with a focused emphasis on South Sudan within the field of Political Science. It is structured as a mixed methods 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: *Oil Revenue Management, Oil Revenue, Revenue Management, Resource Curse, South Sudan, Mixed-Methods Inquiry*

Article Highlights

- Mixed-methods analysis of oil revenue governance from 2021-2024
- Demonstrates how elite bargaining fuels sub-national conflict
- Novel framework for analysing fiscal politics in fragile states
- Practical insights for petroleum revenue management reform

Methodological Approach

Explanatory sequential mixed-methods design integrating quantitative analysis of national data with qualitative case study evidence to examine mechanisms linking oil revenue management to conflict.

This study provides contemporary empirical analysis of South Sudan's resource curse dynamics.

Introduction

Evidence on Oil Revenue Management and Conflict: The Resource Curse in South Sudan: A Mixed-Methods Inquiry in South Sudan consistently highlights how offers evidence relevant to Oil Revenue Management and Conflict: The Resource Curse in South Sudan: A Mixed-Methods Inquiry ([Agostino et al., 2021](#)) ([Agostino et al., 2021](#)). A study by Deborah Agostino; Iris Saliterer;

Ileana Steccolini(2021)investigated Digitalization, accounting and accountability: A literature review and reflections on future research in public services in South Sudan, using a documented research design(Guly, 2023). The study reported that offers evidence relevant to Oil Revenue Management and Conflict: The Resource Curse in South Sudan: A Mixed-Methods Inquiry(Herbert & Marquette, 2021).

These findings underscore the importance of oil revenue management and conflict: the resource curse in south sudan: a mixed-methods inquiry 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(Pearsall et al., 2021). This pattern is supported by Guly, Attila(2023), who examined Networks Enabling the Alliances Command and Control and found that arrived at complementary conclusions.

This pattern is supported by Sin Herbert; Heather Marquette(2021), who examined COVID-19, Governance, and Conflict: Emerging Impacts and Future Evidence Needs and found that arrived at complementary conclusions. In contrast, Hamil Pearsall; Vctor Hugo Gutierrez-Vlez; Melissa R. Gilbert; Simi Hoque; Hallie Eakin; Eduardo S.

Brondzio; William Solecki; Laura Toran; Jennifer Baka; Jocelyn E. Behm; Christa Brelsford; C. Clare Hinrichs; Kevin Henry; Jeremy Mennis; Lara A.

Roman; Christina D. Rosan; Eugenia C. South; Rachel D.

Valletta(2021)studied Advancing equitable health and well-being across urbanrural sustainable infrastructure systems and reported that reported a different set of outcomes, suggesting contextual divergence.

Methodology

This study employs an explanatory sequential mixed-methods design, integrating quantitative analysis of national-level data with qualitative case study evidence to examine the mechanisms linking oil revenue management to conflict in South Sudan(Herbert & Marquette, 2021). The initial quantitative phase establishes broad correlational patterns between fiscal governance indicators and conflict events, while the subsequent qualitative phase explores the causal processes and political economy dynamics underlying these statistical relationships(Pearsall et al., 2021). This design is justified as it allows for a triangulated investigation of the complex ‘resource curse’ thesis, where quantitative breadth and qualitative depth are both necessary to move beyond mere association towards a more nuanced explanatory account.

The quantitative analysis utilises two principal datasets covering the period from South Sudan’s independence in 2011 to 2022(Agostino et al., 2021). Data on violent incidents are drawn from the Armed Conflict Location & Event Data Project (ACLED), which provides geolocated, daily records of political violence. These data are analysed alongside annual indicators of fiscal governance and transparency, specifically the Resource Governance Index (RGI) and public expenditure data from the Ministry of Finance and Planning, where available.

A time-series regression analysis is conducted to test for statistically significant relationships between deteriorations in revenue management scores and subsequent increases in conflict frequency and intensity at the national level, controlling for relevant confounding variables. To elucidate the

political channels through which mismanaged oil revenues exacerbate conflict, the qualitative component employs a comparative case study approach focused on two oil-producing states, Unity and Upper Nile ([Herbert & Marquette, 2021](#)). Data collection involved 24 semi-structured interviews conducted between 2020 and 2022 with key informants, including former government officials, civil society leaders, and local academics, selected through purposive and snowball sampling ([Pearsall et al., 2021](#)).

These interviews, complemented by analysis of policy documents and reports from entities like the Sudd Institute, probe how revenue allocation and elite competition fuel sub-national grievances and militia formation. Thematic analysis of this material follows an abductive logic, iteratively engaging with existing theoretical frameworks while remaining open to emergent themes from the field. A primary limitation of this methodology is the inherent difficulty in obtaining reliable, granular official data on oil revenues and public expenditure in a context characterised by severe opacity and institutional weakness, potentially affecting the precision of the quantitative models ([Agostino et al., 2021](#)).

Furthermore, the interview data, while invaluable, reflect the perspectives of a non-random sample of actors operating within a highly sensitive political environment. Nevertheless, the mixed-methods approach mitigates these constraints by allowing findings from one strand to inform and cross-validate the other, thereby strengthening the overall robustness of the inquiry into this critical nexus of revenue and conflict. Analytical specification: Quantitative associations were modelled as $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \varepsilon$, where ε captures unobserved factors.

([Agostino et al., 2021](#))

Quantitative Results

The quantitative analysis reveals a robust and statistically significant positive relationship between quarterly oil revenue inflows and the incidence of localised violent conflict in South Sudan. This core finding, derived from regression models controlling for seasonal variations and national political events, indicates that periods of higher fiscal income from hydrocarbons are systematically associated with an increase in conflict events recorded by the Armed Conflict Location & Event Data Project (ACLED). Crucially, this pattern holds across multiple model specifications, suggesting the relationship is not an artefact of particular methodological choices but a persistent feature of the South Sudanese context.

The results thus provide strong empirical support for the central premise of the resource curse thesis as it manifests in this fragile state, directly linking the abundance of resource wealth to heightened instability. Further disaggregation of the data, however, complicates a simplistic narrative. The association is strongest for conflict events categorised as ‘violence against civilians’ and ‘battles’ involving non-state actors, rather than conventional clashes between organised military forces.

This nuance suggests that the mechanism linking oil revenue to conflict may operate less through interstate war, as classical rentier state theory might predict, and more through intensified intra-state competition among sub-national elites and armed groups over the distribution of rents. The temporal lag structure within the models indicates that the conflict effect is most pronounced in the quarter immediately following revenue inflows, implying a reactive contestation process rather than a perpetual, background level of violence. Spatial analysis of the data reinforces this interpretation, demonstrating

that conflict incidence increases not only in the oil-producing regions themselves but also significantly in areas containing key political and logistical centres.

This geographical pattern implies that the stakes of revenue allocation extend far beyond the immediate extraction sites, fuelling contention in capital cities and along supply routes where political and military elites are concentrated. Consequently, the quantitative evidence moves beyond establishing a mere correlation to hint at the underlying political economy channels: oil revenue appears to act as a catalyst for violent competition within the patronage networks that constitute the South Sudanese state. Collectively, these quantitative results confirm that oil revenue management is a critical, independent variable in predicting conflict outbreaks in South Sudan.

The consistent, positive relationship across time and space firmly grounds the study's inquiry in observable empirical reality, moving the resource curse from a theoretical framework to a demonstrable contemporary phenomenon. While the statistical models effectively identify this strong pattern and its contours, they are inherently limited in elucidating the precise causal mechanisms and strategic calculations of actors involved. It is to these granular processes and lived experiences that the analysis now turns, using qualitative data to interpret the dynamics quantified here.

Qualitative Findings

The qualitative data reveal that the institutional architecture for managing oil revenues is fundamentally compromised, creating a direct channel from resource wealth to political violence. Interview and documentary evidence consistently depict the Ministry of Petroleum and the national oil company (Nilepet) not as neutral, technocratic institutions, but as instruments of elite patronage and parallel financing. This governance failure manifests in the systematic diversion of revenues away from the official budget, a process interviewees described as institutionalised and opaque.

Consequently, formal budgetary allocations, as analysed in the quantitative section, represent only a fraction of total oil income, with significant funds operating outside any accountable framework to secure the loyalty of armed factions. The strongest pattern emerging from the fieldwork is that these off-budget revenue streams are not merely corrupt but are strategically deployed to sustain a militarised political economy. Key informants from civil society and former government officials detailed how discretionary funds from oil sales are used to co-opt commanders, purchase arms, and maintain irregular security forces loyal to specific factions within the ruling party.

This practice directly fuels conflict by creating vested interests in continued instability, as rival elites compete for control over these lucrative, unaccountable revenue flows. The qualitative findings thus provide the causal mechanism linking the quantitative correlation between oil price volatility and conflict intensity: price shocks trigger intensified elite competition over a shrinking prize, resolved through violent means. These processes entrench a perverse political settlement where access to oil rents, rather than popular legitimacy, becomes the primary basis of power.

As argued by Ferguson, the 'resource curse' is not an economic inevitability but a political effect, a dynamic starkly evident in South Sudan's case. The management system deliberately obscures financial flows, weakening formal state institutions while empowering networks of violence and patronage. This directly addresses the article's core question by demonstrating that the 'curse' operates through the

specific political choices embedded within revenue governance, which transform oil wealth from a potential driver of development into a catalyst for persistent conflict.

Therefore, the qualitative analysis moves beyond the statistical associations to illuminate the how and why: oil revenue management is itself a conflict-generating activity. The evidence indicates that the institutional framework is designed not to mitigate the resource curse but to facilitate a system of distributive politics that is inherently violent and exclusionary. This grounded understanding of the political logic underpinning the quantitative results provides a crucial foundation for the subsequent integration and discussion of the mixed methods findings.

Integration and Discussion

The integration of qualitative and quantitative findings presents a compelling, multi-layered portrait of the resource curse in South Sudan, where oil revenue management is not merely a technical failure but a central mechanism of conflict reproduction. The quantitative model's identification of a significant correlation between oil price volatility and conflict intensity is critically illuminated by the qualitative data, which reveals the political logic behind this relationship. As interviewees consistently detailed, revenue shortfalls during price downturns intensify elite competition over a shrinking pie, leading to the punitive exclusion of rival factions from budgets and contracts, thereby triggering violent confrontations .

This synergy moves the analysis beyond econometric correlation to demonstrate the causal pathway through which global market shifts are translated into localised violence via domestic patronage politics. Consequently, the findings challenge interpretations of South Sudan's conflict as primarily ethnic or historical, repositioning it fundamentally as a crisis of political economy centred on the capture of rent . These mechanisms substantiate and refine theoretical frameworks on the resource curse, particularly the concept of the 'political resource curse'.

The evidence indicates that South Sudan exemplifies a case where oil wealth has entrenched a neo-patrimonial system, weakening formal institutions and making violence a more viable tool for elite bargaining and revenue claim-making . The qualitative accounts of parallel security budgets and off-bracket expenditures directly explain how oil rents fuel conflict, not only by providing the means for rebellion but by structuring the state itself as a prize to be captured through force. This aligns with, yet critically specifies, broader scholarship on how natural resources can undermine state formation and incentivise armed conflict, showing the particular pathologies of a nascent state with immediate access to substantial rents without robust oversight .

The implications for South Sudan are profoundly sobering, suggesting that without a radical restructuring of revenue governance, the cycle of conflict is likely to persist. The integrated findings indicate that technical fixes, such as transparency initiatives alone, are insufficient because they fail to address the entrenched political interests vested in the current opaque system. Meaningful reform would require a fundamental renegotiation of the political settlement, moving from a winner-takes-all model to a more inclusive and institutionalised distribution of oil resources—a prospect that current elites have repeatedly resisted.

Practically, this underscores the limitation of conventional post-conflict templates that prioritise disarmament and elections without concurrently dismantling the war economy fuelled by oil.

Furthermore, this study highlights the practical relevance of a mixed-methods approach for both analysis and policy. The quantitative analysis provided the broad, generalisable pattern linking oil and conflict, while the qualitative inquiry uncovered the essential ‘how’ and ‘why’, revealing the agency, strategies, and perceptions of key actors.

For policymakers and international actors engaged in South Sudan, this combined insight argues for interventions that directly target the political economy of rent distribution, such as supporting civil society monitoring of budgets and conditioning assistance on verifiable reforms in sovereign wealth fund management. Ultimately, the research suggests that mitigating the resource curse in South Sudan is less an economic challenge and more a formidable political undertaking requiring sustained pressure for a more accountable and equitable social contract.

Conclusion

This mixed-methods inquiry concludes that the management of oil revenues in South Sudan has been a primary catalyst of violent conflict, thereby confirming and contextualising the mechanisms of the resource curse in the world’s youngest state. The analysis demonstrates that rather than fostering development, oil wealth has been captured by a narrow political-military elite, institutionalising a system of violent kleptocracy where revenue allocation is synonymous with patronage for regime security. Consequently, the political economy of oil has not merely coincided with conflict but has fundamentally structured it, fuelling competition between rival networks within the state apparatus and perpetuating cycles of violence at both national and sub-national levels.

The integration of quantitative patterns of violence with qualitative political economy analysis reveals that fluctuations in oil income and disputes over its control are directly correlated with outbreaks of fighting, underscoring oil as a central prize in South Sudan’s enduring civil wars. The study’s primary contribution lies in its granular, empirically grounded exposition of how the resource curse manifests in a fragile, post-secession context, moving beyond macroeconomic correlations to trace the precise political pathways from revenue mismanagement to armed violence. By synthesising documentary evidence, interview data, and conflict event analysis, it provides a holistic framework that links elite bargaining, fiscal governance, and localised grievances into a coherent model of the conflict-resource nexus.

This challenges more simplistic narratives of ethnic hatred as the root cause, instead positioning elite competition over the petro-state as the engine of sustained instability, thereby engaging critically with and extending the political science literature on rentier state formation and civil war onset. The most pressing practical implication for South Sudan is that any sustainable peace process must explicitly and irreversibly dismantle the current system of oil-fuelled patronage. Technical fixes to transparency, such as those nominally promoted by the Extractive Industries Transparency Initiative (EISEITI), are insufficient without a concomitant, enforced political agreement to demilitarise and depoliticise oil revenue allocation.

Evidence from this research strongly suggests that establishing a genuinely independent, constitutionally mandated petroleum revenue management fund, with oversight involving credible civil society and international partners, is a non-negotiable foundation for breaking the cycle of conflict, though its feasibility remains contingent on unprecedented political will. A critical next step for research, prompted by this study’s findings, is a comparative investigation into the conditions under

which elite pacts on resource sharing can hold in the immediate aftermath of civil war, examining cases beyond South Sudan to identify potential enabling factors for reform. Future work should also employ longitudinal methods to track the evolving strategies of rent-seeking networks as external pressures for accountability increase.

Ultimately, this inquiry affirms that without a fundamental reconfiguration of the relationship between oil, power, and public finance, South Sudan's resource curse will continue to condemn its population to poverty and instability, rendering the promises of independence tragically unfulfilled.

Contributions

This study makes a significant empirical contribution by providing a contemporary, granular analysis of oil revenue governance in South Sudan from 2021 to 2024. It advances scholarly debates on the resource curse by demonstrating how elite bargaining over oil funds, rather than mere revenue volatility, directly fuels sub-national conflict through a patronage-based political settlement.

The integrated mixed-methods approach offers a novel framework for analysing fiscal politics in fragile states, yielding practical insights for policymakers seeking to reform petroleum revenue management and disrupt the cycle of rent-seeking and violence.

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