

Sierra Leone Case Study for the Japan International Cooperation Agency/UNDP Project on Conflict Prevention and Development Cooperation. Prepared for presentation at Wilton Park Conference, West Sussex, UK, November 8-11, 2007.

Victor A.B. Davies

Department of Economics
University of Oxford

October 2007

1. Background

This paper analyzes the root causes of the 1991-2001 civil war in Sierra Leone, highlighting the role of development cooperation and external factors. We provide a historical background to the conflict in this section and focus on the causes in Section 2. We examine the trigger mechanism for the conflict in Section 3 and focus on post-conflict issues in Section 4. In Section 5 we assess the consistency between the Sierra Leone experience and the literature on civil conflict. Second, we highlight the lessons for development cooperation approaches in relation to peace building.

Civil war broke out in Sierra Leone in March 1991 when rebels from the civil war in neighbouring Liberia attacked a small town in eastern Sierra Leone. The rebels announced a rebellion by the Revolutionary United Front (RUF) to overthrow the government of the All People's Congress which was widely perceived as corrupt and inept. The government was poorly prepared for the rebellion. Many state institutions had virtually collapsed while the national army was poorly trained and ill-motivated. However, an intervention force, the Economic Community of West African States Monitoring Group (ECOMOG), was already based in Sierra Leone to counter the rebellion in Liberia. ECOMOG, created by the Economic Community of West African States (ECOWAS), helped to bolster the government war effort.

In April 2002, some soldiers from the war front stormed Freetown, the national capital, ostensibly to protest their neglect by the authorities. The soldiers ended up overthrowing the government and set up the National Provisional Ruling Council (NPRC). The new government, headed by twenty nine year-old Captain Valentine Strasser, initially enjoyed widespread support from a populace yearning for change after years of political and economic malaise. The NPRC initially recorded some significant success in prosecuting the war. However, things changed and the war escalated.

Recruitment into the government army surged during wartime, drawn mainly from the same recruitment base as the rebels: the underprivileged youth population comprising drug addicts and the unemployed; and illicit diamond miners. Little effort was made to screen and train recruits. The government soldiers often engaged in widespread looting, extortion and mayhem, just like the rebels. This prompted communities to form civil defence militias for protection against rebels and government troops. The most notable of these, the ethnic-Mende Kamajors in the southeastern regions, numbered over 20000 and often succeeded in keeping much of these regions rebel-free.

In 1996 the NPRC conducted general and presidential elections and handed power to the victorious Tejan Kabbah and his Sierra Leone People's Party. The new government signed the Abidjan Peace Accord with the rebel movement in November 1996. The accord was short-lived. In May 1997, the military, in collaboration with the rebel movement, overthrew the government. President Kabbah was forced into exile until February 1997 when the West African force, ECOMOG, flushed out the putschists to reinstate Kabbah. The rebels and parts of the military retreated from Freetown, the national capital, to pursue the war from the interior of the country. In

January 1999 the Revolutionary United Front attacked Freetown and occupied the eastern and central parts of the city before being driven off by ECOMOG.

The power-sharing Lomé Peace accord was signed in July 1999. The accord accorded rebel leader a status equivalent to vice president and mines minister. In October 1999 the UN Security Council adopted a resolution to establish a 6000-strong peacekeeping force for Sierra Leone to replace ECOMOG. In May 2000 the rebel movement captured 500 UN peacekeepers and their arms and ammunition and began a descent on the capital, Freetown. Alarmed, the UN Secretary General, Kofi Annan, requested military support for the UN contingent from the UK. A 1000-strong British military contingent intervened to stop the rebel advance from about 40 miles from Freetown. Subsequently, the size of the UN peacekeeping force was expanded to 17500. Its mandate was also broadened to allow for military action in self-defence. The UN imposed a ban on Liberian diamond sales, on the sale of weapons to Liberia, and on travel by President Taylor and other Liberian government officials.

The war ended in January 2002 with the signing of another peace accord. The British military intervention was the decisive factor, making military victory for the rebel movement an unlikely proposition: It halted the rebel advance on Freetown. Furthermore; in September 2000 the British wiped out a renegade group of government soldiers in an operation to rescue seven captured British soldiers. Thus, the intervention demonstrated that in a small country like Sierra Leone, a small clinical operation could be effective in helping to end civil conflict in certain circumstances.

Other factors that also contributed to ending the conflict included the decimation of the rebel movement's military capability in 2000 by Guinean troops repulsing an RUF-assisted rebellion in Guinea on the northern border. Second, UN sanctions forced Liberia to reduce its arms-for-diamonds support for the rebels. An existing arms embargo was extended to a ban on diamond exports and on international travel for members of the government and their families. Third, the intransigent rebel leader, Foday Sankoh, was incarcerated and replaced.

Estimates of war deaths vary widely. The official government figure is 20000 (Government of Sierra Leone 2005). About forty percent of the country's 4.5 million people were displaced at the height of the war.

Elections were held in May 2002 with the UN peacekeepers providing security. President Kabbah and his ruling Sierra Leone People's Party (SLPP) returned to power. The rebel movement failed to win any parliamentary seats. All parties accepted the results. In 2003 the UN and the government of Sierra Leone set up a special court to try those who "bore the greatest responsibility for the war damages" The UN peacekeeping force departed in 2005. In 2006 Charles Taylor was arrested and indicted before the special court for war crimes relating to his role in the Sierra Leone civil war.

The next elections were held in August and September 2007 amidst fears of a breakdown of security which was provided by Sierra Leonean forces. However, the elections were generally peaceful with the opposition All People's Congress (APC) candidate, Ernest Koroma, winning the presidential polls. The APC also won the

majority of the parliamentary seats. President Kabbah was ineligible to contest, having exhausted his two-term limit. As at end September 2007 there has been no reported outbreak of fighting since the war ended.

2. *Analysis of root and proximate causes:*

Initial conditions at independence in 1961 hardly presaged the pernicious civil war to befall Sierra Leone thirty years later. The country was small with a surface area of only 28000 square kilometres, and a “manageable” population of 2.3 million people spread among 17 ethnic groups. Herbst (2000) classifies Sierra Leone among African countries with a favourable political geography in terms of population distribution, resources and communications. Clapham (2001) argues that Sierra Leone presents few of the inherent problems of governance that bedevil massive territories with very poor communications such as Angola, Democratic Republic of Congo, or Sudan. Clapham (2001) also argues that Sierra Leone had a favourable social endowment: a longstanding commitment to western education. The country had a developed educational system boasting the first university in Sub-Saharan Africa. The educational system had produced a relatively large professional cadre, although this was concentrated among the minority Creoles in Freetown. Sierra Leone had a well functioning democracy. The transition to independence was orderly and Sierra Leone maintained close ties with Britain, the former colonial power.

Yet civil war erupted thirty years after independence. The general literature has identified several risk factors for civil conflict, notably natural resource dependence (Collier and Hoeffler 2004); poor growth performance (Miguel *et al* 2004); horizontal and vertical inequalities (Stewart 2000, 2002); and religion, race or ethnicity. The Sierra Leone-specific literature has highlighted the domestic causes of the conflict with external factors serving as a catalyst and trigger. We analyze the domestic causes in Sub-section 2.1 and the external factors in Sub-section 2.2.

2.1 **Domestic Factors**

The domestic causes of the civil war revolve around bad economic and political governance under President Siaka Stevens ruling from 1968 to 1985 (Abdullah 1997b, Reno 1995, Smillie *et al* 2000). Stevens established a “shadow state”: “informalization and control of markets and their rewards, and replacement of true political competition with a struggle for his favour” (Reno 1995). The key elements of this patrimonial system of governance that induced state failure and civil conflict were political repression, economic mismanagement and corruption, rural isolation, diamonds, youth alienation and ethno-regional rivalries. We examine these in turn.

Political repression

Sierra Leone enjoyed a relatively well functioning democracy up to 1967 with a Westminster-type parliamentary system of government. There were two dominant parties, the ruling Sierra Leone People’s Party (SLPP), and the opposition All People’s Congress (APC). Controversial general elections in 1967 marked a turning

point in the country's political history. Based on the elections results, the Governor General invited the APC to form a government. The APC was prevented from doing so by a military coup staged by a protégé of the incumbent prime minister. A second coup followed a few days later. Finally, in 1968, another coup was staged by military officers who subsequently handed power to Stevens' APC in recognition of its electoral victory in the 1967 general elections.

Stevens consolidated power by dismantling the democratic institutions he inherited. All forms of civic and political dissent were repressed often with the use of drugged underclass youths (Rashid 1997). Stevens was distrustful of the army, keeping its size low at between 2000 and 3000. That the army had staged three successful coups in about a year between 1967 and 1968 may have been the reason for such distrust. Stevens set up a paramilitary force, the Internal Security Unit (ISU), which partially supplanted the army and served to repress dissent. Violence and intimidation were used to ensure victory for the All People's Congress at elections. This prompted the opposition to boycott the 1973 general elections, the first under Stevens. Thus, all candidates of the ruling party were "unopposed and duly elected". One party rule was imposed in 1978.

Political repression provoked the Ndorgbowusu rebellion of 1982. The aftermath of election violence between supporters of rival candidates of the one-party government, the rebellion occurred in the southern Pujehun District, and resulted in a large number of unrecorded deaths. A vice president of Sierra Leone at the time, backing one of the candidates, organised the persecution of supporters of the other candidate. These supporters took to the bush and began a rebellion which the Internal Security Unit brutally suppressed. Many of the victims fled to neighbouring Liberia and later joined the rebel movement during the civil war.

Economic mismanagement and corruption

At independence, Sierra Leone had substantial economic opportunities including a rich endowment of diamonds and other minerals, a long coastline, and a developed educational system. However, economic mismanagement and corruption during the Stevens era induced growth collapse and state failure in the 1980s.

The government intervened extensively in economic activity. Imported rice, which supplemented domestic production, was subsidized directly, and also indirectly through exchange rate overvaluation. In 1986 the subsidized price of rice was one-fortieth its market price (Reno 1995). At the same time, agricultural exports were taxed directly with the tax peaking at 30 percent of the value of exports. The taxes helped finance the subsidies on rice imports (IMF 1989). Agricultural exports were also taxed indirectly through exchange rate overvaluation.

Although market intervention pre-dates Stevens, its scope was much smaller then and rents did not occupy political centre stage. Extensive market intervention under Stevens was prompted, at least in part, by the 1970s oil shocks. Such interventions created rents which Stevens controlled, rewarding his allies and coercing opposition.

Stevens' allies were first and foremost Lebanese commercial interests. The Lebanese (and Syrians) came to Sierra Leone around the turn of the nineteenth century. Prior to their arrival, the Creoles, descendants of freed slaves resettled in Sierra Leone,

dominated the business sector. However, as a result of frictions between the British colonizers and the Creoles, British colonial policy favoured the Lebanese over the Creoles (Allie 1990). Over time the Lebanese supplanted the Creoles in commerce. Stevens had an intimate relationship with Jamil Sahid Mohamed, an Afro-Lebanese business magnate. Stevens utilized Jamil to invest his wealth in private commercial ventures and foreign banks and to bankroll the state when it needed urgent financial help (Rashid 1997). Stevens' preference for Lebanese commercial interests may have been because the Lebanese pose no threat of political rivalry: They are generally regarded as "foreigners" and therefore ill placed to compete for political office. Stevens' allies also included key figures in the military and the police, members of the ruling party, and compliant chiefs. The military and police chiefs were nominated members of parliament and cabinet ministers.

Market intervention favoured urban communities enjoying the bulk of subsidized imports and undervalued official foreign currency. Urban groups, particularly university students, were Stevens' main source of opposition (Abdullah and Muana 1998). Thus, Stevens apparently used market intervention to placate opposition. The taxation of export agriculture hurt the productive anti-APC south-eastern regions, producing an ethno-regional bias.

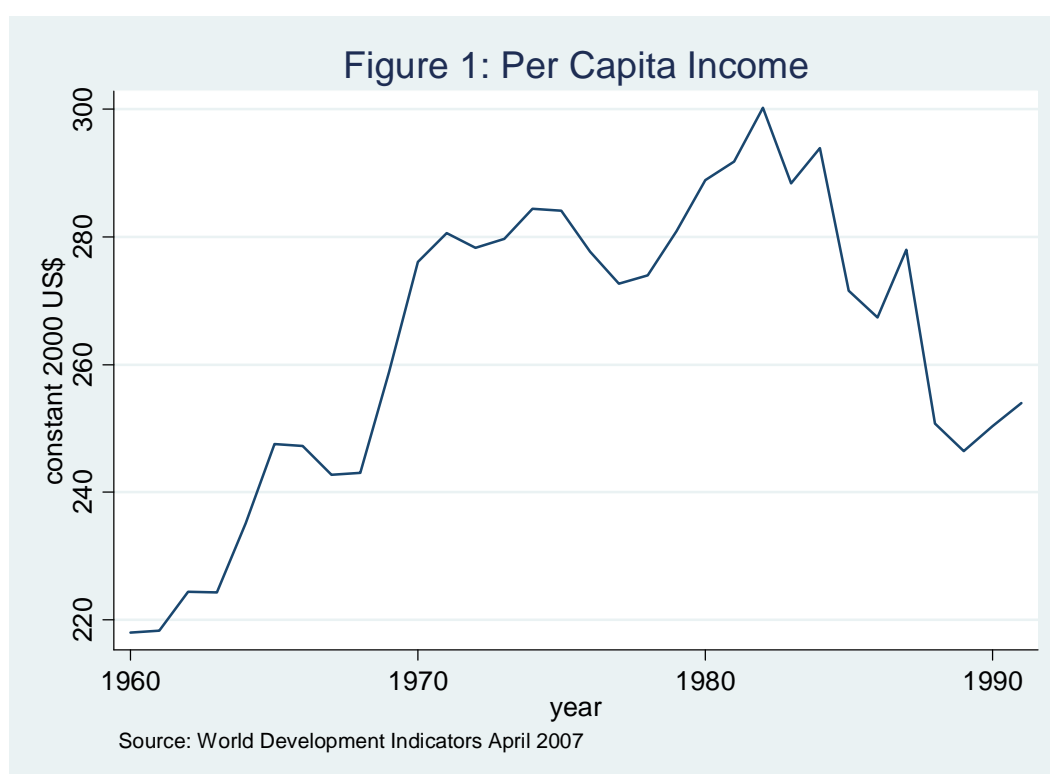
Table 1: Macroeconomic Indicators 1961-1990

| Period | Growth in real GDP per capita % | Inflation% | Black market spread % | External debt % GDP |
|---------|---------------------------------|------------|-----------------------|---------------------|
| 1961-66 | 2.3 | 4.1 | 0 | - |
| 1967-72 | 2.0 | 3.4 | 0 | - |
| 1973-75 | 0.5 | 13.3 | 2 | 30 |
| 1976-80 | 0.3 | 14 | 12 | 42 |
| 1981-85 | -2.6 | 52 | 224 | 50 |
| 1986-90 | 0.0 | 93 | 50 | 111 |

Notes: – indicates missing data. Black market spread % = [(black market rate - official exchange rate)/official rate] x 100. Sources: black market spread: Bank of Sierra Leone. All others: World Development Indicators 2006.

Corruption was widespread. Notably, until mid 1986 Sierra Leone procured crude oil from Nigeria through a foreign registered company, Cevil Trading Limited, at a price at least US\$4.5 more per barrel than comparative spot prices (IMF April 4, 1988). Cevil was owned by Jamil Sahid Mohamed, Stevens' close Afro-Lebanese associate. Some government expenditures were also blatantly wasteful. Stevens spent the equivalent of an entire year's budget on the hosting of the 1980 Organization of African Unity summit (OAU) in 1980 (Reno 1998). Furthermore, Stevens undermined institutions for sound economic and financial management. The governor of the central bank of Sierra Leone was murdered allegedly for objecting to lavish government expenditures on the hosting of the 1980 OAU summit (Reno 1995).

Government revenues plummeted from 17% of GDP in the 1970s to 8% in 1985-89, driven by collapsing diamond revenues and burgeoning black markets. A bloated civil service; and subsidies to state enterprises and on basic imports – with smuggling of imports to neighbouring countries increasing the fiscal burden – kept expenditures high. By the mid 1980s much of the economy was underground. Scarcity of foreign currency and price controls left basic imports of rice and fuel permanently scarce. Infrastructure deteriorated. Public sector real wages plummeted and government services gradually collapsed. By the late 1980s government was hardly functional. Unsurprisingly, annual per capita GDP growth was negative in all but two years between 1981 and 1990. Per capita GDP was US\$250 in 1990, compared with US\$280 in 1971 (Figure 1).



Rural isolation

Rural households accounted for over 70 percent of the national population prior to the war. They accounted for virtually all agricultural output whose share in national income was about 40 percent. However, rural accounts faced increasing isolation prior to the war. One reason was the over-centralization of power in Freetown, the capital. In 1972, President Stevens abolished elected local government councils, leaving chiefs as the only form of local government. Chieftaincy is a form of aristocracy with eligibility defined by ascendancy from a “ruling house”. Prior to 1972 power was divided between the chiefs and elected local government councils. With the abolition of local government councils and the alienation of the rural areas by the government, chiefs came to assume wide unchecked powers such as allocation of land, supervision of community services, and judicial powers. Abuses by chiefs

have been advanced as one of the causes of the war (Richards 2005, Fanthorpe 2005). In fact, Richards (2005), based on interviews with civilians and ex-combatants in central and eastern Sierra Leone, concludes that such abuses were the main cause of the war.

The dismantling of the railway aggravated rural isolation. The railway was built in 1895 by the colonial administration and was concentrated in the south-eastern regions which produced the bulk of Sierra Leone's agricultural exports. It linked those regions to the seaport in Freetown, the national capital. The railway was dismantled in the early 1970s, without being replaced with a rural road network. This raised transport costs, further depressing agriculture and rural incomes. In many areas, transporting produce to urban markets became a loss-making proposition.

Explicit and implicit taxation of agriculture also fostered rural isolation. Explicit taxation took the form of a 30% tax on agricultural exports in the 1980s. Implicit taxation took the form of under-pricing by the monopsonistic Sierra Leone Produce Marketing Board SLPMB (see Table 2), and exchange rate overvaluation. The ratio of producer price to export price for palm kernels, the leading agricultural export, declined from 66% in 1961-65 to less than 25% in 1982-86. The same ratio was less than 15% for cocoa and less than 25% for coffee in 1982-86. Unsurprisingly, the share of total produce output sold to the SLPMB declined from 87% for cocoa in 1980 to 38% in 1986. The share for coffee declined from 50% in 1980 to 25% in 1986. As these crops are grown principally for export, most of the quantity not sold to the SLPMB was presumably smuggled abroad. Indeed, price differentials between Sierra Leone and Liberia on the south-eastern border, were large. In 1976 the price per tonne of palm kernels was US\$157 in Liberia and only US\$86 in Sierra Leone (Table 3). Moreover, it was cheaper for farmers near the border to cross over to Liberia with their produce than to travel longer distances on bad roads to sell to the SLPMB in Sierra Leone.

Table 2: Sierra Leone Produce Marketing Board: Prices and Purchases

| Year | Palm kernels: producer price, % of Export price | Cocoa | | Coffee | |
|---------|--|-------------------------------------|------------------------------------|---|----------------------------------|
| | | producer price % of export price | SLPMB purchases (% of total) | Producer price, % of export price | SLPMB purchases % of total |
| 1961-65 | 66 | - | | | |
| 1966-70 | 56 | 48 | | 49 | |
| 1971-75 | 62 | 56 | | 54 | |
| 1976-79 | 50 | - | | 43 | |
| 1980 | 53 | 104 | 87 | 64 | 50 |
| 1981 | 62 | 98 | 68 | 90 | 50 |
| 1982 | 22 | 17 | 58 | 20 | 52 |
| 1983 | 8 | 10 | 74 | 11 | 30 |
| 1984 | 21 | 10 | 71 | 14 | 8 |
| 1985 | 37 | 19 | 52 | 27 | 44 |
| 1986 | 30 | 11 | 38 | 43 | 25 |
| 1987 | | - | | - | 22 |
| 1988 | | 33 | 33 | | |
| 1989 | | 48 | 21 | | |

Notes: Source: World Bank (1993) which in turn obtained statistics from Sierra Leone Produce Marketing Board (SLPMB). The data end in 1989 because the SLPMB was dismantled shortly after 1989.

Import subsidies and price controls on rice, the staple food, were also detrimental to the rural economy. The subsidised price of imported rice was one-fortieth its market price in 1986 (Reno 1995). Such artificially low prices provided a disincentive for domestic production.

Rural marginalization induced migration to towns and diamond-mining areas, increasing unemployment in those areas and creating a pool of potential rebels.

Table 3: Produce prices in Liberia and Sierra Leone (1975)

| Commodity | Price per tonne US\$ | |
|--------------|----------------------|--------------|
| | Liberia | Sierra Leone |
| Palm Kernels | 156.75 | 85.80 |
| Cocoa | 582.40 | 430.08 |
| Coffee | 560 | 376.32 |

Source: Clapham 1976.

Diamonds

Diamonds catalyzed state collapse in Sierra Leone. Generally speaking, diamond deposits are of two types, alluvial and Kimberlite. Until 2003, only alluvial diamond deposits – also found in Angola, Democratic Republic of Congo and Namibia – were

exploited in Sierra Leone. Alluvial diamond deposits are geographically dispersed and can be mined with simple implements like shovels, picks and sieves. Sierra Leone's alluvial diamond deposits are interspersed over a region of over 7000 square miles, about a quarter of the country's surface area. However, only one percent of this is actual diamond-bearing soil. The geographical dispersion of alluvial diamond deposits and the ease with which they can be mined dramatically raises the cost of policing, often allowing de facto access to virtually anyone. Kimberlite diamond deposits, on the other hand, are a capital-intensive point resource: They are geographically concentrated, similar to a deep-shaft mineral vein. These features facilitate policing and foster a natural monopoly.

Sierra Leone's alluvial diamonds were first mined from the 1930s by a corporate monopoly, the Sierra Leone Selection Trust. The Trust enforced its monopoly rights through a large security apparatus involving helicopters, the police and private security units. However, the Trust's security apparatus effectively collapsed during the "diamond rush" of the 1950s with influxes of illicit miners operating in the Trust's concession areas. Kono District and other diamond mining areas "verged on anarchy, with armed bands of as many as 400 to 500 men raiding SLST...areas, and on occasions doing battle with the police" (Cartwright 1970). In response, the government authorised artisanal mining, bifurcating the mining regions into a sector reserved for the corporate entity, and another for artisanal mining.

Stevens precipitated the corporate diamond sector's collapse in order to garner political support and establish personal control of the diamond resources (Davies 2007). As opposition leader in the 1967 general elections, he promised greater scope for artisanal diamond mining if elected, claiming it represented "the little man's only hope for wealth" (Smillie *et al* 2000, p41). This appealed to the large army of licit and illicit diamond diggers and dealers. Stevens won the elections. His new government appeared to deliberately encourage illicit mining on the concession areas. It deported three successive chief security officers of the concession within eight months without explanation (Harbottle 1976). As the corporate sector declined, Stevens reinforced control over the diamond trade through a cabal of Lebanese businessmen (Reno 1995).

In the 1980s, exchange and price controls, and exchange rate overvaluation, fostered a lucrative underground economy with diamonds occupying centre stage. Diamonds were smuggled abroad and the foreign exchange earned was used to purchase scarce essential imports. The imports were sold in black markets and the revenues generated used to purchase diamonds for further smuggling. Crime and violence were widespread with a large pool of illicit diamond diggers who joined the rebellion early on to gain easy access to the mines (Reno 1998).

By the mid 1980s official diamond exports and government revenues had collapsed. Fiscal revenues from diamonds were less than 0.1 percent of GDP by the mid 1980s, compared with 4 percent of GDP from the corporate diamond sector in the early 1970s. The collapse of fiscal revenues in turn induced government dysfunction. Thus, while diamonds did not directly trigger the conflict, they played a key role in inducing state collapse that made the country ripe for civil war.

Diamonds came to play a major role in sustaining the conflict. The diamonds were channelled through neighbouring Liberia with the help of the warlord, Charles Taylor. Table 3 indicates the scale of the illicit wartime diamond trade passing through Liberia and other West African countries which exported diamonds far in excess of domestic production capacity, the difference being smuggled diamonds from Sierra Leone, Angola, Russia, etc. Liberia's maximum annual diamond production capacity is estimated at 150,000 carats while the 1998 Annual Report of the Diamond High Council (HRD), the organization that supervises the diamond industry in Belgium, recorded imports of "Liberian" diamonds of over 12 million carats in 1996. On the other hand the table shows that official output of diamonds in Sierra Leone have been far below import levels recorded by the HRD in Antwerp, Belgium, the shortfall being smuggled to Belgium¹. Another source (UN 2000) reports that the value of Belgian imports of "Liberian" diamonds was \$217 million for 1998 while official exports recorded in Liberia were valued at \$800,000. The Gambia which does not possess any diamond deposits, "exported" an average of over US\$100 million worth of diamonds to Belgium between 1996 and 1999 (UN 2000). The following African countries are also suspected of serving as transit points for the trafficking of illicit diamonds and have been classified as "sensitive" countries by the Belgian government: Uganda, Central African Republic, Ghana, Namibia, Congo, Brazzaville, Mali, Zambia and Burkina Faso (UN 2000).

Table 4: Illicit Diamond Traffic (000 carats)

| Year | | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|--------------|-----------------|------|------|------|------|------|-------|-------|------|------|
| Sierra Leone | Official output | 78 | 243 | 347 | 158 | 255 | 213 | 270 | 104 | 8.5 |
| | Antwerp Imports | 331 | 534 | 831 | 344 | 526 | 455 | 566 | 803 | 770 |
| Liberia | Output | 100 | 100 | 150 | 150 | 100 | 150 | 150 | 150 | 150 |
| | Antwerp imports | 5523 | 658 | 1909 | 5006 | 3268 | 10677 | 12320 | 5803 | 2558 |
| Guinea | Output | 127 | 97 | 153 | 167 | 381 | 365 | 205 | 205 | 205 |
| | Antwerp imports | 287 | 374 | 526 | 1021 | 875 | 780 | 439 | 533 | 596 |
| Ivory Coast | Output | 12 | 15 | 15 | 15 | 84 | 75 | 302 | 307 | 307 |
| | Exports | 825 | 946 | 868 | 683 | 605 | 1614 | 2214 | 885 | - |

Source: This table is from Smillie and others (2000) whose data sources are:

Exports: Diamond High Council 1998 Annual Report, and additional information provided by the HRD. Production: data for Liberia, Guinea and Cote d'Ivoire are from Ronald F. Balazik "Gemstone" 1998 Annual Review and from various United States Geological Survey diamond industry reports. Sierra Leone data are from the Government Gold and Diamond Office, Freetown.

¹ Diamonds from non-African countries such as Russia, which do not benefit from Belgian tax concessions for African diamonds, could also show up in Antwerp as Sierra Leone diamonds and therefore account for part of the difference.

Diamonds also produced a war-prolonging congruence of interests among the protagonists: They often showed a common interest in prolonging the war to mine diamonds (Davies 2000). Late in 1993, the military government declared a unilateral cease-fire which enabled the routed rebels to reconsolidate. Abrahams (1997) hints that this was all part of a plan by the government to deliberately prolong the war so as to have an excuse to stay in power.

Youth Alienation

Youth alienation provoked a radical youth movement that culminated in the birth of the rebel movement (Rashid 1997, Abdullah 1997b). Two key factors combined to produce a rebellious attitude in the urban youth population in the 1970s and 1980s. First, the character and culture of the urban youth population changed (Rashid 1997). Expanded educational enrolment in the 1960s produced more and more literate youths by the 1970s. Being literate the youths were more aware of the country's problems and more -critical of its leadership (Rashid 1997). With unfulfilled higher aspirations, they tended to be strongly anti-establishment and rebellious towards authority (Rashid 1997). The external political culture that youths were exposed to in the 1970s and 1980s was also rebellious and radical: Revolutionary ideas and models emerged from a variety of sources: radical pan-Africanism, Gaddafi's Green Book, North Korea's Kim Il Song's Juche idea, the anti-apartheid struggle in Southern Africa, and the more militant stages of the US civil rights movement. Reggae music of Bob Marley and others with its revolutionary exhortation also became popular and influential. Drugs played a key part in the emerging youth culture.

The second factor was the economic difficulties at the time. Youths bore the brunt of the economic difficulties under Stevens. As new entrants to the labour force, they were hard hit by widespread unemployment. Youth unemployment was as much a problem of the economic crisis as it was of the type of education given to the youth (Rashid 1997). An elitist system of education inherited from colonialism emphasised academic instruction mainly in the humanities, rather than the acquisition of practical skills that were in demand. The colonial emphasis on providing a bureaucratic and professional class was not manifestly problematic prior to independence when human capital of any kind was scarce. However, by the 1970s, as educational turnout multiplied, unemployment among "educated" youths increased even as shortage of technical and vocational skills intensified.

Against this backdrop, a radical youth tendency, led by students, emerged in the 1970s. With civic and political opposition repressed, students at Fourah Bay College, University of Sierra Leone, spearheaded opposition to the Stevens regime. In 1977, the regime was almost brought down by riots sparked off by a student demonstration. The university students educated their youth colleagues on the ills of the government and the need for radical change. "Potes" where drugs like marijuana were sold and consumed, provided a venue for such interactions (Abdullah 1997b). The government used the university administration to try to stifle student anti-establishment activities, culminating in the expulsion of some students from the university in the mid 1980s. In 1987 some of these expelled students left for military training in Libya to topple the Stevens regime.

There were also some radical "study groups" outside of the university which attracted urban youths such as school dropouts disillusioned with the government. These

groups propagated the various revolutionary ideas and models that were gaining currency at the time. Foday Sankoh, leader-to-be of the rebel movement, joined one of these groups which had a Libyan connection. He and some other youths, mostly unemployed, were recruited for guerrilla training in Benghazi, Libya (Abdullah and Muana 1998). Although the student radicals and most other trainees never pursued any counter-insurgency activity, Foday Sankoh and a few others persevered on their return in 1988. They travelled extensively in Sierra Leone and Liberia, seeking underclass youths (including illicit diamond diggers) for their cause, leading to the launch of the rebellion in 1991 (Abdullah and Muana 1998, Abdullah 1997b).

Recruitment into the army surged during wartime, coming largely from underclass youths looking for economic opportunities out of the war. Many such youths “volunteered” for military service. Underclass youths, especially illicit diamond diggers, also joined the rebellion for the economic opportunities it provided. The wanton violence and atrocities committed by rebels and sometimes government troops have been attributed to their low social status (Abdullah 1997b, Clapham 2001).

The military coup by the National Provisional Ruling Council (NPRC) of 1992 was staged mainly by youths in their twenties. Abdullah (1997b) argues that the NPRC, like the rebel movement, were products of a rebellious youth culture in search of a viable alternative – without a concrete agenda – to the bankrupt All People’s Congress regime.

Lastly, Table 5 gives some indication of the age distribution of Sierra Leone’s population. Data on the proportion of youths (age 15-40 or thereabouts) are unavailable. Nevertheless, the table indicates that the proportion of the population in the 15-64 year age bracket, which encompasses youths, is high, ranging from 54 to 57 percent over the years. Thus, the youthfulness of the population may also have contributed to the youth problem that led to the formation of the rebel movement.

Table 5: Age distribution (%) of the Sierra Leone Population

| Period | Age group (years) | | |
|-----------|-------------------|-------|-----|
| | 0-14 | 15-64 | 65+ |
| 1960-69 | 40 | 57 | 3 |
| 1970-79 | 41 | 56 | 3 |
| 1980-89 | 41 | 56 | 3 |
| 1990-99 | 42 | 55 | 3 |
| 2000-2005 | 43 | 54 | 3 |

Source: World Development Indicators, April 2007

Ethno-regional rivalries

The civil war had ethnic undercurrents though it did not take the form of an ethno-regional conflict. Furthermore, ethno-regional rivalries largely defined the pre-war polity, and permitted or fostered the emergence of the kleptocratic leadership that induced stated failure (Davies 2007). Such rivalries pre-date independence and initially pitted the Creoles, with about two percent of the national population, against

the other ethnic groups. In historical perspective, the Creoles are descendants of former African slaves in Europe and North America, or recaptured in Africa, and resettled around 1800 by Britain in the Freetown peninsular area. In 1808 Freetown became the British crown colony of Sierra Leone; and in 1896 the hinterland a British Protectorate. The British ruled the Protectorate indirectly through traditional rulers and the colony directly. This dual system of administration impeded interactions between the two regions. Incipient rivalries intensified in the run up to independence with the Protectorate-based Sierra Leone People's Party (SLPP) emerging dominant. After independence the Protectorate's electoral supremacy would diminish the Creole-Protectorate rivalry. The Creoles realised that they must join a Protectorate-led party to exert any political influence (Clapham 1976).

A new divide had already emerged even before independence that would supersede the Creole-Protectorate cleavage. In 1960 Siaka Stevens broke away from the Sierra Leone People's Party to form the All People's Congress (APC) which "soon attracted a large following, particularly from the north" (Alie 1990). After independence the APC became the main opposition party to the ruling SLPP. Incipient rivalries deepened between the pro-APC northern regions dominated by the Temnes with 30 percent of the population, and the pro-SLPP south-eastern regions dominated by the Mendes also with 30 percent of the population. The two political parties, SLPP and APC, would rule between them throughout the post-independence period, except for military rule.

Over time the policies of the APC regime – subsidies on food imports, exchange rate overvaluation, explicit export taxation – displayed a strong anti-agriculture bias which was particularly detrimental to the anti-APC south eastern regions, producing much of the country's agricultural exports. Those regions were also at the receiving end of much of the violence that characterised the APC regime such as the "Ndogborwusu" uprising already mentioned. The administration of President Momoh, 1985-92, who succeeded Stevens, was characterized by a concentration of power among a small cabal of Limbas, Momoh's northern based ethnic group (Rashid 1997).

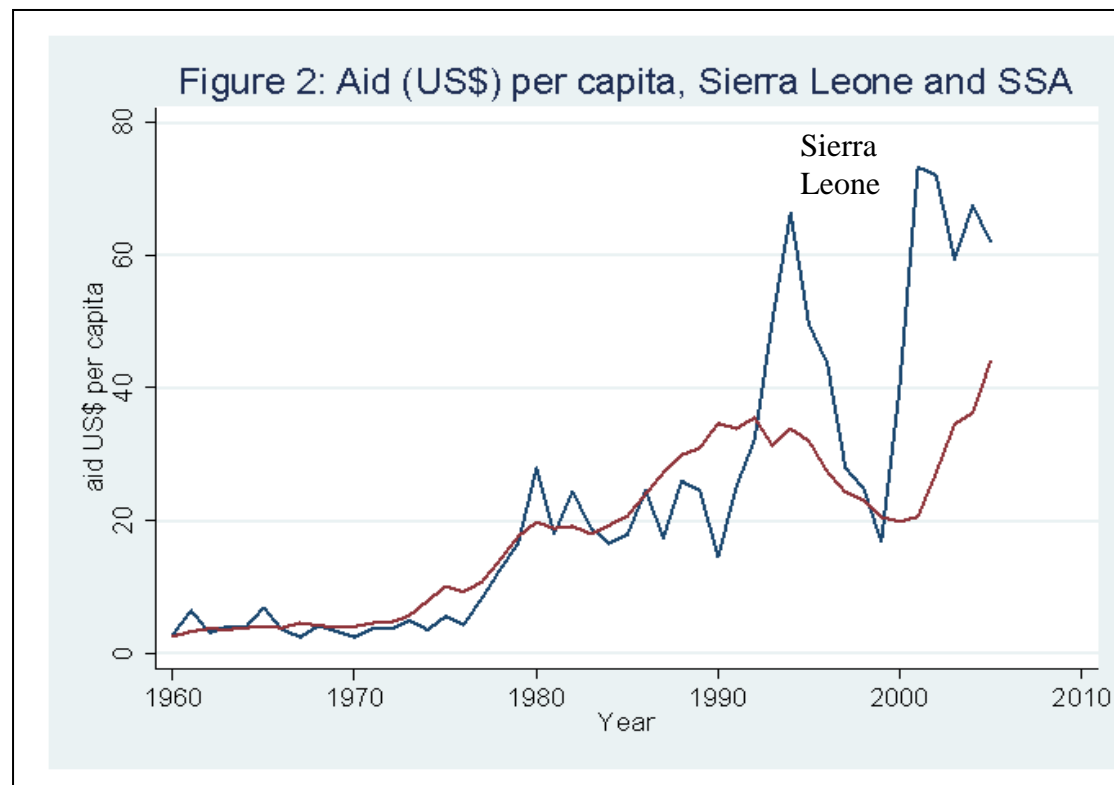
2.2 Foreign Factors

Development partners

Conventional aid donors played little direct role in the process of state failure and war onset in Sierra Leone. The same may be said of economic reform policies associated with the international financial institutions. Prior to war onset, the country received a relatively high level of foreign aid which came mainly from a variety of bilateral donors. Aid inflows averaged nine percent of national income in Sierra Leone in the 1980s compared with four percent in Sub-Saharan Africa (see Figures 2 and 3). Aid flows were prompted by Sierra Leone's poverty (Reno 1998). The country was of no strategic importance to the superpowers. Because it was not reliant on a major cold war donor, Sierra Leone was not particularly affected by the end of the cold war.

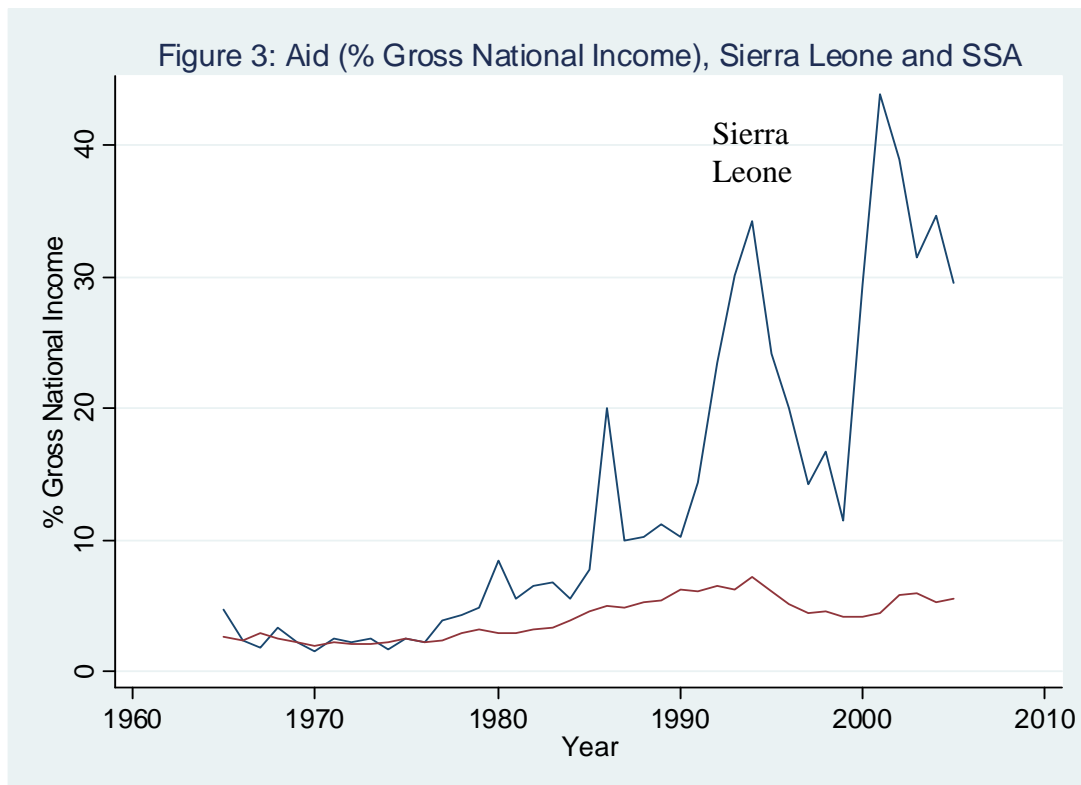
Much of the bilateral aid was off-budget. Thus, the government lacked central control over foreign aid. At the same time the government lacked the ability to institute fiscal discipline, as demanded by the international financial institutions, as a pre-condition for on-budget aid that the government would have controlled. It also lacked an

effective aid coordinating mechanism to ensure that the aid contributed meaningfully to Sierra Leone's development. There was in fact no development framework to guide donor activity². Information on aid flows was generally lacking and there was little transparency on the receiving end. Some of the aid was channelled by donors direct to the intended beneficiaries through NGOs. Several government ministries received bits of the aid, each jealously guarding its allotment. The president's office was responsible for the US PL480 rice. The Ministry of Foreign Affairs received and dispensed some educational grants as did the Ministry of Education.



Source: World Development Indicators 2007.

²After independence the government embarked on an import substitution industrialization programme, the prevailing development paradigm. This involved considerable government intervention and participation in economic activity. A ten year development plan was formulated in the 1960s. Subsequently, five-year development plans were formulated. These were all often abandoned without being implemented. The 1974/75 – 1978/79 development plan was overturned by the oil prices shocks. Sierra Leone, being an oil importer, was badly hit by the shocks which saw a quadrupling of oil prices. The import substitution strategy failed in Sierra Leone, as in Sub-Saharan Africa as a whole, for reasons documented in the literature (see, for instance, Bruton 1998). The failure of this development strategy does not account for the severe crises that buffeted the economy, leading to state collapse. With the economy in deep crisis in the 1980s, crisis management left no room for development policy.



Source: World Development Indicators April 2007.

Germany was the leading bilateral aid donor. It was heavily involved in civil engineering works – construction of roads and bridges – and in rural development. The Chinese were involved in agriculture, and infrastructure. They constructed a national stadium in 1979, and later a ministerial building that houses about ten government ministries today. The Chinese were also involved in hydro-electric projects. The US provided commodity aid: the PL480 rice. Proceeds from the sale of the rice were meant to finance development activities. However, there is no evidence that the proceeds from the sale of the rice financed development projects, as intended. The rice, which was sold at below-market prices, became a source of patronage for members of the ruling party. The aid scheme may have also served to discourage domestic production by keeping prices artificially low.

Britain, the former colonial power, was a key player during the war, providing budgetary support to the government. Britain was closely involved in a campaign to re-instate the deposed elected Kabbah government in 1998. In what became known as the arms for Africa scandal, it became involved in arms provision to forces loyal to the deposed government, contravening a UN arms embargo. Furthermore, Britain intervened militarily in 2000, helping to produce a negotiated settlement by making rebel military victory unlikely. Britain was also actively involved in state-building towards the end of the war and in the post-conflict period. It undertook the restructuring of the military, provided a national to head and restructure the police, and another to serve as Accountant General.

The UN maintained a large presence in Sierra Leone through its various agencies notably UNDP, WHO, UNICEF. During the war the UN was a major player in humanitarian assistance. It also provided a 17500-strong peace-keeping force, the largest ever at the time. The UN also imposed sanctions on Liberia which helped to curtail support to the rebels from that country's head of state, Charles Taylor. Furthermore, in 2000, the UN initiated a diamond certification scheme for Sierra Leone and Angola, designed to prevent the use of conflict diamonds to finance civil war. The scheme was later replaced by the Kimberley Diamond Certification Scheme with a similar objective.

The international financial institutions, the World Bank and IMF, were the most influential development partners: They did not only provide financial aid, but also policy advice and conditionalities with strong economic and sometimes political ramifications. Sierra Leone's relationship with the two institutions dates back to the 1960s. The IMF had, from time to time, provided loans in support of the balance of payments while the World Bank had financed a range of development projects. In the 1980s, as Sierra Leone's economic crisis deepened, its relationship with the two institutions became strained with protracted and disruptive negotiations on economic reforms. The government's inability to meet outstanding foreign debt service payments was a key stumbling block. Another issue was the government's failure to withdraw subsidies on certain basic commodities, and more generally, institute restrictive fiscal measures.

A one-year standby arrangement with the IMF, agreed in February 1984, provided loans of up to SDR 50m, and enabled the government to re-schedule \$50 million of its \$400 million outstanding external debt. However, negotiations for a further IMF loan collapsed in February 1985, owing to the government's failure to withdraw domestic subsidies for petrol, rice and electricity; and the IMF suspended drawings from the one-year stand-by facility. The World Bank also suspended disbursements in November 1985, owing to the government's failure to clear US\$ 1 million in arrears (Funna 1993).

Following subsequent negotiations with the international financial institutions, the government initiated a structural adjustment programme in June 1986 under which it agreed to float the exchange rate, remove subsidies on rice and petroleum, liberalize trade, increase producer prices and pay US\$3 million in arrears to the IMF. The Paris Club of Western creditor governments also agreed in principle to reschedule Sierra Leone's immediate debt obligations. The government decided to return to a fixed peg in August 1987. It fixed the exchange rate, revaluing the national currency relative to the exchange rate prevailing during the float. The IMF withdrew its financial support in 1988, stating that the government had not met the agreed conditions. In the same year Sierra Leone was declared ineligible to use IMF resources and was under threat of suspension from membership of the Fund for failing to service its foreign debt (Funna 1993).

Desperate for financial help, the government turned to non-conventional non-state actors (see below). In the mid 1980s Momoh obtained a loan from a Lebanese businessman to pay for printing the national currency abroad. In return, Momoh allowed the businessman to keep a portion of currency shipments as payment (Reno 1998). More generally, Momoh's response to the crisis was to try to regain control of

Sierra Leone's diamond resources from Stevens' clients. Creditors approved, noting that the main obstacle to fighting corruption and servicing foreign debt in Sierra Leone was the hold over diamond resources exercised by rogue state officials and Stevens' business clients (Reno 1998). Creditors recommended inviting foreign firms to regularise or impose control over diamond mining.

However, the "foreign firms" that showed up were generally shady businessmen mostly linked to international criminal networks. They received generous diamond mining and other concessions in return for their offers of "assistance". Thus, Momoh traded control of the country's resources for short-term crisis management (Reno 1998). LIAT Finance and Construction, an Israeli firm, appeared in 1987 with promises to finance and build development projects in return for diamond mining concessions. The firm's chief, Kalmanowitch, was arrested in the US on fraud charges and extradited to Israel to face additional charges. This ended LIAT's Sierra Leone operations (Reno 1998).

SCIPA Finance, a second Israeli firm, appeared in 1989 with an offer to manage Sierra Leone's diamond mines. SCIPA paid overdue civil servants' salaries and also allegedly paid a portion of Sierra Leone's arrears with conventional creditors, helping to put debt negotiations with the IMF back on track in 1989 (Reno 1998). However, SCIPA was not actually interested in mining diamonds or managing the industry. SCIPA purchased diamonds mined in Sierra Leone for export elsewhere as a money laundering operation. To dominate the market SCIPA cultivated a following among illicit diamond operators, and gave gifts to Momoh's allies and rivals alike (Reno 1998). SCIPA's head was arrested for "economic sabotage" in 1989, thus ending SCIPA's operations (Reno 1998).

In December 1989 the government adopted once again an IMF-approved economic reform programme. Under the "shadow" programme the government received no financial aid but had to meet certain criteria to qualify for a full programme with a financial aid package. The leone was devalued by 85 percent in January 1990, and in April 1990 the leone was floated, with the result that it depreciated rapidly. The government introduced some revenue measures like awarding foreign firms contracts to manage the seaport, monitor customs operations, and to patrol Sierra Leone's coastal waters to improve fishery royalty collection. Excise duties on tobacco, beer, petroleum products were increased sharply. Import and export licences were abolished for all commodities. A freeze was imposed on civil service recruitment, except for essential services. An exercise was launched to reduce the 75000-strong government work force by a third by 1993. This was to be achieved by deleting "ghost" workers from government payroll, and retrenchment (Funna 1993). Government subsidies were withdrawn (except on rice to the security forces).

However, despite the incipient signs of improved economic management and increased fiscal revenue collection, civil war broke out in 1991. Thus, Sierra Leone pursued an adjustment programme in the midst of war, a rare experience in Africa. The adjustment programme led to some improvement in certain macroeconomic indicators during wartime: Inflation was cut from an average of 93 percent a year between 1986 and 1990, to 24 percent between 1993 and 2000. The black market spread fell from an average of about 140 percent in the 1980s to less than 20 percent in the 1990s. The programme involved large-scale cuts in the public sector work

force. Many of those affected were “ghost workers”: non-existent workers or workers who were merely on the payroll but did not actually work for the government.

Funding from the international financial institutions helped sustain the government during the war. In May 1992 the IMF released an initial US\$43 million for the import of essential commodities. In July the government announced that international donors, including the African Development Bank and the European Union, had begun to release additional funds for use in restructuring the economy (Funna 1993). Other measures adopted during the war included the deregulation of virtually all markets; liberalization of the financial sector and public sector reforms.

Although the policies of the international financial institutions did not directly contribute to state failure and civil war, the difficulties that the Momoh administration faced in obtaining funding from the two institutions reveals the fact that the IFIs did not (and still do not) have a policy for dealing with weak states like Sierra Leone³. The same policy measures recommended to developing countries in general are also recommended to weak states. The insistence that weak states first settle their outstanding debt arrears and institute fiscal and other reform as a pre-condition for aid could raise the risk of implosion in such states, and in Sierra Leone’s case it forced towards dubious alternatives.

There is of course no simple solution to the problem. Weak states are indeed in dire need of reform like Sierra Leone was in the late 1980s. The challenge would be to design aid packages in such a way that weak states receive short-term financial relief while maintaining the incentive for reform.

The Sierra Leone case also reveals another dilemma facing donors: To what extent should donors insist on the holding of elections under very difficult circumstances such as those prevailing during the 1996 general and presidential elections: Parts of the country were under rebel control or otherwise insecure because of the threat of rebel activity. Furthermore, a large proportion of the population was displaced, living in camps in Sierra Leone and in neighbouring countries. Despite these circumstances, there was indeed widespread support among the populace for the holding of the elections partly because it was believed that the military was insisting on “peace before elections” as a ploy to stay in power. Foreign donors also insisted on the holding of the elections. Tejan Kabbah and his Sierra Leone People’s Party were elected but overthrown a year after taking office by the military in collaboration with

³ There is some special provision for post-conflict countries in the aid policies of the international financial institutions. However, this tends to be very modest. The IMF Emergency Post-Conflict Assistance program “provides emergency assistance to help member countries with urgent balance of payments financing needs in the wake of natural disasters or armed conflicts”. With the exception of Iraq the amount of assistance to post-conflict countries has been small. Between 1996 and 2005, it ranged from US\$45 million dollars to Bosnia and Herzegovina, to US\$ 2.9 million to Guinea-Bissau. Moreover, as the name indicates the facility is intended for countries facing natural emergencies or emerging from conflict, and not for weak states facing the threat of internal conflict. The World Bank’s International Development Association allocates aid on the basis of a “performance based allocation” mechanism which features the Country Policy and Institutional Assessment index (CPIA). The aim is to “ensure that good performers get a higher share of IDA available resources”. The scheme makes provision for post-conflict countries to be provided with additional resources. Lastly, the World Bank has launched the Low Income Countries Under Stress (LICUS) programme. However, this is not specifically designed to address the needs of countries facing the risk of civil conflict.

the Revolutionary United Front. The bloody takeover – unprecedented in the history of coups in Africa – was marked by a sustained orgy of violence by troops loyal to the armed soldiers (Abdullah 1997a).

Other foreign actors

Although domestic conditions in Sierra Leone fostered state collapse, foreign actors played a major part in triggering and sustaining the civil war. The formation of the rebel movement was largely due to Libyan financial and logistical support. The Libyans entered Sierra Leone in the mid-1970s and began to make inroads into civil society through religious and non-religious channels. Libya provided training facilities to expelled students from the University of Sierra Leone and other dissidents including Foday Sankoh, leader of the rebel movement (Abdullah 1997b, Abdullah and Muana 1998) Libya's support came in the wake of international political shifts. Under pressure from the US and France, Libya developed an aggressive “anti-imperialist” foreign policy seeking to promote revolution in West Africa (Rashid 1997, Abdullah 1997b).

The war started as a spill over from the Liberian civil war with Liberian warlord, Charles Taylor, supporting the rebel movement in an arms-for-diamonds trade. The arms, mainly small arms, were supplied through a complex network of cargo airplanes and freight forwarding companies involved in shipping arms mainly from Eastern Europe to Sierra Leone. Transit countries also played a crucial role in the arms trade. A UN Panel of Experts report (UN 2000) found that the supply lines to the RUF have been through Burkina Faso and onto Liberia. Some of the weapons were supplied to Burkina Faso by governments or private arms merchants. Aircrafts play a crucial role in the trafficking of arms to the RUF. According to the UN Panel of Experts report, many of these aircrafts were registered in Liberia.

The West African force, ECOMOG, intervened on the government's side. The force was set up by the Economic Community of West African States (ECOWAS) to intervene in the civil war in Liberia which started in 1989. It did so using bases in Sierra Leone. Nigeria provided the bulk of the troops and the leadership. ECOMOG's intervention in Liberia prevented Charles Taylor, leader of the main rebel group, from talking over the Monrovia.

Both sides used mercenaries. In 2005 the government used Executive Outcomes mercenaries from South Africa to halt a rebel advance on Freetown. Executive Outcomes trained and used local civil defence militias, known as Kamajors, in their operations. Executive Outcomes kept large parts of the diamondiferous Kono District free of rebel activity, helping to attract foreign investors into the diamond industry during the war.

Pro-government external interventions-ECOMOG, and mercenary groups were mixed blessings. Though they bolstered a collapsing state, they lulled the government and the public into a false sense of security, inducing aversion towards negotiating an end to the war. Mercenaries were costly. The government paid US\$1.7 million a month for the Gurkhas and Executive Outcome mercenaries. The government also mortgaged the diamond resources through hasty mining concessions to contract mercenaries. For instance Branch Energy secured a 25-year diamond mining lease in exchange for providing the services of Executive Outcome mercenaries. Diamond

Works also secured a 25-year diamond and gold mining lease in Kono for the services of Sandline mercenaries. Mercenary groups may have had an incentive to prolong the war to stay in business.

The UK provided financial aid and logistical support during the war. Notably the British wiped out the West Side Boys-renegade remnants of the disbanded Sierra Leone army-in an operation to rescue captured British soldiers.

3. The Descent to Civil War

In 1985, Stevens picked his military chief, General Joseph Momoh, as his successor. By this time the economy was in deep crisis while Stevens' patronage network was intact. Promising a "new order", General Momoh assumed power amidst widespread hope for an end to the economic crisis. Momoh's challenge was to dismantle Stevens' patronage network and institute economic reform without provoking a coup. In fact, a coup was attempted in 1987. Francis Minah, vice president under both Momoh and Stevens, and Jamil Sahid Mohamed, Stevens' business associate, were implicated.

Momoh faced the basic pre-conditions for aid imposed by the international financial institutions: settling debt arrears and exercising fiscal discipline. Thus, immediate financial help from conventional donors was not forthcoming. Momoh turned to non-state actors for help as discussed above. The last of these was a US-based firm, Sunshine. Contract terms dictated that the Sierra Leone government would provide greater security in mining areas. Towards this end Momoh staged two military operations to evict the tens of thousands of illicit miners operating in the mines. Reno (1998) quotes an army officer as saying that these operations were the "best recruiting tool the rebels had" when war broke out several months later. Furthermore, the diamond and other commercial networks that Momoh disrupted earned him fresh enemies some of whom later tried to cut deals with the rebels (Reno 1998).

Thus, Momoh's effort to manage the economic crisis was somewhat counterproductive to state security. The economic decline continued and basic services like electricity, water supply, health and education had virtually collapsed. By 1991, Sierra Leone was full of the potential for violent conflict. It required only the slightest spark for this violence to be ignited (Sierra Leone Truth and Reconciliation Report 2004). External actors provided the spark: Libya had already provided counter insurgency training for Foday Sankoh, leader-to-be of the rebel movement, who was busy recruiting in Sierra Leone and Liberia. Sankoh launched the rebellion with the help of combatants from the civil war in neighbouring Liberia (Abdullah 1997b).

4. The Post-Conflict Situation

We now analyse key post-conflict issues in this section.

4.1 Security and Peace Building

Disarmament

A total of 72490 combatants were disarmed and 71043 demobilised by February 2002, out of which 56,000 participated in reintegration activities (Poverty Reduction Strategy Paper 2005). A reconstruction, resettlement and rehabilitation programme was launched.

Security sector

At the onset of peace the need to reform the security sector was urgent. Hitherto, the military had been a source of large, non-transparent government expenditures; and a major security risk. Reform measures have sought to establish a civilian-led security coordinating architecture. A program was initiated to restructure, retrain, and re-equip the army and police with UK assistance. The military was downsized from 14500 to 10500. Security has been improved with no reported outbreak of fighting since the war ended in 2002. Incidents of electoral violence occurred during the August/September 2007 general and presidential elections. However, these were contained.

The UNAMSIL peacekeeping mission was phased out at end-2005 and replaced by UNIOSIL (United Nations Integrated Office in Sierra Leone), [to assist in nation building and conflict prevention].

Truth and reconciliation commission

A truth and reconciliation commission was set up in 2004 as a mechanism to help heal the war-related “wounds”. The commission published its report in 2006.

War crimes court

A UN-sponsored special court was established in 2003 to prosecute those who “bore the greatest responsibility for the war damages”. The court indicted 15 persons including former Liberian president and warlord, Charles Taylor. Taylor was subsequently arrested in 2006 and is standing trial in the Hague, rather than in Sierra Leone, for security reasons. The court also indicted Hinga Norman who initiated a pro-government civil defence movement. Norman’s trial raised concerns about the court’s impact on the peace process: Many Sierra Leoneans, especially former combatants of the civil defence movement, view Norman as a war hero who helped defeat the rebels.

4.2 Political Governance

The electoral process

Sierra Leone returned to democracy during the war: In 1996 the military National Provisional Ruling Council (NPRC) – which overthrew the All People Congress (APC) ruling from 1968 to 1992 – organised parliamentary and presidential elections and handed power to the winner, President Tejan Kabbah and his Sierra Leone People’s Party (SLPP). The next elections, supported by the UN peacekeeping force, UNAMSIL, were held post-war in May 2002. President Kabbah and his party were returned to power. The elections were peaceful and all parties, including the former rebel movement which failed to win any parliamentary seats, accepted the results. Fears of a deterioration of national security during the next elections in August/September 2007 were widespread. The elections were the first after the departure of the UN peacekeeping force which had provided security for the May 2002 elections. Some electoral violence occurred in parts of the country between supporters of the ruling Sierra Leone People’s Party and the opposition All People’s Congress. These were however, localised and contained. President Kabbah was ineligible to contest, having exhausted his constitutional two-term limit. The vice president was the ruling party candidate.

The elections were a milestone in the post-conflict transition and suggest that democracy is deepening in Sierra Leone: An opposition party defeated the ruling party both for president and parliament, a relatively rare outcome in Africa.

Decentralization

Political governance was highly centralised at the onset of peace. All forms of local government had been abolished except for chiefs, the traditional leaders. The government launched a decentralization programme in 2004 to promote stronger citizen participation in the political process and better service delivery. Donor support has been strong, spurred by the belief that abuses by chiefs were one of the root causes of the conflict (see Sub-section 2.1). As part of the decentralization process, 19 local councils were set up, and elections for their membership – the first of its kind in 32 years – held in 2004. The councils can now set their rate of poll tax. The councils co-exist with the chieftaincy system.

Why was the chieftaincy system not abolished outright after the war? Several explanations could be advanced. First, chiefs were a powerful interest group in the ruling Sierra Leone People’s Party which launched the decentralization programme. Second, despite the abuses of power, many chiefs command some following in their communities. Third, elected districted councils are probably not in a position to perform all the traditional functions of paramount chiefs. Moreover, elected district councils have their own problems. Many were plagued with widespread corruption prior to their abolition in the 1970s.

Fiscal decentralization is part of the decentralization process. This involves the transfer of service-delivery responsibilities and corresponding budget resources in the form of grants to local councils. The law requires that the allocation of these grants be determined by a formula using objective indicators of service-delivery needs and revenue capacity. Devolved services include agriculture, feeder roads and small bridges, rural water and sanitation, urban traffic and solid waste management.

4.3 Economic Management

Economic reforms, initiated under the structural adjustment programme launched pre-war in 1989, have been pursued in various guises ever since. Notably, markets were liberalized in the early 1990s. The Poverty Reduction and Growth Facility (PRGF) with the IMF provides the framework for the post-conflict reforms. A Poverty Reduction Strategy Paper (PRSP) was launched in 2005. The PRSP is a three-year, 2005-07, plan, with three pillars each with objectives closely tied to the Millennium Development Goals. Pillar 1 focuses on promoting good governance, security and peace. Pillar 2 focuses on pro-poor sustainable growth for food security and job creation. Pillar 3 focuses on human development. Funding is a major issue with the PRSP. The funding gap after donor pledges was close to one billion US dollars, higher than Sierra Leone's annual GDP. According to the government a draft report on the first year of implementation has been prepared and will be published once it is finalized. The report indicates overall that the country is on track with the implementation process. Sierra Leone has also benefited from debt relief under the Highly Indebted Poor Country (HIPC) initiative. It reached the HIPC completion point in 2006.

Table 6 shows that the Sierra Leone economy has emerged from the war with a robust economic growth performance. GDP growth, which averaged -2.2 percent during wartime, jumped to 11.8 percent per annum during the 2002-05 post-war period. Correspondingly, per capita income, which averaged -2.5 percent during the war, rose to 7.7 percent in the 2002-05 post-war period. Macroeconomic stability has improved with the annual inflation rate falling to 7.6 percent in the 2002-05 post-war period, compared with a wartime rate of 35 percent and a pre-war rate of 86 percent. Tax revenues averaged 13 percent of GDP in the 2002-05 post-conflict period compared with 8 percent in 1985-89. Large fiscal deficits (including grants) of 9.9 percent and 7 percent of GDP in 2002 and 2003, have been cut to 2.5 percent in 2004 and 1.7 percent in 2005.

Table 6: Macroeconomic Indicators

| Indicator | Pre-war 1985-89 | Wartime 1991-2000 | Post-war 2002-05 |
|----------------------------------|-----------------|-------------------|------------------|
| GDP growth % | 1.1 | -2.2 | 11.8 |
| Per capita income growth % | -1.2 | -2.5 | 7.7 |
| Inflation | 86 | 35 | 7.6 |
| Black market spread % | 87 | | <5% |
| Private sector credit % of total | 13 | 11 | 14 |
| Investment % GDP | 8.6 | 7.1 | 12.4 |
| Aid %GNI | 12 | 22 | 35 |
| Tax revenues %GDP | 8 | 9.5 | 13 |

Notes: Black market spread = $100 \times [\text{black market exchange rate} - \text{official exchange rate}] / \text{official exchange rate}$.

Source: black market spread: Bank of Sierra Leone; all others: World Development Indicators September 2006.

However, job-creation does not appear to have accompanied this robust growth performance. The government has undertaken some programmes to create jobs and training opportunities for youths. However, even the best of these programs have not reached more than a few thousand beneficiaries and many have reached far less (IMF January 2007). The market friendly approach to economic management makes the private sector the major source of employment creation. However, many constraints endure such as poor infrastructure. Electricity and water supply are poor even in Freetown, the national capital. The institutional environment for business remains difficult. The country ranked 168 out of 175 on the World Bank doing business index in 2006.

The economy has been highly aid-dependent in the post-conflict period. Aid flows averaged 36 percent of gross national income between 2000 and 2004. However, aid has its own problems. Aid flows are volatile while shortfalls and delays are common, “resulting in difficulties in planning and budgeting” (Government of Sierra Leone 2006, p53). Thus, aid flows come with high transactions costs for the government such as varying standards and timeframes. Time and other resources are expended on reporting, and accommodating donor missions; while aid unpredictability and volatility complicate planning and budgeting. Government often resorts to domestic borrowing to finance budget deficits, and in response to delays and shortfalls in donor funding. This tends to raise treasury bill rates relative to lending rates, producing an incentive to hold government debt, while reducing the incentive for private sector credit, with possible adverse consequences for investment and growth. Thus, excess liquidity in the banking system has been the norm: Claims on government (holdings of Treasury Bills and Treasury Bearer Bonds) accounted for 30-38 percent of commercial banks’ total assets in 1998-2003, compared with 12-27 percent for claims on the private sector.

In response to these problems donors providing direct budget support – the World Bank, United Kingdom (Department for International Development, DfID), European Union and the African Development Bank – have agreed in principle to harmonize program conditionality, monitoring and evaluation systems (Government of Sierra Leone 2006, p54).

However, the government does not appear to be prepared for an eventual reduction in aid flows as Sierra Leone graduates from post-conflict status and donors discontinue support associated with that status. The Poverty Reduction Strategy Paper, published in 2005, states that “as the domestic resource base remains limited and fragile over the medium term..., Government will continue to seek substantial increase in international assistance, beyond HIPC debt relief, to finance the budget deficits” (Government of Sierra Leone 2005, p61). Thus, aid has become the default financing mechanism and there is no exit strategy on the horizon.

The extent of domestic ownership of policy appears to be limited. Considerable donor influence in the policy making process has been a corollary of high aid dependence. Furthermore, weak government institutional capacity has resulted in reliance on foreign experts for policy formulation and management. Certain key government units depend on donors for funding (including for staff salaries).

In spite of the large aid inflows and the reform measures, infrastructure especially electricity supply remained in a state of virtual collapse, even in Freetown. One reason is corruption (discussed below). Another reason is that infrastructure was not accorded a high priority either by government or donors. Much of the emphasis has been on “poverty alleviation”. The government and donors exclude infrastructure in their definition of “poverty alleviation”. Poverty alleviation expenditures cover health, education, water and sanitation, social services, governance and security. Excluding infrastructure from poverty alleviation could be self-defeating and perpetuate dependence.

4.4 Fighting Corruption

Corruption has been blamed as a major cause of the war, as discussed earlier. To fight corruption the government set up an Anti-Corruption Commission in 2000; and launched in 2001 the Public Expenditure Tracking Surveys (PETS) to determine whether government resources reach the intended beneficiaries. However, corruption remains a serious problem.

Table 7 shows that Sierra Leone ranked 142 out of 163 on the Transparency International Corruption Perception Index (CPI). The CPI rank is derived on the basis of a CPI score which relates to perceptions of the degree of corruption in a country as seen by business people and country analysts. The score ranges from 0 (highly corrupt) to 10 (highly clean). Transparency International interprets a score of less than three as a sign of rampant corruption. From 2003 to 2006 Sierra Leone’s score ranged between 2.2 and 2.4. According to the Government Matters indicator – a World Bank index with a corruption component – Sierra Leone’s rank on a global corruption index deteriorated between 1998 (during the war) and 2006.

Table 7: Sierra Leone’s Rank on Transparency International’s Corruption Perception Index (CPI)

| Year | CPI score | CPI rank |
|------|-----------|----------|
| 2003 | 2.2 | 113/133 |
| 2004 | 2.3 | 114/146 |
| 2005 | 2.4 | 126/159 |
| 2006 | 2.2 | 142/163 |

Source: Transparency International:

http://www.transparency.org/policy_research/surveys_indices/cpi/2006

4.5 Diamond Management

Mismanagement of Sierra Leone’s diamonds helped induce state collapse. Subsequently, diamonds financed the civil war (in Angola as well), provoking an international campaign against “blood diamonds”. The Sierra Leone government participates in the global Kimberly Diamond Certification Process which aims to prevent the trade in “conflict diamonds”. It also participates in the UK-initiated Extractive Industries Transparency Initiative which seeks to improve governance in resource-rich countries through the full publication of company payments and government revenues from natural resources. Official diamond exports have increased

from an annual average of US\$14 in 1987-90 to US\$ 125 or more since 2004. Arguably, the Kimberley Diamond Certification Scheme deserves some credit for the increase because it makes it more difficult (but not impossible) to sell smuggled diamonds. The Scheme is a joint government, international diamond industry and civil society initiative to stem the flow of conflict diamonds used by rebel movements to finance civil wars in Africa. The Scheme is voluntary. It imposes extensive requirements on participants to certify that shipments of rough diamonds are not conflict diamonds. The Kimberley Scheme is composed of 45 participants, including the European Community. It accounts for approximately 99 of the global production of rough diamonds.

The Kimberley Scheme does not focus on the management of diamond resources. Thus, the challenge remains to ensure that the people of Sierra Leone benefit substantially from the diamond resources. The benefits could come from redistribution of the rents or income-generation. There is little evidence that government or society as a whole is capturing much of the rents. Official exports increased from US\$10 million in 2000 to a high of US\$149 million in 2005, falling to US\$125 in 2006 (see Appendix 1). However, fiscal revenues were less than US\$7 million in 2006 (less than 0.4 percent of GDP). Fiscal revenues come from license fees; and a three percent export tax (2.5 percent for exports of US\$10 million or more a year) which is shared among the tax authority, the diamond-producing community, a government diamond valuator, the mines ministry, and the government treasury which receives 0.75 percentage points. Official charges have to be kept low to discourage illicit mining and smuggling.

Recent estimates of the diamond labour force range from 100000 to 500000 diggers (Government of Sierra Leone 2005). This suggests that diamond digging could be a significant source of employment and income generation, given a national population of less than five million. However, destitution among the diggers has been widely reported (USAID 2001, Partnership Africa Canada and Global Witness 2004). In fact, USAID (2001, p.5) describes the diggers as “the poorest of the poor in Sierra Leone”. Risk-loving behaviour may be one reason for this. Under the dominant profit-sharing scheme, financiers pre-finance mining operations. In return, the diggers “sell” any diamonds they find to their financier who largely determines the price at which to “buy” the diamonds and deducts costs. The profit is then shared between the diggers as a group and the financier. There is no certainty of diggers finding any diamonds. And if they do not, they get nothing.

Partnership Africa Canada and Global Witness (2004) estimate that average daily earnings range between US\$1.24 and US\$1.46 under the profit-sharing “casino” scheme; compared with US\$2 under wage payment. “Historically, most diggers have preferred the casino system, betting on a share of winnings” (Partnership Africa Canada and Global Witness 2004, p11). Oomes and Vocke (2003) also suggest that the returns to alluvial diamond diggers in Africa are often lower than in other sectors.

Diamond digging may also be faced with a form of the tragedy of the commons: the number of diamonds that can be found in any one area is ultimately limited by resource endowment. Beyond a point more and more diggers compete for a virtually fixed output, making marginal social returns almost zero. With a positive opportunity cost of labour, society would be better off reallocating labour away from diamond

digging, say to agriculture. In an FAO survey in 2005, farmers cited shortage of agricultural labour as their biggest constraint (FAO 2005). That shortage could be due to competition with diamond digging which serves as an alternative activity.

The production and marketing hierarchy runs from exporters at the top, to dealers, miners and diggers. Exporters finance or buy diamonds from dealers who in turn finance miners. The miners engage and supervise the diggers. Most of the financiers and exporters – who apparently collect much of the diamond rents – are foreigners, mostly Lebanese (some of whom were born in Sierra Leone). Certain policy measures in favour of Sierra Leoneans have been adopted. Artisanal mining licenses can only be obtained by Sierra Leoneans. Until recently the export license fee was US\$5000 for Sierra Leoneans and US\$30000 for foreigners. However, widespread corruption has vitiated these measures. Many foreigners have obtained Sierra Leonean citizenship through bribery, circumventing the export license fee differential. Consequently, the export license fee was equalised.

Donors and NGOs are also proposing initiatives to improve the diggers' plight, based on the notion that lack of finance and knowledge on diamond valuation, and lack of access to external markets, are partly responsible for the diggers' destitution. Notably the USAID-funded Peace Diamond Alliance, seeks to “develop competitive buying schemes, train miners in the value of their production, track diamonds, and provide credit to miners” (www.peacediamonds.org). However, these well-intentioned initiatives could unwittingly attract labor from agriculture where the social return may be higher. Thus, their net social benefit could even be negative, given the commons problem and diggers' seemingly risk-loving behaviour.

Artisanal mining is incapable of yielding large fiscal revenues. These can only come from industrial mining. The diamonds were first mined by a monopoly from the 1930s to the early 1950s. In 1956 the industry was bifurcated into a corporate sector with a single operator, and an artisanal sector. The corporate sector generated fiscal revenues of over three percent of GDP after it was nationalised in the early 1970s. Political opposition and the high costs of enforcing property rights militate against a return to a monopoly. Localised, large-scale operations (co-existing with artisanal mining) might be the best feasible option. This could be done through auctions for mining rights in some areas. However, private interests abound with politicians engaging in private mining over the years. As a result Sierra Leone might continue to derive little benefit from its diamond resources even in peacetime.

All in all, managing Sierra Leone's alluvial diamond resources for the benefit of society as a whole is a challenging proposition. Donors and indeed policy makers do not appear to have a good understanding of the complexity of the problem. As a result, policies and schemes could be implemented that end up unwittingly reducing aggregate welfare.

5. Synthesis and Conclusion

We conclude first by assessing the consistency between the Sierra Leone experience and the literature on civil conflict. Second, we highlight the lessons for development cooperation approaches in relation to peace building from the Sierra Leone experience.

Consistency with the literature

The roots of the Sierra Leone civil war can be traced to Siaka Stevens' patrimonial system of governance from 1968 to 1985 whose emergence was aided by ethno-regional rivalries and diamonds. The key subsequent elements of this system of governance that fostered state failure and civil war were political repression, economic mismanagement and corruption, rural isolation, diamonds, youth alienation, and ethno-regional rivalries.

The literature has highlighted a number of risk factors for civil conflict. In empirical studies a distinction is made between the risk of civil war onset and the duration of civil war. In terms of the risk of civil war onset, Collier and Hoeffler (2004) identify natural resource dependence as a high risk factor. In Sierra Leone diamonds did play a major role in the process of state collapse, consistent with the view that natural resource abundance raises the risk of civil war. However, the risk in Sierra Leone's case has been not just the mere existence of diamonds. Rather, the risk lies with the fact that the diamond deposits are alluvial. Alluvial diamonds can be mined with little capital and are difficult to police because they are widely dispersed. Thus, the diamonds can be mined relatively easily by rebels and wayward government soldiers. In contrast, kimberlite deposits found in Botswana are a capital-intensive point resource, occurring in geographically concentrated pipes deep in the earth's surface. It is unlikely that rebels would be able to mine these. Thus, Kimberlite deposits do not pose the same risks for civil conflict. It is therefore necessary to qualify that the risk of civil conflict associated with natural resources depends on the nature of the resource: The risk is mainly associated with lootable resources.

Collier and Hoeffler (2004) also adduce some empirical evidence which they use to argue that greed – factors associated with economic incentives such as natural resource abundance and low incomes – pose a higher risk of conflict than grievance – political factors such as inequality and injustice. The paper has argued, however, that the roots of the conflict in Sierra Leone lie in Siaka Stevens' patrimonial system of governance which in turn triggered other conflict risk factors such as poor growth and mismanagement of the diamond resources. Thus, arguably, in the Sierra Leone case, political factors were equally important, if not more important for conflict. Moreover, economic and political factors interacted closely, so that any attempt to view them as independent factors, as in the Collier and Hoeffler (2004) categorization, could lead to misleading inferences.

Miguel *et al* (2004) provide cross-country empirical evidence that poor economic growth raises the risk of civil conflict. In Sierra Leone, growth collapse was a major

part of state collapse. Thus, the Sierra Leone case accords with the evidence from Miguel *et al*⁴.

The literature has also advanced the youth bulge hypothesis wherein a high proportion of youths in the population, coupled with unemployment and exclusion, raises the risk of conflict (see Cincotta *et al* 2003). In Sierra Leone youth alienation and its subsequent radicalisation culminated in the formation of the rebel movement. Thus, youths played a major role in the onset of the conflict. The available evidence suggests that the country also had a youthful population. The Sierra Leone case is therefore consistent with the youth bulge hypothesis.

Issues for Aid and development cooperation

The Sierra Leone case highlights several issues for foreign aid and development cooperation. The first is the absence of a distinct policy by the international financial institutions for weak states. Conditions imposed on poor countries in general are often imposed on fragile states without adequate consideration of their special circumstances. One such condition is the requirement that weak states first pay part of outstanding debt obligations and institute economic reform measures as a pre-condition for receiving aid from donors. Thus, although conventional donors did not play a direct role in the process of state collapse, however, the effort of the Momoh administration, 1985-92, at economic reform was complicated by its inability to access funding from conventional donors who demanded payment of debt arrears as a pre-condition. The Momoh administration was forced to turn to dubious financiers. The Sierra Leone case demonstrates the need for the international financial institutions to develop a different approach to economic reform in weak states.

Another condition often imposed by donors is the holding of elections even under difficult circumstances such as those prevailing in Sierra Leone in 1996 when large parts of the country were under rebel control or threat. The elected government was overthrown a year later.

The second issue relates to dealing with external instigation, Libya and Liberia in Sierra Leone's case. The international community did eventually adopt a strong position against Liberia, imposing an arms embargo and sanctions against the Taylor regime. The lesson here is that such action could help end violent conflicts in Africa.

The third issue relates to international governance of natural resources. The Sierra Leone civil war highlights the need to make it difficult for rebels to sell natural resources used to finance violent conflict. It also highlights the need for sound management of natural resources to promote economic development and prevent state collapse. Much work has been done in this area: In 2000 the UN launched a diamond certification scheme designed to prevent the sale of conflict diamonds from Sierra Leone and Angola. The scheme was replaced by the global Kimberley Diamond Certification Scheme grouping virtually all major producers and importers of rough diamonds. The UK has also launched the Extractive Industries Transparency Initiative designed to improve governance in resource-rich countries through the full publication of company payments and government revenues from natural resources

⁴ Miguel *et al* (2004) attempt to take account of the two-way relationship between economic growth and the risk of conflict using a technique known as instrumental variables estimation.

Fourth is domestic management of Sierra Leone's alluvial diamond resources. Management of alluvial diamonds pose special problems. Donors and indeed policy makers do not appear to have a clear understanding of the complexity of the problem. As a result, policies and schemes could be implemented that end up unwittingly reducing aggregate welfare and longer term development prospects.

Another issue is the need for donors to reduce the transactions costs of aid as well as aid unpredictability by harmonizing procedures and making timely disbursements of committed aid. The Sierra Leone experience shows that delays and shortfalls in aid commitments can be costly.

The final issue is peacekeeping and military intervention. In Sierra Leone, British military intervention was critical in ending the war: It made rebel victory an unlikely proposition. This demonstrates that military intervention could be desirable and effective in certain circumstances.

References

Abdullah, I., (1997a) "Introduction" *Africa Development*, Special Issue on Lumpen Culture and Political Violence: The Sierra Leone Civil War, 23, 3, 5-17.

Abdullah, I., (1997b) "Bush Path to Destruction: The Origin and Character of the Revolutionary United Front", *Africa Development*, Special Issue on Lumpen Culture and Political Violence: The Sierra Leone Civil War, 23, 3, 45-76.

Abdullah, I., and P. Muana, (1998) "The Revolutionary United Front of Sierra Leone: A Revolt of the Lumpen Proletariat" in C. Clapham (ed.) *African Guerrillas*, Oxford: James Currey.

Abraham, A., (1997) "War and Transition to Peace: A Study of State Conspiracy in Perpetuating Armed Conflict, *Africa Development*, : Special Issue on Lumpen Culture and Political Violence: The Sierra Leone Civil War 23, 3, 101-116.

Alie, J.A.D. (1990) *A New History of Sierra Leone*, London and Basingstoke: Macmillan Publishers.

Bruton, H. J., (1998) "A Reconsideration of Import Substitution", *Journal of Economic Literature*, volume 36, 2, 903-936.

Cartwright, J. (1970) *Politics in Sierra Leone 1947-67*, Toronto: University Press.

Cincotta, R., R. Engelman and D. Anatasia (2003) "The Security Demographic: Population and Civil Conflict after the Cold War. Population Action International. Washington DC.

Clapham, C., (2001) "Sierra Leone: the Global-Local Politics of State Collapse and Attempted Reconstruction"

http://www.ippu.purdue.edu/info/gsp/FSIS_CONF4/papers/clap_Sierra_Leone

- Clapham, C., (1976) *Liberia and Sierra Leone: An Essay in Comparative Politics*. Cambridge: Cambridge University Press.
- Collier, P., and A. Hoeffler (2004) "Greed and Grievance in Civil War" *Oxford Economic Papers*, 56,4, 563-595.
- Davies, V.A.B. (2000) "Sierra Leone: Ironic Tragedy" *Journal of African Economies*, 9,3.
- Fanthorpe (2006) "On the Limits of Liberal Peace: Chiefs and Democratic Decentralization in Post-War Sierra Leone" *African Affairs* 105, 418.
- Funna, S.M. (1993) "Sierra Leone Economy" in *Africa South of the Sahara 22nd Edition*: London, Europa Publications Limited.
- Government of Sierra Leone (2005) Poverty Reduction Strategy Paper.
- Harbottle, M., (1976) *The Knaves of Diamonds*, London: Seeley Service.
- Herbst, J., (2000) *States and Power in Africa*, Princeton.
- International Monetary Fund, (1989) "Sierra Leone: Recent Economic Developments", Washington: International Monetary Fund.
- International Monetary Fund, (2007) "Joint Staff Advisory Note for Sierra Leone", Washington: International Monetary Fund.
- Miguel, E., S. Satyanath and E. Sergenti (2004) "Economic Shocks and Civil Conflict: An Instrumental Variables Approach" *Journal of Political Economy*, 112,4.
- Rashid, I., (1997b) "Subaltern Reactions: Lumpens, Students and the Left", *Africa Development*, Special Issue on Lumpen Culture and Political Violence: The Sierra Leone Civil War 23, 3, 45-76.
- Reno, W., (1995) *Corruption and State Politics in Sierra Leone*, Cambridge: Cambridge University Press.
- Reno, W., (1998) *Warlord Politics and African States*.
- Richards, P. (2005) "To Fight or to Farm? Agrarian Dimensions of the Mano River Conflicts (Liberia and Sierra Leone), *African Affairs* 104, 417.
- Smillie, I., L Gberie and R. Hazleton (2000) "The Heart of the matter: Sierra Leone Diamonds and Human Security", *Insights Series*, Ottawa: Partnership Africa Canada
- Stewart, Frances (2000) 'Crisis Prevention: Tackling Horizontal Inequalities,' *Oxford Development Studies* 28(3): 245-262.

Stewart, Frances (2002) 'Root Causes of Violent Conflict in Developing Countries,' *British Medical Journal* 324 (9 February): 342-345.

United Nations (2000) Report of the Panel of Experts Appointed Pursuant to UN Security Council Resolution 1306 (2000), Paragraph 19 in Relation to Sierra Leone. (December).

Appendix 1: Diamond Statistics.

| Year | Total official output (000 carats) | Official exports (Million US\$) | Official diamond exports: % of total exports (diamonds and other) |
|-------------|---|--|--|
| 1980 | 666 | 66 | 30 |
| 1981 | 446 | 52 | 34 |
| 1982 | 314 | 52 | 47 |
| 1983 | 402 | 40 | 34 |
| 1984 | 190 | 30 | 22 |
| 1985 | 261 | 28 | 21 |
| 1986 | 354 | 28 | 19 |
| 1987 | 353 | 13 | 10 |
| 1988 | 24 | 9 | 8 |
| 1989 | 127 | 22 | 16 |
| 1990 | 90 | 13 | 9 |
| 1991 | 250 | 32 | 22 |
| 1992 | 313 | 31 | 21 |
| 1993 | 156 | 20 | 17 |
| 1994 | 221 | 30 | 26 |
| 1995 | 214 | 22 | 52 |
| 1996 | 270 | 28 | 60 |
| 1997 | 104 | 8 | 44 |
| 1998 | 9 | 2 | 27 |
| 1999 | 9 | 1.5 | 24 |
| 2000 | 77 | 10 | 77 |
| 2001 | 223 | 26 | 90 |
| 2002 | 352 | 42 | 86 |
| 2003 | 500 | 75 | 81 |
| 2004 | | 126 | 93 |
| 2005 | | 149 | 94 |
| 2006 | | 125 | |

Notes: Exports since 2004 include Kimberlite diamonds (US\$113 million in 2005). Sources: Total official exports: "Sierra Leone: Recent Economic Trends" (IMF 1970 and other issues); World Bank (1994); Smillie and others (2000). Official diamond export value: World Bank (1994); IMF Balance of Payments Yearbook (various issues);