Natural Resources and Conflict: Diamonds in Sierra Leone

RUF mining in Yengema, February 2000
http://www.sierra-leone.org/aerial.html

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UMass/New School Joint Workshop
5 November 2005
Introduction

Sierra Leone is a small country encompassing approximately 72,000 square kilometers of mountainous, tropical terrain, about 7% of which is arable. The country, nestled in the West African coast, has a large share of lush forests, with some of the wettest rainforests in West Africa. The coastal, capital city of Freetown (population approximately 1 million), is surrounded on the three land-facing sides by green mountains. These mountains are featured in the country’s post-independence flag – the blue stripe at the bottom representing the sea, the green stripe at the top representing the mountains. The white stripe in the middle is to represent the people celebrating independence in the streets of Freetown in 1961, waving white flags.

In addition to lush foliage, white beaches, lions, and more than 6 million Sierra Leoneans, the country, often described as the ‘poorest country in the world,’ is also home to deposits of diamonds, titanium ore, bauxite, iron ore, gold, and chromite. If large endowments of natural resources can be a ‘blessing’ or a ‘curse,’ these resources, especially the alluvial diamond deposits, have been a curse for Sierra Leone as they are for many other countries that have found themselves embroiled in wars over abundant resources.

Raw materials, such as coal in England during the early stages of the Industrial Revolution, are necessary to the process of industrial development. Under a different set of economic and political institutions, oil in Nigeria and tantalum in the Democratic Republic of the Congo (DRC)\(^1\) might have made those countries extremely rich, controlling the export of raw

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\(^1\) Natural resources, including tantalum and coltan, played a role in the Ktanga Secession War in the Democratic Republic of the Congo (Ndikumana and Kisangani 2003, pp 4-9 and 9-12; Kisangani 2000; Cuvelier and Raeymaekers 2002). Likewise, oil and multinational corporations are implicated in violent conflict in Nigeria (Human Rights Watch 1999; Hoffman 1995). As of 1994, when the country was not in the middle of a full civil war but was perceived by some to be on the brink, “...The Clinton administration [was] mindful of Nigeria’s importance and its economic relationship with the United States. Nigeria has been a consistently reliable supplier of petroleum, choosing not to participate in the Arab oil boycott of the 1970s. Recently, Nigeria has been anywhere from America’s fifth- to it’s second-largest foreign source of crude oil. Overall U.S. investment in Nigeria
materials necessary for production all over the world. In the absence of an artificially reduced supply and marketing-induced demand at the hands of the giant conglomerate DeBeers, the diamonds in Sierra Leone might not be worth anything other than for their industrial applications. Rather, an ongoing process of extraction has made these resources decidedly ‘lootable,’ both a physical and social characteristic. Because of their physical characteristic, diamonds can easily be looted and carried out of a country, especially alluvial diamonds found in diffuse riverbeds as opposed to kimberlite diamonds found in concentrated mines. The lootability of minerals and gems, however, is also due to the social relationships surrounding these resources, consistently being looted since they were first discovered to be useful and profitable:

Since the beginning of colonialism, Asia, Africa, and the Americas were seen by the colonizers as a source of natural wealth to be exploited for short-term gains. Although the European explorers who sailed to the Americas in search of El Dorado never found the legendary ‘City of Gold,’ they did find in the Americas and elsewhere tremendous mineral wealth and lands to produce export crops including cotton, sugar, tea, coffee, and later, fruit. Five centuries later, mineral extraction and agribusiness continue to play important roles in North-South trade, with grave environmental consequences (Harper and Rajan 2004, 4).

When resources are lootable, they can be fought over.

Natural resources play a complex role in many conflicts, both as a reason to fight and as a factor that facilitates the conflict by providing revenues used to purchase arms and provision armies. Even if grievance factors are insignificant in statistical models predicting war, ‘grievances’ over the governance of natural resources can play a large role in creating the opportunity for conflict. Furthermore, non-combatants in a country initiating post-conflict

approaches $4 billion, principally in the petroleum sector. By the end of the decade [1990s], Nigeria could become an important supplier of natural gas for the United States, where demand is rising. Given the depth and growth potential of American investment in Nigeria’s energy sector, the United States is reluctant to pursue policies that could undermine its commercial and energy interests there” (Hoffman 149).
development policies may as well have grievances over natural resource management - just as natural resources play an important role in conflict, they must play an equally important role in post-conflict development policy. According to the World Bank program on conflict, one of the most important policies for preventing future war in a post-conflict country is the diversification of GDP away from dependence on primary commodities. This ‘diversification,’ however, is not a simple task. Moreover, even if Sierra Leone were able to reduce its dependence on revenues from sales of rough diamonds and increase incomes, also increasing the ‘opportunity cost’ of conflict for its population, the alluvial diamond fields would still cover much of the Eastern province of the country. Without changes in the institutions surrounding these natural resources, they remain a physically and socially lootable resource available for attempted capture by another rebel movement.

A post-conflict development plan for a country with large deposits of natural resources must include not only movement away from the use of natural resources to sustain the economy but also measures to improve the governance of the natural resource, possibly with a fundamental redefinition of the property rights involved. In Sierra Leone, the property rights regime over diamonds was weak enough that rebels from the Revolutionary United Front (RUF) were able to seize control of the diamond producing region almost immediately after the groups’ inception as a violent movement. These already inadequate property rights were thoroughly disrupted over the course of the decade-long war, with the RUF, the government-backed and later rebellious military, and South African Executive Outcomes mercenaries instituting new property rights at the point of a gun (or an RPG). While there are many constraints on the government of Sierra Leone (GoSL) in the use of its natural resources – resulting, for example, from the practice of mortgaging rights to diamond mining to pay for the war – there is a post-
conflict opportunity to take a critical look at the governance of natural resources and include innovative approaches to their use in plans to improve income generation, social and economic development, and participation in the international economic system.

The purpose of this paper is to analyze the role of diamonds in the conflict in Sierra Leone, and to begin the exploration what a ‘natural assets’ approach\(^2\) to post-conflict development could look like in the country. To do so, I first present an economic history of the conflict in Sierra Leone that focuses on the role of diamonds and other natural resources in initiating, perpetuating, and ending the conflict. This will segue into the post-conflict challenges and opportunities faced by Sierra Leone, as well as a discussion of relevant policy recommendations made by economists. I will then present a brief discussion of the Natural Assets Project and how it could be applied to post-conflict development in Sierra Leone.

**Diamonds and Conflict in Sierra Leone**

*Diamonds*

Since their initial discovery in Sierra Leone in 1932, the country has exported more than 32 million carats of diamonds. Until the middle of the civil war, the country also exported other minerals such as rutile, which were mined largely by multinational corporations – a market the government has worked steadily to make functional once again now that the war has ended, with rutile mines, for example, reopening in spring of 2005. The pre-conflict diamond mining industry was characterized by a combination of corporate mining companies along with the “Alluvial Diamond Mining Scheme,” which granted licenses to small diamond producers using relatively labor-intensive mining techniques, including skin diving to retrieve diamonds at the bottom of

\(^2\) See the homepage of the Natural Assets Project of the Political Economy Research Institute, including a body of research relating to the project. [www.umass.edu/peri](http://www.umass.edu/peri)
river beds. The ‘scheme’ involved, pre-conflict approximately 30,000 Sierra Leonean as small-scale miners. The corporate structure of the diamonds industry is dominated by Sierra Leone Selection Trust (SLST), described as a child company of DeBeers, and the National Diamond Mining Company\(^3\). It has been argued that the Alluvial Diamond Mining Scheme, because the diamonds mined in this way are eventually sold through chains of dealers to one of the corporate mining firms for export, served two purposes in the diamond market – to appease traditional rulers in the Eastern province and to obtain diamonds through labor-intensive, non-capitalist labor that could not be obtained profitably by the larger corporations (Zack-Williams 1995, 206).

Because the diamonds in Sierra Leone are alluvial, and dispersed in the ground and in riverbeds rather than in large, concentrated deposits, they can effectively be dug using minimal technology. The methods used for this type of mining basically involve sifting through gravel – gravel from river banks, from river beds, and from small pits – and an individual miner can unearth several carats a day worth of rough diamonds. Government licenses, which last for six months and cover 400 square feet of land are beyond the reach of the average Sierra Leonean, with per capita income in the country equaling only $198. The Sierra Leonean government has been accused of giving out these licenses as favors, and the remainder are mostly owned by brokers – called ‘supportors’ – who employ ‘tributors’ in non-wage labor. Tributors are often paid a fraction of the diamonds they unearth (typically 2/3), leading to a perverse incentive to unearth only the higher quality diamonds and leave diamonds of poorer quality in the ground.

The majority of Sierra Leoneans involved in diamond mining have no share of ‘ownership’ over the diamonds they are working with, and have many valid grievances against the clientalist state. These include both that licenses to mine diamonds are too frequently handed

\(^3\) Post-conflict, this sector of the diamond industry is likely to expand, both from new interests looking to become involved in Sierra Leonean diamond mining and because the government of Sierra Leone mortgaged the diamond resources to Executive Outcomes to help pay for the conflict.
out as favors and that the direct producers receive few of the benefits to diamond mining, with the profits going mainly to middle-men and large corporations. Most Sierra Leoneans have no incentive to protect the diamonds on their own. Dispersed as the diamonds are over a large territory, this lack of community governance, combined with a limited capacity of the GoSL to directly protect them, helped to make the diamonds socially lootable, and to become the object of war.

*Origins of Conflict*

Diamonds are implicated in the conflict in Sierra Leone from its very inception. Charles Taylor, the former President of Liberia, is often cited as having started the conflict in Sierra Leone through his direct sponsorship of diamond bandits who then smuggled the gems through the Sierra Leonean border with Liberia. For example, Stephen Burgess, in an article on regional peacekeeping in Africa states: “The failure of the United States to respond to pleas from its traditional Liberian ally during the disintegration of the dictatorship of Samuel Doe in 1990 permitted a rebel incursion to escalate into a protracted conflict; subsequently, it spilled over into Sierra Leone, a similarly weak state” (Burgess 1998, 41).

This version of the origins of the conflict, however, can be debated, as the RUF and later two military juntas, the National Provisional Ruling Council and the Armed Forces Revolutionary Council, all shared a similar ideological stance – against the corrupt, clientalist,

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4 However, large multinational corporations involved in the extraction of diamonds and other mineral resources do have incentives to protect their own diamond territory – and have, using private military forces (Reno 1997a, 504). The same firms have faced problems when they contracted instead with the RSLMF for protection. For example, military commanders charged in 1995 with protecting the US-Australian rutile company, Sierra Rutile, and a Swiss bauxite company, SIEROMOCO – with these two firms together making up 57% of 1994 export earnings – allegedly colluded with rebels who kidnapped foreigners working for the firms, leading them to exit the country (Reno 1997, 180),
single party regime of the All People’s Congress (APC). It has been argued that these three rebellious movements, all comprised largely of young people in their twenties at most (although Sankoh, the leader of the RUF, was much older), were the product of a post-colonial political culture bereft of a formally articulated radical alternative to single party rule (Abdullah 1998).

Even if the political conflict in Sierra Leone has its own, independent origins, the violent conflict is heavily linked to Taylor’s regime and the ability to finance conflict through smuggling diamonds through Liberia. Examining at the circle of influence outside of West Africa, Taylor has been linked financially to many international allies including Al Qaeda and American televangelist Pat Robertson. In addition to sanctions on the country of Liberia, the United Nations indicted Charles Taylor for war crimes because of his involvement in the Sierra Leonean conflict. In 2003, he was also indicted on seventeen counts of crimes against humanity and other violations by the Special Court in Sierra Leone. Taylor was given safe haven in Nigeria in August 2004 as the Liberian capital of Monrovia was threatened by rebels and as of January 2005 he had not been turned over to the court to face trial.

Beyond the neighboring country of Liberia, there is still a broader international link in the beginnings of the Sierra Leonean conflict. The monopolistic control of diamonds has dated from the discovery of diamonds in Southern Africa in the late nineteenth century and has been instrumental in the social construction of the diamond as something worth fighting over. De Beers is able to maintain high diamond prices by buying up control over the world’s diamond supplies and managing the amount available for sale, also enabling the corporation to weather

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5 Taylor has also been linked to Libya, as a ‘surrogate’ of Qaddafi, as well as to Al-Qaeda through the diamond trade (Burlij, c. 2005; Noble 1998; Bender, 2004; Gelfand 2004). It is interesting that Charles Taylor has also been linked to powerful individual Americans – such as to televangelist Pat Robinson in two mineral extraction ventures in 1994 and 1999 (King 2001). Taylor and his National Patriotic Front was also supported at the time of his first attempted coup by the president of Cote D’Ivoire, France’s “principal ally in Africa” (Burgess 1998, 53).

6 A short discussion of the ‘invention’ of the diamond can be found in (Stanton 2002).
dips in the price of finished diamonds (Ariovich 1985). This, coupled with the conditioning modern advertising companies levy towards young women and men (“a diamond is forever” and the idea that a diamond is the only acceptable stone for an engagement ring) leads them to covet diamonds as symbols of wealth and status while at the same time conditioning not to resell, increasing the price even more. As a result, the price of finished diamonds is astronomically higher than the price of rough diamonds coming out of countries like Sierra Leone – in 1981, for example, the value of the market for finished diamonds was 9 times that of rough diamonds. Even though the majority of diamonds sold in the international market are industrial diamonds, the majority of the wealth changing hands is due to the sale of jewelry diamonds, most of these bought for women’s engagement rings in North America and Europe, and very high quality ‘investment’ diamonds.

Diamonds in jewelry sector constitute over 2/3 of total rough diamond sales. This means that jewelry demand accounts for the lion’s share of total diamond sales and the fortunes of diamond producers, and suppliers in the long term, are considerably dependent on the jewelry sector. Because of the large markups on diamonds along distribution channels, the value of retail sales of polished diamonds can increase to many times the value of stones in its rough form. For instance, retail value of diamond sales in 1981 totaled $18.0 billion, while the value of rough diamonds sold was probably only around $2.0 billion (Ariovich 235).

Moreover, the majority (more than 90%) of industrial grade diamonds are at this point synthetic, meaning that the market for Sierra Leonean rough diamonds would collapse without the advertisement-driven demand and monopolistically controlled supply for finished jewelry and investment diamonds. While the war was not started by De Beers instructing Charles Taylor to smuggle diamonds through his country, the so-called invention of the diamond was instrumental in making diamonds a lootable resource in the first place. Diamonds only possess

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7 The Atlantic Monthly published a series of articles on the diamond market in the early 1980’s that discuss the paradox of such high demand for diamonds but the difficulties of resale (Epstein 1982; Epstein 1982a, Epstein 1982b).
such high ‘value’ through the international economic system, implicating the system itself in conflicts fought over diamonds such as in Sierra Leone.

**Chronology of Conflict**

As a bona fide civil war, the conflict started in 1990-1991 when Foday Sankoh, a charismatic former military corporal, hijacked an unorganized movement of young boys who were gathering in Freetown after the institution of fees for government schools. From this initial group of boys, Sankoh built an army largely made of children, with both boys and girls being used as fighters. Girls were also used for sexual and domestic labor. The “recruitment” methods of the RUF included threatening children and teenagers that if they did not join the rebels their family would be murdered in front of them, often following rape and torture. The RUF has been accused of forcing these children to be injected with cocaine as well as to eat gunpowder as part of ongoing indoctrination rituals. Once children were indoctrinated into the RUF, they were often forced to lead raids against their own villages as tests of their loyalty.

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8 This account is synthesizing several accounts of the civil war in Sierra Leone, each of which presents the story from a different perspective (Abdullah 1998; Gershoni, 1997; Murphy 2003; Peters and Richards 1998; Richards 1996; UNAMSIL 2005). A brief chronology of the conflict in Sierra Leone up through the Lome Accords can be found at www.cryfreetown.org, the companion site of the documentary *Cry Freetown* by Sierra Leonean filmmaker Sorious Samura.

9 Child armies are one of the great shames of the twentieth and twenty-first century – the Coalition to end the use of Child Soldiers reports that, in 1998, there were as many as 300,000 children being used as soldiers around the world. See www.child-soldiers.org. The Coalition also published reports on the use of child soldiers in Sierra Leone in 2004 (Coalition to Stop the Use of Child Soldiers 2005, 2005a). Physicians for Human Rights (2005) published an extensive report on the use of sexual violence in Sierra Leone.

10 Several papers and books describe the ‘recruitment’ methods, use of children, use of rape, and use of drugs by the RUF as well as the RSLMF. These articles include interviews with former child soldiers from both the RUF and the RSLMF, who are surprisingly articulate about why they fought and why they believed the children who were their enemies in conflict fought (Abdullah 1998; Peters and Richards 1998; Richards 1996). A former RUF child soldier interviewed in Peters and Richards (205) denied the use of drugs in their RUF camp, while a former child soldier from the RSLMF recounted a litany of drugs used by him and other soldiers (195). Human Rights groups have accused both sides of using drugs, and this child’s testimony cannot discount these accusations. Girls, including those directly involved in the fighting, reported being routinely raped by both RUF rebels and RSLMF soldiers, describing RSLMF soldiers only as less brutal (191, 192).
RUF swept through the country, killing, raping, and amputating limbs from non-combatants. Aside from destroying villages with the kind of gusto only traumatized children on cocaine could manage, the RUF also worked steadily to control the diamond producing regions in the Eastern provinces. They succeeded within a year, turning villages and tracts of forest, such as in the Kono region, into giant open-pit mines.

The RUF, like many rebel groups engaged in violent conflict, presented itself as an ideologically based, revolutionary opposition movement fighting against a corrupt, clientalist government. The fact that so many children, along with adolescents and adults, fought for the RUF cannot solely be explained through terror tactics to keep them from running away. The loyalty of child soldiers may rather be attributed to the fact that the adult RUF officers provided surrogate ‘patrons’ to their ‘client’ child soldiers, replacing the very same patron-client relationship they claimed to be fighting (Murphy 2003). This then places the population in the role of ‘subject,’ in relation to the child soldiers – a role marked by a lack of power. A former child soldier who fought with the Kamajors stated that RUF child soldiers left notes behind them after an attack, explaining their ideology about drastic changes that needed to be made within the country, especially in regards to access to education and other opportunities – statements with which this former child soldier agreed. The same former combatant then went on to state that he did not believe the self-stated motives of the RUF were in line with their tactics – waging war on the rural poor of the country (Peters and Richards 1998, 200-201). This is a sentiment echoed by many intellectuals inside and outside of Sierra Leone, leading to widespread doubt about the ‘revolutionary’ character of the Revolutionary United Front.11

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11 At least one author, Paul Richards (1996) in *Fighting for the Rainforest*, however, seems to take the RUF ideology at face value, although this is not to imply that he believed they were in the right for adopting violence as their strategy. Richards is critiquing a theory on African war he labels ‘new barbarism’– that Africans engage in war
diamonds in the conflict and the devotion of large amount of RUF manpower to diamond mining, the RUF was a highly corrupt movement, perhaps better characterized as ‘rebellious’ than ‘revolutionary’\textsuperscript{12}

The government, at this point headed by President Joseph Momoh of the APC, responded with its small RSLMF, tripling to 14,000 at the start of the conflict. However, this military was largely undisciplined and has been accused of adopting similar tactics to the RUF – including terrorizing the rural population, recruiting children, and mining diamonds for individual profit rather than fighting the rebels. The inadequacy of the military was addressed in several ways: with the formation of a locally-based ‘Kamajor’ Civil Defense Force (CDF) militia, with mostly Nigerian Military Observer Group (ECOMOG) peacekeepers deployed through the Economic Community of West African States (ECOWAS), and, eventually, with the use of mercenaries from the South African private security company Executive Outcomes. Other international forces were involved in the conflict as well, including a small UN observer mission in 1998 subsequent to the Lome Accords, the United Nations Mission in Sierra Leone peacekeeping force of more than 4,000 in 1999, and British peacekeepers in 2000 after an attack on Freetown.

The Kamajor militias (also called Tamaboros in the South) were developed through a decentralized network of villages in direct response to the failure of RSLMF troops to adequately protect the rural diamond producing regions and were not directly under the control of the central government, directed instead by local Paramount Chiefs. A traditional feature of Sierra Leonian culture is secret societies for both boys and girls, with initiation often marked by ritualized scarification and including secret knowledge of herbal medicines (that can both harm and heal), ‘magic’ that is sometimes used for street performance, and traditional hunting techniques. The

\textsuperscript{12} The term ‘rebellious’ is often used to refer to the RUF, the NPRC, and the AFRC in (Abdullah 1998).
Kamajors called on this traditional knowledge of ambushing and tracking as well as traditions to draft individuals in the protection of their villages to build an anti-rebel militia made up of rural villagers serving tours of a few months to a year (although individual Kamajors may have served longer). Like the RUF and the RSLMF, the Kamajors included children in the fighting.

While RSLMF troops and Kamajors might have been fighting for the same reasons – including, even for child soldiers, revenge against the RUF for murdering their loved ones (Peters and Richards 1998) - the institutional structure of the two forces were different and as a whole the two fighting bodies responded to different incentives. The RSLMF was a force made up mostly of professional soldiers, including irregular children attachments only during the war. While they were defending their ‘motherland,’ they were also hired soldiers fighting because they earned a wage, which was often paid late if at all. Soldiers earning low and erratic wages may be tempted to add loot to their meager paychecks, especially when they are witnessing the same thing from their enemy in close proximity, in this case spouting a rhetoric of anti-clientalism many soldiers could most likely agree with. Consequently, many RSLMF soldiers with questionable loyalty became “sobels” (soldier-rebels). The RSLMF proved to be an unreliable force against the rebels and, indeed, following a pay revolt in the 1997, some factions within the army, along with RUF rebels, formed Armed Forces Revolutionary Council (AFRC) and aligned themselves with the RUF. While the Kamajors cannot be treated as saints and have been indicted for human rights abuses by the Special Court of Sierra Leone, they were not facing the same incentives for looting that the regular army did, as they were fighting directly because of traditional obligations and a sense of ‘duty,’ in addition to motives of revenge and protection of the motherland they may have shared with RSLMF soldiers. However, the Kamajor militia – along with loyal RSLMF troops – was not sufficient to defeat the RUF.
In 1991, President Momoh requested that ECOWAS send ECOMOG peacekeepers to Sierra Leone to attempt to enforce peace between the RUF and the government. Regional organizations such as ECOWAS in West African (dominated by Nigeria) and SADC in southern Africa (dominated by South Africa), have shown themselves more willing to engage in ‘peace enforcement’ than international peacekeeping forces from the United Nations or rich nations such as the Untied States and Britain (Burgess 1998, 39). As it did in the two ECOMOG peacekeeping missions to date – against Charles Taylor’s initial attempts at a coup in Liberia in 1990 and against the RUF in Sierra Leone – this often involves directly engaging in the fighting, meaning overtly choosing a side, unlike in supposedly impartial UN peacekeeping missions. When the RUF failed to comply with a peace accord in Sierra Leone, the ECOMOG troops pursued them into the bush. Like the regular military – many soldiers even joining the RUF themselves as individuals and later as a group – and the Kamajors, the ECOMOG troops were unsuccessful at defeating the RUF rebels. ECOMOG continued operations in Sierra Leone often during the remainder of the conflict, including after a successful military coup by junior officers in April 1992 that placed Captain Valentine Strasser in power and another subsequent coup.

ECOMOG troops have been accused of human rights abuses both in Liberia and in Sierra Leone. For example a young Temne man, Peter, whose father was a member of the RSLMF suspected of fighting with the rebels, related to me an encounter he had with ECOMOG peacekeepers in 1996, just after having completed high school. He and a cousin, whose father was also in the military, were abducted from their home by Nigerian ECOMOG troops and

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13 The merits of regional vs international peacekeeping can be debated. Collier et. al (2003) discuss some of the problems of regional peacekeeping in *Breaking the Conflict Trap*, such as that the missions are often led by a regional hegemon and may not be as impartial as UN peacekeeping missions (165).

14 This coup, led by soldiers mostly in their twenties, was not viewed as a negative by all Sierra Leoneans, after the 24 year long rule of Momoh’s All People’s Congress (APC), but was instead taken by some as a sign that the new generation could restore honesty to a corrupt single party state (Opala 1994).

15 In general, regional peacekeeping operations have failed to end humanitarian abuses during their intervention (Burgess 1998, 47).
interrogated about the whereabouts of their fathers. After professing ignorance, begging for his life, and presenting the soldiers with his test scores and his scouting membership card as proof that he was a student, Peter was locked into a windowless room for three days with no food or water before finally being released. He has not heard from his cousin since, and believes him to be dead\(^\text{16}\).

Faced with the failure to defeat the RUF, Strasser’s military government contracted the services of Executive Outcomes, a private security company operating out of South Africa, in 1995\(^\text{17}\). The security apparatus in South Africa was partially private in nature during apartheid, with private security forces operating to support the apartheid system. After apartheid, however, this institutional arrangement remained, even garnering support from the ANC, including President Nelson Mandela (Reno 1997, 175). Furthermore, there has been a trend for ‘weak states,’ especially those characterized by highly clientalist systems like that in Sierra Leone, to contract out to foreign companies in order to replace the services that would be performed by a private bureaucracy, something that is encouraged by international financial and business interests\(^\text{18}\). After severe structural adjustment programs cutting the civil service by 40% in 1991, creditors reportedly encouraged both Momoh and Strasser to destroy the remaining bureaucracy – meaning that it needed to be replaced with something (Reno 1997a, 502). In addition to Executive Outcomes during the war, Sierra Leone has also employed foreign firms to manage customs collection, fisheries, the Central Bank, the National Development Bank, and the national

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\(^{16}\) This was anecdote related to me by a Sierra Leonean refugee living in Dakar, Senegal in May 2001.

\(^{17}\) Executive Outcomes officially operated from 1989 until January 1999 and was also involved in the conflicts in Papua New Guinea and Angola (Bunker and Marin 1999). This military publication has an extensive bibliography on the mercenary group.

\(^{18}\) This trend can be understood in terms of pleasing creditors when the foreign company can add to stability and finding ways around patron-client relationships that weaken the ability of the state to function (Reno 1997, 1997a). The trend, what the author calls a new form of political organization, “undermines economic development, leads to overlapping jurisdictions, promotes conflicts among elites, and intentionally destroys bureaucracies” (Reno 1997a, 494).
lottery, collecting customs revenues outside the patron-client networks of the weak state.

While consciously cultivating a positive image with the Sierra Leonean people, Executive Outcomes also achieved a short-lived military defeat of the RUF in less than a year. Elections were held in February 1996. After a change of power in the Military government early 1996, where Strasser’s main correspondent with Executive Outcomes, Julius Maada Bio, seized power just prior to the elections, Amhed Tejan Kabbah was installed as president in March of the same year. The “Abidjan Accord” was signed in November 1996; a special envoy from the UN assisted in the negotiations. The peace process ended with the 1997 coup by the Armed Forces Revolutionary Council, led by Joseph Koroma. The AFRC joined with the RUF to form a junta and Kabbah’s government went into exile in Guinea.

Even this shallow victory of 1995 did not come cheaply, with a bill of $4-5 million per month. While a Freetown rumor reportedly told that DeBeers was footing the bill for Executive Outcome’s operations in Sierra Leone, it is more widely reported that Sierra Leone’s diamonds – or at least the right to exploit them once they were under control of the government – were rather the method of payment offered by the government of Sierra Leone (Reno 1997a, 504; 1997).

In his article, “African Weak States and Commercial Alliances,” Reno states that Sierra Leone paid for the cost of Executive Outcomes through a joint mining venture with Branch Mining, to which Executive Outcomes is directly connected – the security company owns a 60% stake in the mining firm, which is part of a British mining consortium partly owned by the Pretoria-based parent firm of Executive Outcomes, Strategic Resources. He also provides examples where Executive Outcomes helped the government of Sierra Leone to appease creditors, for example by protecting Branch Mining at a critical point during discussions with creditors in late 1995, generating revenues to pay arrears in the debt, thus putting Sierra Leone in
a better position to negotiate with the Paris Club in early 1996, which in turn led to a 20% reduction in Sierra Leone’s debt. Having good relations with the creditors in 1995, according to Reno, also led to an more than three-fold increase in foreign aid from pre-conflict levels (1997, 181). This situation of dependence on shared interests with Executive Outcomes, Branch Mining, and other foreign firms performing functions of a government bureaucracy – no matter who is in power in the country – leads Reno to argue that in some regards Sierra Leone could be labeled a ‘comprador regime,’ or “agents serving the interest of foreign businesses” (182).

As stated above, the AFRC further escalated the conflict in 1997 by staging a coup and aligning with the RUF. The coup occurred after a pay revolt described by one young Krio and Mende man, David, who fled the country for Guinea-Conakry in 1997, as this: “When the military goes on strike, it is not a strike. It is a war.”19 ECOMOG peacekeepers returned to Freetown that year, to broker peace between Kabbah’s deposed government and the new military junta20. In October 1997, the AFRC agreed to put Kabbah back in power by April 1998, but quickly reneged. ECOMOG peacekeepers then engaged in another ‘peace enforcement mission’ to bring Kabbah back to his seat as president, succeeding in March 1998. They were not, however, able to secure the rest of the country, including the diamond producing regions, from the rebels. The United Nations sent the UN Observer Mission in Sierra Leone (UNOMSIL) to the country in June 1998.

On January 6, 1999, RUF rebels led a major attack on Freetown, possibly gaining access to the city by dressing in Kamajor CDF uniforms.21 UNOMSIL personnel were evacuated at

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19 This was related to me by a Sierra Leonean refugee living in Dakar, Senegal in May 2001.
20 It is interesting to note that the UNAMSIL states the UN ‘authorized’ ECOMOG peacekeepers to return to Sierra Leone at this time (UNAMSIL 2005), although ECOWAS does not recognize such authority from the UN in its peacekeeping missions. For example, Nigeria specifically blocked peacekeeping in Liberia at the UN, reserving the right to regional peacekeeping before the UN stepped in (Burgess 1998, 53).
21 While in Freetown in April 2001, several people made the assertion that this how the RUF gained access to the city, including one man who claimed to have been in the company of a military officer (and his radio) at the time.
this point. The attack led to wanton destruction in much of the capital city, and many buildings in both halves of Freetown (Eastern, which experienced more destruction, and Western) are still riddled with bullet holes.

Although they may not have been as affected as the residents of Eastern, the residents of Western – where many professionals and those of the Krio ethnic group were clustered – were not exempt from the war. A Krio woman, Hezina, was living in Western at the time of the attack. When the rebels took over the city, they told Hezina and her family, along with other residents of Freetown, to dance in the streets, celebrating their ‘liberation’ – or they would be shot. Hezina and her family were also forced to house RUF troops in their home. At the same time, they heard bullhorns from government helicopters over head telling Freetown residents that “everything is alright” and to stay inside their homes because anyone in the street would be assumed to be a rebel – and would be shot. Hezina and her family chose to take their chances with the helicopters and dance for the rebels, not doubting that they would be killed if they did not comply. The RUF had turned to the besieged people of Freetown to back their claim of an ideological base and ‘perform’ their revolution, at the point of a gun.

The government, supported by ECOMOG troops, was able to drive the rebels back out of Freetown, and the first major peace accord – the Lome Accord - was signed in July of that year. The UN Mission in Sierra Leone (UNAMSIL) was authorized in October 1999 to replace UNOMSIL and oversee the implementation of the Accord with a maximum of size of 6,000 peacekeepers, including military observers and civilian police (at it’s biggest, UNOMSIL consisted of 210 military observers).

and to have heard the discussion between the military check point and their superior officers during which the check point decided to let the supposed CDF troops enter the city. RUF rebels have been accused of wearing other uniforms, including from UNAMSIL, to gain access to individual houses as well (see, for example, Amnesty International 2005).
The Lome Accord granted many concessions to the RUF. These included impunity for human rights abuses during the war for all combatants, along with a cabinet post for Foday Sankoh of the RUF as the Chairman of the Board of the Commission for the Management of Strategic Resources, National Reconstruction and Development. Sankoh reportedly turned down the post of Vice President in favor of this more strategically placed cabinet post (Collier et al. 2003, 62). In “Economic Causes of Civil Conflict and their Implications for Policy,” this type of ‘power-sharing’ was discussed as an example of ways to foster peace - that post-conflict countries have the ability to share natural resources with rebels, so “the rebels then do not need to fight to get what they want” (Collier 2000a, 19).

This power-sharing strategy was not successful in Sierra Leone. Subsequent to the Lome Accord, there was tension between the RUF and the government, even with the RUF’s leader in his important (and lucrative) position. Efforts at disarming rebel fighters were not successful, and by 2000 the United Nations had recommended a boycott of all diamonds from Sierra Leone based on the fact that they were still funding the fighting capabilities of the RUF. The sale of so-called ‘blood diamonds’ was also profoundly reduced by the Kimberley process of identification standards implemented by the diamond industry\(^\text{22}\). The UN recommended sanctions on Liberia for its long-term support of the RUF in the following year. These sanctions effectively recognized the important role natural resources, and specifically diamonds, played in the Sierra Leonean conflict, especially as a source of funding for the conflict. Another question becomes apparent when considering the role of diamonds in conflict: Are the ‘payoffs’ to the rebels conditional upon victory and capture of the state or secession from the country? The answer in

\(^{22}\) The Kimberley process – a certification scheme so demanding that the European Union declared itself unable to meet the standards by the initial deadline set by the diamond industry – is widely credited with ending the conflict in Sierra Leone through drying the resources available to the RUF rebels to continue fighting. Boycotts, however, have not been pursued to the same degree in other conflicts involving natural resources, for example of tantalum in the DRC, which is vital in the production of cell phones.
this case is no – individual RUF soldiers as well as regular army personnel were able to make themselves very rich through their diamond extracting and smuggling activities. There was very little incentive for the rebels to hold to their peace agreements – especially given the widespread presence of patron-client relationships in the political culture of the country and the placement of their ultimate patron, Foday Sankoh, as the Minister of mining. The peace agreements were revised in 2000, taking impunity off the table and placing Sankoh in prison. The British government also sent a force of marines to Freetown in spring of 2000, with a limited mandate meaning most of the marines would leave after five weeks. British soldiers remained with the UN peacekeeping force, UNAMSIL, fulfilling duties including manning armed military checkpoints throughout the city of Freetown.

This period also brought about the creation of a UN-mandated Special Court for Sierra Leone as well as a Truth and Reconciliation Council to manage the prosecution of former combatants and instigators, though these institutions have been sorely under-funded. The Special Court is still in the process of trying those accused of war crimes, and the Truth and Reconciliation Council released its final report in 2004. An Anti-Corruption Commission was created in 2000, but has also had its share of funding and enforcement problems. The conflict officially ended January 2002. Sankoh was indicted by the Special Court in 2002 and then, at 70 years of age, died while in prison. Johnny Paul Koroma of the AFRC, who ran for President in 2002 but was defeated by the incumbent Kabbah, was also indicted by the court. The Special Court lists his whereabouts as unknown. The court has also indicted members of the RUF, the AFRC, and the CDF (Kamajors). As said before ECOMOG peacekeepers have also been accused of human right abuses (US Dept of State 2001).

23 The references contain a list of the websites of these bodies as well as human rights groups that have published reports on their activities.
President Kabbah was re-elected in 2002 in a popular election. Successful local elections were held in 2004. As of January 2005, however, Human Rights Watch reported that “the deep rooted issues that gave rise to the conflict—endemic corruption, weak rule of law, crushing poverty, and the inequitable distribution of the country's vast natural resources—remain largely unaddressed by the government” (HRW 2005, 1)

The UN Mission in Sierra Leone, slightly more than 3,000 strong (although it was authorized for up to 17,500 military personnel), has a mandate that extends to the end of 2005. In an October 2005 news brief, the UN mission chief in Sierra Leone echoed this gloomy sentiment about the prospects for peace. He is cited as having said:

“Sierra Leone faces a spectrum of challenges, from explosive youth unemployment to taking legitimate control of its rich mineral resources, as the United Nations peacekeeping mission winds down and the next phase of the West African country’s development begins” (Mwakawago 2005, 1).

Some of the challenges mentioned in the same news brief are 70% of the population living on less than $1 a day (with a GDP per capita of $198), and an illiteracy rate of 70%.

As it played a large role in the peace process, the government of the United Kingdom also had its fair share to say about the prospects for peace in Sierra Leone. The Department of International Development of the United Kingdom published the following about the involvement of diamonds in the conflict in Sierra Leone in a report published in 2004:

Diamonds and Other Economic Causes of Conflict: the use of diamonds to finance the conflict was a major conflict multiplier in Sierra Leone. Concerns still remain that excombatants and youths currently engaged in diamond mining in the east—potentially one of the future conflict hotspots in Sierra Leone—may
become a source of trouble if they disengage from diamond mining. Further, there is the potential for diamonds to be exploited again should another rebel group emerge. Moreover, the lack of government revenue being generated through diamond mining is hindering recovery in Sierra Leone, although the 2003 figure will double that of 2002. The UK should continue to press for rapid progress in terms of GoSL taking control of the diamond sector. This is an area that will need to be closely monitored (Ginifer and Oliver 2004, 28).

The same report was vague about strategies to address these issues:

*Tackling the economic causes of conflict* — promoting responsible investment in conflict areas and controlling the exploitation of minerals to fuel conflict are of direct relevance to Sierra Leone. UK has already done some work on diamonds. More analysis and attention is required in this complex and sensitive area (33).

Sierra Leone is facing many challenges as it emerges from a dark period in its history. The poorest country in the world, the statistics available to illustrate the socioeconomic situation in this small country paint a very gloomy picture that does not reflect a resourceful population who are active agents in their own development, including those returning from abroad. As was stated in the UN News Brief cited above, Sierra Leoneans are tired of war (Mwakawago 2005, 2). They are also ready to forgive former combatants, especially child soldiers, through processes of restorative justice and are returning to their homes from far flung countries of asylum. A question which remains to be answered is whether the elite of Sierra Leone are ready to change, shifting away from the type of clientalist arrangements that have been criticized by Sierra Leoneans aligned both with and against the RUF. The challenges of destroyed infrastructure and institutions in Sierra Leone could become opportunities for the country to create a new paradigm of governance, development, and equal opportunities.

**Challenges of Post-Conflict Development and Policy**

*Post-Conflict Challenges*

The entire Sierra Leonean population – and the entire physical entity of Sierra Leone as
well – has been effected by the decade-long war. A generation was left orphaned and traumatized, many of these orphans having fought for either the rebel army, the RSLMF, or the Kamajor Civil Defense Force. Former child soldiers now must live side by side with former combatants who were once their enemies, as well as with non-combatants whom they may have terrorized throughout the war, difficult and painful as it will be for everyone involved. This fact that former enemies in a civil war must coexist once the war is over contributes to the dramatically high risk of sliding back into conflict. The young age of so many of the former combatants complicates the post-conflict peacebuilding process – while it must be remembered that these soldiers are children and were abused by their military ‘patrons,’ they also did horrific things to their fellow Sierra Leoneans and even the people of their own villages. Even if the child soldiers should not be ‘punished’ for their part in the same way adult combatants would be, there is still a need for justice, especially restorative justice that can provide atonement for former combatants while restoring community within Sierra Leone and fostering the post-conflict development process (Peters and Richards 1998, 186). This restorative justice has been sought, with mixed results, through Truth and Reconciliation council in Sierra Leone, in a similar fashion to the TRC in South Africa and through the Gacaca traditional conflict resolution courts in Rwanda. While child soldiers require much care and education in the wake of war to facilitate their re-entry into Sierra Leonean society, they are still children and therefore the future of their country – they need an active, empowering, restorative role to play in the post-conflict development in order to truly move on from the legacy of violence they carry with them.

Former child soldiers are not the only group of people in desperate need of services now that the fighting in Sierra Leone is at an end. There are many orphans who were not child

24 Azar et al (1999) document that the ‘cancellation of consequences’ is a major factor in the propensity to forgive grievance acts of violence, indicating that restorative justice will help to ease this pain.
soldiers. Also, the war led to the mass exodus of refugees\textsuperscript{25} to other African countries, such as Guniea-Conakry and the Gambia, as well as further abroad. The process of resettlement began in 2001 despite continued danger from the RUF in the provinces, where the majority of refugees originated\textsuperscript{26}. There were also more than 250,000 internally displaced persons who sought safety in the cities of Freetown and Bo and have now mostly returned to the provinces\textsuperscript{27}. Because of RUF tactics, many Sierra Leoneans are now facing the rest of their lives as amputees, and are in need of medical services and the protection of disability rights as they seek a return to normalcy.

Along with the human cost of the war, the social, physical, and environmental infrastructure of the country paid a heavy toll – war is a process of destruction. In Sierra Leone, this destruction included a massive attack on human and ecological habitats. Open pit mines, as were used by the RUF in Sierra Leone, are extremely destructive to the environment, leading to the seepage of heavy minerals into the ground water supply and the morphing of large tracts of land into barren pits. Moreover, entire villages were destroyed in the creation of these mines. With international support, including money from the United States directly ear-marked for reclaiming the diamond producing regions, the government has worked to regain control and reduce smuggling of diamonds. Official diamond revenues have been growing since the end of the conflict, reaching $130 million in 2005. This large figure represents more of a return to ‘normalcy’ than any kind of fundamental change in the diamond industry in Sierra Leone.

\textsuperscript{25} Moving images of Sierra Leonean refugees, including small children and amputees, can be found at Sierra Leone Web-Refugees (October 2005) www.sierra-leone.org/refugee01.html.
\textsuperscript{26} The CIA World Factbook reports that more than 2 million refugees left Sierra Leone because of the war, approximately 1/3 of the population. As of 2004, the country housed 67,000 refugees from Liberia (CIA 2005). For an example of the difficulties faced by Sierra Leonean refugees, see the press release from the UN Security Council (UN Security Council 2001) and the NPR report “Refugees from Sierra Leone” (Doyle 1998).
\textsuperscript{27} This information comes from the Global IDP Project (www.idpproject.org), which cites the United Nations as the source of its statistics on IDPs in Sierra Leone. More information on IDPs in Sierra Leone is available at the Global IDP Project country page for Sierra Leone.
Post-Conflict Policies

A large portion of the economic literature on war and conflict has come out of the World Bank. The World Bank states the mission of their unit on civil war to be to:

uncover and analyze the economic causes and consequences of civil wars and to study in detail the complex inter-relationships between economic, political, and social variables as they affect the probability of civil war occurrence as well as the duration and intensity of these wars. These analyses will generate insights into the sort of economic policies that we must support in the developing world to reduce the probability of civil war and will define ways through which the World Bank and other international organizations can reduce human suffering in post-conflict countries (World Bank, Unit on the Economics of Civil War, Crime, and Violence 2005).

The papers produced through this unit, according to the bank, have the important task of analyzing the institutional structures that support violent conflict, incorporating analysis of the impact of post-World War II structures such as East-West bipolarity, the UN system, and the divide between the North and the newly independent South. Since the end of the Cold War, these institutions have been in flux, and so the World Bank directs authors writing on conflict for its project to identify ways of supporting stability and peace through new institutional structures, examining issues such as external intervention from bilateral and multilateral sources and the legacies of colonial and neo-colonial relations. The World Bank Conflict Prevention and Reconstruction Unit, likewise, studies not the causes of conflict but the impacts of it. The unit identifies cycles of poverty causing conflict, leading to more poverty and more conflict, and challenges its authors to “view conflict prevention and post-conflict reconstruction as critical to a mission of poverty reduction” (World Bank Conflict Prevention and Reconstruction Unit 2005). The goal of the writings for this unit, and the Post-Conflict Fund for development projects it
administers, is to support development projects designed for and specific to countries affected by conflict, preventing future conflict and easing the transition to a peaceful society.

Many of the papers coming out of this unit follow a similar structure - create a statistical model of economic and social factors that are believed to lead to conflict (often using proxy variables), test the model using international panel data, and discuss the results in terms of significant and insignificant variables. Co-authored with Anke Hoeffler, the article “On Economic Causes of Civil War” (1998) provides a good example of this approach to the study of conflict. The authors employ a rational choice model of rebel behavior to model whether or not individuals will choose to join a rebel movement, with ‘rebel utility’ as the dependent variable. The model assumes that a war will occur if it is ‘rational’ for it to occur, in terms of utility maximization. The authors state that the incentive for rebellion is increasing in the probability of victory and gains conditional upon victory, and decreasing in the expected duration of warfare and the costs of rebel coordination. For each war, the model can be used to calculate a ‘critical expected duration of warfare’ (possibly negative) after which rebellion becomes irrational. Although proving differently in a later article (Collier, Hoeffler and Soderborn 2001), Collier and Hoeffler state here that the relation between the duration of civil war and the probability of the initiation of civil war indicates that the probability of civil war and its duration can be largely explained by a common set of variables.

Collier concludes from his models in this and other papers that grievance factors – such as the presence of repressive regimes and income inequality – are insignificant in predicting the occurrence of conflict, although he does not imply that grievance factors are unimportant to understanding war. He found that the most significant factors for predicting conflict are income and its structure – income, income growth, and the percentage of GDP coming from natural
Countries with larger incomes and higher growth rates are found to experience less violent conflict. Collier also states that ethnicity plays a role in predicting conflict, but not that more diverse societies are more likely to engage in violent conflict. Rather, conflict is more likely in societies characterized by what Collier calls ‘ethnic dominance,’ or where one ethnic group makes up between 45% and 90% of the population. Although he does not highlight this in later articles, Collier and Hoeffler found the population of the country to be significant as well, with larger populations being more prone to violent conflict. Collier and his co-authors also find a connection between conflict and the population of young males, where young men make for a higher probability of conflict and longer wars (Collier, Hoeffler, and Soderborn 2001). Problematically, this understanding of youth leads to casting young people as a problem and drain on resources rather than as an asset and potential agents of development.

Collier and his co-authors find natural resources to be related to the probability of conflict in a non-monotonic, quadratic relationship – as an upside-down U. At first, more natural resources increase the probability of conflict and then, past a certain amount, more natural resources actually reduce the risk of violent conflict. Collier suggests that the initial increasing relationship between natural resources and conflict is because more natural resources increase the attractiveness for the rebels of overturning the state, although he will later acknowledge the possibility that the goal of a rebel movement, especially in wars involving large amount of natural resources, may not be to overturn the state at all and that the rebels can obtain gains without victory. He suggests that the declining relationship at higher levels of natural resource revenue is because at higher levels of natural resources the government has more financial capacity for military expenditure, such as with oil producing countries. Collier used government military expenditure as a proxy for the probability of rebel success – if the government spent
more on the military per capita, the rebels are less likely to succeed. Interestingly, Collier et. al (2003) contradict this choice of proxy variables in *Breaking the Conflict Trap*, by showing that military expenditures actually increase the risk of conflict. The declining relationship at high levels of natural resource dependence could also be because some countries with extremely high percentages of GDP coming from natural resources have economies based on agriculture rather than the extraction of more lootable mineral resources.

In addition to the need to target income and income growth, Collier also considered a major post-conflict issue to be capital flight - the equilibrium capital stock after a conflict is lower than before the conflict but higher than during the conflict (Collier 1999). Theoretically, this means that long conflicts would lead to faster recovery because the capital flight during the war would mean that after the war the capital stock is low enough to be ready to grow. During short conflicts, the capital stock wouldn’t have had enough time to adjust downward during the war and so would continue to shrink after the violence ended.

Collier also found that countries are between two and four times as likely to experience conflict in the wake of past conflict, but he initially believed this entire discrepancy could be explained through other variables, such as the highly depressed income levels following conflict (Collier and Hoeffler 1999, 16). In the publication *Breaking the Conflict Trap* with several co-authors, Collier disproves this, stating repeatedly that the highly increased risk of conflict in post-conflict countries cannot be fully explained through the channels of income and income growth (Collier et al 2003).

The writers in the World Bank unit on conflict clearly have a strong commitment to working for peace, going to lengths to show that civil wars produce ‘public bads’ and should not just be left to the combatants to fight it out (Collier et. al 2003, 172). However, the same authors
are uncritical of the role of multinational corporations in the extraction of mineral resources (139, 183), and seem to describe violent conflict as a poor nation’s problem that in turn effects everyone else (53). As would be expected from a World Bank unit, the papers from this body of research tend to accept World Bank definitions of development and ‘good policy’ for granted. Their connection to such a large, international institution as the World Bank highly limits the type of ‘new institutional structures’ they can explore in their writings on conflict and post-conflict development.

It is instructive to compare the stated mission of the World Bank programs on conflict, with other aspects of World Bank policy, especially on questions of the environment. This quote shows that, while advocating the prevention of conflict, the World Bank has also contributed to making natural resources socially lootable:

The infamous ‘Summers memo’ epitomizes the view of the South as sink. In February 1992, an internal memo by Lawrence Summers, the World Bank’s chief economist at the time, discussed the transfer of pollution and dirty industries from industrialized countries to less-developed countries (LDCs). ‘Just between you and me, shouldn't the World Bank be encouraging more migration of the dirty industries to the LDCs?’ Summers wrote. He continued, ‘I think the economic logic behind dumping a load of toxic waste in the lowest wage country is impeccable and we should face up to that.’(The Economist 1992) When the memo was leaked to the press, Summers claimed that his comments were intended simply to provoke debate within the World Bank. Given the reality of toxic dumping in South Africa and other poor countries, however, the memo seemed to confirm activists’ fears about the indifference of many policymakers to international environmental inequalities (Harper and Rajan 2004, 3).

The policy suggestions made for post-conflict countries made in the major World Bank publication on conflict, Breaking the Conflict Trap, cannot be taken as the final say on post-conflict development policies, especially if one is critical of the World Bank. However, the publication does provide a useful starting place for discussing what type of policies will help prevent a post-conflict country from sliding back into conflict.
The authors of *Breaking the Conflict Trap* list many areas where domestic policy is important to post-conflict development along with suggesting a policy program for the international community to follow in order to reduce the world-wide incidence of conflict. These policy recommendations almost all come from the authors’ earlier writings, especially those of Paul Collier. This domestic and international policy package essentially comprises:

1) reducing military spending and avoiding regional arms races

2) assuring the quick disarmament and reintegration of former combatants

3) channeling the energy of diasporas to productive uses rather than fueling further conflict, and opening communication to maintain diaspora ties to the country

4) supporting existing democratic institutions and fostering stability rather than conditioning aid on new institutions which may be more unstable

5) deploying bilateral, regional, and international peacekeeping forces that are by parties that “have a direct and long-term interest in sustaining peace in the country” (Collier et al 2003, 185), are not a party to the conflict, and have some ‘teeth’ (164)

6) managing health crises such as HIV/AIDS, malaria, and the ongoing damage caused by landmines

7) reviving economic growth through a ‘cocktail’ of interventions combining “policy reform, aid, and improved access to global markets” (153)

8) directing aid to the right countries, at the right time, and in the right amount

9) improving the international governance of revenues coming from natural resources

The authors state that the above policies should be sequenced to include immediate military intervention and demobilization with policy reform and aid increasing over the first few
years of the first post-conflict decade, when post-conflict countries tend to grow quicker and have the institutional capacity to utilize aid (153).

The authors advocate the use of the World Bank Country Policy and Institutional Assessment (CIPA) scale to judge the ‘goodness’ of a country’s economic policy, in terms of fostering economic growth (implicitly taken to mean development). Interestingly, do not discuss the scale in detail, thus avoiding a situation where they might overtly label any one economic policy good or bad. The scale includes measures of macroeconomic, social, and structural policies, and the authors conclude that in post-conflict countries social policies are statistically more important to fostering growth than macroeconomic or structural policies. While these policies, such as social inclusion, generally only “pay off” in terms of growth in the long-term, such as with education and health, they may have short-term payoffs in post-conflict countries because they signal that the government is interested in peace (155). In Sierra Leone, this type of ‘inclusive’ policy reform would be extremely important given that one of the major grievances of the youth in the country, including combatants on both sides, is lack of equal access to education and other services – dysfunctional and underfunded schools for the children of the poor and private schools in Britain for the children of the rich. The authors also state that there should be a balance between growth and peace - growth might happen quickest with resources going to the towns, where there is more infrastructure, but this might do more harm than good (166-167). This is also true in Sierra Leone, where another major grievance of the rural population is that the resources flow to Freetown and do not reach the provinces.

Aid is typically most effective in post-conflict countries during the middle of the first post-conflict decade, but, because of the lack of effective institutions in the first few years after conflict, international aid typically has dried up by then (177). Aid is very important in post-
conflict countries where already low government revenues are reduced even further through a reduction in the capacity to collect taxes, which, as in other ‘weak states,’ may be compensated for by hiring foreign firms to perform such duties. Furthermore, aid can be effective at larger levels – twice as much as for non-conflict countries - without ‘diminishing marginal returns’ to aid setting in (185). The authors of *Breaking the Conflict Trap* therefore state that aid should be increased and delayed so as to taper up towards the fourth and fifth year after the end of conflict, rather than coming at a spurt just after peace agreements are signed (175-177). They also state that aid should target poor post-conflict countries, even if they do not meet all levels of democracy to satisfy standards of contidionality, because fostering the existing democratic institutions in these countries will help to create stability and they are at the greatest risk for further conflict.

Although strict conditionality clauses applied to post-conflict aid may cause instability, aid simply thrown at a government is not necessarily a good thing for a post conflict country either – especially in a country characterized by the type of weak-state/clientalist institutions in Sierra Leone where such aid could be fought over, politically if not violently. In his article, “Aid, Conditionality, and War Economies,” James K Boyce (2003) offers advice for structuring post conflict aid.

He outlines three challenges to post conflict development as well as three prerequisites for the success of aid. First, he states that post-conflict development must ensure a fair distribution of the costs and benefits to natural resources. This is also advocated in the natural assets approach to poverty elimination. Next, aid must channel resources to purposes that foster peace and development – something that is difficult through ‘weak state’ clientalist institutional structures. Aid must also promote accountability and transparency in the governance of natural
resources, which has major implications for the production of diamonds, with the global market controlled to a large degree by a monopolistic corporation and with smuggling as a major problem in Sierra Leone, even if its degree has been declining post-conflict.

Boyce also gives three prerequisites for the success of post-conflict development and aid: there must be domestic partners with the authority and legitimacy to direct the development process, donors must value peace above other considerations (such as profit), and the aid must come in amounts big enough to actually make a difference. This implies that in Sierra Leone, governmental institutions with the authority to direct development must be strengthened and purged of corruption and clientalism. This has already been addressed in Sierra Leone through the Anti-Corruption Council, with mixed success – clearly, efforts such as this should continue in the country. With such a highly profitable industry as diamonds intricately involved in the economic health of Sierra Leone, it will be difficult to ensure that all international donors value peace above profit, although perhaps easier than in the case of a more strategic resource like oil. Nevertheless, corporations tied to rich donor nations, in addition to DeBeers, have economic interests in the diamonds and other minerals in Sierra Leone, and the aid process must be inoculated from their influence. As Sierra Leone has very little power to limit the access of multinational corporations to mining within their borders, both because of the pressure to reduce barriers to trade and foreign ‘investment’ and because of the practice of putting natural resources in hock to pay for the war, and so meeting this ‘prerequisite’ is a large post-conflict challenge facing the international donor community if peace is truly the goal of aid to the country. Also, the amount of aid flowing into Sierra Leone might not be described as ‘substantial.’ In 2002, the aid to Sierra Leone was $67 per capita (compared, for example to $115 per capita in Israel) – about 23% of the country’s total debt in the same year. In 2003, aid decreased to $56 per
In the absence of substantial aid and other sources of foreign exchange or even income, the revenues from diamonds become even more important in Sierra Leone, at least in the short run.

When the authors of *Breaking the Conflict Trap* write about natural resources, they are discussing the governance of the revenues from natural resources, not the governance of the resources themselves. They are not questioning the existing property rights regimes – namely, the ubiquitous presence of multinational corporations in the extraction of mineral resources. The authors advocate, specifically, 1) shutting rebels out of world markets, 2) reducing countries’ exposure to price shocks, 3) increasing transparency of natural resource revenues, 4) attracting reputable multinational corporations through such measures as insurance for resource extraction companies, and 5) increasing the scrutiny of banking institutions on possibly illicit payments (178-184). They advocate reducing the exposure to shocks through diversification away from natural resources, lowering tariffs on finished goods that keep poor countries locked into raw material production, and risk-pooling/risk-bearing by the international financial institutions. This policy package, especially shutting rebel armies out of the market, might be effective at preventing future wars fought over natural resources. It does not, however, fundamentally change anything about the market relations that made the resources ‘lootable’ in the first place, and it does not challenge the existing distribution of wealth coming from these natural resources.

Applying the type of environmentalism advocated by the environmental justice movement and the Natural Assets project to Sierra Leone, however, offers a way to imagine these more fundamental changes in the buying and selling of natural resources.

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28 These figures are calculated using data from the online version of the 2005 WDI.
Natural Resources, Natural Assets, and Post-Conflict Development in Sierra Leone

Whatever course Sierra Leone takes in its post-conflict transition, natural resources will play a major role. In the short term, Sierra Leone is likely to continue exploiting its diamond fields in order to generate revenue, pay off it’s debts to Executive Outcomes, and, ultimately, not upset the international order and diamond cartel. In the long run, as is clearly World Bank policy on preventing conflict, Sierra Leone must decrease the importance of diamonds in its economy. A post-conflict plan for natural resource management and development must include more than just diamonds and other minerals. In reference to mineral resources, it must include provisions for better resource governance, even if their importance is diminished. Because of the dispersed character of alluvial diamonds, these resources, along with other natural assets, can be governed through participatory, democratic institutions at the local level – community governance. In order for this community governance to be effective, however, it must be supported – rather than undermined – by larger domestic and international institutions (Ostrom et. al 1999).

The World Bank literature on conflict implicitly links war with poverty, but in many ways, like environmental degradation, it can instead be linked to inequality, even if not inequality within an individual country\textsuperscript{29}. The link between environmental degradation and inequality is very direct – more inequality leads to a greater ability for the rich to push the environmental costs of their activities onto the poor (Boyce 1994, 2003a). This same type of logic can indirectly be applied to violent conflict. Because of it’s extreme wealth and monopolized control over most of the world’s diamond supply (it is estimated DeBeers controls more than 80\% of the supply of rough diamonds and produces 90\% of the world’s industrial diamond, sharing this market with GE), the diamond cartel does not have many incentives to

\textsuperscript{29} Collier et. al (2003) state that there is no statistical relationship between inequality, perceived as a grievance factor, and the prevalence of conflict.
protect the diamonds in Sierra Leone from violent looting – there are other places to procure diamonds, and DeBeers, with its stockpile, is not greatly effected by a temporarily reduced supply due to war which could even raise the world’s price for diamonds. The relatively inelastic demand for diamonds means this situation could conceivably even raise profits for DeBeers – the biggest market for diamonds is for engagement rings, especially in North America and Europe, and buyers are more likely to choose smaller diamonds than to not purchase diamonds at all. Also, until the initiation of the stringent Kimberley process on diamond exports, even smuggled diamonds eventually made it to DeBeers in order to reach the world market. Furthermore, the huge amount of so-called ‘value added’ that occurs as rough diamonds pass through dealers and are eventually turned into finished diamonds – 9 times the value - means that the final market for diamonds is much more profitable than the bottom market for rough diamonds dug out of the earth in Sierra Leone.

This drastic inequality between the top of the diamond business – DeBeers – and the bottom – in Sierra Leone, the ‘tributors’ – means that those who had the ability to protect the resource and prevent war had no incentives to and those with a potential interest in preventing war (diminished because they themselves experienced few rewards to their labors) had no ability to. Just as the rich are able to push the costs of their environmental destruction onto the poor, DeBeers is able to push the cost of protecting a physically and socially lootable resource, from which it profits greatly, onto the local producers, who are exploited and relatively powerless. If the final seller of Sierra Leonean diamonds were smaller, more affected by Sierra Leonean diamond supply, and more locally connected, there would be more incentive for them to act to reduce the chance for violent conflict over Sierra Leonean diamonds.
The ‘greenwar’ theory\(^{30}\) states that conflict arises from situations when there are not enough resources to go around (Maxwell and Reuveny 2000; Olivia 1991). This theory also leads to the conclusion that war generally comes out of poverty and is fought because of grievance over the lack of availability of natural resources – in arid climates access to water is often the object of serious and potentially violent conflict. This is not what has occurred in Sierra Leone, or in other resource-rich countries in conflict, such as the DRC. Even under these conditions of abundance, however, lack of access to the resource remains a salient problem – there are many diamonds, but most Sierra Leoneans do not have access to them in a way that provides them with the same benefits they see being reaped by those more powerful and more wealthy than they, all the way up the chain. This exploitation, ‘looting’ the diamonds at the expense of the poor, makes the diamonds seem like a resource that is always looted, by one party or another, contributing to the willingness of poor, rural Sierra Leoneans, beyond RUF and AFRC leaders, to engage in the looting themselves. If these Sierra Leoneans already ‘owned’ the resource through democratic property rights, they would not face these same social relationships and incentives and the resources would be safer from violent appropriation by rebel groups.

Moreover, in resource-rich countries like Sierra Leone, these two types of destruction – violent conflict and environmental degradation – are closely linked, as the diamond mining occurring during the war in giant open pit mines is even more destructive than other mining techniques. So-called ‘free-market environmentalism’ is not up to the task of addressing these inequalities and market failure in the face of

\(^{30}\) A critique of greenwar theory can be found in Hauge and Ellingsen (1998), which focuses essentially on problems with the empirical methods of studies that link scarcity and conflict.
externalities (Boyce 2004, 594, especially in cases so extreme that violent conflict has resulted.

Free-market environmentalism and the market mechanism itself fails to ensure justice – one definition being an equitable sharing of the costs and benefits to human activity. Democratizing control over natural resources can address this lack of justice. Resources can be turned into ‘natural assets’ available to the poor, addressing inequality of power and, through providing an asset base off of which to build incomes, inequality of wealth as well (Boyce and Pastor 2001, 4). This process will work concurrently towards a goal larger than preventing another bloody conflict – of fostering true development in Sierra Leone.

The idea of democratization of access to natural resources is also advocated by the environmental justice movement, highlighting again the importance of empowering poor people in addressing environmental inequality. It is important to understand local people as ‘makers and shakers,’ rather than ‘users and choosers’ of resource management in order for them to truly be involved in environmental project and to adequately tap into local knowledge. Furthermore, “rather than a movement simply to protect the environment, we are witnessing the rise of movements to protect people by defending their rights to healthy environments and sustainable livelihoods based on access to natural assets. By rejecting false dichotomies between the well-being of Nature and the well-being of the world’s poor, struggles for environmental justice reinvigorate the global quest for a sustainable future” (Harper and Rajan 2004, 11)\textsuperscript{31}.

\textsuperscript{31} Additional discussion of the ‘environmentalism of the poor,’ focusing on survival and the right to subsistence rather than preservation of wilderness as in the Western conservationalist approach can be found in (Guha and Martinez-Alier 1997).
The literature of the Natural Assets Project of the Political Economy Research Institute outlines four intertwined routes to building natural assets, each of which can be applied in Sierra Leone, both to diamonds and other mineral as well as to other natural resources: investing in natural capital, rewarding benefits to the community, democratizing access to natural resources, and sharing the commons. In Sierra Leone this involves securing the natural resource itself from the control of rebels, which has largely been accomplished, the establishment of community governance regimes to keep potentially open-access resources subject to over-exploitation as common resources that can be protected by community governance, and the empowerment of community bodies to make real decisions about the resources, the sanctity of those decisions backed up by the government and the international community.

Investing in Natural Capital

Investing in natural capital, by making the ‘pie’ of natural resources bigger, can lead to poor people having greater access to natural resources as long as their share of the new ‘pie’ is not reduced. According to the Natural Assets Project, this investment can take two forms, both of which are necessary in Sierra Leone – restoration work to address past environmental abuses and forward-looking environmental policies to ensure that human society and the ecosystem will coevolve harmoniously. This is necessary in the diamond producing industry to rehabilitate ecosystems destroyed during the war and explore low-impact ways to mine the diamonds, such as through a new conception of the Alluvial Diamond Mining Scheme. However, investing in natural capital is also important for other aspects of the Sierra Leonean environment. Many farmers were displaced from their fields during the course of the war, and investing in reclaiming their agricultural capabilities, as well as fostering the co-evolution of agriculture and the
ecosystem, is one way to increase the capabilities of Sierra Leoneans to provide for their own needs without relying on the foreign exchange provided through diamond exports – to diversify away from natural resources...

The open pit mines used during the war in the Eastern province have endangered the life-support functions of the ecosystem for humans and other living things, as well as the possibility of using these regions for economic activities other than diamond production. Reclaiming these portions of the country would better enable Sierra Leoneans both to gather diamonds as necessary and to go about other activities to earn their livelihoods. Because of the alluvial nature of Sierra Leonean diamonds, there are much lower-impact methods that can be used to efficiently mine diamonds than giant mines, as is utilized through the Alluvial Diamond Mining Scheme. However, the ADMS is not perfect in its inception and has to large degree led to the exploitation of the poor ‘tributors.’ Investing in this scheme, and making it work for Sierra Leone’s poor, would be a way to foster co-evolution.

Investing in natural capital, either reclaiming environments damaged through past acts or creating the structures and supports for co-evolution, requires an initial investment. As with every post-conflict program that could be enacted in Sierra Leone, the lack of available funds, both from government revenue and from aid, will be a problem. Although the ‘investment’ in natural capital will eventually pay off for the country, it would be problematic to recommend more debt to the already heavily indebted government of Sierra Leone. As was stated by Collier et al (2003) and Boyce (2003): post-conflict countries need more international aid.

Democraticizing Access to Natural Assets
Natural resources are not the product of an individual’s labor but rather come from the earth and belong to one individual or group rather than another because of social processes that exclude some from their ownership, and therefore the rewards that come from their utilization. One of the ways to link environmentalism and poverty elimination is to democratize access to natural assets, improving the share that are governed by the poor. Democratization, however, is a complex process:

Democracy is not simply a question of institutional architecture — elections, laws, and organizational structures. It is also a question of how political power is distributed within society. Formal democratization involves the growth of institutions that foster voice and accountability. Substantive democratization involves movement toward a more egalitarian distribution of power (Boyce 2004, 597).

In the Sierra Leone diamond market, this means making the ADMS ‘work’ for the poor. This is not an easy process, as multinational corporations, including Executive Outcomes’ Branch Mining, already have their own claims on the natural resources. Direct appropriation, as has happened with community groups claiming vacant lots in some cities in the United States (Dixon 2001), is one way to redistribute this access, but would not necessarily be a favorable solution in Sierra Leone, given that the rebels themselves engaged in direct appropriation of the diamond resources. Whatever democratizing process the government is able to follow, moving away from multinational corporations that repatriate profits and engage in large-scale, environmentally damaging production processes towards local, small-scale operations, then, will necessarily be gradual.

Within the ADMS, also, there is a lack of democratic access, with diamond licenses being handed out as patron-client favors and with middle-men ‘supporters’ controlling their laboring ‘tributors.’ A possible answer to this in the short-run would be
to change the structure of such agreements, setting up community boards to govern local
diamond production, granting licenses to co-operatives of small-scale diamond producers
or to non-profit community organizations. Furthermore, the government could include
community governance requirements even for multinational corporations wishing to mine
in people’s backyards. Ultimately, community bodies could also have control over
whether or not an area will be opened to mining, and the rate at which mining will be
allowed – although this might be a harder pill to swallow. An important feature of any of
these efforts to democratize access to diamonds in Sierra Leone must be that the local
decision-making bodies charged with governance over the diamonds must have the
power to act and enforce their decisions, along with the backing of the government of
Sierra Leone. They must also have the protection from organizations more powerful than
the community itself in order to be insulated from international pressures of the diamond
market.

Rewarding Benefits to the Community

Environmental justice means not only that those made to bear the costs of environmental
activity are compensated, but also that those who produce social environmental benefits through
their economic activity be rewarded adequately – addressing not only negative but also positive
externalities. This represents simply a more accurate accounting of the costs and benefits of
activities but, because of the redistribution of income streams implied by such a policy, it may
seem extremely radical – for example, rewarding small, rural farmers using mainly traditional
farming techniques for growing heirloom varieties that are not highly demanded in a market
saturated by homogenous, genetically engineered crops (Brush 2002; Mann 2004). Rewarding this type of activity in Sierra Leone – whether it is low-impact small-scale mining that extracts diamonds without destroying the life-support capabilities of the eco-system, or traditional farming of local produce whose genetic diversity may someday save the world food supply from a collapse of global agribusiness – would increase the share of the economic pie that goes to the poor.

The market mechanism itself cannot correct for these externalities, especially as the social benefits derived from co-evolutionary environmental activities may not be felt for one or more generations and therefore cannot be included in a market interaction. Just as ensuring democratization of the commons requires government enforcement for long-term stability and protection of democratic rights from those with power, rewarding social benefits requires a redistributive institution to address the market distortion. Furthermore, the benefits provided by co-evolutionary practices are not limited to Sierra Leone, and thus the international community should play a role in its compensation as well. As with any public good, there is a coordination problem in getting international beneficiaries to not free-ride off of the contributions of others or off of domestic contributions made by the government of Sierra Leone. These public benefits of the activities of the rural poor are another reason why aid to countries like Sierra Leone must be increased – in this case, a well-deserved transfer payment.

*Sharing the Commons*

Prior to the conflict, access to diamond mining in Sierra Leone has been limited to those who were able to secure government licenses, often through patron-client networks with individuals or preferential arrangements with multinational corporations, and so diamonds in
Sierra Leone were legally treated as public property, which the government could regulate. As is demonstrated by the fact that RUF rebels were able to seize control of the diamonds, and so quickly, these public property rights were not adequately enforced and the diamonds were at times de facto as an open access resource. “When natural assets are currently treated as open-access resources, available in principle to all but in practice to those with the power to seize them, the appropriation of these resources on a democratic basis can be an effective way to redistribute their benefits” (Boyce and Shelley 2003, 3). It has been shown, also, that common resources do not face the same type of over-exploitation that is faced by open-access resources, and, in fact, that the community can do a very good job of protecting natural resources in the absence of private property (Ostrom et. al 1999).

Diamonds, and other possibly open-access resources in Sierra Leone, should be recast as common resources, governed both by the larger representative democratic government of Sierra Leone and by community groups empowered to make real decisions about the use of their resource. The government of Sierra Leone, moreover, must have international support to enforce the new property rights regimes it is creating over these resources. Community governance may be enough to enforce day-to-day access to the resources, but should they face another violent movement, domestically or internationally spawn, the community must have the support of the government of Sierra Leone and the international community to protect their resources.

**Conclusions and Implications**

It is not easy, and maybe impossible, to fully understand war. Mathematical models are helpful in starting and provoking discussion of violent conflict, but they can also lead to dangerous over-simplifications and can not tell the whole, social, historical story. Even when
everything points to motives of greed among the combatants in a civil war, such as in Sierra Leone, there could be real grievances about the governance of natural resources and lack of public goods that helped create the opportunity for violent conflict. There are many factors that influence the ways natural resources are involved in conflict beyond whether there is nothing to fight over or the government has a large capacity to finance its military effort. Monopoly, power, status, greed and profit, property rights (or lack thereof), consumer cultures, imperialism, racism, and the accountability of economic actors for the costs of their actions are all important issues to consider in the study of natural resources and conflict. While “civil wars” occur within a single country, no conflict over natural resources occurs without the involvement of international capitalism. Local post-conflict development is a powerful activity – one that has the potential to interrupt destructive cycles of poverty and violence – but the true eradication of war requires a world-wide effort, fundamentally questioning what represents value, status, and privilege in the modern economy.
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**Web Resources:**


Homepage: Sierra Leone Web-Refugees (October 2005) URL: www.sierra-leone.org/refugee01.html.


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