

**INTEGRITY IN RECONSTRUCTION
RECONSTRUCTION SURVEY: SIERRA LEONE**

**A joint project of the National Accountability Group, Freetown, Sierra Leone,
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BY:

- 1. CHRISTIANA SOLOMON - LEAD RESEARCHER**
- 2. SALIA KPAKA - RESEARCHER**

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TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS.....	4
LIST OF TABLES.....	6
LIST OF FIGURES.....	6
1. INTRODUCTION.....	7
1.1 HISTORICAL OVERVIEW	7
1.1.1 <i>State Decline and Collapse: The Debate</i>	9
1.1.2 <i>Linking Political Clientelism and Corruption</i>	10
1.1.3 <i>Socio-economic dimensions</i>	11
1.2 THE SIERRA LEONE CONFLICT	12
1.2.1 <i>Settlement</i>	13
1.2.2 <i>Corruption During the conflict</i>	15
2. RECONSTRUCTION PROCESS.....	16
INTRODUCTION	16
2.1 AID FLOWS	18
2.1.1 <i>Overall trends in aid flows</i>	18
2.2 MAJOR PLAYERS	22
2.2.1 <i>United Kingdom</i>	22
2.2.2 <i>European Community</i>	23
2.2.3 <i>The World Bank</i>	24
2.2.4 <i>United States</i>	25
2.3 DONORS POLICIES	25
2.4 DONOR COORDINATION	27
2.4.1 <i>Reality of aid and co-ordination</i>	28
2.5 GOVERNMENT	30
2.6 NGOs.....	30
2.6.1 <i>International NGOs</i>	30
2.6.2 <i>Domestic NGOs</i>	31
2.6 DOMESTIC RECONSTRUCTION COMPANIES.....	32
2.7 FOREIGN CONTRACTORS.....	32
2.8 LOCAL OWNERSHIP.....	33
3. CORRUPTION IN THE RECONSTRUCTION PROCESS.....	35
3.1 ANTI-CORRUPTION EFFORTS.....	36
CONCLUSION	38
ANNEX - LIST OF INTERVIEWEES	38
END NOTES.....	39

Abbreviations and Acronyms

ACC	Anti Corruption Commission
ACP	African-Caribbean-Pacific
ADB	Africa development Bank
AfDF	African Development Fund
AFRC	Armed Forces Revolutionary Council
APC	All People's Congress
BADEA	Arab Bank for Economic Development in Africa
CASP	Country Assistance Strategy Paper
CBO	Community-Based Organisation
CCP	Commission for the Consolidation of Peace
CG	Consultative Group
CGG	Campaign for Good Governance
CRS	Catholic Relief Services
CSP	Country Strategy Paper
CSO	Civil Society Organisation
CTB	Central Tender Board
DAC	Development Assistance Committee
DACO	Development Assistance Coordination Office
DAD	Donor Assistance Database
DEPAC	Development Partnership Committee
DfID	UK Department for International Development
DDR	Disarmament Demobilisation and Reintegration
DG	Donor Group
EC	Economic Commission
ERSF	Emergency Recovery Support Fund
ECOMOG	ECOWAS Peacekeeping Force
ECOWAS	Economic Community of West African States
EU	European Union
FAO	Food and Agricultural Organisation
GDP	Gross Domestic Product
GNI	Gross National Income
GoSL	Government of Sierra Leone
GSM	Global System for Mobile Communications
HIPC	Heavily Indebted Poor Countries
HSSP	Health Sector Support Project
IBRD	International Bank for Reconstruction and Development
ICRC	International Committee of the Red Cross
ICTY	International Criminal Tribunal for the former Yugoslavia
ICTR	International Criminal Tribunal for Rwanda
IDA	International Development Agency
IDB	International development Bank
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFE	International Fund for Electoral Services

IMF	International Monetary Fund
INGO	International Non-Governmental Organisation
I-PRSP	Interim Poverty Reduction Strategy Paper
IRCB	Institutional Reform Capacity Building
MARWOPNET	Mano River Women's Peace Network
MDG	Millennium Development Goal
MDTF	Multi-Donor Trust Fund
MIGA	Multilateral Investment Guarantee Agency
MoDEP	Ministry of Development and Planning
MoF	Ministry of Finance
NaCSA	National Commission for Social Action
NCDDR	National Commission for Disarmament, Demobilisation and Reintegration
NCRRR	National Commission for Reconstruction, Resettlement and Rehabilitation
NGO	Non-Governmental Organisation
NIP	National Indicative Programme
NMJD	Network Movement for Justice and Development
NPFL	National Patriotic Front of Liberia
NPRC	National Provisional Ruling Council
NRC	National Recovery Committee
NRS	National Recovery Strategy
NSAP	National Social Action Project
OCHA	UN Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PETS	Public Expenditure Tracking Survey
PRP	Poverty Reduction Programme
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
RUF	Revolutionary United Front
SABABU	Basic Education Project
SALCOST	Salini Construction
SALPOST	Sierra Leone Postal Services
SAP	Structural Adjustment Programme
SLPP	Sierra Leone People's Party
SRSR	Special Representative of the Secretary General
TS	Transitional Strategy
UK	United Kingdom
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS
UNAMSIL	United Nations Mission in Sierra Leone
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children Emergency Fund
US	United States
USAID	United States Agency for International Development
WAMI	West African Monetary Institute

List of Tables

Table 1: Selected Economic and Financial Indicators, 2001-04	17
Table 2. Aid Flows 2003-2005	20
Table 3. ODA as a Percentage of GDP	21
Table 4. Top 10 Donors 2003-2005	27
Table 5. Bilateral and Multilateral Disbursement 2003	27

List of Figures

Figure 1: Aid Flows 1960-2002	19
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1. Introduction

Over a decade of sporadic civil war, Sierra Leone became one of the world's poorest and most socially dislocated states. Violent conflict between elected governments, the mutinous military and the Revolutionary United Front (RUF) rebel movement characterised the country between 1991 and 2002. An estimated 50,000 people were killed and thousands more injured or maimed. Over two million people were displaced with 500,000 fleeing to neighbouring countries. The damage extended to significant loss of property and the abduction of women and children for sex, labour and combat. Most of the country's social, economic and physical infrastructure was destroyed. Local community social and economic productive infrastructure such as stores, markets, rice mills and community service buildings were completely vandalised and destroyed. Through massive intervention by UN peacekeepers (UNAMSIL), the situation was brought to a stalemate. With the support of a US \$31.5 million Multi-Donor Trust Funded (MDTF) Disarmament, Demobilisation and Reintegration (DDR) Programme, a total of 72,490 combatants were disarmed and 71,043 demobilised, including 6,845 child soldiers.¹ Although significant progress has been made in stabilising the economy, the root social and political causes of the conflict have not yet been adequately addressed.

Reconstructing Sierra Leone is a huge challenge and the process has drawn largely from external sources of support. The United Nations (UN), bilateral donors, such as the United Kingdom (UK) and a host of multilateral and other agencies have been instrumental in providing much-needed external financial and technical assistance to Sierra Leone in the latter stages of the conflict and in the immediate post-conflict period. Although foreign aid is a welcome source of external support for reconstruction efforts, lack of government capacity, donor fatigue and corrupt practices could significantly hinder successful reconstruction.

This chapter therefore examines the above dimensions of post-conflict reconstruction in Sierra Leone. I argue that the nature and extent of corruption in pre-conflict Sierra Leone was a crucial determinant of the various economic activities that unfolded during the war. And these were not gender-neutral. This is adequately documented. A central theme of this chapter is an analysis of the post-conflict reconstruction process in Sierra Leone and the steps that have been taken to limit corruption. This case study approach aims to show how pervasive corruption is in society, but crucially, it aims to prove or disprove, firstly, that reconstruction affects corruption and that, secondly, the above process is itself affected by corruption pre- and during the conflict.

1.1 Historical Overview

The modern Sierra Leonean state was 'discovered' in 1460 by Portuguese explorers who named the region Serra Lyoa, or Lion Mountain. Sierra Leone was founded as a

resettlement territory for the unwanted 'black poor', that is, freed slaves, who wished to be resettled in Africa in 1787. In 1807 colonial administration was established over Freetown and it became a British Crown Colony. Gradually, British control was extended over the hinterland. In 1896, the hinterland was declared a British Protectorate, and it became part of Sierra Leone.²

Pre-colonial Sierra Leone was characterised by a long and sometimes problematic relationship between two-indigenous, language-based groups, the Mande and the Sapes, both comprising 17 ethnic groups.³ The dominant ones are the Mende in the south and east of the country and the Temne in the north. These were well-established political entities that were later broken up into small chiefdoms for colonial administration purposes. It was on this complex pre-colonial past that a contrived structure was initially imposed. But the new 'state' that emerged in West Africa involved much more than the amalgamation of two distinct cultures. Superimposed over the 'state' was the distortion of traditional social and economic patterns: the ideological disposition of 19th century Britain, colonial imposition of the chieftaincy structure,⁴ and therefore, of authoritarian politics on all indigenous people; and the imposition of the concept of 'Ruling Houses' on the Mendes for instance, a competition which later played a key role in conflicts. On 27 April 1961, the idea of self-determination was realised and Sierra Leone was granted independence from British rule.

Sir Milton Margai's conservative and elitist Sierra Leone People's Party (SLPP) formed the first democratic government. It inherited the parliamentary system of government from the British. The party was challenged by the emerging All People's Congress (APC) party in the 1967 elections. The APC was dominated by the working and lower-middle class. The APC was dissatisfied with the Mende hegemony in the SLPP government and, to counter this, professed vague socialism and promised equal opportunities for all.⁵ However, the party became the political party of the north. The APC narrowly won the 1967 elections. The elections were disputed, an event that resulted in Sierra Leone's first military coup by Brigadier David Lansana. This was followed by two subsequent ruling juntas until 1968 when constitutional order was restored and Siaka Stevens was installed as Prime Minister.

From his restoration until his retirement (1968-1985), Siaka Stevens transformed the political landscape of the country. He declared Sierra Leone a Republic on 19 March 1971, made himself Executive President with wide-sweeping powers two days later, and declared the country a one-party state in 1978.⁶ By this time, the SLPP had become disabled due to the incessant arrest and detention of its members. In 1985 Siaka Stevens handed over to a handpicked successor from the army, Brigadier Saidu Momoh (1985-1992), also a northerner. He was overthrown in 1992 by a military coup led by Captain Valentine Strasser, who, in turn, was replaced by his deputy, Brigadier Maada Bio, in a palace coup in 1996. As a result of popular demand and mounting international pressure, the National Provisional Ruling Council (NPRC) was forced to hold multi-party elections two months later, which were won by the SLPP-led Ahmed Tejan Kabbah. Because of the prevailing war conditions, parliamentary elections were conducted for the first time in Sierra Leone, under the system of proportional representation. Another coup, this time, by the Armed Forces Revolutionary Army (AFRC), overthrew Tejan Kabbah's democratically elected government on 25 May 1997. Nine months later, in 1998, he was re-instated by the

Economic Community of West African States (ECOWAS) Peacekeeping Force (ECOMOG).

Since winning its independence from the British in 1961, Sierra Leone has been marked by rampant corruption, violations of human rights, limited respect for the rule of law, ethnicised and politicised armed forces, accompanied by 24 years of one-party authoritarian rule, four military regimes and periodic attempts at democratic governments. The political inheritance of Sierra Leone at independence was the authoritarian structure of the colonial state, and accompanying political culture. The Sierra Leone state that emerged from this historical process lacked a coherent and functional unity, lacked the historical continuity of the political area that constitutes the state and was inherently unstable with grave potential for conflict. Sierra Leone's history of autocracy and political instability has begotten a society highly polarised on the basis of class, ethnicity and geography, with a small group of urban-based elites completely dominating the country's social, economic and political institutions, reducing both the urban poor and the demographically dominant rural population to positions of second-class citizenship.

1.1.1 State Decline and Collapse: The Debate

The debate about state collapse in Sierra Leone is, first and foremost, a debate among Western analysts. As such, the debate cannot be divorced from the particular historical circumstance, post-Cold War and post-modern, in which the Western analyst attempts to accommodate Africans. Various explanations have been advanced. For example, a number of commentators have sought to analyse the violent conflicts in Sierra Leone as bereft of rational explanations, a weird breakdown in social order thus equalling anarchy. One such observer, Robert Kaplan, claims that the war in Sierra Leone is irrationally brutal, a 'mindless' violence driven by social breakdown, overpopulation, 'tribalism' and environmental collapse giving rise to barbaric acts of violence.⁷ Again, influential studies advocate a microeconomic perspective of civil wars that question the political motivation of intra-state wars.⁸ Advocates like Collier and Hoeffler argue that wars start as a response to changing economic conditions arising from the economic crisis and decline of the 1980s. Within this context, civil wars become job openings for the huge numbers of poorly educated unemployed youth as well as opportunities for looting and accumulation. Thus, the economic agendas of warlords like Foday Sankoh, with their focus on economically exploitable regions with primary exportable commodities, like diamonds and timber in Sierra Leone, are deemed to be more important than grievance. '*Ethnicity* or tribalism is the single causative factor for contemporary intrastate conflicts in Africa.'⁹ This statement has been used simplistically by the media and some political analysts to explain the violent conflict in Sierra Leone. A common argument has been that little can be done to resolve long-standing ancient ethnic enmities between rival 'tribes' which have resurfaced in the absence of strong Cold War authoritarian regimes. While autocracies can work in some cases to prevent war onset, authoritarian governance need not yield peaceful societies.

Despite a decade-long violent conflict, Sierra Leoneans do not have a monopoly on brutality, nor are they more corrupt than other peoples. Also, ethnic polarisation is

shallow and does not tell us anything about the degree to which ethnic, religious, racial or identity cleavages are cross-cutting in a conflict, in particular, in the Sierra Leone conflict. The thesis that ethnicity is 'imposed' by the elite bent on playing the ethnic card assumes that ethnicity is plastic, malleable and ephemeral. Further, the rather patronising perspective suggests that non-elites are suffering from a strong dose of Marxist 'false consciousness', since they are pursuing interests other than their own.

Taking into account the specific milieu within which Sierra Leone exists and in which the conflict occurred, a multi-level analysis of that country is more useful as it focuses equally on internal and external causes of state collapse. Such analysis demystifies international perceptions of Sierra Leone, and the events leading to the war, as intrinsically unjustified, irrational and weirdly ethnic-based. In short, it displaces uni-causal explanations for the war and places the debate within a multi-level framework. By so doing, a more inclusive theory of Sierra Leone as a collapsed state emerges, one that accounts for violence and order, greed and grievance, a dependent economy and a rational choice for regime survival.

1.1.2 Linking Political Clientelism and Corruption

The nature of domestic politics in post-independent Sierra Leone has been based on patron-clientelistic system of governance driven by informal networks through which state resources are appropriated to support and consolidate regimes in power and their followers. This relationship enables widespread acts of corruption to flourish and go unpunished or unaccounted for.

Domestic politics was characterised by co-optation, clientelism and patronage systems instituted by the APC in Sierra Leone. The political systems were highly centralised, accompanied by institutionalised corruption and politicisation of identity. Over-centralisation of political authority led to inequitable resource allocation of the nations' resources and increasing pauperisation of the majority of the citizenry.¹⁰ Personalisation of the regime further eroded the autonomy of the state and severely undermined the political institutions. Political clientelism,¹¹ as a system of governance in Sierra Leone, is a more or less personalized, affective and reciprocal relationship where state resources that could have been committed to broad scale development are used to build and expand personal rule through the discretionary distribution of private favours and the development of clientelistic ties to key individuals and groups such as the intellectual community, the judiciary, the labour unions and the army and police forces.¹² This relationship between political patrons and their clients assumed a class form in which the political elites remained dominant and more privileged. A typical example was the office of Secretary to the President under both Stevens and Momoh, who was also head of the civil service. This ensured that top civil servants were political appointees who would serve as a support base for the regime. Senior army officers were misappropriating and embezzling forces' funds, leaving the soldiers poorly-equipped, ill-trained and poorly-paid. Other kinds of patronage used were jobs, import-export licenses - in particular of diamond, gold and marine resources, government contracts, monopolies over certain kinds of business, tax exemptions, the use of government houses and vehicles, and grants for university education.

Corruption occurred on a massive and endemic scale. Fraud and deception among public officials became an accepted way of life in Sierra Leone. Sierra Leone became a kleptocratic state as competing patron-client networks formed factions, which fought to gain privileged access to public resources. Officials and top civil servants were infamous for forging vouchers, taking kickbacks, rampant smuggling of diamond or gold, direct embezzlement of public funds, as well as profiteering. Diverse scandals were unearthed, the 1974-75 'kilowatt' scandal, 'vouchergate' in 1982, 'squandergate' in 1984 and 'milliongate' in 1987.¹³ In the wake of the economic crisis, capital stocks were run down, debts mounted and the state withdrew from a wide range of functions and services. By the time Stevens resigned, the APC regime was riddled with corruption, opportunism, cronyism and sycophancy.¹⁴

This led to a steady deterioration of the socio-economic development in the country. Political parties were and are loose alliances based on factional groupings rather than ideological orientation. The need for regime survival fostered an inefficient, unaccountable and repressive political system that has been difficult to reform as well as use of the security apparatus for maintaining structural inequities.

1.1.3 Socio-economic dimensions

The socio-economic environment of Sierra Leone had a significant effect on the people and contributed to the outbreak of the conflict. As economic and social conditions have steadily worsened, so insecurity and instability have increased. Physical infrastructure has crumbled, public services have broken down, and at the same time, unemployment has escalated. A dramatic reduction in agricultural output is but one factor that illustrates economic failure. Industrialisation efforts have been hindered by a lack of technological development and manufacturing expertise and sound fiscal policies, forcing the state to depend heavily on foreign income. Unfavourable world price trends for iron ore and bauxite, dwindling export earnings and increasing imports increased indebtedness. This colossal debt, and the need to ensure repayment, forced Sierra Leone to implement the strict economic conditions of the International Monetary Fund (IMF) and World Bank's structural adjustment programmes (SAPs). SAPs exacerbated economic instabilities and created a series of monopolies instead of generating economic growth and development, and also weakened the political economy and fiscal sovereignty of the state. An expanding informal sector, with government officials turning a blind eye to, and often participating in, smuggling, seriously reduced the state revenues, from diamonds and other primary products in the 1980s.

The clientelistic and neo-patrimonial politics in Sierra Leone has produced unbridled corruption, exploitation, illegitimacy and inefficiency. The informalisation of the state has progressively weakened the political, legal and economic governing institutions of the 'official state', which has been subverted to serve the vested interests of the ruling elites who control the "shadow state."¹⁵ The armed conflict is therefore a result of long political decline with oppressive governments, declining economies due to corruption, asset stripping and inept governments based on patronage and authoritarian hegemonic rule.

1.2 The Sierra Leone Conflict

The Sierra Leone conflict is a potent example of contemporary conflict resulting from a complex mix of factors, caused by years of bad governance, Cold War politics and an unfriendly international financial system.

When the fighters of the RUF, led by Foday Sankoh, launched an attack against the government of President Saidu Momoh on March 23 1991 from the border towns in eastern Sierra Leone, it was widely seen by most as only the latest in a series of triggers of violent conflict in the country: the military coup in 1967; elections characterised by violence and intimidation in 1973, 1977, 1982; treason trials in 1974; nationwide student demonstrations against the APC hegemony in 1977; and the *Ndogborwusi* war in 1982.¹⁶

When the RUF attacked Bomaru in 1991, few Sierra Leoneans had heard about the organization and fewer still knew who the leaders were. While the terrible social, political and economic situations in Sierra Leone in the early 1990s certainly demanded change, the RUF lacked a strong political agenda and was largely motivated by the ambitions of its opportunistic commanders. It was Foday Sankoh who announced to the world that its objective was to overthrow the corrupt and repressive regime of President Saidu Momoh.¹⁷ The initial insurgency force comprised Sierra Leonean dissidents, fighters of the National Patriotic Front of Liberia (NPFL) on loan to the RUF and Burkinabe mercenaries.¹⁸ The RUF was also covertly supported by Côte d'Ivoire, Burkina Faso and, Gaddafi's Libya.¹⁹ The initial support for the RUF was largely drawn from the deprived, marginalised and volatile rural population in the southern and eastern parts of the country, who had been politically, socially and economically disenfranchised by the corrupt APC regime. However, the carnage and terror unleashed on the civilian population in these areas speedily diminished any initial empathy or support for the RUF insurgency. Unemployed, disillusioned and alienated youth formed a fertile recruiting pool for the military wing of the RUF. Untrained and ill-disciplined, the conscripts were responsible for the massacre of thousands of people, looting and widespread destruction.

The ensuing 10 years of violent conflict (1991-2001) led to more devastation than had occurred throughout the APC dictatorship, as the initially bush war turned into vicious battles for the control of towns. The scramble for Sierra Leone during the conflict effectively blurred any clear line of demarcation between the categories of 'government', 'rebel', 'regional and international actors', 'allies' and 'enemies'. The AFRC, a military junta from 1997-1998, entered into a 'marriage of convenience' with Foday Sankoh's RUF, the primary rebel group in the Sierra Leone conflict, who in turn enjoyed considerable political, military and economic patronage from some regional states including Liberia, Côte d'Ivoire and Burkina Faso. A predominantly Nigerian-led ECOMOG, which had been formed in 1990 to establish peace in Liberia, and was subsequently given the additional mandate to intervene in Sierra Leone, was firmly aligned with the government.

Over a decade of sporadic civil war, Sierra Leone became one of the world's poorest and most socially dislocated states. In 1999, it was reported that more than 50,000 Sierra Leoneans died in the war; an estimated half a million had been refugees in

Guinea, Liberia, Gambia and a host of other countries; an additional one and a half million were internally displaced and at least one million people were displaced. The physical destruction was immense; whole villages and towns, like Makeni or Kono for example, were burnt down or destroyed either by RUF fighters or from bombardments from the allied forces. The conflict has been characterised by gruesome acts of violence against the civilian population, human rights violations, blatant disregard for international norms and laws pertaining to conduct of war.

1.2.1 Settlement

Unable to defeat the RUF militarily, a diplomatic solution was sought. Although the Lomé Agreement could be seen as an extension of the earlier Abidjan Peace Accord of 1996, its immediate origins lay in the invasion of Freetown on 6 January 1999 by AFRC and RUF combatants. As pro-government forces sought to stop, contain and push back the AFRC–RUF fighters, the battle for Freetown and its environs lasted more than six weeks, leaving two-thirds of the town's already severely limited infrastructure destroyed and its civilians deeply traumatized. During this attack alone, an estimated five to six thousand people lost their lives in and near the capital, the east end of town was razed to the ground and government buildings in the centre of the city were deliberately targeted by the combined forces of the RUF and AFRC.²⁰ The Freetown attack radically changed the national political landscape as well as international responses to the country's situation. From a position of strength, the RUF reached a settlement with the government of Sierra Leone (GoSL) when signing the Lomé Peace Agreement on 7 July 1999.

The Lomé Agreement was a deeply flawed platform on which to base peace operations in Sierra Leone. As has been argued, it reflected the desperation under which the central government negotiated and compromised the future of the country on the assumption that it would bring enduring peace.²¹ According to the terms of the Agreement, in exchange for calling a halt to the war and disarming, the RUF was granted a general amnesty for crimes committed prior to its signature, given posts within the government, and guaranteed the right to form a political party to contest elections. Moreover, Foday Sankoh was appointed to chair a new body created to oversee the country's diamonds and other natural resources. While the AFRC was largely sidelined during the negotiations in Lomé, its leader Johnny Paul Koroma, was later made Chairman of the Commission for the Consolidation of Peace (CCP).²²

Box 1: The Lomé Agreement

The Agreement was widely criticised as high on appeasement and low on justice. It stipulated the following: ceasefire monitoring; transformation of the RUF into a political party; security guarantees; disarmament, demobilisation and reintegration (DDR) of former combatants; restructuring of the armed forces; withdrawal of mercenaries; release of prisoners of war; delivery of humanitarian assistance; dealing with human rights violations; a Truth and Reconciliation Commission to document violations of international humanitarian law in lieu of prosecutions; and four, out of 18, cabinet posts as well as four deputy minister posts for the rebels.

But in May 2000, after ten months of relative stability, RUF rebels attacked UN peacekeeping personnel and destroyed DDR camps. A number of UN peacekeepers

and journalists were killed and more than 500 others detained. British forces were deployed to Freetown to evacuate UK citizens and secure the airport to allow the arrival of UN reinforcements. Foday Sankoh, the leader of the RUF, and over 100 RUF personnel including all RUF government ministers were arrested by the GoSL under its emergency powers. On 10 November 2000, GoSL and the RUF signed the Abuja Agreement, a cease-fire Agreement brokered by ECOWAS in Nigeria. The agreement included: disarmament; the return of weapons seized from UNAMSIL; freedom of movement throughout Sierra Leone, including the diamond areas, for UNAMSIL; and a commitment to return to the peace process.

In an effort to break the cycle of violence and begin the process of reconciliation, the government of Sierra Leone requested the UN to establish an international court to prosecute those responsible for atrocities during the conflict. On 14 August 2000, the UN Security Council adopted Resolution 1315, which requested “the Secretary-General to negotiate an agreement with the Government of Sierra Leone to create an independent special court,” whose subject matter jurisdiction “should include notably crimes against humanity, war crimes and other serious violations of international humanitarian law,” and whose personal jurisdiction would be “over persons who bear the greatest responsibility” for these crimes “including those leaders who, in committing such crimes, have threatened the establishment of and implementation of the peace process in Sierra Leone.”²³

Box 2: The Special Court

As specified in the Agreement between the UN and Sierra Leone, the Special Court is a treaty-based court established by the Agreement between the United Nations and Sierra Leone. As a consequence, while it has primacy over domestic prosecutions in Sierra Leone and can issue binding orders to the government of Sierra Leone, the Special Court lacks the power of the ICTY International Criminal Tribunal for the former Yugoslavia (ICTY) and the International Criminal Tribunal for Rwanda (ICTR) to assert primacy over national courts of third States or to order the surrender of an accused located in any third State. This is not expected to hinder the Court’s operation since most of the suspected perpetrators are now in custody in Sierra Leone.

Secondly, the Special Court is to be composed of both international and Sierra Leonean judges, prosecutors and staff. The Special Court is to have a Chief Prosecutor appointed by the Secretary-General and a Deputy Prosecutor appointed by Sierra Leone in consultation with the United Nations. The Court’s Registrar would be appointed by the Secretary-General. Moreover, the Special Court’s subject matter jurisdiction extends, in addition to war crimes and crimes against humanity, to certain crimes under Sierra Leonean law, including abusing a girl under 14 years of age, abduction of a girl for immoral purposes, and setting fire to dwelling-houses or public buildings. But the Special Court does not have jurisdiction over the crime of genocide, since there was no evidence that the mass killing in Sierra Leone was at any time perpetrated against an identifiable national, ethnic, racial or religious group with the intent to annihilate the group as such.

In January 2001 President Kabbah declared that disarmament was complete and the war over. In March, the State of Emergency was lifted. Work to consolidate the new and fragile peace began on a wide range of fronts.

1.2.2 Corruption During the conflict

Before the conflict, corruption occurred on a massive and endemic scale. Fraud and deception among public officials became an accepted way of life in Sierra Leone. Conflict breeds war economies and war economies feed on conflict. Based on my personal experiences in Sierra Leone before, during and after the conflict, I claim that 'peace economies' and 'war economies' share striking relational and structural similarities including patronage, bribery, predatory politics, kickbacks, and that the 'war economy' predates the war. One major difference between the two however is the specific circumstance of each era. In peace times the buzzword is 'widespread corruption' that thrived and was a causative factor of the war. War economies are broadly defined as "a system of producing, mobilising and allocating resources to sustain the violence".²⁴ But in another more challenging definition, war economies can refer to "the degeneration of an underdeveloped economic system that can be exacerbated by the presence of violent conflicts".²⁵ Once conflict erupted, the 'shadow economies', i.e. the broad range of economic activities that fall outside state-regulated frameworks, became an important source of income to both civilians and combatants/criminal entrepreneurs. These included illicit and violent exploitation of lootable resources such as diamonds, smuggling networks such as arms traffickers and mercenaries.

An elaborate network of international arms smugglers and diamond buyers freely exchanged goods in full violation of regional and international law. Sierra Leonean diamonds labelled as Guinean, Gambian, or Liberian were exported to Europe to finance weapons shipments. Notorious arms smugglers, including Lenoid Minin, a Ukrainian-Israeli businessman; Victor Bout, a veteran arms supplier to conflicts in Angola and the Democratic Republic of Congo; and Sanjivan Ruprah, a Kenyan national, supplied or financed illicit weapons shipments primarily originating from Eastern Europe.²⁶ The majority of weapons destined for Sierra Leone were funnelled through Burkina Faso, which acted as a major transshipment point for arms smuggling throughout the war. In addition to the international exchange of weapons, Sierra Leonean government troops regularly collaborated with the RUF in diamond mining. Lured by diamond money and frustrated by the government's inability to pay salaries, these soldiers became "sobels": soldiers by day, rebels by night. Lebanese involvement in legal and illegal diamond activities are well documented as well as anecdotal.²⁷ It dates as far back as the 1940s, continued during the conflict and is ongoing. A UN report found that in 1997 the RUF's Sam Bockarie had appointed a Lebanese, Mohamed Hedjazi, as an agent to negotiate with any companies for prospecting licenses or anything to do with mining and buying of diamonds. This was just after the AFRC coup, and Hedjazi, who was in Freetown at the time, became the official face of the AFRC's diamond business; Ossailly was the real factor, however, operating in the shadows. The same report discussed Lebanese connections in President Charles Taylor's sanctions busting and diamond dealings with the RUF. A key individual is a wealthy Lebanese business-man named Talal El-Ndine. El-Ndine is the (Liberian) inner-circle's paymaster. Liberians fighting in Sierra Leone alongside the RUF, and those bringing diamonds out of Sierra Leone were paid by him personally. Arms shippers and brokers negotiate their payments in his office in Old Road, Monrovia.²⁸

In addition, the conflict created new economic opportunities which ECOMOG itself

exploited, making the peacekeeping force a party to the war itself. In October 1999, when UNAMSIL was established, the UN Mission was led by Indian General Vijay Kumar Jetley. ECOMOG was asked to incorporate some of its troops under the flag of the UN and return others to Nigeria. It has been alleged that the Nigerian army was reluctant to leave Sierra Leone and dismantle its secret partnership with the RUF in an illegal diamond-mining scheme. According to General Jetley, Nigerian Brigadier General Maxwell Khobe† allegedly received ten million dollars to permit RUF activities, earning Khobe the nickname “Ten Million Dollar Man.” General Jetley detailed the collaboration between Nigeria and the RUF in a letter to the UN, in which he claimed ECOMOG and RUF formed a relationship over time:

... of non-interference in each other's activities, the total absence of ECOMOG deployment in RUF held areas is indicative of this. Keeping the Nigerian interest was paramount even if it meant scuttling the Peace Process and this also implied that UNAMSIL was expendable. To this end the Representative to the Secretary General (SRSG) and Deputy Force Commander (DFC) cultivated the RUF leadership—especially Foday Sankoh—behind my back.²⁹

Although corruption was one of the contributing factors of the conflict, it continues to permeate all levels government and society and remains largely unaddressed.³⁰ In fact, recent research conducted on the perception of security in the country found that the majority of respondents considered corruption to be one of the primary security threats facing Sierra Leone today. They argued that corrupt practices deter sustainable development and could re-ignite another potential conflict.³¹

Post-conflict reconstruction, and the subsequent substantial increase in international funds, constitutes a new framework within which corruption plays itself out in Sierra Leone.

2. Reconstruction Process

Introduction

Since ending its conflict in January 2002, economic performance in Sierra Leone has been surprisingly good over the last few years and has resulted in considerable economic growth as is presented in Table 1 below. Having declined by an average rate of 6% per annum from 1995 to 1999, the gross domestic product (GDP) turned to a 3.0% growth in 2000. This positive trend continued in 2002/03 with a growth by over 6%. For 2004, economic growth was 7.2 %, the inflation rate rising to 14.6%. Real growth is projected in the range of 6-7 percent in 2005-07, with higher growth in 2005 led by mineral exports, reflecting these activities in the country's post-conflict phase. Inflation is expected to revert to low single digits, while the current account deficits would narrow, aided by growth in mineral exports. This post-conflict recovery has been propelled by the growth of donor-financed imports, large-scale resettlement and reconstruction activities, major increases in land under cultivation, increased investor confidence as well as growing remittances, and investments by the Sierra Leone expatriate community. Moreover, cash crop production increased sharply with resettlement and the officially registered output of diamonds in 2003 expanded by 44% over the 2002 total of 352,000 carats. The projected strong growth will, however, still leave Sierra Leone quite far in terms of achieving the Millennium Development

Goals (MDGs).³²

Table 1: Selected Economic and Financial Indicators 2001-04

Indicators	2001	2002	2003	2004
External debt (GDP)	175.8	154.4	169.1	164.8 ³³
Inflation (end of year)	3.4	-3.1	11.3	14.6
Total external debt (\$ billion)	..	1.47	1.54	1.6472 (mil)
Aid per capita (\$)	36.3	55.7

Source: West African Monetary Institute (WAMI); Central Bank of Sierra Leone; World Development Indicators

In addition, under the Enhanced Heavily Indebted Poor Countries (HIPC) initiative, Sierra Leone reached the decision point on March 19, 2002. HIPC debt relief in the amount of US\$600 million in net present value terms will be provided, of which the World Bank's Group International Development Agency (IDA) will provide US\$122 million. This amount of HIPC relief will allow for debt service of about US\$37 million per annum between 2002 and 2005 (5 % of projected GDP annually). Projections indicate that HIPC relief will be directed primarily at increased expenditures on education, health, and rural development. The poverty spending plan will be guided by Sierra Leone's Interim Poverty Reduction Strategy Paper (I-PRSP).³⁴

Box 2: Sierra Leone's Poverty Reduction Strategy Paper

The Poverty Reduction Strategy Paper (PRSP) for Sierra Leone provides a good basis for a transition towards sustained long-term post-conflict development. While the full PRSP takes into account government's earlier experiences in implementing the National Recovery Strategy (NRS) and the Interim-PRSP (I-PRSP), it has four priority areas of intervention: restoration of State authority; rebuilding communities; peace-building and human rights; and the restoration of the economy. Implementation of the PRSP is set to begin in mid-2005, following the Consultative Group meeting in June. The first annual progress report will be carried out in the third quarter of 2006. The Poverty Reduction Strategy (PRS) provides an adequate framework for reducing poverty in Sierra Leone. The main strengths of the PRSP include: (i) its documentation of the conclusion of the post-conflict phase of contemporary Sierra Leone; (ii) the provision of a poverty diagnosis; and (iii) the articulation of a strategy backing a wide-ranging set of policies, aimed at reducing poverty, unemployment and food insecurity as well as progress towards the Millennium Development Goals.

While all this may sound good on paper, the realities of the PRSP include: (i) formal decision-making processes are from a political point of view largely window-dressing; (ii) whereas in some middle-income countries, there is a degree of informed public opinion and an effective parliamentary scrutiny, in Sierra Leone, the pre-conditions i.e. a large local newspaper readership, does not exist. The reasons are partly sociological: to function well, the democratic institutions require a level of literacy that is unavailable at this level of development; (iii) the government is not a unified and well-coordinated actor. To the extent there is effective accountability, it operates through the patronage system, and follows criteria other than those formally agreed; (iv) there is a great diversity of programmes labelled Poverty Reduction Programmes administered under different government line ministries with

the objective of reducing poverty among the communities in which the programmes are inserted. These projects include the provision of particular goods and services that are perceived to be lacking in the respective communities: Education sector (construction and rehabilitation of school infrastructure and associated facilities), health sector, agriculture (food security pack and fertiliser support programme), road infrastructure development, water and sanitation etc. In the health sector for instance, there are some construction and rehabilitation of health infrastructure in a number of communities. However drug supplies and staffing remain inadequate. People still have to walk long distances to the health centres and there is a lack of transport for referrals. Improved infrastructure alone, cannot, assure people's lives.

2.1 Aid Flows

Official Development Assistance (ODA) has funded many development programmes in Sierra Leone over the years in health, education, communication, agriculture and forestry, and emergency and relief. Amongst the major donors in recent years have been the UK, the US, the Netherlands, the EC, UN Agencies and the International Financial Institutions (IFIs). Most ODA during the conflict was in the form of humanitarian relief and food aid.

2.1.1 Overall trends in aid flows

Since the formal end of the war in 2002, Sierra Leone began to tap into the US\$640 million of aid pledged by multilateral and bilateral donors just before the AFRC coup of 1997.

This money was pledged by the Consultative Group (CG)³⁵ for Sierra Leone to assist that country in its reconstruction. The CG is a co-ordinated group of donors and the Sierra Leone government, chaired or co-chaired by the World Bank. CG meetings are often convened annually to ensure continued financial support for reconstruction and provide regular progress updates. The US\$640 was to be spent on five sectors: the rehabilitation and social reintegration of ex-combatants, internally displaced persons (IDPs) and other war victims; food security; water and sanitation; shelter; and the reconstruction of basic government, health, educational and transport infrastructure. Delivery was organised through a labyrinth network of Sierra Leonean government ministries, commissions and committees, multilateral and bilateral funding, coordination and monitoring agencies, international and local NGOs.

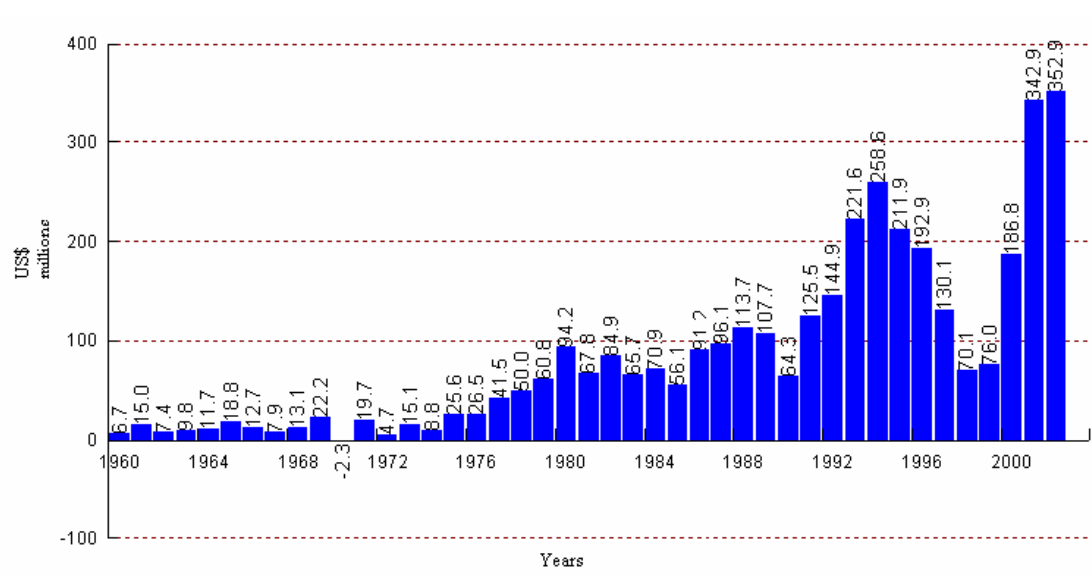
While the international community was actively engaged in ending the conflict and in funding UNAMSIL in the amount of millions of dollars per annum, Sierra Leone has historically received far less humanitarian and development assistance than Kosovo and East Timor, even though the destruction and atrocities committed in Sierra Leone match or surpass anything seen in these conflicts. Of over US\$64 million requested by UN agencies for humanitarian assistance for Sierra Leone in 2000, only 65% was funded through contributions, and a portion through carry-over funds for the previous year. The increased appeal (CAP) of US\$74 million in 2001 was also under-funded by 35%, or approximately US\$26 million.³⁶ Most donors channelled assistance to Sierra Leone through either the United Nations agencies or international NGOs, rather than through bilateral assistance given the weak state of the government.

In 2002 the Consultative Group (CG) for Sierra Leone pledged a total of US\$650 million to support Sierra Leone's post-conflict reconstruction. The government and its development partners agreed on a results framework for 2003-2004 to strengthen the country's security sector while ensuring adequate levels of humanitarian and development support in line with the goals of the National Recovery Strategy (NRS) and Poverty Reduction Strategy (PRS). They also agreed to assist Sierra Leone's efforts to expand its trading opportunities, to promote foreign direct investment and continue debt relief under the enhanced HIPC initiative. At the end of 2003, actual disbursement was however less than \$300 million.³⁷ Recent pledges for 2005-2007 amounted to some \$800 million, representing an increased disbursement from \$210 million per year in 2004 to an average estimated \$270 million per year over the next two years. The outcome indicated that the concern about declining funding had not been borne out. The expected increase did not include the expected gains from the HIPC completion point, or the gains from multilateral debt relief.

Figure 1 displays the annual amounts of foreign aid Sierra Leone received from 1960 to 2002. Interestingly, Sierra Leone produced an *outflow* of US\$2.3 million in various forms of assistance funds in 1970. As Siaka Stevens consolidated his power base, foreign aid receipts began to grow. Under the kleptocratic and mostly incompetent regimes of Stevens and Momoh, substantial foreign aid inflows became a regular occurrence in the 1970s and 1980s. By 1991, hundreds of millions of dollars in foreign aid was entering the country each year. The ebb and flow of the conflict is reflected in the table below. At the beginning of the civil conflict in 1991, the country was flooded with aid. Later in 1997, after the signing of the Lomé Peace Agreement and the elections, signs of donor fatigue emerged with aid declining to US\$130 million, only to peak again in 2001 during the DDR process. From 1971 to 2002, Sierra Leone received a total of US\$3.48 billion in various forms of foreign aid.

It must be pointed out that in addition to ODA, financing the UN peacekeeping mission from 1999 to 2006 cost an estimated \$2.6 billion. The annual budget of about \$400 million for UNAMSIL was exceedingly high. This was especially so in 2001 and 2002, at \$617 and \$603 million respectively. At maximum deployment of 17,363 military personnel and non-military staff, most of the budget was used for financing administration of the world's largest UN mission and related costs. Downsizing of the mission gradually started in 2004 as government increasingly extended its authority over Sierra Leone, and fiscal allocation is lowest at the end of the mission in 2005/06, namely, US\$107.5 million.

Figure 1: Aid Flows 1960-2002 (US\$ million)



Source: UNU-WIDER, 2005.

Table 2 presents the ODA Sierra Leone received from external donors, both multilateral and bilateral donors, in the last three years, by sectors. For fiscal years 2003 to 2005, the macroeconomic and private sector received the largest allocation, accounting for over \$247 million. However, the bulk of this amount spent is for macroeconomic management through budgetary support and foreign exchange auction. 29% of the funding was spent on the social sector. This was mainly to rebuild the damaged health and educational infrastructure, address HIV/AIDS-related issues, and promote youth development and gender empowerment. Less than 2% was spent on production, even though Sierra Leone is a primary producing country, and about 11% on infrastructure.

Table 2: Aid Flows 2003-2005 (US\$ million)

Sector	External Assistance							
	2003		2004		2005		2003-2005	
	US\$	%	US\$	%	US\$	%	US\$	%
Social	65.7	25.5	68.8	28.2	101.4	33.3	235.9	29.3
Infrastructure	14.0	5.4	20.9	8.6	56.3	18.5	91.2	11.3
Governance & Security	21.6	8.4	24.2	9.9	36.7	12.1	82.5	10.2
Agriculture & Natural Resources	8.6	3.3	4.0	1.7	2.5	0.8	15.1	1.9
Macroeconomic & Private Sector	52.5	20.4	105.9	43.4	89.0	29.3	247.4	30.7
Humanitarian & Food Aid	95.2	36.9	20.2	8.3	18.3	6.0	133.7	16.6
Total	257.6	100.0	244.0	100.0	304.2	100.0	805.8	100.0

Source: DACO, 2003, 2004, 2005

2.1.2 Aid Dependency

Sierra Leone's excessive reliance on external aid has been consistent even after the end of the war in 2002. From table 3 below, for the periods under review, the share of ODA in the GDP declined slightly from 17.64% in 2003 to 16.31% the following year, only to leap to 24.98% in 2005.

Table 3: ODA as a percentage of GDP

Indicators	2003	2004	2005
Total GDP in Leones	3,415,884,000,000.00	4,035,098,000,000.00	3,518,200,000,000.00
Total GDP in US\$	1,460,690,858.40	1,496,292,917.72	1,217,530,332.71
Total ODA in US\$	257,617,819.64	244,027,607.08	304,163,149.90
Share of ODA in GDP (%)	17.64	16.31	24.98

Source: DACO, 2003, 2004, 2005

Available data outlined in section 2.1.1 would suggest that aid is pivotal in terms of the total central government budget. In fact, Sierra Leone is dependent on aid for its survival. What is most disturbing about Sierra Leone's dependency on aid is the country's proportion of GNI and imports of goods and services. This undue dependency raises serious questions for the country. Firstly, to what extent can the GoSL claim sovereignty given the fact that it has very limited control over the resources necessary to govern and cannot provide the basic necessities for its citizens? Secondly, to whom is the GoSL accountable? The electorate or its donors? More specifically, aid dependency of the Sierra Leone government could, if not already, result in the following:

- **The agenda for national development is determined by aid donors and not by internal stakeholders.** Highly paid consultants breeze in and after a cursory "study" decide what sectors, regions and target groups should receive assistance. The development process is determined top-down with insufficient input from national stakeholders, and as a result, complex relationships and issues can be glossed over. In such a scenario, programmes are often not sustainable because they fail to mobilise the key stakeholders.
- **Aid flows are usually tied to products and services of the donor government.** These are not necessarily the most competitive or most appropriate for Sierra Leone. It may be the best way of getting rid of surplus agricultural products or manufacturing/construction equipment in donor countries. In the long run however, they may impact on domestic or regional markets.
- **Aid may deter the development of human capital in Sierra Leone.** Private consultants and NGOs from donor countries are often used to plan and administer projects. National counterparts do not often have decision-making powers and end up not developing these skills. And during government bidding processes, the best company is not necessarily selected as a national counterpart. Rather, it may be the most connected institution that gets the job. Inadequate emphasis is placed on skills transfer from international consultants and NGOs to their Sierra Leonean counterparts.

- **Aid stifles local agriculture and industry** This has happened in two ways in Sierra Leone. Manufactured products are shipped to Sierra Leone, which has dislocated local production and/or regional trade. In addition, one of the conditions of aid flows is that Sierra Leone has been asked to liberalise its markets, since the 1980s. However, donor countries have maintained huge subsidies and other controls, most notably in their agricultural sectors and on manufactured products as well.
- **Inadequate long-term capital formation** As shown above, aid is very significant in the capital formation of Sierra Leone. However a closer look at the capital indicates that it is not often long-term and/or self-sustaining. Rehabilitating the country's Connaught General Hospital, for instance, is fundamental to the health sector but the maintenance issue is unresolved particularly since Sierra Leoneans have not yet developed a culture of maintenance.

2.2 Major Players

The key players in the reconstruction process in Sierra Leone are the international donor agencies who control reconstruction projects, the government, national and international non-governmental organisations (NGOs) and the private sector. Their activities are described in this section.

Sierra Leone's chief donors are the European Union (EU), the African Development Bank (ADB), the UK Department for International Development (DfID), the US Agency for International Development (USAID) and UN agencies. The World Bank (WB) is also a prominent player.

2.2.1 United Kingdom

Of the bilateral donors, DfID took the lead, due probably to Sierra Leone's history as a former British colony. The UK is Sierra Leone's largest bilateral development partner, currently spending £40 million a year in the country.

DfID's development goals are set down in a ten-year Memorandum of Understanding with the government, identifying the following priorities: corruption, reform of central and local government, public expenditure management, media reforms, effective regulation of the diamond industry, security sector reform, sound macroeconomic management and the development of a poverty reduction strategy. New elements of the programme are to support decentralisation and to support private sector development by removing the obstacles to foreign direct investment and helping to improve the enabling environment for private sector growth.

More than one-third of the UK's assistance goes directly to the government's budget in the form of direct budget support. The levels of budget support are assessed against progress against the UK/Government of Sierra Leone benchmarks, which are updated annually in March 2004 to identify potential investments.³⁸

The DfID Sierra Leone post-conflict reconstruction programme is focused on security and justice sector reform, re-building the civil service, putting in place sound public financial management systems and tackling corruption through support to the Anti-Corruption Commission (ACC).

2.2.2 European Community

EC support under the 2003-2007 Country Support Strategy is focused on Infrastructure and Good Governance and, to some extent, the social sector through the Rehabilitation and Resettlement programme.³⁹

Rehabilitation of Priority Infrastructure

In the Infrastructure sector, support has been directed to the roads sub-sector. Key roads projects addressed include the rehabilitation of the Freetown–Conakry highway and the Pamelap–Kamakwie road. The objective pursued in this sector is improved access to markets and social services, particularly in the north and east of the country. Achievement of this objective will contribute to the re-launching of Sierra Leone’s economy and to the re-establishment of basic social services. It will also enhance income and living standards in the poorest communities. Three major results are expected from the programme:

- Rehabilitation and maintenance of a selected road network
- Improved access to rural areas and markets;
- Rehabilitation of priority rural health and education infrastructure.

An indicative amount of €70.0 million has been reserved for this sector.

Good Governance and Institutional Support

The second priority sector is designed to support the efforts of the GoSL to consolidate a decentralised democratic system characterised by an effective social service delivery throughout the country and participatory, transparent and accountable governance with a strong civil society watchdog function. It will thus contribute to the creation of an institutional framework that enables sustainable economic and social development.

Improved governance and financial management in priority areas is the specific objective pursued by EC support in this sector, for which an indicative amount of €19.0 million has been reserved.

Macroeconomic Support

The EC is prepared to support the efforts of the government to rebuild the economy of the country and to improve social service delivery. As a result, special attention will be given to the objective of poverty reduction, particularly with a view to ensuring equitable access to social services. Macroeconomic support shall be delivered under a three-year programme. An indicative amount of €50.0 million has been reserved for this type of support.

Non focal Sectors

An indicative amount of €5.0 million has been allocated to activities and projects in non-focal sectors and can be mobilised for the following purposes:

- Evaluation and audit of programme implementation within the focal sectors and unforeseen studies in non-focal sectors;
- Strengthening the capacities of the civil society including women groups;
- Contributions to regional projects and programmes;
- Assistance to the negotiation of Regional Economic Partnership Agreements;
- A reserve for insurance against possible claims and to cover cost increases and contingencies.
- Evaluation of the fisheries resources and, in particular, of the fishing possibilities which could be offered to the EC in the framework of a SL/EC Fisheries Agreement, and assistance to the negotiation of such an Agreement.

2.2.3 The World Bank

Since the end of the war, the World Bank has been identified as one of the largest donors to Sierra Leone. The World Bank established a US\$34 million multi-donor trust fund to provide grant support to the DDR programme, ensuring overall programme coherence through a single financing umbrella for the majority of donor resources and lessening the administrative burden on the Government of Sierra Leone. World Bank activities in Sierra Leone have focused on sector programs and projects in the agriculture, education, infrastructure, and health sectors. The Bank has also worked closely with the IMF in its consultations with the government on economic reform. As of February 2005 the World Bank had approved a total of five International Bank for Reconstruction and Development (IBRD) loans and 41 IDA credits and grants for Sierra Leone for a total amount of approximately US\$721.2 million. The commitment value of seven ongoing World Bank operations is approximately US\$150.1 million in the following areas: agriculture, fishing, and forestry; education; energy and mining; finance; health and other social services; industry and trade; information and communications; law and justice and public administration; transportation; water, sanitation and flood. The World Bank's Sierra Leone portfolio totalled US\$190.5 million in March 2002, much of this taken up by energy, infrastructure and economic reform projects. The World Bank also chairs an in-country Donors Group that sits on the National Recovery Committee (NRC), set up by the Sierra Leone government in July 2001 to coordinate reconstruction assistance and the re-establishment of state authority in the provinces.

A recently approved Institutional Reform Capacity Building (IRCB) Project is aimed at supporting the newly elected local councils and public financial management system.

Six reconstruction US projects are financed with about \$150 million, as follows:

1. Emergency Recovery Support Funds (ERSF) started in 1997 and ended in 2003. It received about \$25 million, an estimated \$ 41 million of multi-donor funding.
2. The National Social Action Project (NSAP), a three-year rolling project implemented by NaCSA, started in 2003, with about \$35 million paid in instalments.

3. Rehabilitation of Basic Education Project (SABABU) started in 2003 to be completed in 2008 with a \$20 million funding.
4. Health Sector Support Project (HSSP)
5. Bumbuna Hydro Electric Project
6. Institutional Reform Capacity Building (ICRB) with the Decentralisation Secretariat as implementing partner (\$25 million)⁴⁰

Complementing IDA's support to Sierra Leone is the assistance from other World Bank Group institutions: the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the World Bank Institute (WBI). The IFC has recommended investment and technical assistance to Sierra Leone since the peace settlement and recent improvements in the business climate. IFC provided a US\$4 million loan to Celtel Sierra Leone, a mobile telecommunications operator, to assist in the construction, expansion, and operation of the GSM network.

Although the majority of the World Bank's assistance is loans, assistance to Sierra Leone in 2004 has mainly been in the form of grants. These include the SABABU project, HSRDP, IRCB and Infrastructure Development.

2.2.4 United States

Through USAID, the US government has contributed significantly to the peace process in Sierra Leone. USAID has focused on a narrower set of issues, maintaining a smaller presence than DfID, for example. USAID's Transition Strategy, which currently covers the periods of 2001 through 2006, includes two mutually-supporting Special Objectives.

Under the 'Reintegration Objective,' USAID provided social, economic and physical support to further solidify the reintegration process. Efforts are shifting from relief activities such as basic infrastructure rehabilitation and feeding programmes to programmes which boost agricultural production and increase employment skills and opportunities such as agricultural extension, marketing, and entrepreneurial training. USAID also continues its 'Democracy Special Objective', aimed at broadening participation of local communities and interest groups in key national and local issues such as the utilization of Sierra Leone's diamond resources, the provision of social services, and putting an end to corruption. During 2005, USAID scaled efforts to focus on youth and gender issues designed to reduce violence, promote community healing, and safeguard human rights. The programme also increases emphasis on training politicians at the local and national levels in constituency relations, improved governance, and anticorruption. Advocacy training for civil society organizations will also receive increased emphasis.⁴¹

2.3 Donors Policies

There has been a considerable shift in donors' policies towards Sierra Leone since 2002. The focus is now on assisting Sierra Leone's transition from a nation focused primarily on post-conflict emergency needs to a nation poised for long-run growth.

Each of the major donors has bilateral arrangements with the government, which serve as the framework for assistance. The ADB and the World Bank have the usual Country Strategy Paper (CSP) and Country Assistance Strategy Paper (CAS). The EU has the Country Strategy Paper and National Indicative Programme, while DFID, along with the government, signed the Poverty Reduction Framework Arrangement for 2002-2012. Similarly, USAID has a Transitional Strategy through 2006 focusing on the reintegration of combatants and democratisation. All these partnership arrangements are drawn within the framework of Sierra Leone's interim and full PRSP.

The reality of aid disbursement is a far cry from the theoretical principles outlined in the preceding section. The procurement system in Sierra Leone has unclear rules and weak enforcement, enabling inefficient use of public funds and contributing to a lack of transparency and accountability. As a result of dissatisfaction with the operations of the Central Tender Board (CTB), the Cabinet dissolved the CTB on April 22 2003 and appointed a Steering Committee. Established guidelines and procedures used by the original CTB were retained. These include limited tender, open tender and sole source procurement methods. Some contracts are split and awarded to two or more companies, while in some cases contracts are awarded by extending contracts that had been awarded by CTB in 2002. In sum, the most qualified company or cheapest bidder should be awarded the contract, which is not necessarily always the case (see section 2.8). In some cases, company plants and machinery are inspected and staff capacity is also taken into account. For contracts awarded directly by donor governments, contractors are primarily accountable to the donor. Short-listing, awarding of contracts and evaluation are all conducted by the donor or his representative. This provides a window of opportunity for incidences of corruption to occur and similar patronage systems symptomatic of Sierra Leone to be established.

Bilateral ODA implemented by USAID is tied by law to the procurement of goods and services from the US, but this restriction may be relaxed for reasons of availability, emergency or efficiency on a case-by-case basis. A waiver on the law has applied since January 2002 that enables the US to implement the 2001 DAC Recommendation on Untying Official Development Assistance to the Least-Developed Countries. Food aid and free-standing technical co-operation, major components of the United States programme, are by mutual agreement of the DAC excluded from the recommendation's coverage and so implementation is not expected to have a substantial impact on reducing the US' overall level of tied aid.

The major winners in the aid lottery, it would appear, are companies, which are deemed to be important to donors irrespective of their actual income status or needs. Being within or close to Europe, or in the American sphere of influence, pushes a company up the contracting league. Aid disbursement in the current scenario is not always based on the progressive principle of help for the poorest. It is not what you need but who needs you that count

Table 4 present the top donors of ODA to Sierra Leone from 2003-5 by sector, whilst Table 5 gives a breakdown of aid disbursement and type.

Table 4: Top donors 2003-2005 (US\$ million)

Donor	2003	2004	2005
DFID	55,671,724.80	14,898,286.00	40,844,350.91
EU	42,522,613.80	54,915,614.03	86,598,428.15
US	40,500,000.00		18,818,410.73
WB	32,744,820.70	21,557,408.18	42,656,185.68
UNICEF	10,000,000.00	9,857,932.81	15,274,976.49
IMF	1,9542,600.00	42,000,000.00	20,440,000.00
UNHCR		22,422,212.00	13,731,295.00
AfDB		29,261,141.52	20,027,384.76

Source: DACO, All Years

Table 5. Bilateral Disbursement 2003 Multilateral Disbursement

Country	US\$	%	Type	Donor	US\$	%	Type
USA	103,500,000.00	47.35 %	Grant	EU	43,125,485.00	37.29%	Grant
UK	55,671,724.80	25.47 %	Grant	WB	32,744,820.68	28.32%	80.65% Loan
Germany	30,369,300.00	13.89 %	Grant	IMF	19,542,600.00	16.90%	100% Loan
Japan	9,885,000.00	4.52%	Grant	IDB	7,881,060.78	6.82%	100% Loan
Rep Ireland	6,388,456.10	2.92%	Grant	ADB	7,119,607.34	6.16%	84.39% Loan
Norway	3,630,000.00	1.66%	Grant	Kuwait Fund	3,219,908	2.78%	100% Loan
Sweden	1,816,082.00	0.83%	Grant	BADEA	2,006,091.31	1.73%	100% Loan
Netherlands	1,703,000.00	0.78%	Grant	Total	115,639,573.91	100%	
Canada	805,528.00	0.37%	Grant				
Denmark	768,049.00	0.35%	Grant				
Saudi Arabia	197,211.00	0.09%	Grant				
Total	218,606,125.90		100 %				

Source: DACO, 2003

2.4 Donor coordination

At the November 2002 CG meeting held for Sierra Leone in Paris, France expressed its strong concerns about effective aid coordination and management. It was consequently agreed that a two-tier structure for aid coordination be created, the Sierra Leone Development Partnership Committee (DEPAC), which is the policy organ chaired by the Vice President and comprise, cabinet ministers, donors, non-governmental organisations (NGOs) and civil society, and the Development Assistance Coordination Office (DACO), the technical structure supporting DEPAC. DACO is placed in the Office of the Vice President. The Secretariat, funded by

UNDP, has established a development assistance database to keep track of all external assistance.

There are also sector-working groups to coordinate assistance at the sectoral level. External partners are moving towards aligning and focusing their assistance with the full PRSP.

2.4.1 Reality of aid and co-ordination

The influx of aid to Sierra Leone raises questions about the extent to which the state is provided with the sufficient space to articulate its own development strategies and political development models, and the effectiveness of donor aid. True, the country is struggling to recover from a decade-long war, but each country needs to make its own choices and craft its own democratic institutions according to its particular cultural, political and historical circumstances. International cooperation would then be based on legitimate development strategies articulated by the recipient country with the broad participation of civil society.

Donors do not generally endeavour to integrate a long-term perspective into their aid policies. They are increasingly under pressure to show immediate and tangible results, a pressure that tends to inhibit the adoption of long-term strategies. With this knowledge, the GoSL has failed to seize a window of opportunity to move Sierra Leone forward.

The tension between local and international NGOs also needs to be addressed. International agencies prefer to fund international NGOs to perform various activities, mostly under sub-contracts or partnerships with local NGOs. To start with, local implementing agencies do not make any input in the choice and selection of certain foreign consultants as it is always regarded as a donor-reserved issue. Linked to this is the huge cost involved in the hiring of these consultants, which is always factored into the actual cost of projects. Also, the fact that these consultants are paid ten or twenty times more than their local counterparts sometimes tends to stifle local initiatives and dampens the motivation of local staff. Room should be provided for local staff to involve themselves in automating procurement and tender bids as well.

Recently, the challenge of tracking donor assistance is being overcome by the upgrading of the donor assistance database (DAD) and its relocation in the DACO. DACO is a more efficient and effective mechanism that helps government co-ordinate development assistance, yet the office faces several challenges:

- Although the MoDEP is mandated to co-ordinate foreign aid, other line-ministries and donors tend to by-pass MoDEP. Line-ministries either submit proposals directly to donors or donors dictate the type of request they would support, disregarding national priorities. The process is very much donor controlled. Donors determine reconstruction projects they deem necessary, and sites and scope of reconstruction, and the government is not provided with sufficient space to articulate its own strategies and political development models. As one official put it, “they (donors) ask you to take the driver’s seat, but they retain control of the steering wheel”.⁴²

- The absence of a clear national policy on aid co-ordination has created a loophole for most donors to implement programmes within their institutional framework. As a result, parallel institutions are set up that perform the functions of line-ministries, which in turn leads to dissent and a lack of co-operation amongst government officials
- The absence of common disbursement procedures renders it difficult to follow up aid inflows. Each donor has its own procedure, for example, the International Financial Institutions (IFIs) disburse funds through requisition made by the Programme Implementation Unit (PIU) to the MoF. In the case of bilateral grants, disbursement is made directly to the PIU of the concerned Ministry. In most Technical Assistance cases (TAs), the PIU does not even know the exact amount of money disbursed as the funding agency deals directly with the TA contracted. This makes it difficult to track inflow of funds and also creates an enabling environment for corruption and malpractice.
- Most important, the government lacks information on the exact amount of external resource inflows, given the multiple channels through which these resources flow as well as the diverse sectors and funding agencies concerned. In addition, some donor organisations allegedly have difficulties in keeping track of their own operations, neglecting to document actual as opposed to budgeted expenditures including consultants' salaries. Consequently, donors will/can not provide timely information on aid inflows, which also hinders the government from effectively predicting inflows for the next budgetary cycle.⁴³

Out of the funds outlined above, it is difficult to determine how much is actually spent on programme implementation. Since resources are now placed in the hands of donors, their representatives have become patrons while their local development partners are their clients. This has resulted in a growing informalisation of the relationships between the former and the latter. These relationships are often given primacy at the expense of accountability, occurring in two ways: firstly, international staff working in post-conflict societies often cherry-pick certain communities and organisations for funding while other well meaning organisations and sectors are left out, thereby undermining accountability and breeding corruption. Secondly, foreign consultants are over-utilised in a non-transparent manner.

It is also difficult to determine capital flight. In fact, one official claimed that there were no cases of "wilful capital flight", but rather cases of "natural capital flight". He was alluding to the fact that because Sierra Leone virtually collapsed during the conflict, people were forced to take their money with them out of the country for safekeeping.⁴⁴ On the contrary, a World Bank official claims that because most financial transactions are not conducted through the formal banking system, it is easy for capital flight to take place. He cites the example of how, during the AFRC rule, international organisations such as MSF (France and Belgium) and the IRCR channelled their money through Haj Fawaz, a Lebanese businessman's, account in Canada. He paid the money in-country.⁴⁵

2.5 Government

The state is often in a position of weakness following the cessation of hostilities. Indeed, as Bornstein and Munro (2003: 221) assert, “a central difficulty of war-torn societies is that the state is both an agent and an object of reconstruction.” It follows that during post-conflict reconstruction, one of the main goals is to strengthen the political authority of the state. In other words, there is a concerted effort to boost state sovereignty. This is particularly important after a civil war, wherein the legitimacy of the incumbent government may be either questionable or fragile, as has been demonstrated in above. The current capacity of government ministries and institutions to deliver essential public services at all levels has therefore been severely reduced, resulting in remarkable overcrowding in existing institutions such as health and education, and in substantial delays in the delivery of justice and other governance related functions of the public sector. Shortages of resources, equipment and working tools have further compounded the problem. The status of the public sector at the moment is that it is understaffed with qualified personnel. Owing to the large budgetary requirements occasioned by the huge economic, political, and social reconstruction activities, the GoSL has not been able to rehabilitate most of the destroyed institutional and human resources capacity in the public services. Donor support is clearly required to address this issue. In addition, many sector ministries have yet to master the organisation challenges of planning, budgeting, implementing and monitoring poverty reduction programmes.

2.6 NGOs

Civil society in Sierra Leone can be described as consisting of a range of organisations, which when organised along a spectrum consist of community-based organisations (CBOs) at one end of the spectrum and international non-governmental organisations (INGOs) at the other end. There are several other elements that fall between these two ends such as mass organisations, and domestic NGOs. This section looks at two main groupings in Sierra Leone and their roles in the reconstruction process.

2.6.1 International NGOs

In the last couple of decades the delivery of aid has changed considerably. Whereas, initially, most aid was provided and managed by donor countries, there has been an increasing tendency for aid to be provided and managed by multilateral organisations and NGOs. INGOs dominate the top end of the civil society spectrum in Sierra Leone. In the latter stages of the war and its aftermath, most of the large international NGOs were there, delivering food, running camps for refugees, and trying to keep alive whatever development programming was possible. These included CARE, Catholic Relief Services (CRS), World Vision International, and the International Committee of the Red Cross (ICRC). The big influx of Liberian refugees and internally displaced Sierra Leoneans in the 1990s has resulted in the proliferation of both national and international NGOs undertaking Relief and Development activities with mixed results. At the same time, ineffective coordination, monitoring and evaluation mechanisms on the side of government made it difficult to assess the impact of the

variety of interventions, to avoid costly duplication of efforts and derive maximum benefits for the country and people.

Initially, local organisations played a very small part in INGO efforts. INGOs behaved as if there was virtually no local capacity. There were tales of theft and corruption by local organisations, and because the needs of the population were great and urgent, there was no time to rectify the situation. Thus, the international NGOs continued doing what they had always done, ministering directly to those in need. Yet, the January 1999 crisis saw a mass exodus of foreign staff from these INGOs, which led to the suspension or scaling down of their programmes. In their absence, national NGOs continued with their programmes despite financial and other constraints. Nonetheless, this did not guarantee them increased funding from external donors. With the return of INGOs to Sierra Leone in 2000, it was business as usual. More recently there has been a trend amongst some of the more progressive INGOs like CRS and ICRC to operate through domestic NGOs. By the end of the conflict, there were over 300 registered NGOs in Sierra Leone, both local and international.

Illustrating considerable confusion initially, and a token commitment to local capacity building by externally-driven relief programmes, aid delivery in Sierra Leone clearly shows that at times the concept of strengthening local organisations is barely visible, for fear of making INGOs redundant. Even when intentions are good, outsiders have difficulty working effectively with local organisations. The relationship is more often one of patronage than partnership. Moreover, INGOs have preferential access to international funding, are better equipped, have adequate staffing levels, command higher salaries and, most importantly, can talk to donors directly. It is important to note that Sierra Leoneans hired in-country and working for INGOS receive less salaries than their foreign counterparts, even though they might be carrying out the same tasks.

2.5.2 Domestic NGOs

Contemporary civil society in Sierra Leone consists of a large body of associations and civil institutions, most of which are modern, even though they take on traditional forms. They are mainly urban-based and include labour unions, Christian and Islamic religious associations, ethnic associations, women's organisations, professional bodies, employers' and occupational bodies, student and youth groups, cooperatives or self-help associations, and a new range of non-governmental organizations (NGOs) focusing on distinct issues and with a range of foci, expertise and approaches to achieving their goals. It is the latter, with their new styles, global linkages, and heavily publicized advocacy that has prompted the much-trumpeted "rediscovery" or "emergence" of civil society in Africa.

Civil society in Sierra Leone is a complicated terrain of networks, coalitions and political alignments. Varying orientations and interests compete for popular attention, loyalty and sources of funding. Furthermore, civil society organisations (CSOs) in Sierra Leone are by no means homogeneous entities. Within and between them, differentiation occurs along hierarchical and unequal lines of class, gender and ethnicity. Perhaps the most obvious defining characteristics are those of poverty and class. At the bottom end of the spectrum are the above-mentioned CSOs or Grassroots Organisations such as the Market Women Association, and the Farmers' Association.

They are often distinct in form, organisation, and composition from those of the middle and upper class NGO organisations such as the Bar Association and the Bankers Association. The concept of civil society in Sierra Leone is therefore best understood as consisting of both modern and traditional, thus resisting tendencies to privilege only one (external, policy-focused) definition of the term.

Key local NGOs in Sierra Leone include Campaign for Good Governance (CGG-good governance), Network Movement for Justice and Development (NMJD-Development and Governance), FORUT (development), MARWOPNET (gender, peace and security), and they have a reputation for pressing the government for positive change. These organisations seek funding from similar sources: external donors and INGOs, which sometimes gives rise to intense competition amongst them. In fact, we can safely claim that the activities of most national NGOs are donor driven in order to be able to survive. Staff salaries are notoriously low (monthly average of £60), in comparison to their foreign counterparts (depending on level about £1,800 and above) but high for local standards (£20). Consequently, most graduates actively seek employment with NGOs.

2.6 Domestic Reconstruction Companies

The private sector in Sierra Leone is mainly composed of small scale industries and informal sector activities. However, the formal ones are very limited both in terms of numbers and contribution to GDP. As in other post-conflict countries, the business environment, as well as physical and financial infrastructure, is still too weak to allow proper development of the private sector. Detailed analyses of the challenges they face have already been dealt with in several sections.

Domestic companies like NIMO Construction Company, SKY Construction and IDEAS have been engaged in medium and small-scale construction work since the late 1990s. NIMO, for example, won a US\$609,000 DfID contract through open tender to rehabilitate the Law Court Building. SKY's portfolio includes construction of the Bo-Yelleh/Blama-Koribond roads, a project that totalled over Le2 billion. IDEAS Partnership Limited is a joint venture between a Sierra Leonean and a Nigerian, but is registered as a domestic company. Major projects include construction of the maritime administration headquarter, funded by the World Bank to an estimated sum of Le 12 billion.

2.7 Foreign Contractors

Post-conflict reconstruction opportunities in Sierra Leone are attractive to foreign companies. First, the amount of aid available is substantial and provides a wide profit margin. Second, these companies are financed either by bilateral aid or by multilateral institutions, and this means that there is very little risk of not being paid. A third factor which makes post-conflict construction interesting to international companies is a variation of the principle of 'first-mover advantage'. Companies hope that if they go in early they will be able to build up local experience and connections, and that this will make it easier to gain repeat business as the country becomes more stable.

In the immediate post-conflict phase in Sierra Leone, major reconstruction projects were primarily driven by international companies who competed for aid-sponsored reconstruction contracts, rebuilding roads and reconnecting essential power and water supplies. Many construction and engineering companies moved on once their immediate projects were completed; others stayed on as operators. Major projects consist of consortia where the partners are chosen for their different sources of expertise, sources of finance, and, often enough, political connections. The main contractors work with a wide variety of designers and other specialists, and they typically employ dozens of local firms as sub-contractors.

One company that has stayed is the Italian-based Salini Construction Company, (SALCOST). They won the Italian government bid to construct the Bumbuna Hydro Electric Project in Sierra Leone, but other companies involved are the Swedish-based ABB, sub-contracted to develop the transmission line, as well as some German and English companies. Bumbuna is the longest-running construction project in the history of Sierra Leone. It started in 1975 and is still ongoing. In 2003, the Italian Government increased its commitment from \$13 to \$22 million, 90% of the funding needed, for the completion of the Bumbuna Hydroelectric Project. The remaining 10% comes from the Saudi fund, amounting to about US\$10 million. Financial support from the GoSL is virtually nil.

The Italian Government, a major funder, has not imposed any procurement regulations. Materials could be obtained anywhere, but since most of the equipment and materials needed for the hydro are highly sophisticated, they can only be obtained from a very limited number of companies outside of Sierra Leone. Staff at SALCOST comprise around 40 'old' expert expatriates and 500 Sierra Leoneans. 11 nationals have been trained by the expatriates and ABB intends to train some nationals as Electro Mechanics in order to be able to run the hydro in their absence. Their salary scales were not disclosed as the interviewee stated that the question was not appropriate or decent. He could only reiterate that national staff are paid a decent salary.

2.8 Local ownership

Local ownership of the reconstruction process in Sierra Leone is scant. The reasons and impacts are diverse. Firstly, in the aftermath of the conflict, social capital was depleted either from deaths or flights out of the country. Most professionals who had fled the country - mostly to the UK and US and even to Gambia - refused to return at the end of the war. They cited fear of a recurrence of hostilities, children having settled in where they lived and a general better standard of life in their adopted countries. Also, local capacities were very weak on both the government and private sector sides. The former was short of fiscal, administrative and governance capacity, while the latter was simply struggling to cope with the attendant challenges of most post-conflict environments (hunger, sporadic violence, trauma, deaths etc). There was a limited pool for a local skilled workforce, so expatriates were recruited at significantly higher costs to restart essential government functions and begin a sound social cycle. These efforts may have reduced the risk of mismanagement and corruption. However, what has happened is that instead of external technical assistance being used judiciously and limited in time, it has become a standard

operating procedure in the reconstruction process to use foreign private companies. This has resulted in capital goods for reconstruction being procured overseas, some of which, arguably, are technically sophisticated and can only be procured abroad, as well as huge imports of consumption food and non-food items. In addition, several aid agencies like the USAID stipulate where capital goods should or should not be purchased and the EC stipulates that most materials should be procured in Europe, thereby increasing capital flight of necessary foreign exchange.⁴⁶

Secondly, the bidding process for government and foreign contracts is described as 'fair and open' to all contractors, both foreign and local. Local contractors disagree and complain of interference on several fronts: the EC, for example, channels funds for reconstruction through international construction companies who fulfil the requirements set by the Commission; contracts are awarded by an open bidding process though priority is given to companies from the EU and African-Caribbean-Pacific (ACP) countries whose capacities are stronger than domestic ones; local construction companies are limited in the amount they can bid for. On the side of the Sierra Leone government, local contractors admitted that some government contracts are awarded through political and other patronages. In fact, one local contractor commented that some government contracts are awarded based on kick-backs (percentages are demanded) from the bidding companies. Such companies therefore try to augment their depleted profit margin by using cheap and poor quality materials which do not stand the test of time. Furthermore, there is a marked lack of supervision of the whole process on the side of government and there are huge delays in payment of funds, which, in turn, delay project commencement and completion. The IDB sponsored education project is one such example, where the late start was due to the late release of funds by the government, as well as the reconstruction of the Kabala Government Hospital.⁴⁷ In the case of the latter, the Ministry of Finance (MoF) delayed releasing funds to the constructing company, even though the World Bank had transferred the funds to the MoF on time.

Third, constant use of foreign contractors has inhibited the contracting capacities of local companies, rendering them incapable of competing with their foreign counterparts for big contracts. Worse, according to a local contractor, salaries of expatriates are notoriously "ten or fifteen times" higher than those of their local counterparts and these go directly into overseas accounts in the UK, US or Europe. Some also tap into an array of allowances and benefits that are equally high. He noted that this practice "kills local initiatives especially in cases where we have similar qualifications or are even better qualified than they are".⁴⁸ Salaries for local staff range between Le600,000 (£120) and Le1, 500,000 (£300) and local companies spend about 35 - 40% on maintenance, including staff salaries and the rest is spent on project implementation. The objective should be to use local content and sourcing as much as possible because it builds capacity in terms of human capital, the infrastructure and the private sector. Aid programmes where the majority of the project is managed by foreign staff and companies and where all materials are sourced outside the country or region fail in the sustainability criterion.

3. Corruption in the Reconstruction Process

Recent corruption research reveals some high cases of corruption within the reconstruction process regarding projects for reconstruction.

Institutional weakness is one of the prevailing causes of corruption in Sierra Leone, which to a greater extent is the result of a lack of internal oversight, poor remuneration, and deplorable working conditions. This, however, undermines the capacity of public institutions to function effectively and transparently, which is evident in how government projects are executed and the false nature of procurement and tender procedures as has already been delved into. This has therefore culminated in the collapse of the public service as a pivotal sector, and consequently lack of performance and accountability.

One such case was linked to the National Electoral Commission for funds allocated to conduct the 2002 post-conflict elections in Sierra Leone. The Anti Corruption Commission (ACC) is yet to investigate senior officials including the Chief Electoral Commissioner, the Secretary and other Commissioners who are believed to have diverted part of the funds for conducting the elections into their individual international bank accounts. This however impeded further donor support for the conduction of the Local Government Elections in April 2004. In the end, the International Fund for Electoral Services (IFES) was contracted to manage the funds for the organization of the local elections.⁴⁹

Another corruption case that has also gained widespread publicity concerns the contract awarded to the MIK Trading Company by the Ministry of Education for the provision of educational materials to newly constructed and rehabilitated schools. It was alleged that most of the materials supplied were far below the standards demanded, with the presumption that some of the funds were diverted for personal benefit. While this issue is still awaiting an audit report into the contract, the contractor has been asked by the Ministry to supply the materials at his own cost.⁵⁰

Corruption in the diamond-mining industry is a national problem. According to a British government report, halting illicit diamond mining, and especially the involvement of politicians in this activity, is a precondition to the revival of government finances, which would reverse institutional decay in official agencies. At the same time, it was widely recognized that revenues from diamond mining supported armed groups inside Sierra Leone and in the West Africa region during Sierra Leone's war. UN Security Council Resolution 1306 of September 2000 required Sierra Leone's government to stop exporting diamonds until government forces controlled the mining areas and instituted a certification scheme to guarantee the legality of exported stones. Non-state armed groups remained active in the mining areas and were suspected of illicit activities. Despite formal UN prohibition of diamond exports, UN officials and donors welcomed the modest success of the Sierra Leone government in certifying \$41 million in legal diamond exports in 2002. But many stones continued to leave the country through illicit channels, and the UN prohibition was lifted only in June 2003.

3.1 Anti-Corruption Efforts

The government has undertaken a range of different donor-sponsored initiatives to combat corruption. The Governance Reform Secretariat has introduced a code of ethics for the private sector which spells out the expectations and repercussions for non compliance. It has also initiated work for the construction of a decentralised framework of government and has instituted performance appraisal systems. The Public Expenditure Tracking Survey (PETS) has exposed overall discrepancies between money allocated to line ministries and money received at grass root levels but is yet to pose as a realistic deterrent to systematic corruption. Such controls are also being introduced to the finance ministry, especially in the budget process. These controls are already being flouted by ministries in the face of both anti-corruption agencies and public sector reform mechanisms. The judiciary, the public accounts and public expenditure committees, and other integrity pillars have all received training, rehabilitation or resources from donor agencies, but still lack the required impetus to make any real impact.

In an address to parliament President Kabbah acknowledged: “While our efforts at reorganising the industry have yielded some results, by and large, the age-old problems of smuggling, exploitation, cheating and chaos in the diamond mining areas have not been brought under full control.” Formal regulations, including restrictions on foreigners entering mining areas, and enforcement of anti-smuggling measures remain weakly implemented. Because government officials have been involved in illicit diamond mining, often in collusion with customs and police officials charged with enforcing regulations, investigations of corruption, much less its prosecution, remain bound up in problems of institutional capacity and conflicts of interest among officials. Investigations also confront risks and challenges from armed groups that benefit from illicit mining, local popular suspicion of central authorities, and continuing regional instability.

The above initiatives have been largely donor-driven and focus heavily on restricting discretionary and monopolistic power through administrative and market orientated reform. They are in their early stages and are yet to have any real impact other than to highlight the fact that corruption is taking place without attributing blame or responsibility. Stiff resistance has also been encountered within the relevant ministries, departments and institutions from vested interests, who invariably perceive the introduction of greater transparency and accountability as an erosion of their power.

In line with the precepts of liberal peace, the government agreed to implement a National Anti-corruption Strategy. An Anti-Corruption Commission (ACC) was established with funding from the United Kingdom’s Department for International Development (DfID) to investigate and discourage administrative abuses and other forms of corruption. The ACC can arrest suspects but lacks the mandate to prosecute. Instead, suspects are handed over to the Attorney-General, who is also the Minister of Justice, who then determines which cases will proceed. This intentional infrastructural flaw has meant that cases put forward by the ACC against individuals with political connections have been interfered with through the political link of the Attorney

General time and again.⁵¹ Also, in 2002, at least 35 cases brought before the Attorney General by the ACC have essentially been ignored. Indeed, the ACC has been labelled by critics as a tool to deter and punish political opponents, “a key instrument of Presidential authority rather than an impartial body.”⁵² Moreover, the government has consented in principle to an anti-corruption strategy in order to satisfy requirements for donor funds without implementing such action in practice. These institutions have been crippled by a lack of political will, resulting in constraining clauses in empowering legislation, unresponsiveness to recommendations and findings, and political interference.

In contrast to such donor-based initiatives the President has shown a skeletal commitment to exercise his own power in the fight against corruption. Corrupt officials at the ports are unlikely to incur charges when the President is contrasting his words of condemnation with actions of condonement. Several examples illustrate this:

In 2005, Kanji Daramy was promoted to Presidential Spokesman after he was found culpable for the disappearance of Le159 million at Sierra Leone Postal Services (SALPOST) under the Fergusson Nicol enquiry.

On 6 November 2001, President Kabbah indefinitely suspended Sierra Leone’s Transport and Communication Minister, Momoh Pujeh, for illicit diamond mining and alleged diamond smuggling. The ACC has been authorised to investigate him and to send him to trial if necessary.

On 8 and 10 October 2001, independent Freetown tabloids *Democrat* and *For di People*, which is edited by Paul Kamara, a vocal critic of government’s policies, accused the then Justice Minister, Solomon Berewa (presently Vice President), of accepting bribes in exchange for arranging the release of an Israeli and a Russian held in Sierra Leone, pending extradition to Colombia on drug charges. Though Berewa has sued the papers for libel, the papers have stuck by their claims, and have reported the legal proceedings in detail.

On 16 March, a week after Will’s conviction, a court convicted Soluku Bockarie, Permanent Secretary at the Ministry of Education, for misappropriating roughly US\$1 billion from funds meant to pay the salaries of Sierra Leone’s 26,000 teachers. Over the course of the trial, Bockarie also implicated his boss, Education Minister Dr. Alpha Wurie, but the court threw the testimony out, claiming Bockarie was a doomed man desperate to drag everyone down with him.

On 9 March 2001, Agriculture Minister Dr. Harry Will was convicted of embezzling US\$1.5m from World Bank development funds meant to buy rice seed from Ghana for struggling Sierra Leonean farmers. Justice Mohamed Taju Deen, who fined Will a mere Le 500,000 (US\$180), was in turn convicted of having accepted bribes in exchange for the light sentence.

On 9 June 2000, Marine Resources Minister Lawrence Kamara was accused of embezzling US\$45,000 in government funds. Though he was forced to resign and to write the government a check for the missing US\$45,000, he has not yet been charged.

And though President Tejan Kabbah has not yet been directly accused of corruption, he has been slow to order investigations of his political protégés, as in the case of Education Minister, Alpha Wurie and former Justice Minister (current Vice President), Solomon Berewa.

Conclusion

The case of Sierra Leone underlines the problematic dynamics of accountability in post-conflict reconstruction processes. To a large extent, it reinforces the thesis that post-conflict situations are not only prone to corruption, but that corruption is also an impacting factor on the evolution of accountability structures in post-conflict societies. From all indications, it is evident that corruption, which was an instrumental factor in the collapse of the state, no doubt features as an element in its reconstruction.

The Sierra Leone experience does not only exemplify that paradox but at the same time provides useful insight into some of the limitations in addressing corruption in transitional societies. Building strong mechanisms to address the issue of corruption is not only crucial for the viability of the reconstruction process, but constitutes a critical element to any attempt at building a democratic state and society in post-conflict Sierra Leone.

Annex - List of Interviewees

Development Assistance Coordination Office (DACO)

- Mr Kebbay – Director
- Mr Alpha Umaru Jalloh – Local Government Finance Department & DACO Consultant

European Union

- Mr Andreas Laggis
- Ms Dain Shainberg

IDEAS Partnership Limited

- Mr Alpha Bangura – Engineer

Ministry of Development and Economic Planning (MoDEP)

- Mrs Hadja Fatmata Wurrie – Deputy Secretary
- Mr Romeo Kamara – Principal Planning Officer

Non-Governmental Organisation Unit, MoDEP

- Mr Sowa

Ministry of Finance (MoF)

- Mr Martin K. Gbonda – Principal Economist, Economic Policy & Research unit (EPRU)

- Mr Dinji

NIMO Construction Company

- Ms Adesina Taylor

SALCOST

- Mr Carboni – Area Manager

Sierra Leone Association of Non-Governmental Organisations (SLANGO)

- Mr Aiah R. Kabendeh

SKY Construction

- Mrs Irene Thompson – Engineer

World Bank

- Mr Mohamed Sidie Sheriff – Communications Associate

End Notes

¹ See World Bank, October (2002) “Sierra Leone: Disarmament, Demobilisation and Reintegration”, *Findings Infobrief* Africa Region, 81. Retrieved on 3rd January 2006 from <http://www.worldbank.org/afr/findings/infobeng/infob81.pdf>; Dr A.M. Fitz-Gerald, “Disarmament, Demobilisation and Reintegration Interrupted: The Three-Phased Experience in Sierra Leone” Retrieved on 20th March 2006 from //www.gfn-ssr.org/ebooks_pages.cfm?b=7&id=79&p=79

² C. Fyfe (1962) *A Short History of Sierra Leone*. London, Longmans, J.B. Webster and A.A. Boahen (with a contribution by H.D. Idowu) (1969) *The Growth of African Civilisation: The Revolutionary Years. West African since 1800*. London, Longmans: 131-55.

³ See, Francis, D. (2001), op.cit. pp.77-78

⁴ For practical purposes this means that the ‘indirect rule’ concept created a certain level of self-government under traditional chiefs. The position of these chiefs was, however, heavily dependent on the whims of their colonial masters, thus ensuring subservience.

⁵ J. Cartwright (1970) *Politics in Sierra Leone: 1947-67*. Toronto, University of Toronto Press, pp.125-126.

⁶ C. Foray, “The Road to One-Party State: The Sierra Leone Experience.” Africanus Horton Memorial Lecture delivered at the Centre of African Studies, University of Edinburgh, 9 September 1988. Himself a member of the APC, Foray provides insights on the internal workings of the party.

⁷ R. Kaplan (February 1994) “The Coming Anarchy,” *Atlantic Monthly*. Retrieved on 6 August 2003 from <http://www.theatlantic.com/politics/foreign/anarchy.htm>

⁸ See P. Collier (2000a) “Economic Causes of Civil Conflict and Their Implications for Policy,” *Oxford Economic Papers* 50: 563-73.

⁹ See A. Bozeman (1976) *Conflict in Africa: Concepts and Realities*. Princeton University Press.

¹⁰ J. Cartwright (1970) *Politics in Sierra Leone: 1947-67*. Toronto, University of Toronto Press; C.P. Foray (1988) “The Road to One-Party State: The Sierra Leone Experience.” Africanus Horton Memorial Lecture delivered at the Centre of African Studies, University of Edinburgh, 9 September. Himself a member of the APC then, Foray provides insights on the internal workings of the party.

¹¹ R. Lemarchand and K. Legg (1972) “Political Clientelism and Development,” *Comparative Politics* 4.2: 151.

¹² C. Solomon (2005) “The Role of Women in Economic Transformation: Market Women in Sierra Leone” Paper prepared for the Transformation of War Economies Expert’s Conference at Plymouth, 16-19 June 2005. *To be published in early 2006*.

¹³ J. Kandeh, “Ransoming the State: Elite Origins of Subaltern Terror in Sierra Leone.” In *Review of Political Economy*, no.81, 1999, p.352.

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- ¹⁴ *ibid.*
- ¹⁵ W. Reno (1995) *Corruption and State Politics in Sierra Leone*. Cambridge, Cambridge University Press.
- ¹⁶ See, J. Allie, 1990: *A New History of Sierra Leone*. London, Macmillan.
- ¹⁷ Sankoh was a disaffected ex-corporal in the army's signal unit who had been convicted, wrongfully, he claimed, for his involvement in a coup attempt in 1970. After his release from jail, he went to Liberia and eventually to Libya where he received military training, and thereafter, returned to Liberia where he recruited his initial military force. It was also in Libya that Sankoh met and befriended Charles Taylor, the leader of the NPFL who later launched his war in Liberia.
- ¹⁸ I. Abdullah, *op.cit.*; I. Abdullah & P. Muana, "The Revolutionary United Front of Sierra Leone," in C. Clapham (ed.), 1998: *African Guerrillas*. Oxford, James Currey, pp.176-177.
- ¹⁹ For a detailed explanation on the relational and personal context of Taylor/Sankoh/Houphouet-Boigny/Campaore, see Stephen Ellis, "Liberia's Warlord Insurgency" in C. Clapham, 1998, *op.cit.*, p.166; D. Francis, *op.cit.*, pp.108-109, for a variety of reasons for Gaddafi's support of the RUF.
- ²⁰ Human Rights Watch (1999) *Sierra Leone: Getting Away with Murder, Mutilation, Rape*. *New Testimony from Sierra Leone*. Vol. 11, no.3(A). Available on <http://www.hrw.org/reports/1999/sierra/>
- ²¹ See United Nations (October 4 2000) "Report of the Secretary General on the Establishment of a Special Court for Sierra Leone," S/2000/915, para. 70.
- ²² Government of
- ²³
- ²⁴ P. Billion (2000) *The Political Economy of War: What Relief Agencies Need to Know*. ODI Relief and Rehabilitation Network: 33.
- ²⁵ Author's own.
- ²⁶ United Nations Security Council, December (2001) United Nations Report of the Panel of Experts on Sierra Leone Diamonds and Arms: 17-18.
- ²⁷ See Smillie, I. (2002) *War and Peace in Sierra Leone: Diamonds, Corruption and the Lebanese Connection*. Partnership Africa Canada.
- ²⁸ UN Security Council 20 December (2001) *Report S/2000/1195*: 37.
- ²⁹ Major General Vijay Kumar Jetley, "Report on the Crisis in Sierra Leone," May 2000. Jetley later claimed that he had not intended to make the accusations public, but the damage had already been done; see also <http://www.rediff.com/news/2000/sep/21josy.htm>
- ³⁰ Kpundeh *op.cit.*; <http://www.accountability-sl.org/publications.htm>; <http://www.anticorruptionsl.org/>
- ³¹ Office of National Security Sierra Leone (2004) *Sierra Leone Security Sector Review*. Freetown, Security Sector Review Secretariat.
- ³² World Bank (2004)
- ³³ Mid-year estimates of June 2004
- ³⁴ For more on this, see IMF: "IMF and World Bank Support US\$950 million in Debt Service Relief for Sierra Leone Under Enhanced HIPC Initiative." Press Release No. 02/13, March 19, 2002, available on <http://www.imf.org/external/np/sec/pr/2002/pr0213.htm>
- ³⁵ The Group includes representatives from Algeria, China, Denmark, Egypt, Germany, Ireland, Italy, Japan, Norway, Sweden, Switzerland, the United Kingdom, the United States, the African Development Bank, the European Commission, the Food and Agricultural Organisation, the International Committee of the Red Cross (ICRC), the International Finance Corporation, the International Fund for Agricultural Development, the International Monetary Fund, the Kuwait Fund for Arab Economic Development, the Saudi Fund for Development, UNAIDS, UNDP, UNEP, UNHCR, UNICEF, the World Food Programme, the World Health Organisation and the World Bank.
- ³⁶ 2001 UN Consolidated Inter-Agency Appeals for Humanitarian Assistance Summary of Revised Requirements and Contributions by Affected Country/Region. November 6, 2001.
- ³⁷ Personal interview with DACO official.
- ³⁸ <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SIERRALEONEEXT/N/0,,menuPK:367833~pagePK:141132~piPK:141107~theSitePK:367809,00.html>
- ³⁹ For more on the EU's contribution to Sierra Leone, see
- ⁴⁰ Personal interviews with EC official
- ⁴¹ <http://www.usaid.gov/policy/budget/cbj2006/afr/sl.html>
- ⁴² Personal interview with official at MoDEP
- ⁴³ DCAO, 2004
- ⁴⁴ Personal interview with official.
- ⁴⁵ Personal interview with World Bank official.
- ⁴⁶ Personal interview with foreign contractor.

⁴⁷ Personal interview with local contractor.

⁴⁸ Personal interview with local contractor.

⁴⁹ ACC report 2003

⁵⁰ See NAG

⁵¹ Cases involving such individuals as the former Deputy Minister of Finance Mohamed Daramy who was to be tried for false pretences had his case handed over to the police in November 2002 with little to no action to date. Irrespective of allegations and a pending trial the President awarded him a cabinet position, i.e. Minister of Development and Economic Planning. Another former minister, Momoh Pujeh, had his case charged to court under the Mines and Minerals Act by the Attorney General after personal intervention from the President. The consequence of this interference is that he would be at worst fined, as opposed to facing a prison sentence under the Anti Corruption Act. He still retains and reaps the benefits of a parliamentary position.

⁵² Testimony by John Prendergast before House International Relations Committee Africa Subcommittee. Retrieved on 12 June 2005 from www.intl-crisis-group.org/projects

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