The political economy of fragility: Business, conflict and peace in Sierra Leone

Brian Ganson & Herbert M’cleod
December 2017

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The rhetoric around business and peace, in Sierra Leone as elsewhere, is largely superficial. It assumes “gaps” in jobs, infrastructure, investment, and tax revenues as root causes of tensions. It posits that, if these are filled through the large-scale private sector activity that both international actors and local elites are so actively promoting, it will “rebuild” the country in its post-conflict phase of development and lay the foundation for a resilient peace.

Drawing on peacebuilding and statebuilding frameworks and analyses, this study takes a more nuanced approach to understanding conflict and fragility in Sierra Leone. It looks at the fundamental dimensions of state fragility as these were manifested in the country’s history and led to its civil war. It examines continuities (and in some cases discontinuities) in critical dynamics of fragility from the end of the civil war to the present.

It documents, as have many others, how the private sector contributed to conditions in Sierra Leone that enabled the war, and indeed became a primary motivator of violence. It further finds that the contemporary role of the private sector – both at the enterprise level and at the level of the broader political economy – largely mimics pre-war dynamics. Thus, the study concludes that the private sector remains one of the vectors for persistent and growing instability.

The study then proposes a novel framework as a possible lens for understanding the relationship between business, conflict and peace, in Sierra Leone and elsewhere. It should also aid in considering changes in policy and practice that could make more real the promises – so far unfulfilled – of inclusive growth, resilience and peaceful development.
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## Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction and executive summary</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>From independence to conflict: the origins of fragility</td>
<td>6</td>
</tr>
<tr>
<td>2.1</td>
<td>The roots of state illegitimacy</td>
<td>6</td>
</tr>
<tr>
<td>2.2</td>
<td>Lack of capacity a symptom of the predatory state</td>
<td>9</td>
</tr>
<tr>
<td>2.3</td>
<td>The state and human security</td>
<td>10</td>
</tr>
<tr>
<td>2.4</td>
<td>Social resilience but not state resilience</td>
<td>12</td>
</tr>
<tr>
<td>2.5</td>
<td>The private sector a tool of exploitation</td>
<td>14</td>
</tr>
<tr>
<td>3</td>
<td>The civil war and its aftermath</td>
<td>16</td>
</tr>
<tr>
<td>3.1</td>
<td>The implication of the State in insecurity</td>
<td>16</td>
</tr>
<tr>
<td>3.2</td>
<td>The stalemate between the formal and traditional States</td>
<td>19</td>
</tr>
<tr>
<td>3.3</td>
<td>The failure of statebuilding for resilient development</td>
<td>21</td>
</tr>
<tr>
<td>3.4</td>
<td>The outward orientation of the national government</td>
<td>23</td>
</tr>
<tr>
<td>3.5</td>
<td>An emerging civil society</td>
<td>25</td>
</tr>
<tr>
<td>3.6</td>
<td>An extractive economy</td>
<td>26</td>
</tr>
<tr>
<td>3.7</td>
<td>Summary analysis: The formal state as an arena for conflict</td>
<td>30</td>
</tr>
<tr>
<td>4</td>
<td>Models for understanding business, conflict and peace</td>
<td>33</td>
</tr>
<tr>
<td>4.1</td>
<td>Modelling policy and aid intervention in fragile contexts</td>
<td>35</td>
</tr>
<tr>
<td>4.2</td>
<td>Policy targets and metrics for a peace-positive private sector</td>
<td>39</td>
</tr>
<tr>
<td>5</td>
<td>Conclusions</td>
<td>43</td>
</tr>
<tr>
<td>5.1</td>
<td>Contemporary observations</td>
<td>43</td>
</tr>
<tr>
<td>5.2</td>
<td>New challenges on the horizon</td>
<td>45</td>
</tr>
<tr>
<td>5.3</td>
<td>Implications for the future</td>
<td>46</td>
</tr>
<tr>
<td>6</td>
<td>About the authors</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>Bibliography</td>
<td>50</td>
</tr>
</tbody>
</table>
Section 1. Introduction and executive summary

Sierra Leone has experienced two brief periods in its post-colonial history – immediately following independence in 1961 until the first military coup in 1967, and in the contemporary period after the end of the civil war in 2002 until the Ebola crisis of 2014 – in which it appeared at least superficially that state consolidation was taking place, and that the country was on a path towards greater stability and peaceful development. Before and into independence, institutions such as the judiciary, the mayoralty, the civil service, and the first university in sub-Saharan Africa, all took form in ways that suggested the emergence of a modern state apparatus. In the latter period, we see independent state institutions such as Audit Services and the Human Rights Commission take a stand for good governance and accountability, along with a free and vocal press, suggesting that the social contract could and would be enforced. In both periods the economy (at least at first) grew robustly. And both periods were kicked off by substantially free and peaceful democratic elections – in 1961 accompanied by celebrations in the streets, in 2002 accompanied once again by celebrations, and also by a seemingly rapid process of accountability for war crimes, forgiveness and return to normalcy.

Yet throughout Sierra Leone’s history, conflict seems to lurk just below the surface, and often enough to boil over. Indeed, since the uprising of the inland chiefs in 1898 in response to the imposition of the tax on huts following the declaration of the protectorate of Sierra Leone by the British in 1896, Sierra Leone has known few periods of stability. In the earlier period, military coups in 1967, 1968, 1992, 1996, 1997, punctuated a history of endemic social unrest that escalated into overt civil war in 1991, lasting until 2002. More recently, in a country where localised riots and strikes historically preceded national conflict, seven major strikes and riots in and around mines and concessions have taken place over the period 2009 to 2014, in some cases accompanied by the loss of life. Analyses of the Ebola crisis in 2014 showing it to be less a health crisis, and more a crisis of governance and a crisis of lack of confidence of people in their government, uncomfortably echo analyses of crises past. They give ample reason for continued concern to those whose hope for Sierra Leone is for a resilient, peaceful and prosperous future.
Within this context, many actors explicitly link accelerated private sector development to reduced fragility and accelerated human development. Among others, the government promotes ‘mining for peace’ and has announced a ‘made in Sierra Leone’ initiative to promote an indigenous private sector; UNCTAD asserts that the country has made ‘significant progress towards achieving peace and stability’ through reforms to attract foreign direct investment; and the African Development Bank claims to ‘spread the peace dividend’ by ‘supporting private sector development and business enabling environment’. The predominant focus has been attracting foreign direct investment into world-class deposits of iron ore as well as rutile, bauxite and gold; commercial agriculture and marine resource exploitation; and telecommunications and infrastructure. From 2010 to 2014, new, large mines and concessions spiked the GDP growth rate to surpass 20% annually. To the extent that gross FDI flows is a goal, the country has been a success story.

International institutions such as the IMF paint a rosy picture, at least at the headline level. It announced at the end of 2016 that ‘The government’s economic reform program supported by the Extended Credit Facility has achieved its key objectives despite the exogenous shocks of the Ebola epidemic and the collapse of iron ore prices’, implying that the country is on the path to ‘stronger and more inclusive growth’ (IMF 2016). The World Bank chose Freetown in May 2017 as one stage to promote the creation by the International Development Association (IDA) – the World Bank’s fund for the world’s 75 poorest countries – of a US $2.5 billion “Private Sector Window” implemented in conjunction with the IFC and MIGA ‘to catalyze private sector investment … with a focus on fragile and conflict-affected states’ such as Sierra Leone. It is premised ‘on the recognition that the private sector is central to achieving the Sustainable Development Goals (SDGs) … and the need to help mitigate the uncertainties and risks, real or perceived, to high impact private sector investment’. From this perspective, the challenge to overcome is a not-big-enough private sector that, once properly supported, can invest ‘in growth, resilience and opportunity’ (IDA 2017).

This narrative of the role of economic growth and private sector development in creating foundations for peace in Sierra Leone seems strangely detached from any analysis of the political economy of Sierra Leone, past or present. It appears to ignore the increasingly compelling global evidence that the mere presence of an enabling environment for a
profitable private sector cannot be assumed to be peace-positive (e.g., Ganson, 2017; Wennmann, Ganson and Luiz, 2017), and that indeed in many cases the presence of operations of business at scale will cause and exacerbate tensions in conflict-prone environments (e.g., Ganson and Wennmann, 2016; Ganson, 2013; Zandvliet and Anderson 2009). It bypasses the question of how today’s efforts to promote economic growth and private sector profitability in Sierra Leone differ from those of the darker, yet not so distant, past; this despite the role the private sector played in enabling and sustaining the country’s civil war, as unambiguously set out in the Report of the Truth and Reconciliation Commission (TRC v. 3, 2004). It fails to address how the private sector impacts, and in turn is impacted by, the many other factors of fragility that evidence strongly suggests persists in contemporary Sierra Leone.

This study seeks to fill these gaps in evidence about the roles of economic growth and private sector development in conflict and peace in Sierra Leone, seemingly absent from the current policy debates taking place in and about the country. It draws on secondary research, primary source interviews, and the findings of an expert roundtable convened in Freetown in May, 2017 to more broadly survey the socio-political dynamics of Sierra Leone: first those that underpinned fragility and created an enabling environment for the civil war; and later the continuities and discontinuities in these dynamics from the peace agreements through the immediate post-war present to the present. At each juncture it explores the role of policies and practices salient to the private sector and its impacts on fragility.

The analysis finds that the persistence of historical dynamics that underpinned fragility in Sierra Leone – in particular elite predation using the levers of the government, and the extractive economy – mean that it is easy to overestimate the legitimacy and capacity of the formal state today. It to some extent exists, but it is not socially imbedded; the peace accord did not establish a new social contract. People are genuinely weary of conflict, creating perhaps a false sense of calm. But they feel increasingly under attack as their economic security is undermined and their traditional institutions degrade, meaning conflict risks remain high and may be increasing. Private sector promotion and development is found to be a specific vector along which fragility manifests and increases.
The study concludes that these dynamics are not necessarily difficult to understand. A relatively straightforward framework is proposed both to organize understanding about private sector policy and practice in Sierra Leone (and presumably other fragile environments) from a descriptive perspective. It may also serve as a prescriptive lens for evaluating future, and hopefully more positive, policy directions that can make more real the promise of inclusive growth, resilience, and peaceful development.

Section 2. From independence to conflict: the origins of fragility

This section analyses the evolution of the state from independence in 1961 up to the outbreak of civil war in 1990. Like other analyses before it (Vorrath, 2014; Robinson, 2008; Acemoglu et al, 2014; Acemoglu, Robinson and Santos, 2013; Clapham, 2001; Lancaster, 2007), including the comprehensive report of the Sierra Leone Truth and Reconciliation Commission (2004), it concludes that the circumstances surrounding the establishment of the state set in motion the forces of fragility and eventual conflict. National choices made – in particular in the continuation of the extractive economy established by colonial rulers – favoured negative dynamics in the development of the state.

2.1 The roots of state illegitimacy

Sierra Leone as a state was created by the merger of the British Crown Colony and the Protectorate. These two entities followed non-identical paths before independence. The relationship between the state and the citizens in the Crown Colony differed widely from that of the ethnic groups and the Protectorate for over a hundred years, as the former was created for freed slaves and as a part of the British Empire. The colony depended on the British for defence and basic services from the start. This was not so for the Protectorate. The imposition of a Protectorate over a geographical area with arbitrary frontiers was tolerated at best, but never embraced. Similarly, while the provision of security, law and order, and other state services had been available in the Colony, the same was not true of the Protectorate, where traditional rule and customs were left to determine the dynamics of the local societies. Thus the merger brought together two experiences of “the State”,...
requiring deliberate measures to forge a new relationship between the new Sierra Leone and its citizens. Failure to do so after independence undermined or better still pre-empted the development of a legitimate state with a social contract that bound rulers to the citizenry.

The pre-independence system of Indirect Rule in the Protectorate and administered through the Crown Colony set the stage for the coexistence of parallel states, the formal Sierra Leone, and within it the informal states represented by chieftaincies (UNECA, 2012; Vors et al., 2004; Bah, 2011; Acemoglu, 2014). Local seats of power, the chieftaincies, remained intact after independence and became valuable sources of power for the new political national leaders (Thompson, 2007). As with many other newly independent states in Africa, the new leaders replaced the old colonial masters with all the paraphernalia of state power but relying on the informal states for political support at the national level (Brown et al. 2005). In effect the country functioned with two states operating in parallel – the formal state (largely a continuation of colonial mind-sets and structures) at the national levels and the informal states (largely a continuation of traditional structures). Even when the formal state failed, the informal states remained, as the core of their legitimacy and life-source were rooted in culture and traditions, as distinct from the codified laws and security apparatus, of the modern State.

The dominant trend post-independence was the emergence of an increasingly predatory national government that drained state resources and economic benefits, this time around into the pockets of an exclusionary elite who had successful mobilized ethnic support to secure power. The pre-civil war period was characterized by scandals involving senior government officials, including ‘squandergate’ and ‘milliongate’ (Bah, 2011). In “vouchergate”, the Ministry of Education had been fraudulently awarding large Government grants to private businessmen who posed as school proprietors (Kpundeh, 1995). Three separate commissions of enquiry – the Foster Commission (1968), the Tucker Commission (1988), and the Beccles-Davies, Marcus-Jones and Nylander commissions (1993) – carried out investigations on how the political class economically exploited the State and reported wide-spread embezzlement between 1970 and 1990, as well as individual assets not commensurate with emoluments (Kpundeh, 1995). Businessmen were also implicated in the looting of State funds, including the prominent Afro-Lebanese associate of Stevens, Jamil
Mohamed. Vital resources of the State were drained as State assets were plundered in all regions of the country (TRC Report, 2004).

Over time, there was a growing sense that the promised benefits of the independence struggle were not being realized, and that growing inequality was driven by the rent-seeking behaviour of the new ruling elites and the broader bureaucracy of the state (Abdullah, 2004; Robinson, 2008). These served to reinforce a growing belief that the state existed not to protect the many, but to enrich the few. The situation was made only worse by the violence that characterised almost every general election since independence, and that left a bitter taste of hopelessness. The apathy and even opposition to the national government that had existed in the larger Protectorate before independence continued, even if less pronounced in the regions from which the ruling party emanated. Five coup d’états and attempted coups occurred between 1966 and 1992, similar to the numerous strikes, riots and even revolts that littered the history of the Protectorate from its announcement up to independence.

In sum, there was hardly any attempt to fuse the Protectorate and its power structures on the one hand, and the political structures inherited from the Colony on the other, to form a modern state. There was no internal dynamic for power sharing, economic relations or social interactions between the two entities at the time of independence. Hence State legitimacy was under question from the start, first by the former ruling class of the Colony (who took their case to the Privy Council and lost), and then by younger elements from the Protectorate who were dissatisfied with the way power was consolidated in the national government. This laid a path for the new state – without support from pre-existing power structures, and without accountability mechanisms vis-à-vis the people, for whom “the State” largely remained an abstraction created by the colonialists, only now with indigenes in charge – to become by 1990 an instrument of predation by the new rulers. This in turn made it vulnerable to attack from within, and it was easily destroyed and dismantled by the rebels. Conflict – first political and then violent – presaged the fall of the government and the formal State.
2.2. Lack of capacity a symptom of the predatory state

The forging of a national State at independence required, among other things, the extension of public services hitherto available in the Colony to the wider territory. Yet questions of service delivery remained subsidiary to political expediency. In 1963, for example, the civil service retirement age was reduced to 40 in order to make way for the younger protégés from the new political power base, “resolving” tensions with the Colony elite who controlled the state bureaucracy by removing them. Still, technical capacities expanded rapidly in the setting up of various branches of the state apparatus, including meteorology, civil aviation, development related and commercial banking services, and agricultural extension services.

All institutions reached their zenith in the early 1980s, after which the decline set in, as political patronage permeated all institutions, and impunity persisted (Lancaster, 2007, Sierra Leone TRC Report, Volume 3A). Connections, not performance, were rewarded. The education sector in particular suffered, beginning with higher education where appointments became increasingly politicised and the practice of academic freedom discouraged (TRC Report, 2004).

A de facto dictatorship ensued as the Executive controlled all other arms of a state characterised by inefficiency, ineffectiveness and high operations costs (Bah, 2011; UNECA, 2012). The Judiciary was perceived as allied with the police on politically tainted cases (Skora, 2010). The Parliament was controlled by the ruling party, and opposition Members depended on their colleagues for appointments to lucrative commission or committees, eliminating any check on initiatives emanating from the Executive. The parallel but fragmented informal States were politicised and aligned in one way or the other to the ruling party, so could not intervene as a block. With no way of reaching agreement between them, there was little chance for mediating national conflict of an economic or political nature. Regulation of the private sector would likely have been impossible, even if it were attempted.

Many trained personnel left the country to fill positions in other countries and in international organisations. Those who were able to, sent their children abroad. Mediocre
teachers and trainers produced mediocre graduates, in turn feeding a workforce poorly equipped with little capacity to manage a modern society (Sierra Leone TRC Report, Volume 3B). The exodus of the young and enterprising that started as a trickle in the late 1980s became a flood in the 1990s. At the time of the invasion of Freetown in 1999 there was another huge flow of refugees, mainly trained cadre and members of the emerging private sector, to neighbouring countries. The capacity loss from all institutions was massive. Inevitably all institutions without exception virtually disintegrated. They were partly replaced by local and international NGOs and organizations – UNICEF, UNFPA, OXFAM, and so on. The latter were increasingly relied upon for basic social services.

2.3 The state and human security

Sierra Leone was never under any foreign threats after independence. Indeed with Guinea and Liberia it was (and is) part of a sub-regional group of states called the Mano River Union committed to joint goals of peace and security. Sierra Leone was supported by, and sometimes gave support to, its neighbours when the occasion demanded. An example was the invitation to Guinean troops in 1969 when a threat of coup d’état was apparent, or to fight later alongside government troops during the rebel incursion. From this perspective, the country’s security challenges were of its own making. They were tied more to failures of the government to secure basic rights and freedoms than to any failure to protect citizens from external violence.

Security in one’s person and over one’s assets is inextricably linked to the functioning of the courts, and therefore, an effective judiciary. Yet political interference in the judiciary commenced almost immediately after independence with the appointment of a loyalist as Chief Justice by the second prime minister, followed by other appointments that did not follow the traditional rules of an institution rooted in historical precedence, hierarchy and competence, and at least initially proud of its links with the British justice system. The Sierra Leone Judiciary that once served as the final court of appeal for British West Africa became so discredited that during the conflict some judges were targeted and assassinated. A weak and partisan judiciary combined with a police that was seen more as an arm of the Executive, enhance feelings of insecurity particularly for politically tainted issues (Sierra Leone TRC Report Volume 2 and 3).
Before independence, the security role of the state was played differently in the Crown Colony and the Protectorate. After the merger, the existence of parallel states complicates an assessment of the extent to which all citizens enjoyed this protection (Skora, 2010). Indeed nowhere is the presence of parallel states more evident than in the field of security, where the former Protectorate’s native law existed side by side with the law prevailing in the former Crown Colony. The most obvious case is the law relating to land: The native law and custom determines land tenure, while common law applies to the former Crown Colony. This dichotomy nurtured the perception of unequal treatment.

Immediately after independence, Sierra Leone had some key State institutions like the Military that functioned independently and with a high level of professionalism. However, this dramatically changed when the country became a one-party State in 1971 under the reign of Siaka Stevens, whose rule was dictatorial in nature. He distrusted the Army. To protect himself and his allies, Stevens formed a parallel paramilitary force named the Internal Security Unit (ISU) in 1972, which subsequently became the Special Security Division (SSD) in the Police Force. Stevens ensured that this de facto security structure was better equipped than the national Army, and the recruits into this force were carefully chosen to represent members loyal to his All Peoples Congress (APC) Party. The Special Security Division was controlled by the Inspector General of Police, a loyalist to Stevens from the same ethnic background, and was responsible for the personal protection of the political elites.

The SSD was de facto in charge of enforcing public order, more feared than the police. It ultimately became an instrument used to intimidate and harass political opponents. The SSD was thus used by the elites to entrench political power as national security apparatuses collapsed. Hence individual security like other public services to be delivered by the state was available primarily to the politically connected. The state was rarely an ally in the broader population’s quest for security, and was often enough its enemy.
2.4 Social resilience but not state resilience

Resilience refers to the capacity to manage the effects of, and rebound from, shocks. This analysis therefore cannot be complete without a brief review of the economic dimension of fragility in Sierra Leone. From the tables below, it can be seen that the economy was in a consistent state of decline from the 80s until the end of the conflict in 2002:

Table 1: Selection of Socio-economic performance indicators in Sierra Leone

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<tr>
<td>External debt stocks (% of GNI)</td>
<td>14.42458</td>
<td>30.76098</td>
<td>45.28796</td>
<td>85.61976</td>
<td>202.8826</td>
<td>149.0047</td>
<td>196.8137</td>
<td>35.72196</td>
<td>28.35441</td>
</tr>
<tr>
<td>Inflation, consumer prices (annual %)</td>
<td>6.403326</td>
<td>19.9069</td>
<td>12.91161</td>
<td>76.57614</td>
<td>110.9458</td>
<td>25.98074</td>
<td>-0.83642</td>
<td>16.63522</td>
<td>7.329444</td>
</tr>
<tr>
<td>Trade (% of GDP)</td>
<td>60.30245</td>
<td>59.57977</td>
<td>61.08178</td>
<td>31.43184</td>
<td>68.69067</td>
<td>45.02925</td>
<td>57.52996</td>
<td>50.52141</td>
<td>86.62032</td>
</tr>
<tr>
<td>Mineral rents (% of GDP)</td>
<td>2.429008</td>
<td>2.76123</td>
<td>1.462615</td>
<td>3.608088</td>
<td>4.747774</td>
<td>-</td>
<td>-</td>
<td>0.724951</td>
<td>0.161849</td>
</tr>
<tr>
<td>GDP per capita (current US$)</td>
<td>172.7861</td>
<td>245.6099</td>
<td>356.6238</td>
<td>247.2244</td>
<td>165.2532</td>
<td>226.8897</td>
<td>156.5919</td>
<td>453.022</td>
<td>792.5836</td>
</tr>
<tr>
<td>GDP per capita growth (annual %)</td>
<td>6.849749</td>
<td>-0.39353</td>
<td>2.50858</td>
<td>-7.76111</td>
<td>1.956727</td>
<td>-7.50228</td>
<td>3.713487</td>
<td>3.017226</td>
<td>2.325875</td>
</tr>
<tr>
<td>Mortality rate, infant (per 1,000 live births)</td>
<td>191</td>
<td>177.5</td>
<td>167.3</td>
<td>160.4</td>
<td>156.5</td>
<td>153.4</td>
<td>143.3</td>
<td>107</td>
<td>90.2</td>
</tr>
<tr>
<td>Life expectancy at birth, total (years)</td>
<td>34.6091</td>
<td>38.49307</td>
<td>40.65024</td>
<td>40.3248</td>
<td>37.35341</td>
<td>35.72478</td>
<td>38.69015</td>
<td>48.22895</td>
<td>50.87878</td>
</tr>
</tbody>
</table>

![Sierra Leone External debt stocks](image)
The decline of all indicators accelerated up to the end of the war. During this period, the signs were appearing in various sectors of bad days ahead. As pointed out above, the skilled and entrepreneurial left in droves. The effects on economic policies and programmes were devastating: development programmes were poorly designed and poorly executed; public debt soared to unsustainable levels; inflation was uncontrollable; and budget deficits were the order of the day. All of these resulted in an economy with distorted market signals that reinforced fragility.

As the economy declined, the political system in place became increasingly autocratic and intolerant (Robinson, 2008; Ogunmola, 2009; TRC Report, 2004). The general elections did not provide the opportunity for citizens to pronounce on the performance of those in control of the state apparatus and make changes. This was primarily because ethnic loyalties largely determined representation in Parliament, and concerns about accountability or influence-peddling were swept behind the defensive protection of one ethnic group against other groups.

The conflict was resisted by the majority of the population, primarily because of the atrocities and abuses being perpetrated; the limited law and order and relatively greater respect for human rights provided by the formal state were better than the chaos and
anarchy of the conflict. On the same basis, the overthrow of the legitimate government of
President Kabbah by Johnny Paul Koroma that brought in the rebels failed to garner popular
support (Richards, 2003; Bah, 2011; Thompson, 2007). Yet, with the exception of the first
Coup by Brigadier David Lansana in 1966, coup d’états were greeted by people dancing in
the streets, hoping for the promised reduction in abuses and positive changes by the
national government. It appears that the “society” organized and governed by the informal
states was reasonably resilient, but that the national government remained exogenous:
external and only tolerated as long as its impacts were not excessively negative.

2.5 The private sector a tool of exploitation

A growing and (from a financial perspective) successful private sector – consisting of both
FDI and local enterprises – was booming in the country’s first 10-15 years. The foreign
houses were mainly remnants of the colonial era, largely exporters of commodities and
trading houses, and additionally new mining companies. There were indigenous
entrepreneurs, with signs of budding manufacturers, retailers and middlemen. State-owned
enterprises launched several light manufacturing enterprises as part of an import
substitution strategy, although they eventually collapsed.

Despite these initial, partially positive signals, the system of extraction that characterised
early Sierra Leone and the Protectorate continued after independence, dooming the private
sector to be a significant factor of fragility. As stated in the TRC report (vol. 3), those in
charge of the formal government joined forces with the fledgling private sector to loot state
assets. The nature of transactions in the private sector mimicked that of the public sector,
characterised by informality and connections. By the time of the conflict, the state was a
fountain of lucrative contracts arising from foreign loans and grants for those in the private
sector with political connections. This dulled if not eliminated the drive for efficiency that
should have been engendered by competition in the marketplace.

The degree of economic concentration was a further source of instability. Two businessmen
in particular, known allies of the ruling government, controlled the minerals, fisheries, and
import sector. According to Lance Gberie, One, Jamil Sahid Mohamed, born in Sierra Leone
of Lebanese descent, reportedly had extensive contacts with the political class. Jamil
became a shareholder in the national diamond mining company in 1971 and, with the acquiescence of Stevens smuggled large amounts of diamonds out of the country (Gberie, 2002). Stevens essentially gave up the diamond industry to Jamil, with official exports of diamonds reduced from slightly above a half million carats in 1980 to below 50,000 carats in 1988. He also controlled the marketing, insurance and manufacturing industries as a business partner of Stevens. Although Jamil was not a government official, he wielded significant political power and reportedly approved official government appointments at both ministerial and civil service level. He frequently violated banking and other regulations including foreign exchange market rules with impunity (Kandeh, 2009). The symbiosis between such businessmen and the political elite was such that they were the first port of call for short-term loans to the Government.

Their activities left little space for smaller or other indigenous operators to flourish, leaving only foreign operators with high risk appetites willing to enter the country, typically in the minerals sector. This fostered fragility along a number of vectors. It decreased the resilience of the economy due to unsustainable, high-cost operations and the absence of diversity that could allow economic opportunities to be seized and needs to be met across different sectors or industries. It created resentment towards the state as exclusionary tactics combined with patronage constricted wealth creation opportunities to the connected few. Consigned to economic informality, the vast majority remained virtually outside the control of the state and hostile to its presence and interventions; it is no coincidence that the conflict commenced in the isolated border regions with Liberia.

Bad policies and dependence on commodity prices nailed the coffin on the private sector as a force for stability or resilience. Incoherent policies reflected partially-effective pressures from the Bretton Woods institutions for the usual structural reform initiatives of the 1980s. Government institutions half-heartedly implemented agreed-upon programmes, further squeezing the private sector through monetary policies that restricted credit and foreign exchange, while also increasing taxes. At the same time, the necessary opening of the economy to additional positive forces, particularly indigenous ones, never materialized.

All in all, the private sector failed to grow naturally, create jobs or secure broad-based benefits in a new economy. It rather combined with patronage politics and corruption to
restrict important goods and services and exacerbated inequality and inter-group resentment. It thereby rendered the state more fragile and open to external shocks (Wennmann, Ganson & Luiz, 2017) as well as internal friction.

Section 3. The civil war and its aftermath

The events of the civil war (Ballentine and Nitzschke, 2005; Davies, 2002; Richards, 2003; Sierra Leone TRC Report, 2004; Vorrath, 2014) and the peace process (Abdullah, Acemoglu et al., 2014; 2004; Fayemi, 2008; Meyer, 2007) have been surveyed extensively elsewhere, and will not be repeated in detail here. For the purposes of assessing the causes and current dimensions of fragility in Sierra Leone, however, it is important to note the degree to which the war represented continuity rather than discontinuity: first from the roots of fragility into the nature of the war; and second in the developments during and after the war that laid the groundwork for the dynamics of fragility in contemporary Sierra Leone. From the instability of the pre-war period into the war itself, events exposed the formal state as effectively non-existent: the government could not provide the most basic security; service delivery was completely absent; foreign policy was ad hoc; institutions collapsed; and the formally recognized government moved into exile in Guinea. As explained below in greater detail, this allowed a variety of dynamics of fragility to surface and become reinforced. Left substantially unaddressed in the peace process and in post-conflict reconstruction efforts, their shadows are evident in the contemporary state of affairs.

3.1 The implication of the State in insecurity

The expansion of the Sierra Leone civil war to cover the entire territory confirmed that the State was a mere shell devoid of legitimate or effective structures, including the military (Abdullah, 2004; Richards, 2003). The country’s citizens were left unprotected to the rebels; assets within the territory were plundered at will (TRC Report, 2004; Clapham, 2001). At the start of conflict, the government was in no position to defend the country’s territory, arm its military, or run state affairs (TRC Report, 2004).
The rebels, on the other hand, had easier access to resources to fund their campaigns and ambitions by controlling the mining areas (TRC Report, 2004). Even under conditions of declining mineral production leading up to the war, diamonds and gold remained some of the most lucrative sources for rent-seeking and outright theft of state assets. Consistent with the experience of other resource-rich countries where access to the resources does not require much investment, for example, for artisanal production of alluvial diamonds or gold – such resources quickly became the key target of conflict (Clapham, 2003). In areas of the country where the rule of law had been replaced by arbitrary patterns of behaviour, government soldiers quickly found the benefits of taking control of such areas and extort minerals themselves. They were baptized “Sobels” by locals – soldiers by day and rebels by night. Local populations learnt to trust neither national soldiers nor rebels. Both rebels and government forces were responsible for gross human rights abuses.

The provisions of the peace agreement relating to disarmament, demobilisation and reconstruction were meant to end the security dimension of fragility in both the short and long term. The focus of the international intervention after the conflict was to strengthen the security of the state in ways that would make it harder for a similar civil war to emerge. Immediately after the conflict, the security services were an integrated force with joint units of foreign and local personnel. The army and police were re-trained and re-equipped. The intention was to train and also inspire confidence as well as warn off potential threats. Held by the hand by British and other foreign professionals, the reconstituted security apparatus experienced initial success. Sierra Leone enjoys a relatively low crime rate; murders are few and far between; violent crime rates are low. Regular meetings of the MRU at the summit level confirm that the country is free from external threats.

Not long since the winding down of the International Military Training and Advisory Team Sierra Leone (IMATT) and departure of police trainers, however, the security apparatus has reverted to its old ways. Reports of violent crime have been rising gradually at the same time as those of gang violence. A recent Transparency International survey (2017) showed that the police were perceived as the most corrupt among Government services.

More importantly, the institutions responsible for the rule of law are increasingly accused by the media and civil society of a distinct bias in favour of the ruling party. They point to
the use of discretionary authority by the courts to arrest and detain political activists, and to
the non-application of the recommendations of Commissions of enquiry set up to
investigate excesses or malpractices. Allegations (documented by the Human Rights
Commission and others) of the use of excessive force on protesting civilians, reports of
harassment of opposition and denial of rights or abuse of discretionary power by the justice
system reported by the media have all gone unheeded. The unresolved burning of the
offices of an outspoken opposition leader in 2017 and the incarceration of another for one
month only to be released later without charges are examples of a worrying trend as the
general elections approach.

In the economic realm, the legal system and security structures are apparently being
similarly manipulated to support the interests of ruling elites. A case in point is the high
court judgment in a case brought by a host community, finding that a particular mining
company is exempt from the payment of all taxes according to the terms of the mining
agreement between the state and the company. This outcome violates legitimate local
expectations, espoused national policy, and international norms and standards. Around Bo
Town, in the southern region, government representatives from the opposition party hold
little sway in national decision-making. NGOs report that complaints of abuses against
foreign companies engaged in road construction go unheeded, and that the army has been
deployed on behalf of government-aligned companies to secure “voluntary” agreements
from local communities for resettlement and related compensation. Informants described a
potential ‘powder keg’ where militant structures are being reactivated in response to
perceived injustices.

In brief, the security structures enjoyed a brief spell in the post-war period in which public
confidence in them grew. But all in all, after the civil war as before it, the security services
and justice system are once again increasingly perceived by the population more as an
agent of an corrupt state than as a protector of personal and collective security.
3.2 The stalemate between the formal and traditional States

The resilience of the informal States since independence can be explained partly by the very limited attacks on their systems of operations, honed over centuries of tradition and culture. In the pre-war period the country had many areas to which the formal state simply did not reach, and many others in which the traditional states were left largely free to operate as before. It is well documented that in the border region of Guinea, for example, notions of citizenship remained fluid even in the post-war period (Henry, 2010).

The inability of the national government to provide even a modicum of security to its population during the conflict reinforced the strength and legitimacy of informal State institutions. Many civil defence group and militias sprouted to provide basic security. Curiously, these new players in most cases did not degenerate into warlords. This is likely because the structures were rooted in culture and tradition (Reed and Robinson, 2012). Arguably, these non-state structures being a part of the informal states maintained the cohesion within their social groups, and explain the resilience of the society as a collection of groups despite the horrors of the conflict. Even in the post-conflict period, commanders in at least some areas reportedly played a moderating role as “ arbiters” of political behaviour, weighing in, for example, when they believed that dynamics such as the instigation of election violence had gone too far.

These traditional authorities who had demonstrated greater performance legitimacy than the formal state were marginalized, however, in the negotiations between the government and the international actors that ended the fighting and established the post-war regime. “Elders” were given a nominal role in the oversight of whether or not the Lomé Accord was being implemented. But – in stark contrast to the roles afforded the RUF, some of which are described above – they were not given any broader role in the implementation of security, reintegration or development policy, or in the shaping of national government structures themselves. Additionally, and largely ignoring the successful example provided by Rwanda, traditional approaches to social reconciliation and reintegration of combatants were largely eschewed in favour of programmes directed by international donors and their NGO implementing partners. Historical sources of legitimacy and resilience were marginalized in favour of the Weberian notions of the nation state favoured by the outsiders.
Through such actions, a stalemate between the formal state and the traditional states has been entrenched at two levels. First, attempts from some quarters to decentralize state authority and integrate informal state structures within the formal state – in part to draw on more resilient and legitimate local institutions to deliver social services, as was accomplished more purposefully in places such as Rwanda – have been unsuccessful. They are undermined both by the unwillingness of national authorities to give up financial control from the centre, and by the presence of District Councils, branches of the formal state at the local level who compete with traditional authorities for local direction of those resources.

At the national level, informality prevails. The actual allocation of resources controlled by the formal state – from positions at government at all levels to the disbursements of the national treasury to the recipients, terms and conditions of government contracts and concession agreements – results from an interplay of powerful informal networks based largely on political connections and ethnicity. Because they largely ignore or bypass the formal structures of government, they tend to promote less progressive practices and deprive the state of the experience and advice available outside the informal network.

There is the semblance of a formal budgetary process open to the world; yet every year there are wide variations between what is budgeted and what is actually allocated. The recommendations of national institutions such as the Auditor General or Human Rights Commission set up for the purposes of transparency and accountability are ignored by those in power.

The traditional states and structures control the votes on which the government depends for election, and thus can demand their share of government benefits. Yet, paradoxically, the limited mandate that their representatives have at the national level – to ensure that voting blocks receive their maximum share of spoils – means that the national government is a reflection of informal power arrangements and policy preferences, not the forum of the paradigm modern state in which policy is decided. The national government and its institutions play no meaningful role in arbitrating or reaching consensus between the formal and informal states, or in setting development policies that have a fair chance of actual implementation. Rather, the government’s role of securing resources through formal means (aid, taxes and foreign investment) to be distributed by informal means (the decisions of networks controlled by traditional authorities) is reinforced.
Additionally, with the re-introduction of multi-party democracy within the formal state, and the increasingly regional and thus ethnic identities of the parties, benefits once shared across traditional authorities are increasingly limited to those aligned with the ruling party. When Libya provided tractors to support food security policy reform, for example, the equipment was sent to strongholds of the ruling party in the northern part of Sierra Leone (Mustapha, 2010). The national government thus increasingly becomes not only a source of tension between the formal and informal states, but between the informal states themselves.

### 3.3 The failure of state building for resilient development

The post-conflict agenda adopted at the Peace Talks followed the conventional practice of the day: stop the shooting through a ceasefire, adopt a peace agreement that included DDR and a transition government to organize General Elections, produce an initial Poverty Reduction Programme, and at the same time pour in humanitarian assistance for resettlement and some rehabilitation. None of these interventions interrogated, let alone addressed, the root causes of the crisis.

Large volumes of aid were announced, yet uncoordinated, ad hoc, unconvincing in its execution and quickly reverted to the practices of corruption and favouritism prevailing before the conflict. A number of rehabilitation projects were launched but not all completed. Schools were rebuilt and new ones created in every district but the enabling pieces, from software to human resources, were not in place. Many roads were reconstructed but characterised by cost-overruns and poor quality. Health and other social services were delivered, mainly by non-state institutions as the humanitarian phase gradually gave way to the “development” phase.

The post-conflict agenda continued with the succession of development plans – Poverty Reduction Strategies – adopted and implemented by the Government of the day. Under external pressure, new laws and institutions were designed and formulated, often accompanied by the sweetener of initial funding from the partner who had advocated for the new policy. Through these efforts, a large number of public service officials enjoyed training opportunities abroad and locally. Thus individual capacities continued to improve.
Some key institutions have been set up. These include, for example, the National Minerals Agency that has put in place mechanisms for managing the minerals sector more efficiently. Admittedly, not all the new institutions created have demonstrated their effectiveness or justified their existence, raising questions about the rationality of the public service structure. Examples are Commissions set up in domains where normal Ministries operate, such as a commission on Education set up without any clear demarcation of responsibilities with the Ministry of Education. None has been able to resist widespread patronage or political interference.

Review of the policies and programmes implemented since 2002 provides an accurate report of the actual, as distinct from intended, state building agenda. Strategies, policies and initiatives may have given the illusion of development progress, but that they have fallen short in alleviating the problems faced by citizens. National indicators of socio-economic progress (or lack thereof) confirm that the accelerated improvements in citizens’ welfare is not taking place: Real prices of basic consumer goods continue to rise; measures of students’ performance in public exams continue to slide; and indicators of health, housing, access to electricity and so on all remain below the average for the continent, even if better than at the end of the conflict.

There has been no independent evaluation of any of the national development programmes so far. In all cases therefore government reports have highlighted successes with little emphasis on how to correct failures, let alone hold anyone accountable for them. Yet it is evident that the state building agenda as actually implemented has not generated the improvement to welfare expected nor reinforced institutions for future robust growth and service delivery. Successive reports by the Auditor General point to major shortcomings that indicate rather dim prospects of moving towards true resilience.

Indeed, it can be reasonably concluded that nothing much has changed in terms of state legitimacy and institutional capacity from the situation pre-conflict, as demonstrated in the failure to contain the Ebola epidemic in 2014. Failures were primarily because of the lack of trust in state officials, weaknesses in the health care system and the system of governance in general that necessitated the massive inflow of human and other resources from abroad to contain the disease. Other government functions also cracked under pressure, including
decentralized services, internal communications, and border controls. Again the collapse of the state was only arrested by massive infusion of external support. The development strategy followed so far has largely replicated pre-conflict economic structures, formal and informal.

3.4 The outward orientation of the national government

The strong support for the first rebel incursion by Liberia and its allies – Burkina Faso and Libya – in some ways transformed the conflict to a geopolitical power play. Nigeria through the Economic Community of West African States Monitoring Group (ECOMOG) made itself the protector and guarantor of the West African region, pitted against Libya’s surreptitious support for the rebels (Special Court of Sierra Leone Trial Transcripts, 2009). The Nigerian President Abacha was widely reported at the same time to be pursuing his own parochial interests as kingmaker in the region. The course of the war was determined by the actions and inactions of foreigners, first through ECOMOG, then the disastrous UNAMSIL “peacekeeping” mission, and finally British and Indian special forces. Sierra Leone’s own forces were so unreliable, for example, that the bilateral defence agreement between Nigeria and the Kabbah administration put presidential protection in the hands of the Nigerian army.

Outsiders who intervened militarily (in the name of protecting foreign nationals) to finally end the war felt entitled to influence, if not direct, the peace process and post-conflict state-building. Their thinking is reflected in the provisions of the Lomé Accord, which has been aptly characterized as “an externally driven treaty whose objective was to ensure the sovereignty of the Sierra Leone state, with little or no emphasis on alleviating the insecurities of individuals and groups” (Conteh-Morgan, 2010, p. 135) in ways that would address the underlying causes of conflict or injustice. Rather, the emphasis was on ensuring international interests in “state integrity” or with demilitarization and demobilization as the primary goal. (Ibid.) The cynicism of the internationally-imposed agreement and its implementation is often noted, with examples such as the “absolute and free pardon” of the war criminal Corporal Foday Sankoh and his appointment to head the National Committee for DDR and the Commission for the Consolidation of Peace, which inter alia made him
responsible for the rehabilitation of the child soldiers he had recruited (Tynes and Speed, 2010).

Outward reliance for military security was gradually replaced by reliance on bilateral donors and international institutions for the security of the government budget. With over 40% of the state’s budget provided by external partners, it has followed the exigencies of the development partners led by the international finance institutions, in turn reflecting the dictates of the few key donors in the country. This had a variety obvious negative effects.

First, development aid and investment support became renewed sources of plunder by government officials at elite and lower levels alike. The lack of medicines in the clinics and teachers in the classrooms despite the enormous financial flows from outside do not go unnoticed by the population at large, reinforcing well-grounded historical narratives about the fundamentally corrupt nature of the Sierra Leone State.

Second, government decision makers were trained to treat aid agencies rather than their own people as the primary client. In one particularly egregious example, the carefully crafted post-Ebola response strategy that had achieved broad consensus across civil society and relevant ministry officials in Sierra Leone was jettisoned by the Presidency when a bilateral donor arrived with its own idea for a plan backed by more than US $10 million in funding. Unsurprisingly, the plan gained little traction and achieved few positive results.

Third, foreign investors and those who promote them became a key constituency of the government. Often enough driven by greed, the government accommodates (or attempts to hoodwink) the IMF and World Bank, and does what it needs to in order to attract FDI. It rarely balances and more rarely still prioritizes the needs and interests of the informal sector and the real domestic economy. As one example, FEWS NET (the Famine Early Warning Systems Network) in 2015 rated Sierra Leone as in crisis (Phase 3), with the Food and Agricultural Organization (FAO) of the United Nations reporting that 45% of the population did not have sufficient access to food during some period of the year. Yet the government’s attention appeared to remain focused on international initiatives such as the New Alliance for Food Security that are widely criticized by experts (including the UN Special Representative on the Right to Food) for their prioritization of export agriculture into global
value chains over local food security – but which are important catalysts for FDI that advances rent-seeking aims.

Finally, the government can hide behind international mandates to pursue its partisan political interests. When the IMF as part of its structural reform package required the government to reduce its workforce, for example, it targeted perceived opposition members and those from opposition-controlled areas of the country; privatization carried out under IMF and World Bank supervision similarly benefited government supporters (Mustapha, 2010). These actions ‘breed national divide and animosity, particularly on the part of those regions of Sierra Leone that may feel left out of national development’ (Ibid., p. 154).

3.5 An emerging civil society

Some signs of a Sierra Leone national consciousness and identity became apparent through civic responses to external threats. When the State was most at risk from foreign elements and their local allies – Burkinabe and Liberians were quickly recognized as significant components of rebels forces (TRC Report, 2004) – popular support was withheld. Civil disobedience was rampant, for example, during the brief occupation of the RUF and allies under Johnny Paul Koroma, who had organised a coup to oust the elected President Kabbah.

Civil society grew in strength during the conflict, fostered by connections to NGOs outside the country. These organisations moved into the void left by the Parliament to become the voice of the voiceless. They were able to act as at least to some degree as a check and balance on the monopoly power of the Executive. These organisations were typically not engaged in overtly partisan political activities, though they were the training ground for a few future leaders. This was perhaps explained by the NGOs’ foreign sponsorship. They were often engaged in provision of basic services. These groups came to appreciate the potential power of a people’s movement, both to support the state and to try to hold it accountable.

In the post-conflict period, there is clear evidence of greater freedom of the press, slowly but increasingly greater knowledge by citizens of their rights and obligations, and the
holding of general elections regularly. More and more citizens demand explanation from the Executive about the way resources are used, and media provides information (though not always accurate) of excesses. The ability of the younger generation in particular to mobilize is particularly evident, as demonstrated by campus protests that could not be suppressed by government as in the past, as social media allowed the protests to spread from campus to campus nearly instantaneously. When the persistence of a health state of emergency was used to suppress public expression of disaffection, it was subsequently lifted after much activism from civil society organisations. These are encouraging signs, with some sign of a positive rupture between ethnicity and politics that will be tested in the upcoming elections.

Yet the impact of civil society activism is not clear on a government that does not believe it must be responsive, despite legislation relating to freedom of information, and extensive training given to the civil service through attendance at international and regional workshops. Allegations of rampant corruption is widespread, reinforced by successive annual and special reports of the Auditor General and those of the human Rights Commission, plus ad hoc reports of civil society groups. There is now greater awareness and a perception that foreign firms are exploiting natural resources without adequate compensation; for example, rates of compensation for agricultural land are reportedly one third that of Brazil. This sort of statistic gets wide diffusion, leaving citizens feeling short-changed, particularly in the absence of corrective, transparent and credible measures to address problems. Paradoxically, the positive progress achieved in the form of a free press, freedom of association the easier and faster access to information reinforces disgruntlement and disseminates the transgressions and failures of the state, thereby increasing the potential for conflict.

### 3.6 An extractive economy

During the civil war, broad domains of economic activity ground to a halt in a situation of zero security. Local branches of multinational firms were mainly trading houses whose global strategy defined their behaviour much more than local realities. It is not surprising that they retreated quietly as the economy declined and then conflict erupted. Those domestic actors who could focused on short-term food outputs for trade or cultivated
smallholdings for subsistence. The post-independence trend of investing in the future was reversed by the logic of the short term.

The private sector actors left were predatory in nature. Indeed, the entire civil war in Sierra Leone was described as ‘something different, something newer and more insidious: ... a struggle between two rival groups supported by businessmen intent on gaining control of mineral wealth’ (Perez, 2000).

On the one side, De Beers and Lazare Kaplan International bought cheap diamonds from Charles Taylor in Liberia, ‘responsible for aiding and abetting as well as planning some of the most heinous and brutal crimes recorded in human history’, in the words of the Special Court for Sierra Leone. He sourced the diamonds through the supply chain of the Revolutionary United Front rebels, whose operations across the border in Sierra Leone he supported. On the other side of the battle, companies such as Global Exploration Corporation, Rex Mining Corporation, DiamondWorks, and Sierra Rutile—Nord Resources directly or indirectly engaged mercenaries to claim control over the diamond fields that were exploited under agreements with President Ahmad Tejan Kabbah. The president’s security forces were also responsible for gross human rights violations, including the use of child soldiers, the shelling of civilian positions, and the arbitrary executions of women and children as young as eight years old. This was a violent conflict among multinational corporations in which one company would win handsomely, but the country itself would lose. (Ganson & Wennmann 2016, p. 44).

Security interests and economic ones were closely linked. For example,

Executive Outcomes was a private military company founded in 1989 by Eeben Barlow, formerly of the South African Defence Force. He had served in 32 Battalion, which was responsible for destabilising South Africa’s neighbours through sabotage and support for rebel movements. Barlow had also been a regional coordinator for the South African Civil Cooperation Bureau, one of the apartheid government’s units with specific responsibility for acts of arson, intimidation, sabotage and murder against its enemies. DiamondWorks and Executive Outcomes shared offices in London, as well as a major shareholder, Anthony Buckingham (Ibid., 36).

Executive Outcomes provided mercenaries to secure diamond fields under government contracts awarded in 1996; DiamondWorks was subsequently awarded concessions to work those same fields, with its country manager “seconded” to Sandline, Executive Outcome’s successor, to manage arms shipments on behalf of Kabbah.

Despite this history, the Lomé peace agreement signed in 1999 contained only two Articles addressing more than the short-term requirements to ensure there was no return to
hostilities. Article VII spoke to the strategic minerals gold and diamonds. Article XXVIII addressed economy issues. The latter contains only two paragraphs couched in terms of reconstruction and rehabilitation of the economy. The framework was one of “return to normalcy” by “rebuilding” the country. There was no recognition of, or attempt to resolve, the structural economic contradictions or private sector pathologies that had contributed to the outbreak of violent conflict in the first place. In particular, the IMF and World Bank open market and austerity measures that had greatly contributed to Sierra Leone’s severe lack of distributional justice and extreme poverty in the pre-war period (Conteh-Morgan, E., 2010) were largely recycled in the post-conflict period. These have been found to contribute, inter alia, to the elimination of access to health care by the most vulnerable through the implementation of user fees subsequent to IMF conditionalities imposed on Sierra Leone (Mustapha 2010).

Since 2007, with the assumption of power by the current political party, the private sector has been trumpeted as the vehicle through which rapid socio-economic development would transform the lives of the citizens. At the State opening of Parliament on 5 October 2007, the current President, who hails from the private sector, announced sweeping reforms:

Introducing financial sector reform to enhance access to capital … Strengthening the Judiciary to enable quick access to redress … Initiating power sector reform and energy policy management … Conducting a close examination with a view to improving transport and communications in and out of Sierra Leone … Increasing and enhancing skilled labour and improving labour productivity …

Implementing this international playbook for good governance and pro-private sector reform, he intimated, would create the conditions for the private sector to flourish.

Much was made of the recent boom in the extractives sector in which the country was touted as the fastest growing economy in the world, marking 22-25% GDP growth. In fact this was a two-year bubble resulting from the investment and operations of two large iron ore mines. The collapse of the two large iron ore mines and ADDAX, the large sugar plantation, coincided with the Ebola epidemic. Subsequently, reports on the operations of these companies revealed huge inefficiencies and corruption. As in the past, the strong alliance between the ruling class and the management of these companies allowed their use as cash cows. As long as the cow was being fed by high international prices, it continued to
provide milk – private plane, trips, advances for salary payments, free fuel for local elites, exceedingly high salaries for nationals with connections, and so on. When the price collapse occurred, many local and international companies holding long-term contracts with these companies went under. Curiously, had the integration of these natural resource companies with the rest of the economy been greater, the result would have been catastrophic.

This example illustrates how private sector rhetoric has not been accompanied by action to create an enabling environment for a robust and inclusive private sector. Rather, business continued as usual. Large, mainly international business operatives secure government contracts in collusion with party loyalists, and Government officials in turn design the deals with inflated costs (e.g., as identified by the Special Audit of the AG report of 2016 on the Military) that generate generous rents on which they thrive. The private sector continues to be primarily informal while incoherent and sometimes even contradictory policies limit the expansion and productivity of formal businesses (Wennmann, Ganson and Luiz, 2017). One binding constraint on private sector growth has been identified as the poor state of the energy infrastructure (GoSL & MCC, 2014). To this must be added the enormous costs of doing business; in this regard, the country is ranked 162 out of 168 countries by the World Economic Forum (WEF 2016), despite the President’s notice in 2008 of the country’s poor standing and promises to make the country a desirable place to do business. Internal studies by the IGC and others point to bureaucratic bottlenecks not unconnected with corruption, inefficiencies in production flows, frequent changes in policies, and limitations imposed by size of operations as curtailing the contribution of the private sector to overall development.

The political, economic and social conditions prevalent in the country show increasing similarities with the past, including widespread under-employment, a sluggish economy, high dependence on the extractives for foreign exchange, rapid fall of the local currency’s value against major currencies, and increasing public opposition to government policy and practice. The undiversified nature of the economy combined with the dominance of the informal and extractive state leave the country vulnerable to severe shocks even in the realm of the private sector. This is the private sector’s most direct link with fragility and instability. Additionally, during the period of the one party system, successful bidders for public contracts and their allied rent-seekers hailed from every part of the country. This is
no longer so. Those from the South feel excluded, and the fear is that if regime change does occur and shifts power to the South, the vicious cycle will continue its downward spiral as it will be “their turn to eat”.

Against this background are the obvious and growing income inequalities generated by minerals-led growth. The mineral sector (iron ore, rutile, bauxite and non-ASM diamonds) is highly capital intensive and returns rents to a disproportionate few, including state officials managing the sector. The effects on the broad majority of the population are apparent in the dismal and often declining socio-economic indicators of infant and child mortality, hunger index, rankings in access to education, persistent failure to reach minimum thresholds for qualification to the US Millenium Challenge Account (MCC), and poverty levels (UNDP 2017).

Comparing the pre-civil war period with the contemporary period, the role played by businesses has not significantly changed, nor has the type of businesses changed. Middle class business operators function through informal channels, creating high costs products that sooner or later will incur the wrath of the populace. While they possess the potential for employment creation, the other side of the coin is resentment by legitimate bidders that lose out because of patronage and harbour feelings of exclusion. Large enterprises in the natural resources sector meanwhile make illicit payments in increasingly innovative forms, used partly to cement the positions of recipients who are the custodians of the state’s resources. Most companies are small players in the global market with little reputational risk. Collusion between public officials and private businesses is therefore easy. Echoes of past entanglements of armed actors with economic interests are heard in the allegations that government security forces are being used to suppress citizen protests against mining and plantation company excesses. Thus, the private sector remains one of the vectors for persistent poverty, increasing inequality and growing instability.

3.7 Summary analysis: The formal state as an arena for conflict

The vision for a post-conflict Sierra Leone was based strongly on the liberal notion of a capable democratic state, possessing checks and balances to government power in the form of a strong civil society and independent institutions, and carrying out policies and
programmes to improve the welfare of its citizens. Each of these to some extent – particularly immediately following the conflict – has been realized, helping to explain why the country, despite serious problems, has not relapsed into civil war or overt chaos. Yet the analysis above strongly suggests that the persistence of historical dynamics that underpinned fragility in Sierra Leone – in particular elite predation leveraging positions in government and leveraging the extractive economy – mean that it is easy to overestimate the legitimacy and capacity of the formal state today. Key findings are summarized below:

• Sierra Leone was historically, and today remains, a hybrid political order. There are multiple loci of political power and cultural authority, including traditional chieftaincies and the “secret societies” (particularly in the rural areas), political alliances of elites (particularly in the capital), and to a lesser extent religious bodies.

• Even as the formal trappings of service delivery and democratic accountability developed, the national government existed, and to same extent still exists, apart from the broader society. That society is better understood as several nation states defined predominantly by ethnic affiliation, covered by the veneer of the formal state. That is to say, people’s primary identity and loyalty is with their ethnic or other identity group and its own form of organisation and leadership; it is within the political structures of these groupings that the social contract is formed.

• The contours of conflict in Sierra Leone are primarily defined by tensions between these different social, political and cultural institutions over power and resources – whether through perceived incursions into others’ sphere of influence, or through exclusion from benefits to which actors feel they have a legitimate claim – rather than between the formal state and the population as a whole.

• Traditional social institutions were (and to some extent remain) reasonably robust in their role of social management and protection within their spheres. But these institutions are so fragmented and dispersed that they have proved unable to reach durable accommodations between themselves. Furthermore, they are subject to increasing internal conflict. No institution has emerged at the national level with the power or legitimacy to reliably broker between them; and since the national
government is a primary arena for conflict, it is unlikely to be able to play such a mediating role.

• These dynamics made the national government, and maintain it as, an arena for inter-group conflict. Policies were and are contested, and positions were and are sought, primarily for the purposes of control over public finances. Institutions such as the judiciary, state security apparatus and the public service in general were, and to a great extent remain, contested instruments of control by elites, in large measure unresponsive to public pressures or accountability mechanisms.

• The formal economy became (and in large measure remains) an arena for conflict. It grew to become fundamentally extractive as government structures were manipulated to direct the flow of rents from bloated public contracts and natural resource concessions. Economic growth and job creation, rather than playing their stabilizing role, underpin festering resentments over corruption, an uneven playing field for private sector actors, and unfair distribution of benefits.

• Inter-group conflict escalated as control over the state apparatus became more urgent. This was in part because the magnitude of rents available for capture grew with foreign investment in newly-discovered natural resources. But also, the effective control of formal government structures over those resources improved as more of the economy became amenable to the controls of fiscal policy, tariff policy, and contracts and concession agreements between the national government and private parties.

The results obtained from statebuilding and peacebuilding efforts, therefore, have not proved sufficient to move the country decisively away from fragility. This is not only due to failure to follow and achieve goals set, but also because of glaring omissions of issues to be addressed. The 1999 Lomé Peace Agreement set out only the terms and conditions for cessation of hostilities and “resumption” of state operations. The agenda for reconstruction did not take into account the underlying fissions in the formal State.

Worse still, it assumed that reproducing some of the key attributes of statehood would be sufficient to recreate a more robust and resilient state. Thus the holding of elections was seen as a major sign of return to normalcy. Yet elections based on the same faulty
assumptions of the underlying legitimacy of the State have reproduced the very structures and culture of governance that had that had generated fragility in the first place; they confirm the supremacy of the ethnic nation state over issue-based politics.

The practice of building sufficient consensus for implementing difficult decisions has not been widespread, resulting in perceptions of exclusionary governance. Formal structures that should be expected to play a mediating role in normalising and implementing better approaches are weak. The Human Rights Commission’s recommendations are rarely implemented; the Auditor General issues substantially the same findings year after year with little sign of corrective action; and the results of commissions of enquiry in cases of egregious actions are also consistently ignored.

The means that the formal state with its controls over economic and welfare policy and practice, and in which the private sector is contained, is still not socially imbedded; the peace accord did not establish a new social contract. As noted above, the informal states increasingly contest power and resources not only with the national government, but with each other. Rather than playing the role of surfacing and addressing conflict, then, the national government is itself a source of and arena for conflict that undermines peaceful development. People are genuinely weary of conflict, creating perhaps a false sense of calm. But they feel increasingly under attack as their economic security is undermined and their traditional institutions degrade, meaning that conflict risks remain high and may be increasing.

**Section 4. Models for understanding business, conflict and peace**

The above analysis contradicts the narrative – shared by the Sierra Leone government, bilateral donors who are rapidly disengaging, and international institutions promoting private sector investment as the primary solution to the country’s underdevelopment – that Sierra Leone has emerged from fragility, and, although set back by the shocks of the global financial crisis and Ebola crisis, is on a path towards stable development. Rather, the observations emphasize the continuity of socio-political dynamics from the colonial period to the present.
It further suggests flaws in the thinking – more formally, the theories of change (Vogel, 2012) – driving much of the policy and practice relating to economic growth and private sector development, particularly as it is advocated for by role players on the outside looking in to conflict-prone environments like Sierra Leone. That model can be captured as follows:

![Diagram](policy-aid-interventions-shape-economic-growth-opportunities-ameliorate-key-factors-of-conflict-and-fragility)

In a relatively linear fashion, it is assumed that policy and aid interventions shape economic growth opportunities and private sector development in ways that ameliorate key factors of conflict and fragility. At the economic policy level, for example, austerity measures are posited to create conditions of macro-economic stability in which more companies invest, in turn creating tax revenues that can be spent on public needs to build state legitimacy. At the level of the business and investment climate, infrastructure investments are said to break down barriers to private sector opportunity; at the enterprise level, project finance for mining projects and export-oriented plantations are posited to create jobs that increase resilience.

This thinking is consistent with prevailing models, such as the OECD “dimensions of fragility” (OECD, 2016). These tend to measure risks across a variety of dimensions – in the case of the OECD model, economic, environmental, political, security and societal – and then assume that corresponding packages of interventions that address these presenting conditions reduce fragility itself. The fact that they do not explain the often poor and even perverse results from international programming to reduce fragility – as illustrated in the analysis above for Sierra Leone, where austerity measures became an excuse to remove political opponents from public service, infrastructure projects are used both to reward those who vote a certain way and to line the pockets of corrupt officials, and the increasing dominance of export-oriented agriculture reduces food security and local resilience – does
not seem to deter international actors from continuing to assume their logic in their programming, policy advice or funding.

### 4.1 Modelling policy and aid intervention in fragile contexts

The analysis laid out above suggests a more robust – yet in its own way no more complex – model of interventions to address conflict and fragility through economic growth and private sector promotions strategies in states like Sierra Leone. This model describes not only what the presenting risks may be, but why sufficient coalitions for positive change have not been able to coalesce or prevail to address these social, economic and political conditions, despite the ostensibly positive and well-intentioned economic growth and private sector promotion strategies pursued:

This simple model underlines that the very dynamics of the political order that make a context fragile in the first place – in particular state predation for personal greed and to reward support by the informal states, accompanied by patronage, exclusion and capacity underutilisation – also undermine programmes meant to address it. Policy support and project funds may enable the establishment of a palm oil plantation meant to create jobs and tax revenues for public services, for example. But the intermediating dynamics of the key factors of conflict and fragility mean that the negotiation table will include perspectives of the formal but not the informal states; key concessions and contracts will enrich those in power rather than the nation as a whole; and state security services may be deployed to displace people from their traditional lands or stifle their protests. The private enterprise set
in motion by these dynamics in turn increases frustration among a well informed but still relatively powerless civil society, increasing its sense of grievance; and undermines resilience as the macro-economic context and business environment increasingly favour large players in the formal economy focused on export of primary commodities over smallholders in the informal economy focused on food for local consumption. The policy intervention and investment support posited to reduce fragility in fact has the opposite impact, absent deliberate and effective mitigation measures. In short: the model demonstrates why economic growth and private sector promotion measures must pass conflict sensitivity and resilience tests, or be at high risk for increasing instability and fragility.

Additionally, the model demonstrates how only those policy and aid interventions as well as private sector initiatives that are acceptable to elites – acting as they understand their own interest in light of these key factors of conflict and fragility – have any hope of achieving meaningful commitment and effective implementation. This helps explain in the Sierra Leone context the seemingly endless flow of ideas and resources to the government for seemingly straight forward reforms – for example, the Transformation Development Fund that both civil society and the IMF supported, but all the same could not be advanced in Parliament – that all the same end up in the policy dustbin or are perverted in their implementation beyond recognition. This may underline a need for greater acceptance of “heterodox” solutions tailored to the local political economy. In the case of the Heineken/Guinness brewery in Sierra Leone, for example, an extensive and largely successful local sorghum supply chain was developed as a direct result of the high taxes placed the import of raw materials (Wennmann, Ganson & Luiz 2017) – a policy opposed by both the Bretton Woods organisations and international agricultural policy forums such as the New Alliance for Food Security.

To the extent that this model helps explain the history and persistence of fragility in Sierra Leone, there are important cautions and lessons for efforts to promote stability and peaceful development, both in Sierra Leone and in similarly situated countries. Indeed, with signs in the post-conflict period of increasing coalescing of ethnicities into a regional divide, these take on particular urgency. They can be summarized as follows:
• A paradigm of promoting a “return to normalcy” or “return to peace” by “rebuilding” the country is conceptually and factually misplaced. The peace agreement and subsequent political developments failed to acknowledge and address the root causes of conflict in Sierra Leone as laid out in Section 2. This means that current levels of conflict may not be indicative of conflict risk, as the fundamental trajectory of conflict has not been altered, as set out in Section 3.

• The strategy of stabilizing the State by focusing on national government capacity for local service delivery may be misplaced. The state before and after independence was not widely experienced as a provider of services to the provinces, and expectations remain generally low. This strategy puts the national government in competition with traditional institutions; and people may prefer to receive services through more socially-embedded (and often more capable) traditional institutions whose decisions they better trust and know how to influence.

• Similarly, “capacity building” initiatives may have limited impact, as lack of capacity may in many cases be a symptom of policy indifference and a desire to divert resources intended for service delivery to other purposes, rather than a root cause. “Capacity building” resources become rents subject to the same contestation as any other government-controlled resource. Worse still, patronage leaves capacity under or unutilised, further increasing frustration.

• In the absence of the guiding hand of a developmental state, inequality tends to increase and more people become exposed to greater insecurity during periods of high growth, for example, through shifts towards plantation agriculture and cash crops, and the economy’s dependence on rapid minerals-led export growth that unleashed symptoms of the Dutch Disease. More specifically, capital intensive minerals-led growth yield returns to few within the country, with little of the wealth left to share among the majority of the population.

• Furthermore, poorly managed, rapid growth can degrade the stabilizing influence of traditional institutions as exogenous factors diminish their capacity to provide human security and social stability, for example, as delivered by traditional mechanisms for
conflict resolution and justice. This, accompanied by generous (even if unsustainable) assistance by international aid organizations, reduces their legitimacy.

- Absent formal or informal political structures or institutions capable of brokering durable political accommodations between Sierra Leone’s many power centres – whether modelled as a national peace and development process, or institutionalized along the lines of a National Peace Committee as in Ghana, attempts to strengthen the formal government may have perverse impacts. The more resources it manages and the greater its effective control over them, the more it becomes an arena for inter-group contestation – or a target of manipulation by geopolitical or mercenary interests outside its control.

- Similarly, efforts to accelerate economic growth without attentiveness to inter-group dynamics – whether inter-ethnic or rural-urban – will predictably increase fragility and eventually conflict. Sierra Leone is characterized by a limited economic order in which elites – within both the political class and the bureaucratic class – exercise inordinate control over the formal economy. The distribution of benefits and risks from economic growth remain skewed and highly contested, and additional resources, particularly at scale and without adequate safeguard measures, mean additional fuel on the fire.

In light of these observations, it appears that this model that puts the mediating effects of the key factors of conflict at the heart of any analysis should bring us closer to the critical questions for inclusive growth and private sector development strategies that more effectively address conflict risk and fragility: What are the power relationships or institutional arrangements that ameliorate, rather than reinforce, fragility? Given that no society chooses poverty or insecurity, what has inhibited a sufficient coalition for change from forming? In what domains might it be possible for one to emerge? And what kinds of international interventions – particularly in the realm of private sector development – might help them do so?
4.2 Policy targets and metrics for a peace-positive private sector

Asking such questions will necessarily move international and other actors away from a focus on presenting conditions, in which they assume that they are reducing conflict risk and fragility if they create an enterprise that nudges the youth unemployment rate lower, or provide support to introduce better legislation in the extractives sector. It will usefully move them towards assessment of what we might call the political economy of fragility: socio-political dynamics inhibiting the mobilization of coalitions sufficient to confront and change power relationships and institutional arrangements that exacerbate problems rather than provide solutions. As they design and implement policies and programmes for inclusive growth and greater economic opportunity, including private sector promotion, they move from a focus on what is not there – for example, jobs or public services – to understanding what is there – powerful dynamics inhibiting positive change.

It may also move analysts and actors towards more robust metrics for monitoring, evaluating and ultimately shaping the impact of reforms and initiatives that shape the private sector. These will necessarily go well beyond either the seemingly obsessive focus on growth rates and FDI flows – which this analysis shows were drivers of increased rather than decreased conflict and fragility in both periods under investigation – or even the measurement of progress against “dimensions of fragility”, which appear to be largely blind to the entanglement of even positively-intended initiatives in the key driving factors of the political economy of conflict.

The starting point for a more robust set of metrics may be found in the recognition that significant resources injected into a fragile state context will, absent sufficient, intentional interventions to manage their impacts, have a strong tendency to exacerbate existing tensions and create new ones – a principle long established in the humanitarian, development and company-community spaces (e.g., Anderson, 1999; Zandvliet & Anderson, 2009). In the context of economic growth policy, investment climate reform and private sector development, the Sierra Leone and related analyses suggest that three dynamics appear particularly pronounced:
• **Power effects.** Reform efforts and investments will tend to concentrate power and resources with the allies of the government in power, both by making more of the economy subject to the controls of macro-economic policy and national institutions (e.g., through policies that concentrate and depend on large-scale extractive enterprises), and by creating opportunities for those in power to enrich themselves and their allies. Furthermore, in order to secure control over additional resources, government attention is focused away from policies more beneficial for inclusive growth towards those favoured by external institutions and investors. The formal government becomes an even greater arena for conflict, as resentments over mal-distribution of national resources grows in the face of allocation of state assets to loyalists and relatives in the form of land, contracts and positions. Incumbents become desperate to stay in power, both so the “plunder” described by the TRC (2004) can continue and impunity for past indiscretions can be assured.

• **Enterprise effects.** The private sector enterprises that emerge from these power dynamics are primed to replicate the extractive practices of the past. Enterprises at any scale are necessarily part and parcel of the closed economic order; they play roles in shaping decisions – from tax policy to government procurement – to their benefit, not that of the people as a whole. They rely on the support of state security and justice institutions to suppress opposition by traditional institutions, communities or individuals to their presence and operations. There are few incentives to comply with environmental or social standards that reduce enterprise profitability for shareholders and government patrons alike. The prevalence of small players in global markets facing little reputational risk from questionable behaviour, together with a capital-intensive mining industry that shares rents more with compromised officials than with the national treasury, yield little to the poorer classes.

• **Grievance effects.** Power and enterprise effects together exacerbate tensions and grievances that are at the heart of conflict and fragility. The population sees economic policy and infrastructure development geared towards local elites allied to large enterprises and their foreign sponsors, while UNDP counts around 80% of the population as poor (2016) of whom the vast majority are within the informal sector. The
phenomenon of exclusion is pervasive due to the interplay of the ethnically based informal states with multi-party democracy, notwithstanding the token non-ethnic appointments and contracts. The judicial system is considered partisan and biased towards wealthy elites and their private sector interests. An increasingly well-informed civil society grows in frustration as it fails to stop any but perhaps the most egregious cases of abuse across all of the dimensions outlined above.

These observations are captured below, illustrating for Sierra Leone the nexus between private sector promotion and development on the one hand, and key driving factors of conflict and fragility on the other:

This suggests that a more robust set of metrics – whether for policy and institution actors on the international stage, or for an individual enterprise attempting not only to “do no harm” but contribute to peaceful development – may not be all so difficult to conceptualize. It requires actors only to internalize that any intervention makes them part and parcel of the political economy of conflict, and that therefore policy, aid and private sector development interventions will have an impact, positive or negative, on key driving factors of conflict and fragility. Furthermore, interventions will be mediated by the dominant dynamics of the system, shaping the private sector that emerges and its impacts on fragility. Effective metrics, therefore, would track aggregate impacts along dominant vectors on the conflict system, any of which could be positive or negative:
Applying such metrics, policy that was sensitive to the political economy of fragility would not proceed with a proposed investment scheme that further concentrates power, for example, but would favour one that helps create a more open economic order; policy actors and donors would be far more in tune with policy coherence and policy consensus inclusive of civil society and opposition voices than they are today. At the enterprise level, policy might favour companies and initiatives with a direct enabling impact on the informal sector (as did Ethiopia to lift tens of millions of smallholder farmers out of poverty), rather than on projects that bring national tax revenues but little local benefit. And they might insist on conflict prevention and resolution systems sufficient to keep grievances from escalating. In other words, these metrics – here only illustrative – help actors turn power, enterprise and grievance dynamics in positive directions.

Use of such metrics to shape policy and aid interventions as well as private sector initiatives has a number of implications. First, international actors have advocated for some time that private sector actors adopt conflict sensitive business practices (e.g., IFC 2012; OECD 2011). This analysis supports the notion that such efforts are critical – and indeed much more difficult than typically acknowledged, due to the intermediating effects of key dynamics of conflict and fragility on any attempts by companies to act in conflict sensitive ways or for outside actors to influence them. Second, the analysis underlines that initiatives to promote economic growth, shape the investment and business climate, and promote private sector development must themselves be conflict sensitive if they are to not reinforce conflict and fragility rather than promote peaceful development. Third, all actors must be aware of aggregate impacts on the system. This is true for individual private sector actors – the
positive impact of whose good practice or program may be overwhelmed by their negative impacts on the system elsewhere – and also true for international actors, who must be attentive, for example, to the regional distribution of private sector projects as well as the aggregate attentiveness or inattentiveness to the interests of domestic actors and the informal sector vis-à-vis those of large and often foreign enterprises. To the extent that these principles are well established in the peacebuilding field (Ganson, 2017), this can all be summarised rather simply: if one wants to mitigate conflict risk and promote peaceful development through the private sector, one still has to analyse, think and act like an effective peace-builder.

**Section 5. Conclusions**

Several observations and lessons emerge from this study of the underlying causes of the country’s fragility and instability. They highlight current risks and the poor positioning of the country in light of the likely challenges of the future. And they suggest that a tipping point is again being reached in which, absent a concerted effort to construct a peace accord that deals more fundamentally with the sharing of power and resources between Sierra Leone’s many nations, growing inequality and worsening poverty, chronic instability, and even escalating violence remain significant risks.

### 5.1 Contemporary observations

The “social contract” has never been established in Sierra Leone at the national level. Rebellions and strikes before independence, and coup d’états and economic crisis after independence, were repeated regularly. Yet the promises of a new beginning after every crisis – up to and including the civil war – have never involved a systematic attempt to understand and resolve the contradictions of the existence of two parallel configurations of the state that are entrenching fragility. Economic growth and political calm prevail for short periods, but are not harbingers of a new social and political order.
Notwithstanding some elements of apparent resilience, the country is therefore still fragile and vulnerable to the forces that led to the collapse of the state and civil war 15 years ago. Political interference in the functioning of institutions continues to stultify growth, undermine capacity and weaken effectiveness, rendering the government incapable of resistance to the slightest of shocks. There are still few checks and balances to a predatory executive and ruling class.

The ease with which chronic popular dissatisfaction with government can still contribute to conflict and violence is seen in community protests, student manifestations, and election violence. A recent example (February 2017) includes university students protests over non-payment of lecturers’ salaries that turned violent. Echoes of how this escalates to a state-society crisis are heard in the use of the state security apparatus to suppress dissent, and in the way corruption permeates the rank and file of institutions responsible for law and order, rendering individual security impossible. Moving towards the next elections, the signs are visible. The security apparatus is refusing permits for demonstrations on the grounds that they may incite instability; the justice system has arrested a number of political activists only to release them after a period of incarceration.

The private sector similarly represents mostly a reflection of the past, rather than a blueprint for the future. To the extent that the private sector is defined as that part of the economy not controlled by government, it must be admitted that Sierra Leone has little private sector in the formal sector, particularly at scale. Characterized by a limited economic order, the government continues to exercise inordinate influence over mining, commercial agriculture, infrastructure development and industry in pursuit of corrupt and rent seeking aims. More often than not, private sector actors appear to be willing partners. The economic policies pursued and the sectors promoted also tend to reflect elite and foreign interests, not necessarily a sustainable development path for the broad majority of the country’s people. Once again, there are reports of the use of public security forces to intimidate local communities and pursue private ends.

At the same time, non-state institutions seem to be experiencing slow but steady growth in both scale and capacity. Religious institutions, civil societies, the media and even international NGOs and partners now provide public goods and services widely. To some
extent they compensate for a national government unwilling or unable to play its social role; in some areas, such as education and health, they deliver a scale, scope and quality of services in the aggregate on par with, or even exceeding that, provided by the government. There are some political victories, including the massive hue and cry by civil society that stopped a last ditch effort by the outgoing ruling party to change the constitution in ways that would let it stay in power. But impact of non-state actors is fundamentally palliative, in the social sphere providing (still inadequate) direct services, and in the political sphere (in conjunction with Sierra Leone’s few independent political institutions) only publicizing and perhaps moderating some of the worst excesses of corruption. They are not capable of re-ordering power relationships in ways that result in stability and peaceful development.

5.2 New challenges on the horizon

At the same time Sierra Leone has not addressed its past, it has not positioned itself to address the challenges of the future. On the economic front, Africa is losing any form of homogeneity in terms of how countries relate to the global economy. The increasingly rapid flow of more diversified FDI flows to countries with more stable investment environments will soon result in countries with sustained high growth rates leaving behind countries still struggling with governance and other issues constricting progress. As inequality among countries expand, so too will the dangers of increased fragility. Sierra Leone risks being left behind. Given the almost equally weak state of Sierra Leone’s neighbours, this factor of fragility will, as in the past, have a regional dimension. Yet, the country has not prioritised sub-regional collaboration as Rwanda has done in East Africa.

On the social front, the rapidly expanding youth population with access to social media and instantaneous information dissemination increases volatility. In the past, the government used the state apparatus to move quickly to suppress expressions of disaffection. In a world in which protests on one campus move quickly to many others, attempts at suppression of dissent only result in increased insecurity, and deepen a sense of the illegitimacy of the state. Similarly, the greater empowerment of civil society groups combined with the juxtaposition of islands of efficient institutions like the Human Rights Commission, the National Minerals Agency, and the Auditor General’s office make the abuse of power, looting of state assets, and other aspects of the predatory state more easily and rapidly
known. In the absence of a credible response from government or any true accountability, however, these further delegitimize the state and worsen the distrust between state officials and citizens.

In the policy arena, the challenges of the future – from sustainable mining and agriculture to climate change to education reform to the development of job-led growth strategies in a world of declining manufacturing jobs – are not amenable to the dictates of presidential initiatives or short-term planning support by bilateral donors. Rather, they require alignment and coordinated efforts between areas of government, between national and local governments, and between government, civil society, and the private sector. Exactly this ability to build sufficient consensus for coherent policy, and then to follow through with comprehensive implementation, is the way out of Sierra Leone’s current quagmire, but seems increasingly beyond its grasp.

5.3 Implications for the future

The imminent collapse of a state is usually preceded by suppression of widespread calls for introspection that leads to addressing the underlying problems. The signs suggest that this may be playing out in Sierra Leone now. President Koroma at the closing of Parliament in December 2017 laid claim to a highly successful 10-year stint, notwithstanding data showing declining conditions for the bulk of the population (UNDP 2017). Successive IMF reports continue to praise the efforts of the Government, even in the face of rapid declines in the value of the country’s currency, high interest rates, at times alarming rates of increase in public debt, and overall sluggish performance of the real economy – macro economic stability notwithstanding. Critical voices find few national or international platforms.

Yet the analysis above indicates that any appearance of a move out of fragility in Sierra Leone is a mirage – the veneer comes off at the slightest sign of crisis. The recent mudslide which occurred only two years after the major Ebola epidemic found the country’s institutions still wanting. The causes of these crises were found to be rooted in the underlying drivers of broader fragility, ranging from looting of state resources, inability or unwillingness to enforce regulations, distrust levels that mean that citizens do not believe what their government is telling them, and a general indifference to public imperatives.
The Peace Agreement supplemented by economic development plans represented the agenda for “rebuilding” the formal state after the conflict. The goals were to end the conflict, restore the state and expect its institutions to do better. The post-conflict agenda thus fell short of forming the basis for reconstructing a new state; it rather reproduced the old state with a known history of failures from the time of the first colony of settlers up to the onset of the conflict. A political settlement driven by the desire to end a conflict was a superficial layer hiding underlying fissures that could reappear as soon as the pressures for peace receded in memory.

Any genuine movement out of fragility requires first and foremost a deliberate attempt to face the past and apply the lessons learnt so far. In particular, it must address the fundamental vulnerability that has its roots in the establishment of the formal state alongside the multiple informal states of traditional authority that underpins so many of the country’s other challenges. The cross-currents and tensions among the latter create turbulences that facilitated if not provoked conflict in the past. The formal state remains incapable of sustained resilience in light of persistent competition among the informal states that control and distribute power; at the technical level, the same tensions weaken the effectiveness of national institutions, as evidenced by the Ebola epidemic. The country must also eschew platitudes, political spin and the comfort of rosy international reports to deal frontally with issues related to the diversification of the economy, the adoption and application of coherent laws, the provision of jobs, the general level of education, and many others.

Such a fundamental rethinking and re-ordering of the socio-political compact can evidently not be done through current political structures and processes; the national government is as a result of patronage and exclusionary politics in fact a primary arena of conflict. It will require a non-partisan mechanism that is accountable to the people. A roadmap championed by non-state actors and development partners must be formulated, and commitments by all stakeholders secured, for any chance of success. In other words, a broad-based peace and development process that addresses the underlying drivers of fragility and sets a path for the future around which sufficient consensus can be built is required.
Yet the inevitable question that arises is how feasible a national dialogue to address the underlying flaws revealed above may be, when those in authority stand to lose in the short term from any change in the status quo. Current political and cultural power centres appear incapable of self-organising their institutional arrangements in ways that sustain peaceful development. This suggests, potentially, an important, on-going role by those outside actors who helped to broker the peace agreement. A continuation of the externally-facilitated process may be both necessary and welcome to broker agreement between them.

One entry point for change may be in the recognition that 40% of the Government’s budget comes from donor financing, and that almost all private sector investment at any scale is facilitated by various international subsidies, guarantees and technical support. These are levers that can be used to help arbitrate among the various forces to obtain results that are in the national interest. Today, development partners frequently meet with national leaders to review development progress and the use of donor funds, without ever putting on the agenda the issues narrated above. The time has come to change this.

What is required now is a conversation about the long-term strategy for transformation that will address the underlying fault lines on which development plans and investment strategies are being constructed. That strategy must have broad popular support. It must account for and constructively engage the informal states that have acted with such continuity throughout Sierra Leone’s history. An attempt was made on the occasion of the country’s 50th anniversary of independence: the National Transformation and Development Conference. Yet having set it up, it seems to have been abandoned by the Government.

Change will therefore need to come from other quarters. For the first time, civil society leaders have in the run up to the elections adopted a citizens manifesto. They call on which ever party wins to adopt its elements. This is a good start. Development partners – including those focused on private sector development – should not shy off from providing advice that draws from the collective experience of all the partners in the country. They should direct support to those who can and will work towards consequential changes in the country’s power structures and institutional arrangements, which after so many decades in and crises and violent conflicts still appear amazingly resilient. These actors in turn must move to seize a window of opportunity that closes rapidly but presents itself after the
general elections: the euphoria of change normally allows the new leaders a short period to introduce bolder and more radical changes. When Sierra Leone begins to implement such a coordinated strategy, it would have taken the road away from fragility towards peaceful development.

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