

BTI 2010 | Sierra Leone Country Report

Status Index	1-10	5.39	# 73 of 128	
Democracy	1-10	6.32	# 52 of 128	➔
Market Economy	1-10	4.46	# 95 of 128	➔
Management Index	1-10	5.35	# 59 of 128	

scale: 1 (lowest) to 10 (highest) score rank trend

This report is part of the Transformation Index (BTI) 2010. The BTI is a global ranking of transition processes in which the state of democracy and market economic systems as well as the quality of political management in 128 transformation and developing countries are evaluated.

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Key Indicators

Population	mn.	5.4	HDI	0.37	GDP p.c.	\$	732
Pop. growth	% p.a.	2.8	HDI rank of 182	180	Gini Index		42.5
Life expectancy	years	47	UN Education Index	0.40	Poverty ²	%	76.1
Urban population	%	37.4	Gender equality ¹	-	Aid per capita	\$	91.5

Sources: UNDP, Human Development Report 2009 | The World Bank, World Development Indicators 2009.

Footnotes: (1) Gender Empowerment Measure (GEM). (2) Percentage of population living on less than \$2 a day.

Executive Summary

In the period under review, Sierra Leone's transformation process has been characterized by two major issues. In the political sphere, the country underwent a change of government brought about by the 2007 presidential and parliamentary elections, the result of which has been reaffirmed in the 2008 local elections. In the socioeconomic sphere, post-conflict reconstruction, development and poverty reduction remained top issues just a few years after a disastrous eleven-year war ended in 2002. Given the overall external dependency of the economy and the lack of domestic financial resources, Sierra Leone, one of the poorest and least-developed countries of the world, remains dependent upon a viable relationship with international donors, which also means a fairly well-functioning relationship with the IMF and the World Bank. In the final phase of the Ahmad Tejan Kabbah presidency, failure to properly address major socioeconomic problems and to maintain a good relationship with the donors by implementing economic programs in line with IMF conditionality contributed to the loss of voter confidence in the Sierra Leone People's Party (SLPP) government, as well as to the party's loss of power. The new All People's Congress (APC)-dominated government of President Ernest Bai Koroma mended the relationship with the IMF and started to implement programs to repair its domestic and international credibility. Should this government fail to perform adequately in the mid-term, this could not only translate into a deadlock in donor relationships, but also put at risk the entire political and economic transformation process, including further consolidation of postwar peace.

The roots of violent conflict, including corruption, mass poverty, disaffection among the youth and a general vulnerability to globalization, remain firmly planted in the country. However, there are indications of Koroma's goodwill to combat corruption, to promote attitudinal and behavioral change towards clientelism and corruption, and to address youth problems by creating job opportunities. However, given the country's immense developmental constraints, prospects seem mixed if not dismal as the new government's management and steering capabilities in promoting economic as well as political transformation seem to be as limited as those of the previous government.

History and Characteristics of Transformation

Low levels of economic, social and political development have limited Sierra Leone's ability to take significant and sustainable steps toward transformation. As a consequence of British colonialism, the country's prospects were burdened from the start with structural constraints, including the high dependency of state revenues on the export of agricultural and mineral products. The country and its population also suffered from excessive corruption, mismanagement and authoritarian – periodically military – rule, which eventually became a major political and economic crisis factor itself. In the end, the country was brought to its knees by a disastrously bloody and disruptive eleven-year war from 1991 to 2002.

The war spilled over from neighboring Liberia in 1991 through the domestic, essentially youth-based Revolutionary United Front (RUF) rebel movement in collaboration with then-Liberian warlord Charles Taylor, who sought to get hold of Sierra Leone's diamonds and fuel a violent struggle for power in what he called a "Greater Liberia." In Sierra Leone, the RUF, led by Foday Sankoh, tried to capitalize on the widespread disaffection resulting from corruption, repression, mass poverty, and severe social inequalities. Given the extremely adverse working and living conditions of a large portion of the rural population in the regions bordering Liberia, it was very easy for Taylor's and Sankoh's rebel groups to recruit local, especially young people who were ready to fight for a betterment of their situation. In addition, quite a few people were recruited by force in the course of the war.

The war reshaped, complicated and brought to chaos a process of political transformation, which had begun in 1990 following the end of the Cold War. The authoritarian regime of Joseph Momoh, who succeeded the dictatorship of Siaka Stevens in 1985/1986, was then forced to abolish the two-decade one-party rule of the All People's Congress (APC) and to introduce a new democratic constitution and a multiparty system in 1991. However, the war destabilized the country and undermined democratization to such a large extent that a military regime took over in 1992. The regime of Captain Valentine Strasser, which pretended to promote democratization, was neither able nor willing to buttress political transformation when the war gained momentum. As disappointment and political unrest grew in Freetown, the military regime finally collapsed in a "palace revolt" in early 1996. Influenced by external (donor) pressure, Strasser's successor, General Julius Maada Bio, saw no alternative but to pave the way for democratic elections based on the 1991 constitution. The poll brought to power President Kabbah and his party, the Sierra Leone People's Party (SLPP), which had already ruled the country from 1958 to 1967.

The elections, however, were poorly planned and lacked legitimacy; much of the population was either displaced or unable to register as a result of war. Subsequently, Kabbah was overthrown in a coup d'état in 1997. Yet, the ugly repressive military junta of Johnny Paul Koroma, who invited Sankoh's rebels to join his government, was overthrown after only nine months by a Nigerian-led external military intervention in 1998. Kabbah and the SLPP returned to power.

However, the government survived renewed bloody attacks by Sankoh's rebels in 1999 and 2000 only because of foreign intervention. As of 2000, troops sent by the former colonial power Great Britain effectively crushed the military capacity of Sankoh's fighters. An international peacekeeping force, the United Nations Mission in Sierra Leone (UNAMSIL), in collaboration with the British military, restored a modicum of security, stability and stateness to the country, which had come close to becoming a failed state in the course of the war. Kabbah was able to formally declare the end of the war in January 2002 and to organize new elections in May of the same year. The president and his party won approximately 70% of the vote. In contrast to 1996, the polls were almost all-inclusive, legitimizing the government to rule the country for another five years, up to 2007. Kabbah's willingness to and demonstrated capability in ending the war coupled with his image as the "darling of the donors" largely accounted for his electoral victory. The majority of the population was convinced that Kabbah's good relationship with the donors would result in the inflow of foreign financial and technical assistance that was necessary to bring peace and prosperity to the country, which they desired most.

Following the 2002 elections, Sierra Leone's political system, stateness and democratization process were to be gradually consolidated. As part of the decentralization process, the local elections of May 2004, which gave the SLPP another 70% majority, further deepened the democratization process. Postwar political stabilization and transformation was also facilitated by stated attempts to fight corruption, promote human rights and enforce the rule of law. Despite shortcomings, the peace process has been successful enough to allow the phasing out of UNAMSIL, which had grown to more than 17,000 international troops at the height of its intervention, by the end of 2005. After UNAMSIL's departure, a much smaller political mission, the United Nations Integrated Office in Sierra Leone (UNIOSIL) continued to assist the peace process in the country. In October 2008, the United Nations Integrated Peacebuilding Office in Sierra Leone (UNIPSIL) succeeded UNIOSIL.

As a result of heavy external financial, technical and security support, Sierra Leone has been able to stabilize the democratization process. Nationwide presidential and parliamentary elections in August and September 2007 brought about a change of government; owing to disillusionment and frustration of a substantial share of the electorate, the SLPP, the then-ruling party, and its presidential candidate, Solomon Berewa, were defeated. The APC became the new ruling party while its chairman, Ernest Bai Koroma, a politician-turned-businessman, was given the mandate to move into the statehouse (presidential office). Since the APC fell short of winning an absolute majority in the House of Representatives (a single-chamber parliament), it co-opted the People's Movement for Democratic Change (PMDC) as a junior partner when Koroma formed the new government. The PMDC is a breakaway party of the SLPP founded in 2005 and officially registered in 2006. It chose to join the APC-dominated government rather than take sides with the SLPP in the opposition, a decision influenced to a large extent by the personal dissatisfaction of PMDC leader Charles Margai, who left the SLPP when he was not selected as chairman and presidential contender in the wake of the 2007 elections. Margai, a son of former Prime Minister Albert Margai (1964-1967), was defeated by Berewa in the intra-SLPP competition to succeed Kabbah, who was not allowed by the constitution to run for a third term in office.

While political transformation gained momentum in the postwar period, economic transformation progressed very slowly despite high (though flattening) GDP growth rates. These growth rates were largely a reflection of the reconstruction and restoration activities that had been initiated in order to rebuild the war-ravaged country. Although the government took steps to reshape the legal environment of the economy in a way that would theoretically promote the emergence of a market economy, the inflow of foreign money in the form of loans and investment was too small to stimulate the economy beyond mere reconstruction. For years, diamonds, which had become a major source of foreign exchange and finance during the war, remained the single most important factor in the export economy. It was not until 2006 that prewar sources of foreign exchange, such as the mineral products rutile and bauxite, were revitalized when foreign investment began to materialize. In the same year, Sierra Leone was able to conclude a Poverty Reduction and Growth Facility (PRGF) arrangement with the IMF and gain access to substantial debt relief according to the Heavily Indebted Poor Countries (HIPC) initiative and the Multilateral Debt Reduction Initiative (MDRI) of the IMF and the World Bank. Both institutions are driving forces behind international pressure on Sierra Leone to develop a free-market economy, which would bring to a halt the “informalization” of the economy that has been accelerated by war and the postwar situation of poverty and unemployment.

The IMF, World Bank and the donor community that set the political framework for Sierra Leone’s economic transformation have been pressuring the country to transform since long before the war. During the war, Sierra Leone committed itself to IMF conditionality and concluded loan agreements with the IMF, once under the Strasser military regime (1994) and three times under Kabbah (1996, 1998 and 2001). The country remained dependent upon IMF and donor assistance in the postwar period, given the heavy challenges of ensuring the consolidation of peace and stability, socioeconomic stabilization, reconstruction and development as well as democratic transformation, which the country, one of the poorest of the world, cannot achieve entirely on its own. Donor assistance and debt relief remained closely tied to Sierra Leone’s willingness to comply with IMF conditionality, which means fiscal discipline, anti-corruption policies, inflation containment, liberalization of all sectors of the economy, the promotion of the private sector, the privatization of state-owned companies and poverty reduction policies. Given the deep-rooted structural weaknesses of the country, it remains difficult for any Freetown government to perform according to IMF-style policies and performance criteria. The Kabbah government’s domestic political problems with swallowing pure IMF medicine in 2006/2007 led to a reduction of donor assistance, which aggravated the already substantial socioeconomic problems of the country. Subsequently, the disaffection among the electorate grew, and a new government was voted into power in 2007. Apart from tackling overwhelming problems such as mass poverty, high unemployment and generally low standards of living at home, the new government immediately faced the challenge of restoring credibility with the IMF and the donors. One year after Koroma came to power, the IMF stated that “consolidation of peace in Sierra Leone is creating a favorable environment for economic reforms needed to sustain macroeconomic stability, accelerate growth and reduce poverty.”

Transformation Status

I. Democracy

The most important and remarkable political development during the review period was the SLPP's defeat in the nationwide parliamentary and presidential elections of 2007, the first held since the departure of UNAMSIL peacekeepers. On 11 August 2007, the APC opposition party won a parliamentary majority, gaining 59 of 112 directly elected seats, while the ruling SLPP took only 43 seats and the PMDC 10 seats in the House of Representatives. Twelve more seats were later allocated to indirectly elected Paramount Chiefs, who are mandated to act as representatives of their districts.

According to the official results of the 11 August presidential election, APC candidate Ernest Bai Koroma won 44.3% of the votes, while former vice president and current SLPP contender Solomon Berewa came in second with 38.9%. PMDC presidential candidate Charles Margai placed third, receiving 13.9%. Because none of the candidates won the 55% of the vote needed to win in the first round, a run-off election was held on 8 September 2007. This time, Koroma triumphed with 54.6% of the vote against Berewa's 45.4%, becoming the new president of Sierra Leone.

The electoral victory of Koroma's party has been reaffirmed in the local elections conducted on 5 July 2008. In sum, the APC took 44.8% of the votes, while the SLPP got 36.0% and the PMDC 10.2%; the remaining 9% was made up by independents and "others." The APC won seven of the 13 district councils and three of six municipalities, while the SLPP held the upper hand in six districts and two municipalities. The PMDC took the remaining municipality.

1 | Stateness

During the civil war, Sierra Leone's stateness, institutional structures, overall security and territorial integrity were seriously undermined. With international support, the postwar country has been able to restore stateness, including the monopoly on the use of force. Tens of thousands of refugees, internally displaced persons and ex-combatants have been reintegrated into civilian society, new internal and external security forces have been formed, and core administrative structures and institutions have been re-established. However, the process of promoting capacity building and rehabilitating civilian and security institutions at the national,

Monopoly on the
use of force

regional and local levels is still burdened with problems, including widespread corruption. Moreover, criminal activities of armed elements present a challenge to the state authorities at the local level. Generally, the state's monopoly on the use of force and its fundamental administrative and security infrastructure extend throughout the entire territory of the country, but they remain deficient and highly dependent on external assistance.

Despite its violent history, the nation-state's legitimacy is currently not questioned in principle. Most people enjoy the same rights of citizenship, and there is a shared sense of being part of the Sierra Leonean state and civil society. However, ethnic loyalty remains an important factor in the government, armed forces and business. Ethnic discrimination and rivalry remain sources of conflict and distrust.

State identity

There are divisions between north and south, between Muslims (about 60% of the population) and Christians (20%), and between the Temne (north) and Mende (south), each of which make up about 30% of the population. Other ethnic groups (among a total of about twenty groups) include the Limba (north) and Krio (Freetown peninsula).

In a narrow sense, Krio is a term used for descendants of freed slaves, who make up only 1-2% of the Sierra Leonean population. In a broader sense, Krio is an English-based creole language; it is the mother tongue of about 10% and a lingua franca of up to 80% of the population. While the Krio language can bridge the linguistic divides between ethnic groups, Sierra Leone is far from being a Creolean nation.

The constitution provides for the separation of religion and the state. Religion does not play a significant role in defining and legitimizing state and political power or in designing laws. The overwhelming majority of both Muslims and Christians view religion as a private sphere separate from politics. However, owing to the large percentage of Muslims in the country, Sierra Leone has chosen to be a member of the Organization of the Islamic Conference (OIC). Moreover, both the previous and the current governments maintain good relationships with Libya and its leader, Muammar al Qhadafi, who propagated a self-styled version of Islam in his "Green Book." The leverage of political fundamentalist or extremist Islam has not been noticeable in Sierra Leone so far.

No interference of religious dogmas

Thanks to the rebuilding of state institutions and ongoing attempts at capacity building after 2002, basic administrative structures formally exist throughout the country. However, these institutions do not function adequately, due largely to clientelistic structures and corruption at all state levels. Clientelism and corruption continue to operate as major constraints on administrative rationality, although the previous and the current governments have emphasized the urgent need to pursue anti-corruption policies.

Basic administration

2 | Political Participation

Under the constitution, mechanisms of political participation are formally in place. Universal suffrage and the right to campaign for office are guaranteed by constitutional and legal regulations. Nationwide presidential and parliamentary elections were held in 2002 and 2007, whereas local elections, designed to stimulate the process of decentralization and to bolster stateness in the hinterland, were conducted in 2004 and 2008. Postwar elections were generally considered to be free and fair, thanks to the independent work of the National Electoral Commission and to international support. In 2007, for the first time since the civil war, power was transferred peacefully to the opposition by the electorate at the national level. Both domestic and international observers recorded only minor irregularities that, according to their view, did not affect the outcome of the polls.

Free and fair
elections

Nevertheless, poverty and the lack of resources to fund candidature and campaigning serve as de facto restrictions on the eligibility of a large part of the population to participate in the political process. In addition, there are limitations on access to media presence and coverage.

Due to its 2007 electoral victory, the government of President Ernest Bai Koroma is endowed with formal democratic legitimization. Thanks to its electoral success, as well as massive external economic, political and security support, it is able to effectively govern the country. The previous government of President Ahmad Tejan Kabbah, based on a 70% majority, was also able to do so.

Effective power to
govern

However, the legitimacy of the current government is being questioned in the SLPP-dominated southeastern parts of the country where the ruling APC remains a fairly weak minority party. In 2002 (and in 2004), the SLPP (and Kabbah) made much stronger gains in the APC-dominated northern parts of the country than the APC was able to make in the SLPP's southeastern strongholds in 2007 (and in 2008).

Historically, the military (and rebel militias) was a major veto power. While the militia were defeated and disarmed by British and U.N. troops, the military and the police were restructured, trained and ideologically "de-politicized" with external (mostly British) assistance. However, the possibility of the military re-emerging as a veto power in case of serious economic and/or political crises in the country cannot be ruled out.

Citizens are able to form parties or civil society organizations freely and without major restrictions. However there are limitations to assembly rights. According to the U.S. State Department, police have on occasion forcibly dispersed demonstrators, which has resulted in injuries. Police were sometimes unable to

Association /
assembly rights

control demonstration violence, and demonstrators at times attacked police stations. For example, in the run-up to the July 2008 local elections, police clashed with demonstrators protesting allegations that SLPP supporters had defaced the president's portrait. In August 2008, police used tear gas and force to end a clash between SLPP and APC members. In November 2008, students from a high school in Freetown attacked a police barracks after police used excessive force on a student accused of assaulting an officer.

Freedom of expression and the press are guaranteed by the constitution. However, there are de facto restrictions; for instance, the coverage of high-level corruption provokes state repression. Although the media, especially a few of the more than two dozen newspapers, openly and routinely criticize the government, there is extensive harassment of the media. In 2008, Sierra Leone ranked 114th out of 173 countries in the World Press Freedom Ranking of Reporters Sans Frontières (RSF) and 124th out of 195 countries in the Global Press Freedom Rankings of the Freedom House ("partly free").

Freedom of
expression

3 | Rule of Law

The 1991 constitution provides for clear de jure separation between the state powers, including the judiciary. However, in many respects, there is a de facto lack of separation of powers, due to the executive's octopus-like attempts to influence, and put pressure upon, the legislative and the judicial powers.

Separation of
powers

The judicial system consists of three main courts: the Supreme Court, the Court of Appeals and the High Court of Justice. The president appoints, and parliament approves, justices for these courts. At the district level, there are magistrate courts. At the local level, chieftaincy courts administer customary law.

Independent
judiciary

In the wake of a reform of the judicial system supported by the United Kingdom Department for International Development (DFID), Sierra Leone has a legal framework to ensure the rule of law, at least in theory. There is evidence that the judiciary has demonstrated independence in a number of cases, and a number of trials have been free and fair. However, corruption, under-qualified personnel and scarce resources, among other factors, continue to impede the judiciary from pursuing a credible and enduring rule of law.

There still appears to be a high level of impunity for officeholders and other state actors when it comes to arbitrariness, misadministration and corruption. Sierra Leone is still far from systematically applying legal mechanisms against abuses of office. One of the major reasons for the SLPP's defeat in the 2007 elections was their failure to attain improvements in this field. Since 2007, President Koroma has taken some steps to hold government officials and other state actors responsible for misadministration and office abuse. For instance, ministers have to sign performance contracts, the criteria of which they have to meet to keep their office. Whether this approach will bring about improvement remains to be seen.

Prosecution of
office abuse

The 1991 constitution guarantees civil liberties and human rights. The promotion and protection of human rights has been formulated as the stated objective of the Kabbah and Koroma governments. The Human Rights Commission of Sierra Leone is assigned to promote human rights and to report on violations. War crimes and crimes against humanity have been on the agenda of the Truth and Reconciliation Commission (TRC) and the United Nations-mandated Special Court for Sierra Leone (SCSL). Despite these positive steps, serious shortcomings persist in the area of civil liberties and human rights. To begin with, Sierra Leone has the death penalty. In December 2008, however, the Court of Appeal overturned for the first time a capital punishment conviction against eleven former rebels. Apart from the death penalty, human rights transgressions are particularly prevalent among women and children, many of whom suffer from female genital mutilation (FGM), human trafficking and forced labor. The state fails to offer adequate protection in these cases, particularly against human rights violations such as FGM, which is common in religious and traditional African cultures. While this failure to stem human rights violations is partly due to the state's severely limited financial and technical capabilities, the reluctance to interfere with the influence of religious and traditional culture has also been fuelled by the fear of losing support among the traditionally socialized parts of the electorate. However, President Koroma has taken steps to face this challenge; for instance, defying traditional norms, he publicly denounced FGM as early as January 2008.

Civil rights

4 | Stability of Democratic Institutions

The institutions of the executive and legislative branches, the government and parliament, are constitutionally democratic and relatively stable based on the electoral outcomes of postwar national and local elections. Although democratic institutions exist, they are not capable of performing adequately in terms of political and economic transformation. The stability of institutions is undermined by clientelism and corruption in the political parties and the state apparatus, which threaten to erode the democratic legitimacy of institutions in general.

Performance of
democratic
institutions

At present, a majority of political actors clearly accept the democratic institutional framework. Although a significant part of the population is aware of politico-administrative weaknesses, they currently do not call into question the legitimacy of these institutions as such. But institutional legitimacy cannot be taken for granted, and increasing disaffection among the population could bring about a major negative shift in this respect. Moreover, the renewed political ambitions of factions in the rebuilt military could potentially become a matter of concern, given the armed forces' tradition of taking over in the event of a serious political crisis.

Commitment to democratic institutions

5 | Political and Social Integration

Postwar national and local elections reinforced and stabilized the multiparty system, which is based on the 1991 constitution. Based on the results of the 2007 national and 2008 local elections, the current party system is de facto a three party system comprised of the APC, the SLPP and the PMDC. In 2007, the opposition APC became the new ruling party, owing largely to Ernest Bai Koroma's victory in the presidential election runoff with almost 55% of the vote. Koroma's victory was made possible by the PMDC, which chose to support him rather than Solomon Berewa of the SLPP in the runoff. Koroma's party, the APC, gained 59 seats against the SLPP's 43 and the PMDC's 10 in the House of Representatives. Twelve more seats were allocated to Paramount Chiefs as representatives of the districts. Although there are many more parties in the country, none of these is able to challenge the three main political parties. There is a clear distinction between the parties in terms of ethno-regional roots and constituencies, particularly in the case of the APC and the SLPP. While the APC is deeply rooted in the northern regions and in the Temne and Limba ethnic groups, the SLPP remains more or less a Mende party based in the southeastern parts of the country. The PMDC, which split from the then-ruling SLPP in 2005, took away votes from the SLPP, especially in the southern coastal regions and around Bo, the country's second-largest city. In the 2007 presidential runoff, Koroma/APC and Berewa/SLPP almost scored 50% against 50% in the country outside the Freetown area – the former mainly in the north, the latter almost entirely in the southeast. Freetown, which voted largely in favor of Koroma, made the difference. In the aftermath of the elections, there were indications that the APC-PMDC alliance was becoming uneasy and fragile. However, President Koroma consistently succeeded in co-opting a substantial majority of the PMDC into the power structure of his government. For instance, he appointed Mohamed Bangura of the PMDC as the national coordinator for the attitudinal and behavioral change campaign in November 2008, a cornerstone of the government program to fight corruption. On the other hand, reports emerged in December 2008 about a rapprochement between the PMDC and SLPP parties, including talks about a merger that would signify reunification. By that time, the PMDC was already burdened with internal frictions, rivalries and leadership struggles.

Party system

The major parties are not very distinct from each other in terms of political programs. They present themselves primarily as forces promoting the well-being of the people. President Koroma, a former businessman, argued very much in favor of democracy and a free market economy. Moreover, he promised to fight corruption and to run the country like a business. In terms of organizational structures, the Sierra Leonean parties remain weak compared to the standards of developed countries. Most parties are committed to constitutionalism and peaceful activity, but inter-party and intra-party rivalries remain significant. During the 2007 electoral campaign, observers recorded a couple of violent confrontations between party supporters, resulting in some deaths. Although observers talked about “isolated cases” of violence in a generally non-violent atmosphere, the potential for conflict between the major parties should not be underestimated.

Sierra Leone has a growing number of civil society organizations and pressure groups in the areas of business, trade unions, women’s rights and human rights. However, the organization of interests, as well as the leverage to interfere with politics, is largely an urban middle- and upper-class affair. The interests of the rural population, women and the poor remain critically underrepresented at the national level.

Interest groups

The level of consent to democratic norms cannot be adequately evaluated due to the lack of survey data. However, by international standards, voter participation has been high in the national elections (76% in 2007), but fairly low in the local elections (about 30% in 2008). Although voter participation as such is not very meaningful when assessing citizens’ consent to democracy, we may conclude from the 2002 and 2007 national elections that a large majority of the Sierra Leonean people have been enthusiastic about participating in electoral democracy. In 2007, voters ousted the government by the ballot, installing a new one led by President Koroma. The previous SLPP-led government had lost much of its political credibility because many Sierra Leoneans were increasingly frustrated and discouraged by rampant corruption, a grossly deficient infrastructure, an acute lack of jobs and overwhelming poverty. Thus, they chose a new government. While many voters were initially optimistic about Koroma and his APC party, disillusionment soon became a major issue again as the new government proved unable to quickly deliver on its pre-election promises and satisfy the people’s increasingly impatient expectations.

Consent to democratic norms

The large majority of the population relies on informal sector activities and subsistence agriculture to survive. Extended families, village communities and women’s groups are major frameworks of solidarity and self-organization. Within these forms of self-organization, interpersonal trust appears to be high. However, trust rarely cuts across ethnic and regional segments of society; mistrust among significant portions of the population remains a reality.

Associational activities

II. Market Economy

In 2002, Sierra Leone re-emerged from a disastrous war that had seriously disrupted the economy. Although the economy showed some stabilization and considerable growth rates in the years following the war's end, subsistence agriculture and the informal sector, supplemented by international humanitarian assistance, remain the basic contributing factors to the survival of a mostly poor population. Diamonds and some agricultural crops, such as cocoa, are the main products earning foreign exchange. In cooperation with foreign companies, the mining of other important minerals, such as rutile and bauxite, is being revitalized. Moreover, the government is looking for foreign investment to develop new export products such as offshore oil and gas. As one of Africa's least developed countries, Sierra Leone will remain vulnerable to fluctuations in the world markets of its major export and import products in the foreseeable future. Reconstruction and development are possible only with sustained external financial and technical assistance. To qualify for external support, including access to substantial debt relief, the postwar governments have sought to cultivate good relationships with the IMF, the World Bank and the donor community. Theoretically, Sierra Leone's economy is moving straight towards a free market economy, which usually tends to attract private foreign capital. However, structural weaknesses and the destructive legacies of the war remain major impediments to foreign investment.

6 | Level of Socioeconomic Development

Sierra Leone has traditionally occupied the weakest positions in the annually published UNDP Human Development Reports. In the UNDP HDI update in 2008, the country was given an HDI value of 0.329, ranking it dead last out of 179 countries. Sierra Leoneans suffer from mass poverty, widespread malnutrition, high infant and child mortality rates, low life expectancy, deficient infrastructure, a poor education system and insufficient availability of basic medical services to cope with tropical diseases, malaria, tuberculosis and HIV/AIDS. Recently, child mortality has been projected at 262 of 1,000 births, while maternal mortality has been estimated at 2,100 of 100,000 births. These figures are among the weakest in the world.

The economic foundation is so weak that thoughts of self-sustained development and growth seem utopian. A large portion of the population's survival is dependent on economic, social and medical services provided by international agencies, including NGOs. Social exclusion is a reality for the overwhelming majority of the population. For many people, the main task of the day is to strive for the mere survival of their families.

Socioeconomic
barriers

Economic indicators		2004	2005	2006	2007
GDP	\$ mn.	1073	1214.8	1422.6	1663.5
Growth of GDP	%	7.5	7.2	7.3	6.8
Inflation (CPI)	%	14.2	12.1	9.5	11.7
Unemployment	%	2.8	-	-	-
Foreign direct investment	% of GDP	5.7	6.8	4.1	5.7
Export growth	%	-	-	-	-
Import growth	%	-	-	-	-
Current account balance	\$ mn.	-99.0	-104.9	-91.5	-181.1
Public debt	\$ mn.	1434.3	1350.2	1256.5	308.2
External debt	\$ mn.	1652.5	1563.7	1308.1	348.2
Total debt service	% of GNI	1.9	1.3	2.3	0.8
Cash surplus or deficit	% of GDP	-2.5	-	-	-
Tax Revenue	% of GDP	11.0	-	-	-
Government consumption	% of GDP	13.5	13.4	13.0	10.5
Public expnd. on edu.	% of GDP	4.2	3.8	-	-
Public expnd. on health	% of GDP	1.9	1.9	1.5	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	2.1	1.9	2.0	1.8

Sources: The World Bank, World Development Indicators 2009 | UNESCO Institute for Statistics | International Labour Organization, Key Indicators of the Labour Market Database | Stockholm International Peace Research Institute (SIPRI), Yearbook: Armaments, Disarmament and International Security.

7 | Organization of the Market and Competition

Ever since the Kabbah government began committing itself to IMF-style policies as early as 1996, Sierra Leone has been taking steps to develop a market economy. Since 2007, President Koroma has promised to run the country “like a business concern” based on IMF-style policies. His government revitalized a three-year PRGF arrangement with the IMF, which was concluded in May 2006 but went off track in the final phase of the Kabbah presidency. Given the new government’s compliance with major demands, the IMF granted waivers on the performance criteria missed by Sierra Leone. Subsequently, the PRGF arrangement was extended by one year to May 2010.

Market-based
competition

One of the major pillars promoting market-based competition is the 2004 Investment Promotion Act, which sets incentives to attract more private capital. Foreign capital is highly sought after and is legally equal to domestic capital. Since legal ambiguities tend to discourage private investors from investing their money in Sierra Leone, clarifications are currently being developed by new legislation.

Generally, the institutional framework and the administrative capacities to pursue market economic policies remain weak, while the informal sector and, more recently, criminal economic activities such as the drug trade are gaining momentum. Lebanese businessmen residing in Sierra Leone invest a significant share of legally invested domestic private capital.

In order to stimulate agricultural production, especially the growing of food crops, the Koroma government recently announced the liberalization and commercialization of this sector. The aim is to give incentives to smallholders to raise their production levels beyond mere subsistence agriculture.

In line with IMF conditions, Sierra Leone is politically committed to the abolition of state monopolies and oligopolies in strategic sectors such as utilities and transport. However, institutional incapacities, clientelistic networks in the state apparatus, the economy’s structural weaknesses, rampant corruption and low turnout of potential investors have all adversely affected the implementation of liberalization policies. Subsequently, some key sectors of the economy remain under state control or under heavy state influence. For instance, partly or fully state-owned banks still account for the majority of assets in the financial sector, while utilities continue to work as state monopolies that are not financially viable. It is extremely difficult in the current socioeconomic context to pursue coherent and effective anti-monopoly policies.

Anti-monopoly
policy

Foreign trade and foreign exchange regimes are largely subordinate to market mechanisms. According to the WTO, only a few import prohibitions and restrictions are maintained for health, safety, security and environmental reasons. Some observers, such as the Economic Intelligence Unit or the Heritage Foundation, complain about import taxes and fees, non-transparent regulations, non-tariff barriers, inefficient customs implementation and distortions caused by corruption.

Liberalization of
foreign trade

Both the war and the country's overall low socioeconomic development are to blame for the absence of an efficient financial sector and functioning capital markets. Since 2002, however, the banking sector has grown substantially, thanks to the rise of new banks and the re-emergence of banks established before the war. There are now a number of banks and non-bank financial institutions concentrated primarily in Freetown. In addition, the country is developing a micro-finance sector that is promoting small-scale business, especially in rural areas. In general, however, the lack of capital seriously limits prospects for socioeconomic reconstruction and development. The banking system and capital market are poorly developed, and regulation and supervision by the central bank remain inadequate. The central bank itself lacks the autonomy necessary to be an effective player in supervising monetary, exchange rate and credit policies.

Banking system

8 | Currency and Price Stability

Due to prewar corruption, persistent mismanagement and disruptions caused by the civil war, Sierra Leone has a long tradition of high inflation, monetary instability and overall economic vulnerability. Both the Kabbah and Koroma governments committed themselves to containing inflation and stabilizing the national currency. In the early postwar period, Sierra Leone was able to reduce year-on-year inflation to single-digit percentages. However, given the overall weak outlook of the LLDC/HIPC-style Sierra Leonean economy, inflationary pressures have increased since 2003. Exogenous factors such as the international price increases in oil and food exacerbated the overall situation, and more risks loom ahead due to the global economic crisis emanating from the international financial crisis in 2008. While inflation oscillated between 9.5% and 15% from 2006 to 2008, current IMF projections put the annual rates at about 14% in 2009 and 10% in 2010, which may be wishful thinking in a period of global economic recession. The Sierra Leonean government and central bank have only limited instruments and capacities for controlling inflation.

Anti-inflation /
forex policy

During the review period, both the previous and the current governments voiced their commitment to sound and tight fiscal and debt policies, but the state's resource base is too weak to allow a balanced budget and debt service without massive external support. The gap between domestic revenue and expenditure is high, which is an important factor contributing to the acceleration of inflation.

Macrostability

The burden on the national budget was lifted by substantial debt relief. Sierra Leone reached the completion point under the enhanced HIPC Initiative and qualified for debt relief under the Multilateral Debt Reduction Initiative (MDRI) in 2006. In January 2007, Paris Club creditors agreed to cancel outstanding claims on Sierra Leone. Debt relief from the international community helped decrease Sierra Leone's public sector nominal external debt from 145.9% of GDP at the end of 2005 to 32.1% of GDP (or \$523.8 million) at the end of 2007. By that time, domestic debt amounted to 25% of GDP.

9 | Private Property

Property rights and the transfers of capital and investment income are formally guaranteed. There is a program to privatize state-owned companies as well as a range of incentives, including tax exemptions, to attract private capital. However, according to the Heritage Foundation, private property is weakly protected in Sierra Leone due to its inefficient judicial system and absence of a credible land titling system. The risk of expropriation for private foreign capital, on the other hand, seems to be very low.

Property rights

According to official government policies, private companies are supposed to form the backbone of the economy. However, there are still several state companies and strong market concentrations such as oligopolies in Sierra Leone. The de facto business climate for private investors remains burdened with obstacles and risks, including corruption and inefficiency in the judicial and administrative systems, a dilapidated infrastructure and a fragile political environment. Moreover, the program of privatization, introduced in 1998 and reshaped in 2001, has progressed slowly due to political obstacles and the structural limitations of the war-ravaged economy. However, the country's private sector performance improved under the Ernest Bai Koroma government. In the World Bank "Doing Business 2009" report, Sierra Leone ranked 156th out of 181 assessed countries, which is slightly better than in the previous report in 2008 (rank 163).

Private enterprise

10 | Welfare Regime

In Sierra Leone, most people have to rely on family and community structures as the social basis of survival. Subsistence agriculture, the informal sector and international humanitarian assistance are the basic living conditions of a large majority. There is a rudimentary public social insurance system, the National Social Security and Insurance Trust (NASSIT), which covers some of the costs associated with old age, disability, survivors (e.g., orphans), work injury, sickness and maternity. In 2006, the previous government launched the Social Safety Net Scheme, which is connected to NASSIT and specifically directed at the needs of poor and vulnerable groups, including disabled persons, widows, widowers, orphans and children separated from their parents during the war. The National Commission for Social Action (NaCSA) conducts projects in the social, health and education sectors. All in all, the welfare sector remains heavily dependent upon international assistance.

Social safety nets

Equal opportunities do not exist for the country's inhabitants. About 70% of Sierra Leoneans live in poverty. The massive disparity of income distribution has been, and remains, a major source of conflict in the country. Poor people, people with disabilities (often as a consequence of war) and women are heavily discriminated against. There are also strong biases in terms of ethnicity when it comes to economic opportunities, social equity and political influence.

Equal opportunity

11 | Economic Performance

The rehabilitation of basic agriculture and the boom of the informal sector have led Sierra Leone to high growth rates since 2002. Rates slowed down, however, to about 7% per annum from 2004 to 2007, and further flattened to a projected 5.5% in 2008 when, among several economic shortcomings, the production of rutile and kimberlite encountered problems that caused income shortfalls. From 2002 to 2008, GDP per capita increased from \$185 to \$335 in current prices, or from \$476 to \$728 in purchasing power parity (PPP) terms. The first postwar phase of renewed growth was largely due to the resuscitation of sectors and regions that had been almost or utterly destroyed by massive violence and the vast numbers of displaced persons. Large-scale resettlement and reconstruction, increases in land under cultivation, a rebounding private sector and the growth of donor-financed imports have propelled recovery.

Output strength

During the postwar period as a whole, the increase in GDP was much more a matter of reconstruction- and rehabilitation-related growth than sustainable development and transformation-related growth. Performance in terms of development and transformation has been and still is weak. The dynamics of the economy remain

limited, due to the low and erratic rate of investment (13.4% of GDP in 2007) as well as the low extent of diversification. Foreign exchange income is still heavily dependent upon a single product, diamonds, which accounted for 59% of (regular) export earnings in 2007. Another 25% of export earnings were attributed to rutile and bauxite, which had been resuscitated from their wartime collapse only in 2006. Other products such as oil, gas and agricultural crops still have to prove their potentials.

As a result of exogenous factors such as substantial increases in the value of petroleum and food imports, the external current account deficit spiraled upwards from 3.5% of GDP in 2006 to a projected 6.3% of GDP in 2008. In general, Sierra Leone remains highly vulnerable to global economic developments that influence its major export and import products. Moreover, in the foreseeable future, the overall economic performance of this still war-torn country remains heavily dependent upon money inflows from international donors and investors.

12 | Sustainability

Environmental issues are of secondary importance in political decision-making, given the general challenge of socioeconomic reconstruction and development, which includes the need to develop export products as sources of foreign exchange as well as the urgency of providing basic needs for the mostly poor population. Although there is awareness of environmental problems, legislation, decision-making and action are still geared towards short-term survival rather than long-term sustainability. Laws such as the 2000 National Environmental Protection Act (NEPA) do not stop environmental degradation.

Environmental
policy

The state of education in Sierra Leone is poor to deplorable as a result of the war. Neglect before and during the war is responsible for low literacy rates. In 2006, only 49% of men and 26% of women were able to read and write, according to UNESCO data. Although reconstruction and rehabilitation of the education system began before the war's official end, all levels of institutions for education, training, research and development remain below par. Educational standards are dismally low and no research and development sector of any developmental significance has been established so far. At the grassroots level, education, including vocational training, is offered to the population and is supported by external assistance.

Education policy /
R&D

Transformation Management

I. Level of Difficulty

The level of difficulty for transformation in Sierra Leone remains extremely high. The structural political and socioeconomic constraints on governance are massive, and the corruption and mismanagement that stem from problems associated with structural constraints exacerbate them further. The country is still highly vulnerable to external economic and political developments. The most serious domestic constraints include mass poverty, deficient infrastructure, the lack of economic diversification (including the generation of foreign exchange) and the extremely low level of qualifications among the economically active population. Major external problems result from the unclear economic and political prospects of the potentially instable neighboring countries of Liberia, Côte d'Ivoire and Guinea.

Structural
constraints

Traditions of civil society are rather weak. However, more recently, activist individuals and organizations have been encouraged by the democratization process. A landscape of civil society organizations now exists, but scarce resources and low political leverage plague many of them. Most activities are concentrated in Freetown. However, religious groups, and particularly women's movements as well as other grassroots organizations, have played a key role in recent years in reconciling those who were adversaries during the civil war.

Civil society
traditions

Sierra Leone is riven with strong regional and social divisions that are also reflected in the ruling and major opposition parties but there has been little violence since the end of the civil war and during the period of investigation.

Conflict intensity

Historically, the disaffection of the poor, especially the youth, had been a major cause of conflict and war, luring combatants into the RUF rebel movement. Since the root causes of conflict have yet to be resolved, renewed violence or a coup d'état remain possible. The plight of the young and unemployed, many of whom are ex-combatants, persistently poses a threat to the stability and security of the country. Nevertheless, President Koroma and a couple of technocrats around him seem to be aware that the failure of decision makers to address the major developmental problems of the country played a role in the civil war; accordingly, they have recognized the urgency need to act on the promises they formulated during the 2007 election campaign. The same may be true for Koroma's

predecessor, Ahmad Tejan Kabbah, and some other members of the previous government. Since the SLPP did not really accept the 2007 APC electoral victory, the country's stability may be threatened by a resurgent antagonism between the current and previous ruling parties. President Koroma has exacerbated regional political rivalries by replacing numerous officials appointed by the SLPP administration with APC members and supporters from the north. The situation is even more complex and difficult due to the political rivalry between the SLPP and the breakaway PMDC in the Bo and coastal regions of the south. In general, inter- and intra-party political rivalries, as well as power struggles between ambitious political individuals, tend to undermine the political stability of the country.

II. Management Performance

14 | Steering Capability

Steering capability is dependent to a large extent upon the personal capabilities of the president and other high-ranking government technocrats. While the former president, Kabbah, gathered management experience as a former employee of the United Nations, the current president, Koroma, is a politician turned businessman who is highly experienced in the running of commercial enterprises. Apart from the presidents, there are few leaders in the country who demonstrate much in the way of steering capability. The organizational and institutional structures designed to promote and enhance steering capability remain weak. Rather than exercise their own capabilities in administrative and economic management, Sierra Leonean governments depend on the IMF, World Bank, UNDP and other international actors. The state apparatus lacks the capability and qualified personnel in the areas of administration and security to rule the country effectively without external support.

Prioritization

The political leadership tries to pursue long-term aims, but it quite often tends to act against its stated objectives in order to appease domestic vested interests. The leadership seeks to build democracy and a market economy, but its strategic aims are not commensurate with the country's situation, problems and needs. Very often, attempts at reform are corrupted by the contradicting interests of individuals and groups

By and large, both the previous and current governments have shown, and continue to show, awareness regarding the objectives of constitutional democracy as well as a socially responsible and ecologically sustainable market economy. However, the gap between stated objectives and policy implementation has been, and continues to be, highly problematic in either case. As of now, postwar governments have had only limited success in implementing announced reforms. It is precisely this lack of successful implementation that led to the ouster of the previous government at the ballot box in 2007.

Implementation

The previous government responded to mistakes and failed policies with changes and adjustments, but did so mostly as a result of IMF, World Bank and donor pressure. In the last two years of the Kabbah presidency, policy learning became an issue of low priority which finally contributed to the electoral defeat of the SLPP and the change of government in 2007.

Policy learning

President Koroma and some of his major technocrats are aware that policy learning is important not only for the country but also for the retention of the APC-dominated government's power. However, domestic vested interests, structural economic weaknesses and corruption tend to work as impediments to policy learning. Once again, external pressures and actors, rather than domestic insights, force learning processes upon the political elite.

15 | Resource Efficiency

Due to the power of vested interests, the previous and current governments have been and are still unable to use all available resources efficiently, although international donor pressure to improve resource efficiency remains very high. Unknown amounts of resources have been allocated to groups and individuals in order to satisfy private needs and to pacify potentially contradicting interests. Because of these non-transparent resource allocations, the Kabbah government suffered a loss of confidence with international donors and a decrease in external financial support, which aggravated economic problems and subsequently contributed to a loss of voter confidence and the SLPP's electoral defeat. In line with his promise to run the country like a business, President Koroma has taken significant steps since 2007 to streamline the ministerial system and to revitalize civil service reform. However, domestic vested interests, structural economic weaknesses and corruption tend to thwart efforts to use scarce resources efficiently.

Efficient use of assets

In terms of allocating resources, both the previous and current governments have tried, but often failed, to balance conflicting objectives and interests, as the strongest interests and pressure groups have a good chance of prevailing over the weaker elements. In either case, we observe a deficiency in the ability to coordinate between conflicting objectives and interests and a tendency to submit to the strongest leverage.

Policy coordination

Sierra Leone takes part in the African Peer Review Mechanism (APRM). Both the previous and the current governments have committed themselves, rhetorically at least, to combat corruption and to implement mechanisms of good governance. Under the pressure of vested interests in the state apparatus, however, the Kabbah government was not able to successfully fight corruption despite anti-corruption legislation, which includes the Anti-Corruption Act (2000) and the Anti-Money Laundering Act (2005). Although the Anti-Corruption Commission (ACC), based on the Anti-Corruption Act, aims to facilitate improved governance, results thus far have been disappointing. The ACC came under both domestic and international criticism for its underperformance. Sierra Leone ranks low in international assessments of corruption levels. In order to improve governance, the Koroma government has committed itself to reform, including the reinforcement of the ACC. Top-level officials in public institutions have been replaced by presumptive technocrats of fairly good reputation. Moreover, Koroma began an attitudinal and behavioral change campaign that is attempting to combat structures of clientelism and corruption, and educate ordinary people and state employees, in particular, on how to properly use and manage public resources. Koroma's efforts will, however, be constrained by the painful lack of financial resources and skilled personnel in the country.

Anti-corruption
policy

16 | Consensus-Building

In theory, the principal objective of democratic consolidation and economic reform is not generally disputed by any major party and its leadership. Officially, postwar leaders of the major political parties are committed to democratic and economic transformation; thus, it seems that a broad consensus with an inclusive approach is being built. In reality, however, both ruling and opposition parties tend to emphasize conflict and dissent rather than establish consensus, owing to the inter-party rivalries discussed above.

Consensus on goals

Veto actors such as the military (and former rebels) have been brought largely under control with external support from Britain and UNAMSIL. The army and police have been rebuilt, educated and trained with international, largely British, assistance in an attempt to prevent renewed political intervention. However, in the event of major economic and/or political crises, it is entirely possible that the military could re-emerge as a political player. Moreover, there are a number of experienced former combatants in the country who are now poor and unemployed. If the Koroma government is unable to improve their standard of living, disillusionment and frustration could sooner or later bring about a renewed armed uprising. There is already evidence that war veterans are engaged in the nascent drug trade that seems to be consolidating its position in Sierra Leone. This manner of doing business could form the financial pillar not only of a mafia but also of a new militia.

Anti-democratic
veto actors

In conclusion, the viability of Sierra Leone's civilian political system remains dependent to a very high extent upon the presence of external actors in the country. Without international assistance, Sierra Leone could once again fall victim to a military takeover or rampaging armed groups.

As Sierra Leone's more recent history demonstrates, conflicting political forces in the country were not able to manage political cleavages smoothly enough to enable peaceful development. Although the Kabbah government has sought, with external support, to integrate as many social, political and military forces as possible into the postwar system, major – and potentially violent – regional, social and political cleavages persist. The Koroma government has not yet engaged in consistent efforts to overcome these cleavages; its personnel policies (allocation of ministerial posts, etc.) tend rather to reproduce and even exacerbate ethnic and regional rivalries.

Cleavage /
conflict
management

Thanks to donor influence, the previous and current political leaderships have been and are ready now to enable the participation of civil society and to make use of its developmental know-how. However, the leadership of any political affiliation tends to favor civil society actors who share its own political and economic interests over those actors opposing or challenging its interests. Sierra Leone lacks a balanced approach to integrating civil society stakeholders with different views into the political process.

Civil society
participation

Both the previous and the current governments took steps in the direction of national reconciliation. With international assistance, Sierra Leone performed a lot of formal and informal reconciliation work at the national, district, chiefdom and local levels.

Reconciliation

In November 2008, the APC-led government decided to introduce financial reparations for war victims. Under the previous government, official reconciliation efforts began when a Truth and Reconciliation Commission (TRC), modeled along the South African example, conducted hearings in 2003 and 2004. A comprehensive final report was published in 2005. Although about 8,000 persons decided to report to the TRC, the bulk of the population, whether affected by the war or not, did not participate in this process, which was directed towards memory, healing, reconciliation and material compensation for victims of massive human rights violations. Many people did not participate because they were not asked to do so. Others avoided the TRC, which advocated speaking out about past atrocities, because they felt that this mode of reconciliation was artificially imposed from above. Most people refrained from participating in the TRC because they simply wanted to put the past behind them. The long-established practice of “social forgetting” does not entail forgetting at the personal (individual) level, but is intended to deny violence a social reality in public discourse and thus prevent renewed violence from emerging. Problems with the TRC's approach were compounded by the operation of the U.N. Special Court of Sierra Leone (SCSL),

the tribunal that emerged from U.N. Security Council resolution 1315 in 2000 that was meant to try those who bore the greatest responsibility for war crimes and crimes against humanity. The SCSL took legal proceedings against only about a dozen persons, including the former Liberian warlord and president Charles Taylor, who was handed over to the U.N. Special Court in the Hague in 2006.

17 | International Cooperation

Sierra Leone remains heavily dependent upon foreign assistance from both multilateral and bilateral donors. While the IMF, the World Bank and the EU are the most important multilateral actors, bilateral donors include the United Kingdom, Germany and the United States. Generally, Sierra Leone strives to maintain good relations with the West. In order to diversify its foreign policy and dependency profile, it also tends to develop fairly good relations with countries like China, Libya, Cuba and Iran. The approaches of the previous and current governments do not show major differences in that respect.

Effective use of support

For many years, the Kabbah government has made strong efforts to fully reintegrate the country into the international community and to create an image of a reliable and disciplined partner in terms of democratic norms and stabilization-oriented macroeconomic policies. Occasionally, Kabbah has been termed the “darling of the donors.” In the final phase of his presidency, however, he alienated the donors, which contributed to the loss of power of his party, the SLPP. The Koroma government, for its part, immediately started to mend these financially important external liaisons, work closely with international donors and foster the impression that it is ready to use external support to improve its policies. However, it is too early to assess whether the current administration’s cooperation and compliance is adequate to facilitate significant policy learning and improvement among the state authorities.

The Kabbah government was committed to presenting itself as a credible and reliable partner to the international community, but in its final phase, it lost much of its credibility because of growing economic problems, the powers of clientelism and the inability and unwillingness to overcome major domestic political conflicts, including the persistent north-south divide. The Koroma government also strives to present itself as a credible and reliable partner to the international community, but it is too early to assess its mid- and long-term international standing. While most major international actors do not doubt the government’s commitment to IMF and World Bank policies, they realize that there are serious problems in terms of economic, developmental and political constraints. The perception, especially in the United States and the United Kingdom, that failed states offer an open door to international terrorism is an asset for the Sierra Leonean government, which may try to exploit such fears to win preferential treatment from donors.

Credibility

Sierra Leone is officially committed to work in international, regional and sub-regional organizations, including the African Union (AU), the Economic Community of West African States (ECOWAS) and the Mano River Union (MRU), of which Sierra Leone is one of four member states, together with neighbors Liberia, Guinea and (since 2008) Côte d'Ivoire. However, Sierra Leone's ongoing consolidation process remains threatened by the many mutually interwoven trans-boundary conflict scenarios in the western part of West Africa, including the MRU countries. Each of these countries is struggling to cope with difficult conflict scenarios within their borders. Although the ousting of Liberia's Charles Taylor in 2003 constituted an immediate boon to Sierra Leone's international environment, serious problems remain to be solved in the sub-region, including further stabilization of war-ravaged (but now pacified) Liberia, a solution to the political paralysis in Côte d'Ivoire and the uncertain outlook in the aftermath of the Guinean President Lansana Conté's death and the military takeover of power in Guinea in late 2008. In theory, Sierra Leone has a strong interest in improving its international sub-regional environment and in contributing to conflict resolution in the neighboring countries. However, given its own massive domestic challenges, the international influence of the Sierra Leonean government is too low to enable them to serve as an active cooperation partner in sub-regional, continental or international affairs.

Regional
cooperation

Strategic Outlook

Almost half a century after independence, Sierra Leone is burdened with developmental problems, including crushing poverty, the degradation of social and economic infrastructures, international dependency and high inflation. While those problems may be attributed partly to internal structural weaknesses and partly to external factors, it is no exaggeration to state that the 11-year war from 1991 to 2002 had disastrous consequences for the country. Given the combination of problems existent prior to and as a consequence of the war, decision makers, whatever their party affiliation, face an immense challenge in managing the country's problems effectively and improving the lot of its citizens.

The Koroma government, which came to power as the result of an electoral victory in 2007, will have to tackle major political and economic problems of the country in order to assure its domestic and external support. Democratic institutions and procedures are neither self-sustaining nor irreversible. The security and stability of the country, including the risk of renewed violence, remains a major political concern. Moreover, developments in the potentially unstable neighboring states of Liberia, Côte d'Ivoire and Guinea are unpredictable factors for the future of transformation in Sierra Leone. War or violent conflict in these countries could spill over into Sierra Leone, where the root causes of the country's violence, such as youth disaffection, mass unemployment, social inequality and poverty, have yet to be thoroughly addressed.

Given Sierra Leone's weak economic framework as a result of war, international dependency, globalization, corruption and mismanagement, it will not be capable of transformation toward a socially integrated market economy in the near or medium-term future. However, GDP growth, economic diversification, the revitalization of mining products and development of alternative foreign exchange sources may be achieved. Nevertheless, success in battling mass poverty beyond a simple stabilization of living conditions at low levels may prove elusive.

The viability and sustainability of transformation depend heavily upon the continuous commitment of international actors. Should the Koroma government comply with IMF and World Bank recommendations and maintain its current approach of presenting itself as a reliable political partner, the country will receive sizeable amounts of international assistance in the foreseeable future.

Lasting efforts to cope with the country's problems are inevitable in order to ensure to viability of postwar peace in the country. Key elements of a renewed transformation strategy might include the following priorities:

- **Anti-corruption campaign:** Since endemic corruption is one of the main impediments to development, the fight against the corruption plaguing the country's economy, society and politics should be intensified. This fight should reach beyond economic incentives, specific legislation and observable administrative measures and should also be addressed as an issue in

primary, secondary, tertiary and post-tertiary education. Education and information about the disastrous consequences of corruption upon the country's development have so far been underemphasized in scholarly studies, political analyses and decision-making.

- **Children and youth empowerment:** Since impoverishment, disaffection and frustration among the youth have been identified as major causes contributing to the spillover of the Liberian war to Sierra Leone in 1991, the empowerment of children and youth is a vitally important factor for the country's future development.
- **Education and training:** Given the importance of education and training in the areas stressed above, improvements in this crosscutting issue are crucial to the future development of the country. Although the importance of education has been identified in various reports and in political action, the emphasis upon this issue should be strengthened further in the directions indicated.
- **Women's empowerment:** Discrimination against women should be considered a serious impediment to development that should be lifted by educating and training women and girls at primary, secondary, tertiary and post-tertiary institutions. Discrimination and violence against women and girls should be redressed by means of education that should supplement anti-violence and anti-discrimination legislation.