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SIERRA LEONE AT 50
CONFRONTING OLD PROBLEMS AND PREPARING *FOR NEW CHALLENGES*

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The Promise, Gains and Discontents of Post-Colonial Development

Africa at 50 Discussion Paper Series

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Sierra Leone at 50: Confronting Old Problems and Preparing for New Challenges

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About the IDEP Africa at 50 Discussion Paper Series

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2010 marked 50 years of the independence of many African countries. A full 17 of them achieved their freedom from colonial rule in 1960 in what signalled a growing momentum towards national and continental liberation. In consideration of the number of countries that gained their independence in 1960 – the largest single number in any one year -, the positive impulse which that development gave to the national liberation process across the rest of the colonial territories in Africa – and elsewhere, and the overall sense of national and regional renewal associated with independence within and outside Africa, that year has come to be seen in history as the symbolic year of African independence. The African Institute for Economic Development and Planning (IDEP) **Africa at 50 Discussion Paper Series** comprises papers which were commissioned for a High-Level Policy Conference and Dialogue which the Institute convened in September 2010 and co-hosted in Abuja, Nigeria, with the Nigerian National Planning Commission (NPC) as part of their substantive contribution to the commemoration of the 50th anniversary of the independence of the countries that achieved national liberation in 1960.

The 17 countries that attained their independence during the year are: Benin, Burkina Faso, Cameroon, Central Africa Republic, Chad, Congo (Brazzaville), Cote d'Ivoire, Democratic Republic of Congo, Gabon, Madagascar, Mali, Mauritania, Niger, Nigeria, Senegal, Somalia, and Togo. The Discussion Paper Series is provided online on an open access basis. The papers that make up the Series have benefitted from the inputs of various people, including peer reviewers, to whom IDEP owes a debt of gratitude. Special thanks go to Dr. Shamsudeen Usman, Minister in the Nigerian Presidency for National Planning and Vice-Chair of the National Planning Commission of Nigeria, for the moral and material support which he provided along with his staff to the High Level Policy Conference and Dialogue that took place in Abuja in September 2010 and at which the papers in the series were originally presented. Readers are invited to provide feedback to IDEP on the papers as input into the on-going reflections and debates on the first 50 years of African independence – and what the next 50 years might hold for the continent as efforts are being mobilised to make the 21st century the African century of rebirth.

ABSTRACT

One of the compelling lessons of Sierra Leone's development in its last 50 years is how strongly its political trajectory tracks its economic development. Authoritarian rule and economic development are incompatible in Sierra Leone's context. The country always progresses, however limitedly, when its politics are democratic; and regresses, sometimes really badly, when it allows a single party, the military, big men or warlords to dominate its politics. Indeed, during the 1991–2004 period, growth nose-dived negatively when there were major rebel attacks (1992, 1995 and 1999) or a coup (1997), and rose rapidly when civil democratic rule was restored (post-2000). However, Sierra Leone's history also suggests that democracy alone will not generate the kind of growth that will transform its economy to the benefit of all citizens and prevent it from sliding back into dictatorship and conflict. It needs to build additional sets of institutions, policies and strategies to direct its growth and sustain its democracy and make both growth and democracy work for everyone. This paper elaborates on the key lesson on the incompatibility of authoritarian rule and development by addressing three key issues that have prevented the country from attaining its full potential. These are: how to harness the country's abundant natural resources for economic growth and transformation that will improve living standards; how to rebuild and expand its highly degraded human capital; and how to rework its politics along lines of inclusiveness at the levels of elite and popular sector engagement, non-violence and welfare development. The last part of the paper examines new challenges that revolve around issues of climate change and global pressures for a green economy.

INTRODUCTION

The number 50 tends to enjoy much reverence in the public imagination. The celebration of a 50-year event in most parts of the world evokes the high-sounding phrase "golden jubilee" – with the word "golden" depicting all that is bright in the history of the person, institution or activity. In this type of celebration, individuals and states share one important thing in common: at 50, a person can no longer blame his or her parents for failures associated with choices during the life cycle – the person may have started life with a weak foundation that can be traced to parental circumstances, but at 50 that person is assumed to be mature and is expected to bear responsibility for at least some of the outcomes in choices made. The same goes for a state. When a state celebrates 50 years of independence, it cannot place all the blame for its failure or backwardness on its former colonial master, even though the colonial encounter may have imposed constraints on the life of the new state. The big question such a state will face, especially from the majority of its citizens who did not experience colonial rule, is: what did our leaders do to overcome the constraints of colonialism, improve our lives and justify our quest for independence?

However, in the life of a nation, 50 years is a small step. This contrasts sharply with the experience of an individual, who at 50 is often said to have seen the best part of his or her productive life. Conservation, not risk-taking, may define the life of a 50-year-old. Many countries count their history in millennia. Seen from this perspective, a 50-year-old state has many advantages. It can correct mistakes, however terrible they may have been, and move to a different trajectory that will lead to better outcomes. In other words, a 50-year-old state still has the energy and ingenuity of a child to adapt, learn, experiment and progress. It may lack the advantage of long historical wisdom, but is not burdened by inflexibility and ageing. Demographically speaking, Sierra Leone is a youthful nation. The overwhelming majority of its population is under 50. What all this suggests is that if its citizens get their priorities right and resolve to correct their ways of conducting the affairs of state, Sierra Leone can catch up very rapidly with countries that have developed. In doing this, citizens do not have to rediscover the wheel and, what's more, they have the vibrancy of youth to make things happen.

The history of newly industrializing states suggests that it is possible to transform an economy and society within a generation. Take a country like Malaysia, which was not very different from Sierra Leone or Ghana or Nigeria in 1960 in terms of per capita income, poverty levels and resource endowment. Following the New Economic Policy, initiated in 1970, which set the stage for its economic transformation, Malaysia succeeded in attaining middle-income status and drastically reduced its poverty rate within a time scale of 30 years. In Malaysia, manufacturing employment expanded rapidly from 7 percent in the 1960s to about 28 percent in 2000. Whereas 55 percent of Malaysians earned a living from agriculture in the 1960s, this share fell to 16 percent by 2000. Poverty fell from about 50 percent in 1970 to less than 6 percent in 2004 (UNRISD, 2010; Khoo, 2012). However, overcoming backwardness in Sierra Leone requires a frank and dispassionate look at how it spent its last 50 years, and a strong commitment to confront old problems and prepare for new challenges.

Political and Economic Trajectories

One of the compelling lessons of Sierra Leone's development in its last 50 years is how strongly its political trajectory tracks its economic development. The country entered statehood with a boom in the world economy. This was a period that development policy analysts have come to describe as a golden age of capitalism. Sierra Leone registered a moderate level of growth during the first 10 to 15 years of independence. There was confidence in the ability of new leaders to transform society and make the very limited but fairly well-functioning state deliver the benefits of independence to everyone. There was also a fairly robust multi-party system, which in 1967 set a record in post-colonial Africa as the first country on the continent to change a government through the ballot box. Unfortunately, that democratic change was almost immediately thwarted by the military. After the winners were restored in 1968, the country then, within a few years, entered a long period of authoritarian, corrupt and repressive one-party rule, which degenerated into further military and thuggish rule as well as a brutal civil war in the 1990s. This series of reversals at the political level correlated with economic decline and institutional decay, from which the country found it very difficult to recover. It regained democratic life in 1996, and, except for the one year of military usurpation of power in 1997, has enjoyed in the last decade or so some moderate level of growth. However, as most development policy analysts know, it is easy to restore growth when the fighting stops, but much more difficult to improve the lives of people, restore institutions and make them work for citizens.

The key lesson from the country's history is that authoritarian rule and economic development are incompatible in its terrain, even if they correlated well in other countries such as those in East Asia. The country always makes progress, however limitedly, when its politics are democratic; and regresses, sometimes really badly, when it allows a single party, the military, big men or warlords to abuse power . Indeed, it has been shown for the period 1991–2004 that growth nose-dived into negative territory when there were major rebel attacks (1992, 1995, 1999) or a coup (1997), and rose rapidly when civil democratic rule was restored (post-2000) (World Bank, 2009; Sierra Leone Government, 2003). However, the country's history also suggests that democracy alone will not generate the kind of growth that can transform the economy to the benefit of all citizens and prevent a slide back into dictatorship and conflict. Additional sets of institutions, policies and strategies are needed to direct growth and sustain democracy, and make both growth and democracy work for everyone.

OLD AND PERSISTENT PROBLEMS

This paper will focus on three issues that may be characterized as old problems, but which have continued to make it difficult for Sierra Leone to attain its full potential. These are: how to harness the country's abundant natural resources for economic growth and transformation that will improve living standards; how to rebuild and expand what is now highly degraded human capital; and how to rework national politics to make it serve an agenda of economic and social transformation. The paper then addresses challenges the country is likely to confront in coming decades, which are climate change and global pressures for a green economy. The basic message is that Sierra Leone cannot confront the new challenges if it is unable to deal with old and persistent problems. The old problems are addressed first.

Harnessing resource wealth for economic and social transformation

The story of the country's resource endowment needs no recapitulation. These resources include diamonds, bauxite, rutile, iron ore and gold; and there are strong prospects for oil, which, if realized, will produce a sea change in terms of national revenues. Sierra Leone is also blessed with rich marine life, lush forests and arable land. It is difficult to put a value on these resources, but it is clear that if they are harnessed well, even the goal now being set by the government of attaining middle-income status looks modest. Small mineral-rich countries can jump several stages in the world income classification by simply earning rents from their products. This is what Equatorial Guinea, now a high-income country, has done. But such a corrupt, wasteful and largely dysfunctional country is not a promising development model. Sierra Leone wants a transformation that can be judged not just in terms of economic growth but also in terms of real incomes and support sectors where the majority of people work. Such a transformation should stimulate and create real value and improve productivity across the economy. In other words, the country should be aiming for a world income status that allows for substantially improved yields to the national economy, that cuts capital flight or wealth repatriation by local elites and foreign companies, that transforms the agricultural sector so that the country becomes food self-sufficient, that boosts industrial production so that it can stop being a nation of imported second-hand products, and that transforms the urban informal sector of petty traders into real producers of wealth. In short, such a transformation should connect agriculture, industry and services productively. This kind of transformation will not happen without strategic planning, coordination and discipline.

It is an established fact that mineral resources are often difficult to control, and the resource curse tends to define the lives of many mineral-rich poor countries. Even the colonial power, Britain, had problems controlling Sierra Leone's mining sector, as it was forced to make deals with chiefs in mining areas who appropriated state transfers and mineral rents for their own benefits. However, even though the colonial mining companies reaped most of the benefits and transferred them overseas, the problem of mass leakage of revenue from the formal state sector was not extensive. The colonial state also had very limited ambitions in developing the country as it administered Sierra Leone and other colonies on the cheap. As a colonial state, the country was allowed to spend only what it could generate as revenue: less revenue generation meant less expenditure. The people therefore did not expect much from the colonial power.

It is, however, a different matter when the state has lofty ambitions or when expectations are raised through slogans about independence delivering prosperity for all. The most important change in the way national revenues were harnessed occurred between 1973 and 1985, which also marked rapid descent into authoritarian rule, large-scale corruption and, subsequently, economic decline. It is important to grasp two key issues in this change as they came to define the path that transformed Sierra Leone into a failed state in the 1990s.

The first was the failure to develop a healthy and productive relationship between the state and the budding business elite for economic growth and transformation. Concerned primarily about political domination and illicit accumulation of rents from the country's natural wealth, the political leadership distrusted indigenous African entrepreneurs and refused to cultivate them as partners in the lucrative mining sector, thereby providing a foundation for investment in other sectors of the economy. Instead, Lebanese businessmen, who were perceived as apolitical and therefore non-threatening to the political leadership, became the state's partners in the production and sale of natural resources. The American political scientist William Reno (1995) provides data on licensed diamond dealers, which show that whereas in 1968 African dealers accounted for 85 percent of the licences and Lebanese dealers only 15 percent, by 1973, the Lebanese had become the dominant players, accounting for 78 percent of the licences and Africans only 22 percent. Now, the unfortunate thing about this development is that the same state that favoured Lebanese enterprise in the mining sector had (and indeed still has) a racist citizenship law that discriminated against this key business group. The Lebanese were thus given free rein to exploit the country's resources and enjoy the profits, but the citizenship law was such that this group did not have the incentive to invest that money locally in productive sectors; and nor did the state, which was now run by a kleptocratic elite, compel members of the group to do so despite the enormous patronage given to them. Compare this experience with Malaysia, which is also a multi-ethnic state. Even though the Malay were considered indigenous, the citizenship status of the Chinese, who dominated business, was never questioned; and the Chinese joined the Malay (even if as unequal partners) in forming the political coalition, Barisan Nasional, that governed the country and advanced the project of economic transformation.

The second development that formed the basis for economic decline and state collapse was the informalization of the economy and public sector. The institutions established during colonial rule and the first decade of independence to manage national resources were systematically dismantled after 1973. The transnational mining company, the Sierra Leone Selection Trust, was rendered ineffective; and the state-dominated company, the National Diamond Mining Company, was stripped of its monopoly in carrying out mining operations on its rich diamond deposits and export activities. Individuals with strong patronage links with the state took control of the mining sector. The end result was a concentration of the national wealth in the hands of a few powerful individuals (the most well-known being Jamil Mohamed and Tony Yazbeck), but without state incentives and sanctions to channel such wealth into productive sectors. By 1980, Reno reports that the official mining company, the NDMC, accounted for only 29 percent of legally produced diamonds, compared to 94 percent in 1973. The informalization of the mining sector was extended to other sectors, such as the produce marketing board and a host of parastatals, such as the ports (Luke, 1984) and the trading, hotel, transport, communication, banking and utility sectors. Government revenue dried up very quickly, debts mounted, especially after the organization of the extravagant Organization of African Unity Summit in 1980, which was estimated to have cost US$200 million, and the state became highly dependent on foreign aid. All of this occurred in an international environment that was now highly unfavourable, as terms of trade for primary commodities deteriorated. Informalization of the economy and the public sector meant that the state even lacked the discipline to implement IMF reforms in the 1980s, leading to a triple pain for the nation: austerity that further reduced living standards, more debt, and no growth.

What does all this mean for nation-building and economic transformation today? The country has surely made important strides since the war in rolling back informalization, as can be seen in the increase in domestic revenue and value of exports that pass through official channels, as well as efforts to revive the agricultural sector and improve infrastructure and energy supply. However, there is still a long way to go in combating the problem. The indictment of a large number of public figures by the Anti-Corruption Commission and emergence of new cases underscore the point that the private interest continues to trump the public good when individuals are entrusted with public office. Indeed, the challenge of effective resource management and dangers of informalization, corruption and capital flight are even more acute today because of the exponential growth of the resource base and the rise in global prices of mineral resources. The danger of a few players monopolizing the resource wealth and colluding with political and administrative elites for ridiculously high tax concessions, low royalties and illicit wealth transfer overseas is still real. The recent decision to renegotiate mining contracts, in response to pressures from donors and civil society advocacy groups, and attempts to rush through new mining legislation in parliament without proper debate, sends conflicting signals. It buttresses the point that there are still huge governance problems on matters relating to resource management.

Controlling the resource curse and informality is not rocket science, as there are successful models around the world to learn from. Even if the experience of high-income Norway is ignored (and serious study of that experience and engage their researchers and policy makers would be beneficial), there are a number of positive examples of resource management in developing countries that are educative. Mineral-rich Botswana adopted policies that discouraged exchange rate overvaluation, as well as fiscal strategies that set targets on government spending, and created special funds that stabilized mineral revenues. Through such measures, the Botswana government has consistently maintained a stable macro economy that has avoided the resource curse (Siphambe, 2008). However, at the same time its success in governing its economy has not translated into broad-based and diversified growth. The share of agriculture in Botswana's GDP has fallen drastically since 1960, but per worker output in agriculture has not increased. The diversification of the economy into manufacturing has not been seriously pursued since the share of manufacturing in GDP has declined as well. Levels of unemployment, inequality and poverty remain high.

However, the story is different in mineral-rich Malaysia and Indonesia. These two countries, which are among the top 10 developing-country exporters of manufactured products, have fared much better in transforming their economies from minerals to manufacturing. In these countries, the resource sector was not treated as an enclave, but was firmly anchored in, and supported by, the primary goal of industrial transformation. Although informality and corruption existed in the two countries, they adopted variants of East Asian industrial strategies by building strong and effective states, which were able to influence investment decisions of foreign and domestic entrepreneurs, forcing them to adopt labour-absorbing and export-oriented manufacturing strategies.

Sierra Leone cannot become another Malaysia or Indonesia or South Korea. It will have to chart its own development path. But building strategic and enforcement capacity will be vital in the search for that path and in supporting state–business relations that will deliver agricultural and industrial transformation.

Rebuilding and expanding human capital

No country can develop without strong and sustained investment in human capital. The value of human capital – principally education and health – in promoting growth, improving well-being and reducing inequality is now widely acknowledged in development circles. An educated and healthy workforce contributes to economic growth by improving skills and labour productivity, which in turn leads to improved incomes and life chances. To talk meaningfully about a transformative agenda in the context of Sierra Leone is to take human capital formation and its expansion seriously.

Educationists, historians and social sector analysts (Sumner, 1963; Fyle, 1993; Beckley, 1993; World Bank, 2009) have over the years documented the major trends and challenges in Sierra Leone's educational and health sectors. A reading of what they say can be summarized into a few basic points. The country entered statehood with severely limited health and educational services that touched the lives of just a fraction of the population. The literacy rate was just 9 percent (Beckley, 1993), and there were only 52 doctors and a little over 1,000 hospital beds for a population of 2 million (Fyle, 1993). Most services were concentrated in Freetown, rural towns performed better than villages, and women had less access to these services than men. The new state had a big ambition to provide education and health for all, but could not match its policy rhetoric with concerted action.

Spending on education and health as a proportion of the national budget increased but was insufficient to meet the very real and high levels of need. Economic crisis in the 1980s and implementation of market reforms in a highly disorganized and corrupt political environment plunged the education and health sectors into protracted crisis. The funding share of education and health in the national budget remained largely stable even when the economy experienced crisis. But this stability disguised the uselessness of the allocations in real terms as the value of the Leone depreciated dramatically and inflation skyrocketed. Salaries lost their value and could not even be paid on time; primary and secondary school teachers and nurses moved out of the middle class as they struggled to make ends meet; books, drugs and other supplies could not be bought; school and hospital infrastructure experienced decay; class sizes expanded; and standards of instruction and delivery of health services collapsed. This happened well before the civil war in the 1990s, which plunged the sector to further decay, from which it is slowly recovering.

One important point stands out in this story of human capital degradation. The first two decades of independence could be characterized as a period in which a limited and uneven social sector had centres of excellence, not only in Freetown, but also in the provinces. This includes the good primary and secondary schools that produced students who could compete anywhere and were the envy of the country's African neighbours. Indeed, these schools and the university – the oldest in the region – trained many public servants and academics in Nigeria, Ghana, Gambia and other African countries. Significantly, at independence, the state assumed an active role in sustaining these schools. Indeed, only those considered as under-achievers or who could not compete in what was then called the "common/selective entrance examination" for admission into these schools attended private schools. Today, even though more schools have been built and more children are enrolled in school, the country seems to have lost these centres of excellence, which offered opportunities to children from poor backgrounds with good grades to rise to the ranks of the modern middle class. Instead, a very pernicious two-track system has developed in which the really rich parents send their children to private schools, which now clearly out-perform these former excellent schools, and children from poor backgrounds are condemned to very poor schools or none at all.

Rebuilding and expanding the country's human capital requires a focus on several fronts, many of which have been articulated by educationists and those concerned with human capital development in poor countries. A major report on educational reform, conducted by Professor Gbamanga, was also recently submitted to the government. There is clearly a need to build new schools and rehabilitate existing ones in order to ensure that all children who are supposed to be in school actually attend school at both primary and secondary levels. Indeed, progress has been made in the building of new schools and enrolment levels have risen sharply. But building schools or tackling infrastructural deficits and raising enrolment levels is only one part of the solution. The other is software: what is put in the schools in terms of books, modern teaching aids or equipment that keep the schools clean, with properly functioning toilets, and class sizes manageable; the motivation of teachers through training and retraining, decent salaries and housing; the provision of feeding programmes to keep children healthy and mentally alert; and quality control, all of which constitute the other vital part of reversing the human capital degradation and moving the country up on the skills ladder. It is the quality of the software that will keep children and teachers in school and motivate them to achieve good grades.

An often neglected part of human capital development is extra-curricula reading and the value of public bookshops and libraries. There is need to balance the explosive interest in popular music by youth with a reading culture that is not tied to textbooks. From the 1960s to 1980s, many young people had easy access to, and read, popular magazines, books and comics, such as *Reader's Digest*, *Drum*, *Spearman*, *West Africa*, and then most of the African Series novels, such as *Things Fall Apart*, *No Longer At Ease*, *A Man of the People*, *Weep Not Child*, *The Beautyful Ones Are Not Yet Born*, *Mine Boy* and *Passport of Mallam Ilia* even before proceeding to university. Young people memorized interesting passages to impress each other about their knowledge of these books, and adopted the names of key characters as "guy names", such as Okonkwo, Lans Spearman, Rabon Zolo and Mallam Ilia. Compare this to the preference for more war-like names among today's youth, such as Bomb Blast, Leather Boot and 555. There is a strong need to restore and deepen the culture of extra-curricular reading through production of interesting reading materials and incentives for their absorption by youth.

Rebuilding human capital obviously requires substantial funds. World Bank (2009) estimates suggest that households are the main contributors (44 percent) to the funding of education, followed by the government (35 percent) and donors (22 percent); and that households' contribution is half of total expenditure at the primary school level and 60 percent at the secondary school level. Given the low incomes of most households, it is clear that the burden of financing human capital formation for transformative change cannot rest on them alone. Education at the primary and secondary levels has a high social return and should be collectively funded through the state. A strong case can be made to tie some of the revenue collected from the goods and services tax to education and health, as Ghana has done, and to also pursue the possibility of including a social tax in mining contracts that will support these two sectors. Part of the tax proceeds can also be used to finance tertiary institutions, which require massive investment in infrastructure and facilities, and decent remuneration for those who work in them.

Politics of transformation

Turning attention to the problem of how to rework national politics for economic and social transformation, perhaps the biggest concern is how to engineer politics to achieve the high goal of transformation set since the war. Kwame Nkrumah once famously said that Africans should first seek the political kingdom, by which he meant political independence, and "everything else will be added on to it". It is now well known that the struggle for progress is more complicated than this. Africans can compromise their independence through bad politics, which can retard economic development. Sierra Leone, after all, has only really enjoyed 21 years of relatively stable competitive politics in its 50-year life – and those 21 years were interspersed with a long period of one-party and military dictatorship, and a brutal civil war. Part of the reason for the country's failure to consolidate democratic rule is an inability to manage existing ethnic divisions in ways that are inclusive, transparent and respectful of difference. Alongside this has been a failure to embed political parties in broad movements or organizations concerned with welfare or redistributive issues. There has almost been a delight in infusing thuggery into national politics, and indeed, thuggery, which involves recruiting sections of the poor and marginalized into the security wings of parties, reflects that failure to make parties meaningful to the aspirations of the poor.

Nonetheless, it should be stated that there is one area of public life where Sierra Leone has done extraordinarily well as a nation, and that is in the sphere of religious tolerance. The author recently watched the wedding video of one of his nieces, and was pleasantly surprised that even though it was a Muslim wedding, during the opening part of the ceremony, when the leader of the bridegroom's group was participating in the rituals of greeting and paying tribute to the bride's relations and friends, which is often done with gifts in envelopes, he had an envelope for an anonymous Christian representative. Small gestures like these help reinforce belief that ordinary people can handle social divisions if they are not manipulated by power-seekers. It may be added that even though national politics seems to be polarized along ethno-regional lines, there is a lot of intermarriage across ethnicities and regions, and people get along socially when the politicians and elites who are greedy for power, resources and positions stay out of their lives.

But the country should take its ethno-regional division seriously. In the two elections when power was transferred from one political party to another (in 1967 and 2007), the margin of victory was very small, and voting tended to mirror, though not absolutely, ethno-regional lines (Foray, 1988; Kandeh, 2007; Bangura, 2000). Such sharp divisions may cause winners to monopolize state power and exclude from government job individuals from regions that belong to opposition parties. Individuals from opposition regions in turn may withdraw support from the government even if it is doing well on the development front. This may lead to multiple and competing publics. When this happens, political parties may only be credible to one segment of the public at best. And if some parties want to be credible across the ethnic divide, voters may be less flexible, rewarding primarily parties that are perceived to be led by kinsmen and women. The vote may thus lose its significance as a sanctioning device against bad performance. Politicians may regard the ethnic vote as a vote bank that cannot be claimed by rival politicians or parties from other groups, making electoral politics unlikely to work for development and the poor (Bangura, 2007). A government that functions on the basis of an ethnically bifurcated public is also deprived of all available talent to implement a transformative agenda. Indeed, it may become captive to less talented or less capable ethnic bigots who may perceive inclusiveness as a threat to their access or control of posts, power and resources. The state then performs below optimum level and fails to deliver on its promise of transformative change. It may also run the risk of militant opposition from excluded groups and regions.

No democracy can embark on transformative change if it fails to pursue a policy of inclusiveness. Indeed, many of the laudable programmes, such as tapping the savings and talents of the diaspora through the Diaspora Office, and developing a long-term plan of economic development that transcends the electoral cycle, are unlikely to work without elite consensus among ethnic groups and regions. Developing a depoliticized and professional army and police force is also difficult without consensus that cuts across ethnicities and regions. We also need to think seriously about a programme of national service that is targeted at the youth. But this will not work without political consensus that allows individuals from all regions and ethnicities to feel included in the national project.

The solutions have been recounted many times and in many places. They can be summarized in two parts. The first is to ensure that cabinet and other top-level government appointments, including the bureaucracy, reflect the ethno-regional make-up of the country. In Nigeria today, no government can be formed that does not include at least one minister from each of the 36 states. And the rule of power rotation adopted by the governing party ensures that no region can now dominate politics indefinitely if the rules are followed. The composition of the federal bureaucracy also tends to reflect the ethnic make-up of the federation. In the author's current home, Switzerland, which comprises three major groups – German-speakers (74 percent), French-speakers (21 percent) and Italian-speakers (4 percent) – the executive council is composed of seven members (at least two are often French and one Italian); the presidency rotates every year among the seven members, so that someone of French or Italian origin can also become president within a seven-year cycle; and the federal bureaucracy is amazingly balanced in terms of the representation of the three groups (Linder & Steffen, 2006).

The second policy is to transform the country's political parties into multi-ethnic parties. The real test of success will come when the average person in Bo and Makeni can walk into a polling booth and is not held hostage to the perceived ethno-regional identities of the candidates' parties. There are a number of rules that can help to bring this about. Today, the leading political party in Nigeria, the People's Democratic Party, is highly multi-ethnic. The series of electoral reforms introduced in the last 30 or more years has led to a situation in which Nigerian politics has been transformed from ethnic competition "between parties" to ethnic competition "within parties". There are a number of rules that can be adopted if Sierra Leone's parties are to become truly multi-ethnic. These include primaries of the US type, threshold rules of vote shares across regions for declaring winners of presidential elections, and the alternative vote, which ranks candidates. Such rules might persuade candidates to appeal to voters outside of their ethno-regional strongholds in order to win elections, and introduce power alternation among the key ethno-regional clusters.

However, ethno-regional elite pacts are not sufficient to drive economic and social transformation. The masses need to be brought into the process. Pacts that address the interests of popular sector groups are needed in order to filter out non-developmental, predatory elites in the political system. If the political elite are to be made to take development seriously, elite bargains need to be complemented with development bargains between governments and citizens involving the participation of groups in agriculture, the informal sector and industry. This will help to set the country on a trajectory of growth that will deliver jobs and equity. One positive point to note here is that in Sierra Leone, many economic activity-based groups are non-ethnic. Even in cases where they are ethnic, encouraging groups to scale up for effective bargaining may ultimately weaken the ethnic dimension for collective action.

Unfortunately, rather than meaningfully incorporating the poor into the political and economic system, sections of the poor have instead been allocated the task of doing the dirty work of political parties. They guard politicians and party offices and are fed, drugged and given money to intimidate opponents or unleash violence during election rallies or when parties are dissatisfied with election outcomes. During the 2007 elections, both parties used ex-combatants with a history of marginality as security insurance. With a huge youth bulge and high levels of underemployment, this kind of popular sector incorporation into parties can be very destabilizing. One danger in incorporating individuals with a propensity for violence into the security wings of mainstream parties is that even if parties do not want to provoke violence, the self-interest of those who serve as security guards will be to provoke violence in order to remain relevant and retain their jobs. Political parties and the government must find better ways of keeping these young people productively engaged if they are serious about a transformative agenda.

NEW CHALLENGES

Considerable stress has been laid on the country's old problems because success in meeting new challenges depends on how well the old ones have been tackled. Among the major challenges likely in the coming decades are climate change and global pressures for a green economy, that is, pressures to make economies less dependent on resources, technologies and production systems that are carbon-intensive. Sierra Leone, like other poor countries, faces a triple injustice, as one speaker described the problem in a recent conference on the subject organized by UNRISD. Because of the country's underdevelopment, it is less responsible for causing carbon emissions, but because of its location, it is likely to pay a higher price than the countries responsible for the pollution if the planet warms up. The same underdevelopment makes the country less resilient to cope with the catastrophe when or if it happens. Most of the emissions were, and still are, caused by industrialized countries, with fast-growing, energy-guzzling China now the biggest polluter in the world. In this crime against nature, Sierra Leone's contribution is really insignificant. In one estimate, Sierra Leone ranks 192 out of 214 countries in terms of carbon dioxide emissions per capita – spewing only 0.2 metric tons of carbon per capita between 1990 and 2006. However, much of the coast, from Kambia to Pujehun, hardly rises above sea level. If global temperatures rise, the sea level will also rise, and large parts of the country's coastal towns and villages will be submerged and become part of the Atlantic Ocean. The world is already witnessing the gradual disappearance of small islands in the Pacific. Sierra Leone lacks the infrastructure, resources and organization to cope with a disaster of such magnitude.

Two issues inform the global debate on climate change: mitigation and adaptation. It is clear from the foregoing analysis of our old problems that a country can only be successful in adapting to climate change if it manages its resources and economy well, improve its human capital and system of social organization, and develops an inclusive political system. Mitigation, on the other hand, refers to measures that can slow down or reverse climate change, and it involves targets on, and strategies for, reducing global emissions generated from various aspects of human activities. The details are complex and should not detain us here.

But one issue that is likely to profoundly affect the country is the pressure to adopt green technologies, production systems and habits. Again, this is a complex subject that is likely to dominate debate at the Rio plus 20 Summit in 2012. One thing seems clear: despite strong opposition from business sectors that benefit from carbon-intensive industries and fossil fuels, many industrial countries, including China, are already investing heavily in alternative, low-carbon energy and technologies. The world may not get rid of old industrial and consumption practices in the next 50 years, but it is quite possible that much progress could be made in this area, rendering old energy sources, methods of production and habits illegitimate.

It should be added here that part of the reason Sierra Leone's and many poor countries' economies are not in recession, as they often tend to be when Western economies stagnate, is largely because of high growth in China and other emerging economies. Such growth is fuelled by rising consumption of raw materials from poor countries. It is doubtful that this demand can be sustained when these countries complete their industrial transformation and join the ranks of rich countries.

These developments have serious implications for a resource-rich country like Sierra Leone. It underscores the need to move up the value chain in industrial and agricultural development. It was probably the famous Guyanese historian, Walter Rodney, who said that the African farmer entered colonialism with a hoe and left colonialism with the same hoe. A similar point can be made about natural resources. Since Sierra Leone started mining diamonds and iron ore and exporting them in their raw form during colonialism, the country has not moved from this basic level of specialization, which devalues the national effort and offers higher value to foreign companies and lands. There is a strong case for a bold and systematic strategy, coordinated with neighbours –

Guinea and Liberia, who are also rich in minerals – for better bargains to be struck that can allow for processing of our minerals and adding real value to domestic economies. Sierra Leone should not wait to manage the negative consequences of other countries' transitions to the green economy. It should actively strategize to shape the transition to its own benefit.

The drive for green energy in industrialized countries is also having one direct effect on Sierra Leone, namely land grabbing. There is a big rush by Western and Asian companies to control African land. This land is now needed to grow crops, such as sugar cane, sweet potatoes, cassava and corn, which can be processed as ethanol fuel for use in automobiles. High global food prices are also pushing some emerging economies with less arable land, such as those in the Middle East, to buy African land and grow crops to feed their own population. Then there is the speculative side to this new development. As the financial crisis deepens and interest rates become unattractive in Western economies, investors shift to African land, which can be acquired very cheaply. Such land is often not put to productive use, but held in reserve for speculative purposes. As the value of land transactions is often very low, investors believe that land prices can only go up in future, thus providing huge gains if they want to sell back the land. The net effect of these developments is likely to be higher food prices. Africa is the site for land grabs because it is believed that it is the only continent with surplus, or underutilized, land, which is priced very cheaply. Given the system of shifting cultivation practised in many countries, in which land is left to fallow for many years before reuse, it is doubtful whether much of the land being grabbed, including in Sierra Leone, is actually free.

The dangers of future land scarcity, future food insecurity and the pressures on rural livelihoods should be taken seriously. External investments in agriculture can stimulate growth and bring benefits to rural producers, but such investments need effective scrutiny and regulation to ensure that the benefits are real and that the investments do not end up crowding out our poor farmers from their land. They should also not be in conflict with the primary goal of food security.

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