Economics 172

Issues in African Economic Development

Professor Ted Miguel
Department of Economics
University of California, Berkeley
Outline:

(1) Keen (2005) on Sierra Leone
(2) The Sierra Leone Civil War (1991-2002) and its aftermath
Politics and Violence in Sierra Leone

• Basic historical timeline:
  – 1787: Freetown established by the U.K. as a settlement for freed slaves, and a U.K. protectorate
  – 1896: all of Sierra Leone becomes a protectorate
Politics and Violence in Sierra Leone

- Basic historical timeline:
  - 1787: Freetown established by the U.K. as a settlement for freed slaves, and a U.K. protectorate
  - 1896: all of Sierra Leone becomes a protectorate
  - 1898: Major uprising against British rule in the interior (“Hut Tax War”)
  - 1928: Slavery officially abolished
  - 1937: Native Administration established, with great authority, lifetime posts, high salaries to Chiefs
Politics and Violence in Sierra Leone

- Basic historical timeline:
  - 1787: Freetown established by the U.K. as a settlement for freed slaves, and a U.K. protectorate
  - 1896: all of Sierra Leone becomes a protectorate
  - 1898: Major uprising against British rule in the interior (“Hut Tax War”)
  - 1928: Slavery officially abolished
  - 1937: Native Administration established, with great authority, lifetime posts, high salaries to Chiefs
  - 1950s: Diamond boom spurred internal migration, and enriched mainly elites (i.e., Chiefs, Lebanese)
  - 1948, 1950, 1955-6: Popular revolts against chiefs
Post-independence politics

• 1961: Independence. First Prime Minister Milton Margai of the Sierra Leone People’s Party (SLPP)
Post-independence politics

• 1961: Independence. First Prime Minister Milton Margai of the Sierra Leone People’s Party (SLPP)
• 1961-1964: Milton Margai is considered a reasonably balanced ruler, did not promote ethnic politics
• 1964-1967: Albert Margai (his brother) increased Mende officers in the army from 26% to 52%, Mendes also dominated the cabinet
Post-independence politics

• 1961: Independence. First Prime Minister Milton Margai of the Sierra Leone People’s Party (SLPP)
• 1961-1964: Milton Margai is considered a reasonably balanced ruler, did not promote ethnic politics
• 1964-1967: Albert Margai (his brother) increased Mende officers in the army from 26% to 52%, Mendes also dominated the cabinet
• 1967: Opposition African People’s Congress (APC) won elections, led by Siaka Stevens. A coup by Mende army officers, SLPP politicians put down
Post-independence politics

- 1961: Independence. First Prime Minister Milton Margai of the Sierra Leone People’s Party (SLPP)
- 1961-1964: Milton Margai is considered a reasonably balanced ruler, did not promote ethnic politics
- 1964-1967: Albert Margai (his brother) increased Mende officers in the army from 26% to 52%, Mendes also dominated the cabinet
- 1967: Opposition African People’s Congress (APC) won elections, led by Siaka Stevens. A coup by Mende army officers, SLPP politicians put down
- Stevens aggressively installed northerners (Temne, Limba) in power, crushed the SLPP, and made Sierra Leone into a one-party APC state. He shut down the country’s profitable railroad to the south-east, cutting off trade between Mende regions and Freetown
Post-independence politics and policy

• Stevens made no attempts at serious nation-building / creating a compelling Sierra Leone identity despite the existence of a lingua franca (Krio), extensive intermarriage, and limited religious tensions
Post-independence politics and policy

• Stevens made no attempts at serious nation-building / creating a compelling Sierra Leone identity despite the existence of a lingua franca (Krio), extensive intermarriage, and limited religious tensions

• Political intimidation through a “shadow” security service (“Special Security Division”): student protests were brutally suppressed, labor unions outlawed, newspaper offices blown up

• Corruption and patronage politics was extreme: a political culture of greed became the norm from chiefs all the way up to ministers
Post-independence politics and policy

• Agricultural marketing boards (for coffee, cacao) offered very low prices in the 1970s-1980s, and this led to extensive smuggling.

• Increasing corruption in the mining sector and fishing sector, and agricultural pricing policies, led to dramatic decreases in revenue: by 1985-6 domestic revenue collection was just 18% of 1977-8 levels!
Post-independence politics and policy

• Agricultural marketing boards (for coffee, cacao) offered very low prices in the 1970s-1980s, and this led to extensive smuggling.

• Increasing corruption in the mining sector and fishing sector, and agricultural pricing policies, led to dramatic decreases in revenue: by 1985-6 domestic revenue collection was just 18% of 1977-8 levels!

• As a result spending on services collapsed by the 1980s: Sierra Leone was nearly last in the world on most measures of health (infant mortality rate) and education (literacy, attainment). Spending on development only 3% of the overall budget in 1984.

• Sierra Leone was ripe for political unrest when Stevens was replaced by Joseph Momoh in 1985.
War and Local Institutions in Sierra Leone

• After Siaka Stevens stepped down in 1985, and the total economic collapse of the late 1980s, Sierra Leone experienced a brutal civil conflict 1991-2002: at least 50,000 killed and over one million displaced
War and Local Institutions in Sierra Leone

• After Siaka Stevens stepped down in 1985, and the total economic collapse of the late 1980s, Sierra Leone experienced a brutal civil conflict 1991-2002: at least 50,000 killed and over one million displaced

• Bellows and Miguel (2006) estimate the relationship between conflict intensity and later local institutional, political, and economic outcomes in Sierra Leone
The Sierra Leone Civil War (1991-2002)

- Fighting started in the eastern Liberian border but eventually affected the entire country
  - Radical dissidents trained in Libya, led by Foday Sankoh, formed the Revolutionary United Front (RUF). RUF was allied with Charles Taylor in Liberia
The Sierra Leone Civil War (1991-2002)

• Fighting started in the eastern Liberian border but eventually affected the entire country
  – Radical dissidents trained in Libya, led by Foday Sankoh, formed the Revolutionary United Front (RUF). RUF was allied with Charles Taylor in Liberia

• The Sierra Leone Army (SLA) was corrupted by the mid-1980s, with officer positions going to the highest bidder. Collusion between rebel Revolutionary United Front (RUF) and SLA meant that most violence was directed against civilians rather than at each other
Consequences of the Sierra Leone war

• RUF attackers massacred chiefs and elders, destroyed public buildings, displaced civilians
  – Recruits often attacked their home villages. Many children were forcibly recruited
Consequences of the Sierra Leone war

- RUF attackers massacred chiefs and elders, destroyed public buildings, displaced civilians
  - Recruits often attacked their home villages. Many children were forcibly recruited

- The Civilian Defense Forces (CDF) were locally organized and financed militias that successfully fought off the RUF/SLA in some areas
  - CDF’s were organized around traditional secret societies, including Mende hunter groups
  - New institutions formed in response to the violence
Causes of the war

• Diamond smuggling financed group leaders and arms purchases, and armed groups often fought over control of the mines

• Deep underlying grievances against the state also fed the violence: Sierra Leone was second to last in the 1990 UN Human Development Index, and public services had completely fallen apart
<table>
<thead>
<tr>
<th>GDP per capita</th>
<th>Annual growth rate (%)</th>
<th>GDP per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Highest value during 1975–2003 (PPP US$)</td>
</tr>
<tr>
<td>149</td>
<td>548</td>
<td>-3.3</td>
</tr>
</tbody>
</table>
Table 1: Descriptive Statistics

<table>
<thead>
<tr>
<th>Panel A. Conflict Victimization</th>
<th>Mean</th>
<th>Std dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Was anyone from this community injured/maimed during the conflict?</td>
<td>0.47</td>
<td>0.21</td>
</tr>
<tr>
<td>Did anyone from this community die as a result of the conflict?</td>
<td>0.68</td>
<td>0.22</td>
</tr>
<tr>
<td>Did any member of your household die as a result of the conflict?</td>
<td>0.39</td>
<td>0.22</td>
</tr>
<tr>
<td>Were any members of your household injured/maimed during the conflict?</td>
<td>0.26</td>
<td>0.15</td>
</tr>
<tr>
<td>Were any members of your household made refugees during the conflict?</td>
<td>0.53</td>
<td>0.31</td>
</tr>
<tr>
<td>Conflict victimization index (\text{(average of the above variables)})</td>
<td>0.46</td>
<td>0.17</td>
</tr>
</tbody>
</table>

Panel B: Conflict Reporting

| Number of attacks and battles in chiefdom, 1991-2002 | 9.41   | 9.70    |
Where was the fighting in Sierra Leone?

- Local diamond mines, higher prewar incomes are both positively associated with local attacks and battles, "greed" as a driving factor.

- Is Sierra Leone condemned to perpetual poverty as a result of the war?
Conflict intensity and post-war recovery

• Conflict victimization is – surprisingly – positively associated with several measures of postwar political mobilization, including community meeting attendance, voter registration, community group membership
Conflict intensity and post-war recovery

• Conflict victimization is – surprisingly – positively associated with several measures of postwar political mobilization, including community meeting attendance, voter registration, community group membership
  – And there is no significant negative relationship between conflict exposure and postwar 2004 socioeconomic outcomes (per capita consumption, schooling, child nutrition)
  – Partial recovery from the war appears to have been very rapid (within only a few years)
Figure 5: Community Meeting Attendance and Conflict Victimization (residuals)
The bottom line

• We find no lingering adverse effects of civil war violence in Sierra Leone on local living standards or institutions
  
  – Several measures of political mobilization / collective action are somewhat better in areas that experienced more violence during the conflict
  – 60% of 2005 IRCBP respondents claim that the war positively impacted community cooperation
  – Institutions, norms, and organizations forged during war persist into the postwar period
Implications

• More speculatively: did the Sierra Leone civil war generate new – and possibly stronger – local institutions? Local governments?

• Keen (2005) claims the war increased political awareness and mobilization, especially for youths

• Ferme (2001, p. 228): “[Sierra Leoneans] have sometimes turned [social instability] into a creative, though violent, opportunity to refashion themselves vis-à-vis their own institutions”
Implications

• More speculatively: did the Sierra Leone civil war generate new – and possibly stronger – local institutions? Local governments?

• Keen (2005) claims the war increased political awareness and mobilization, especially for youths

• Ferme (2001, p. 228): “[Sierra Leoneans] have sometimes turned [social instability] into a creative, though violent, opportunity to refashion themselves vis-à-vis their own institutions”

• Uncertainty over the July 2007 Presidential elections
• For next time: readings on Botswana, Africa’s best-known success story