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The Impact of Structural Adjustment on Health, Education and Employment: A Case Study on Sierra Leone

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The Impact of Structural Adjustment on Health, Education and Employment: A Case Study on Sierra Leone.

by

Rashida Strober

A thesis submitted in partial fulfillment of the requirement for the degree of Master of Arts
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Dedications

This Thesis is dedicated to the memory of the late Mattie Everette, my seventh grade teacher. I thank you for your love and guidance. You are greatly missed. Your love, honesty, beauty and intelligence will never be forgotten. I dedicate this thesis to Mrs. Connie Cutliff, my fifth grade teacher. I have never forgotten you! May God Bless you always. I also dedicate this thesis to my son, Rahim Jones! I thank you for giving me the determination to complete this work. You are my sunshine! I also dedicate this thesis to my father the late Samuel X. I can never thank you enough for teaching me about Africa. Your guidance has taught me to love, honor and respect myself through loving and respecting my roots. In doing so, I have learned to love and respect all of humanity. I dedicate this thesis to my mother, Raynette Harris. This thesis is also dedicated to Ms. Ruby Worthy. I cannot thank you enough for your love and support through it all. You are an angel! You are a great woman! May God Bless you. Thank you to Jaboris Dixon for your love and support through out my entire journey from undergraduate to graduate school. You will never know how much your encouragement has meant to me!! To my step dad, Charles Harris I will always appreciate your support, enthusiasm and confidence in me. I dedicate this thesis to Mrs. Doris Kearney, Graduate Secretary of Government and International Affairs. I greatly appreciate your patience and support. Your willingness to lend a kind helping hand has made graduate school a little less daunting. May God richly bless you. Last but not least I dedicate this thesis to the people of Africa and the Third World. It is my hope that the people within these nations can live in peace, health, prosperity and love in the present and in the generations to come.
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List of Acronyms

APC All People Congress
ESAF Enhanced Structural Facility Program
GDP Gross Domestic Product
IFIs International Financial Institutions
IMF International Monetary Fund
LIAT LIAT Construction and Finance (Leader, Shaptai Kalmanowitch)
MHC Maternal Health Care Center
NDMC National Diamond Mining Company
PEER Public Economic Emergency Regulation
RAP Rights Accumulation Program
RUF Revolutionary United Front
SAPs Structural Adjustment Programs
SLPP Sierra Leone People's Party
SLSTC Sierra Leone Selection Trust company
WB World
The Impact of Structural Adjustment on Health, Education and Employment: A Case Study on Sierra Leone.

Rashida Strober

ABSTRACT

Since their inception in African countries, structural adjustment has tended to cause more harm than help. This thesis aims to answer the question, in what ways have structural adjustment policies impacted Africa in general and Sierra Leone in particular? This question is highly relevant when it is considered that Africa is one of the poorest regions in the world and has experiences much conflict and suffering. In addition, much is known about the impact of structural adjustment in many African countries. However, little has been written on the impact of structural adjustment in Sierra Leone, especially in terms of the impact of structural adjustment on conflict. The hypothesis of this thesis is that the impact of structural adjustment policies has tended to increase poverty. Poverty has led to frustration and conflict in Africa in general and Sierra Leone in particular. In order to substantiate this hypothesis I have elected to focus on the years between 1960 and the late 1980s. The finding contained within this thesis show that structural adjustment policies may have led to a reduction of social services that include health, education and unemployment.
ORGANIZATION OF TEXT

This thesis focuses on the impact of structural adjustment policies on Sierra Leone. In order to set the stage for the discussion, in the first chapter, I introduce a brief overview of the topic. I then review the literature in regards to structural adjustment's broader impact on African countries. In looking at the broader impact of structural adjustment on African countries, I discuss the origins of Africa's economic decline that prompted its countries to seek the assistance of the World Bank and the International Monetary Fund. I also focus on the nature of structural adjustment policies in terms of its theoretical foundations. In doing so, I discuss the impact that such policies have had on African countries.

In the second chapter, I discuss the conditions under which Sierra Leone obtained loans with conditionalities attached to them known as structural adjustment policies. In chapter three, I discuss the impact that structural adjustment may have had on the delivery of social services that include health, education and employment.

In the final chapter, I discuss the possibility that structural adjustment policies may have had an impact on the civil war (1991-2000) in Sierra Leone. I discuss how the government's failure to deliver basic and services led to frustration that may have been a factor that led to the civil war.
METHODOLOGY

I have elected to use the case study method for this thesis. This research has been conducted using a number of sources. I analyze the running record that includes journals, books and internet retrieved articles as they pertain to the topic under discussion. I utilize these sources to analyze structural adjustment policies as they pertain to African countries in general and Sierra Leone in particular. I have also obtained empirical data from primary sources.

The chief methodological weakness is that I chiefly relied on the running record which consists of secondary sources, in order to conduct this research. This method has its limitations. The limitations include; a lack of first hand empirical knowledge in terms of access to data. The primary factors that have prevented me from conducting research using primary sources are financial, geographical and time constraints.
Chapter One
Introduction and Literature Review:
The Origins of Economic Decline in African Countries and the Need for SAPs

The incorporation of the Third World in general and Africa in particular into the global capitalist economy has not been an easy task. The argument can be made that the transition has contributed to many of Africa’s socio-economic problems that persist presently. Some of these problems include economic decline, civil wars, poverty, unemployment, low GDP per capita, high illiteracy rates and government instability.

The literature reveals that many scholars believe that the economic decline of African nations that prompted them to seek the assistance of the international community was due to endogenous and exogenous factors arising after independence (Adepoju, 1993; Stewart, 1995; Easterly, 2001; Geo-Jaja and Magnum, 2001; Napier, 2002; Zack-Williams, 1990; Wallace, 1999). In the majority of African countries growth in the early years of independence gave way to stagnation and decline (Adepoju, 1993). With this in mind there are relevant questions that need to be answered. First, what were the origins of Africa’s economic decline? Secondly, how did the economic problems that led Africa to seek the assistance of the international community evolve?

In order to answer the latter questions it is of importance to take a brief look at two periods. The first period is the condition of the African economies during the first decade of independence. Adepoju (1993) advocates that
understanding this period is of importance to understanding why Africa in general and Sierra Leone in particular needed the economic assistance of the international community. In the next section I focus on the state of African economies during the first decade of independence.

The African Economy During the First Decade of Independence

Most African countries gained independence during the late 1950s and early 1960s (Adepoju, 1993;, Myers, 1987;, Weeks, 1992). The scholarly consensus regarding the economic performance of African countries at the outset of independence is that African economies were experiencing economic growth. For example, Adepoju (1993) cites that countries such as Kenya, Zambia, Sierra Leone, Ghana and Malawi were experiencing growth. Between 1964 and 1969 real gross domestic product grew by 6.5 per cent in Kenya. In Zambia real growth grew by 15 per cent for the years between 1964 and 1969 and per capita income increased by an annual average of 13 per cent. Inflation was moderate in many African economies (Adepoju, 1993). For example, in Malawi the inflation rate was at 6.5 percent between 1964 and 1969 and in Kenya the rate was 3.4 per cent between 1965 and 1975.

Weeks (1992) further notes that the majority of African countries in Sub-Saharan Africa had from the time of independence until the oil shocks of 1973-1974 maintained growth rates that were above the rate of population increases. He further states that for all Sub-Saharan African countries, per capita income grew at almost 3 per cent. Additionally, in 1967 the consumption of the state was at 15 per cent and often below 10 per cent for Africa as a whole.

Berg and Whitaker (1986) posit that the hope and optimism of the 1960s waned into unease and economic decline in the preceding decades of the 1970s.
and 80s. With these perspectives in mind it is of importance to ask the question what caused the economic stagnation and eventual decline that resulted in the decades following independence? In the next section I aim to shed light on this highly important question.


During the mid to late 1970s and early 1980s most African economies went into economic decline and the decline was prevalent within virtually all economic sectors (Adepoju, 1993; United Nations Conference on Trade and Development, 2000). The 1973 oil increases on the world market coupled with the subsequent slowdown of growth in the developing world had adverse impacts on African countries (United Nations Conference on Trade and Development, 2000).

Between 1973 and 1980 many African countries experienced severe decline (United Nations Conference on Trade and Development, 2000). Many countries were affected. For example, Zambia’s Gross Domestic Product was stagnant between 1970 and 1985 as the population increased at 3 percent (Adepoju, 1993). The real growth rate in Kenya dropped from 6.5 percent down to 4 per cent in 1975 while Sierra Leone’s real growth rate dropped from 2 per cent a year between the years of 1975-1980, to zero from 1983 to 1987 (Adepoju, 1993). In the case of Ghana, food production dropped by 72 percent by 1983 and in Malawi exports fell by 40 per cent while imports increased resulting in a deterioration of the terms of trade by 30 per cent (Adepoju, 1993). The inflation rate of Kenya increased from 3.4 per cent prior to 1974 to 11 per cent from 1975 to 1984 (Adepoju, 1993). According to Sahn, Dorosh and Younger (1997) gross domestic product per capita grew by less than 1 percent from 1979 to 1992 in all African countries.
Export savings and investments have also declined in African countries. Between 1975 and 1990 Africa's share of the developing world's international exports dropped off by more than one-half (Sahn, et al, 1997). In the years that followed debt increased while debt servicing exports hardly kept up. Myers (1987) notes that by the late 1970s much of Africa as a result of deteriorating economic conditions, had become burdened with debt of which it was not able to service. For example, in the 1980s Nigeria's foreign debt reached $30 billion despite its oil revenues (Bevan, Gemmell, Greenway, 2000). Another example of extreme debt problems is the fact that in 1978 Africa's total external debt was at $72.4 billion (Stewart, 2000).

By the 1980s the debt problem had become an obstacle for many African countries. Hanlon's (2000) view is that Africa should have then and should at the present be granted debt relief. The basic argument that he presents in the article, "How Much Debt Must Be Canceled?" is that since debt crisis and debt cancellation are a normal cycle in the economies of all countries, the unwillingness to cancel debt is unusual to the cycle. Within his estimation one of the best things that the World Bank and the IMF could do to contribute to alleviating Africa's economic problems is to allow for debt cancellation.

Similarly, Cheru (2000) shares the notion that the debt burden must be cancelled. He notes that without debt cancellation, African countries have little hope of treating their 25 million AIDS victims and caring for their nearly 13 million orphans with AIDS. For Cheru, debt cancellation is an issue of survival.

The scholarly consensus is that there was drastic and severe economic decline in African countries after the first decade of independence that caused it to become dependant upon the external assistance of the World Bank and the International Monetary Fund.

The question remains, how was it possible for African economies to
experience a decade of growth between 1960 and 1970 and then fall into severe
decline after this first decade of independence? The origin of Africa’s economic
crisis is clearly an issue that is a matter of debate within the literature. The World
Bank and the International Monetary Fund were not shy about assigning the
major causes in the decline of African economies to Africa’s own internal woes.
A quote taken from a World Bank report is worth noting to illustrate the latter
point:

"Although many African countries have seen their development efforts
disrupted by sharp falls in the world price of key commodities, viewed over the
long term, falling per capita incomes for Africa as a whole since the late 1970s
are explained largely by the declining level and efficiency of investment
compounded by accelerating population growth and not primarily by external
factors" (Weeks, 1992).

The World Bank had in essence determined that the problems contributing
to Africa’s economic decline stemmed primarily from internal factors. Internal
factors include: governmental mismanagement, heavy borrowing during the late
these factors were all under the responsibility of African governments prior to the
era of adjustment and that the Bank/ Fund should not be held responsible.

Weeks (1992) argues that Sierra Leone is a country that was an exception
to severe internal mismanagement. He posits that the decline of the Sierra
Leonean economy was not so much due to bad policy as was the shocks that it
experienced from the international economic community and the early advice
given to the government by the World Bank. However, I shall return to this topic
in the chapter that discusses the specific economic problems in Sierra Leone.
Obasanjo and D'Orville (1991) take a more neutral position as they proclaim that the causes of the economic crisis is both internal (political, military, bureaucratic) and external (unfavorable terms of trade, debt burden).

Adepoju (1993) identifies adverse weather conditions as a factor that has contributed to the economic decline of African countries. For example the author notes the droughts in Cameroon (1982-1983), Kenya (1974-1975, 1979-1980, 1983-1984) and Ghana (1978-1979, 1982-1983) as contributing to economic decline within these countries. Adepoju (1993) also cites the oil crisis of 1973-1974 and 1979-1980 and the resulting collapse and economic recession that subsequently occurred in 1981. In addition, Adepoju (1993) believes that the most significant reasons for Africa’s economic decline were increased protectionism by the developed countries, high external interest rates, declines in the inflow of capital, and the deterioration in the terms of trade.

According to Weeks (1992) the fact that Sub-Saharan African countries were the least developed of the developing countries was not new. However, what was new was the extent of the decline of African countries as compared with other developing countries in addition to the fact that decline was accompanied by a more hostile international environment.

Again, although much debate is prevalent, the general consensus within the literature is that Africa’s economic woes were caused by both external and internal factors.

**Structural Adjustment Policies in Africa**

The debate in regards to the impact of structural adjustment policies in African countries has been highly charged. The opinions espoused by many noted scholars in the literature indicates that Bank/Fund policies as implemented through structural adjustment programs have tended to have an adverse impact
on African development (Stewart, 1995; Chossudousky, 1997; Naiman and Watkins, 1999; Olukoshi, 2000; Hanlon, 2000; Geo-Jaja and Magnum, 2001; Easterly, 2001; Napier, 2001; Cheru, 2002). During post-independence, Africa along with the rest of the developing world experienced a period of economic decline. This was due to both external and internal conditions. As Africa faced economic decline, the continent turned to the international community for assistance. More specifically Africa turned to the World Bank and the International Monetary Fund.

The implementation of structural adjustment policies in the Third World in general and in Africa in particular began during the 1980s as a remedy to economic decline and stagnation. During the decade of the 1980s African governments received numerous loans on the condition that governments implement Bank/Fund economic policies. The well known policies of structural adjustment embody the nature of these policies. The goal of structural adjustment policies was to stimulate and stabilize the declining economies of African countries. However, as noted above, many scholars and researchers have viewed these policies as adverse and ineffectual in part because they have failed to take into consideration the unique circumstances of the poor and may have contributed to increased poverty.

Some scholars and researchers such as Demery and Squire (1996) and the World Bank Publication, *Can Africa Claim the 21st Century* (2000), acknowledge that while adjustment policies have had some adverse impacts on poverty reduction, they also contend that upon the effective implementation of adjustment policies, growth did in fact take place in some African countries. For example, Demery and Squire (1996) along with the World Bank Publication (2000) view the countries of Ghana and Uganda as successful adjustment models.
Muuka (1998) in the article entitled, “In Defense of The World Bank and the IMF Conditionality in Structural Adjustment Programs,” goes further as he poses what he terms the “counterfactual argument”. Essentially, he asserts that without the implementation of structural adjustment policies, social costs could have possibly been much higher. Yet still scholars such as Stewart (1995) and Naiman and Watkins (2000) contest the effectiveness of the outcomes in growth and poverty reduction within positive adjustment models such as Ghana and Uganda.

For better or worse, the International Monetary Fund and the World Bank saw as the solution to Africa’s economic woes the application of neo-classical economic policies as embodied within structural adjustment programs. The following sections are devoted to explaining why the IMF and the World Bank felt it necessary to implement structural adjustment as a corrective to declining and stagnate African economies. In order to understand why the Bank/Fund chose to implement structural adjustment it is necessary to understand the theoretical foundation upon which the IMF and World Bank stands.

The Neo-Classical Theoretical Underpinnings of the IMF and the World Bank

The ideological stance of the Bank/ Fund has been formed from western ideals of free market, liberalization and free enterprise (Kenen, 1986; Meier, 1982; David, 1985). According to Napier (2001), the basic components of structural adjustment policies have their origins dating back several centuries.

However, principals contained within 21st century structural adjustment programs stem from the ideas and views of Adam Smith and David Ricardo of the late 18th and early 19th centuries (Napier, 2001). Their ideas revolved around the following. First, that each consumer seeks to maximize his index preference and that each producer seeks techniques of production likely to create surpluses
of value in each market that might be an exchange between two agents (Napier, 2001). This process may also involve many participants and prices that are fixed at a level such that each participant sees his situation improved and derives a surplus (Napier, 2001). In addition, real surpluses should be attributed to those who realize them or what may be referred to as the private appropriation of surpluses (Napier, 2001).

Additionally, Rapley (2003) argues that neo-classical theory is concerned with the reduction of the government’s role in the market economy. He further gives a more detailed description of the origins of neo-classical theory in addition to its basic premises. Rapley’s ideas are as follows: Neo-classical theory is preceded by classical and modern liberalism. Classical liberalism involved ideals consistent with individualism. This notion involves the belief that human beings can advance when the government exercises limited control over their pursuits (Rapley, 2003).

However, modern liberalism as espoused in the 19th century conveyed the idea that government should intervene in the affairs of the market due to the many inherent inequalities in society (Rapley, 2003). In short, modern liberalism conveyed that it is the government’s responsibility to level the playing field (Rapley, 2003).

Beginning in the 1960s, a shift within the ideals of modern liberalism began to take place in the advanced countries (Rapley, 2003). Modern liberalism went through a renaissance period wherein the ideas of classical liberalism were revived (Rapley, 2003). Neo-classical theory held that the most economically viable economy is one in which the individual is left alone to engage in pursuits of choice and that will allow the individual to reap the benefits of his labor (Rapley, 2003). Neo-classical theorist also argued that the government’s regulation and taxation policies that aim to redistribute wealth are counterproductive in that they
cripple the efforts of individual initiative and innovation (Rapley, 2003). This in turn is detrimental to the progress of society (Rapley, 2003). The Neo-classical school maintains that free-market economies allow individuals and the society as a whole to benefit as opposed to command economies (Rapley, 2003). Accordingly, this renaissance resulted in neo-classical liberalism.


There are four main principals that under gird the IMF’s stance on policy as it concerns structural adjustment (David, 1985). First, there are certain universal factors that effect per capita income growth and they are capital accumulation, savings and industrialization. Conditions should be allowed and maintained in order for rapid accumulation to facilitate macroeconomic growth through a structure that is conductive to accelerated economic growth (David, 1985). The second principal states that since there are scarce resources it is not possible to satisfy all of society’s wants simultaneously. Therefore, resources should be used efficiently to satisfy material gains. The optimization of material gains will lead to more equitable distribution. If scarce resources are not used in an efficient manner the standard of living may fall and economic growth is jeopardized (David, 1985).

A third principal is that the market should be given primacy in terms of
understanding and achieving the preferences and objectives of society (David, 1985). The fourth principal is that there is preferred interest in a liberal world that is governed by liberal policies of free trade and exchange as the most favored path to development. In this sense the private market is viewed as the most efficient and effective instrument of allocating resources (David, 1985).

In light of the above discussion the IMF's role can be seen. According to David (1985) and Vreeland (2003), the major goals of the IMF in carrying out its policy initiatives is to ensure the continuation and maintenance of a liberal free-market oriented world environment in order to keep national and international communities prosperous. This means that the IMF promotes financial and economic cooperation among its member countries with the goal being the expansion and balanced growth of world trade (David, 1985).

The implication of the IMF's policy objectives in regards to African countries is significant. The IMF has not always tried to ensure and enhance the individual development of African countries due to the fact that these are long range development challenges that its policies were not initially designed to address (David, 1985). In fact, the IMF has been mainly concerned with short-term stabilization initiatives in its lending in order to ensure for the maintenance of the global economy (David, 1985, Kenen, 1986). In the next section, I discuss the implications of the IMF and the World Bank's policies in the implementation of SAPs in Africa.

The Impact of Structural Adjustment Policies upon Implementation in African Countries

Due to the economic decline of African countries in the 1970s and 80s the continent turned to the International Monetary Fund and the World Bank for assistance (Kalyalya and Semboja, 1988). These two financial institutions have
maintained a great deal of authority over Africa's economic policy. Campbell and Loxley (1989) note that not since the days of colonialism have external forces so powerfully shaped the economic agenda of African countries. The role of the World Bank has been more or less associated with long-term developmental issues while the International Monetary Fund has been more concerned with stabilization in the short-term (David, 1985, Hurni, 1970). The policies of these two multilateral lending institutions have shifted as many African countries began to gain independence (Vreeland, 2003, Meier, 1982).

Initially the primary duty of the IMF involved the regulation of currency (McCarthy, 1999). However, in the 1970s its duties became more geared towards managing balance of payments problems (Vreeland, 2003). Africa, with its balance of payments problems became important to the IMF by the late 70s and early 80s (Vreeland, 2003). With the problems that African countries have experienced in the 1970s and 1980s the World Bank began addressing balance of payment problems just as the IMF (Rapley, 2003). This was a shift from the World Bank's previous focus on poverty eradication in the long term (Rapley, 2002).

Additionally, in the 1970s and 1980s the influence of the International Monetary Fund grew substantially (Kenen, 1986). The IMF's policy focus in Africa was placed upon short-term stabilization and fiscal austerity measures (Rapley, 2003). The IMF's influence grew in Africa because Africa's economic problems were seen as having the potential to disrupt the international economic environment (David, 1985). This gave the IMF much cause for concern since its main objective has always been to maintain the international economic environment. Bearing these issues in mind the IMF and the World Bank ushered in the policy prescriptions of structural adjustment in African countries.

What did structural adjustment policies entail? Rapley (2003) outlines the
essence of the goals of structural adjustment policies. Essentially, structural adjustment seeks to make both the state and the market more efficient in such a way as to accelerate growth and eliminate waste (Rapley, 2003). Additionally, structural adjustment embodies the goals of neo-classical theory: it places the market at center stage, assigns the state a secondary role in development, and puts its faith in the potential of unfettered individual, initiative, creativity, and ingenuity (Rapley, 2003).

Structural adjustment policies as implemented in Africa and other Third World countries generally included policies of fiscal austerity, privatization, trade liberalization, deregulation and currency devaluation (Aly, 1994; Rapley, 2003; Yansane, 1996; Jackson, 2002; ed Kalyalya, Mhlanga, Seidman, Semboja, 1988,).

Fiscal austerity involves reductions or the tightening of government spending (Rapley, 2003). Why reduce government spending? According to Rapley (2003), the logic of fiscal austerity is that the more money a government spends the more the government withdraws money from the economy. The money that is removed through taxation and borrowing by the government places the government in competition with private sector borrowers for scarce capital (Rapley, 2003). In an effort to attract lenders, interest rates are then raised. This causes cuts in spending by consumers and businesses because the cost of credit by which so much lending is done becomes too high (Rapley, 2003).

Additionally, when most governments spend on things such as welfare, subsidies, grants and salaries they waste investment potential (Rapley, 2003). Neo-classical logic says that this money should be more wisely used by investing as opposed to spending on such programs as welfare, so that it contributes less to inflation (Rapley, 2003).

Structural adjustment policy maintains that by cutting spending,
governments will enable insurance cuts. In addition, by placing a cap on raises and cutting budgets governments can reduce inflation. Lastly, private investment will become cheaper making the environment for business more attractive, thereby helping economic activity to resume (Rapley, 2003).

Privatization is based upon the assumption that the private market economy is best suited to maintain the economy as a whole (Rapley, 2003). Private owners have more interest in the maintenance of efficiency due to its interest in obtaining maximum profits as opposed to public sector managers (Rapley, 2003). Privatization should raise money for governments while enhancing the normal operations of the market and improve the efficiency of privatized firms (Rapley, 2003).

Trade liberalization involves the efforts to reduce obstacles to trade with the goal of maximizing the freedom of the flow of goods and services (Rapley, 2003). Liberalization involves the liberalization of foreign and domestic trade. Foreign trade is liberalized by; the elimination or the reduction of restrictions on imports and quotas, streamlining taxes on imports and devaluing overvalued currency (Rapley, 2003). Devaluation is encouraged to give exporters an incentive to produce more. Domestic liberalization involves the elimination of marketing boards and price controls (Rapley, 2003). Instituting such policies will serve to help eliminate excessive demand that is associated with balance of payments problems (Rapley, 2003).

Rapley (2003) argues that many Third World countries were subsequently forced to accept neo-classical policies as a condition to obtaining loans from the World Bank and the International Monetary Fund. He further states that most African countries found it almost impossible to stave off neo-classical driven structural adjustment policies due to the fact that these countries were the most vulnerable to external shocks and the most indebted (2003). Additionally, those
countries that chose to forego the implementation of structural adjustment policies found difficulty in obtaining much needed loans (Rapley, 2003).

Neo-classical economic theory had a profound influence on the way in which African leaders would begin to govern their newly independent nations. Rapley (2003) accords this to the fact that the World Bank and the International Monetary Fund’s more conservative posture would convince African countries to move away from statist policies.

As the 1960s progressed and as African countries began gaining independence, neo-classical critiques of African economies gained more ground. These critiques both praised and criticized the economic policies of African governments. Such critiques consisted of the belief that contrary to popular belief, people in African countries were in fact rational agents and utility maximizers (Rapley, 2003). Critics also believed that peasants in African countries were responsive to price incentives (Rapley, 2003).

Neo-classicist also began to question the relevance of governmental entities and actions that it considered counter to development objectives. Some of these include marketing boards of which neo-classicist believed were taking critical resources from development (Rapley, 2003). Neo-classicist believed that African governments were spending excessive amounts and that such spending had to be reduced. This meant that African governments needed to reduce high levels of demand (Rapley, 2003). Many scholars opine that structural adjustment policies have not accomplished economic growth, rather the incidence of poverty has increased substantially since SAP implementation.

Many people under SAPs tended to experience marginalization. One such example was the small holders of Ghana that Tukane (2002) discusses in his research. Tsutomu Tukane (2002) undertook a case study in which he used empirical data to examine the role of small holders in the production and export
of pineapples, a non-traditional export product in Ghana. His study sought to analyze whether or not Ghanian small holders have any advantage over large-scale producers. The study also sought to show whether or not there were constraints or opportunities that would assist or hinder Ghanaian small holders in the era of economic liberalization as encouraged through adjustment policies.

Tukane (2002) found that there were unequal power relations between exporters and small holders in addition to large scale producers having some advantages over small holders. One example in regards to unequal power relations is that small holders usually were paid lower prices for their produce than the large-scale producers. Small holders were also at a disadvantage because they often had to wait long periods of time before receiving pay. In fact, months could pass before a small holder received pay (Tukane, 2002).

Tukane (2002) found that the advantage that large-scale producers held over small holders was that they had access to more information. Large-scale producers rarely due to their location and other constraints had access to production information such as quality and bulk supply standards that exporters set. A lack of information severely hindered their profit making potential. Tukane (2002) concluded that due to the position of the small holders they were a marginalized group in the export of pineapples. He attributes this to the policies of the Bank and Fund’s prescription of economic liberalization and rapid development that included the production and export of pineapples. Tukane (2002) believes that the World Bank and the International Monetary Fund should share some responsibility for the difficulty encountered by the Ghanaian small holders.

Poverty has been a central theme discussed throughout the literature. Frances Stewart’s (1995) work, Adjustment and Poverty, poignantly discusses the impact that the IMF and the World Bank’s policies have had on the incidence of poverty in Africa. Most studies on the IMF and World Bank’s impact on
development in Africa has revolved around a discussion on the increase in poverty due mainly to the implementation of structural adjustment policies. Stewart (1995) stresses that in order to understand how adjustment policies have affected poverty, it is of importance define poverty. She essentially defined poverty in terms of increases in absolute deprivation of basic human goods and services that inhibit human beings from achieving or pursuing a particular quality of life. In addition, she notes that the primary incomes of the poor are dependent upon the level of aggregate income and their share of that income. The poor are therefore dependant in terms of their income on the economic growth and income distribution within the growth cycle of the country (Stewart, 1995).

Stewart (1995) believes that the Bank/Fund could have done more to curb exogenous developments that made adjustments necessary. She notes that the Bank/Fund should have made attempts to tackle exogenous factors such as falling commodity prices and exorbitant debt servicing. She also notes that these events were mistakenly taken as constraints to be accepted rather than challenged. In addition, the World Bank and IMF made a bad situation even worse through policies such as expenditure cuts and the reduction or elimination of food subsidies (Stewart, 1995). It is for these reasons that Stewart believes that the World Bank and the IMF should hold themselves in part accountable for adverse impacts on development that has occurred in Africa.

Similarly, scholars such as Cheru (2002), Geo-Jaja and Magnum (2001) believe that structural adjustment policies infringe upon basic human rights and human development and therefore lead to poverty. Cheru (2002) contends that adjustment policies have jeopardized the right to food, education and health. Structural adjustment policies have called for cuts in government expenditures in the areas of health, food subsidies and education. The following analysis as taken from Cheru’s (2002) work points out some of the ill effects of adjustment.
Deep reduction or elimination of subsidies and price controls that distort internal prices for a number of goods and services

- Drastic reduction of trade and exchange controls designed to protect the local economy from foreign competition

- High interest rates to fight inflation, promote savings and allocate investment capitol to the highest bidders

- Privatization of state owned firms, including the privatization of public goods and services (health care, education)

In a study that Dr. Juliet A. Melville (2002) completed on the impact of structural adjustment on the poor, she notes some key findings in terms of the general impact that structural adjustment has had on the poor in developing countries. They are as follows.

"Has Structural Adjustment led to Economic Growth?

Answer: While the theoretical bases of IMF/WB policies are being questioned, there is an ongoing debate as to whether these programs have actually resulted in economic growth. The evidence points to slow growth or no growth, and in cases where growth was recorded the rates of growth achieved were below that of the pre adjustment period. Economist from the World Bank and IMF argue that slippage on the part of the countries is responsible for the poor performance observed.
Has Economic Growth led to Reduction in Poverty and Inequality?

Answer: The findings suggest that SAPs have had a disproportionate and detrimental effect on the poor and inequality or at best the condition of the poor did not improve. Evidence has been gathered which shows that during growth episodes the poor may not benefit, and in fact the poor are more adversely affected during a downturn while an expansion may have a more limited effect (asymmetric effect) on the poor. Further, growth may give rise to increasing inequality. In countries that achieved moderate growth rates, increases in equality of primary income have been recorded. The new growth theories and the empirical evidence suggest that the traditional argument that inequality is good for growth has outlived its usefulness. In fact, according to the new growth theory, excessive inequality can retard growth. Additionally, empirical evidence reveals that countries with relatively egalitarian initial conditions tend to grow faster than those with high initial inequality. The IMF itself has put forward evidence that inequality may hinder growth and that equitable adjustment may be more sustainable.

Geo-Jaja and Magnum (2001) note that economic adjustment programs are not working in terms of helping to facilitate human development in numerous areas such as in health, education and employment. Napier (2001) believes that the World Bank and the IMF should allow room for African governments to make decisions in regards to structural adjustment policies as they relate to the basic constitutional structure of African states. This is necessary because of the fact that when structural adjustment policies are implemented not much attention is paid to questions of how the policies relate to state legitimacy, politics, constitutionalism, economic development, civil society, and regional organizations in an overall African context (Napier, 2001).
While the aforementioned scholars view adjustment policies as a huge contributor to poverty some scholars make the claim that these arguments do not hold firmly. Demery and Squire (1996) believe that the emergence of more detailed household surveys in Africa is needed in order to get a clearer picture as to whether or not structural adjustment policies hurt or help African countries. They present quantitative data on six countries in Africa from a survey undertaken by The International Food Policy Research Institute and The Institute of Development Research in Addis Ababa. The data shows that in four adjusting countries the poverty level significantly declined. Demery and Squire (1996) contend that the decline in the poverty levels of these countries can be attributed to the rate of economic growth in which these four adjusting countries have experienced a period of economic growth.

The question that arises as a result of Demery and Squire’s (1996) findings is does growth lead to poverty reduction? While Demery and Squire mainly view economic growth as the main culprit in poverty reduction and creation, Stewart (1995) believes that other factors are needed in order to determine whether poverty is being reduced or is in fact progressing. Stewart (1995) contends that there is absolute versus relative poverty wherein she believes that absolute poverty is a more accurate representation because it defines poverty in terms of a population’s access or denial of access to basic human needs. Absolute poverty should be considered more closely when assessing whether or not poverty is actually being reduced (Stewart, 1995).

While it is of no doubt that the debate in regards to poverty alleviation and its indicators will continue it is equally of no doubt that many African countries may continue to suffer from severe levels of poverty. Naiman and Watkins (1999) in their study, “A Survey of the Impacts of Structural Adjustment in Africa: Growth, Social Spending and Debt Relief,” discuss how adjustment policies have
impacted African countries. They have relied upon data and findings of the internal (IMF/World Bank Sponsored) and external reviews (Harvard Institute for International Development, Oxford University, Free University and Yale University). According to Naiman and Watkins (1999) in regards to poverty the data has indicated that those African countries who have implemented ESAF or Enhanced Structural Facility Programs, a component of structural adjustment, have fared far worse than non-ESAF countries in terms of declines in per capita income. Subsequently, these countries have experienced an increase in poverty (Naiman and Watkins, 1999). The following excerpt from Naiman and Watkins illustrates the point:

- Annual real per capita GDP growth averaged 0.0% for all ESAF countries over the period 1991-1995, whereas non-ESAF developing countries experienced, on average, 1.0% annual real per capita GDP growth.
- Sub-Saharan African countries with ESAF programs experienced an average annual 3% decline in real per capita incomes over the period of IMF adjustment from 1991-1995

According to Naiman and Watkins (1999), when household income is reduced along with a reduction in governmental expenditures for things such as food subsidies, poverty increases because the poor cannot afford to do such things as send their children to school or to the clinic.

An empirical analysis of a survey of households in Zambia conducted by Dr. Buleti Nsemukila (2001) bolsters Naiman and Watkin's (1999) claim in regards to the way in which poverty has increased. The survey suggests that poverty is an important determinant of chronic household food insecurity since the poor do not have adequate entitlements to secure food even when the food is readily available. According to Nsemukila (2001), while the restructuring predicated by
structural adjustment programs is necessary to rebuild the economy, the impact upon the welfare of the majority of people has had and continues to have adverse impacts. In addition, it has been difficult for the poor in Zambia since adjustment programs began, to secure food and other essentials. In Zambia, between 1991-1998 poverty levels increased from 67 percent to 73 percent (Nsemukila, 2001). The following factors according to Nsemukila's (2001) survey has contributed to increases in poverty in Zambia:

- Low income levels among the poor
- Low labor market participation
- Poor health
- Poor education
- Poor access to public services
- Poor living conditions
- Poor living conditions
- market

Trends in the Literature

The overarching trend that is demonstrated in the literature is that structural adjustment has tended to have adverse impacts on the delivery of social services and on poverty reduction. Another important trend is the increasing willingness of the International Monetary Fund and the World Bank to hold themselves accountable for the adverse impacts of structural adjustment policies. Much of the literature suggests that there is a movement towards accountability among the IMF and the World Bank.

According to Pender (2001) the two international financial institutions are moving towards looking at development in a broader light with increased attention paid to the poor. They have increasingly emphasized partnerships between
donors and governments and between governments and civil society (Pender, 2001). Within this broader outlook, conditionality is no longer focused solely on economic growth, rather it is focused on redirecting society’s resources to the needs of the less fortunate (Pender, 2001). This new outlook began with the appointment of James Wolfensohn in 1995 as the World Bank’s president and with the 1997 appointment of Joseph Stiglitz as the World Bank’s chief economist (Pender, 2001).

It appears that the World Bank and the International Monetary Fund has began to see that many of their policies are having an adverse affect on the poor in Africa and on the development process. Indeed, in the World Bank’s publication, *Can Africa Claim the 21st Century?* (2000), the Bank devotes discussion to the strategies of forming partnerships and reducing the debt burden in addition to investing in human capitol. This seems to indicate that a shift within the developmental thinking towards Africa is occurring.

Why did the two international financial institutions decide to consider accountability? One reason is that numerous sectors of the world community have criticized the policies of the Bank/Fund. According to scholars such as Pender (2001) and Cheru (2002), severe criticism of policies has caused the Bank/Fund to re-examine its approach. Thomas-Emeagwali (1995) notes that the World Bank in recent reports has admitted to their own shortcomings as an organization and are making an effort to institute changes.

The literature has shown that the previous stance taken by the World Bank and IMF in regards to the primary focus on economic growth seems to have lessened when we consider the period from the early adjustment years to more recent times. The Bank/Fund seems to be on the road to as Cheru (2002) puts it, emphasizing, “sustainable economic growth combined with social justice”.

Although the move that the Bank/Fund has made towards accountability may
seem worthy of applause, there are those who believe that the Bank/Fund must make even more changes and improvements. Napier (2001) believes that the Bank/Fund’s views concerning macro and micro level accountability should go further than in its policy objectives. He believes that one aspect of macro-level accountability involves constitutional and legal dimensions in that the people should be able to do things such as vote on whether or not they want to have the assistance of the international community in their country. In the event that the people elect to have such intervention they should be able to elect those who will protect their interest. In Napier’s (2001) view, it is in the best interest of the Bank/Fund’s developmental agenda to consider these kinds of concerns. Perhaps the trend overtime is that both proponents and critics alike of the World Bank and the International Monetary Fund will be able to create an effective and acceptable solution to the problems that persist in African Countries that SAPs have been implemented to address.

In the next chapter I discuss Sierra Leone and its experience with SAPs. The major focus leans towards providing an answer as to the question of why Sierra Leone decided to institute SAPs in the first place.
Chapter Two
The Rationale for Structural Adjustment Policies in Sierra Leone

This chapter discusses the conditions that caused Sierra Leone to seek the assistance of the IMF and the World Bank. During the first decade after independence most African economies were growing (Adepoju, 1993, Weeks, 1992; Onimode, 1988). However, African countries were amongst the slowest growing economies as compared to other developing countries (Weeks, 1992). By comparison with other African countries Sierra Leone was considered a disaster case by the IMF and the World Bank (Weeks, 1992). With this in mind, an important question to ask is what was the essence of the economic problems that propelled Sierra Leone into economic collapse? In order to adequately answer this question, it is of importance to discuss the nature of Sierra Leone’s history and political economy.

Some Facts about Sierra Leone

Sierra Leone is a small country that is located at the southwestern coast of Africa (Magbaily-Fyle, 1981). Its population currently stands at a little over 5 million people (World Bank, 2000). It is approximately 73,326 square kilometers (Magbaily-Fyle, 1981). The country has varied reliefs that range from coastal swamps to the highest mountain ranges such as Bintumani (Magbaily-Fyle, 1993). The average height of Sierra Leone is 617 feet above sea level (Magbaily-
Sierra Leone has nine rivers that are small when compared to other rivers in Africa. However, they serve as Sierra Leone’s drainage system. These rivers generally flow in a south westerly direction (Magbaily-Fyle, 1981).

There are two major seasons that consists of the dry season that occurs from December to April and the rainy season that occurs throughout the rest of the year (Magbaily-Fyle, 1981). The mean annual rainfall over two-thirds of the country is between 100 and 120 inches (Magbaily-Fyle, 1993). The coastal belt has rainfall between 130 to 170 inches. On the Peninsula Mountains, where Freetown is located, annual rainfall increases to more than 200 inches (Magbaily-Fyle, 1981).

Sierra Leone’s vegetation at one time consisted of mostly forest but has since been reduced due to slash and burn techniques (Magbaily-Fyle, 1981). Other kinds of vegetation include, grassland mixed with farm bush in the northern plateau regions in addition to mangrove swamps along the coasts (Magbaily-Fyle, 1981).

This small country of which the Portuguese were the first Europeans to discover (I use this term loosely) in the sixteenth century, has in later years gone through numerous economic and political changes. Sierra Leone has been subjected to poverty and violence, namely the civil war that occurred from 1991-2000. Although there were many factors that contributed to the civil war, some of the most important were access to resources in the form of the stoppage of basic social services to the populace at large.
Historical Background on Sierra Leone

The history and people of Sierra Leone are both complex and fascinating. The major ethnic groups of the country are the Temne, Mende and the Limba. The Limba are the oldest ethnic group in Sierra Leone (Conteh-Morgan, Dixon-Fyle, 1999). In Sierra Leone as in any region of the world internal conflict was an aspect of the society. Conflicts between groups were mainly over territory. Many groups found it necessary to migrate to more fertile lands for the sustenance of their people.

Political organization was a key aspect of conflict resolution. Political organization stressed consultation and consensus. The organizational structure was comprised of kings, chiefs and elders. Components of this structure also included a system of checks and balances in addition to patron-client networks. What was beneficial about this system was the fact that the system provided for the sustenance of its people.

External Influences Enter Sierra Leone

Sierra Leone was a major trading post for Europeans during the colonial period. The Portuguese entered Sierra Leone in the 1460s during the period of mercantilism. It was in this period that Africa’s incorporation into the capitalist global economy began with the emergence of the slave trade. Africa’s incorporation was complete by the nineteenth century.

The coastal ruling class in Sierra Leone traded slaves in return for guns and other luxury goods. The traders in Sierra Leone also provided for the protection of the Portuguese as they explored Sierra Leone. The coastal ruling class had consolidated power through obtaining guns from the Europeans. These early trade relations marked the emergence of a new source of ethnic conflict. The source of conflict resulted from external intervention into the economy of
Sierra Leone.

In 1516, the British entered Africa along with the Dutch and the French. Their goal was to cripple the dominance that the Portuguese had established in relation to trade. Eventually, it was the British who became victorious.

The Emergence of Class Structure

One strategy that the British used was to marry the daughters of prominent Sierra Leonean families. The result of this union was a new ruling elite that had both British and Sierra Leonean blood. This class was also known as the Afro-British Mulatto class.

In 1787, with the help of the British the Krio emerged as a new class. This class was comprised of ex-slaves who had fought on the side of the British in the independence wars and also ex-slaves from Jamaica and Nova Scotia. After the end of slavery former slaves begin to migrate to different parts of Europe. The Europeans viewed this as problematic. Granville Sharpe, a missionary abolitionist, was pivotal in the establishment of Freetown located in Sierra Leone as a means of solving the problem of migration for ex-slaves and Europeans.

Note: All the issues discussed in this section on the historical background of Sierra Leone have been written on the basis of the work of scholars Conteh-Morgan and Dixon-Fyle (1999). Please see Bibliography for further information.
The new settler town that soon emerged was established on the basis of the principals of Christianity and capitalism.

How did the Indigenous people respond to these events? First, Freetown originally belonged to the Temne Kingdom of Koya. King Tom, the local Temne ruler was initially receptive to the settlement. However, after the death of King Tom, the new rulers signed a treaty in 1788 with the British under false pretenses. The treaty took sovereignty away from the Temne rulers and gave it to the new settlers.

In 1791 the British formed a company to serve the needs of the emerging capitalist produce market and called it the Sierra Leone Company. The British decided to recruit former slaves from Nova Scotia and Jamaica to help run the administration of the company. With the backing of the British, the new settler class found themselves in a more privileged position than that of the Indigenous population of Sierra Leone.

Friction began to arise between the British, the Krios and the Indigenous population. By 1793 the Temne ruler wanted to establish a new treaty, however, the British did not want to comply because they felt that the establishment of a new treaty might jeopardize their economic interests which was manifested in the form of the Sierra Leone Company. The Temne briefly began moving against Freetown in order to regain control over the territory. However, in the end the Temne relinquished control of the territory. In 1808 Freetown became a colony of the British. In 1895 Indigenous people were declared protected persons.

The Krio saw the declaration of the Indigenous peoples' new status as protected persons as detrimental to their influence on the British. The Krio understood that the Indigenous people with their new status could possibly become more influential among the British, given the fact that the hinterland in which the Indigenous people lived, was of strategic economic interest to the
British. The British style of indirect rule provided the British and the Indigenous people of the hinterland an opportunity to establish a relationship that was conducive to the maximum extraction of raw materials from the hinterland. The Krios were fearful that this raised the protected persons’ political standing with the British. During this period the foundations of class structure was firmly cemented. The following outline presents the picture of class structure that was formed within this period.

Foreign Bourgeoisie (Europeans, Krios, Lebanese)
African Bourgeoisie (Political elites, commercial elites, petty bourgeoisie)
African Proletariat (located in urban areas and paid a set wage) Lumpen Proletariat (Unemployed or underemployed individuals located in urban settings)
African Peasantry (rural, largest wealth producing class, they produce food and raise livestock)

The class structure established within this period resulted in a two nation dichotomy. There were the Indigenous Africans whose social characteristics consisted of marginalization, polarization and the need for general uplift in the eyes of the British. The other nation was the Krios. The Krios tried to emulate Western attitudes and values of Christianity, capitalism and the civilized life. Conteh-Morgan and Dixon-Fyle (1999) put it best when they stated,

“Here in lay in part the factors that would bedevil the relations between the Krio and the other ethnic groups in the coming years and the unfortunate divide that would initiate attempts at national cohesion in the critical years that lay ahead” (p59).
The decades that followed independence (independence gained in April of 1961) in Sierra Leone were tumultuous. As mentioned previously, Sierra Leone had been experiencing a number of economic problems since independence. The decline of the economy began in the 1960s and as the decades proceeded the economic situation became worse. One factor that may have significantly contributed to the further decline of Sierra Leone’s economic situation was the introduction and implementation of neo-classically driven structural adjustment policies. These policies were prescribed by the International Monetary Fund and the World Bank as a corrective to the economic problems that persisted in Sierra Leone.

The purpose of this thesis is to show that structural adjustment programs may have had an adverse impact on the delivery of social services in Sierra Leone. This thesis focuses on the impact that structural adjustment may have had on health, education and employment in Sierra Leone. The decline in the provision of the delivery of these basic services seems to have had serious implications for poverty and violence.

The final chapter of this thesis argues that structural adjustment policies in the case of Sierra Leone may have contributed to the conditions that led to the civil war that took place between 1991 and 2000. However, for now I return to the political economy of Sierra Leone.

The Political Economy of Sierra Leone 1961-1971

Sierra Leone gained its independence from the British in the year 1961 (Conteh-Morgan and Dixon-Fyle, 1999). During the first decade of independence the Sierra Leonean economy paradoxically experienced growth and showed signs of stagnation. As noted in the literature review, Sierra Leone’s real GDP
growth rate was at 5 per cent up to 1972. This was due in large part to its mineral exports and to favorable terms of trade for agricultural products (Adepoju, 1993). Even after the first oil shocks real economic growth remained above 3 per cent annually until 1975 and fell just under 2 per cent from 1975 to 1980 (Adepoju, 1993).

With growth present during its first decade of independence Sierra Leone’s economy also began to show signs of decline. Some symptoms of decline included; slow growth, balance of payments problems and the decline of key economic sectors, such as the closing of the mining industry in 1976 (Weeks, 1992).

It is reasonable to assert that the first decade of independence was an economic paradox. On the one hand there was economic growth yet on the other there were signs of stagnation. How can this paradox be explained? Reno’s (1995) arguments suggest that corruption in Sierra Leone led to both decline and growth. Weeks (1992) suggests that the IMF and the World Bank’s structural adjustment policies have contributed significantly to economic failure in Sierra Leone. He posits that the relationship that began in 1967 set the tone for this failure.

Reno’s (1995) book, Corruption and State Politics in Sierra Leone, suggests that economic growth during the first decade of independence was fueled by corruption and the need for political leaders to gain and maintain power. The political and economic power struggle was in large part over who was to maintain control over Sierra Leone’s most important economic region, that of the diamond rich Kono district (Reno, 1995). In order to enhance our understanding of the political economy that eventually led to economic chaos I include the following three sections. The first section will discuss the political economy of the colonial
administration. The second section will discuss the Steven’s administration. Finally, the third section will discuss the Momoh administration. All sections will discuss comparisons between the colonial and post colonial administrations.

The Colonial Political Legacy

The British colonial government had established patron client-relations during pre-independence years (Reno, 1995). Within this period patron-client relations consisted of expensive pay-outs to chiefs that consequently took money away from development projects (Reno, 1995). But how did this political situation come about? The emergence of class relations dictated by class interest seemed to play a great role in the establishment of patron-client relations. The major classes within Sierra Leone prior to independence were the British Europeans, the Krios and the indigenous Sierra Leoneans. Within this class hierarchy, the British were on top, the Krios in the middle and the native Sierra Leoneans on the bottom. In essence, a situation is presented wherein there was an upper class, a middle class and the lower classes. Later, other ethnic groups such as the Lebanese who may be considered middle class took their place within this hierarchical class system. With such a class system in place the question now becomes how could the colonial government maintain effective control over classes beneath it?

The British system of indirect rule was the means to achieving the control that they wanted to establish and maintain over those in Sierra Leone. This system according to Khapoya (1998) was a system of inequality. The British believed in separation along class and racial lines. For example, Africans had to make use of separate but unequal public facilities such as schools, hospitals and transportation. Additionally, the British did not believe in the social equality of African people. However, the British knew that at some point the Africans would exercise political power in their countries (Khapoya, 1998). This meant that political power could
only be exercised by Africans over other Africans (Khapoya, 1998).

In their belief that Africans would one day exercise power in their own countries, they imposed the system of indirect rule. However this was not the only reason that indirect rule became the chosen political strategy. Other motives can be seen in looking at the definition of British indirect rule. According to Khapoya (1998), it is the process of identifying the local power structure wherein the kings, chiefs and headmen would be identified and invited, bribed or coerced to become apart of the colonial power structure while retaining considerable political power over the people in their own areas. Further, in exchange for becoming apart of this structure through enforcing local laws, collecting taxes and being accountable directly to the British governor, chiefs, kings and headmen were given protection, a salary and a house among other gifts (Khapoya, 1998).

Khapoya (1998) notes that indirect rule served the interests of the British in many ways. One significant way was that indirect rule did not allow for inter ethnic interaction through political organization and in other economic relations. In fact, indirect rule encouraged disunity through encouraging separate ethnic identities (Khapoya, 1998). This kind of divide served the interest of the British well since they feared that unity would lead to wide spread resistance (Khapoya, 1998). Their native collaborators would serve to provide a chance for the British to carry out their most important colonial objective of extracting wealth from Sierra Leone. However, as the British implemented their brand of political administration, they may have contributed to the foundation for later political and economic chaos in Sierra Leone.

Reno (1995) notes that the similarities between what he refers to as the shadow state in Sierra Leone and the British colonial government are great. The two most important things that they shared were that both the colonial and post-independence administrations succumbed to accommodation of elites in order to
maintain political power. Secondly, the colonial and post-independence leaders failed at development and in so doing neglected the Sierra Leonean population.

Chiefs in Sierra Leone carried out tasks that the state was either unable or unwilling to perform. This came about because most British officials did not want to officiate matters directly in the hinterland of Sierra Leone (Reno, 1995). For example, in the district of Kono, district officers were always eager to be reappointed or promoted because many did not want to contend with health hazards in the region (Reno, 1995). The chiefs therefore served the goals of the British to achieve administrative effectiveness and control over the hinterland population (Reno, 1995).

In return for their accommodation they were rewarded with material benefits (Reno, 1995). The establishment of indirect rule in the hinterland would later provide lucrative benefits to both the British and to chiefs (Reno, 1995). The hinterland was rich in the natural resources that the British needed to fuel their commercial and industrial interest. These resources would help to make the British the top economic power during this time. The chiefs provided the British with a cheap way to maintain control over this area.

The chiefs benefited from opportunities to participate in trade involving such tradables as groundnuts, ivory, gold and later diamonds (Reno, 1995). The revenue that chiefs gained from trade allowed them to field standing armies through the purchase of firearms and thereby to forcibly incorporate others in neighboring villages (Reno, 1995).

The political relationship that the British had established seemed reciprocal in nature. However, the British stood to benefit the most both politically and economically from this relationship. According to Reno, (1995) the cooperation of chiefs provided for a tributary relationship wherein the chiefs agreed to protect the interests of the British so that it was possible for the colonial power to extract
economic resources. The chiefs also benefited in that they were able to increase their power politically and economically in their respective villages. They were able to establish relationships wherein others became dependant upon them for political and economic privilege. In essence, the British were dependant upon the chiefs to provide social stability so that they could carry out their economic and political objectives. Because of this dependant relationship the chiefs were able to obtain a level of control. However, this relationship was by no means one without its share of problems.

The British were always afraid that the chiefs would gain too much independent power and over step the bounds of their relationship (Reno, 1995). In this vein they were always focused on maintaining control over chiefs' activities as they sought to ensure that the chiefs maintained control in the hinterland. Controlling the activities of chiefs was also a concern of post-independence leaders (Reno, 1995). Leaders such as Stevens and Momoh were concerned with controlling the activities of chiefs and their cronies who were also known as strongmen in order to maintain political and economic control.

Because the chiefs derived their authority from their place in the colonial hierarchy there were limits to what they could and could not do (Reno, 1995). One activity that the colonial administration sought to control was chiefs' activities in regard to trade. In 1905 the colonial administration placed restrictions on chiefs' power in regards to trade (Reno, 1995). The ordinance stated that, “Any tribal ruler who uses the powers conferred on him so as to impede, restrain or interfere with the free course of trade shall be liable upon conviction to deposition” (Reno, 1995, p38). However, as Reno notes, chiefs did not pursue matters of trade entirely on British terms due to the fact of circumstances beyond the control of the British.
Chiefs were able to take advantage of these economic circumstances because there was no development to attract outside investment in the hinterland. Because of this situation chiefs were able to hold a stronger position in trade (Reno, 1995).

One example of how the British had to concede a portion of economic control to chiefs is the model farm that was created for the production of export crops. These farms were built with government funds but due to poor links to trade in the hinterland, model farms were turned over to chiefs who gained control over production and trade (Reno, 1995). This demonstrates that whether the British preferred to or not they had to accommodate chiefs in order to achieve their political and economic objectives. Similarly, during post independence, Sierra Leonean leaders had to accommodate political rivals in order to achieve their political and economic objectives.

There were similarities between the IMF / World Bank and the British. Just as the IMF and the World Bank believe in policies of economic austerity so did the colonial administration in Sierra Leone believe in the principal of fiscal austerity (Reno, 1995). The British wanted to proceed with expenditure cuts in order to make the cost of ruling Sierra Leone as inexpensive as possible while the British themselves acquired as much wealth as possible (Reno, 1995). The British quest for wealth led many Sierra Leoneans to social unrest. Similarly, political elites quest for wealth in post- independence Sierra Leone has provoked social unrest.

One example of social unrest that socio-economic problems heavily contributed to was the Hut Tax War. The major reason that this war broke out was due to the fact that the people could hardly pay taxes required of them by the British government. They felt that the British government was going too far in its attempt to extract taxes from their already impoverished circumstances. As a result, many, particularly in the hinterland decided to revolt.

However, it was not the British alone who made attempts at extracting taxes.
While the Hut Tax War was an example of elite accommodation it was also an example of how British and African collaborations benefited as a minority but distressed the majority of Sierra Leoneans. How then did chiefs receive accommodation? Chiefs were accommodated by receiving a portion of the revenues to be collected from the tax (Reno, 1995). However, it posed a great economic burden on the many of whom the tax would be extracted from. This has been the case with modern IMF and World Bank programs. While the monies that the political leaders receive from the World Bank and the International Monetary Fund goes for the benefit of supporting their political supporters the majority of the population suffers when hard line fiscal austerity measures are implemented.

The discovery of diamonds energized the economy of Sierra Leone. However, this discovery only benefited a few. Although the Sierra Leone Selection Trust Company, a subsidiary of DeBeers Corporation signed a ninety-nine year monopoly on the exploration of mining, they encountered great difficulty in controlling the mines (Reno, 1995). The colonial government and DeBeers did not want indigenous Africans to take part in mining (Reno, 1995). To achieve their goal, SLSTC brought in armed security to ensure that Indigenous Africans did not take part in mining activities (Reno, 1995). However, elite accommodation was applied when the company had to depend on chiefs to control illicit mining (Reno, 1995). The SLSTC without the consent of the colonial government began paying chiefs to adhere to arrangements to protect the mining areas from illicit mining (Reno, 1995).

Although the government tried to abolish this action on the assumption that it would encourage chiefs to seek and expect financial gain, the practice was not eliminated (Reno, 1995). In addition, even with payment the chiefs continued to allow illicit mining. The discovery of diamonds served to benefit the British and a minority of African individuals while providing no widespread benefits to the Sierra Leoneans.
Leonean people.

The Political Economy of the Siaka Stevens Administration 1968-1986

Siaka Stevens' administration was one that was driven by the need to establish and maintain control over politics and the economy. The administration needed to control the economy which meant securing control over all means of access to wealth and to exert firm authority that would come especially through controlling political rivals (Reno, 1995). This required that Stevens establish and maintain an intimate connection to the diamond industry. As Stevens sought to maintain power through political patronage, the economy gradually declined. This came as result of policies that were geared toward elite accommodation instead of policies that would strengthen the economy in the long term (Reno, 1995).

Siaka Stevens administration can be greatly understood by looking at his problems and the sources, his strategies for solving the problems and the effectiveness or ineffectiveness of his strategies.

Siaka Stevens, a member of the APC, came to power in 1968 (Reno, 1995). Stevens's role as ruler of Sierra Leone was very similar to that of the British. Just like the British, Stevens had to find a way to establish and maintain control over politics and economic resources. Stevens's primary goal as leader of Sierra Leone was to establish control over access to resources and to cement his authority (Reno, 1995). However, just as in the case of the British administration, Stevens would have to overcome numerous obstacles to accomplish his goals. One of the most important, if not the most important means of establishing political authority was to gain control over the diamond resources. Controlling diamond resources ensured that Stevens would have a firm grip on the political and economic structure in Sierra Leone (Reno, 1995).

Again, just as in the case of the British, in order to control economic
resources Stevens had to establish authority over old elites that mainly included chiefs from the previous Albert Magari regime (Reno, 1995). Many of these chiefs held elite privileges that included control over diamond mines. These elites who had been accommodated for so long were unwilling to discard their privileges (Reno, 1995). Stevens felt that in order to maintain his power he would have to find some way to control resources as well as the old elites who were so closely tied to those resources (Reno, 1995).

Stevens employed an array of strategies as he sought to establish his authority. Some of his most important strategies included; cooption or elite accommodation, establishing control of the wealth, the banishment of political rivals and the opening up of the economy to foreign investment (Reno, 1995).

Stevens major strategy for dealing with the problem of the old elite was cooption also know as elite accommodation (Reno, 1995). However, he could not carry this strategy forward without resources. Diamonds were inextricably tied to political power (Reno, 1995). Stevens was well aware of this. The old privileged elites would not allow Stevens to assert his control without putting up a struggle. In fact, at the beginning of Stevens’s rule he had great difficulty in establishing his authority (Reno, 1995).

The diamond rich Kono district exemplifies the latter point. Soon after Stevens came to power his administration’s aim was to collect tax revenues, bring mining under state control and in the process stop illicit mining in Kono (Reno, 1995). However, Kono politics was organized to effectively counter Stevens’s aims.

Paul Dunbar’s political strength in Kono would present obstacles to Stevens (Reno, 1995). Paul Dunbar was a person who had been around for many years and had established a stronghold on the political process in Kono (Reno, 1995). He had family ties to at least three ruling chiefdom households and had the support of the Magaris, the regimes that preceded Stevens, in addition to the
support of much of the populace of Kono (Reno, 1995). Therefore, his power was well entrenched. In the era of the administration of the Magaris he was allowed to form a private armed action group (Reno, 1995). His army used tactics of intimidation that had been used for years to control Kono (Reno, 1995). As a result of Dunbar’s tactics Stevens was unable achieve his aims (Reno, 1995).

Another of Stevens strategies was aimed at controlling local politics in the Kono district. In this effort he sought to banish rivals on the local level (Reno, 1995). He found an opportunity to accomplish the banishment of political rivals when a prominent Tankoro chief died. When a prominent Tankoro chief of the Kono district died, elections were held to elect a new chief (Reno, 1995). Stevens was presented with both opportunity and dilemma. The opportunity resided in the possibility that he could infiltrate local politics through running an APC candidate. The dilemma that confronted him was that he would have to worry about controlling the candidate so that he would not establish his own independent power base (Reno, 1995).

Stevens backed John Kellie, a populist leader among miners in Kono (Reno, 1995). Although Kellie was a member of the APC he was a local politician who mainly upheld local issues with little regard for the national interest of the Stevens administration. Kellie’s lack of concern for central politics was due primarily to the fact of APC organizational weakness in the 1967 election.

Stevens’s solution to controlling his fellow APC party member was cooption. In order to prevent Kellie from establishing an independent power base Stevens allocated direct aid in the form of money and officials to support Kellie’s campaign (Reno, 1995). In this way Kellie was now tied directly to Steven’s interests (Reno, 1995). However, the political organization in Kono with Dunbar at its head proved too strong for Stevens and he could not prevent the SLPP’s candidate from winning the election (Reno, 1995).
The SLPP’s win demonstrated that Stevens’s authority was weak (Reno, 1995). This had implications for government revenues. The Stevens administration lost control over the collection of taxes, the capacity to carry out development projects and to fund many of its own operations (Reno, 1995). In addition, the government could not control elicit mining which was a major source of government revenues (Reno, 1995).

As stated earlier, Stevens encountered some setbacks in terms of establishing his political authority to build his strong state. As time passed Stevens found more effective means of gaining control over the economy and cementing his power. One way in which he achieved this was through allowing foreign investors to gain control over certain sectors of the economy (Reno, 1995). In this way he created legal barriers to the economic ambitions of his rivals while at the same time creating relations wherein political competitors became dependant upon his favor (Reno, 1995). Using this strategy of cooption was good for Stevens in terms of providing resources needed to maintain his power but bad for fiscal policy (Reno, 1995).

One of the first foreign investors that Stevens sought to attract was Lonrho, a British mining firm (Reno, 1995). Their deal was to set up a joint venture in iron mining in the Northern district of Kono. The deal would give Stevens revenue and control over the distribution of economic development. However, this relationship folded when the mining company attempted to play factions of the APC party against one another (Reno, 1995).

In yet still another effort to control the political economy of Sierra Leone, Stevens came to an agreement with longtime foreign investor SLSTC, a subsidiary of DeBeers, where a new state owned company, National Diamond Mining Company or NDMC, would mine and market diamonds and a portion of the proceeds would go directly into state revenues (Reno, 1995). This would give
Stevens a legal means of controlling political advisors. This strategy, however, failed to prevent illicit diamond activities (Reno, 1995). Diamond revenues, the major source of revenue for the government dropped from 25 percent from the highs achieved in 1968 to 1.4 million carrots in 1973 due to illicit mining activities (Reno, 1995).

To curb these activities Stevens had to eliminate the autonomy of the illicit mining sector (Reno, 1995). This meant that he had to break the ties between mutually beneficial landlord-tenant relationships between officials and illicit miners (Reno, 1995). As a result, the NDMC required that a license be obtained before any mining could take place. Stevens exerted direct control over the issuance of licenses (Reno, 1995).

He was in a position to favor the foreign Lebanese over Indigenous Africans. The Lebanese were not a new group in Sierra Leone. They had began arriving and establishing themselves as traders as early as 1892 (Magbaily-Fyle, 1981). Stevens chose the Lebanese over Indigenous Sierra Leoneans because constitutional and popular prohibitions against ethnic-non Africans made it so that they were not allowed to participate in politics (Reno, 1995). Therefore, Stevens made the Lebanese dependent upon his favor as he also discriminated against Indigenous Africans (Reno, 1995).

Lebanese or Afro-Lebanese dealers received the majority of new licenses issued by the Ministry of Mines (Reno, 1995). For example, in 1968 Lebanese dealers had only received 28 licenses (Reno, 1995). However, by 1973 that number jumped to 107 licenses (Reno, 1995). By allowing the Lebanese to establish a foothold in the economy Stevens finally achieved control over the private diamond mining industry. By incorporating the Lebanese into the economic framework, Stevens had effectively created a political network wherein political and economic factions became dependent upon him for favor (Reno, 1995).
According to Reno (1995) although Stevens had effectively established control over access to wealth through his political strategies, his policies were not necessarily fiscally sound. In addition, according to Reno (1995) his economic policy galvanized resentment from the populace and eventually policy choices would lead him to seek assistance from the IMF and the World Bank.

Popular opinion showed both resentment and disappointment in the way that Stevens exerted policy. One Sierra Leonean commented, “It is too easy for any outsider to come to our country and do as he pleases. Politicians always assume that the outsider has something for them and, that their people have nothing they can offer...They believe that they can make money with the foreigner and nobody else,” (Reno, 1995, p.128).

The diamond industry was not generating enough revenue to support Stevens mounting economic needs. For example, Stevens found it hard to service debts and to maintain expanding elite accommodation (Reno, 1995). Because their tenure in office was often short in duration it was difficult for chosen officials to implement policies that would push a development agenda for Sierra Leone (Reno, 1995). Officials were more concerned with galvanizing as much resources as they could than in establishing a loyal constituency, since as favored members of Stevens’s administration they had access to wealth (Reno, 1995). Therefore, as Reno notes bureaucratic institutions became less likely to serve as agents of development and to push economic policy that could benefit Sierra Leoneans.

According to Reno (1995) because of Stevens’s policies of elite accommodation many politicians were responsible for the economic drain on governmental resources. Through privatization diamond revenues went into their own private pockets instead of state coffers (Reno, 1995). In addition, monies that could have gone to development projects were spent irresponsibly (Reno, 1995). For example in 1980 Stevens spent $200 million dollars hosting the organization
of African Unity Conference that was held in Sierra Leone (Reno, 1995). The Lebanese benefited from construction contracts that were created as a result of Stevens’s tenure as host (Reno, 1995).

As a solution to the fiscal problems that Stevens was experiencing, he decided to look to outsiders to help him stabilize the economy in addition to doing the most important thing which was to maintain his power. In 1981 the IMF/WB loaned the Stevens administration $186 million (Reno, 1995). However, loan conditionalities were attached. Because the IMF and the World Bank believe in the philosophy of less government and liberalization through privatization, Freetown was required to privatize many state-owned enterprises (Reno, 1995). Consequently, and in the spirit of maintaining his political hierarchy, Stevens sold many enterprises to Lebanese businessmen and their politician partners (Reno, 1995).

The Stevens administration and by extension Sierra Leone was dependant upon foreigners for the survival of the economy and a level of social stability (Reno, 1995). Stevens used the acquired funds received from the IMF and the WB to keep in tact political patronage networks (Reno, 1995). He had to turn to the Lebanese when the IMF and World Bank called for reforms that consisted of privatization. In this sense he became dependant upon the Lebanese to help maintain his power (Reno, 1995). Ironically, although Stevens had created a web of dependency among his political rivals he himself was dependant upon foreigners to maintain power.

The Lebanese were aware of their economic power. A Lebanese business man commented, “Without us this government and country would not last a week,” (Reno, 1995, p. 150). Another example of the awareness that the Lebanese had of their economic stronghold was shown in the fact that when in 1990 a shuttle crash killed several Lebanese businessmen, Freetown’s Lebanese businesses closed
down for several days (Reno, 1995). It came to the point where it was impossible
to buy much of anything in the city (Reno, 1995). This was an example of the
economic grip that the Lebanese had been allowed to establish and maintain.

Privatization mandates did not help to strengthen industries within
Freetown nor did it satisfy creditor demands. This was due in part to the fact that
the Lebanese controlled many Freetown industries and were focused on the
economic maintenance of their own ethnic group instead of the development of
Sierra Leone (Reno, 1995). One example of this lies in the fact that because
Lebanese businessmen had access to foreign capital they could import illicit goods
that legitimate African businessmen could not compete with (Reno, 1995). This
gave the Lebanese a competitive advantage over many African businesses.

Additionally, because much of the exports left the country through informal
channels, which meant that goods were escaping government tax, the government
did not have the revenue that it needed to offer higher producer prices for exports
such as those in agriculture (Reno, 1995). Because the government could not raise
enough revenue from its exports the government therefore did not have sufficient
resources to pay its creditors. In 1984 the IMF and the World Bank ended credit
arrangements citing its resentment over the nature of business and government.
They were by all accounts referring to the relationship between Stevens and the
Lebanese (Reno, 1995). Consequently, by the end of Stevens’s term as president,
there were numerous economic problems that were left for the new administration
to haggle with.

The Political Economy of the Joseph Momoh Administration 1986-1992

Stevens chosen successor, Joseph Momoh, a former brigadier-general
came to power in 1986 (Reno, 1995). Momoh inherited many of the problems
associated with the preceding regime. Although he continued the maintenance of
Stevens’s elite accommodationist state he did so in a different fashion. Reno (1995) notes that Momoh had to meet creditor demands, the needs of the populace and also strive to accommodate the elite.

One of Momoh’s first objectives in office was to banish corruption. To Momoh, banishing corruption meant banishing Stevens’s old elite and the Lebanese stronghold on the economy (Reno, 1995). He was able to find somewhat of an ally in the IMF. The IMF/World Bank and Momoh’s position converged on two points which was the economy and politics (Reno, 1995). The IMF and the World Bank were more concerned about the Lebanese position in the economy (Reno, 1995). Momoh was concerned about the Lebanese strong hold on the political economy (Reno, 1995).

Momoh saw the banishment of the Lebanese’s stronghold on the political economy as key to his political and economic reforms. His strategy for containing political adversaries was to cultivate relationships with foreign investors (Reno, 1995). He worked closest with the IMF and World Bank. The IFIs were in favor of Momoh’s strategies of allying with foreign investors other than the Lebanese (Reno, 1995).

Momoh endeavored on a string of relationships with foreign investors. When one relationship failed, he sought out another. This strategy was different from that of Stevens, whose principal ally remained the Lebanese throughout his term as president (Reno, 1999).

Momoh held high hopes in LIAT Construction and Finance company headed by an Israeli citizen, Shaptai Kalmanowitch (Reno, 1995). In 1986 this company assured Momoh that it would increase diamond exports if it was given a monopoly over diamond mining (Reno, 1995). If the company was successful, Momoh could restrict access to diamond resources while receiving revenue benefits from a LIAT dominated diamond trade. This was something to consider
since he was interested in marginalizing the power of the Lebanese.

The venture between Momoh and LIAT was at first highly successful (Reno, 1995). The 1986/87 official diamond exports rose over 280 percent of 1985/86 figures (Reno, 1995). In addition, the Bank of Sierra Leone's holdings rose from $196,000 in 1985 to $7.6 million in 1986 (Reno, 1995). Creditors were also pleased because Freetown began making payments (Reno, 1995). LIAT had also agreed to import rice, a staple food, with foreign exchange collected from the sale of diamonds (Reno, 1995).

In 1987 with the success of LIAT, Momoh introduced PEER, or Public Economic Emergency Regulation (Reno, 1995). This program was designed to capitalize on what LIAT had accomplished by bringing resources under the control of Momoh and to stop informal mining practices of politician elites. In 1987 the arrest of Kalmanowitch brought an end to LIAT's involvement in Sierra Leone (Reno, 1995). Momoh was left to find another source of foreign investment. This left him vulnerable to the Lebanese in that he had to collaborate with them as state revenues began to decrease in the absence of LIAT (Reno, 1995). It also made African businesses vulnerable because as the government drained local banks for credit, African entrepreneurs had to also turn to the Lebanese for loans (Reno, 1995).

With this kind of economic decline, World Bank and IMF policies tended to make conditions not only harsh for Momoh but mostly harsh for the citizens of Sierra Leone. Momoh had to implement austerity measures that had adverse impacts upon the people, measures that included a 84.6 percent reduction in spending for subsidies, the primary one being rice (Reno, 1995). In addition, virtually all expenditures on socially oriented subsidies were cut.

With all the economic chaos that was occurring, Momoh was steadily losing political control and popular support as well. Momoh's strategy was to continue to
try to build relationships with foreign investors (Reno, 1995). This would in the long run lead to Sierra Leone’s economy becoming dependent upon foreign investment.

In 1988 Momoh embarked on his second PEER program aimed at attracting creditor and foreign investor support (Reno, 1995). Within this effort he was constantly attempting to banish political and economic opponents which also included the Lebanese.

In 1988, the N.R. SCIPA Group with Israeli investor, Nir Guaz at its head established a relationship with Momoh (Reno, 1995). In the beginning the SCIPA group provided the president and the economy with modest benefits. For example, in 1989 the SCIPA Group provided the government $6 million dollars from diamond revenue in addition to 27,000 tons of imported rice with a promise to import at least 80,000 tons in 1990 with revenue earned from diamond exports (Reno, 1995). This contribution was not nearly as substantial to that of the previous investor, LIAT. Moreover, the relationship came to an abrupt end when in 1989 Momoh decided to have Guaz arrested for pursuing economic accommodations outside of Momoh’s economic interest (Reno, 1995). This left Momoh in the difficult position of having to find yet another foreign investor.

When Guaz was arrested, Momoh was presented with serious financial problems that led him to conclude that he needed the assistance of foreign investors to make his government operable. There were no foreign firms standing in the wings to take Guaz’s place. In addition, suppliers no longer extended credit, unpaid bills mounted and commerce in general halted (Reno, 1995). Presented with these dire circumstances Momoh released Guaz who assisted him in taking care of some of the incurred debt (Reno, 1995).

Momoh was however, not satisfied with the relationship between himself and Guaz, therefore he sought to clean up the illicit diamond industry. With this decision came his attempts to attract other foreign investors, particularly Sunshine 49
Broulle (Reno, 1995). Sunshine Broulle showed interest in investing in the kimberlite diamond industry but was reluctant to do so because they believed that Momoh could not control the business activities of Guaz and other accommodated elites (Reno, 1995).

In 1990 Momoh announced his policy of forcible exclusion of the diamond mining industry, a measure that finally attracted Sunshine Broulle (Reno, 1995). In the same year Sunshine Broulle signed a contract promising an initial $70 million dollars in investments to mine in the kimberlite diamond mines. They also provided police protection in the diamond mines.

Momoh’s efforts to galvanize foreign investment did not translate into a continuous source of revenue to satisfy the needs of his government, the Sierra Leonean populace or creditors (Reno, 1995). Consequently, in 1991 the IMF proposed RAP, or the Rights Accumulation Program (Reno, 1995). The implementation of RAP demonstrated that the IMF had in a sense given up on collecting the monies that it was owed and was more concerned about imposing discipline to what it saw as a weak government (Reno, 1995). RAP was a program of last resort for creditors to collect the debt owed to them. The program was designed so that the IMF would approve loans if Momoh demonstrated that he was at least making attempts to comply with IMF recommendations, such as having revenue collection contracted out to private foreign investors in order to pay debts (Reno, 1995). In response to IMF demands, Momoh once again went through a string of foreign investors in search of revenue. The list of potential foreign investors included; Britain’s McAllister Ellicott Fisheries, Pioneer Resources NL of Australia, and Evergreen (Reno, 1995).

If debt collectors were becoming tired of making attempts to collect their debt, then the Sierra Leonean people were even more exasperated with attempts at trying to get the government to provide basic social services. The 1992 over
throw of Joseph Momoh led by Valentine Strasser was a demonstration of this discontent. Strasser’s overthrow of Momoh was reflective of similar objectives of the 1991 invasion of the RUF along with Charles Taylor’s Liberian army (Reno, 1995).

The invasion of Charles Taylor’s Liberian army sparked off the civil war in Sierra Leone. Segments of the population including business people, the army, and ordinary citizens were fed up with the neglect that the government displayed towards them. The government was principally concerned with servicing their debts and satisfying elite accommodation. Most of the Sierra Leonean population was out of sync with both Momoh’s and Steven’s elite accommodation. However, rivals such as Strasser and the RUF were gaining ground as Momoh could not eliminate or contain them (Reno, 1995).

The IMF and the World Bank may have also played a part in aggravating the lives of every day citizens through the implementation of structural adjustment. Structural adjustment’s austerity measures required that subsidies be eliminated (Reno, 1995). By 1989/1990 such actions caused petrol to rise 300 percent and the price of rice to rise by 180 percent (Reno, 1995). In addition, soldiers were dissatisfied because often government officials would pocket monies that were to be used for soldier salaries (Reno, 1995). This left many soldiers without pay. Many felt that someone should be held accountable. For many, it was the government of Sierra Leone itself that was to blame for their problems.

Many people felt it necessary to lend support to governmental opposition factions due to the fact that they felt that the government paid little attention to the provision of basic necessities. In their view, the government was responsible for their hardships and many aligned with the aims of the opposition forces to achieve socio-economic justice (Reno, 1995).

While Sierra Leonean leaders may have contributed to problems that led
to the implementation of structural adjustment programs, the major focus of this thesis is to analyze the impact that structural adjustment policies may have had on the delivery of social services, specifically, health, education and unemployment. Consequently, the role of structural adjustment policies may have led up to the discontent that culminated in the civil war from 1991-2000.

Did the IMF and the World Bank Contribute to Sierra Leone’s Economic Problems?

In essence, although there was growth in the 1960s that was fueled by the mining sector and the political ambitions of leaders to control power and wealth, the relationship that Sierra Leone began with the IMF and the World Bank came to fruition because the economy had in fact began showing signs of decline. The decline was paradoxically caused by the same factors that contributed to growth. Therefore, the question remains, did the World Bank and the IMF contribute to decline, growth or both after establishing itself onto Sierra Leone’s economic scene?

Weeks (1992) suggests that the IMF and World Bank’s intervention contributed to economic decline in Sierra Leone. In addition, he notes that the rocky relationship between the International Monetary Fund/ World Bank and Sierra Leone began in 1967. However, structural adjustment policies or SAPs were created and implemented in the 1980s as a response to economic decline that began in the 60s and 70s. One could however argue that the policies that begin in 1967 were extremely similar to the SAPs of the 1980s. From 1967 to 1977 the conditionality that was imposed by the World Bank and the IMF was met and loans were disbursed (Weeks, 1992). By 1981 the IMF’s 3-year loan program began. However, loans were cancelled (Weeks, 1992). In fact, after 1981 a trend ensued. Loans were either not being disbursed
or other negative outcomes occurred. For example, in 1983, 1984 and 1985 no loans were disbursed although stipulations for conditions of loans were recommended and in some cases implemented (Weeks, 1992). Finally, in 1988 loans were discontinued altogether (Weeks, 1992).

What is at issue is the question of whether or not the IMF and the World Bank’s intervention from 1967 to 1971 contributed to growth, stagnation or both within the first decade of independence? This is important to understand because the foundation of the economic problems that prevailed in the 1970s and in the decades that followed may be linked to the first decade after independence (Weeks, 1992). An additional question of relevance is what were the conditions that enabled economic growth and stagnation to simultaneously occur up to the intervention of the World Bank and the IMF in 1967?

Reno (1995) has attributed both growth and decline to corruption namely the quest of leaders to gain power which includes control over the diamond industry. However, Weeks (1992) suggests that after IMF and World Bank intervention in 1967 small problems became significantly larger in scope. For example, at independence and throughout independence the economy of Sierra Leone was based upon the prosperity of the mining sector (Weeks, 1992). However, by 1970 diamond exports peaked at 2 million carats as iron ore reached a maximum of 2.6 million tons in 1971 (Weeks, 1992). During the 1970s there was also a fall in the prices of mineral exports and by 1976, after the multilateral intervention the iron ore industry was closed in the same year (Weeks, 1992).

From 1963-1966 there was apparent growth (Weeks, 1992). However, from 1967 to 1969 the rate of growth decreased with a rise in growth only in 1970 and then another decline in 1971. The evidence seems to suggest that there was more growth in the economy prior to the intervention of the IMF/World Bank that began in 1967. However, growth in addition to signs of decline was prevalent
during the period between 1961 and 1971.

In short, Weeks (1992) believes that the World Bank and the International Monetary Fund misdiagnosed Sierra Leone’s economic problems by not looking at what the country was doing correctly, in terms of its economic policy and by not taking into greater account external economic aspects that were beyond Sierra Leone’s control. In addition, structural adjustment policies tended to aggravate rather than alleviate Sierra Leone’s economic problems.

Sierra Leone’s Economy: The 1970s and 80s

Stagnation and decline in the first decade of independence carried over into the 1980s. In the years between 1971 and 1981 the pattern of economic decline continued and was due in part to the fact that the mining industry declined and spread the negative effects throughout the rest of the monetized economy (Weeks, 1992). In addition, the rate of growth declined, inflation increased, per capita income decreased and the external oil shocks served to have a severe impact upon the terms of trade and the stagnation of export markets (Weeks, 1992). As the world market became more variable, Sierra Leone’s economy became increasingly vulnerable to economic shocks (Weeks, 1992).

The external shocks, particularly the oil shocks of the 70s, experienced by the economy of Sierra Leone were the major causes of the balance of payments problems and Sierra Leone’s overall economic collapse (Weeks, 1992). Because investments in mineral production and agricultural production had declined or had never gotten off of the ground, exports within these sectors were impacted by external shocks also (Weeks, 1992). The terms of trade deteriorated as mineral and agricultural exports fell (Adepoju, 1993). By the 1980s the economy of Sierra Leone had severely went into decline and was in need of serious economic restructuring (Weeks, 1992). This is the context in which
structural adjustment policies were implemented during the mid 1970s and 1980s (Weeks, 1992).

With economic conditions deteriorating in Sierra Leone, the question that becomes relevant in terms of the topic of this thesis is what was the impact on the delivery of social services? In the next section I discuss the impact of structural adjustment policies on key sectors that include health, education and employment.
Chapter Three
The Impact of Structural Adjustment on Health, Education and Employment

Perhaps the most significant impact of structural adjustment programs was placed upon human interests. The SAPRIN Report (2004) indicates that health, education and employment were severely impacted by structural adjustment measures. Onimode (1988) adds that structural adjustment policies have aggravated and will continue to aggravate sectors such as employment, education and health that effect the population by instituting measures such as retrenchment in the public sector, subsidy withdrawals and drastic expenditure cuts. Additionally, Onimode (1988) notes that the collapse of the welfare state through expenditure cuts had created significant problems in health, education and other sectors that adversely impacted the population (Onimode, 1988).

Within this section, I aim to examine the delivery of social services that consist of health, education, and employment. Adepoju (1993) maintains that in order to assess the impact of structural adjustment policies on social sector services the performance criteria that includes; accessibility, acceptability, adaptability and affordability should be applied. The author maintains that these four performance criteria have not been met in Sierra Leone (1992).

Magbaily-Fyle (1993) discusses the connection between the efficient delivery of social services and the benefits in terms of the well being or stability of a given government. He further gives the definition of social services as elements that help to facilitate the accumulation of wealth and the generation of economic
development in a state (Magbaily-Fyle, 1993). Such elements will incorporate services that include functional education and healthcare facilities including primary healthcare (Magbaily-Fyle, 1993). Further, the provision of such services for economic development also reinforces the legitimacy and stability of the government (Magbaily-Fyle, 1993).

Sierra Leone has experienced a decline in the provision of the delivery of social services by the government. As a consequence the government has lost much of its stability and legitimacy (Magbaily-Fyle, 1993). Structural adjustment policies may have had an impact on the inability of the government to provide social services.

In a study completed by Dr. Juliet A. Melville (2002) on the impact of structural adjustment on the poor, she notes some key findings pertaining to the general impact that structural adjustment has had on the poor in terms of the provision of social services. In her study she seeks to understand how specific adjustment measures impacted poverty? Her findings shows that the allocation of social service provisions such as health and employment were severely impacted and that poverty was therefore increased.

Although there are numerous social services that can be discussed, I focus on the delivery of health, education and employment. I will discuss how structural adjustment policies may have had an adverse impact on the decline in the delivery of these services. Using empirical data I, discuss the decades of the 1960s, 70s and 80s.
During the 1960s and 70s growth was apparent within Sierra Leone, however in the 1980s the economy went into severe decline. As previously discussed, during the 1980s, the International Monetary Fund and the World Bank began extensive involvement in the economy of Sierra Leone. Gains that occurred in the 60s and 70s in health, education and employment were severely weakened by the 1980s. The liberalization of the economy and the removal of price controls in addition to other structural adjustment policies may have negatively impacted the delivery of health, education and employment in the 1980s.

For the purposes of this discussion it is of importance to note some key demographic features of Sierra Leone. Sierra Leone has four major administrative units (Magbaily-Fyle, 1993). They consist of the Western Area, the Southern Province, Eastern Province and the Northern Province. Each Province is divided into 12 districts which are further divided into 184 chiefdoms (Magbaily-Fyle, 1993). Districts are administratively headed by government officials called district officers, who supervise the day to day administration of paramount chiefs in charge of chiefdoms.

The paramount chiefs are representative of the traditional authority (Magbaily-Fyle, 1993). The Provinces have provincial headquarters and each headquarter has a town council responsible for the provision of basic social services (Magbaily-Fyle, 1993). The Western Area is divided into four small rural districts and Freetown. Its local government includes the Freetown City Council and the Rural Area Committees for the provision of social services (Magbaily-Fyle, 1993).

How has Sierra Leone fared under structural adjustment in terms of health, education and employment in comparison to other African countries? In a report on the impact of structural adjustment in African countries, Naiman and
Watkins (1999) conclude that most African countries did not fare well under adjustment. Particularly they note that health, education and employment declined in many countries during the period of structural adjustment.

Zimbabwe was unlike Sierra Leone in that structural adjustment was not instituted due to a crisis, rather Zimbabwe turned to the IMF in 1991 to undertake structural adjustment after several years of economic stagnation (Naiman and Watkins, 1999). Zimbabwe took this measure in hopes of reviving economic growth (Naiman and Watkins, 1999). However, just as in Sierra Leone, so it was the case in Zimbabwe that under adjustment the health sector declined. In Zimbabwe the IMF called for reductions in the real wages of public health care workers (Naiman and Watkins, 1999). In addition, as a result of wage cuts doctors began moving towards the private sector and health care became more inaccessible especially to the poor who could not pay. Just as in Sierra Leone, in pre-adjustment years health care was made accessible to all Zimbabweans. However, as was the case in Sierra Leone so it was in Zimbabwe that adjustment came with severe cuts that created inaccessibility to health care.


Cote d'Ivoire, which became involved with the IMF in 1989, shared a similar fate under adjustment as Sierra Leone in terms of health, education and employment. For example between 1990 and 1995 real per capita spending on health care fell and education spending fell dramatically (Naiman and Watkins, 1999). Between 1990 and 1995 education spending declined by more that 35 percent (Naiman and Watkins, 1999). Reductions in the wages of civil service
workers that was called for by the IMF had the effect of lowering teacher and health workers salaries (Naiman and Watkins, 1999). This caused the delivery of educational and health services to decline.

Naiman and Watkins (1999) found that Uganda, a model for the success of adjustment programs did not fare well under adjustment in terms of health, education and employment. Similar to Sierra Leone, Uganda’s economy was in severe decline when the IMF came on the scene in 1987 (Naiman and Watkins, 1999). One of the main similarities between Uganda and Sierra Leone is the impact of cost sharing. Cost sharing was a measure that was widely instituted in Uganda under structural adjustment (Naiman and Watkins, 1999). In both countries cost sharing has led to the closure of many hospitals. It has driven doctors into private practice and created a situation where if one cannot pay one also cannot receive medical services. Cost sharing in both countries has led to less access to health and educational services.

Now that the discussion on how and why structural adjustment policies were implemented in Sierra Leone in addition to comparing Sierra Leone to other adjusting countries has been presented, the following section will discuss the impact that SAPs have had on the delivery of health, education and employment.

Health

The government of Sierra Leone made numerous attempts to address the provision of the delivery of health care. The Sierra Leonean government took over the responsibility of providing health care as a social service provision to its population from the colonial government at independence (Magbaily-Fyle, 1993). From the 1950s onward there has been a minister responsible for health policy in addition to an administrative branch attached to the Ministry of Health (Magbaily-Fyle, 1993). There has also been a chief medical advisor responsible for advising
the Minister of Health on all health related matters (Magbaily-Fyle, 1993).

The Sierra Leonean government demonstrated that it was really serious about the provision of health services for the population when in 1962 the government prepared a ten year plan for the allocation of healthcare services (Magbaily-Fyle, 1993). Although comprehensive, the plan was viewed as too ambitious because it would require much aid from the international community (Magbaily-Fyle, 1993). Consequently, this plan was modified in 1965 and called The National Health Plan 1965-1975 (Magbaily-Fyle, 1993). Most of the healthcare initiatives in the 1970s took its direction from this document. One such example was the 1974-75 National Development Plan (Magbaily-Fyle, 1993).

In assessing the government’s lofty goals in the establishment of quality healthcare, the question of how was the government to pay for these services arises? To finance health care the government set aside revenue in its budget to provide funding for these services. Much of the funding came from foreign sources as well as from export revenues from its mining and agricultural sectors (Magbaily-Fyle, 1993). However, as the terms of trade declined during the oil shocks of the 1970s and as structural adjustment policies were instituted the healthcare sector declined (Omnimode, 1988;, Adepoju, 1992;, Weeks 1992;, SAPRIN, 2004).

Goals for the Allocation of Health Care in the 1970s

In the 1970s the evidence suggests that the government of Sierra Leone had a strong desire to improve the allocation of the delivery of health services. In fact, the National Development Plan healthcare component for 1974-1975 to 1978-1979 mission was as follows.
"The Health Strategy adopted by the government is to raise the level of health of all people by providing a network of sound health facilities capable of reducing diseases, protecting life, increasing productivity, and ultimately promoting well-being in the shortest possible time" (Magbaily-Fyle, 1993).

The strategies included:

- Combating major communicable diseases such as malaria, tuberculosis and leprosy.
- Reduction in maternal and infant mortality by strengthening and extending the maternal, child and school health services.
- Expansion of medical and healthcare facilities in order to reach a greater percentage of the population.
- Health education.
- Provision of qualified staff to service the facilities and the provision of health statistics as well as laboratory facilities. (Magbaily-Fyle, 1993)

Goals for the Allocation of Health Care in the 1980s

The government established a plan of action to provide better health care for its people. The Second National Health Plan of 1981-82 to 1985-86 made the following declarations in regards to health care:

"The government of Sierra Leone is committed to the world-wide goal to achieve health for all by the year 2000 and has endorsed the resolutions of the World Wide Health Organization member states in the Alma-Ata Conference on Primary Health Care, and the United Nations Water Conference at Mal Del Plata, Argentina, which designed the period 1981-90 as the International Drinking
The following are proposed strategies for achieving goals as outlined in the Health Sector Plan that was apart of the Second National Development Plan:

1. Providing a network of sound health services appropriately staffed and logistically functional, comprehensively managed and assessable to all citizens and residents of Sierra Leone.

2. Protecting Sierra Leoneans from environmental health hazards and communicable diseases by means of strengthening health legislation and public health services.

3. Promoting better health of the population by means of community participation and inter-sectoral co-operation in accordance with the Primary Health Care concept (PHC) (WHO, 1984:10).

4. In concretizing these projects the government has focused on the provision of rural based medical facilities with the aim of preventing the spread of malaria, tuberculosis, leprosy, measles and other such ailments by extending Endemic Control Units to the district level.

5. Reducing infant mortality rates by strengthening maternal and other child health care.

6. Building a network of rural health centers and improving existing units.

In the 1980s the government implemented World Bank / IMF sponsored structural adjustment programs which were conditions attached to loans. Although the government had plans to strengthen health care in the 1980s the conditionalities imposed by structural adjustment policies severely hampered their efforts.

Despite the government having commendable goals for improving health care, budgetary constraints had in fact reduced the availability of resources for the health sector (Adepoju, 1993). Health care declined within the 1980s from its previous years (Adepoju, 1993; Magbaily-Fyle, 1993). Figure 1 on the following page denotes the impact that structural adjustment may have had on the allocation of health.
During the 1960s the annual budget percentage of total governmental expenditure allocated for health was 36.1% while in the 1970s it was 38.2% percent. However, we see a decline in the 1980s to 38.1% percent for health care. It was in the 1980s that structural adjustment policies called for cuts in social spending. As figure 1 shows spending on health care declined.

The impact in the decline in expenditures on health care can be seen in the decline of opened hospitals. In the 1960s there were 7 hospitals. That number peaked at 90 in the 1970s and dropped to 58 by the 1980s. The constraints were that there was not enough money being allocated in the budget to pay for the provision of health services.

While there was a huge increase in the number of doctors or general
practitioners in the 1980s (see figure 1) as compared to the 1960s and 1970s, accessibility to healthcare declined. When the state budget cut expenditures for the health sector, doctors were as a result poorly paid and began using government hospital facilities and working time for their own private practice (Magbaily-Fyle, 1993). Many government hospital beds carried private pay patients and those who could not afford to tip a doctor or a nurse received scant medical attention if any at all (Magbaily-Fyle, 1993). This was a drastic departure from the preceding decades where government healthcare was practically free (Adepoju, 1993).

In the 1980s fees started to be imposed for many medical services and those who could not pay did not receive services (Magbaily-Fyle, 1993). This was a consequence of the fact that medical services had been cut to the barest minimum in both urban and rural areas, although urban areas received most of health services offered (Magbaily-Fyle, 1993). The uneven distribution of health resources created a situation where the urbanites who comprised only 24.5 percent of the population (rural 77 percent) received the majority of services. However, services were by no means adequate in urban areas.

As the effectiveness of health allocation declined, people became more vulnerable to health problems. For example, although the extended program of immunization was aimed principally at protecting women and infants, a 1984 effectiveness survey revealed that only 15 percent of those under the age of 5 were fully immunized (Adepoju, 1993). In addition, the over-concentration of medical personnel in urban areas worked to the detriment of those that resided in rural areas. This was due to a lack of funding that would allow mobile clinics to serve the rural areas at an adequate level (Adepoju, 1993).

Although there is no clear data on the decline of Alternative Health Care Facilities during structural adjustment there seems to have been less access to
health services available at these alternative facilities during structural adjustment. Alternative Health Care Centers included dispensaries, Health Centers, Treatment Centers and Maternal and Child Health Care Clinics. These facilities were used in the event that a person was unable to obtain access to hospital services (Magbaily-Fyle, 1993). People could get treatment for minor and major medical needs such as for cuts, burns and pre-natal care (Magbaily-Fyle, 1993). Alternative Health Care Centers were a vital part of the health care structure.

However, by 1989 the death rate was 24 per 1000, infant mortality was 160 per 1000 live births and life expectancy was only 40 for both sexes. In fact, by 1991 Sierra Leone was labeled one of the countries with the worst quality of life and among those with the poorest health services in the world (Magbaily-Fyle, 1993).

Notwithstanding a lack of attention from medical personnel, much of the medical problems that occurred were due to a lack of drugs. During the 1980s many cases were reported in the local papers of sick people dying in local hospitals for want of drugs or medical attention (Magbaily-Fyle, 1993). One of the major causes of these problems was that people could not afford to pay for drugs and hospital care. The implementation of the cost-recovery system that took root in 1986 contributed greatly to these problems (Adepoju, 1993). Prior to the emergence of cost recovery programs, medical services and drugs were provided almost free of charge. For example, prescription drugs were priced at 40 cents per patient (Adepoju, 1993). The price of prescription drugs escalated after 1987 making it nearly impossible for people, especially the rural community to be able to make use of them (Adepoju, 1993). As Adepoju (1993) notes most indicators point to the deterioration of health systems while carrying out adjustment.
Education

The Philosophies and Goals of Education in the 1960s and 70s

Sierra Leone has since independence been concerned with improving education. Education figured into expansionist policies in terms of the development of Sierra Leone (Magbaily-Fyle, 1993). The government was much concerned with expanding education to all segments of the population. This was due in large part to the fact that the government recognized the role of education in achieving economic and social progress as did many other countries throughout Africa (Magbaily-Fyle, 1993).

In 1961, the Ministers of Education held a conference at Addis Ababa (Magbaily-Fyle, 1993; Adepoju, 1993). At this conference they discussed their basic goals and philosophies on education and how it could be improved in the years to come. One of the major goals was that primary compulsory education should become free to all by 1980 (Adepoju, 1993; Magbaily-Fyle, 1993). In addition, they agreed that secondary education should be available to at least 1/3 of those children who complete primary school.

The government felt that it was very important to Africanize education (Magbaily-Fyle, 1993). To Africanize education was to make educational experiences conductive to the economic and social needs of the country (Magbaily-Fyle, 1993). This was to be accomplished through designing a curriculum with programs of study that would be appropriately reflective of the realities of Sierra Leonean society (Magbaily-Fyle, 1993). This meant that careful attention would be paid to the local needs and life patterns of Sierra Leoneans for the eventual integration into the school system (Magbaily-Fyle, 1993). Consequently, two of the most important areas where this integration would be
applied were in the areas of development and agriculture (Magbaily-Fyle, 1993).

The government achieved this in a number of ways. As apart of the education agenda designed for the period between 1964 and 1970, the government implemented trade school programs located in rural areas that focused on especially agricultural education (Magbaily-Fyle, 1993). This was done in response to the disparity in regards to the access and allocation of education in the rural areas versus the urban areas. For example in this period 80 percent of educational services and facilities were biased in favor of urban areas with only 6 percent going to rural areas (Magbaily-Fyle, 1993).

The focus on agriculture was a reflection of a philosophy of self-reliance especially in the areas of food sufficiency (Magbaily-Fyle, 1993). Recommendations for education in agriculture meant in effect an awareness of the need to be progressive in food self sufficiency for the country as a whole (Magbaily-Fyle, 1993). It also meant that the government recognized the importance of the rural community as relevant to this process.

The modernization of education was something that the government wanted to improve. The government wanted to keep up with the modern technological advances of the developed nations (Magbaily-Fyle, 1993). In an effort to do so, the government stressed that there was a need to use such equipment as tape recorders, films, film projectors, and other audio-visual aids to enhance teaching methods (Magbaily-Fyle, 1993).

The government was also concerned with centralizing education. The 1964 Education Act was geared towards empowering the state to carry out the main functions of the provision of education (Magbaily-Fyle, 1993). The Minister of Education was to handle tasks such as the establishment of new institutions, curriculum development and reform, appointments to board of governors and school fee rates (Magbaily-Fyle, 1993).
During the 1970s the government began to reflect on strengths and weaknesses associated with the educational system in terms of educational policy and practice at the beginning of the 1960s (Magbaily-Fyle, 1993). This meant that the government was to focus on whether or not expansion in education proved to have a qualitative balance. More emphasis was placed on quality of education although the government still paid special attention to access as well (Magbaily-Fyle, 1993). The 1970 Government White Paper on Education espoused concern for quality through policies such as priority attention to improvements in primary education, development and improvement of the professional standards of teachers, special training of graduate teachers to teach in the primary education field, consolidation rather than expansion of secondary education and proper educational planning (Magbaily-Fyle, 1993).

Universal access to education also continued to be a theme of importance in the 1970s. This tended to focus more so on the rural sector. The 1974 Sierra Leone Review Conference questioned the relevance of education especially in the rural areas in terms of the returns on educational access in these regions as juxtaposed to costs (Magbaily-Fyle, 1993). The evidence shows that in the 1960s and 70s the government sought to expand and to improve access to education in addition to improving the quality of education.
**Education in the 1980s**

In the 1980s the objective, and philosophy of the government did not change, however, the situation of the economy changed within this period (Magbaily-Fyle, 1993). This was largely due to the deterioration of world economic conditions that were beyond the control of Sierra Leone (Magbaily-Fyle, 1993). The shift in the philosophy of education changed considerably in the 1980s. The new thinking fell in line with ideals espoused by the IMF and World Bank such as liberalization, privatization and efficiency. In the 1980s this school of thought emphasized the maximization of scarce resources and the notion of functionalism (Magbaily-Fyle, 1993).

The concept of functional education had never been so dominant since the attainment of independence (Magbaily-Fyle, 1993). The underlying rationale of functional education is that the cost of services could be greatly reduced at no expense to quality and efficiency if more attention was paid to relevance, productivity and output (Magbaily-Fyle, 1993). This philosophy was not well suited to the expansionist policies that were established in the 1960s and 70s and as a result, by the 1980s the quality and quantity of education began to falter (Magbaily-Fyle, 1993).

As educational quality and quantity declined the community and others began to play more of an active role in the allocation of education. The government’s previous central role was minimized thereby reducing
the centralization of education into the hands of the government (Magbaily-Fyle, 1993).

**Figure 2: A Comparison of Education 1960-1980**

Primary Source: Percentages and values derived from Magbaily-Fyle, 1993

From 1973 to 1980 (see Figure 2) there was an upward trend in educational expenditure that reached its peak between 1983 and 1984. From 1973-1974 expenditure on education was 15,420 (000 leones). From 1976-1977 educational expenditure was 28,404 (000 leones). By 1984 educational expenditure was at 79,013.3 (000 leones). Clearly, over time there was an upward trend in the amount of money allocated in the budget for education. However after 1984 educational spending fell far below previous spending.

As the 1980s progressed the allocation in the budget towards education declined. In 1987 the expenditure allocation to education was reduced by 50 percent due to cuts that were called for by structural adjustment policies (Adepoju, 1993). From 1989 to 1990 educational expenditure was less than 2.5
percent of the budget (Adepoju, 1993). For example, Figure 2 indicates that by 1984 spending on teacher education drastically decreased to 26.5 (000 leones) from a high of 215.0 (000 leones) during the years between 1973 and 1974. It is barely possible to carry out high educational standards if the teachers themselves are not adequately educated.

Teachers, one of the single most important actors in the quality and expansion of education were probably hit the hardest by the budget cuts in the 1980s. In the 1960s and 70s major government incentives were designed to attract and retain quality teachers (Magbaily-Fyle, 1993). For example, during the 1960s the non-contributory pension, in the 1970s the introduction of study leave with pay for unqualified teachers and special allowances for science teachers were created to retain quality teachers (Magbaily-Fyle, 1993). However, by the 1980s the latter developments were adversely impacted and could barely be sustained (Magbaily-Fyle, 1993).

According to Adepoju (1993), stabilization measures have had a further devastating effect on education. Austerity measures have brought more concentration of qualified teachers in urban areas while rural areas suffer from a lack of qualified teachers in their communities (Adepoju, 1993). Hidden costs such as the cost of textbooks and other essential materials have been born by many parents who could not afford such items at the primary and secondary levels of education (Adepoju, 1993). Education is a quasi-public good to the extent that it provides benefits to the individual as well as to the society at large (Adepoju, 1993). However, education's benefits to the society of Sierra Leone may have been adversely impacted as a result of the implementation of structural adjustment policies.

During the third decade of independence, teachers began leaving the profession at an unprecedented rate (Magbaily-Fyle, 1993). This was due to low
salaries that came as a result of budget cuts (Magbaily-Fyle, 1993). Teachers in rural areas bore most of the burden of these cuts. Magbaily-Fyle (1993) notes that these problems have significantly affected the supply and moral of qualified teachers and has therefore reduced teacher output and student performance.

The debt crisis that was heightened in the 1980s has created a trend where during this period the teaching profession had become increasingly unattractive (Magbaily-Fyle, 1993). Budgetary cuts created a situation in which teachers constituted one of the lowest priorities for salary repayment (Magbaily-Fyle, 1993).

As a result of the difficulties that teachers faced in terms of the salaries they earned, teachers supplemented their incomes by taking on teaching jobs for non-governmental organizations (Magbaily-Fyle, 1993). This has had a negative impact, particularly in the rural areas where problems of overcrowded classrooms and a lack of instructional materials were due to the reduction in real terms of educational subsidies to schools (Magbaily-Fyle, 1993).

School subsidies and subventions suffered a huge blow during the period of structural adjustment. Figure 2 indicates that from 1973-1980 there was an upward trend in the budgetary allocation of subsidies and subventions. From 1973-1974 the allocation was 3,235.4 (000 leones). From 1976-1977 the allocation was 5,112.3 (000 leones). From 1979-1980 the allocation was 6,330.7 (000 leones). However, by 1984 the allocation had been drastically reduced to 12.4 (000 leones). Without educational subsidies it became impossible for many to attend school.

When budgetary cuts were implemented in the 1980s, many educational and supplemental programs have either been reduced or cut all together. For example, in 1983 the policy to improve primary education and provide learning materials reached implementation as apart of the Third Sierra Leone Education
Project (Magbaily-Fyle, 1993). However, by 1987 when the government failed to meet the payments deadline for a proportion of its debt with the IMF and World Bank, the project was abandoned all together (Magbaily-Fyle, 1993).

Yet another example is the Audio-Visual Center that was established in the 1960s with the aim of providing a more technologically oriented educational atmosphere (Magbaily-Fyle, 1993). In the 1970s the center began to falter as it needed new equipment and had other maintenance costs (Magbaily-Fyle, 1993). By the 1980s courses were no longer taught and teachers no longer brought students to the center (Magbaily-Fyle, 1993).

In the 1960s, educational publications were established with the objective of providing teachers and students with a full range of written materials relevant to their culture and also to disseminate to the wider Sierra Leonean public (Magbaily-Fyle, 1993). With publication beginning in 1963, publication branches produced teachers’ guides, a handbook of suggestions for primary school teachers and guidelines for teaching economics and science (Magabily-Fyle, 1993). In addition, regular editions of *The Sierra Leone Journal of Education* were produced. The government took responsibility for production costs. By 1982, production of *The Sierra Leone Journal of Education* had ceased publishing (Magbaily-Fyle, 1993).

Enrollment during the 1980s did not decline, however, spending per student did in fact decline. In the 1980s student spending declined by 84 percent at the primary and secondary level and 94 percent at the technical school level (Adepoju, 1993). In effect, while the infrastructure for education was present, the capacity to teach and reach those whom the institutions were created for severely declined within this period. Consequently, how can one learn without a teacher, and an adequately qualified teacher at that?

Immediately after independence the government of Sierra Leone had high hopes
supported by an agenda and a philosophy in terms of expanding quality education. This continued into the 1970s and 80s. However, in the 1980s the economy and external factors made it difficult to attain set goals, carry out the philosophy in education and capitalize on previous gains made in education. This difficulty came largely as a result of budgetary cuts called for by structural adjustment policies to the provision of education (Magbaily-Fyle, 1993). Education and employment, particularly in the modern world, were impacted one by the other. The next section discusses the impact that structural adjustment may have had on the provision of employment in Sierra Leone.

**Employment**

Although the evidence on employment records are scanty in Sierra Leone, Adepoju (1993) has attested to the fact that structural adjustment programs have caused employment problems that were great in stature. Similarly, Onimode (1988) shares this sentiment. Onimode has suggested that one of the negative outcomes of structural adjustment policies has been to undermine and weaken the working class through wage freezes and reduction of real wages, thus redistributing income and wealth in favor of both local and multilateral capital in the construction of global capitalism. Additionally, a report entitled, *Adjustment, Employment and Labor Market Institutions in Sub-Saharan Africa* (1997), notes that structural adjustment programs have had an adverse impact on labor and employment across the African continent.

The SAPRIN Report (2004) suggests that under structural adjustment, labor has often been increasingly undervalued and gives theoretical insight into the nature of creating wealth through labor. Wealth in any region of the world is generated by the labor of human beings and as such, without their labor there is no income. Without labor, neither production, distribution of wealth nor markets
could exist (SAPRIN, Report, 2004).

Humanity employs labor in numerous ways. In developed countries wherein the relationship between supply and demand is clear, work is usually compensated for through salaries (SAPRIN Report, 2004). In developing countries this is often not the case, however, the labor market exists with many types of employment and workers (SAPRIN Report, 2004).

With the emergence of structural adjustment in developing countries, labor has been reduced to supply and demand, cutting many work activities that are necessary for production and wealth creation in human society, outside of economic considerations (SAPRIN Report, 2004). In structural adjustment terms labor has been defined in terms of productivity and effectiveness of the individual. This has in effect given little regard for work that involves the collective (SAPRIN, Report, 2004).

The SAPRIN Report (2004) provides useful insight as to what the nature of employment entails. First, employment is a function of the level and structure of economic activity and productivity. According to the SAPRIN Report (2004) the nature of work also consists of the following.

1. An increase in demand for goods and services tend to increase a sector's economic activity. With constant levels of productivity, if this demand is not met by imports, employment rises. In effect, in order to produce more, additional labor is needed, whether by increasing time worked by those already employed or by adding new workers.

2. If demand increases as a result of net increases in those productive sectors requiring little labor per unit of capital, accompanied by decreases in highly labor-intensive sectors, then, even when production increases, employment declines.
3. Increased productivity has a double-edged effect: it directly results in technological unemployment (substitution of workers by technological modernization), but also indirectly generates employment linked to the new technologies and provides a stimulus to produce that will in turn generate new jobs.

4. Just as production and productivity depend on an economy’s overall functioning and its relationship to the rest of the world, in much the same way employment’s behavior is linked to the entire economy’s performance and the primary economic strategies promoted by public policy. As a result, the effects of structural adjustment on employment depends on labor market policies, the economy’s evolution, the restructuring of its productive apparatus and the effects this generates in terms of overall changes in employment patterns.

The impact that structural adjustment has had on wages has been in the areas of the reduction of wages and in terms of items such as salary costs. Reduction of wages was designed to contain inflation and production costs and in so doing allow a country to achieve competitiveness on the world market (SAPRIN Report, 2004). This measure has tended to hurt all classes including those in both urban and rural areas through losses in terms of job stability, real wages and living standards (SAPRIN Report, 2004).

I have thus far noted some generalities in terms of the impact that structural adjustment tends to have on employment in developing countries. In the next sections, I will discuss the Sierra Leonean case since, Sierra Leone may have no less been subjected to the negative impacts of adjustment in terms of employment faced by other African countries and parts of the developing world. Because the data on employment in Sierra Leone is scanty for the first decade of independence, I discuss the 1970s and 80s only.
Employment in Urban Areas: 1970s

It is worth noting that figures on employment data in the 1970s are scanty and could have been undercounted. This is because the number of many workers may not have been counted in the Labor Exchange Records, since it only recorded establishments with six or more workers (Magbaily-Fyle, 1988). The 1974 census figure puts the number of employed workers at 1,009,872 (Magbaily-Fyle, 1988). Of these workers at least 30 out of 100 were unpaid household workers who as a result of their contribution received food and shelter (Magbaily-Fyle, 1988).

In the 1970s unemployment was not reasonably high. For example in 1977, 6,832 workers registered themselves as unemployed with the Labor Exchange and in 1979 5,004 people registered as unemployed (Magbaily-Fyle, 1988). Apart from the Labor Exchange, more detailed figures are available from the Port Loko and Bombali Districts for 1977 (Magbaily-Fyle, 1988). In the Bombali and Port Loko districts over 50 percent of the labor force were employed (Magbaily-Fyle, 1988). Of those that were not employed in Port Loko over 40 percent were attending school (Magbaily-Fyle, 1988). The population of Bombali was at 14,372 while Port Loko was at 10,228 in 1974 (Magbaily-Fyle, 1988). In 1977 the population within these districts must not have increased by huge numbers. In addition, the total population within these districts were not all urban as the majority lived in the rural areas (Magbaily-Fyle, 1988). Therefore, it is again reasonable to assert that unemployment was not reasonably high. Additionally, unemployment did not appear to be a serious problem in urban areas including those outside of Freetown (Magbaily-Fyle, 1988).

In order to get an understanding of the level of income of the urban workers we can look to the small scale studies that Magbaily-Fyle (1988) has discussed. First, during the 1970s an urban area was defined as having 2,000 or
more people living within the confines of the specified urban area (Magbaily-Fyle, 1988). A sample study of 1000 small scale businesses such as tailoring, retail trade and vehicle repair were taken in 1976 in Freetown (Magbaily-Fyle, 1988). There were usually two workers to each business with an average pay of 20 leones per month. At least half were employed full time and received 20 leones.

The remaining workers who were non-wage and part-time workers did not receive the 20 leones. They instead received food, shelter and some training as payment. Real wages for other workers such as cooks, stewards, cleaners, security guards and porters, ranged from 65 leones to 75 leones per month with wages varying with the public and private sector. Wages for skilled workers were a bit higher at an average of 85 to 100 leones per month. Clerical worker received an average of 80 leones per month. At least 40 percent of those employed in urban areas including Freetown worked in one of the aforementioned jobs (Magbaily-Fyle, 1988).

**Employment in Rural Areas**

In rural areas Magbaily-Fyle (1988) notes that there was really no such thing as unemployment because the population was primarily engaged in subsistence agriculture. In 1974 in the whole of the country over two-thirds of the labor force, those 12 and over, were engaged in the work of agriculture (Magbaily-Fyle, 1988). The total farming labor force in Sierra Leone in 1974 was 697,448 people (Magbaily-Fyle, 1988). Of these over 45 percent were self-employed and another 45 percent were unpaid household workers. Those who were among the ranks of the unemployed, were unemployed as a result of either attending school, old age or sickness (Magbaily-Fyle, 1988).
Employment Problems in the 1980s

Unemployment within the urban sector was the sector that may have been the most severely impacted by structural adjustment since the population in the rural areas did not necessarily participate in wage labor (Adepoju, 1993). In addition, the urban population bore the burden of over crowdedness due to rural migration. Rural migration not only intensified the urban unemployment problem, it also caused severe shortages in food (Adepoju, 1993). Structural adjustment cuts that called for the elimination of subsidies including food failed to make a bad situation better (Adepoju, 1993).

The wage earning class within the urban sector lost real incomes to a devastating degree (Weeks, 1992). In fact, Weeks (1992) in his book, Development Strategy and the Economy of Sierra Leone, dealt with the impact that World Bank and IMF polices as implemented through structural adjustment had on the incomes of both rural and urban Sierra Leoneans. First, by declaring that there was a significant gap in rural and urban incomes the World Bank has helped to contribute to increased poverty (Weeks, 1992). As a consequence of this declaration SAPs called for a redistribution of income away from wage earners that principally resided in urban areas (Weeks, 1992). This was a mistake because the gap between rural and urban income was never significantly wide. This, in addition to the fact that after the early 1970s wage incomes dropped so low as compared to farm incomes, that in the mid 1980s the average farm income was far above that of the urban income (Weeks, 1992).

Wage incomes of urban families were so far below the national average that any redistribution away from urban incomes would in fact cause urbanites to plunge deeper into poverty (Weeks, 1992). In 1983 structural adjustment programs were designed to shift the terms of trade in favor of agriculture which include policies such as massive exchange rate devaluation (Weeks, 1992).
led to increased average farm income but caused severe income inequality that worsened the plight of the urban poor (Weeks, 1992). Based upon the available evidence, the misdiagnosis of the World Bank and the International Monetary Fund in terms of their implementation of structural adjustment policies, contributed more to unemployment and poverty than it did to the alleviation of unemployment and poverty (Weeks, 1992).

Many people have attributed the loss of employment opportunities particularly in urban areas as a major causal factor leading up to the beginning of the civil war that occurred between 1991 and 2000. Upon interviewing men and women in Sierra Leone as to the cause of the war Fouke-Mpoyo (2004) noted that numerous respondents believe unemployment caused many hardships that led to frustration. For example, a chief in the Koinadugu district commented, “There was no food and massive unemployment, even the educated had no jobs. Their best job was to go into armed robbery. They were easily conscripted into armed movements (Fouke-Mpoyo, p1, 2002). Similarly, The International Labor Organization Magazine in its February 2000 issue noted that poverty and unemployment were important reasons as to why the civil war took place. In addition, it noted that with 70 percent unemployed and closure of the majority of industries in addition to thousands of workers being laid off, it is not difficult to understand why the civil war took place.

While this chapter has discussed how structural adjustment may have contributed adversely to health, education and employment, the next chapter in many ways continues this discussion. The next chapter discusses how structural adjustment policies may have had an impact on the civil war in Sierra Leone that occurred between 1991 and 2000. The major point that the final chapter attempts to convey is that the impact that SAPs may have had on health, education and employment contributed to frustration that has in fact led to civil war.
Chapter Four
Conclusion: The Impacts of Structural Adjustment on the Civil War in Sierra Leone

As discussed in the previous chapters, Sierra Leone has been experiencing a number of economic problems since independence. The decline of the economy began in the 1960s and as the decades proceeded the economic situation became worse. One factor that may have significantly contributed to the further decline of Sierra Leone's economic situation was the introduction and implementation of neo-classically driven structural adjustment policies. These policies were prescribed by the International Monetary Fund and the World Bank as a corrective to the economic problems that persisted in Africa. This final chapter argues that structural adjustment policies in the case of Sierra Leone may have contributed to economic decline that led to civil conflict.

In essence, the neo-classical theory of economics that underpins structural adjustment policies, tended to lead to socio-economic problems that persisted in the 1970s and 80s. In the next sections I will discuss the civil war that occurred between 1991 and 2000. I will then argue that structural adjustment policies may have contributed to the soci-economic conflict that culminated into civil war.
The Civil War in Sierra Leone 1991-2000: A Brief Background

The civil war in Sierra Leone was a war between the Revolutionary United Front (RUF) led by Foday Sankoh, and the government of Sierra Leone (Clapham, 2003). Segments within the RUF came from the ranks of disadvantaged intellectuals who felt that they were essentially getting less than they deserved both economically and socially (Clapham, 2003). The segments of dissidents also included factions of the military, students, the rural and urban poor, and the youth (Clapham, 2003). The leaders of the RUF, Foday Sankoh, along with members of the Liberian army, sparked the war by moving into eastern Kailahun in March of 1991 (Richards, 2003). From March of 1991 until the year 2000 the small country was engrossed in civil war. As noted earlier, the reasons for this war lay in the context of frustration created by economic constraints that adversely impacted the population in Sierra Leone.

Structural Adjustment Policies and the Civil War In Sierra Leone

Many scholars hold the view that internal factors were the main culprit for the civil war that broke out in Sierra Leone. (Zack-Williams, 1999;, Clapham, 2003, Abdullah 2003;, Conteh-Morgan and Dixon-Fyle, 1999 (Clapham, Conteh-Morgan and Dixon-Fyle consider external factors). They maintain that the primary cause for the civil war was the style of leadership that was comprised of corruption, governmental mismanagement and economic instability.

The latter statement is consistent with for example Zack-William's (1999) statement that, "The main causal factors for the current crisis and subsequent civil war could be traced to the corrosive effects of the personalized and monopolistic rule of the congress, which led to the destruction of civil society and democratic reliability" (143).

Although the literature mainly espouses the notion that the civil war was
the result of internal forces, some authors hint at the notion that external forces have also played a role. For example, Clapham (2003) states, "While much criticism has been heaped on Sierra Leone’s rulers this is not a case where state collapse can easily be ascribed to a simple failure of leadership." He further notes that historical circumstances, such as colonialism is a contributing causal factor in Sierra Leone’s current problems. However, he does not expound on how exogenous forces have contributed to the problem.

The internal causes of the civil war are no doubt essential to our understanding. However, it is of importance to understand that external factors have tended to exacerbate the socio-economic conditions that underpinned the civil war. Stewart and Fitzgerald (2000) note some basic factors that lead to the occurrence of war, including civil wars. They contend that poverty, hunger and the collapse of public services are all factors.

Nathan (2001) conveys that justice within the socio-economic sphere is no less important than politics in explaining the conditions that lead to civil wars. Nathan (2001) notes that where underdevelopment is combined with severe inequality, acts of violence are likely to occur as expressions of anger, frustration and fear. The pattern of civil disturbances in African countries in general suggests that the rise of violence increases as socio-economic opportunities decrease in a sudden and rapid way (Nathan, 2001).

Currency devaluation, a product of structural adjustment, serves as an example of rapid socio-economic change that led to violent conflict in African countries (Nathan, 2001). When poverty and underemployment are linked to inequitable distribution of wealth, violence is likely to occur (Nathan, 2001). The aforementioned assertions are reflective of the socio-economic conditions in Sierra Leone.

Dare (2001), in the article, "A Continent in Crisis," discusses the fact of
how IMF/World Bank efforts to promote increased liberalization through structural adjustment have led to civil violence in many African countries (2001). These policies have made it easier for transnational corporations to conduct business in African countries (Dare, 2001). Their emergence and dominance in African countries have in fact contributed to civil conflict in African countries by impeding and distorting internal economic development as they have acted to ensure uninterrupted access to resources (Dare, 2001).

What Dare (2001);, Nathan (2001), and Stewart and Fitzgerald (2000) discuss in terms of the causes of civil conflict is related to the theory known as relative deprivation. Relative deprivation as discussed by Gupta (1990);, Gurr (1980); and Runicimen (1966), tends to lead to civil conflict. Gurr (1980), a leading theorist on relative deprivation, has established a model of relative deprivation.

- Collective political violence is a form of aggression
- Aggression results from anger which is produced from frustration
- The fundamental cause of the feelings of frustration is an imbalance between what one gets and what one considers one’s due.

Gurr (1980) further states that the propensity to feel frustration and its consequences is inherent, however frustration is dormant unless aroused by a strong external force. The greater the intensity of relative deprivation the more likely violent behavior is to occur (Gurr, 1980).

Gurr (1980) posits that in order for aggression to become full blown, rebellion must be politicized if the aggression is to become political violence (1980). Therefore, if aggression is to become full blown political violence it is contingent on a number of factors or variables some of which include justification of war, environmental factors or external support (Gurr, 1980).

In relating the theory of relative deprivation to Sierra Leone, the contingent
factor in terms of the aggression that led to the civil war can be viewed as external supports defined in terms of structural adjustment policies. Structural adjustment policies may have been the catalyst that over time contributed to civil war.

Gurr (1980) also discussed rapid change theory as a contributor to civil war. Rapid change theory attributes civil conflict to the contingency of unusually rapid and unsettling changes in socio-economic conditions (Gurr, 1980). Frustration is likely to arise under such conditions due to disorientation and a rise in expectations (Gurr, 1980).

When rapid change theory is applied to Sierra Leone, there is no evidence to suggest that rapid changes due to structural adjustment spurred a rise in expectations. Rapid economic changes due to structural adjustment such as devaluation of currency and other forms of expenditure reductions that decreased social service delivery, caused frustration and aggression due to the fact that services that were normally subsidized were being drastically cut. In essence, SAPs were applied in a rapid fashion that had immediate negative impacts on Sierra Leoneans. Again, this can be seen in terms of the rapid losses in health care, education and employment.

Another example of how relative deprivation can be applied to the Sierra Leonean case is when we look at how structural adjustment polices provided a means of elite accommodation while disallowing the majority of the population to benefit. The majority of the population were relatively deprived of many benefits as elites distributed among themselves monies acquired from the World Bank and the International Monetary Fund.

Although Runciman’s (1966) study was written concerning twentieth century England, his ideas in terms of the causes of civil conflict can be applied to Sierra Leone’s civil war.
He states:

“If people have no reason to expect or hope for more than they can achieve, they will be less discontented with what they have or even grateful to hold on to it. But if on the other hand they have been led to see as a possible goal, the relative prosperity of some more fortunate community with which they can directly compare themselves then they will remain discontented with their lot until they have succeeded in catching up,” (p. 9).

The latter quote is applicable to the Sierra Leonean case in terms of the discontent in Sierra Leone due to the fact that some benefited from the implementation of structural adjustment while others did not. Many Sierra Leoneans could in fact see that some benefited while the majority did not, from resources that were provided by the World Bank and the IMF during the implementation of SAPs. There was no apparent reason to believe that the majority should not also benefit. For example, the military saw their salaries decrease or disappear all together as politician elites and foreigners enjoyed the benefits of the wealth of the country and the monies provided by the IMF and the World Bank.

The military’s aggression began with the overthrow of Joseph Momoh when many soldiers did not receive their salaries. Other groups that aggressed against the government in the making of the civil conflict were from the ranks of disadvantaged intellectuals, students and the urban poor among others. In addition, groups such as the Indigenous business class increasingly saw foreigners reap the benefits of the wealth of the country and benefit from policies instituted by the IMF and the World Bank through the implementation of SAPs.

In 1991, the year in which the civil war began, the IMF and the World Bank extended loans and debt rescheduling to Sierra Leone that amounted to $625
million dollars with structural adjustment conditionalities attached (Nafziger and Auvinen, 2004). The social services of health, education and employment were drastically reduced as SAPs called for more expenditure cuts in the area of social services.

Structural adjustment can be seen as an indirect contingency factor in terms of external supports. This is due to the fact that structural adjustment policies whether they intend to or not, did in fact lead to severe cuts in social expenditures that tended to cause frustration among those they impact. On the basis of the arguments put forth, it is reasonable to conclude that structural adjustment policies, that called for cuts in the most basic and essential human social services including health, education and employment, may have led to the socio-economic conditions that led to the civil war in Sierra Leone. For those who would oppose this conclusion I implore you to think about the following situation.

Imagine that you are extremely poor. You live in a Third World country that was only recently coming out of many years of oppression under colonial dictatorship. Your country is considered to be amongst the poorest countries on the face of the planet. Your county, that is already struggling to rebuild itself goes into economic decline in only two decades after becoming independent, due largely to forces beyond its control. Although your county is poor it makes provisions to provide for its population in terms of basic human services such as health, education, employment and even food subsidies. However, your country believes it needs assistance in getting on its economic feet and decides to seek help from the world community. The World Bank and the International Monetary Fund decide to assist your country. However, the assistance comes with strings attached. The financial institution stipulates that in order for your country to receive assistance it must do something that will severely enhance your poverty. Your country must cut essential subsidies that you and your family have
benefited from. Your country’s government must cut social expenditure such as in health and education. In addition, your employment or lack of employment gets worse due to downsizing and wage cuts. Now it has becomes extremely difficult if not impossible to get health care, education, employment and other basic necessities. You have become even more impoverished than before these policies came about. How would you feel? Who would you desire to hold accountable? How would you react?
References


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