University of Miami International and Comparative Law Review

Volume 10
Issue 2 *SPECIAL ISSUE: 2001-2002 AFRICA AT THE CROSSROADS: CURRENT THEMES IN AFRICAN LAW*

Article 18

10-1-2001

Student Article: Sierra Leone's "Conflict Diamonds": The Legacy of Imperial Mining Laws and Policy

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Sierra Leone's "Conflict Diamonds": The Legacy of Imperial Mining Laws and Policy

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Introduction[1]

A common misconception is that the current civil war in Sierra Leone is the result of illicit diamond mining. True, diamonds were the fuel of the latest flare-up of fighting. Illicit diamond digging emerged simultaneously with the discovery of alluvial diamonds in the country. The British, unwilling to pay for the costs of patrolling or controlling the hinterland—where diamonds are found—sought a colonial compromise. Their policy was twofold: a) to institute indirect rule through the traditional paramount chiefs and b) to use a tributary system whereby miners received a share of diamonds they recovered in lieu of wages. Eventually this system degraded government rule and led to a rise in corruption. The efforts to control the illicit diamond led, in time, to the rise of a "shadow state."[2] The colonial governance planted the current mindset that infects Sierra Leone like a malignant tumor. The patient lived, infused with donor medicine as its lifeblood, diamonds, were sucked away. Finally, the 1990s saw the tumor explode into an orgy of violence. This article explores the genesis of the illicit diamond trade and the continuation of that policy after independence.

I. Colonial Development

A. Early History and British West African Policy

The British settled the area now known as Freetown as a settlement for freed slaves in 1787. Freetown, "province of freedom" was the site of missionaries and a university—Fourah Bay College, established in 1827. While the coastal settlement flourished, the colonial government was unwilling to enter the interior and establish their control over it. In 1898 the Hut Tax War erupted against British rule and taxation. After the treaties and a pacifying war, the British solidified their position in Sierra Leone. Nonetheless, in a tacit recognition of their incomplete domination of the interior of the colony, colonial officials sought to co-opt the interior chiefs and assign them various tasks.[3]

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*(J.D.) University of Miami School of Law; 2002; U.M. Int'l & Comp. L. R., Editor-In-Chief; (M.A.) Florida International University; (B.A.) Temple University; former Intelligence Officer with the U.S. Central Intelligence Agency covering Africa. I want to dedicate this article to my wife and new born daughter, Isabella. All errors in this article are mine.

1 For another view on the Sierra Leone conflict, please see the preceding.—Eds.

2 *See* WILLIAM RENO, CORRUPTION AND STATE POLITICS IN SIERRA LEONE, 29 (1995); JOHN HIRSCH, SIERRA LEONE: DIAMONDS AND THE STRUGGLE FOR DEMOCRACY, 23 (2001).

3 *Id.*

British Imperial policy in Africa had two forms of government: a) colonies under traditional local rulers such as chiefs; and b) colonies of white European settlement overseen by British administrators.[4] The first was representative of most of West Africa, the latter of places like Kenya, South Africa, and Southern Rhodesia. Yet, in Sierra Leone the British initiated a dualistic approach to governance. Chiefs governed the interior of the country, and Freetown was governed by Creoles, overseen by British colonial administrators.

In line with their policy and in recognition of their inability to exercise full control of the interior, the British sought an accommodation with the country's chiefs. The British aimed to support a stable class of intermediaries—the tribal chiefs of the interior of the country—who would promote internal stability and colonial efficiency at a low cost. Ten percent of the population in Kono lived in servitude to the chiefs. "It was the chiefs, not Freetown, who exercised direct control over the protectorate's population."[5] To further save money, the chiefs were even given control of their own police force in 1921.[6]

The interior of the colony was still a "malaria-infested swamp" in the 1920s. Young colonial officers were sent to Sierra Leone, with the hope of transferring out as quickly as possible. As a result they turned a blind eye to informal appropriations of state resources and illegal activities in return for assurances from chiefs and others to maintain the peace.[7] This further led to indiscriminate acts by chiefs who knew local or London officials would not question their actions.

As the British built up their presence in the interior of the country through colonial officers, London worried about administrative costs and the colony's chronic fiscal shortfalls. To exploit Sierra Leone economically and to pay for the growing costs of colonizing the interior, the British colonial government began a systematic routine geological survey in 1926. The survey led to the discovery of several mineral deposits in 1927. In 1927 the Minerals Ordinance Act vested control over mineral rights in Sierra Leone upon the British Crown.[8] Digging by Africans for minerals was made illegal.[9] The colonial government envisioned no role for Sierra Leoneans, other than laborers for British mining companies who would have monopolies over all minerals.[10] In January 1930, the Sierra Leone Geological Survey Department

4 P.J. MARSHALL, THE CAMBRIDGE ILLUSTRATED HISTORY OF THE BRITISH EMPIRE, 102 (1996).

5 Reno, *supra* note 1, at 44.

6 Reno, *supra* note 1, at 37.

7 *See id.* at 31.

8 *See* Laws of Sierra Leone, Minerals Ordinance, Vol. IV Chapter 196, 1 (Jan. 1, 1960).

9 *See id.* at 2.

10 *See* Reno *supra* note 2, at 47.

announced to the world and to the British Empire, that alluvial diamonds had been discovered in Sierra Leone's southeast Kono District.[11] The discovery would be a blessing and curse for the people of Sierra Leone.

The Selection Trust Ltd., a London-based holding company with investments in mining copper, zinc, diamonds, and gold, formed Consolidated African Selection Trust Ltd. (CAST) in 1922 for the sole purpose of mining in British West Africa, particularly in Sierra Leone. Selection Trust Ltd., held a controlling interest in CAST, with the other shares held by De Beers and the public. In March 1931 CAST led a second diamond expedition into Sierra Leone's Kono district. CAST reconfirmed the original discovery and found more deposits. CAST then immediately applied for an Exclusive Prospecting License (EPL) from the Colonial Office in London.[12] In what would be a nominal policy of vesting control of mining to successive concessionaries or parastatals for the next 50 years, on June 1, 1932 CAST was given an EPL from the Colonial Office. The EPL covered 4,170 square miles of territory inside Sierra Leone. In return, CAST was to pay rent, a five percent export tax, and a five percent profits tax to the Colonial Administrators in Freetown.[13]

The government's decision to extend the SLST lease to include the whole country coincided with a shift in colonial macro-economic policy. From 1850 until 1932 the British Empire was governed by free trade. But in 1932, the British introduced protectionism to the Empire in response to the Great Depression. Raw materials and food shipped to Britain were exempt from high tariffs meant to block out non-imperial trade.[14] Colonies were thus encouraged to focus on one commodity and to ship it to the Imperial metropolis for processing.

One advantage of a corporate mining monopoly was that it possessed the legal means to control illicit indigenous mining since the colonial government did not have, nor would London provide, the resources to eradicate it.[15] To control illicit mining, SLST made informal payments to any chief who agreed to withhold settler rights and control migration in Kono. Restricting settlements in the area meant fewer people would be outside the control of the chiefs or inclined to mine

11 GREENHALGH, PETER, WEST AFRICAN DIAMONDS 1919-1983: AN ECONOMIC HISTORY 47 (1985); TIMOTHY GREEN, THE WORLD OF DIAMONDS 113 (1981) (Alluvial diamonds form the bulk of world-wide diamonds and are found over large land areas where they have been scattered by ancient rivers).

12 *Id.* at 60.

13 *See id.* at 49.

14 *See* Marshall *supra* note 4, at 112.

15 *See* Reno *supra* note, 2 at 48.

illegally. A single British company similarly monopolized the iron ore industry. Both companies refused to publish their profits.[16]

B. The SLST Diamond Monopoly

By 1933 more discoveries were made which hastened a second EPL application and introduced the possibility of a countrywide monopoly over diamond mining. In 1935 the Sierra Leone Colonial Legislative Council granted CAST exclusive mining, exploration, production, marketing, and prospecting rights in the colony for a period of 99 years.[17] In exchange, CAST would create a new company, which would be the actual vested owner of the rights, pay a yearly rent of £7000, and pay 27.5 percent of net profits to the colonial government of Sierra Leone which would be used for indigenous purposes.[18] The Sierra Leone Selection Trust Ltd. (SLST) was formed in April 1934 with CAST holding all the shares.[19]

Since alluvial diamonds are scattered in wide areas, they therefore require mechanized equipment to move massive tones of gravel to sift for meager carats. In order to exploit those alluvial diamonds, mechanization was introduced in 1935 to sift faster. This is one reason why the Colonial Office may have opted for an international firm with the financial backing to purchase and import the heavy machinery required to move large amounts of earth.

C. The Relationship Between SLST & Local Africans

The relationship between SLST and the local Africans was rocky from the start. Although SLST paid surface rent to the Colonial Tribal Authorities, the amount was trivial. SLST did compensate local Africans for the destruction of any housing, crops, or sacred ritual sites caused by mining operations.[20] But the money paid was nowhere near the profits being raked in. Local Africans soon realized the value of this precious mineral and began to illegally mine near the SLST sites. Since mining by local Africans was illegal, SLST turned to the colonial administrators to further curtail this lucrative operation. In 1931, SLST pressed for legislation limiting Africans' access and right to deal in diamonds. By

16 H.L. VAN DER LAAN, THE SIERRA LEONE DIAMONDS: AN ECONOMIC STUDY COVERING THE YEARS 1952-1961 54 (1965).

17 *See* Laws of Sierra Leone: Diamond Agreements and License (Ratification), Vol. IV, Ch. 196 (Jan. 1, 1960); I. Smillie et al., *The Heart of the Matter: Sierra Leone, Diamonds and Human Security* (2000), *available at* http://www.web.net/pac/pacnet-1/msg0009.html (last visited Oct. 12, 2001).

18 *See* Grennhalgh, *supra* note 11, at 52; BRITISH INFORMATION SERVICES, SIERRA LEONE: THE MAKING OF A NATION 15 (1960).

19 *See* Grennhalgh, *supra* note 11, at 48; BRITISH INFORMATION SERVICES, *supra* note 18, at 15.

20 *See* Grennhalgh, *supra* note 11, at 109.

the mid-1930s, illegal African digging was sapping revenue in the EPL and lowering SLST's contribution to colonial coffers.[21] In 1934, in response to these events, possession of diamonds by persons other than members of SLST was made illegal.[22] In a prelude of the 1990s and the use of private armies, by 1935, the SLST had established its own Diamond Protection Force to guard against thefts and illegal diamond mining.[23]

Sir Ernest Oppenheimer seized the reins of De Beers (the diamond empire of Cecil Rhodes, eponymous founder of Rhodesia and of the prestigious Rhodes Scholarships) in 1929—mere months before the U.S. stock market crash. Demand for diamonds had decreased significantly because of the Great Depression. Several mines were closed in South Africa, and the Oppenheimer family was seeking lower production in Africa, particularly in Sierra Leone. The SLST balked, but other events soon forced the company to rethink its policies. In 1938 Ernest Oppenheimer found himself with no place to market his wares. Rather than risk a plunge in the status and price of diamonds, he sent his 29-year-old son, Harry, from Johannesburg, South Africa, to New York to meet with the N.W. Ayer advertising agency. The plan was to transform America's taste for small, low-quality stones into a luxury market taste that would absorb the excess production of higher quality gems that were no longer selling in Europe. N.W. Ayer saw the challenge as one requiring a solid grasp of mass psychology, and consequently, Ayer meticulously researched the attitudes of American men and women about romance and gift giving. From this research, the slogan "A Diamond Is Forever" was born. Ayer and De Beers launched the most sophisticated marketing campaign known to the world, which equated one's love to the size of a diamond. The resulting diamond sales in the United States of America (U.S.) managed to keep the diamond industry afloat.

In 1939 war broke out in Europe and the non-industrial diamond market all but collapsed. The U.S. was the sole market for diamond sales. Profits fell as labor shortages and a lack of spare parts led to rising operating costs.[24] As a result of these inefficiencies, production fell even further and revenues into the colonies' coffers suffered accordingly.

D. Post World War II & the Road to Independence

After World War II (WWII), African participation in the mining industry rose dramatically. This can be traced to: first, the ease of mining in alluvial plains without making large investments; second, the

21 *See id.* at 152.

22 *See* BRITISH INFORMATION SERVICES *supra* note 17, at 15.

23 *See* Hirsch *supra* note 2, at 27

24 *See* Grennhalgh, *supra* note 11, at 55.

loosening of colonial and foreign control over mining; third, the rise in diamond prices following World War II; and fourth, returning African soldiers and their increased desire for colonial independence.[25]

As far as control over mining went, the new Labour government in Britain instituted a new policy for the colonies. Labour wanted to see flourishing colonial economies upon which self-government could be built. Labour also wanted the colonies to increase commodity production in order to earn hard currency for the metropolis before independence.[26] These colonial commodities would outlast the Empire and bind those newly independent nations to the markets in Britain. Colonial officials were instructed to bring Africans directly into the modern economy and to take a more direct role in shaping the colonial economies in order to meet that goal.[27]

The third reason Africans began to mine diamonds was the soaring costs of diamonds. The U.S. accounted for most of the consumption. With the demobilization of U.S. forces following WWII and the increase in post-war marriages, the diamond market rebounded. As Europe recovered from the war, De Beers turned to the reconquest of its old market.

Finally, returning African Commonwealth soldiers soon discovered the true price of diamonds, according to an African dealer in Sierra Leone: "It was not until our brothers, who had been traveling in the war, came back and told us they were worth much money that we started looking [at them]."[28] Africans, who wanted self-determination as recompense for their participation in fighting for the Allied cause, also wanted a piece of mining operations. This increased self-awareness led Africans to challenge the SLST's monopoly. Returning soldiers soon increased pressure at all levels, and the early 1950s were pivotal years for their actions and demands. The African-led Sierra Leone Legislative Council forced the diamond and iron ore companies to publish their profits for the first time in 1952.

The local Africans continued their relentless pressure, and in late 1952, the Legislative Council—controlled by Freetown's Creoles—went to Britain to renegotiate the terms of SLST's and DELCO's iron-ore monopolistic agreements. A new combination tax, the Income and Diamond Industry Profit Tax, was introduced. The tax placed a 60 percent levy on diamond profits and repealed the former Income tax of 45 percent. The rise in taxation was offset by a reduction of British

25 *See id.* at 25.

26 *See* Marshall *supra* note 4, at 90.

27 *See* Reno *supra* note 2, at 56.

28 *See* Grennhalgh , *supra* note 11, at 114.

corporate taxes on both companies.[29] As SLST's control lapsed, illegal diamond mining increased with deleterious consequences.

Sierra Leone's food scarcity problems in the 1950s illustrated the flaw in colonial economics. The capital, Freetown (which was receiving generous development funds from the Labour government), was at the mercy of the interior food-producing areas. In 1952, crop failures devastated eastern Sierra Leone. Without food to cultivate, many turned to elicit digging to supplement their earnings.[30] As word spread about the lucrativeness of illegal mining, teachers, public service workers and other laborers left their jobs to try their luck in digging.[31] Agriculture, construction, trade, and the transportation industries were all affected by the transfer of labor. Soon, prices rose for basic commodities as thousands left the cities to mine. The rice market—the main staple crop —collapsed in 1954 due to crop failures and farmers leaving their fields to dig for diamonds. Rice prices soon rose beyond the reach of laborers in Freetown, and in February 1955, food rioting broke out. In 1955, a group of miners also stormed the SLST security forces and police station. The riots underscored the economic upheaval caused by the massive transfer of labor resources from the agricultural sector and other vital industries to illegal diamond mining. To stem the flow of skilled urban workers and rural farmers to the fields in Kono, the colonial government responded by raising skilled and semi-skilled wages by 20 percent.

The turmoil of the early 1950s led to a sharp increase in illegal African diggers.[32] The presence of so many illicit diggers increased their share of production. African diggers smuggled out illicit diamonds through Liberia, robbing the SLST of its stock and the Colonial government of revenue. Corruption by the interior police, who were controlled by the chiefs, led to increased illegal digging. According to a British Mining Executive, "anything can be fixed with a little 'dash' (bribe); this is the land of the waving palms."[33] In 1954, SLST dove into co-opting the chiefs by providing them payoffs to control illicit mining. The company began making unauthorized payments to chiefs for "development purposes," provided security for the chiefs, and extended loans to them for cars and building materials. Soon the local chiefs were wielding immense economic and political power. These efforts undermined the colonial government's efforts to regulate the diamond-mining sector and to stamp out corruption in the waning days of the colony.[34]

29 *See* Van der Laan *supra* note 16, at 4.

30 *See* British Information Services *supra* note 17, at 15.

31 *See* Van der Laan *supra* note 16, at 9.

32 *See id.* at 9.

33 *See* Green *supra* note 11, at 114.

34 *See* Reno *supra* note 2, at 65.

In 1954, legislation to limit African digging, which was already illegal, was supported by African Ministers who had been running Sierra Leone's internal affairs since 1951. A detachment of the Sierra Leone Police Force was sent to augment the Diamond Protection Force of the SLST. The SLST began constructing security posts, manned by the SLST force on important sites.[35] After the riots in Freetown, the number of illicit African diggers rose to nearly 40,000 and their share of diamonds increased from around 200,000 carats in 1952 to some 2 million carats in 1956.[36]

In 1955, growing government sensitivities and African pressure forced the SLST to reduce its exclusive mining rights to an area of just 230 square miles for thirty years.[37] SLST's 99-year monopoly was finally crushed. SLST received £1,570,000 in compensation from the colony for the confiscated lands.[38] The colonial administrators granted local miners the right to engage in legalized small mining operations.

In 1956, the Alluvial Diamond Mining Scheme (ADMS), composed of the Alluvial Diamond Mining Rules, the Alluvial Diamond Mining Ordinance, and other legislation, was passed.[39] ADMS made all previously illicit African mining areas into licensed areas. As a result, Africans could legally mine for the first time since 1927 when mineral possession by Africans was criminalized.[40] The ADMS, although amended several times, still forms the basis of licensed digging in Sierra Leone today. The digging licenses last for about six months, but there are provisions for one- or five-year licenses.[41] The licenses can be issued to either Sierra Leoneans or firms in which they have a majority ownership.[42] The filing fees were set low, about £9 for a yearly license in 1956. The digger has to pay additional fees to the tribal authorities, called surface rents, which usually were about £10 a year. In addition, the Ordinance established a diamond buying organization and a system

35 *See* Van der Laan *supra* note 16, at 57.

36 IRVING KAPLAN, et al., AREA HANDBOOK FOR SIERRA LEONE, 305 (Foreign Area Studies - American University, 1976).

37 *See* Sierra Leone Diamond Agreement, Ch. 210 (1955); Greenhalgh, *supra* note 11, at 57; PACNET, supra note 17.

38 British Information Services, *supra* note 18, at 16.

39 *See* Sierra Leone Alluvial Diamond Mining Ordinance, Ch. 198 (1956); Diamond Industry Protection Ordinance, Ch. 199 §3(2) (1956).

40 *See supra*. Ch. 198, at § 4(1); *Habib v. Attorney-General*, 1957-60 ALR S.L. 24 (Sierra Leone Sup. Ct. 1957) (illegal trading in diamonds abrogated by Alluvial Diamond Mining Ordinance).

41 *See* Van der Laan *supra* note 16, at 67; Alluvial Diamond Mining Ordinance, *supra* note 38, at §3 (2).

42 *See* Van der Laan *supra* note 16, at 71; Kaplan, *supra* note 36, at 305; PACNET, *supra* note 17. In 1956, it was estimated that 75,000 illicit miners were in the Kono District alone.

for exporting diamonds—which in 1959 became the sole exporter of diamonds—under license from the government.[43] Diggers were also allowed to sell diamonds to the Diamond Corporation, an affiliate of De Beers. Penalties were set for those who were not licensed or possessed illegally mined diamonds.[44] In 1956, the Diamond Industry Protection Ordinance was passed, requiring that strangers (non-residents of the Kono District) obtain a license to settle in the Diamond Protection Areas.[45] Nonetheless, some 40,000 foreigners (Lebanese, Guineans, and others) were removed from Kono and driven out by the colonial government.[46]

But as always, colonial officials were weary of spending money on equalizing the playing field for Africans. London would not pay for what it preached. To implement this new licensing scheme, the colonial officials turned once again to the chiefs—the true middlemen in the country. Kono chiefs approved licenses, assigned lands for mining, and collected surface rent. The only individuals with enough money to purchase the diamond licenses were Lebanese businessmen and Freetown Creoles. These two groups once again alienated the inclusion of Africans in the new post-monopoly economy. A Kono businessman complained that unofficial payments to chiefs increased 500% as a result of the chief's authority under the licensing scheme.[47]

These moves were meant to supply a steady stream of revenue into the Sierra Leonean treasury, to provide jobs, and to minimize the depletion of diamonds. Economic development flowed through the now regulated industry. Markets were built and communications were improved and shopkeepers did brisk business.[48] The new regulations and tightening of security led to smugglers leaving to Liberia and creating a conduit for diamonds through that country.[49] In order to work in conjunction with African diggers, the SLST introduced contract mining on its lands in 1959.[50]

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43 *See* British Information Services *supra* note 18, at 16; Alluvial Diamond Mining Ordinance, *supra* note 36, at Ch. 198 §9.

44 *See* Alluvial Diamond Mining Ordinance supra note 38, at Ch. 198 §18(1-4), §21, §24(1).

45 *See* Diamond Industry Protection Ordinance *supra* note 36, at Ch. 199 §3(2); *Saccoh v. Commissioner*, 1958 ALR S.L. (Sierra Leone Sup. Ct. 1958) (Defendant was not within a diamond producing area and hence could not be prosecuted under Diamond Industry Protection Ordinance for being a stranger).

46 *See* Hirsch *supra* note 2, at 27

47 *See* Reno *supra* note 2 at 63.

48 *See* Van der Laan *supra* note 16 at 19.

49 *See* PACNET *supra* note 17.

50 *See id.* at 73; British Information Services, *supra* note 18, at 16.

On the eve of independence, diamonds accounted for nearly half of all domestic imports.[51] Sierra Leone left the 1950s on its way towards independence. Nonetheless, the British, in their final days, did little to dispel the economically powerful chiefs, the inequities of poverty, and the lucrativeness of illegal mining. Within the colonial government, there were doubts about the post-independence viability of the colony.[52] The question seemed to be whether Sierra Leone would be blown away by the "winds of change" sweeping Africa.

II. Post-Independence, a Continuation of British Policy: Government Policy from 1961 to the Stevens Years.

A. Government Meddling Begins

On 27 April 1961, Sierra Leone, led by Freetown's Creoles, became the third British dependency in West Africa to gain independence. The Sierra Leone People's Party (SLPP) was the first governing party. The SLPP was controlled by the Mende ethnic group and supported by the Creoles from Freetown who wished to continue the traditional role of chiefs in the economy.[53] At independence time, Sierra Leoneans were invited to join the boards of both DELCO and SLST.

The first economic crisis for the new government started before independence in January 1961. From 1932 to 1960, SLST earned hard currency by selling its diamonds to the De Beers controlled CSO. CAST, the parent company of SLST, and the CSO negotiated the contracts in five-year periods. In January 1961, SLST did the yet unheard of action of breaking away from the De Beers' cartel, selling its diamonds to two American firms. The reason for opting out of the De Beers CSO were the low prices paid to SLST for diamonds mined.[54]

The reasons for the clash with De Beers for higher prices are twofold. First, the ADMS SLST had only a thirty-year contract to mine the remaining diamonds in its exclusive areas. Thus, it needed to extract and sell its production as fast as possible. Yet, this was counter to De Beers' policy of not flooding the market with diamonds. The price of diamonds remains high because De Beers, through the CSO, buys diamonds and controls their supply. Without the CSO and the De Beers marketing campaign of the 1930s, diamonds would be worthless.

Second, African diggers had depleted diamonds at the surface or had pock-marked the surface of the land to such an extent as to hamper SLST's heavy equipment from operating properly, forcing SLST to dig

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51 *See* British Information Services *supra* note 18 at 15.

52 *See* THOMAS PAKENHAM, THE SCRAMBLE FOR AFRICA: WHITE MAN'S CONQUEST OF THE DARK CONTINENT FROM 1876 TO 1912 675 (Random House, 1991).

53 *See* Kaplan *supra* note 36, at 174.

54 *See* Van der Laan *supra* note 16, at 148.

deeper and longer for diamonds. No longer could the company simply search the surface for diamonds. SLST now had to dig deep to recover diamonds.

The American firms were willing to pay higher prices to circumvent the CSO. The break meant that Sierra Leone received higher income taxes from SLST and higher Diamond Industry Profit Taxes. Nonetheless, in 1962 the SLPP, under pressure from De Beers, passed an act that required that all diamonds mined by SLST be sold to the government, who in turn would sell the diamonds to the CSO.[55] Rather than going through De Beers, SLST stopped exporting diamonds altogether in September 1961.[56] Freetown sided with the CSO's estimate that diamond reserves were not as low as the SLST feared and that it was more important to have a stable diamond market.[57] The SLPP wanted long-term revenue and jobs rather than a quick infusion of revenue. SLST refused to budge and continued to withhold its diamonds for export until January 1963, when a new law was passed. The law allowed SLST to sell fifty percent to the CSO and the remainder to purchasers who would be licensed by the government.[58] SLST released 700,000 carats (a full years' worth of production) in January 1963 as a result of the new law.[59]

B. Trying to Shore up the Economy & the Government

The late 1960s were economically and politically tumultuous for Sierra Leone. In 1966, GDP declined by 2.1%. Exports dropped in 1965 and 1966 to dangerous levels, exhausting foreign reserves. In October 1966, a stabilization program from the IMF was implemented.[60] In 1967, two steps were taken to reverse the decline in foreign exchange. First, the SLPP introduced new legislation that raised SLST's tax liability from 60 percent to 70 percent.[61] Second, the government devalued the currency, the Leone.

During the 1967 campaign season the former Minister of Mines, Stevens, called for the expulsion of SLST altogether.[62] In March 1967, Stevens was victorious at the polls by pledging anything to anybody. Stevens quickly turned the presence of SLST into a political issue. On March 23, 1967 the Sierra Leonean army, led by ethnic Mendes,

55 *See* Act to Control the Marketing of Diamonds Produced in Sierra Leone, Act No. 3 (1962).

56 *See* Van der Laan *supra* note 16, at 145.

57 *See id.* at 151.

58 *See* Sierra Leone Public Notice No. 79 (July 21, 1962).

59 *See* Kaplan *supra* note 36, at 217.

60 *See id.* at 213.

61 *See* The Diamond Supplementary Agreement (1967) Ratification Act 1970.

62 *See* Greenhalgh *supra* note 11, at 217.

launched a coup d'état, claiming they wanted to halt government corruption.[63] On January 25, 1968, another coup rocked Sierra Leone. Then on April 18, 1968, the coup was reversed by another coup and Stevens was allowed to assume power. In November 1968, violence ripped the capital and was brutally suppressed by Stevens. Sierra Leone's political and economic house was unraveling by the close of the 1960s.

C. The 1970s: The Deconstruction of the Inherited Colonial Movement

Stevens wanted to build a political organization capable of replacing the inherited colonial authority he wished to destroy—the old Creole elite and the chiefs. To create and reward his new following, Stevens would dismantle his inherited colonial economy. To do so, Stevens needed to control the resources of Sierra Leone—diamonds being foremost—so that he could redistribute through state patronage the resources to his followers. The nationalization of the SLST would be the first step and would allow him to control all of the wealth that flowed from legitimate mining. Stevens would then divert the mining revenue flow into the state's coffers, where he would exercise direct control.[64] Stevens could then award mining contracts, digging licenses, and money, as well as appoint positions where necessary. This new economic order amounted to "Black Colonialism" for the majority of Sierra Leone's population.[65]

As his first step, the government took over 51% of the SLST's shares and changed the name to the National Diamond Mining Company (DIMINCO) in October 1970.[66] The SLST was retained to provide technical management. Stevens and his right hand-man, a Lebanese diamond businessman named Jamil Mohammed, now took all DIMINCO's decisions.[67] The creation of DIMINCO allowed Stevens to award his people with jobs, money and accesses to diamonds.[68]

Stevens used Lebanese middlemen because they could be expelled at will due to their foreign status and due to the inherent unpopularity of the fact that they kept wealth out of the hands of blacks.[69] Stevens' followers, who were mining diamonds, wanted to opt out of the De Beers purchasing scheme. They quickly found that most

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63 *See* PACNET *supra* note 17; SAMUEL DECALO, COUPS & ARMY RULE IN AFRICA: MOTIVATIONS & CONSTRAINTS, 8 (Yale Univ. Press) (1990).

64 *See* Reno *supra* note 2, at 88.

65 *See id.* at 131.

66 *See* Kaplan *supra* note 36, at 306; Green, *supra* note 11, at 116.

67 *See* PACNET *supra* note 17.

68 *See* Reno *supra* note 2, at 93.

69 *See id.* at 133.

banks, such as Barclays, refused to extend them credit. The only ones that did were Lebanese banks.

In the 1973 election, the SLPP was intimidated and harassed by Stevens' followers and militia. The SLPP also saw its newspaper banned.[70] In 1974, another unsuccessful coup was launched. Finally in 1975, Stevens banned all political parties and declared Sierra Leone a one-party state.

In 1974, Stevens introduced a five-year plan whose major objectives were to raise the standard of living, provide greater self sufficiency and diversification, and reduce regional economic imbalances. The mining of bauxite, ilmenite, and rutile, as well as the production of rice (the staple crop), were given top priority.[71] From 1973 to 1976 one-third of the total value of DIMINCO's diamond production went to the government in dividends and income taxes.[72] In 1973, the government shut down DIMINCO's railways, which linked the mines with Freetown.[73] The rail lines had been poorly maintained since the date of independence, and by 1974, much of it had been ripped up in portions and sold for scrap.[74]

A year after the 1973 election, Stevens granted private diamond export licenses totaling 20% per annum of the country's total production to five personal friends. One close friend, Jamil, alone received 12%. Other friends received the favor of not being required to repatriate foreign exchange earnings from the overseas sale of diamonds. This generous exemption from repatriation contributed to chronic foreign exchange crunches since diamonds were the number one foreign exchange earner.[75] After the installation of Stevens' cronies, revenue from diamonds dropped, as the cronies skimmed from the top of DIMINCO, creating a cash shortage of more than 60% by 1976.[76] Income Tax collection had also ceased by that time.[77] As the economy contracted, foreign direct investment (FDI) dried up. In 1978, FDI stood at $102.7 million. By 1983, FDI had fallen to -$26.9 million.[78]

Official government revenue was needed to maintain international creditor confidence in the economy, so that foreign loans

70 *See* Kaplan *supra* note 36, at 183.

71 ALAN BEST, AFRICAN SURVEY, 189 (Wiley & Sons) (1977).

72 *See* Kaplan *supra* note 36, at 306.

73 TROPICAL AFRICAN DEVELOPMENT, 255 (M.B.Gleave ed., Longman Scientific & Technical) (1992).

74 *See id.* at 232; Best, *supra* note 71, at 192.

75 *See* Reno *supra* note 2, at 109-110.

76 *See id.* at 95.

77 *Id.* at 134.

78 *Id.*

would continue to come in order to subsidize state industries and benefit Stevens' cronies. To that end, the government took two steps in 1977 to increase diamond revenue. First, the government sought to attract more illegal diamonds into official channels. To accomplish this goal, the government cut its export duty from 7.5% to 2.5% in 1977.[79] Second, the government sought to end the De Beers controlled Diamond Corp. West African's (DICORWAF) monopoly and also sought to introduce additional international buyers to encourage price competition.[80] Although appearing benign, this last measure was intended to benefit Stevens' cronies as they could now sell diamonds abroad and repatriate less hard currency. Nonetheless, DICORWAF still bought the majority of DIMINCO's output.[81] Despite all of this, by the late 1970s DIMINCO was a company in decline. DIMINCO had pruned personnel, halved the security force, closed some treatment plants, unsuccessfully searched for new minerals, and reduced capital expenditures.[82] By 1977, the SLST—who had been retained as technical managers—recommended the closure of some operations.[83]

D. Enter the 1980s and Exit Stevens

In 1981, a general strike, the first since independence, occurred as a result of worsening economic conditions. In 1984, Fulah Bay College, in operation since 1814, was closed. Stevens turned to the IMF and World Bank for help in securing short-term credit. The IMF required Stevens to privatize many state-run enterprises. The IMF had correctly recognized that his cronies played a major role in running the state enterprises.[84] The IMF pressured Stevens to adopt austerity measures, chief of which was ending the subsidy for imported rice.

Domestic rice production, never able to meet the demands of the country, suffered as government-subsidized imported rice was introduced. Farmers of cocoa and coffee—the main agricultural exports—were hard hit because of global price decreases for the commodities. Rice in Sierra Leone was used as a tool to undermine the power of the chiefs. Stevens gave out to his cronies distribution rights to foreign-grown rice. The government bought the rice with credit and then resold it at subsidized prices to the cronies. The cronies, in turn, distributed the rice to rural dwellers at a mark-up that was still below the price for domestically produced rice. The goal of rice distribution was to reward

79 See Green *supra* note 11, at 119.

80 *Id.*

81 *See* Kaplan *supra* note 36, at 308.

82 *See* Greenhalgh *supra* note 11, at 219.

83 *See id* at 220.

84 *See* Reno supra note 2, at 138.

loyal chiefs and to punish those with an independent streak.[85] It was this scheme that the IMF sought to eliminate. It was unsuccessful.

In 1983, an agreement was signed with the SLST and the government for production of kimberlite diamonds.[86] In 1984 the SLST, the original mining company in Sierra Leone, folded its tent and sold its remaining shares to Precious Metals Mining Company (PMMC).[87] Jamil, Stevens' right hand man, controlled PMMC. The official diamond sector was clearly failing and being subsumed by the informal sector, which had now spun out of control. The state had finally lost control of the production of diamonds, enabling private entrepreneurs to take over Kono. The table below illustrates the progression from slide to collapse of the legitimate diamond industry.

By the time Stevens retired in 1985, he had succeeded in eliminating the inherited colonial economic order and in creating his own. His economy thus looked somewhat like the following. Diamonds were mined by his hand-picked cronies and then sent to Freetown. The diamonds were exported with the assistance of Lebanese banks. The diamonds were then used to obtain international credits to be used later for rice imports, loans, and government patronage. Next, rice and other goods were imported and distributed in order to co-opt chiefs at the local level. Thus, the dissolution of the old system was complete. Stevens' cronies, Lebanese businessmen and local chiefs, effectively marginalized the Creoles. Stevens' last years in power, 1981-86, saw the GDP per capita annual growth rate contract by -2.1% and the industrial growth rate contract by -3.5%.[88]

E. The Slippery Slope to Collapse and De-Industrialization

Joseph Momah became Prime Minister following Stevens' retirement in 1985. Momah gave Jamil direct control of DIMINCO. Jamil, the Lebanese businessman with ties to Lebanese militiamen fighting in Lebanon, controlled Sierra Leone's official diamond mining.[89] Under Jamil, DIMINCO's legitimate exports dropped dramatically, and by 1988, DIMINCO was exporting only 48,000 carats. Jamil apparently had his own followers and ambitions to take care of.

Meanwhile, Momah wanted to create and reward his own followers and curb the nation's new elite, the Lebanese businessmen. Jamil and some of his closest advisors were implicated in a 1987 coup attempt and Jamil fled to London. Momah then invited an Israeli firm to

85 *See id.* at 145.

86 *See* Greenhalgh *supra* note 11, at 220.

87 *See* PACNET *supra* note 17.

88 *Adjustment in Africa: Reforms, Results, and the Road Ahead*, World Bank Policy Research Report 241 (Oxford Press, 1994) Table A.15., "GDP per Capita Growth."

89 *See* PACNET *supra* note 17.

control the diamond market and import rice with foreign exchange earned from diamond sales abroad.[90]

To keep the economy afloat, Momah entered into agreements with the Israelis and a structural adjustment program with the IMF and World Bank. Under the Israelis, diamond exports rose 280% between 1985 and 1986. This allowed Momah to pay IMF arrears and guarantee the structural adjustment program. From 1987 to 1991, the annual growth rose to 0.8%.[91]

But unfortunately this turn for the better was not to last, as the Israelis, in next to no time, pulled out of the economy by 1987. Nevertheless, Momah still needed to maintain and co-opt his cronies. The Israeli pullout and Momah's continued spending resulted in the government spending more than the tax revenue could cover by 1989. This imbalance led the government to borrow from the central bank and to increase the money supply by printing more of it. The hope was that these measures would help pay for expensive imports like rice.[92] Foreign exchange reserves fell further as export growth was -10.5% from 1981 to 1986.[93] By 1990, inflation was at 106.8%.[94] To shore up its diamond production, 49% of the government's shares in DIMONCO were privatized.

III. The State Collapses: Sierra Leone from 1991 to the Present.

A. Government Collapse & Rebellion

Scandal rocked the government in 1991 when it was discovered that no work had been done on 32 government development contracts even though $2 million had been spent on those projects.[95] In 1991, the government announced its intention of repurchasing 49% of DIMINCO, which had been privatized by Stevens.[96] By 1993, the source of diamond production was mainly small-scale mining. DIMINCO ceased operations in March 1993 and went into liquidation in October 1993.[97] In January 1994, the government instituted a new mining policy that allowed non-citizens to form companies while requiring the non-citizens to maintain

90 *See* Reno *supra* note 2, at 158.

91 *See* World Bank-Adjustment *supra* note 88, at 138.

92 GEORGE AYITTEY, AFRICA IN CHAOS, 258 (1998); World Bank Adjustment, *supra* note 88, at 171. Meanwhile, spending on health and education from 1980 to 1989 fell 82.8%.

93 *See* World Bank Adjustment *supra* note 88, at 249.

94 *See id.* at 268.

95 *See* Ayittey *supra* note 92, at 72.

96 *See* Minerals Y.B, Vol. III, Mineral Ind. of Afr. (U.S. Dept. of the Interior, 1992) 199-200.

97 *See* Minerals Y.B, Vol. IV, Mineral Ind. of Afr. (U.S. Dept. of the Interior, 1993) 141-142

minimum levels, or else their licenses would be revoked.[98] Next, rebels entered the country through Liberia. Foday Sankoh, the 1971 coup instigator, whose personal friendship with Charles Taylor, the Liberian President, gained the rebels safe passage into Sierra Leone through Liberia, led the rebels. The rebels had left Sierra Leone in 1987 due to economic turmoil and had been training in Libya.[99] In Libya, Sankoh teamed up with Ibrahim Bah, a Senegalese, who trained in Libya and had fought in Afghanistan and then with the Hezbollah Terrorist group in Lebanon. Bah, a close friend of Blaise Compaore's—the president of Burkina Faso and future arms supplier to the region—in turn, introduced Sankoh and another of Africa's infamous rebel leaders Charles Taylor, to Gaddafi.[100] This group of would-be rebel leaders would form an "axis" of West African instability with its pole being Tripoli.

Once in Sierra Leone, Sankoh set about recruiting disaffected urban youths, many of whom had not benefited from illegal diamond digging and the "new economy."[101] Sankoh would pay his foreign friends, like Stevens and Momah did, in diamonds.

The rebels of Revolutionary United Front (RUF) intended to encircle the regional centers of Bo and Kenema. Bo is 25 miles south of the former SLST Tongo Lease, which is a 15-mile long vein of kimberlite diamonds.[102] The RUF executed those who refused to join their ranks and kidnapped boys and girls for guerilla training. The RUF began their hallmark campaign of crude amputations that included feet, hands, lips, ears, and noses. The focus of these brutal amputations was on women and children.[103] The RUF amputated to usurp the power of the chiefs and introduce themselves as the new power brokers. The RUF soon turned to mining and diamonds in order to enrich themselves and their foreign supporters.

B. Of Guerillas, Diamonds & Mercenaries

By early 1992, the Sierra Leonean Army (SLA), with the assistance of the Economic Community of West African States Ceasefire Monitoring Group (ECOMOG), led by Nigeria and Guinea (who had a defense pact with Sierra Leone) pushed the RUF back to the Sierra

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98 *See id.* at 141

99 IBRAHIM ABDULLAH & MUANA, PATRICK, THE REVOLUTIONARY UNITED FRONT OF SIERRA LEONE 176-177 (Christopher Clapham ed.) (1998); L. Renda, *Ending Civil Wars: The Case of Liberia*, 23 FLETCHER F. WORLD AFF. 68 (1999).

100 *An Axis Connected to Gaddafi: Leaders Trained in Libya Have Used War to Safeguard Wealth*, WASHINGTON POST, Nov. 2, 2001.

101 *See* Renda, *supra* note 99 at 177.

102 PAUL RICHARDS, FIGHTING FOR THE RAIN FOREST: WAR, YOUTH AND RESOURCES IN SIERRA LEONE, 178 (1996).

103 PACNET, *supra* note 15.

Leone-Liberia border. In 1992, disaffected SLA soldiers (the leaders were sent to law school in the U.K. on scholarships after their removal) launched a coup due to conditions at the front and a lack of pay.[104] The coup was successful, and the soldiers instituted a commission to look into corruption and soon discovered malfeasance at ministerial levels.[105] Yet, the soldiers also succumbed to graft and corruption in no time.[106] Soldiers sent to the front no longer fought the RUF, but instead turned to diamond mining.[107] In October 1992, Koidu, the main town in the diamond mining areas, fell to the RUF. Seesaw battles raged, and by early 1995, the RUF had the upper hand.

Facing imminent defeat by mid-1995, the military government hired Executive Outcomes (EO), a private South African mercenary outfit consisting of former Apartheid troops, to fight the rebels.[108] With experience gained from fighting South Africa's wars in Angola and Namibia, EO checked the RUF's advance and in less than a month had nearly cleared them from the country.[109] Branch Energy, an offshoot-mining component of EO, was given a 25-year lease on Sierra Leonean diamond concessions.[110] By 1996, EO had killed several thousand RUF combatants and forced the RUF into peace negotiations.

Sierra Leone had no foreign exchange to speak of, so the government, as usual, signed away the diamonds to foreigners. In 1996, allegations began to surface that EO officials were engaged in illegal mining.[111] Between 1994 and 1996, Branch Energy had invested $12 million in exploratory mining. EO's success meant that a peace treaty would be signed in November, but with a provision requiring EO and ECOMOG to leave by January 1997. As EO prepared to pull out in late 1996, Branch Energy sold its entire stake in Sierra Leone to Diamond Works, a company with connections to Sandline International Ltd., which was itself a mercenary company composed of former British

104 Africa Confidential Special Reports, *Chronology of Sierra Leone: How Diamonds Fuelled the Conflict*, *available at* http://www.africa-confidential.com/special.htm (Last Visited Oct. 12, 2001).

105 *See* NEW AFRICAN September 1992 at 17.

106 *See* African Guerrillas *supra* note 99, at 181.

107 *See id.* at 182.

108 *See id.* at 185.

109 *See id.* at 187; PACNET, *supra* note 16.

110 Andres Perez, *Sierra Leone's Diamond Wars*, LE MONDE DIPLOMATIQUE, (June 2000), *available at* http://www.monde-diplomatique.fr/en/2000/06/02sierraleone (last visited Oct. 12, 2001); PACNET, *supra* note 16.

111 *Supra.*; Africa Confidential *supra* note 102; Conciliation Resources, *Primary Industry and Conflict in Sierra Leone* (1997), *available at* http://www.c-r.org/occ_papers/briefing3.htm (last visited Oct. 12, 2001).

Secret Service members.[112] Diamond Works' security would be provided by Lifeguard, a mining security subsidiary of EO.[113]

Elections were held in February 1996. EO's success and the new president helped forge the Abidjan Accords in November 1996, which ended the war.[114] The RUF would register as a political party and disarm, and international observers would keep and monitor the peace.[115] Yet, the U.N. Security Council felt that the Clinton Administration would not support a U.N. peacekeeping effort in Sierra Leone, and hence, none was sent.[116] The RUF failed to disarm or demobilize, and on 25 May 1997, RUF soldiers overthrew the civilian administration of President Kabbah and demanded $47 million before restoring the government.[117] The RUF assumed power, and Kabbah fled to Guinea and asked Nigeria to intervene militarily. An orgy of violence gripped Freetown, with increased murder, rape, looting, and torture, while all formal banking and commerce operations ceased throughout the country. Even ECOMOG forces were overpowered.

In February 1998, Kabbah was restored to power by Liberia.[118] The RUF was pushed into the countryside and exacted its humiliation on civilians by mutilating thousands more. The rebellion that began in 1991 claimed more than 75,000 lives, caused half a million refugees, internally displaced 2.25 million people, and left thousands of mutilated people.

C. From U.N. Protection to British Intervention

In 1997 the U.N. Security Council imposed an arms embargo on Sierra Leone.[119] The U.N. responded to the deconstruction of Sierra Leone in July 1998 by creating a peacekeeping operation, named UNOMSIL, which consisted of 70 observers.[120] The U.N. Security

112 *See* Africa Confidential *supra* note 104; Conciliation Resources, *supra* note 111.

113 *See* Conciliation Resources *supra* note 111.

114 K. Nowrot & E. Schabacker, *The Use of Force to Restore Democracy: International Legal Implications of the ECOWAS Intervention in Sierra Leone*, 14 AM. U. INT'L L. REV. 321, 326 (1998).

115 *Id.*

116 *Id.*

117 *See* Ayittey, *supra* note 92, at 70; Restore Democracy, *supra* note 114. Nowrot blames the coup on soldiers who were angry at not being paid.

118 *See* Restore Democracy *supra* note 114, at 335; Le Monde Diplomatique, *supra* note 110.

119 Amnesty International, *Sierra Leone: Cutting the Link Between Diamonds and Guns* (May 5, 2000), *available at* http://www.web.amnesty.org/ai.nsf/index/AFR510272000 (last visited Oct. 12, 2001); United Nations Department of Public Information, Conflict of Diamonds: Sanctions and War 2001, *available at* http://www.un.org/peace/africa/Diamond.html (last visited Oct. 12, 2001).

120 *See EIU Country Report: Guinea, Sierra Leone, Liberia,,* THE ECONOMIST INTELLIGENCE UNIT, 4th Quarter 1998, at 18, 23.

Council modified the embargo in 1998 to allow the government to rearm itself, but maintained the embargo inasmuch as it denied the RUF any weapons. Regardless, the RUF continued to arm itself through the sale of illegal diamonds, and from 1991 to 1999, the RUF was estimated to have earned approximately $200 million a year from diamond smuggling.[121] In 1998 and 1999, five flights carrying weapons from Ukraine to Burkina Faso—whose president was the Libyan-trained acquaintance of Sankoh, Compaore—were diverted to the RUF.[122] In 1998 Bah, former Afghan freedom fighter and Hezbollah member and co-founder of the RUF, met with operatives of bin Laden's al Qaeda network in order to sell them diamonds. The connection to al Qaeda was cemented in September 1998, when Bah arranged for an al Qaeda visit to Monrovia. Bah and Abdullah flew into Sierra Leone to discuss buying diamonds on a regular basis.[123] A few weeks later Bah arranged a visit for two more al Qaeda operatives now on the FBI list, Ahmed Khalfan Ghailani and Fazul Abdullah Mohammed—both prime suspects in the 1998 U.S. Embassy bombings in Africa—who took $100,000 in cash and received a parcel of diamonds in an introductory deal.[124]

On the military front, in 1998 the RUF launched "Operation Spare No Soul" targeting civilians because of the capture of Sankoh by ECOMOG forces.[125] In January 1999, the RUF attacked UNOMSIL and ECOMOG troops and reentered Freetown. During two weeks in Freetown, the RUF torched homes and buildings, murdered 6,000 people, dismembered hundreds and kidnapped 2,000 children before being repulsed by ECOMOG forces.[126]

In July 1999 Kabbah and Sankoh signed the Lomé Treaty, ending the rebellion by the RUF. Sankoh was made chairman of the Strategic Resources Commission, with responsibility over diamond mining. Anyone who wished to mine diamonds had to go through him to obtain a license.[127] In essence a power shift had occurred, and rather than the chiefs controlling the issuance of licenses as was once done in the old

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121 *Swiss Liberian Diamond Imports Rise in Sierra Leone War*, REUTERS, Aug. 9, 2000.

122 BBC NEWS, *Sierra Leone: The Balance of Forces* (2000), *available at* http://news.bbc.co.uk/hi/english/ world/africa/newsid_743000/743718.stm (last visited Oct. 12, 2001).

123 *Al Qaeda Cash Tied to Diamond Trade: Sale of Gems from Sierra Leone Rebels Raised Millions*, WASHINGTON POST, Nov. 2, 2001.

124 *Id.*

125 *See* EIU Sierra Leone *supra* note 120, at 24.

126 *See* PACNET *supra* note 18.

127 *See* Le Monde Diplomatique *supra* note 110; BBC NEWS, *A Rebel's Best Friend* (2000), *available at* http://news.bbc.co.uk/hi/english/world/africa/newsid_745000/745194.stm (last visited Oct. 12, 2001).

economy, Sankoh would now personally seek to engage in this kleptocracy. Sankoh set out to sell his own personal collection of diamonds through the ministry,[128] and rebels came out of the bush selling their own diamonds.[129]

In April and May 2000, the Lomé Accords fell apart as U.N. forces came under attack in east Sierra Leone. In April 2000, ECOMOG (except the Nigerian contingent that came under U.N. command) pulled out. By May 2000, three key events had occurred: 1) 300 U.N. troops were kidnapped, leading to the unraveling of the U.N. force; 2) 1,000 British troops and six Royal Naval warships arrived in Freetown to restore order and train and arm Sierra Leone's army; 3) Sankoh was arrested. The RUF's leadership, including three ministers, their spokesman, the secretary general and two colonels, were also arrested.

D. The RUF's Renewable Fuel: "Conflict Diamonds"

The RUF supported their offensives through illegal diamond mining in the occupied regions, which continued after the Lomé Treaty required the RUF to turn over occupied regions to the U.N.[130] Like its predecessors, the RUF was aware of the resources to be had in the diamond sector. Sankoh lined his pockets and encouraged his cronies—just like Stevens and Momah before him—to rape the diamond industry and co-opt the chiefs. Thus, the RUF did the same as others before them, but co-opted the chiefs through violence. In May 2000 the Sierra Leone Attorney General charged Sankoh with corruption and diamond smuggling.[131]

As for the RUF's diamonds, they were smuggled through the old smuggling routes to Liberia and sold in RUF-friendly Monrovia.[132] From 1998 to 2000, diamond exports from Sierra Leone were around $30 million while diamond exporting from Liberia—which possesses fewer diamond fields—exploded to over $300 million.[133] In July 2000, Charles Taylor, President of Liberia, responded to allegations of his involvement in arms and diamond smuggling to and with the RUF: "When someone gets up and says that Liberia is involved in diamond smuggling and gun

128 Corina Schuler, *Sierra Leone: Papers Detail Rebel's Guilt*, THE CHRISTIAN SCIENCE MONITOR, 1 (May 15, 2000).

129 *Diamond Dealers Rush to Sierra Leone to Buy Rebel Diamonds*, AFRICAN MINING MONITOR (Oct. 12, 1999).

130 *See* A Rebel's Best Friend *supra* note 127.

131 *See* Papers Details Guilt *supra* note 128.

132 BBC NEWS, *Liberia's Diamond Links (2000), available at* http://news.bbc.co.uk/hi/english/world/ africa/newsid_839000/839206.stm (last visited Oct. 12, 2001).

133 *See* A Rebel's Best Friend *supra* note 127.

running like a movie, you've got to be joking. What we have said, is with all of the Western intelligence—for God's sake, these people have satellites ... please bring me one photograph of a convoy."[134] In August Western Intelligence, mainly the U.K. and U.S., showed Taylor and the world his convoys.[135] The evidence was presented to the U.N. Sanctions Committee, thereby implicating Charles Taylor and Blaise Compaore, President of Burkina Faso. The evidence included allegations that Taylor orchestrated the rebels, supplied food, medical supplies, and military equipment, all in return for 60% of illegal diamonds smuggled out of Sierra Leone.[136] Burkina Faso, which received around 30% of illegal diamonds smuggled out of Sierra Leone, made fraudulent end user certificates for weapons purchased in Bulgaria, which were then diverted to the RUF.[137] But even the U.N. became tarred when, in September 2000, Nigerian troops, originally part of ECOMOG and later part of the U.N. operation, were accused of diamond smuggling by the Indian individual commanding the U.N. force.[138] As late as July 2001 Bah and the RUF were mining diamonds for al Qaeda operatives.

Presently, Sierra Leone's legal system has collapsed because of corruption and the recent civil war. The country's institutions for the administration of justice (both civil and criminal) are barely functional. The courts in Freetown have no law library for research, recording facilities, or secretarial staff.[139] The court system outside Freetown is nonexistent, with courtrooms destroyed and personnel killed. There is no police force to bring perpetrators to justice.[140] Jails do not provide food for inmates. The British have provided assistance to the rebuilding effort by developing programs aimed at re-establishing and training the national police force.[141]

Conclusion

British colonial policy in West Africa created a system of patronage. Unlike other countries in West Africa, Sierra Leone also had a

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134 *Id.*

135 BBC NEWS, *West African Diamond Racket Exposed*, *available at* http://news.bbc.co.uk/hi/english/ world/africa/newsid_868000/868338.stm (last visited Oct. 12, 2001).

136 *Id.*

137 *Id.*

138 *A Line in the Sand*, THE ECONOMIST, Sept. 16, 2000.

139 Amnesty International, *Sierra Leone Ending Impunity—An Opportunity not to be missed* (2000), *available at* http://www.web.amnesty.org/ai.nsf/index/AFR10602000 (last visited on Oct. 12, 2001).

140 *Id.* During the RUF invasion of January 1999, 200 police officers were killed and police stations were targeted for destruction.

141 *Id.*

Creole urban population of freed slaves. These Creoles were educated and given jobs in the civil service. The interior was known as the "white man's grave," and no systematic effort was made to develop the hinterland until pressure from another expanding colonial power pushed the British colonial officials to go to the hinterland to protect Freetown. Unwilling to pay for the administration of the interior, Sierra Leone became a hybrid of British Imperialism using both systems employed in Africa. The discovery of diamonds led to the granting of a monopoly over the diamonds, in response to colonial protectionism in the face of the Great Depression. The monopoly followed the colonial policy of using local chiefs and co-opting them.

At independence, Sierra Leone inherited a system of reliance on one major export—diamonds. It also inherited the economic dominance of the Creoles and the subservience of the chiefs. Resentment for the Creoles, and to a lesser extent, fear of Mende domination, led to Stevens' political victory. Stevens' rule was akin to Mobuto's in Zaire, but much less publicized. Where the West financed Mobuto's kleptocracy, diamonds financed Stevens. Stevens' creation of a new economy eliminated the inherited monopoly and alienated the Creoles and co-opted the chiefs. The economy suffered widely as Stevens and his cronies sought to enrich themselves. This disconnect led to the rise of frustrated urban youths who eventually became the backbone of Sankoh's RUF. The RUF needed to finance their movement and what better way than through diamonds—symbol of the elite that had caused great misery and had instituted the new "Black Colonialism."

Sierra Leone has now come back full circle. Freetown is the economic heart of the country with the diamond district tenuously held by a foreign force—the U.N. The U.N. and the country are watched over by British troops who do not stray too far from Freetown and leave the interior as the black man's grave.