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MAPPING AND FIGHTING CORRUPTION IN WAR-TORN STATES

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REPORT FROM THE PROJECT ON RULE OF LAW IN POST-CONFLICT SETTINGS
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PREFACE

Since 2001, the Henry L. Stimson Center's program on the Future of Peace Operations (FOPO) has worked to promote sensible US policy toward and greater UN effectiveness in the conduct of peace operations—internationally mandated efforts that engage military, police, and other resources in support of transitions from war to peace in states and territories around the globe. Such places suffer from many deficits—in education, health, jobs, and infrastructure—but the greatest and most costly, in the long run, is their deficit in the rule of law and its impact on quality of governance, justice, and other goals of international security and aid institutions that want to promote sustainable peace and development. There is, however, no agreed definition of the term. For purposes of this and other reports in FOPO's series on restoring post-conflict rule of law, we therefore choose to use the relatively comprehensive definition contained in the UN Secretary-General's August 2004 report on rule of law and transitional justice. It defines rule of law as

a principle of governance in which all persons, institutions and entities, public and private, including the State itself, are accountable to the laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards. It requires, as well, measures to ensure adherence to the principles of supremacy of law, equality before the law, accountability to the law, fairness in the application of the law, separation of powers, participation in decision-making, legal certainty, avoidance of arbitrariness and procedural and legal transparency.*

Promoting and sustaining the rule of law in war-torn lands requires a multi-dimensional approach that extends beyond the reform and restructuring of local police, judicial, and corrections institutions to:

- Early provision of public security by the international community while local security forces are reformed and rebuilt;
- International support for effective border controls, both to curtail illicit trade and to promote legitimate commerce and government customs revenues;
- Curtailment of regional smuggling rings and spoiler networks that traffic in people and commodities to finance war and, afterwards, to sustain war-time political and economic power structures;
- Strict legal accountability for those who participate in peace operations, lest their actions reinforce the very cynicism and resignation with regard to impunity that their work is intended to reverse; and

* United Nations Secretary-General, *The rule of law and transitional justice in conflict and post-conflict societies*, Report of the Secretary-General, S/2004/616, 23 August 2004, para. 2.

- Recognition that corruption can drain the utility from any assistance program and undermine the legitimacy of post-war governments in the eyes of their peoples.

This study is one of five produced by FOPO, each addressed to one of the bullets above. *Mapping and Fighting Corruption in War-Torn States* stems from the observation that corruption perverts economic development and political change in post-conflict states. When building peace, failing to fight corruption at best renders other efforts less efficient and at worst makes them useless. As a contribution to the many efforts to contain and reduce pervasive corruption in post-conflict settings, FOPO reviewed what the world's specialists in corruption say about how to recognize and fight it in post-conflict circumstances, especially where international peace operations are deployed. The resulting study reflects this meta-analysis of the English-language literature on the subject—a search for consensus and insight—rather than independent field research. Its principal contributions lie in its structured summaries of the literature surveyed and in how it uses that structured assessment to visualize both the patterns of post-conflict corruption and emerging best practices in fighting it.

This study and the other four described briefly, below, can be accessed online from the FOPO homepage on the Stimson Center website (www.stimson.org/fopo/programhome.cfm).

Police. The international community's ability to provide early and effective support for public security in new peace operations has fallen consistently short over the past decade, and in many respects continues to do so. This study investigates the sources of the problem and the evolution of UN policing in size, scope, and key operational tasks and concludes that future demand for rapidly deployable UN police can best be met with a standing UN police service and complementary police reserve force. The study is *Enhancing United Nations Capacity for Post-Conflict Police Operations*, by Joshua G. Smith, Victoria K. Holt, and William J. Durch.

Borders. FOPO's border security study is in two parts. For part one, author Kate Walsh surveyed more than 100 international border assistance and training programs. Her report, "Border Security, Trade Controls, and UN Peace Operations," found both a great deal of overlap and lack of coordination among these programs that, if remedied, could make them much more cost-effective. The second part of the study, "Building Secure Post-Conflict Borders: A Phased Approach to Capacity-Building," by Katherine N. Andrews and Brandon L. Hunt, lays out the requirements for coordinated international support to border security in post-conflict states that host international peace operations. The combined study is *Post-Conflict Border Security and Trade Controls in UN Peace Operations*, edited by William J. Durch.

Spoiler Networks. During and after conflict, the smuggling of high-value commodities such as diamonds, precious metals, and timber sustains war and then impedes peace, feeding the informal economy, evading customs, lowering government revenues and slowing its institutional recovery. The UN Security Council has imposed targeted sanctions on some countries in an effort to disrupt such "spoiler" networks. It has also appointed small teams of investigators to monitor sanctions implementation, shed critical light on these networks, recommend measures to counter them, and thus contribute to building the rule of law. These Groups or Panels of Experts face challenges, however, both in the field and in getting the Security Council and UN member states to

implement their many practical recommendations. This FOPO study details these issues, highlights how implementing Panel recommendations could improve post-conflict rule of law, and makes its own recommendations about how the Panels could be better used. The study is *Targeting Spoilers: The Role of UN Panels of Experts*, by Alix J. Boucher and Victoria K. Holt.

Accountability. In 2004, major problems of sexual exploitation and abuse by UN peacekeepers in the Democratic Republic of Congo and other operations became a public scandal for the United Nations. Before that story broke, FOPO had begun work on the problem of criminal accountability for personnel in peace operations. Because states retain disciplinary responsibility for their military forces in peace operations, that work focused on police and civilian personnel. As operations become more deeply involved in assisting or substituting for local government, their personnel must themselves be subject to the rule of law, and be seen as subject to it by local peoples. FOPO found, however, that the tenuous reach of the law—any law—covering criminal acts by UN personnel on mission has left a legal and procedural vacuum filled only in part by administrative sanctions (docking of pay, job loss, blacklisting, etc.). FOPO therefore looked into the cost and feasibility of other options, some of which would require serious rethinking of criminal jurisdiction in and for peace operations. The study is *Improving Criminal Accountability for Police and Civilian Personnel in UN Peace Operations*, by Katherine N. Andrews, William J. Durch, and Matthew C. Weed.

All of these studies recognize that the United Nations cannot immediately “create” the rule of law in countries where it does not exist, or transform recalcitrant and abusive police into model protectors of the public trust in a few short months. Such efforts take time. Moreover, even well-equipped peacekeepers will have difficulty totally securing hundreds of miles of border in unfamiliar and rugged terrain against smuggling or spoilers. Nor is it likely that the best-coordinated international efforts can completely eradicate corruption in post-conflict circumstances. The UN and its partners can, however, provide critical assistance, guidance, and support on all of these issues, step by step, to fragile governments attempting to develop the capacity and legitimacy to effectively govern on behalf of their peoples. In short, the United Nations, its member states, and other international institutions and aid donors can help fragile states begin the rocky journey towards self-sustaining peace, good governance, and stable economic livelihoods. The common foundation on which such institutions and outcomes must be built is respect for and deference to the rule of law.

EXECUTIVE SUMMARY

Corruption, the abuse of entrusted authority (public or private) for illegitimate private gain, is widely considered an impediment not only to economic growth and development, but also to political stability, democracy, and sustainable peace. Until recently, however, fighting corruption was not a systematic component of institution building and economic development plans, even in post-conflict settings, where it can deeply undermine the effectiveness and threaten the legitimacy of government institutions trying to re-establish themselves. Under the right circumstances, corruption can endanger the peace itself.

This study evolved from the authors' interest in how corruption may undermine a peace accord, the implementation of which has been entrusted to or is being assisted by a complex international peace operation. It was designed as a meta-analysis of the major English-language literature on corruption, ranging from the World Bank to individual analysts, and thus reflects a search for existing consensus and insight, rather than independent field research. Its contributions are a structured summary of that literature and the charting of patterns of post-conflict corruption and what are believed to be best practices in fighting it.

The bulk of this study narrates two charts: one detailing patterns of corruption in post-conflict states and a second mapping the most frequently mentioned steps for dealing with it. The frequency measures are drawn from authors' tabulated descriptions of key elements of corruption and recommended steps for countering them, as laid out in two spreadsheets. These are contained in the Annex (Consensus in Anticorruption Best Practices) along with the sources that we reviewed. Although the spreadsheets showed frequency of mention of both problems and solutions and thus, by implication, what the literature considered the most important elements of each, they do not show how the various factors interact nor suggest policy priorities—hence the flowcharts.

Figure 1 (Mapping Corruption and Conflict) illustrates how corruption in war-torn states is created and sustained by war-created political/military structures of influence that have, in many cases, morphed into leadership structures following a peace agreement. These structures often control the very mechanisms by which war was funded and resources plundered to purchase weapons and gain power. Cross-border trafficking in people and commodities continues after war has ended, and the failure to seal borders and collect legitimate customs duties prevents war-weakened national administrations from providing the basic public services. Freely-flowing illicit goods and poor regulatory capacity combine to keep the informal economy dominant and reduce incentives for legitimate economic investment and taxable revenues.

The presence of international peacekeepers and the influx of large amounts of international aid may also inadvertently diminish a government's legitimacy in the eyes of its constituents. Peacekeepers and other outsiders may contribute to or accelerate human trafficking that supports shadowy businesses catering to the international presence. Initial aid may far exceed the effective absorptive capacity of a national administration weakened by war or proven to have been an

untrustworthy partner during the conflict. Aid agency mechanisms devised to bypass wartime governments and funnel assistance directly to the population through local or international non-governmental organizations (NGOs) continue to operate, post-conflict. This erstwhile positive adaptation may therefore sap the post-war government's ability to deliver aid and also sap its legitimacy, as government-delivered services fail to improve and people continue to turn to outsiders for basic help and to the informal economy for work and income.

In the literature reviewed, there are three prerequisites to a successful fight against corruption:

- **An end to fighting and the establishment of relative security** throughout the country. This applies in particular to settings in which fighting has ended in stalemate, a peace agreement lays out the post-war rules of the game, and an internationally mandated peacekeeping force assists with peace implementation;
- Local leadership determination (“**political will**”) to combat corruption; and
- **Public investment in the fight against corruption**, moving beyond the cynicism that many years of war and experience of graft may have inculcated. The public must make clear to the leadership that corruption is not acceptable, and must have the tools needed to make its views known and enforceable.

When these prerequisites are met, as detailed in Figure 2 (Anticorruption Best Practices), a new government has a chance of beating back corruption if it focuses on building:

- A trustworthy and effective criminal justice system with an independent judicial branch;
- A transparent and accountable political process (via, for example, free and fair elections and measures to reduce legislative influence peddling);
- A stronger and more capable public administration, with barriers to cronyism and nepotism;
- Government accountability to public opinion (via responsible, free media and open elections);
- A sustainable and legitimate government revenue stream; and
- Effective government regulation and stimulation of an open market economy.

Successful reforms in these sectors promote legitimate, effective, self-sustaining, and democratic government. Such reforms are neither easy nor quickly accomplished, however, and may need substantial international support up front. International assistance can help provide public security, support the organization of initial elections, and both launch and support unbiased media outlets. Institutionally, such aid should begin with the criminal justice system and national lawmaking apparatus, with training for legislators and promotion of media to monitor legislative activities. Delivery of basic public services must be a high priority, as service delivery helps to (re)define the legitimacy of government in the public eye. Finally, reforms should include codes of conduct for all government officials and employees. Taken together, the steps in a comprehensive anticorruption strategy look very much like a comprehensive peacebuilding or state-building strategy. Figure 2 suggests that anticorruption measures are needed in every phase and element of such strategies.

Failing to find successful case studies of applied best practices, we chose to include a case in progress—Liberia—where the international community has combined anticorruption and state-building measures in a manner heretofore unseen that may itself redefine best practice in this field. While some initial results appear promising, it is not clear whether the international community has either the resources or the collective attention span to undertake such deep intervention either frequently, for sufficiently long durations, or on a scale much larger than the relatively modest one that Liberia presents.

The near-consensus steps that arise from this analytical literature review are not easy to initiate or to complete, and the struggle against corruption is never really over, because it pits public against personal interest. A workable strategy to reduce the appeal of corruption may therefore need to differentiate explicitly between personal and public interest, a potentially novel concept. If top officials put in place systems of public accountability and due process to which even they are accountable, citizens may realize that corruption can be fought on their own level as well. With such political and public will, the necessary connectedness of anticorruption measures can be transformed from obstacle to opportunity.

INTRODUCTION AND METHODOLOGY

Corruption, the abuse of entrusted authority (public or private) for illegitimate private gain, is widely considered an impediment not only to economic growth and development, but also to political stability, democracy, and sustainable peace.¹ Until recently, however, fighting corruption was not a systematic component of institution building and economic development plans, even in post-conflict settings, where it can be particularly insidious, destructive, and difficult to root out. In these settings, corruption can deeply undermine the effectiveness and threaten the legitimacy of government institutions trying to re-establish themselves and, under the right circumstances, endanger the peace itself.

This study evolved from the authors' interest in how corruption may undermine a peace accord, the implementation of which has been entrusted to or is being assisted by a complex international peace operation. We were particularly interested in learning how such operations might best reduce the incidence or impact of corruption and—equally important—best avoid contributing to the problem themselves. Recognizing what a large task this would be, we opted to step back and learn first what the world's specialists in corruption had been saying about how to recognize and fight it in circumstances like those just described. This study was therefore designed from the start as a meta-analysis of the English-language literature on the subject—a search for consensus and insight—rather than as independent field research. Its contribution, we hope, lies both in how it summarizes the literature surveyed in a structured fashion and in how it uses that structured assessment to visualize both the patterns of post-conflict corruption and the emerging structure of best practices to fight it. The extent to which we stake a claim to originality rests, therefore, on these structural contributions to assessing and reducing corruption in post-conflict settings, especially where a substantial international presence may inadvertently fuel the problem.

DEFINING CORRUPTION: NOT A SIMPLE TASK

Corruption is a phenomenon that seems to have obvious, intrinsic meaning when viewed from a distance but that differentiates increasingly, like an impressionist painting, as one comes closer. This, in part, is why several major institutional reports on corruption have attempted to bifurcate it into “grand” and “petty” varieties. Grand corruption happens primarily when heads of state and other high-ranking officials with ready access to government revenues or critical national assets use their positions to enrich themselves or otherwise strip their countries of those revenues and assets, often altering laws and practices to keep the process going.² Administrative (or petty) corruption is the label applied to essentially all other instances in which lower level government employees and others demand or require small bribes either to perform what should be their

¹ The definition of corruption was until recently restricted to public corruption—the abuse of authority and funds by government officials—but has broadened to recognize the damage that can be done by corrupt behavior outside of government. See, for example, United States Agency for International Development (USAID), *USAID Anticorruption Strategy* (Washington, DC: USAID, January 2005), 5–8.

² The World Bank sometimes calls this kind of corruption “state capture.”

regular job or to cancel trumped-up charges (baseless traffic tickets, for example). The term “petty” is misleading, however, because it fails to emphasize the repeated (and thus cumulatively costly) nature of these comparatively small bribes.³ There is also a difference between tips, which are freely given bonuses awarded for good service, and the engrained expectation of bribes that characterizes some post-conflict administrations.

In some cases, administrative corruption benefits not just those who first receive the bribes but higher-ranking officials to whom at least some of the proceeds must be passed. Small bribes might therefore be viewed as a kind of user fee to fund the higher salaries associated with professional administrations. But such administrative corruption can add up to grand corruption, though organized initially at a lower level. Such exactions are neither stable nor predictable and, in a corrupt law enforcement system, average citizens have no effective way to protest or to diminish them.

Finally, there is private criminal corruption in which individuals or national or transnational criminal organizations extort resources or payments from individuals so they may continue to “safely” conduct business. In some cases, the organizers of this kind of crime may be part of the political leadership. Fighting corruption in these cases therefore requires rooting out both petty and grand corruption. Only such a campaign will reduce both public and private corruption and create (or reinstate) trust between the public and the administration.

RESEARCH METHODOLOGY AND STRUCTURE OF THE STUDY

If people cannot trust their government to protect their interests or to reliably provide public security, public services, and a “level playing field” for economic activity, they may stop supporting that government. Failure to deal with corruption, therefore, may ultimately doom any effort to rebuild governance after conflict. Legitimate, professional government will never materialize and external resources will be siphoned away from their objectives. The purpose of this study is to uncover and highlight useful measures to stem such losses, so as to preserve—indeed, make possible—the establishment of legitimate, effective, and sustainable postwar political leadership and public administration. We limit our analysis, as noted, to countries recovering from war where a peace agreement has been signed and where the international community has agreed to deploy a peace operation to help implement the peace. For the purposes of this study, political leadership and public administration, taken together, constitute “government” and the processes they use comprise “governance.” We recognize that, in parliamentary systems, “the government” commonly refers to the elected political officials who hold executive decision-making authority. Representing one political party or a coalition; it is therefore comparable to “the administration” in American political parlance. Here, however, government is used in the broader sense to encompass both political leadership and public administration. Government “legitimacy” is derived from the recognition, by the electorate, that a country’s administration and leadership are legally and rightfully entitled to their positions.⁴

³ USAID, *USAID Anticorruption Strategy*, 8, 14. For a typology of corruption, see Philippe Le Billon, *Fuelling War or Buying Peace: The Role of Corruption in Conflicts* (Helsinki: UNU/WIDER, 2001), 2–4.

⁴ Max G. Manwaring and Anthony James (eds.), *Beyond Declaring Victory and Coming Home: The Challenges of Peace and Stability Operations* (Westport, CT: Praeger Publishers, 2000).

Government “effectiveness” refers to its ability to provide the public services that a population requires in a timely, reliable, and predictable fashion.

The Literature Reviewed

Our efforts drew upon research conducted by international institutions, governments, academic researchers, and think tanks. We chose two dozen works for detailed review and comparison.⁵ The sources generally agreed about the existence of linkages between conflict and corruption and about general measures needed to control corruption in post-conflict settings. Some gave short shrift to the causes of corruption, focusing instead on strategies to combat it. Different sources emphasized different substantive areas as being the most important focus of anticorruption activities and omitted recommendations or categories of activity deemed critically important by others. Some sources focused on corruption in developing countries, others on the links between corruption and conflict, and still others on broad measures to fight corruption.

Documents by the World Bank, the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), and the US Agency for International Development (USAID) all focused on dimensions of corruption most relevant to foreign aid donors, such as the impact of corruption on development and aid effectiveness, and how foreign aid can be used to combat national and local-level corruption. They tended not to emphasize regional and international factors, or the use of non-aid-related instruments to address corruption. (These include diplomacy, peace operations, targeted trade sanctions, or other international legal or regulatory instruments.)

The World Bank focused on economic policy reform (including help for the formal private sector), administrative and civil service reform, improving legal and judicial systems, improving public expenditure and financial management, and strengthening “public oversight and other accountability mechanisms.”⁶ The Bank’s reports advocated economic policy liberalization (price deregulation), regulatory reform, measures to enhance competition, good corporate governance, business associations and trade unions, and transnational cooperation.⁷ The Bank’s policies and procedures continue to be criticized as somewhat opaque, however.⁸

The DAC has issued anticorruption guidelines that stress strengthening the private sector both as an important component of economic growth and as a tool for fighting corruption.⁹ The OECD has also created several mechanisms to assist in combating private sector corruption and to help private firms operate in corrupt environments without contributing to the problem.¹⁰

⁵ For a list of the sources used for this analysis, see Annex I.

⁶ World Bank, *Helping Countries Combat Corruption* (Washington, DC: June 2000) 21–22.

⁷ World Bank, “Anticorruption—Competitive Private Sector,” (Washington, DC: 2000), www.worldbank.org/corruption.

⁸ Heather Marquette, “The Creeping Politicisation of the World Bank: The Case of Corruption,” *Political Studies*, vol. 32, 2004, 413–430. Marquette discusses why the World Bank is criticized for trying to tackle corruption. She argues that doing so is against the Bank’s apolitical mandate, that the bank uses the need to fight corruption as a justification for lending to countries despite their history of human rights violations, and that it is inconsistent in its approach, varying from a top-down to a bottom-up approach. For an example of criticism of the Bank’s practices, see Dino Mahtani, “World Bank faces questions over Congo mining contracts,” *The Financial Times*, 17 November 2006.

⁹ OECD, *The DAC Guidelines: Helping Prevent Violent Conflict* (Paris: OECD, 2001), 21.

¹⁰ OECD, “Private Sector Anticorruption Initiatives,”

www.oecd.org/document/30/0,2340,en_2649_37447_2751262_1_1_1_37447,00.html. Some criticize OECD efforts

USAID, in its *Anticorruption Strategy* and *Fragile States Strategy* reports, discussed both the causes of corruption and recommendations for fighting it. The former report observed, however, that the agency needed to develop “appropriate anticorruption responses” for post-conflict situations and argued that little is known about the “effect of various anticorruption interventions in such environments.”¹¹ It added that this “suggests an agenda for research into topics, such as the ways in which both corruption itself and efforts to combat it contribute to conflict, and the stabilizing (or potentially destabilizing) role of anticorruption reforms in fragile states.”¹²

The specific links between post-conflict settings and corruption have been rather recently, and not universally, recognized. Introducing the published proceedings of an October 2001 conference on Corruption in Post-War Reconstruction, Fredrik Galtung noted that many participants initially expressed doubt that corruption in these settings was different from corruption in other settings, although participants ultimately acknowledged that they did not know much about corruption in these situations and agreed to begin studying the question.¹³

Some of the sources we reviewed did directly address the relationship between corruption and post-conflict situations. Madalene O’Donnell discussed the post-conflict consequences of corruption, the links between corruption and conflict, and the risks states face in fighting it.¹⁴ Kaysie Studdard described regional conflicts and the processes for building sustainable peace, noting how cross-border trafficking and cronyism helped to maintain war-time political, military and economic structures. These continuing, informal structures in turn undermined the formal state’s post-conflict capacity building efforts.¹⁵ Heiko Nitzschke’s review stressed the pros and cons of various steps to combat corruption in a peace process, while the International Institute for Democracy and Electoral Assistance (International IDEA) recommended ways to ensure a lasting peace agreement by combating corruption and maladministration with accountable and transparent governing institutions.¹⁶ The UN Development Program and the Charles Michelsen

as being self-motivated and ineffective. OECD recommends making bribery illegal for nationals of countries party to OECD agreements. This makes the agreements one-sided and focused on the supply-side of bribery. Others argue that these types of agreements will merely weaken opportunities for those who abide by OECD guidelines while those who don’t will continue to take advantage. Remarks by Prof. Mark Pieth, Chairman of the OECD Working Group on Bribery, 8th International Anticorruption Conference, Lima, Peru, 7–11 September 1997, www1.transparency.org/iacc/8th_iacc/papers/pieth.html.

¹¹ USAID, *USAID Anticorruption Strategy*, 22.

¹² *Ibid.*, 23. USAID is criticized for focusing too much attention on lower level corruption and less on grand corruption. See Francis Hutchinson, “A review of donor agency approaches to anticorruption,” The Australian National University, Discussion Papers, February 2005, 6–7. The article is available at: www.crawford.anu.edu.au/degrees/pogo/discussion_papers/PDP05-3.pdf.

¹³ Fredrik Galtung, “Introduction: the Corruption Dimension of Post-War Reconstruction,” in Daniel Large (ed.), *Corruption in Post War Reconstruction: Confronting the Vicious Circle* (Seoul: TIRI, January 2005), 12–13. <http://tiriweb.tiri.org/forums/attachment.php?attachmentid=133&d=1140440025>.

¹⁴ Madalene O’Donnell, “Postconflict Corruption: A Rule of Law Agenda?” in Agnes Hurwitz and Reyko Huang (eds.), *Civil War and the Rule of Law* (Boulder, CO: Lynne Rienner, forthcoming May 2007).

¹⁵ Kaysie Studdard, “War Economies in a Regional Context: Overcoming the Challenges of Transformation,” IPA Policy Report (New York, NY: IPA, March 2004); Heiko Nitzschke, “Transforming War Economies: Challenges for Peacemaking and Peacebuilding,” in Proceedings of the 725th Wilton Park Conference in association with the International Peace Academy, Wiston House, United Kingdom, 27–29 October 2003 (New York, NY: IPA, 2003).

¹⁶ Nitzschke, “Transforming War Economies”; Carlos Santiso, Peter Harris, and Davis Bloomfield, *Democracy and Deep Rooted Conflict* (Stockholm: International IDEA, 1998). Chapter 5, “Sustaining the Democratic Settlement,” mentions fighting both corruption and maladministration (incompetence or weakness of public administration), 362–363. See also www.idea.int.

Institute focused on creating good governance in post-conflict settings, in part by fighting corruption.¹⁷ Philippe Le Billon argued that, in some cases, corruption can be initially stabilizing and that fighting it could actually risk a return to violence. Le Billon also emphasized, however, that corruption always has debilitating long-term effects and thus cannot play a part in building sustainable peace.¹⁸

An important part of the literature focused on the potentially corrupting effects of large amounts of international aid. The contributors to *Corruption in Post-War Reconstruction*, for example, highlighted four ways in which aid can contribute to the problem: the necessity to spend aid money quickly in order to speed up reconstruction; the ensuing boom in construction of public and private infrastructure; the problem of weakened public administration; and the related lack of oversight and coordination between projects.¹⁹

Comparing and Summarizing the Literature

The large number of structural and procedural issues pertinent to corruption in post-conflict settings required a certain amount of qualitative data reduction before we could attempt to build a coherent consensus narrative of either the problem or how to fight it. As a first step, therefore, we developed three spreadsheets in which were listed by row all of the factors that authors argued contributed to corruption or its mitigation. Each column represented a report or article reviewed. Cells were marked with an X where a report stressed a particular factor; with a C (“conditional”) if the report expressed reservations about its importance or efficacy; and, in the corruption mitigation spreadsheet, with an R (“risky”) for factors thought to pose a risk of backlash or other unintended negative consequences. The matrix let us tabulate the frequency with which any given factor was mentioned in the literature that we reviewed, and whether it was evaluated consistently. Frequency of mention is not an intrinsic measure of importance but it does indicate what some of the most prominent experts in the field pay the most attention to. The spreadsheets and the column tabulating frequency of mention may be useful to policy makers interested in quickly assessing the dominant thinking in the field.

The first spreadsheet emphasized factors by which conflict contributes to corruption, grouped under four categories of our own devising:

- *structural* opportunities for corruption;
- *administrative* weakness of government;
- *continuation* of war-time structures of influence; and
- *spoiler*-specific factors (individuals or groups who have profited from illicit war-time trade and wish to maintain postwar profits).

The second spreadsheet emphasized factors by which continuing corruption can lead to increased grievances and possibly re-emergence of conflict. We grouped factors into six categories:

¹⁷ UN Development Program and Chr. Michelsen Institute, “Governance in Postconflict Situations: Lessons Learned,” Bergen Seminar Series, 2004.

¹⁸ Philippe Le Billon, *Fuelling War or Buying Peace*, 8–9; email correspondence, 16 November 2006.

¹⁹ Galtung, “Introduction: The Corruption Dimension of Post-War Reconstruction,” in Large (ed.), *Corruption in Post-War Reconstruction*, 14–17.

- compromised integrity of government;
- psychology of corruption;
- corruption-related instability;
- cronyism-generated grievances;
- spoiler incentives to disrupt peace (e.g., belligerent groups who do not wish to relinquish their war-time incomes, or warlords wishing to remain in positions of power); and
- conflict recycling (e.g., failure to meet popular expectations because aid has been diverted from intended ends).

The first step in analyzing best practices in fighting corruption was creating a comparable spreadsheet for tabulating recommendations. We categorized recommendations in the literature as:

- implementing *basic tools and principles*;
- creating a *corruption-fighting environment*;
- gaining *cooperation of international actors*; and
- improving *state capacity to generate legitimate revenue*.

The World Bank uses five categories to group corruption-fighting factors, which we borrowed:

- improving public sector management;
- institutional restraints on power;
- increasing political accountability;
- increased participation of civil society; and
- creating a competitive private sector.

The spreadsheets helped us review systematically the various factors and preferences expressed in the literature. They were not so helpful for depicting the ways in which the problem areas related to one another or how preferred solutions interacted or should be sequenced, however.

To remedy this, we built two flowcharts, one showing the interconnectedness of issues underpinning post-conflict corruption, and another showing the various elements of recommended anticorruption strategies. The charts display the relationships amongst what seem—from our review—to be some of the key variables and processes that encourage corruption and those that promote its containment. Seen from on high—the perspective of the charts—an effective anticorruption strategy is very similar to a comprehensive peace and state-building strategy: many elements are interactive, and isolated efforts may be doomed to failure. Such a structure suggests that many different actors—international and local, official and unofficial—need to play a role in fighting corruption and that they need to be at least cognizant of and, ideally, supportive of, one another’s efforts, if only informally.²⁰

²⁰ Ben W. Heineman, Jr. and Fritz Heimann, “The Long War Against Corruption,” *Foreign Affairs*, May–June 2006, republished in *The New York Times*, 8 June 2006.

Although both charts appear complex, they are quite simplified versions of the environments with which practitioners must actually cope. Section 2 of this study presents and provides a narrative for the corruption networking diagram. Section 3 presents and narrates the corruption mitigation flowchart.

A Pilot Anticorruption Program: Liberia

Determining generic best practices is one thing; applying them is something else. While there are numerous ongoing efforts to rebuild institutions in post-conflict settings and a similar number of efforts to ensure that these institutions are not corrupt, we were unable to find a country where these efforts had made enough progress to fully assess their success. However, because of the intense international efforts to create a transparent, effective, and fair government in Liberia, that country is a good illustrative case in progress and is therefore the subject of Section 4. It is important to remember, however, that Liberia has received an unusual amount of support from the international community, that these efforts remain in their early stages, and that steps taken in that country may not be replicable elsewhere.

Our concluding Section 5 returns to the five key nodes described in Section 2, to examine how the recommended steps contribute to dissolving these nodes and breaking the conflict–grievance–corruption cycle.

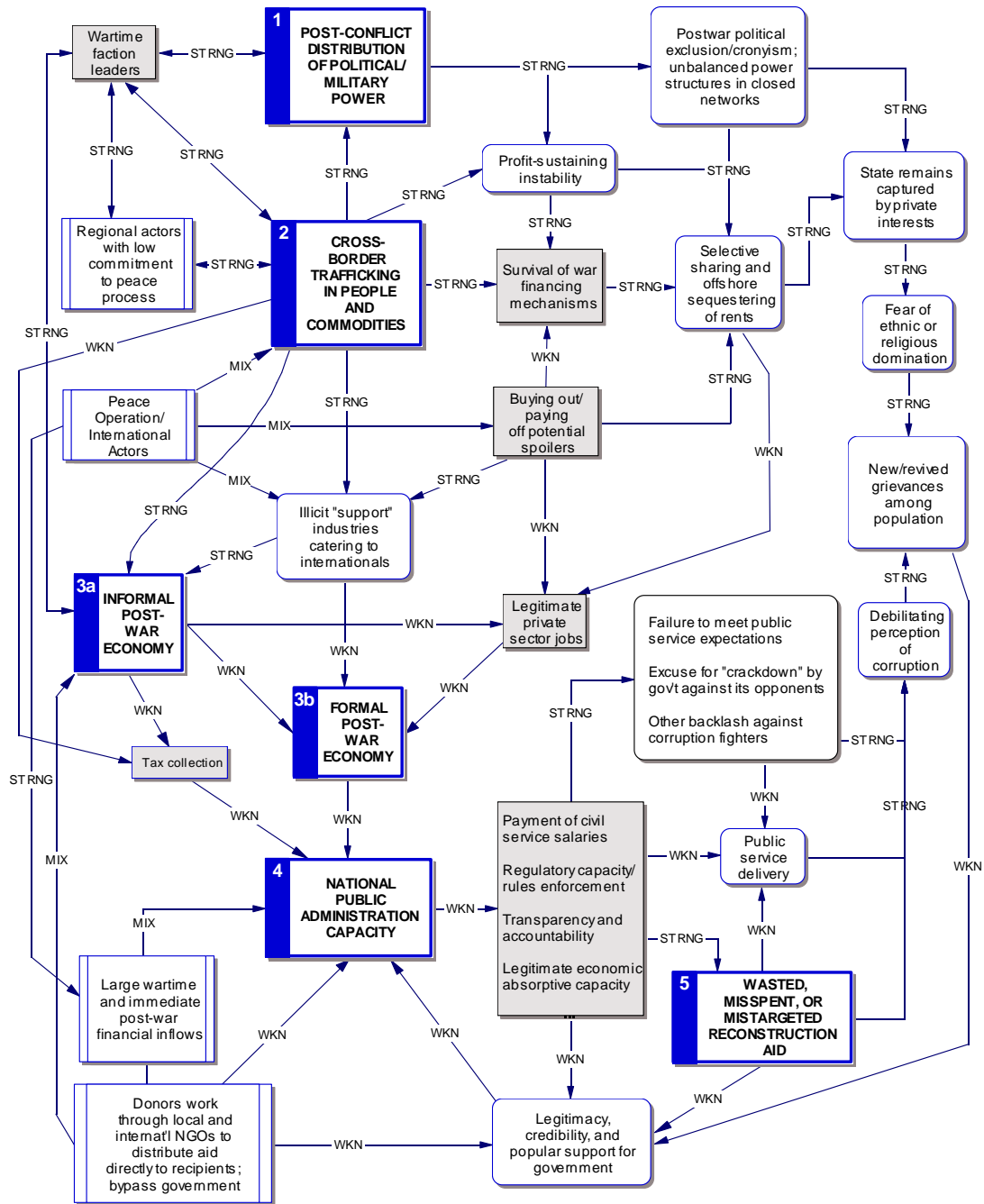
MAPPING CORRUPTION AND CONFLICT

Close review of the literature suggests that corruption in post-conflict states is different from, and likely harder to manage than, corruption in countries not recently ravaged by war. First, war has contributed to the creation of structures of power and influence inimical to the rule of law. Poorly-policed borders encourage cross-border trafficking that fuels these structures, feeds the informal economy, weakens the legitimate economy, and cuts customs revenues and thus the state's ability to provide public services or pay public servants. Weakened public institutions encourage petty corruption as unpaid or underpaid civil servants try to survive. Finally, international relief, development, and peacekeeping personnel, with their large operating and aid budgets, create problems for the host country even as they move to implement solutions to the country's most severe post-conflict problems. In short, war creates the ideal climate for corruption as the law and the institutions created to enforce it break down and are replaced by their evil twins. Postwar settings often sustain that climate, despite the best intentions of international aid providers.

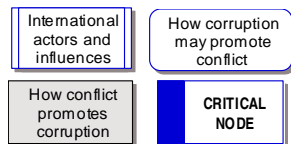
Our goal was to identify key nodes or points of convergence on which corruption fighters might focus. We identified five:

- *the post-conflict distribution of political and military power* whose structures are carried over from war-time (node 1);
- *illicit cross-border trafficking in people and commodities* (node 2);
- an informal, black market economy that is stronger than the open economy (nodes 3a, *informal post-war economy*, and 3b, *formal post war economy*);
- a weakened, delegitimized, or nonexistent *national public administration* (node 4); and
- the actions of international agencies and personnel—some well-intentioned, others less so (node 5, labeled '*wasted, misspent or mistargeted reconstruction aid*' in the chart).

Fig. 1: Mapping Corruption and Conflict



KEY to symbols



Key to connecting lines

- * Single arrowhead posits causal influence.
- * Line labels:
 - "STRNG" = strengthens or reinforces target.
 - "WKN" = weakens or diminishes target.
 - "MIX" = ambiguous relationship.
- * Double arrowheads suggest two-way causality (feedback loop).
- * No arrowheads indicates correlation but not causality.

Figure 1,²¹ “Mapping Corruption and Conflict,” is designed to tell a story that can be read roughly from upper left (postwar power politics) to lower right (negative impacts of international assistance). Time generally flows left to right, although some relationships loop back (smuggle out diamonds, smuggle in people or guns; rinse; repeat). There are four types of boxes in the chart relating to (1) international actors; (2) the corruption-promoting elements of conflict; (3) the conflict-promoting elements of corruption; and (4) the critical nodes themselves (see “Key to Symbols”). Influence relationships are indicated by the connecting lines and either strengthen (STRNG) or weaken (WKN) the target symbol. Some relationships do both: these are labeled MIX and many of these relate to the international community’s activities. The direction of the arrowheads on the connecting lines indicates the direction of causality or influence; double arrowheads indicate two-way influence: a feedback loop.

At first glance, note how many feedback loops in Figure 1 work to strengthen the first and second nodes, and that the international impacts on these nodes and their networks are “mixed,” with some good effects and some bad. Nodes 1 and 2 in turn strengthen node 3a, the informal economy, while that economy, and the illicit industries within it that cater, in part, to the international presence, together tend to weaken the formal economy, undermine legitimate private sector jobs, and weaken the legitimate government’s tax base and revenue stream. National public administration is weakened not only by reduced tax collection as economic activity goes “informal” but by some other actions of the international community. By not changing war-time habits of channeling aid around the government to international and local non-governmental organizations (NGOs), aid providers may undercut the financial base, legitimacy, and popular support for the national government, in a feedback loop that iteratively reduces government regulatory capacity, absorptive capacity, and public service delivery, encouraging the very waste and misdirection of aid that end-running was intended to reduce. In short, in post-war environments, the agents of entropy and violence have much more going for them than do the agents of order and peace. In such an environment, how the international community uses the resources at its disposal—how much of the “mix” in their relationships with local people and authorities favors reform, restructuring, and rebuilding of legitimate local capacity, public and private—can be critically important.

CONFLICT/CORRUPTION NODE 1: POST-CONFLICT DISTRIBUTION OF POLITICAL/MILITARY POWER

Various factions—including factions within the government—can use a degraded war-time law enforcement environment to build supportive networks that finance their causes or just line their pockets. After war ends, these networks continue to operate and, unless disbanded, can severely undermine efforts to implement a just and stable peace. In Bosnia, war-time black market networks transformed into “political criminal networks involved in massive smuggling, tax evasion, and trafficking in women and stolen cars.”²² The cronyism and corruption that such

²¹ To view the figure in PDF format, see www.stimson.org/fopo/pdf/Figure_1_Mapping_corruption_and_conflict.pdf.

²² United States General Accounting Office, “Bosnia: Crime and Corruption Threaten Successful Implementation of the Dayton Peace Agreement,” Statement of Harold J. Johnson, Associate Director, International Relations and Trade Issues, National Security and International Affairs Division, 19 July 2000, 2.

cartels may underwrite can in turn generate new grievances and block their peaceful resolution, such that the country eventually turns again toward violent conflict.

War-time power structures and relationships that consolidate into a post-war government may be particularly prone to corrupt the post-war political context.²³ As part of transitional arrangements for the Democratic Republic of the Congo (DRC), the president was initially joined by four vice presidents, most representing a former rebel group.²⁴ The National Transitional Government for Liberia (NTGL) established by the peace agreement of 18 August 2003, similarly allocated seats in the temporary national legislature to the combatant factions, and apportionment of ministerial positions was to be negotiated amongst the signatories—the combatant factions’ leaders. By March 2004, the ministers had largely been confirmed but allocation of 88 sub-ministerial positions remained a matter of dispute, in part because the members of armed factions who had “replaced” the government officials who fled the earlier violence were “reluctant to step down.”²⁵

Although a power-sharing arrangement may be the only feasible way of negotiating past a political-military stalemate, it may also distribute the dividends of peace rather more narrowly than required for effective national reconstruction and reconciliation, sustaining “capture” of the state by particular private interests. Former war-time networks can become peacetime political parties that promote political exclusion or particularistic agendas. In Bosnia, nationalist politicians rose to power (or remained in power) under the terms of the Dayton Accord and international aid agencies were forced to contract with them. The politicians themselves set conditions on the aid and chose which projects to work on first.²⁶

If dominant parties are ethnically or religiously based, non-members may rightly fear political domination by a group at best indifferent and at worst hostile to their welfare. Such unbalanced power structures and their closed networks, sharing state resources selectively, can generate grievances among the excluded or less well-served. Iraq since 2005 is an example of how sectarian-dominated government agencies can actively generate grievances, going beyond mere misdistribution of rents to become organized killing machines.²⁷

The selective sharing and large-scale foreign sequestration of rents—tax revenues, portions of international aid, and cuts from illegal resource exploitation and export—are the hallmarks of “grand corruption.” Indeed grand, corruption almost requires an international dimension.²⁸

²³ Kaysie Studdard, “War Economies in a Regional Context: Overcoming the Challenges of Transformation,” IPA Policy Report (New York, NY: IPA, March 2004).

²⁴ International Crisis Group, “The Congo’s Transition Is Failing: Crisis in the Kivus,” Africa Report no. 91, 30 March 2005.

²⁵ “Comprehensive Peace Agreement Between the Government of Liberia and the Liberians United for Reconciliation and Democracy (LURD) and the Movement for Democracy in Liberia (MODEL) and Political Parties, Accra, Ghana, 18 August 2003, Articles XXIV–XXVI. United Nations, *Report of the Secretary-General to the Security Council on Liberia*, S/2003/875, 11 September 2003, para. 15.

²⁶ Vera Devine, “Corruption in Post War Reconstruction: The Experience in Bosnia and Herzegovina,” in Large (ed.) *Corruption in Post-War Reconstruction*, 4–5.

²⁷ Solomon Moore, “Killings by Shiite Militias Detailed,” *The Los Angeles Times*, 28 September 2006. Steve Negus, “Corruption is fuelling Iraqi conflicts,” *The Financial Times*, 16 November 2006.

²⁸ Such corruption has occurred in Iraq in the awarding of reconstruction contracts. Because of the growing counterinsurgency in Iraq and the rising death toll due to wanton sectarian violence, we do not consider Iraq a post-

CONFLICT/CORRUPTION NODE 2:

CROSS-BORDER TRAFFICKING IN PEOPLE AND COMMODITIES

Leaders may be reluctant to fight corruption if under the table distribution of resources is what helps keep them in power. That in turn makes control over high-value commodities a major political objective.²⁹ As noted by the UN Group of Experts for the DRC, “as long as an ounce of refined gold fetches over \$400 while a used Kalashnikov firearm can be bought for less than \$40, the incentives to acquire control over the Congo’s resources by violent means will be overpowering.”³⁰ Those whose power depends on the flow of such resources may have little interest in their country returning to law-abiding stability.

War-financing networks are almost always regional or global in nature. Liberian, Angolan, and Sierra Leonean warlords did not accumulate their gains from trading in the local commodities market; rather, they linked up with regional supporters and linked outward to global markets. Diamonds dug out of Sierra Leone were exported through Charles Taylor’s Liberia; gems and other minerals dug out of the DRC found their way to officials in Uganda and Rwanda and thence to international export markets. Sometimes international dealers show up in-country to buy uncut gems, launder them through neighboring states, and channel them into legitimate wholesale markets. United Nations reporting on this subject has frequently implicated neighboring government officials and leaders not only in the illicit commodities trade but in the corresponding inflows of weapons that sales of such commodities finance.³¹

Anarchy, of course, prompts low-level efforts to control revenue-generating assets. Somali warlords heading informal local administrations levied “taxes” and other fees at seaports, airports and road checkpoints and issued “permits” to foreign fishing fleets that operate in Somali coastal waters. Fees reached \$150,000 per year, per boat.³² Soon after its forces took control of diamond-rich provinces in the DRC, Ugandan diamond exports increased six-fold, from \$203,000 in 1997 to about \$1.3 million in 1998. (Ugandan army involvement in the Congo war began in August

conflict state. For more on ongoing corruption in Iraq and its reconstruction see Philippe Le Billon, “Corruption, Reconstruction and Oil Governance in Iraq,” *Third World Quarterly*, vol. 26, no. 4-5, 2005, 685–703. See also audit reports from the Special Inspector General for Iraq Reconstruction, including “Interim Report on Inappropriate Use of Proprietary Data Marking by the Logistics Civil Augmentation Program Contractor,” SIGIR 06-035, 26 October 2006, www.sigir.mil/reports/pdf/audits/06-035.pdf. The Inspector General’s website has additional reports of such corruption, www.sigir.mil/Default.aspx.

²⁹ Emil Bolongaita, “Controlling Corruption in Postconflict Countries,” Occasional Paper no. 26, Kroc Institute, University of Notre Dame (South Bend, IN: January 2005), 8; United Nations, *Second Progress Report of the Secretary-General on the United Nations Mission in Liberia*, S/2004/229, 22 March 2004, para. 32.

³⁰ United Nations, *Report of the Group of Experts on the Democratic Republic of the Congo*, S/2006/53, 27 January 2006, para. 114. See also United Nations, *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth in the Democratic Republic of the Congo*, S/2001/357, 27 January 2001, for details on how Uganda, Rwanda, and Burundi, in a system organized by their respective political leaders, systematically pillaged the DRC’s resources to finance their contributions to the fighting in the DRC.

³¹ For a discussion on the role of political leaders organizing conflict-fueling cross-border trafficking in high value commodities, see S/2001/357, paras. 195–212.

³² United Nations, *Report of the Monitoring Group on Somalia Pursuant to Security Council Resolution 1630 (2005)*, S/2006/229, 4 May 2006, paras. 38–48, 71–75.

1998.)³³ Similarly, Uganda's gold exports doubled to roughly 12 tons a year between 1998 and 1999, while its reported domestic gold production remained nil.³⁴

Such connections may survive high-level political change, at least initially. In Liberia, for example, typical revenue from illegal diamond mining still ranged between \$1.2 and \$1.5 million per month in spring 2006, despite the installation of a newly-elected government the previous winter.³⁵

Timber and minerals are not the only commodities trafficked in post-conflict settings. Human beings, primarily girls and women, are frequently tricked or sold into sexual slavery, sometimes by their own financially desperate families. Refugees International cites International Organization for Migration estimates that

500,000 women are trafficked into prostitution operations every year. Women are lured by the promise of better jobs and more opportunities when they leave their country of origin. Once they have arrived in the destination country, many of these women are forced into prostitution as a way of 'paying off their debt,' which includes transportation costs, housing, and food. Much of the money that is generated through prostitution goes directly into the hands of the traffickers, fueling the industry.³⁶

Deployment of a large international peace operation may worsen the situation as soldiers and others bring their libidos with them. According to Refugees International, "the UN High Commissioner for Human Rights in Bosnia has estimated that 30 percent of those visiting Bosnia's brothels were UN personnel, NATO peacekeepers, or aid workers." Other NGO research has suggested that, since 1995, 70 percent of traffickers' income in Bosnia has come directly from peacekeepers.³⁷

Civilian mission leaders may fail to systematically discourage illicit relations with the local population—and they certainly cannot prosecute such behavior.³⁸ Military forces are responsible for their own troops' conduct and only their national governments can exercise criminal jurisdiction over them, through their respective military codes of justice. Culpable international civilians may be subject to administrative discipline or have their legal immunity waived, but most manage to escape the rather weak enforcement capabilities of the host governments where

³³ United States Government Accountability Office, *International Trade: Critical Issues Remain in Deterring Conflict Diamond Trade* (Washington, DC: June 2002) 53.

³⁴ S/2001/357, paras. 98–100 (tables 1 and 2).

³⁵ United Nations, *Report of the Panel of Experts on Liberia*, S/2006/379, 25 May 2006, para. 64.

³⁶ Refugees International, "Conflict, Sexual Trafficking, and Peacekeeping," 8 October 2004, www.refugeesinternational.org/content/article/detail/4146. See also Sarah E. Mendelson, *Barracks and Brothels: Peacekeepers and Human Trafficking in the Balkans* (Washington, DC: Center for Strategic and International Studies, 2005).

³⁷ *Ibid.*

³⁸ United Nations, *A Comprehensive Strategy to Eliminate Future Sexual Exploitation and Abuse in United Nations Peacekeeping Operations*, A/59/710, 24 March 2005, paras. 15–22, 32–35, 41. See also Ray Murphy, "United Nations Military Operations and International Humanitarian Law: What Rules Apply to Peacekeepers?" *Criminal Law Forum*, 14, no. 2, 2003.

most peace operations function.³⁹ Although the UN has borne the brunt of publicity and criticism for the sexual misconduct of its mission personnel, the brothels of Bosnia and Kosovo, including those holding women against their will, were busily frequented by personnel from NATO contingents and other states participating in the non-UN military and police forces posted there.⁴⁰ The picture is not entirely bleak, as international missions with sufficient authority, such as the UN Mission in Kosovo (UNMIK), have taken actions to close, blacklist, or place off limits many establishments known to detain persons against their will. But, as Durch and Berkman noted,

The users of such establishments, the traffickers, and law enforcement investigators are overwhelmingly male and tend to be well-connected locally or with the international community. The victims are overwhelmingly female, foreign to the locale, and have few, if any, local family or community ties. In the cases that Human Rights Watch and Amnesty reviewed, law enforcement tended to fall more heavily on the trafficked than the traffickers, and punishments meted out to traffickers tended to be light given the character and the quantity of the crimes.⁴¹

Complex peace operations historically (and somewhat ironically, given peacekeeping's origins as a border-monitoring tool) have either not been assigned border security functions or turned to them relatively late in their deployments. The UN police mission in Bosnia (UNMIBH), for example, only began training a local border security force four years into its mandate, partly due to local political resistance and partly due to lack of funds (international budgetary support for post-conflict host government institutions, especially police and military, has been much harder to come by than general relief or development funding). As UN reporting observed,

The establishment of the State Border Service has been a difficult and unnecessarily prolonged endeavour. Following the Declaration of the Presidency of Bosnia and Herzegovina adopted in New York on 15 November (S/1999/1179, annex), the draft Border Law received the assent of the Presidency and has now been forwarded to the Parliament of Bosnia and Herzegovina for consideration. However, in view of the history of delay and obstruction caused by vested interests, which profit from the present lack of effective border control, the international organizations in Bosnia and Herzegovina will need to take a firm and united approach in implementing this critical project. On the operational side, UNMIBH and the Office of the High Representative have continued

³⁹ See Kathleen Walsh, "Border Security, Trade Controls, and UN Peace Operations," in William J. Durch (ed.), *Post-Conflict Border Security and Trade Controls in UN Peace Operations* (Washington, DC: The Henry L. Stimson Center, forthcoming).

⁴⁰ Amnesty International, "Boys Will Be Boys: You'd Better Educate Your Girls," in *Protecting the Human Rights of Women and Girls Trafficked for Forced Prostitution in Kosovo*, 6 May 2004, web.amnesty.org/library/Index/ENGEUR700102004. International Crisis Group, "Policing the Police in Bosnia: A Further Reform Agenda," Europe Report no.130, May 2002, 31–32. Human Rights Watch, "Hopes Betrayed: Trafficking of Women and Girls to Postconflict Bosnia and Herzegovina for Forced Prostitution," November 2002, www.hrw.org/reports/2002/bosnia.

⁴¹ William J. Durch and Tobias C. Berkman, *Who Should Keep the Peace?* (Washington, DC: The Henry L. Stimson Center, 2006), 48.

concurrent activities in preparation for the inauguration of the Border Service by 31 December.⁴²

On the other hand, UNMIBH at least did eventually address the border security question, and the first, multiethnic, State Border Service post opened at the Sarajevo Airport in June 2000. The entire border was being policed by 2002, when UNMIBH turned over responsibility for the international police mission to the European Union (EU).⁴³ NATO military forces in Bosnia, meanwhile, tended to keep their focus on separating the two internal parties—the Bosnian Serbs and the Muslim-Croat Federation—rather than focus on who or what was moving across Bosnia's borders. International operations in Bosnia are thus a good example of why the impact of peace operations on cross-border trafficking in Figure 1 is labeled as mixed.

Because states are territorial entities, border control is a fundamental element of state sovereignty. If a combination of political cartels, exportable and importable illicit commodities, cooperative neighboring states, and weak or corrupted border security forces keeps those borders porous, the host state will not regain the revenues it needs to rebuild and sustain itself without international support, as customs excises are among the first and easiest of tax revenue sources to recover as a war-torn state tries to stand up a post-war government.

CONFLICT/CORRUPTION NODE 3: STRONG INFORMAL ECONOMY AND WEAK FORMAL ECONOMY

War-time corruption weakens a country's economy. In Angola, for instance, "the proceeds of oil exports were diverted for personal gain, enabling senior military officers and political leaders to reap additional profits from the war."⁴⁴ In 1999, nearly 20 percent of the country's GDP vanished.⁴⁵

The shortage of legitimate post-war jobs and commerce contributes to the preservation or proliferation of the informal economy long after fighting has ended, especially when legitimate alternatives are neither immediately obvious nor nearly as lucrative. A continued state of "survival informality," where the government still fails to provide even basic services, may eventually generate destabilizing grievances—especially if there has been a large influx of international aid—because the population expects both resumption of public services and better personal economic opportunities.

Smuggling is of course just one element of the informal economy that tends to overtake the taxable, law-based formal economy in war-time. But when commodities are trafficked, the government loses a major source of revenue. In Sierra Leone, for example, the government

⁴² United Nations, *Report of the Secretary-General on the UN Mission in Bosnia and Herzegovina [UNMIBH]*, S/1999/1260, 17 December 1999, para. 8.

⁴³ United Nations, *Report of the Secretary-General on UNMIBH*, S/2000/239, 2 June 2000, para. 60; see also UN Department of Peacekeeping Operations, "Bosnia and Herzegovina—UNMIBH," www.un.org/Depts/dpko/missions/unmibh/docs.html.

⁴⁴ Peter Eigen, "Corruption in a Globalized World," *SAIS Review*, vol. 22, no. 1, Winter–Spring 2002, 53.

⁴⁵ Arvin Ganesan and Alex Vines, "Engine of War: Resources, Greed, and the Predatory State," *Human Rights Watch World Report*, 2004, www.hrw.org/wr2k4/14.htm, 4.

collected customs duties on only five percent of its diamond exports in 2003.⁴⁶ Experts estimate that trafficking in Liberian timber over the past 20 years of instability was so widespread that the government collected less than 15 percent of the taxes and fees due on its timber exports. (Pitsawing of timber—nominally illegal in Liberia since September 2000—remained widespread as late as mid-2006, such that the Liberian Forest Development Agency opted to informally sanction and tax “approximately 1,000 pitsawyers, many of whom are ex-combatants, working in roughly 200 areas.”⁴⁷) The government also collected less than 20 percent of what it should have received in petroleum import fees.⁴⁸ In the DRC, the Group of Experts found that customs officials in the Ituri District, in the far northeast region bordering Uganda, remitted \$28,000 in customs receipts to the Central Bank in the first ten months of 2005, less than one percent of the revenues that close observers believe should have been generated at six district border crossings. Some of the missing revenues were most likely used to establish a new militia group, whose leaders resided in Uganda. When the Central Bank sent a commission of inquiry to audit their books, the Ituri customs inspectors hired armed goons to threaten the commissioners.⁴⁹

Also in the DRC, the US NGO Innovative Resources Management found, when traveling by river across the country to Kinshasa in mid-2006, that illegal fees on the river were still prevalent. Each boat, at different points on the Congo River, was asked by government officials to pay \$100–\$150 per port or a total of \$1,500–\$2,000 per trip in each direction.⁵⁰ This is a huge amount when average per capita income in the DRC is just \$120, even when adjusted for purchasing power parity.⁵¹

While foreign direct investment (FDI) can be an important component of the formal economy’s recovery, international companies may be reluctant to invest in unstable environments and those willing to do so can contribute to the corruption problem. As of this writing, international companies are investing in the DRC because it has 34 percent of the world’s cobalt and 10 percent of its copper. Given that the price of copper has quadrupled since 2001 and the price of cobalt has also been on the rise, large profits are to be made and companies are willing to operate despite the risks.⁵² Because they want to operate there, Indian and Chinese companies reportedly have been making consistent payments to officials who monitor the mining process. Depending on their level, officials get \$500 to \$1,000 a month. Since officials only get paid their government salaries sporadically, if at all, these payments are a huge source of income. Depending on the

⁴⁶ International Crisis Group, “Liberia and Sierra Leone: Rebuilding Failed States,” Africa Report no.87, 8 December 2004, 4.

⁴⁷ S/2006/379, para. 24. “Pitsawing processes logs into lumber in the forest, facilitating illegal exports because sawn boards are easier to smuggle than round logs. In traditional pitsawing, a log, hewn square, is placed over the pit. The sawyer, standing atop the log, pulls the saw up while the pit man pulls it down. In a long day, they would usually saw 12–14 boards. With chainsaws, it is a faster, one-person job.” See www.lumbermuseum.org/logger4.cfm.

⁴⁸ S/2006/379, paras. 25, 102. Most UN Panels of Experts reports detail such shortfalls in government revenue.

⁴⁹ S/2006/53, para. 52.

⁵⁰ Michael Brown, Philippe Ngwala, Albert Songo and Leonard Wande, “Innovative Resources Management Final Report, Combating Low-level Corruption on the Waterways in the Democratic Republic of Congo: Approaches from Bandundu and Equateur Provinces,” 1 October 2004, www.irmgt.com/pdf/Final%20GW%20Tracasseries%20Paper%20October%2010-04.pdf

⁵¹ For economic data, see devdata.worldbank.org/AAG/zar_aag.pdf. See also Global Witness, “Digging in Corruption: Fraud, Abuse, and Exploitation in Katanga’s Copper and Cobalt Mines,” (London: July 2006) 14–15. See www.globalwitness.org/media_library_detail.php/154/en/digging_in_corruption

⁵² Global Witness, “Digging in Corruption,” July 2006, 13.

amount of the bribe, the government employees are receiving anywhere between six and ten times their nominal monthly salary. These DRC government employees therefore essentially become corporate employees as well. As Global Witness notes, “such a situation can easily create divided allegiances, internal conflict within government departments and the security forces, and ultimately a potential for instability.”⁵³

CONFLICT/CORRUPTION NODE 4: WEAKENED OR NONEXISTENT PUBLIC ADMINISTRATION

When former war-time leaders are focused on pillaging peacetime resources, public administration suffers. Indeed, salaries may have been paid irregularly for so long that civil servants subsist on bribes. Government employees who are not paid will not be interested in doing their jobs properly, will be easily persuaded to look the other way for cash, and will have no interest in transparency measures, let alone strict accountability for public funds, projects, or services. A post-war public administration also more than likely entails a weak or politically co-opted police force and a judicial system that hampers the enforcement of government regulations, including anticorruption measures.

Habits of corruption can be hard to break. An International Crisis Group report found, nearly seven years after the Dayton Accords, that despite years of vetting and weeding out of the worst offenders by the UN police mission in Bosnia, the local police remained corrupt and showed favoritism to their particular ethnic groups. In one canton, around 300 police officers reportedly were “paid to ‘stay at home’ but in reality function[ed] as a parallel police force.”⁵⁴ Corrupt police misused procedures, failed to cooperate with prosecutors, gave false or conflicting testimony in court, and intimidated judges and witnesses. In one Bosnian canton, up to 20 percent of criminal cases were simply abandoned because the police failed to investigate them in time for prosecution.⁵⁵

In the area of the DRC controlled by rebel group RCD-Goma (Rassemblement Congolais pour la Démocratie)⁵⁶ from late 1998 onward, the group created a fiscal system that taxed production of coltan, gold, and diamonds, receiving \$1 million a month just from the company that had a monopoly on coltan production.⁵⁷ “Informal” miners in the DRC, three years after the war nominally ended, still needed to pay bribes at the mine entrance and exit, along roads, and at checkpoints and border crossings. The money, collected by government officials, went in their pockets and not toward the government’s capacity to provide services. Moreover, the RCD’s “alternative administration” appeared not to have been dismantled, continuing to collect revenues from the now doubly taxed inhabitants.⁵⁸

⁵³ *Ibid.*, 17.

⁵⁴ International Crisis Group, “Policing the Police in Bosnia,” 10.

⁵⁵ *Ibid.*, 12–13.

⁵⁶ The Rassemblement Congolais pour la Démocratie (RCD) is a coalition of rebel groups created in 1998 to overthrow then-President Laurent Kabila. A short overview of the movement can be found at www.globalsecurity.org/military/world/para/rcd.htm.

⁵⁷ S/2001/357, para. 144.

⁵⁸ Global Witness, “Digging in Corruption,” 14–15.

Corruption may also prevent the government from delivering all the subsidies it has promised to crucial economic sectors. In Côte d'Ivoire, the world's largest cocoa producer, the government had announced 3 billion CFA (\$5.8 million) worth of government subsidies to coffee and cocoa producers. According to press reports, however, several of the fund's administrators made off with 120 million CFA (\$234,000). Cocoa and coffee associations, each of which was entitled to 4 million CFA (\$7,800) in subsidies, saw that money disappear.⁵⁹

In Sierra Leone, Freedom House reported that despite improvements in Freetown's court systems, courts outside the capital were still encountering problems with enforcement of their decisions. A shortage of well-trained police and supporting equipment and communications hampered the judiciary's ability to function fairly and effectively. The UN peacekeeping mission in Sierra Leone (UNAMSIL) managed to train 4,000 of 9,500 members of the Sierra Leone Police by the time it ended in December 2005. The mission's final report noted, however, that "corruption is reportedly still prevalent in some police units, despite the ongoing efforts to tackle it."⁶⁰

In post-conflict states, the laws required to fight and prosecute corruption may simply not exist, or enforcers may not be familiar with them. They may, as in Bosnia, also contradict each other at the federal, state, and local levels.⁶¹ Judicial officials also may not feel obliged to suddenly implement existing rules if they do not see what can be gained from enforcement, and see all too clearly what may be lost—not just personal graft but personal safety, if the crime behind the corruption is at all organized. But if laws are not enforced, the state loses legitimacy in the eyes of the public. Of course, if laws are enforced unfairly and to the detriment of certain portions of the population, the problem is compounded.⁶²

Campaigns against corruption that are seen as unfair or targeted at particular groups may reduce popular support not just for the government but also for the corruption fighters, who may themselves become perceived as, or indeed may be, corrupt. Thus, a DRC anticorruption commission set up to monitor trade at a border post had to be dismantled in the summer of 2006 when it was discovered that its chairman was charging each shipment of goods going through the post an illegal fee of \$20–50 per shipment.⁶³ In Sierra Leone, few of the cases brought before the Anticorruption Commission set up in 2000 have been prosecuted, perhaps because the attorney general, a political appointee, does not want to weaken the executive branch by highlighting its corruption and failure to comply with new audit requirements.⁶⁴

⁵⁹ "Café-cacao, répartition de la subvention de 3 milliards aux producteurs," *Le Patriote*, Abidjan, 28 July 2006, <http://fr.allafrica.com/stories/printable/200607280093.html>. GDP per capita in Côte d'Ivoire was \$840 in 2005. The loss of such subsidies is therefore significant. For economic data on Côte d'Ivoire, see World Bank Country Profile on Côte d'Ivoire, http://devdata.worldbank.org/AAG/civ_aag.pdf.

⁶⁰ United Nations, *Twenty-seventh report of the Secretary-General on the United Nations Mission in Sierra Leone*, S/2005/777, 12 December 2005, paras. 31–33.

⁶¹ International Crisis Group, "Policing the Police in Bosnia," 11.

⁶² In the DRC, continued corruption still undermines the war-ravaged judicial system. See Joseph Winter, "DR Congo's Justice for Sale," *BBC News*, 23 October 2006, <http://news.bbc.co.uk/2/hi/africa/6056396.stm>.

⁶³ "DRC closes anti-fraud unit for graft," *Business in Africa .net*, 14 July 2006, www.businessinafrica.net/news/central_africa/199379.htm.

⁶⁴ Freedom House, "Sierra Leone Country Report 2006," www.freedomhouse.org/template.cfm?page=22&year=2006&country=7054.

CONFLICT/CORRUPTION NODE 5: WASTED, MISSPENT, OR MISTARGETED RECONSTRUCTION AID

In post-conflict countries, the presence of international peacekeepers and aid providers may contribute to corruption rather than prevent it, owing to the large volumes of cash that follow them into war-ravaged economies.⁶⁵ The economic impact of UN peacekeeping operations has only recently been studied in any depth using data collected from the missions themselves. In several operations where the local economy had been badly depressed, mission spending locally (on average ten percent of the total mission budget) was equivalent to 4–9 percent of local gross domestic product. Roughly half of the average peacekeeping mission’s local economic impact derives from spending of per diems (“mission subsistence allowance”) by mission personnel other than troops in formed units; up to 40 percent derives from a mission’s (legitimate) procurement of goods and services from the local economy; and up to 20 percent derives from the direct hiring of local staff.⁶⁶ The report acknowledged that mission-related corruption was hard to measure, observing that,

The accepted wisdom is that the unregulated local business environment is rife with fraud and that the United Nations risks contributing to the emergence of local mafia by doing business there [but]...the risk of corruption in contracts tendered to international or regional companies was often equal to that of local vendors... The inherent unregulated nature of the post-conflict economies in which DPKO missions operate...make corruption and fraud an important consideration in any procurement related issue. Because of this the missions have developed a broad range of oversight mechanisms to mitigate this risk. These measures, such as the mission based audits by the OIOS or the due diligence procedures undertaken by the mission procurement officers, must be applied with vigilance for both local and international contracts.⁶⁷

In the provision of international assistance, the UK Overseas Development Institute (ODI) has pointed to several potential sources of corruption including donors (who might knowingly twice fund the same project), recipient governments (whose leaders might misappropriate funds or refuse to let organizations operate unless they bribe the relevant officials), and relief providers (who might turn a blind eye to false registration of relatives on a distribution list or theft from a warehouse.) The providers themselves might require bribes from the very people they are supposed to help or might engage in procurement fraud.⁶⁸

The recipient country’s leadership is sometimes at the heart of the problem. Transparency International estimated that Zaire’s dictator, Mobutu Sese Seko, embezzled \$5 billion during his

⁶⁵ Bolongaita, “Controlling Corruption in Postconflict Countries,” 8.

⁶⁶ Michael Carnahan, William Durch, and Scott Gilmore, *Economic Impact of Peacekeeping, Final Report* (Ottawa: Peace Dividend Trust for the UN DPKO Best Practices Section, March 2006), table 2.2.

⁶⁷ *Ibid.*, section 8.2.

⁶⁸ Barnaby Willits-King and Paul Harvey, “Managing the risks of corruption in humanitarian relief operations,” A Study for the UK Department for International Development by the Overseas Development Institute, Humanitarian Policy Group, Final Report, March 2005, 21–22.

30 years in power.⁶⁹ In the late 1990s, up to \$30 billion in aid to Africa went to leaders' foreign bank accounts. Such attitudes tend to trickle down: in Sierra Leone, only 5 percent of medicines distributed by the country's health system reached the proper patients in 2003.⁷⁰

Such examples of grand corruption are not necessarily the fault of careless aid agencies that face a spending imperative; indeed, their perception of leaders' corruption may induce agencies to distribute their aid directly to local recipients, often through NGO field agents. Those who need aid receive it, and less is diverted, but the nongovernmental distributors substitute for the state and the population may continue to view these distributors as more legitimate than the slowly rebuilding institutions of the state, long after the war is over.

The post-Taliban Afghan government attempted, with some success, to increase the amount of foreign assistance that flowed through government channels, initially by creating the Afghan Reconstruction Trust Fund to which donors could contribute. By 2005, the UN Development Program reported that "the aid coordination system is now fully owned and led by the Government, and is used by all international, national and provincial partners in Afghanistan's reconstruction."⁷¹ At the same time, however, Afghanistan's deteriorating security situation tended to overshadow this achievement.

Redirected aid diminishes early postwar government revenue as much as or more than the informal economy and, along with it, the government's ability "to finance the provision of basic goods and services...[undermining] the creation of the 'social contract' necessary for stable and accountable governance."⁷² The underfunded government may cease to be the primary provider not only of emergency food aid but of agricultural assistance, educational and medical infrastructure, and public health (potable water, childhood vaccination). It will not be able to implement a development strategy even if it is capable of creating a good one, because it lacks access to funds. It may also continue to perform poorly in those areas over which it retains control (energy, for example, or public security), further reducing state credibility and legitimacy.

CONCLUDING OBSERVATIONS ON POST-CONFLICT STRUCTURES OF CORRUPTION

Corruption in post-conflict states is a product of several interconnected structures. These structures—our key nodes—either contribute directly to corruption or are badly weakened by it. Deepening corruption can in principle lead to the resurgence or creation of grievances that can, in turn, lead back to violent conflict. Fighting corruption must therefore be a high priority for peacebuilders.

⁶⁹ "Six Questions on the Cost of Corruption with World Bank Institute Global Governance Director, Daniel Kaufmann," see www.worldbank.org/wbi/governance/mediamentions-current.html, undated.

⁷⁰ International Crisis Group, "Liberia and Sierra Leone," 4.

⁷¹ UNDP, Afghanistan, "UNDP-Afghanistan Newsletter," 1 February 2005, www.undp.org.af/media_room/newsletter/docs/english/newsletter_20050201.pdf#search=%22UNDP%20Afghanistan%20coordination%22.

⁷² Peter Harris and Davis Bloomfield, *Democracy and Deep Rooted Conflict*, 10.

Of the key nodes identified, the most important is node 1, wartime structures of political-military influence, which inhibit the government's recovery of legitimacy in the eyes of the population. Illicit cross-border trafficking keeps those structures fueled and funded. It also sustains the black market while undercutting the formal economy and starving the government of the revenues that it needs to pay for effective and fairly-distributed public services. Unpaid or underpaid public officials will fend for themselves and extend the post-conflict culture of corruption, leading international aid and development donors to detour around government, prolonging its incapacity. International presence can and does also organize itself to press for solutions to corruption. Indeed, many of the first steps in the long and complicated process of fighting corruption may need to be taken by outsiders, both as an example to their hosts and to encourage emulation. We now turn to the complex process of fighting corruption in greater detail.

ANTICORRUPTION BEST PRACTICES

This section examines the steps that the literature generally considered necessary to break the conflict-grievance-corruption cycle in various sectors of government and the economy, and discusses the sequence(s) in which they might be taken.⁷³ Before corruption in post-conflict settings can be substantially reduced in any sector, however, three broad requirements must be met.

First, there must be an end to fighting and the establishment of relative security throughout the country. The analysis that follows applies in particular to settings in which fighting has ended in stalemate, rather than victory by one party, and thus has ended with a peace agreement that lays out the post-war rules of the game. Its content will have been crafted in part by the wartime political leaders but may also have been heavily influenced by international mediators and the external leverage that they bring to bear. The discussion also assumes the presence of an internationally-mandated peacekeeping force to assist with peace implementation. That is, it assumes that international assistance involves not only money and goods, but some level of initial armed security presence. Applying the best practices outlined below would be more difficult without such a presence.

Second, there must be local leadership determination (“political will”) to combat corruption. Corrupt leaders can undermine anticorruption efforts, sending signals down the line that getting “a little something” extra for providing public services is OK, as are stalling investigations or arresting journalists who expose corrupt practices.⁷⁴ On the other hand, top-level support tells mid- and lower-level officials to take anticorruption efforts seriously. Transparency measures that document the proper use of public resources by top leadership will undermine lower-level officials’ rationalizing their own misuse of funds on the basis that taxes, fees, and other revenues collected locally would simply be stolen at higher levels anyway. High-level political will to battle corruption is thus a necessary step toward creating a culture of professionalism and integrity within public service.

Third, the public must be invested in the fight against corruption, moving beyond the cynicism and passivity that many years of war and experience of graft may have inculcated. In the DRC, for example, the typical reply to a World Bank survey question, “If the state were a person, how would you interact with him?” was “Kill him.”⁷⁵ In cases like the DRC, only a long period of good counter-examples will earn back public trust lost by decades of massive corruption. The public must also do more than observe: it must make clear to the leadership that corruption is not

⁷³ Contested recommendations are discussed following the sector by sector reviews of best practices. This section reflects the prevailing consensus in the literature reviewed.

⁷⁴ The World Bank, *Helping Countries Combat Corruption* (Washington, DC: World Bank, June 2000), 4.

⁷⁵ Quoted in International Crisis Group, “Escaping the Conflict Trap: Promoting Good Governance in the Congo,” Africa Report no.114, 20 July 2006, 4.

acceptable and must have the tools needed to make its views known and enforceable. When public expectations change, based on observations that official behavior has changed, trust in the government can progressively be (re)built. This kind of trust, many of our sources argue, is the final intangible requirement for fighting and beating corruption in post-conflict states. The paradox is that corruption must be fought early on, and trust takes time to build. In jump-starting the initial fight, the international community therefore has a major role to play. In this section, we emphasize its potential positive role in each major sector of the anticorruption battle.

To better visualize the consensus of anticorruption best practices as drawn from the literature review, we created a second flowchart, depicting the steps necessary to combat corruption. This section offers a narrative description of these steps.

Although the authors that we reviewed disagree about the effectiveness of various anticorruption steps and about their specific sequencing, there seems to be a fairly broad consensus about how to proceed. Our depiction of that consensus, in both chart and narrative form, suggests that an anticorruption strategy contains a lot of what is needed to build legitimate, self-sustaining, self-governance; it resembles, in other words, a broad peacebuilding strategy, although it is not our goal to prescribe either the ideal post-conflict governance model or the ideal approach to state-building. The measures described here could underpin a number of political systems, as long as they shared the key characteristics of integrity, effectiveness, transparency, and legitimacy.

A COMPOSITE ANTICORRUPTION STRATEGY FOR POST-CONFLICT STATES WITH OUTSIDE SUPPORT

A first glance at Figure 2⁷⁶ suggests a more orderly process for fighting corruption than the process of corruption depicted in Figure 1. Although it may appear orderly, underlying it is a requirement for near-simultaneous progress across several sectors of society, because so many sectors influence one another, and therefore a requirement for coordination across sectors that is too complex to portray in one fixed chart that still requires two pages to lay out. Moreover, we remind readers that Figure 2 remains a generic simplification of reality, one that will differ in its details from country to country.

Like Figure 1, Figure 2 can be read roughly from top to bottom and left to right. Earlier corruption fighting steps are to the left and ultimate goals to the right; in between is a sequence of intermediate actions and results. The chart is segmented by sector, with closely-related sectors adjacent to one another. Some intermediate actions may connect with multiple sectors. Only the most significant interconnections are drawn. The final outcome is an environment that incorporates and supports eight interrelated elements of good governance. These are shown against a common background that represents the complex cause and effect relationships among them, in lieu of actually drawing in the multiple, overlapping ties that bind them together. They in turn promote and are reliant upon consistent and comprehensive internal enforcement of anticorruption laws and regulations, with clear consequences for violators. These eight elements are:

⁷⁶ To view Figure 2 in PDF format, see www.stimson.org/fopo/pdf/Figure_2_Anticorruption_Best_Practices.pdf.

- A trustworthy, legitimate, and effective criminal justice system with an independent judicial branch;
- A transparent and accountable political process;
- Significantly reduced incidence of cronyism and nepotism;
- Stronger and more capable public administration;
- Political leaders with a legitimate claim to authority;
- Government accountability to public opinion;
- Sustainable and legitimate government revenue stream; and
- Effective government regulation and stimulation of a market economy.

These elements correspond roughly to the anticorruption sectors depicted at the left of the chart, but the correspondence is not one-to-one because of the cross-connects between sectors.

The first steps toward combating corruption in a post-conflict setting are most likely to be taken by or at the behest of the external actors (international organizations, NGOs, or bilateral national donors) working in the country. These actors may be working according to guidelines published by the World Bank, the UN Office on Drugs and Crime (UNODC), or the OECD, or may be following national legislation.⁷⁷ As the process moves along, the external actors, the host government, the public, the media, and the market will all have a role in promoting and enforcing the new anticorruption policies and practices. All along, the international community should be working to build the state's institutional capacity so that it grows to rely solely on its own internal monitoring and enforcement mechanisms.⁷⁸ Because of the complex nature of a robust anticorruption effort, an extended commitment to the program from all parties, external and internal, is needed.

Meeting anticorruption objectives requires that multiple sectors of a country's government and economy be effectively reformed and, if not reformed, then effectively engaged. These sectors include:

- the criminal justice system;
- legislative and political institutions;
- civil service;
- elections;
- civil society and media;
- public finance; and
- the private sector economy.

⁷⁷ World Bank, *Helping Countries Combat Corruption*; United Nations Office on Drugs and Crime (UNODC), "Anticorruption Resource Guide" (New York, NY: United Nations, 9 December 2004), see www.unodc.org/pdf/9dec04/resourceguide_e.pdf; OECD, *The DAC Guidelines: Helping Prevent Violent Conflict* (Paris: OECD, 2001); USAID, *USAID Anticorruption Strategy*.

⁷⁸ World Bank, *Helping Countries Combat Corruption*.

Fig. 2: Anticorruption Best Practices

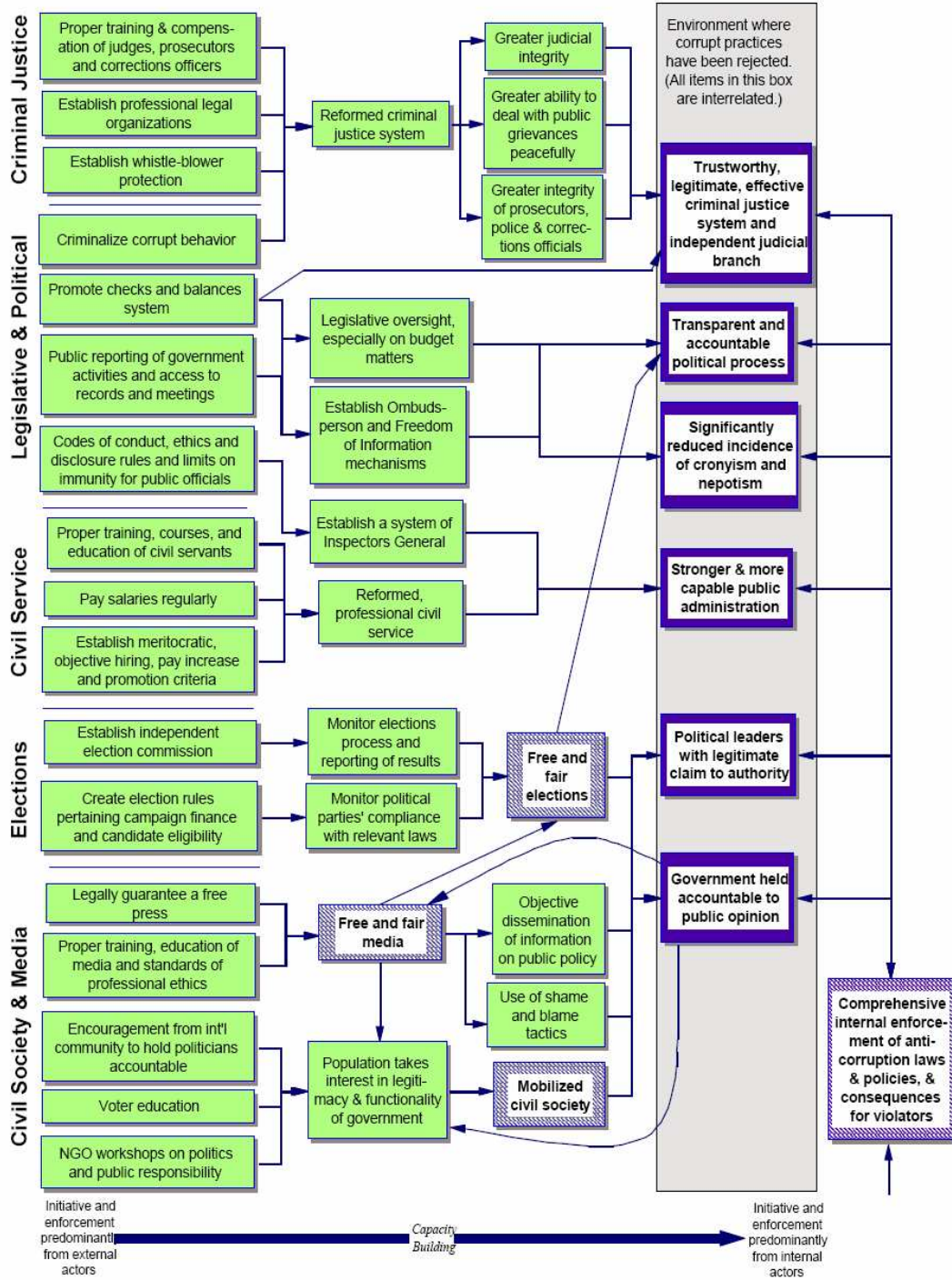
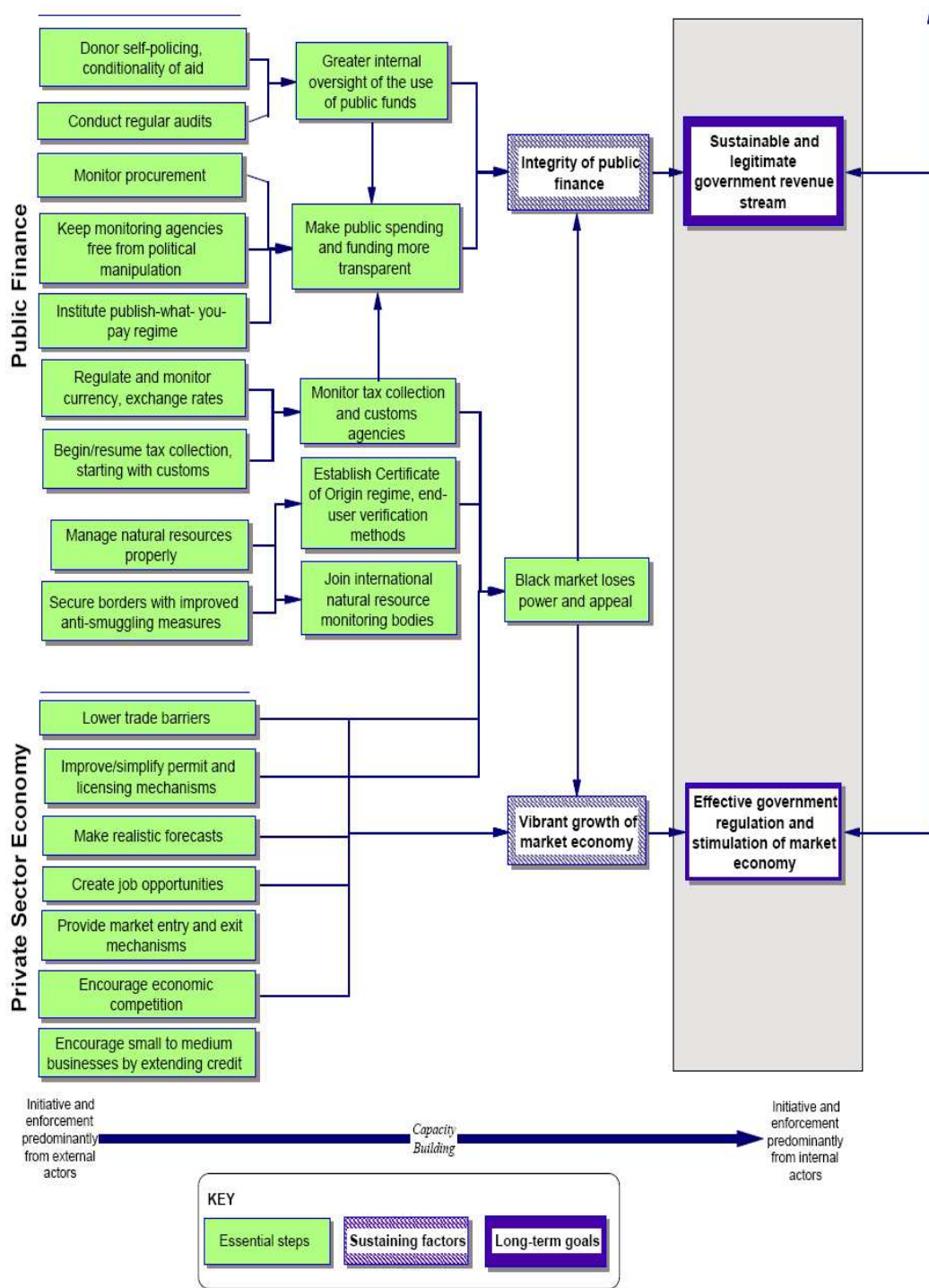


Fig. 2: Anticorruption, cont'd



Criminal Justice System

Authors argue that a strong criminal justice system is the keystone to implementing effective rule of law. The essential elements of reform are the proper training of judges, prosecutors, corrections officials and law enforcement officers; establishing professional organizations for those involved in criminal justice work; and establishing protections for those whistle-blowers who expose malfeasance. These elements, in addition to criminalization of corrupt behavior by the legislature, are the generic components of criminal justice reform, contributing to the government's ability to deal peacefully with public grievances.

Proper training of criminal justice system personnel targets corruption in two ways: first, by teaching best practices in corruption fighting, and second, by promulgating national and international norms and standards for anticorruption policy enforcement. Such training reduces the level of corruption found within the criminal justice system by promoting standards of acceptable behavior. In the DRC, MONUC trained and certified 1,000 police instructors who, in turn, trained 24,860 territorial police officers in static security for polling stations between January and June 2006. Part of the courses focused on the prevention of violence against women and children. In 2005, MONUC supported seminars on professional ethics and corruption organized by the Ministries of Defense and Justice for 100 military and civilian magistrates in Kisangani and Matadi. The Mission, working with local NGOs and the Justice ministry, has also begun to identify laws that need to be amended to ensure compliance with international standards on corruption.⁷⁹

Public confidence in the criminal justice system requires competent and professional performance of duties by the members of the system, reinforced by standard-setting professional organizations that have institutional interests in seeing standards maintained. Such organizations monitor practices and enforce norms of behavior among professionals.⁸⁰ In Bosnia and Herzegovina, for example, the American Bar Association's Central European and Eurasian Law Initiative trains judges, prosecutors, and human rights advocates. It also assists with the development of professional associations, convening the associations of judges and prosecutors as well as providing technical assistance to professionals in the criminal justice field.⁸¹ Most significantly, these organizations certify individual members' adherence to profession-wide principles and competency standards.

The self-regulation of the field should not be overemphasized, however, as full accountability requires government and civil society oversight.⁸² Indeed, some authors criticize the value of such training, arguing that the most significant problem of dysfunctional courts, particularly in developing countries, is not lack of knowledge but lack of resources, political interference in the

⁷⁹ United Nations, *Twenty-First Report of the Secretary-General on MONUC*, S/2006/390, 13 June 2006, paras. 25, 52, 58.

⁸⁰ The World Bank, *Anticorruption in Transition: A Contribution to the Policy Debate* (Washington, DC: World Bank, 2000), 43.

⁸¹ American Bar Association (ABA), "The ICCPR [International Covenant on Civil and Political Rights] Project at CEELI [the Central European and Eurasian Law Initiative]" www.abanet.org/ceeli/special_projects/iccpr/home.html, September 2003.

⁸² OSCE, *Best Practices in Combating Corruption*, Office of the Coordinator for Economic and Environmental Activities (Vienna: OSCE, 31 May 2004), 196.

judicial process, or the security and safety of judges and others in the sector. It is therefore important for that program to deal with these problems as well.⁸³

In an environment of official impunity, the fear of reprisal often outweighs the motivation to report corrupt activities. As a supplemental measure therefore, ensuring protection of whistle-blowers can be essential, reducing fears of prosecution or persecution on the part of those who would report such infractions. To combat stigmas against reporting corruption, an anticorruption campaign should emphasize that exposing corruption promotes the greater public good.⁸⁴ However, codified limitations must also ensure that whistle-blower protections do not give blanket license for making unfounded claims. As reiterated throughout the literature, protection should only be extended to those who act in good faith and make a legitimate claim of wrongdoing.⁸⁵

In order to fully root out corrupt behavior, the criminal justice system as a whole must undergo a substantial reform process. This extends to more basic administrative reforms that make the system more equitable and efficient, including measures to increase transparency and accountability, such as public access to records, as well as ensuring that the judicial branch has the required financial and technical resources to carry out its work. Other potential criminal justice reforms identified include strengthening the appellate system, developing codes of conduct for court officials, modernizing court administration, evenly distributing caseloads, and providing alternative mechanisms for resolving disputes as a means to lessen the case burden on the courts.⁸⁶

Ideally, the newly reformed criminal justice system promotes both greater judicial integrity and greater integrity of law enforcement officers, prosecutors, and others in the legal profession. Stronger accountability mechanisms that allow for public scrutiny of the criminal justice system, either directly, through public officials, or by the media, serve to enhance this integrity. An emergent transparent system with entrenched accountability mechanisms reduces the likelihood of corrupt activities and thus builds public trust.⁸⁷

If results meet expectations found in the literature, these anticorruption measures would establish an enduring criminal justice system that is trustworthy, legitimate and effective, with a truly independent and self-regulating judiciary that is governed by law rather than personal or political interest. Such a system gains permanent legitimacy in the eyes of the public and becomes an

⁸³ Tom Carothers, remarks “Judicial Reform and the Rule of Law,” Overseas Development Institute, 22 February 2006, www.odi.org.uk/speeches/states_06/22ndFeb/index.html.

⁸⁴ Jeremy Pope, *Confronting Corruption: The Elements of a National Integrity System* (London: Transparency International, 2000), 296–297.

⁸⁵ OSCE, *Best Practices in Combating Corruption*, 78.

⁸⁶ UNODC, *The Global Programme Against Corruption (GPAC)*, 114–117. While these capacities cannot be built overnight, and may take up to a generation to become fully functional, allocating sufficient resources so the system can begin to work, build legitimacy and accountability is an essential first step toward ending corruption.

⁸⁷ Pope, *Confronting Corruption*, 64.

essential actor in ensuring that corruption is kept in check throughout society, even well after international observers have left the scene.⁸⁸

Legislative and Political Institutions

Corrupt political bodies face significant challenges in creating institutional transparency. The literature emphasizes a system of checks and balances, public and/or media access to government records and meetings, legislative oversight of the executive, especially on budgetary matters, and formally establishing ombudsperson and freedom of information mechanisms.⁸⁹ Additionally, public officials should be subject to uniform codes of conduct, ethics and disclosure rules, and limits on immunities.⁹⁰ These actions are then reinforced by the establishment of inspectors general in government agencies.

A system of checks and balances within government is a valuable tool for reducing corruption. Introducing multiple layers of horizontal accountability (within the same levels of government) and vertical accountability (between levels of government and, further, to the electorate) causes the culture of impunity to lose ground.⁹¹ Scholars point out, however, that the checks and balances system itself must be evenly constructed. Too many layers of authority and supervision can create bureaucratic bloat that inhibits government efficiency. In extreme cases, overblown accountability functions make the business of government more expensive than it was when corruption riddled the system.⁹² Still, these steps collectively tend to create a more transparent and accountable political process with significantly reduced incidence of cronyism and nepotism that works alongside a stronger and more capable public administration.⁹³

When legislatures attempt to draft anticorruption legislation, defining corruption is an important challenge, as it may affect both legislators themselves and key supporters.⁹⁴ Scholars suggest that in order to fully curtail corruption, acts commonly associated with corruption within the legislative bodies, such as bribery and money laundering, should be outlawed.⁹⁵ Because evidence of such specific acts is often easier to obtain than evidence of a broader charge of corruption, having specific actions defined as illegal may serve an important role in deterring corrupt behavior. This may particularly be the case, it is argued, for grand corruption.⁹⁶

Transparency measures support public accountability by providing information on legislative activities, including voting records and texts of legislation, to the public.⁹⁷ Some have also argued

⁸⁸ Carlos Santiso, Peter Harris, and Davis Bloomfield "Sustaining the Democratic Settlement," in Peter Harris and Ben Reilly (eds.), *Democracy and Deep-Rooted Conflict: Options for Negotiators* (Stockholm: International IDEA, October 1998), 362–363.

⁸⁹ Madalene O'Donnell, "Postconflict Corruption: A Rule of Law Agenda?" in Agnes Hurwitz and Reyko Huang (eds.), *Civil War and the Rule of Law* (Boulder, CO: Lynne Rienner, forthcoming May 2007).

⁹⁰ OSCE, *Best Practices in Combating Corruption*, 61, 204.

⁹¹ Bolongaita, *Controlling Corruption in Postconflict Countries*, 12.

⁹² OSCE, *Best Practices in Combating Corruption*, 158.

⁹³ Santiso, Harris, and Bloomfield, "Sustaining the Democratic Settlement," 366.

⁹⁴ Bolongaita, "Controlling Corruption in Postconflict Countries," 15.

⁹⁵ World Bank, "Anticorruption," 44.

⁹⁶ World Bank, "Anticorruption," 44; UNODC, *GPAC*, 129, 295.

⁹⁷ Peter Eigen, "Measuring and Combating Corruption," *Journal of Policy Reform*, vol.5, no.4, December 2002, 187–201.

that should a legislative body feel the need to hold a closed session, it should publicly debate the reasons for doing so.⁹⁸ The environment of scrutiny that transparency fosters may severely limit individuals' ability to engage in corrupt acts, particularly elected officials who wish to keep their seats.⁹⁹ It is also important to create an environment where accountability of the political leadership is valued and exposing corruption is encouraged. Old colonial laws, particularly wide-reaching anti-defamation laws, therefore need to be abolished. In Sierra Leone, the continued enforcement of such a law has led to the unfair imprisonment of journalists and a climate of fear of reprisals for exposing corruption.¹⁰⁰

Informal mechanisms alone will not allay widespread public perceptions of legislators as the most corrupt persons in government. To mitigate such perceptions, legislators and public officials need appropriate accountability rules that limit the receipt of gifts and also limit the kind of work that legislators can pursue during or immediately after their terms of office. Mandatory, regular disclosure of personal financial assets helps to deter conflicts of interest.¹⁰¹ Finally, legislators must resist the temptation to give themselves far-reaching immunities from criminal prosecution. While license to speak freely in an official capacity must be preserved, wider criminal immunity (such as, for crimes committed prior to a legislator's term of office) should be eliminated.¹⁰²

The literature suggests that with proper checks and balances in place, the legislature can assume its most essential task: overseeing the executive, especially through the budgeting process, which means not simply rubber-stamping the executive's spending proposals. The legislature also needs appropriate mechanisms to monitor the effectiveness of spending in achieving the government's stated goals and whether previously approved funds are being spent in the mandated manner and timeframe. Holding the executive accountable, including (in parliamentary systems) through direct questioning of ministers, gives the overall budget and policy process added credibility. Such detailed scrutiny allows the public, through its elected representatives, to keep the national government in check, but must be buttressed by a sense of legislative ethics, perhaps inscribed in an institutional code of conduct.¹⁰³

Civil Service

The three, fairly intuitive, underpinnings of an effective civil service sector presented by the literature are: proper training of employees; an entrenched meritocratic system; and proper remuneration.

⁹⁸ Pope, *Confronting Corruption*, 56.

⁹⁹ Mehmet Bac, "Corruption, Connections and Transparency: Does a Better Screen Imply a Better Scene?" *Public Choice*, no.107, April 2001, 1–2, 87–96; Santiso, Harris, and Bloomfield, "Sustaining the Democratic Settlement," 362.

¹⁰⁰ Reporters without Borders, Sierra Leone, Annual Report 2005. www.rsf.org/print_php3?id_article=13572.

¹⁰¹ Santiso, Harris, and Bloomfield, "Sustaining the Democratic Settlement," 362.

¹⁰² O'Donnell, "Postconflict Corruption," 14; Pope, *Confronting Corruption*, 52–53.

¹⁰³ Steven Langdon, "Parliament and the Budget Cycle," in *Parliamentary Accountability and Good Governance: A Parliamentarian's Handbook* (Ottawa: Parliamentary Centre and the World Bank Institute, undated), 50.

Any training regime should identify and target positions that are particularly susceptible to corruption, so as to establish effective preventative measures.¹⁰⁴ Training—upon first hiring and periodically thereafter—should emphasize both work processes/objectives and professional ethics, since intangible factors are at least as important as transparency, process, and penalties in undermining the attractiveness of corruption. After all, Stalinist regimes employed legions of watchers yet were notoriously corrupt.¹⁰⁵ Indeed, monitoring is not only costly, but an onerous process without obvious benefit that invites the cutting of corners, the trading of favors and, ultimately, the sorts of rule-bending behavior that anticorruption campaigns seek to eliminate. A lean work process may thus be an essential component of deterring corruption, especially when coupled with an ethical component—an ethos of appropriate professional behavior and personal integrity directed toward a larger public purpose—and a meritocratic performance review system that rewards both effectiveness and integrity.

A meritocratic system of hiring and promotion gives civil servants the freedom to focus on the operational details of their jobs, reducing time spent currying favor with (or making payments to) powerful bosses.¹⁰⁶ A depoliticized civil service can afford a sense of loyalty to the state and the people at large and can be a more stable source of expertise in managing government affairs. A properly implemented meritocratic system should result in agencies gaining strength as employees come to be driven by agency standards and goals, rather than leaders' personal political agendas.¹⁰⁷

Wages paid to government workers play a key role in fighting corruption. Governments must balance civil service wage rates between the average living wage in the society and what the local private sector can pay a comparably-skilled person. Ideally, government would offer (and be able to pay consistently) a salary high enough that employees would not need to seek alternative sources of income. In states with high levels of bribery, however, this could be very expensive, so it is essential to supplement competitive wages with a campaign to fight bribery.¹⁰⁸

To be effective, civil servants need not only consistent pay but the tools to do their jobs. When US civil servants sent to help reform the Liberian Forest Development Agency first arrived in Liberia, they found overcrowded offices with no visible filing systems and no procedures for managing the country's timber concessions. To make the agency work, the team found they had to create work procedures from scratch.¹⁰⁹

¹⁰⁴ Stuart C. Gilman and Jeffrey Stout, "Assessment Strategies and Practices for Integrity and Anticorruption Measures: A Comparative Overview," in OECD, *Measures for Promoting Integrity and Preventing Corruption: How to Assess?* (GOV/PGC, 13 October 2004), 24, 47–48.

¹⁰⁵ Pete Dickenson, "Does the Fall of the USSR Prove That Socialism Will Inevitably Fail?" *The Socialist*, 21 June 2002, at www.marxist.net/trotsky/russia/r2frame.htm?russia.html. Dickenson offers abundant examples of corruption in Stalinist Russia.

¹⁰⁶ OSCE, *Best Practices in Combating Corruption*, 67–68.

¹⁰⁷ *Ibid.*

¹⁰⁸ *Ibid.*

¹⁰⁹ Panel remarks at "Conflict Timber, Sustainable Management, and the Rule of Law: Forest Sector Reform in Liberia," The Woodrow Wilson Center for Scholars, Washington, DC, 9 June 2006. The Liberia Forest Initiative is described in more detail in section IV.

A commonly highlighted means of promoting checks and balances and public access to government is the ombudsperson or inspector general. The ombudsperson plays a critical role as an informal interface between the population and the government and is empowered to handle public grievances that would not fit well within a formal legal proceeding. Because of the sensitive nature of investigations conducted, ombudspersons should have routinely broad access both to records and leaders of the various government entities. When properly resourced, these offices can provide valuable services by promoting government accountability and removing some of the burden from the justice system but, on their own, cannot deal with the sources of grievance.¹¹⁰

Inspectors general can provide critical internal oversight, enforcing ethical standards for government employees and fulfilling key auditing functions for the agencies they serve. Inspectors general not only enforce codes of conduct and ethics rules but maintain disclosure records and monitor potential conflicts of interest.¹¹¹ While inspectors general should report to their respective agency heads, their offices should maintain the right to conduct any investigations they see fit without seeking the approval of the agency head. To ensure such independence, the literature suggests that inspectors-general also be accountable to the elected legislature and that administrative and financial support for their offices should be allocated separately from the rest of agency funds to prevent bureaucratic tampering with the inspectors' work.¹¹²

Opening government agencies to scrutiny and review by outside actors, including local civil society organizations, further strengthens the anticorruption environment.¹¹³ Facilitated in part by freedom of information legislation, such scrutiny assists in promoting the professionalism and efficiency that contribute to effective public administration, and will be addressed shortly.

Elections

Elections, although frequently subverted by corrupting elements and often organized by leaders only if they know they will win, can serve a primary role in reconstructing legitimate governance and keeping political leaders accountable. Yet given their susceptibility to misuse, elections should be professionally managed and independently monitored to deter fraudulent electoral practices.

An independent election commission should be created and clearly demonstrate its autonomy from the government and all other political entities. The UN Integrated Office in Sierra Leone (UNIOSIL) has given technical assistance to preparations for the country's general elections scheduled for July 2007. The UN is helping the National Electoral Commission and the Political Parties Registration Commission, and helping to mobilize donor support for political party

¹¹⁰ Pope, *Confronting Corruption*, 85–87, 89–90.

¹¹¹ UNODC, *GPAC*, 64–65.

¹¹² John C. Martin, "Independence—The Bedrock of Inspectors General," *The Journal of Public Inquiry*, Spring 1996, 35–36.

¹¹³ UNODC, *GPAC*, 123–125.

capacity building. At the same time, however, its reports have warned of continuing “rampant” corruption in the country.¹¹⁴

In the DRC, an Independent Electoral Commission was officially set up in 2004.¹¹⁵ Its mission was to organize the constitutional referendum (which took place on 18 December 2005) and to independently prepare, organize, manage, and control, free, neutral, and fair elections at all levels within 24 months (with two possible 6 month delays). The Commission’s website detailed the institution’s functions and explained electoral rules. Before the December 2005 constitutional referendum, the Commission issued posters explaining (in both words and images) how to register to vote, how to vote, polling center hours and locations on the day of the referendum, and other procedures.¹¹⁶ The DRC Commission also published a guide for potential candidates, explaining the conditions for becoming a candidate and the requirements for maintaining the candidacy.¹¹⁷ Finally, the DRC Commission received assistance from outside NGOs, including the US-based International Foundation for Election Systems.¹¹⁸ While the Commission failed to implement campaign finance reform rules given thirty-three presidential candidates, two clear frontrunners with the ability to fund their own campaigns, and the size of the country, it is unclear what effect such reforms might have had on the presidential race. Only a few of the thirty-three candidates running for president in the DRC were able to campaign in most of the country, giving the incumbent, President Joseph Kabila, and Vice President Jean-Pierre Bemba (a wealthy former rebel leader) what some might consider an unfair advantage over other candidates. But strict enforcement of the campaign rules would have excluded the two front runners, and the elections likely would not have happened at all.

Elections commissioners should be acceptable to all political parties and be able to demonstrate effective neutrality in governing the electoral process. They and their members should also fully disclose their assets and liabilities prior to and immediately following the campaign, just like candidates for office—although this is difficult to enforce. The election commission usually has broad responsibilities, including designing proper ballots, registering voters, observing balloting, and tabulating and reporting election results. In all of these tasks, the commission must ensure the confidentiality of each ballot cast while keeping the process itself as transparent as possible. In all steps of the process, officials from the various parties should be allowed to observe and monitor the proceedings, to insure against government interference. Election commission officials should also be mindful that party officials are observers only, and have no role to play in the actual management of the election.¹¹⁹

Clear rules must also regulate candidate behavior and campaign finance. Individual and corporate campaign contributions must be subject to limits, and all campaigns should provide detailed records of their revenues and expenditures before, during, and immediately following the poll.

¹¹⁴ United Nations, *First Report of the Secretary-General on the United Nations Integrated Office in Sierra Leone*, S/2006/269, 28 April 2006,” paras. 11, 13, 32–35, 52.

¹¹⁵ Website of the Independent Electoral Commission for the DRC (Commission Electorale Indépendante, CEI), www.cei-rdc.cd/newsletter/subscribe.php.

¹¹⁶ CEI, www.cei-rdc.cd/article.php?id_article=36.

¹¹⁷ CEI, www.cei-rdc.org/news/guide_candidat.pdf.

¹¹⁸ Website of the International Foundation for Election Systems, www.ifes.org/africa.

¹¹⁹ OSCE, *Best Practices in Combating Corruption*, 17–21; Pope, *Confronting Corruption*, 165–168.

Democratic Republic of the Congo: Success for the 2006 Presidential Elections?

In the DRC, a country of 25 million voters and 2,345,410 square kilometers but only 2,500 kilometers of paved roads, the first round of presidential elections and the single round of legislative elections were successfully held on 30 July 2006. The UN Mission in the DRC, MONUC, played an important part in organizing and securing the July 2006 elections, helping set up 53,000 polling stations and transporting ballots, voting instructions and poll workers to each of those stations. In all, MONUC transported 170 different types of ballots, weighing over 1,800 tons, mostly by air.

The European Union also provided support to the DRC elections with a UN-approved operation, code-named EUFOR RD Congo, which was to be 2,000 strong with an advance deployment to Kinshasa and an on-call battalion ready to deploy from Gabon. Drawn from 20 EU members, plus Turkey, the force's mandate was: to support MONUC in stabilizing the situation in the DRC; help protect civilians under imminent threat of violence in and around Kinshasa; contribute to Kinshasa airport security; and conduct limited extraction operations of internationals, if necessary.

Participation in the elections was roughly 71 percent of registered voters. Women participated in large numbers. Approximately 47,500 national observers, 466,000 political party witnesses, and 1,773 international observers monitored the elections. The vote proceeded relatively smoothly with only 239 of the polling stations experiencing small delays in the delivery of the ballots. In one province, 58 polling stations were destroyed by fighting between rival candidates but voting at those stations was organized the next day.

Because no presidential candidate obtained 50 percent of the first round vote on July 30 (incumbent Joseph Kabila won 44.81 percent of the vote and Vice-President Jean-Pierre Bemba 20.03 percent), MONUC prepared for a 29 October 2006 presidential runoff vote, which proceeded with relatively few disruptions. EUFOR RD Congo did twice order the deployment of 200 troops, first on 21 August, following violent clashes between Kabila and Bemba guards, and then in mid-October, for the second round of elections. Clashes between forces loyal to the two candidates continued, however, as the country awaited official results.

After more than two weeks of ballot counting, the Independent Electoral Commission (the Commission Electorale Indépendante or CEI) declared Kabila the winner on 15 November 2006 with 58 percent of the 16.2 million votes cast. His opponent, Bemba, rejected the results, citing perceived irregularities in the voting and in the conduct of the CEI. Bemba vowed to pursue a legal challenge. Election observers were generally satisfied with the outcome, however, and witnessed no significant irregularities during the counting. Observers also found the results announced by the CEI consistent with the results obtained in the polling stations. On 27 November 2006, the DRC Supreme Court rejected the challenge and validated the election's results. Bemba supporters then burned down the courthouse. On 28 November, Bemba announced he was joining the opposition in the DRC. It remained to be seen whether troops loyal to him would accept his and the court's decisions. Still the CEI and MONUC are considered, at least by the international community, to have organized successful and legitimate elections.

Sources: United Nations, "MONUC and the Elections," July 2006, www.un.org/Depts/dpko/missions/monuc/elec.pdf.
 "Court Confirms DR Congo Poll Date," *BBC News*, 15 September 2006, monuc.org/news.aspx?newsID=12414.
 United Nations, *Twenty-second report of the Secretary-General on the United Nations Organizations Mission in the Democratic Republic of the Congo*, S/2006/759, 21 September 2006. United Nations, Security Council Resolution 1671, S/RES/1671 (2006), 25 April 2006. "Second Carter Center Post-Election Statement on the Oct. 29 Presidential Elections in the Democratic Republic of the Congo," www.cartercenter.org/news/pr/DRC_111506.html. *Agence France-Presse*, "Defeated Bemba rejects poll results, observers say count was 'fair,'" 17 November 2006, http://news.yahoo.com/s/afp/20061117/ts_afp/drcongovote_061117122151. Eddy Isango, "Congo court reject fraud claims," *Associated Press*, 27 November 2006, http://news.yahoo.com/s/ap/20061127/ap_on_re_af/congo_fighting. "EU military operations in support of MONUC during the election process in the Democratic Republic of the Congo, EU Council Secretariat Fact sheet, 15 June 2006.
<http://consilium.europa.eu/uedocs/cmsUpload/FactsheetEUFORDRCrevbyPress.pdf>. *Reuters*, "Bemba déclare rejoindre les rangs de l'opposition en RDC," 28 November 2006, <http://fr.news.yahoo.com/28112006/290/bemba-declare-rejoindre-les-rangs-de-l-opposition-en-rdc.html>. *Agence France Presse*, "European military to reinforce DRC presence," 19 October 2006, http://iol.co.za/index.php?set_id=1&click_id=136&art_id=qw1161266401780B236.

OSCE guidelines advise that expenditures on media advertising should be limited to ensure equal access, and that outside groups should be prevented from engaging in partisan advertising, in order to maintain the integrity of spending rules.

Political parties should also be held to account through a series of laws regarding campaign finance and candidate eligibility. Prior to any campaign, the parties and candidates should agree to abide by a code of conduct in order to best serve the electoral process. At all points, the election commission should openly scrutinize party and candidate activity.¹²⁰

The media also have a role to play in scrutinizing the electoral process and keeping the public informed. In nations with little experience with democracy, international election observers should monitor the process. The media may also need to be trained to provide accurate information. MONUC, for instance, had to encourage several DRC radio stations not to broadcast libelous and false reports about various candidates in the run-up to the July 2006 elections.

The international observers can also play a role in fostering the ability of civil society to appropriately scrutinize campaigns and elections by partnering with local organizations, thereby enabling them to participate in monitoring campaign finance procedures and candidate behavior during the campaign and immediately after the elections. As noted in the literature, enforcement and monitoring of these processes and policies falls jointly upon the elections commission and civil society, and also requires self-regulation from the parties themselves. This multi-faceted accountability structure has proven essential in ensuring fair and open elections.¹²¹ Such structures require resources, however, and poor, war-torn states may be hard-pressed to provide them. This is where the international community can step in to provide assistance.

Civil Society and the Media

Thus far, we have discussed anticorruption work largely within the domain of formal legal, political, and administrative processes. Yet the media and civil society also provide both formal and informal checks on corrupt behaviors and, when allowed to function freely, act as watchdogs for the public interest.¹²² Here, perhaps more than in any other domain, there is a constant cycle: the more that such groups and the media do, both qualitatively and quantitatively, the more the public at large scrutinizes the government and demands more information and further accountability. The media and civil society are categorized together here because of their complementary roles. These two communities constantly supply each other with information and contacts that suits both their purposes.

¹²⁰ OSCE, *Best Practices in Combating Corruption*, 21–23; Pope, *Confronting Corruption*, 165–168.

¹²¹ OSCE, *Best Practices in Combating Corruption*, 20–21, 25–26.

¹²² A “working definition” of civil society is “the arena of uncoerced collective action around shared interests, purposes and values . . . often populated by organizations such as registered charities, development non-governmental organizations, community groups, women’s organisations, faith-based organisations, professional associations, trades unions, self-help groups, social movements, business associations, coalitions and advocacy group[s],” Centre for Civil Society, London School of Economics and Political Science, “What Is Civil Society?” www.lse.ac.uk/collections/CCS/what_is_civil_society.htm. See also Michael Johnston, (ed.) *Civil Society and Corruption: Mobilizing for Reform* (Lanham, MD: University Press of America, 2005).

Peacekeeping operations often play an essential part in promoting accurate, fair, and reliable media coverage. In the DRC, MONUC's Radio Okapi offers programming in five languages that reaches 80 percent of DRC territory on current events, social issues (such as public health), music, and other topics of public interest.¹²³ In the run-up to national elections, it broadcast a daily debate, "giving equitable air time to political parties and various actors," introduced a civic education show for youth and students, and produced short video features airing weekly on 33 television stations around the country.¹²⁴

In Sierra Leone, Radio UNAMSIL (or "Radio-U") was also highly-regarded for its mix of local music, objective news, interactive call-in formats, and balanced access to the airwaves for government officials and others. Radio-U also sensitized the population on illegal mining and trade in rough diamonds.¹²⁵ Broadcasting 24 hours a day on both the FM and shortwave bands, it was viewed favorably by 94 percent of respondents surveyed by Yale University researchers commissioned to determine public attitudes toward UNAMSIL by the UN DPKO Best Practices Section.¹²⁶ Called United Nations Radio since the departure of UNAMSIL in December 2005, it currently produces programs aimed at engaging the population "in a national dialogue on critical issues of peace consolidation."¹²⁷

The UN Operation in Côte d'Ivoire is working with national authorities and the media to facilitate the enactment of key decrees setting standards for the media. Hate programming, mainly targeted against migrant communities (Burkinabés, Guineans, and Malians), continues to be a feature of some media in the country, and there have been physical attacks on radio stations and equipment.¹²⁸

Although peace operations can provide essential support to the development of public awareness and free media, internal measures are essential to ensure freedom of information, the first being legal public access to government information. Without legal requirements, governments may withhold information that calls into question a particular policy or activity. Access to information not only promotes informed political participation, but also reduces the mystique of secrecy that often surrounds government decision making, thereby increasing people's willingness both to insist on government accountability and to trust government policy more. By giving the public ready access to the government, these additional layers of transparency further erode the culture of corruption and promote a culture of public service.¹²⁹

The mere existence of media outlets within a society does not bring about effective monitoring of the government: There must be legal and customary guarantees of a free and independent press.

¹²³ MONUC's Radio Okapi website, www.radiookapi.net.

¹²⁴ S/2006/390, para. 18.

¹²⁵ United Nations, *Eighteenth Report of the Secretary-General on the United Nations Mission in Sierra Leone*, S/2003/663, 23 June 2003, para. 25.

¹²⁶ Jean Krasno, "Public Opinion Survey of UNAMSIL's Work in Sierra Leone," External Study for the UN DPKO Best Practices Section, July 2005, 5.

¹²⁷ United Nations, *Second Report of the Secretary-General on the United Nations Integrated Office in Sierra Leone*, S/2006/695, 29 August 2006, para. 64.

¹²⁸ United Nations, *Ninth Report of the Secretary-General on the United Nations Operation in Côte d'Ivoire*, S/2006/532, 17 July 2006, para. 43.

¹²⁹ Pope, *Confronting Corruption*, 235–237.

Otherwise, the media, whether publicly or privately owned, simply function as mouthpieces for government or for particular factions or interests. The literature advises that free press provisions be incorporated into a nation's body of laws, as media protection by administrative directive allows for too much government discretion in determining what is and is not appropriate journalistic behavior. Preferably, protection of free speech and media should be written into a state's Fundamental Law or Constitution, the better to insulate that freedom from legislative whim. Yet the media must also be held accountable to both internal and external pressures. Society must hold the press to its role as monitor of legitimate governance. The media in turn must take responsibility for ensuring their staffs are properly educated and function according to stringent professional and ethical standards designed to ensure that the information provided to the public is credible and politically neutral, and devoid of all fabrication. Here, outsiders can be of some help. UNAMSIL, for example, worked with media outlets in Sierra Leone to inculcate such professionalism.¹³⁰

Along with media outlets, local NGOs play an important role in curtailing corruption. They are well-suited for proposing corruption fighting plans and initiatives, given appropriate access to information and officials. In the DRC, the US NGO Innovative Resources Management has found that, equipped with radios and information, locally created anticorruption commissions can help cut petty corruption up to 95 percent.¹³¹ The international community has taken increasing interest in promoting such groups, which can in principle monitor government activities in greater detail than the media, if only because, acting in their own self-interest, they may be more dogged in pursuit of an issue. Local NGOs can also disseminate their findings to concerned citizens through their own networks of personal contacts, exploiting, for example, the burgeoning availability of cell phone technology, both voice and text messaging. They can also engage the population in ways the media cannot, by holding meetings, workshops, and rallies or by launching lobbying campaigns. An involved, mobilized population is essential to keeping government accountable.¹³² Civil society's effectiveness depends critically, however, upon freedom from government obstruction.

Public Finance (from Indigenous and International Sources)

Public finance—the collection and distribution of taxes and international financial aid—is especially susceptible to pervasive and high levels of corrupt behavior, the combating of which requires a complex and robust set of activities and initiatives. These in turn require coordination among all the principal actors in a post-conflict setting—the government, the international financial institutions, the peace operation, and various NGOs—each of which has a unique and critical role to play. The literature is conflicted on the optimal sequencing of steps to combat

¹³⁰ Patrick Coker, "The Role of the Media and Public Information," Chapter 4 in Mark Malan, Sarah Meek, Thokozani Thusi, Jeremy Ginifer, Patrick Coker (eds.), *Sierra Leone: Building the Road to Recovery* (Pretoria: Institute for Security Studies, March 2003).

¹³¹ Michael Brown, Philippe Ngwala, Albert Songo and Leonard Wande, "Combating Low-level Corruption on the Waterways in the Democratic Republic of Congo: Approaches from Bandundu and Equateur Provinces" (Washington, DC: International Resources Management, October 2004), 14–15. IRM helped locals create anticorruption commissions that then succeed in curtailing petty corruption along the Congo River.

www.irmgt.com/pdf/Final%20GW%20Tracasseries%20Paper%20October%202010-04.pdf.

¹³² Carlos Santiso, "The Governance of the State: Strengthening Accountability," *Forum for Development Studies*, vol. 28, u.2, 2001, 349–53.

corruption in this sector and the initial steps described below may need to be undertaken concurrently.

Tax collection is such a potentially lucrative target for corruption on a grand scale that some observers have gone so far as to suggest that, in cases where the government and economy alike have been systematically destroyed by war or looted by the winners—as was the case in Liberia—the international community may need to step in and take temporary responsibility for revenue collection. The International Crisis Group proposed such a solution for Liberia in December 2004, arguing that “part of the justification for a radical revenue collection scheme is that it could quickly pay for itself while meaningfully increasing state revenue, depriving spoilers of their usual incentives and opening the way for more transparent governance.”¹³³ That approach, however, was not adopted by the World Bank in its program to support public financial administration in Liberia, which we address in section 4, below.

Aid agencies are working to combat corruption in their programs by targeting corruption within the public administrations of host countries, by developing anticorruption strategies, and by modeling anti-corrupt practices in their activities.¹³⁴ Post-conflict governments may receive most of their early post-war revenue from international aid and aid agencies can and do attach conditions to such assistance. In some cases, they refuse to participate in corrupt local economies. In the summer of 2005, for example, the UK called off a major donor conference in Freetown, Sierra Leone, until the government could demonstrate greater progress in fighting official corruption.¹³⁵

Transparency and oversight form the foundation of a responsible public finance system. Procurement and contracting should be done according to clear regulations and in accordance with government-approved budgets, and audits should be conducted regularly by both internal and external mechanisms. Finally, governments and international actors in a post-conflict country should make their financial records publicly available, so as to increase confidence in the system.

Carefully managed currency policy and an efficient revenue collection mechanism also support this system.¹³⁶ In turn, to enhance collections of customs duties—an early and important source of government income—land borders and sea and air terminals must be properly secured. The governments of post-conflict countries may be ill-equipped for these functions, but the international community may be able to help.¹³⁷ In Kosovo for example, the EU-supported creation of the Kosovo Customs service led to improved border security and collections of

¹³³ International Crisis Group, “Liberia and Sierra Leone, Rebuilding Failed States,” Africa Report no. 87, 8 December 2004.

¹³⁴ Heineman and Heimann, “The Long War against Corruption,” 3.

¹³⁵ USAID, *Anticorruption Strategy*, 16–26; author interviews, Freetown, Sierra Leone, July 2005.

¹³⁶ Santiso, Harris, and Bloomfield, “Sustaining the Democratic Settlement;” OSCE, *Best Practices in Combating Corruption*, 87–127; and Pope 2000, 205–220.

¹³⁷ Katherine N. Andrews and Brandon L. Hunt, “Building Secure Post-Conflict Borders: A Phased Approach to Capacity Building,” Part II in Durch (ed.), *Post-Conflict Border Security and Trade Controls in UN Peace Operations*.

customs duties. In fact, the duties funded 75 percent of the province's annual consolidated budget in 2005.¹³⁸

Natural resource exploitation and export should be regulated with the assistance of international monitoring schemes that inhibit both local and external complicity in corrupt transactions. Such mechanisms include the Kimberley Process Certification Scheme ("Kimberley Process") and the Extractive Industries Transparency Initiative (EITI). The Kimberley Process is a "voluntary system that imposes extensive requirements on participants to certify that shipments of rough diamonds are free from conflict diamonds." Its forty-five participants "account for approximately 99.8 percent of the global production of rough diamonds." EITI "supports improved governance in resource-rich countries through the full publication and verification of company payments and government revenues from oil, gas and mining." Three years after its launch, EITI has twenty participating mineral-exporting countries, several national supporting donors, and several dozen corporate and NGO supporters. These measures have a significant role to play in closing off international black and grey markets to illicit commodity producers.¹³⁹

Private Sector Economy

In settings of longstanding conflict, a legitimate economic structure may need to be rebuilt from the ground up.¹⁴⁰ Since many reports argue there is little hope of transforming the corrupt and often illicit war-time economy, the focus should be on supplanting that system by offering new alternatives in an open market. Corrupt transactions must be made more costly than legitimate dealings.¹⁴¹ The state can encourage and protect entrepreneurship and streamline the process for starting and running a business. Additional measures by international actors, particularly through their contracting and procurement procedures, can further encourage competition. The international community should also make it easier for outside private investors to gain access to credit, which would both show confidence in the peacebuilding process and spur further growth. Subverting the corrupt economy by providing viable alternatives is necessarily a tedious and lengthy process but limited experience in venues such as Kosovo indicate that it ultimately nets greater rewards than trying to transform the informal economy directly.¹⁴² Proper incentives (and

¹³⁸ European Union Pillar of UNMIK, Local News Monitoring, "To prevent smuggling we would have to stand hand by hand all along borderline," *Lajm*, 10 March 2005, www.euinkosovo.org/monitoring/2005/10032005.doc.

¹³⁹ Mark Duffield, "Globalization, Transborder Trade, and War Economies," in Berdal and Malone, *Greed and Grievance: Economic Agendas in Civil War* (Boulder, CO: Lynne Rienner, 2000) 84–87; Collier, "Doing Well," 110. See also, The Kimberley Process, www.kimberleyprocess.com; and Extractive Industries Transparency Initiative, www.eitransparency.org/section/abouteiti.

¹⁴⁰ Allan Gerson, "Peace Building: The Private Sector's Role," *The American Journal of International Law*, v. 95, no.1, January 2001; USAID, *Anticorruption Strategy*, 32.

¹⁴¹ Ethan Burger and Mary Holland also suggest shifting responsibility for tracking corruption in private sector reconstruction contracts to the private sector. In such a system, the loser of a contract—if lost because of suspected corruption—could file a lawsuit and win damages equal to the profits that would have been made. Such measures would dissuade private sector actors from obtaining contracts through bribery and corruption. Author interview, 22 November 2006. Ethan S. Burger and Mary S. Holland, "Why the private sector is likely to lead the next stage in the global fight against corruption," *Fordham International Law Journal*, vol. 30, 2006.

¹⁴² Stephanie A. Blair, Dana Eyre, Bernard Salomé and James Wasserstrom, "Forging a Viable Peace: Developing a Legitimate Political Economy," Chapter 8 in Jock Covey, Michael J. Dziedzic and Leonard R. Hawley (eds.), *The Quest for Viable Peace: International Intervention and Strategies for Conflict Transformation* (Washington, DC: United States Institute of Peace, 2005), 217–219, 230–231.

enforcement) can in principle drive unscrupulous entrepreneurs into the light, although keeping them there may require substantial, sustained effort.

Economies that were dependent on commodity exports pre-war will have had such export industries thoroughly infiltrated by fighting factions and shadowy international traders during war-time, and will face a long, difficult process to bring those industries back into the formal economy, generating legitimate tax revenues. This is a particularly difficult problem for countries with “alluvial” minerals washed out of the earth over eons of erosion, to be deposited downstream in sometimes long-dried-out streambeds. In Sierra Leone, there are an estimated 150,000 “informal” alluvial diamond miners, a relative handful of licensed diamond distributors and exporters, and an industry whose value has been estimated at eight or nine times higher than what official export statistics indicate. The official tax rate on legally exported diamonds is just 3 percent, the argument being that higher rates simply drive dealers back into the black market.¹⁴³ Durable solutions, therefore, need to be at least regional, as black market dealers operate globally. Nationally-based initiatives such as the USAID-supported Peace Diamond Alliance (PDA) for Sierra Leone have made some progress toward legitimizing production and addressing the complex labor and licensing issues that such an industry involves, but the country has, as yet, too few mining engineers for sustained local program implementation. Export taxes that were supposed to support mine monitoring are not so allocated and the process as a whole, two years after initiation, was still “not working productively.” A report for USAID noted that “political will to champion change remains fragile,” and so “indigenous initiative within the PDA remains weak.”¹⁴⁴

Restarting other commodities industries may present different sorts of challenges. For example, the largest single employer and export revenue earner in Sierra Leone in 1995 was the Sierra Rutile Mines Company, which provided half of the country’s foreign exchange earnings. Mining of rutile (a titanium ore) finally resumed in 2006, but under an arrangement where three-quarters of the reborn company’s stock belonged to a one-man holding company.¹⁴⁵

CONTESTED RECOMMENDATIONS IN THE LITERATURE AND THOSE LESS APPLICABLE TO POST-CONFLICT SETTINGS

We found disagreement in the literature regarding some would-be best practices for fighting corruption, and found also that some commonly recommended strategies appear inappropriate for a post-conflict setting and seem to have failed to net major results in practice.

Perhaps the most contentious practices are buying off potential spoilers or granting them amnesty for past misconduct.¹⁴⁶ Le Billon discusses the challenges in the use of buy-outs, arguing that in certain cases, tolerating a certain amount of ongoing, nearly institutionalized corruption may pave

¹⁴³ Mark Malan and Sarah Meek, “Extension of Government Authority and National Recovery,” in Malan et al., *Sierra Leone: Building the Road to Recovery*, 130.

¹⁴⁴ Management Systems International, “Integrated Diamond Management Program, 5th Quarterly Activity Report: 1 October through 31 December 2005,” for USAID under CA #636-A-00-04-0027-00.

¹⁴⁵ “Sierra Leone’s rich rutile mines reopened,” *Afrol News*, 6 April 2006, www.afrol.com/articles/16084.

¹⁴⁶ OSCE, *Best Practices in Combating Corruption*, 50.

the way for political order: “The international community may wisely let corruption buy a temporary peace when the risk of renewed conflict is too high.” He also argues, however, that “the legacy of such an approach is risky...and a better tactic than complacency or complicity is to drive a wedge between peace spoilers and their main power base: combatants and economic interests. Amnesties and enticing demobilization and reintegration packages can ensure the cooperation of middle and low-ranking combatants, while war crime indictments can isolate their leaders.”¹⁴⁷ This two-tiered approach differs from rewarding or co-opting those most responsible for war-time atrocities, which sets the dangerous precedent of buying peace at the expense of promoting social justice.¹⁴⁸

Financial co-optation, as opposed to political amnesty, may have the (temporary) effect of stabilizing the post-war government. For example, in Mozambique, the international community offered financial incentives to the rebel group RENAMO to entice it to join and remain in the peace process. A controversial action, it nonetheless helped sustain peace in the fragile country at a critical point, but did so largely because RENAMO had no other independent sources of income.¹⁴⁹ By contrast, in Sierra Leone, the Revolutionary United Front received amnesty for past crimes and it used the opportunity to strengthen itself and consolidate control over the country’s main alluvial diamond sites, yielding only to outside force.¹⁵⁰

Somewhat unexpectedly, the literature is divided with regard to criminalizing corrupt behavior and ensuring effective punishment for corrupt acts.¹⁵¹ While some authors argue that criminalizing corruption would lead to a reduction in its incidence,¹⁵² others point out that in the absence of viable means of enforcement and punishment, which is often the case in weakened post-conflict settings, criminalizing corruption will be ineffective and even counterproductive. Criminalization may, in the specific case of illegal trafficking, have the adverse effect of driving up the returns of corrupt acts since the cachet of nominal illegality, combined with increased value of illicit items, increases motivation for corruption. For example, the ban on poppy cultivation in post-Taliban Afghanistan was not initially enforced but raised poppy prices, thus increasing the incentives for cultivation. Criminalization adds “political complexity to diplomatic efforts to secure the peace, particularly where those targeted as criminals are still critical interlocutors in peace negotiations.”¹⁵³ Criminalize, therefore, only where effective enforcement is feasible; otherwise, rely on such other measures as administrative regulations, media exposure, public pressure, and aid conditionality.

Decentralization is another contested recommendation. Some argue it is necessary to ensure that an all-powerful central government does not make away with resources meant for specific regions or cities. The devolution of power in procurement and other increased independence at the

¹⁴⁷ Le Billon, “Overcoming Corruption in the Wake of Conflict,” 76, 81.

¹⁴⁸ Nitzschke, “Transforming War Economies,” 6.

¹⁴⁹ Le Billon, *Fuelling War or Buying Peace*.

¹⁵⁰ Eric G. Berman and Melissa T. Labonte, “Sierra Leone,” Chapter 3, in William J. Durch (ed.), *Twenty-first Century Peace Operations* (Washington, DC: United States Institute of Peace, 2006), 179–182.

¹⁵¹ David Keen, *The Economic Functions of Violence in Civil Wars*, Adelphi Paper 320 (London: International Institute for Strategic Studies, 1998).

¹⁵² World Bank, “Anticorruption,” 3–5 (Institutional restraints on power section).

¹⁵³ Nitzschke, “Transforming War Economies,” 6.

regional level can be considered an important part of building legitimacy. Decentralization is not a universally recommended solution, however, as local officials are equally capable of absconding with public funds. Although they are, in theory, more readily susceptible to local public scrutiny, they are also capable of maintaining tighter control of local institutions of government, to the benefit of themselves and their allies.¹⁵⁴

International financial institutions often encourage the establishment of anticorruption agencies. Some scholars point out that such bodies have only been proved effective in well-developed economies like South Korea or Australia.¹⁵⁵ Although commissions are popular, they can be subject to political manipulation, especially in the volatile political context of a post-war state, and they may also become objects of scapegoating.¹⁵⁶ To the extent they themselves are exempt from scrutiny, anticorruption agencies may become the most corrupt of state agencies.¹⁵⁷ Inadequate ability to coordinate between these commissions and other law enforcement bodies is responsible in part for the ineffectiveness of their anticorruption activities.

Authors also disagree as to the role of civil society in monitoring and fighting corruption. In settings where civil society was repressed during the war, new post-war NGOs may be ill-equipped to uncover and report corruption. Similar to public sector anticorruption commissions, they may be vulnerable to more powerful corrupt players themselves.¹⁵⁸ On the other hand, local NGOs that continued to function during the war as substitutes for the collapsed government, delivering public services (often with international support), may have both organizational strength and great local credibility in the struggle against corruption.¹⁵⁹

The imposition of sanctions to fight corruption is similarly contested. The OECD recommends sanctions as a way of countering illicit trafficking and corrupt resource agreements. It argues that external donors, either governments, international bodies, or private groups, have a responsibility to respond to the unique political economy of conflict, and to implement actions such as embargoes on valuable exports.¹⁶⁰ Nitzschke discusses the risks associated with using sanctions as a tool to control corruption.¹⁶¹ In particular, sanctions may inadvertently have a humanitarian impact on the non-targeted civilian population (some would call it collateral damage) and unintentionally reinforce the criminal trade (because sanctions affect open transactions more readily than criminal ones). In practice these risks are increasingly taken into account by those responsible for implementing sanctions, however, and sanctions are increasingly targeted at specific actors, through travel bans and asset freezes. Furthermore, commodity embargoes, such as those imposed on Liberia for diamonds, timber, and weapons, are also increasingly monitored for potential negative and unnecessary effects. Some UN Panels of Experts investigate not only

¹⁵⁴ World Bank, "Anticorruption," at www1.worldbank.org/publicsector/decentralization; and Anwar Shah and Mark Schacter, "Combating Corruption: Look before You Leap," *Finance and Development*, December 2004, 42.

¹⁵⁵ O'Donnell, "Postconflict Corruption: A Rule of Law Agenda?" 24–25; Shah and Schacter, "Combating Corruption," 42.

¹⁵⁶ USAID, *Anticorruption Strategy*, 12.

¹⁵⁷ Bolongaita, *Controlling Corruption in Postconflict Countries*, 10–11.

¹⁵⁸ Le Billon, "Overcoming Corruption in the Wake of Conflict," 80–81.

¹⁵⁹ Author interviews with multiple civil society organization representatives, Bukavu, DRC, July 2003.

¹⁶⁰ OECD, "The DAC Guidelines: Helping Prevent Violent Conflict," 15.

¹⁶¹ Nitzschke, "Transforming War Economies," 4, 14–15.

the degree to which sanctions are implemented but also their socioeconomic impact. In the case of Liberia, for example, sanctions seem to have encouraged a positive change in leadership behavior.¹⁶²

While some authors agree that privatization of formerly socialized, government-run industry can boost economic development and fight corruption, others argue that privatization may not improve service delivery and in fact risks reinforcing cronyism if the assets being privatized are not allocated based on a system of free competitive bids. Privatization can shock a vulnerable economic system because it changes the nature and raises the stakes of corruption from petty corruption in the form of bribes to state employees, to high-level, high-reward corruption manifesting in the sale of state enterprises to cronies.¹⁶³ In addition, privatization restructures large industries, exposing vulnerable groups to unemployment at a time when uncertainty is already high. Those who lose long-term jobs may feel little incentive to cooperate with the new, post-conflict order.¹⁶⁴

CONCLUDING OBSERVATIONS ABOUT ANTICORRUPTION BEST PRACTICES

The framework we offer in this section aims to be comprehensive and serve as a guide for anticorruption reforms. Not all recommendations will be helpful in all cases, and reforms must be structured with a certain amount of local flexibility. Many of the reforms, particularly those relating to institution building, require long-term commitments of resources from the international community. Nonetheless, if these reforms are implemented, they should contribute to dissolving the conflict/corruption nodes described in section 2. The steps described in this section resemble the steps of a peacebuilding strategy. Since fighting corruption is an essential component of a lasting peacebuilding strategy, Figure 2 could be considered as the anticorruption template of that strategy.¹⁶⁵

¹⁶² Alix J. Boucher and Victoria K. Holt, *Targeting Spoilers: The Role of UN Panels of Experts* (Washington, DC: The Henry L. Stimson Center, forthcoming).

¹⁶³ Tony Addison and Mansoob S. Murshed, "Explaining Violent Conflict: Going Beyond Greed versus Grievance," *Journal of International Development*, vol. 15, no. 4, May 2003, 393.

¹⁶⁴ Michael Pugh, Neil Cooper and Jonathan Goodhand, *War Economies in a Regional Context: Challenges of Transformation* (Boulder, CO: Lynne Rienner, 2004), 39.

¹⁶⁵ The literature on peacebuilding devotes very little time to the role of combating corruption in these cases. For instance, Jane Stromseth, David Wippman and Rosa Brooks mention that corruption was problematic in Bosnia, and Liberia, and the GEMAP program imposed on Liberia by the international community. See Jane Stromseth, David Wippman and Rosa Brooks, *Can Might Make Right, Building Rule of Law after Military Interventions* (New York, NY: Cambridge University Press, 2006). Similarly, Collette Rausch mentions the failure of the anticorruption commission set up in Sierra Leone, various international treaties on corruption, and suggested additional reading which are included in our analysis in Rausch (ed.), *Combating Serious Crimes in Postconflict Societies: A Handbook for Policymakers and Practitioners* (Washington, DC: United States Institute of Peace, 2006). Finally, see Jeroen De Zeeuw and Krishna Kumar (eds.), *Promoting Democracy in Postconflict Societies* (Boulder, CO: Lynne Rienner, 2006) who describe instances of corruption in their most recent volume but do not place fighting it in a larger context.

LIBERIA: A PRELIMINARY STUDY OF APPLIED BEST PRACTICES

With the October 2005 election of Ellen Johnson-Sirleaf as its new President, Liberia took one more step toward maintaining peace and building democracy. UN peacekeeping forces in Liberia offer an important example of the role of such forces in fighting corruption and, because the international community has been so involved in rebuilding Liberia's institutions and economy while fighting endemic corruption, it is a good example of efforts to apply anticorruption best practices in a post-conflict state. It is just one case, still in progress, making any generalizations risky. Having searched for other examples, however, we would welcome readers' cues as to any other instances where systematic international efforts have been made to fight corruption in post-war states, as the literature to which we had access seems bereft of them.

BACKGROUND

In January 2000, Partnership Africa Canada, a coalition of African and Canadian NGOs, reported in detail on the role of Charles Taylor in fomenting civil war in neighboring Sierra Leone to finance his own war in Liberia with illicit Sierra Leonean diamonds, supplemented by the pillaging of Liberian timber. The report noted that Liberia exported few diamonds before Taylor's rebellion began in 1989 and was so diamond-poor that "by 1985 prospectors and diamond experts had all but given up on future investments. Where diamonds were concerned, Liberia had become little more than a fencing nation," exporting just "US \$8.4 million worth" in 1988, "including a great many smuggled Sierra Leonean diamonds." By 1995, "when Liberia lay in ruins and economic activity was almost non-existent, it exported US \$500 million worth of diamonds." The authors concluded that Liberia had "become a major centre for massive diamond-related criminal activity, with connections to smuggling and theft throughout Africa and considerably further afield."¹⁶⁶ The UN Panel of Experts on Liberia established by UN Security Council Resolution 1343 in 2001 also stressed, in its first report (October 2001), how the illegal trade in diamonds and timber was still fueling war and corruption in Liberia under Charles Taylor's ruinous presidency (1997–2003).¹⁶⁷

On 28 August 2003, a Comprehensive Peace Agreement created the National Transitional Government of Liberia (NTGL) and the UN Security Council authorized the deployment of the 15,000-strong UN Mission in Liberia (UNMIL).¹⁶⁸ In October 2003, UNMIL absorbed the 3,600 troops of a force from the Economic Community of West African States (ECOWAS) that had

¹⁶⁶ Ian Smillie, Lansana Gberie, and Ralph Hazleton, *The Heart of the Matter: Sierra Leone, Diamonds & Human Security* (Ontario and Addis Ababa: Partnership Africa Canada, January 2000), 49–50.

¹⁶⁷ United Nations, *Report of the Panel of Experts on Liberia*, S/2001/1015, 26 October 2001.

¹⁶⁸ United Nations, Security Council Resolution 1509, S/RES/1509 (2003), 19 September 2003.

been stationed in Monrovia since August.¹⁶⁹ Of particular relevance to this study, UNMIL was mandated to develop, in collaboration with other partners, a disarmament, demobilization, rehabilitation and reintegration program “for all armed parties” in the country, and to help the then-transitional government rebuild Liberia’s criminal justice system and army and conduct elections.

Six months after UNMIL started operations, USAID launched a resource management effort, the Liberian Forest Initiative (LFI), followed, in September 2005, by the World Bank’s unprecedented Governance and Economic Management Assistance Program (GEMAP). Both programs were designed to promote transparency and accountability in government, in other words, to combat corruption, and we discuss both under the heading of outside aid to Liberian civil service and public finance.

Since it is too early to know when (or whether) Liberia will reach the point of self-sustaining stability and development, the objective of this section is to highlight the degree to which internationally supported programs in Liberia are applying some of the practices that scholars and practitioners have been urging for the past several years, or perhaps generating best practices of their own.

DISARMAMENT, DEMOBILIZATION, REHABILITATION, AND REINTEGRATION: DIFFICULTIES WITH MAINTAINING SECURITY IN LIBERIA

Article VI of the Comprehensive Peace Agreement created the National Commission for Disarmament, Demobilization, Rehabilitation, and Reintegration (NCDDRR) and requested that UNMIL organize it. The first phase of the DDRR program, which began on 3 December 2003, was voluntary. UNMIL took formal control of the process on 7 December and within weeks, over 13,000 Liberian soldiers had registered and handed in 8,679 weapons, 2,650 items of unexploded ordnance, and over 2 million rounds of small arms ammunition.¹⁷⁰ UNMIL struggled to deal with the influx of former combatants, however, and decided to suspend the program until it could determine requirements for meeting the demand for demobilization. It eventually decided to limit the daily rate of disarmament to 250 combatants at each of four cantonment sites. The program resumed on this basis in April 2004. While the initial phase had focused on government forces, the second and third phases focused on former rebel forces: LURD, MODEL and other militias. Altogether, roughly 98,000 former combatants participated in the DD program, which, like many such programs, processed more fighters than weapons and cannot be demonstrated to have taken a substantial fraction of small arms out of circulation. Without close, parallel efforts to seal borders and ports of entry against the smuggling of new arms, such programs cannot make a large dent in the post-conflict weapons problem.¹⁷¹

¹⁶⁹ A previous ECOWAS peacekeeping force was deployed in Liberia from 1990 through 1997. See Adekeye Adebajo, *Building Peace in West Africa: Liberia, Sierra Leone, and Guinea-Bissau*, International Peace Academy Occasional Paper (Boulder, CO: Lynne Rienner, 2002), Chapter 3.

¹⁷⁰ Festus B. Aboagye and Alhaji M.S. Bah, “Liberia at a Crossroads: A preliminary look at the United Nations Mission in Liberia and the protection of civilians,” Occasional Paper 95 (Pretoria: Institute for Security Studies, November 2004), 7.

¹⁷¹ *Ibid.*, 8.

Demobilization, on the other hand, can dissolve respective fighting forces, if fighters disperse to their home districts. In the case of Liberia, however, many opted to remain in or move to Monrovia. Underemployed ex-fighters in an impoverished urban setting are easily recruited to the causes of local crime lords or political bosses. Not a source of corruption per se, they offer corrupt leaders a source of cheap muscle. And even when repatriated to home districts, unemployed, unretrained former fighters tend to drift back to what they know, and what they know is combat and resource expropriation.

Unfortunately, UNMIL has faced continuing challenges implementing reintegration and rehabilitation. Early on, the process suffered from an estimated funding shortfall of \$44 million and, as of December 2006, 39,000 demobilized combatants “had not yet been absorbed into reintegration programs.”¹⁷² Continued conflict in the Mano River region and especially in Côte d’Ivoire threatened the success of the program as Liberian former combatants were re-recruited to fight in Côte d’Ivoire and Guinea.¹⁷³ In response, UNMIL and UNOCI (the UN Operation in Côte d’Ivoire) began joint patrols along the border in June 2006 and continued to do so periodically.¹⁷⁴

CRIMINAL JUSTICE SYSTEM

UNMIL’s Human Rights Section monitors and reports quarterly on corruption in the criminal justice system—a public airing that may encourage the new government to implement the recommendations of a joint UNMIL-governmental Rule of Law Task Force that reported to President Johnson-Sirleaf in May 2006.¹⁷⁵ Reform of the criminal justice system has been proceeding along three tracks—the police, the courts, and the corrections system—each of which still has a considerable way to go to be considered effective, let alone transparent and accountable.

To fulfill its mandate to retrain the Liberian National Police (LNP), UNMIL first moved to have all officers who had been recruited when Taylor was president removed from the force (because Taylor had filled the ranks of the police with his corrupt supporters.) As of September 2006, 2,035 out of 2,351 such officers had been dismissed.¹⁷⁶ By the October 2005 elections, about 1,800 police officers had received training from UNMIL in human rights law, gender sensitivity, and protection of women and children. The transitional government agreed to have UNMIL police codeploy with the LNP, monitor their performance during joint patrols and criminal investigations, and promote community policing.¹⁷⁷ As of September 2006, 2,073 LNP, 392 Special Security Services officers and 155 Seaport Police officers had received UNMIL training

¹⁷² Ibid., 10; United Nations, *Twelfth progress report of the Secretary-General on the United Nations Mission in Liberia*, S/2006/743, 12 September 2006, para. 21; United Nations, *Thirteenth progress report of the Secretary-General on the United Nations Mission in Liberia*, S/2006/958, 11 December 2006, para. 13.

¹⁷³ Global Witness, *Timber, Taylor, Soldier, Spy: How Liberia’s uncontrolled resource exploitation, Charles Taylor’s manipulation and the re-recruitment of ex-combatants are threatening regional peace* (London: June 2005), 7. See www.globalwitness.org/reports/show.php/en.00075.html.

¹⁷⁴ S/2006/743, para. 20; S/2006/958, para. 12.

¹⁷⁵ UNMIL Human Rights and Protection Section, Quarterly Report, May–July 2006, October 2006, paras. 17, 22–33, www.unmil.org/images/hrreportmayjune2006.pdf.

¹⁷⁶ S/2006/743, para. 27; Aboagye and Bah, “Liberia at a Crossroads,” 10–11. The remaining officers either disputed their dismissals or could not be located.

¹⁷⁷ Aboagye and Bah, “Liberia at a Crossroads,” 11.

and been deployed. UNMIL is training another 295 officers and expects to reach its target of 3,500 LNP officers by July 2007. To accelerate the process, the training has been condensed from 26 to 16 weeks. Because of shortages in mid- and senior-level leadership in the LNP, UNMIL police trainers have also created a basic management course for 300 officers and a senior leadership course for 50 officers.¹⁷⁸ Getting the police to deploy outside Monrovia has been a continuing problem, however. As of December 2006, three quarters of the LNP remained deployed in and around the capital; only 454 officers patrol the country's 14 other counties.¹⁷⁹

UNMIL has also helped Liberia rebuild its judicial system, working closely with the Liberian National Bar Association "to support efforts to ensure transparency in the selection and vetting procedures" for circuit court judges, specialized courts judges, and magistrates.¹⁸⁰ After three years of effort, however, Liberia's courts were still largely non-functional. There were no juvenile court judges outside Monrovia and some counties had no judges at all. Indeed, as of December 2006 only a handful of judges were reported to be active, nationwide.¹⁸¹ Violence against women and children was still not being properly investigated nor were perpetrators of what would elsewhere be considered serious crimes against children very often charged. In Liberia's hinterland, trial by ordeal for those accused of witchcraft was not uncommon and UN human rights reporting noted that "the practice of convicted criminals paying money to judges to avoid prison sentences is widespread and endemic."¹⁸²

UNMIL was mandated to assist rebuilding Liberia's corrections systems. By late 2006, 79 corrections officers had completed a 12-month course of training at the Police Academy but the government could afford to hire only 20 of them. Moreover, some had already left for better-paying jobs in the LNP or the army, which the UN judged had "severely hampered the effectiveness of the corrections service."¹⁸³ Voluntary funding from the United States and Norway underwrote the refurbishment of dilapidated prisons but "[m]ost correction facilities still rely heavily on UNMIL, the World Food Programme (WFP), the International Committee of the Red Cross and other partners for water, food, medical and other essential supplies to prisoners."¹⁸⁴ In these facilities, "detainees awaiting trial and those already convicted and serving sentences, adults and juveniles alike, were all jammed together." Such overcrowding could be substantially resolved, if Liberia's courts functioned better, as most detainees, as of mid-2006, were simply awaiting trial.¹⁸⁵

UNMIL helped ease the courtroom logjam by hiring twelve "national prosecutorial consultants" and eleven "public defence consultants, initially for a period of six months," which, according to

¹⁷⁸ S/2006/743, para. 24.

¹⁷⁹ S/2006/743, para. 25.

¹⁸⁰ United Nations, *Eighth progress report of the Secretary-General on the United Nations Mission in Liberia*, S/2005/560, 1 September 2005, para. 50.

¹⁸¹ Participant remarks, Liberia Working Group Meeting, "Liberia's Peacebuilding Efforts: One year After Transition," United States Institute of Peace, Washington DC, 13 November 2006.

¹⁸² United Nations, Commission on Human Rights, *Situation of Human Rights in Liberia, Report of the Independent Expert on Technical Cooperation and Advisory Services in Liberia, Charlotte Abaka*, E/CN.4/2006/114, 6 February 2006, paras. 33, 37, 47.

¹⁸³ S/2006/743, paras. 46–47; S/2006/958, paras. 41–42.

¹⁸⁴ E/CN.4/2006/114, para. 37; S/2006/743, para. 46.

¹⁸⁵ UNMIL Human Rights and Protection Section, Quarterly Report, May–July 2006, para. 4.

UNMIL, “resulted in more cases being heard by the courts, which has contributed to a reduction in the backlog of pending cases; greater access to justice; improved adherence to fair trial standards; and increased public trust and confidence in the judicial system.”¹⁸⁶ Although UN reports offer no direct evidence that this program has actually built such public confidence, UNMIL is at least trying to provide in-kind local budgetary support, the sort of help to the government—and to defendants—that donors are usually loathe to give in cash. In doing so, it is liberally interpreting its mandate to “assist” and is, in effect, offering an example to the donor community of what might be done were more such support forthcoming.

ELECTIONS AND MEDIA

The 2005 national elections in Liberia were widely regarded as free and fair. The official US observer delegation hailed the first round as “well organized” and “violence-free,” while observers from the Carter Center and the US National Democratic Institute (NDI) described the second, runoff round as “calm and peaceful” in their joint preliminary report.¹⁸⁷ Several factors may have accounted for this success.

First, an independent body oversaw the electoral process. The Liberian National Elections Commission (NEC), inaugurated in April 2004, had exclusive authority to organize and conduct elections in the country, “a much more prominent role in managing election preparations than has been the case in most countries in transition.”¹⁸⁸ The NEC, along with NDI, organized debates on relevant topics, including GEMAP.¹⁸⁹ Additionally, the NDI and NEC created the “Liberian Political Parties Code of Conduct.” The code is voluntary and commits signatories to not break up other parties’ rallies, or recruit anyone for intimidation or harassment, to refrain from using public resources for party activities, refrain from electoral fraud, and accept the NEC-certified results.¹⁹⁰ The NEC was so determined to do everything by the book that it even stopped the country’s interim leader, Gyude Bryant, from voting when he showed up without his electoral card.¹⁹¹

After the elections, the Commission released results in a transparent manner at press conferences, simultaneously publishing the data on its website. The question and answer sessions it held at the press conferences were “an important instrument for clarification.”¹⁹²

UNMIL played an important role in providing logistical and operational assistance to the NEC (for example, transporting ballots and providing security at polling places). UNMIL also paid salaries for over 18,000 Liberian nationals who staffed the polling stations.¹⁹³

¹⁸⁶ S/2006/743, para. 43, UNMIL Human Rights and Protection Section, Quarterly Report, May–July 2006, para. 6.

¹⁸⁷ US Embassy in Monrovia, “Preliminary Statement of the Official US Observer Delegation to the Liberian Elections of October 11, 2005,” <http://monrovia.usembassy.gov/liberia/pressOct122005.html>; “Preliminary Statement of the NDI/Carter Center International Observer Delegation to the Liberian Presidential Runoff Election” (Monrovia: 10 November 2005), www.cartercenter.org/documents/2245.pdf.

¹⁸⁸ Nathan Van Dusen, “Liberia Elections Commissions, Civil Society Rise to the Challenge,” International Foundation for Election Systems, October 2005, www.ifes.org/africa-project.html?projectid=liberiaelectionscommission.

¹⁸⁹ The effect of these programs on the election is not known.

¹⁹⁰ International Crisis Group, “Liberia’s Elections: Necessary but Not Significant,” Africa Report no. 98, 7 September 2005, 5.

¹⁹¹ “Monrovia Voters Hope for New Dawn,” *BBC News*, 12 October 2005, news.bbc.co.uk/2/hi/africa/4332836.stm.

¹⁹² EU Election Observation Mission, *Statement of Preliminary Findings and Conclusions*, www.necliberia.org/content/eufinalstatement.pdf.

The first round of elections, on 11 October 2005, offered important lessons for the conduct of the second round. Larger numbers of Liberian National Police and immigration officials, assisted by UNMIL civilian police and peacekeeping elements, were deployed to areas that had experienced crowd trouble or other security incidents during the first round. For their part, NEC staff “appeared to understand procedures more fully than on October 11,” leading to a “smoother and more efficient voting process.”¹⁹⁴

The media behaved largely responsibly in their coverage of the elections. Since Liberia has a less than 40 percent literacy rate, Liberian radio stations played a major role in keeping Liberians informed about current events.¹⁹⁵ The Press Union of Liberia developed a code of conduct for the elections, even suspending one newspaper editor who broke it.¹⁹⁶ According to the ECOWAS observers’ report, the media (particularly mainstream radio stations) were professional and non-partisan in covering the elections. They appealed for calm and peaceful campaigns, and preoccupied themselves educating the electorate.¹⁹⁷

Star Radio plays an important role in disseminating accurate information to Liberians. The station, sponsored by the Hirondele Foundation, was created in 1997.¹⁹⁸ It broadcasts throughout Liberia and in 18 Liberian languages, plus English and French. Taylor banned the station in March 2000 on the grounds it had spread hate messages against the regime. The transitional government lifted the when ban it took office in 2003 but the station lacked the funds to resume operations until May 2005. It has operated since then and continues to work toward financial stability and Liberian ownership, while providing reliable and valuable information throughout the country.¹⁹⁹

Initially set up with an ad hoc collection of equipment and supplies from the UN logistics base in Brindisi, Italy, Radio UNMIL has evolved into an important source of accurate and reliable public information for Liberians. The station began broadcasting in October 2003 and was one of the first stations to be heard throughout the country. It broadcasts 24 hours a day in English and “Special English” and plans to broadcast in other languages as well. Twelve daily news bulletins are supplemented by programs catering to “children’s and young persons’ issues, both the civilian and military aspects of the work of the mission, humanitarian activities, current affairs, human rights, repatriation, reconciliation, health (including HIV/AIDS), rule of law, security, women’s issues, journalism, civic education, DRR” and other issues.²⁰⁰ The station plays an important part in defusing tension during times of crises, providing fora for discussion and raising awareness about important issues facing the country.

¹⁹³ S/2005/560, para. 10.; United Nations, *Ninth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, S/2005/ 764, 7 December 2005, paras. 14–18.

¹⁹⁴ NDI/Carter Center, “Preliminary Statement.”

¹⁹⁵ The UN Educational and Scientific Organization (UNESCO) estimates Liberian literacy rates at 22 percent for females over 15 and 54 percent for males over 15. UNESCO, Regional Office for Education in Africa, “Liberia—Country Profile,” nd, www.dakar.unesco.org/countries/en_fiches/en_liberia.shtml.

¹⁹⁶ *Ibid.*

¹⁹⁷ ECOWAS Observer Mission, *Preliminary Statement on the Election*, www.necliberia.org/content/ecowas.pdf.

¹⁹⁸ The Hirondele Foundation creates radio stations in crisis areas and aims to provide “media for peace and human dignity.” www.hirondele.org.

¹⁹⁹ For a history of the station, see www.starradio.org.lr/about-us.html.

²⁰⁰ See www.unmil.org/content.asp?ccat=radio.

CIVIL SERVICE AND PUBLIC FINANCE

President Johnson-Sirleaf has announced her commitment to a corruption-free civil service. On 6 March 2006, she issued Executive Order 2, which extended the mandate of the Governance Reform Commission and created a code of conduct for public servants.²⁰¹ To ensure a non-corrupt Liberian Civil Service, however, the government will need to pay it adequately and in a timely fashion. Employees of the Forestry Development Agency for instance, were only paid \$15 a month as of June 2005. Even that salary was paid only sporadically and not always in full.²⁰² As tax revenues increase, paying full salaries should gradually be less of a challenge.

President Johnson-Sirleaf is also working to reduce the effects of corruption on public finance. With Executive Order 3, on 31 March 2006, she ordered that state revenues be deposited to the Central Bank and authorized the relevant agencies to conduct a review of tax exemptions on petroleum products.²⁰³ The UN reported that the government's first financial statements, for January–March 2006, revealed revenues of \$26.2 million, or three times the amount collected over the same period in 2005. This increase is due to improved controls at the port in Monrovia and the institution of pre-shipment inspections for imported goods, particularly rice and petroleum.²⁰⁴

The Liberian Forest Initiative (LFI)

When Liberia's peace accord was signed, forests still covered 30–40 percent of its territory and represented a major source of legitimate revenue for the new government, if their harvesting could be properly and sustainably managed. To maintain Liberian forests, USAID launched the LFI in April 2004.²⁰⁵ It proposed to:

- help the Liberian Forest Development Agency (FDA) build “financial management and accountability”;
- help the FDA develop as an institution by providing “the staff, skills, and means (financial and physical) to carry out its mandate”;
- promote “forest allocation policy and practice,” that is, “the need to plan and initiate formal forest use in a balanced, transparent manner, consistent with official Liberian policy and laws as well as international obligations, and extractive uses”;
- help “legitimate Liberian authorities establish control over forest resources.”²⁰⁶

From the beginning, the LFI worked with the transitional government and civil society in Liberia, and with Conservation International, the World Bank, and the US Forest Service. The LFI hired a former FDA Administrator to serve as their Liberian liaison and coordinator and, in September

²⁰¹ S/2006/376, para. 7.

²⁰² International Tropical Timber Council, “Achieving the ITTC Objective 2000 and Sustainable Forest Management in Liberia,” Thirty-Eighth Session, 19–21 June 2005, Brazzaville, Republic of Congo, para. 23. www.itto.or.jp/live/Live_Server/1025/E-C38-6.doc.

²⁰³ S/2006/376, para. 7.

²⁰⁴ S/2006/376, para. 49.

²⁰⁵ For further details, see UN Food and Agricultural Organization, “The Liberian Forest Initiative,” www.fao.org/forestry/site/lfi/en.

²⁰⁶ L. McAlpine, P.A. O'Donohue and O. Pierson, “Liberia: forests as a challenge and an opportunity,” *International Forestry Review*, vol. 8, no.1, 2006, 85.

2004, sent a US Forest Service employee to coordinate international efforts on the ground. By late 2004, a team of LFI experts had assessed the situation in the Liberian timber sector, finding that over 70 timber concessions giving rights to harvest were mostly undocumented and overlapping, and that there was no plan for conservation of Liberia's resources.²⁰⁷

To ensure transparency as well as Liberian ownership of the process, the LFI convinced the transitional government to create an 18-member Forest Concession Review Committee with representatives from the Liberian government, Liberian civil society, and the donor community. It recommended creation of a Forest Reform Monitoring Committee (FRMC) to monitor the implementation of land-use planning reforms, the allocation of future concessions through competitive bidding, and "the reform of the forest utilization contract, reform of revenue collection from the sector, and efforts to increase public participation and rule of law."²⁰⁸

The chairman of the transitional government, Gyude Bryant, refused to sign the executive order necessary to enact these reforms. The LFI therefore recommended the continuation of targeted sanctions, specifically the embargo on Liberian timber.²⁰⁹ The election of President Johnson-Sirleaf in late 2005 did not immediately result in signature of the order, so the LFI suggested that sanctions be extended for another six months.²¹⁰ In both instances, the UN Security Council adopted these recommendations.²¹¹

In February 2006, the new president did sign Executive Order 1, which voided all existing timber concessions, created the FRMC, placed a GEMAP financial controller in the FDA, established a mechanism for civil society to monitor the timber sector and ordered that new timber regulations and a forestry law be drafted. In June 2006, the Security Council Resolution praised "the Government of Liberia's commitment to transparent management of the country's forestry resources for the benefit of Liberians and its reforms in the timber sector" and ordered a 90-day lifting of the timber embargo. The Council warned, however, that the sanctions would be reinstated at the end of that period unless the forestry legislation proposed by the FRMC had been enacted.²¹²

In September 2006, the Liberian legislature passed a new forestry law that allocates forest resources to three types of management regimes: a portion to be protected (as national parks and reserves); a second portion dedicated to community forestry; and the rest to be sold by competitive bid to commercial concessions. Companies will have to open their financial records, submit environmental impact assessments when they bid, and operate according to ecological best practices. Private concessionaires are also banned from using private guards as private armies. Additionally, those known to have been involved in war and corruption cannot bid. News reports suggested that the agency would begin granting concessions by spring 2008.²¹³

²⁰⁷ *Ibid.*, 86–87.

²⁰⁸ *Ibid.*, 88.

²⁰⁹ *Ibid.*, 89.

²¹⁰ *Ibid.*

²¹¹ UN Security Council Resolution 1647 (2005), S/RES/1647 (2005), 20 December 2005.

²¹² UN Security Council Resolution 1689 (2006), S/RES/1689 (2006), 20 June 2006, para. 2.

²¹³ Richard Black, "New Dawn for Liberia's 'blood forests,'" *BBC News*, 12 October 2006.

The Security Council recognized the law's passage, lifted timber sanctions, and directed UNMIL to assist implementation of the new Forestry Law.²¹⁴ The new law does have some drawbacks. First, the requirement for environmental impact assessments means that the Liberian Environmental Protection Agency has to assess these reports. If that agency's employees are not properly paid, they could easily turn to bribes from potential concessionaires to supplement their incomes. Additionally, the law gives parliament the power to veto any logging concession. Again, concessionaires could conceivably bribe representatives to ensure this does not happen.²¹⁵

The UN's Panel of Experts on Liberia also played an important part in highlighting corruption in the Liberian timber sector, offering a number of recommendations for rooting it out, among them an audit of the sector (completed by Price Waterhouse Coopers in July 2006), creation of independent industry monitoring committee (established by presidential executive order), establishment of a chain-of-custody monitoring system to keep illegal timber out of the legitimate supply chain (implemented via GEMAP), and training technicians and park personnel to safeguard Liberia's newly-designated parks and forest reserves (begun by the FDA under contract with Fauna and Flora International).²¹⁶

The LFI could serve as a model for reforming the timber sector in other post-conflict countries. Because the Liberian forest sector was in shambles, it is actually a good example of what needs to be done to fix such an essential industry basically from scratch. Global Witness has cautioned, however, that while the LFI could indeed serve as such a model, its efficacy needs to be fully proven before it is applied elsewhere.²¹⁷ Broadly, the LFI has been reasonably successful so far because it was integrated within a broader reform program, it linked sector-specific reforms "to broader development priorities," coordinated the various participating donors' efforts to avoid duplication, involved "non-traditional partners such as finance ministries, customs, trade and civil society," and empowered "host-country nationals, either through direct employment or via the engagement of civil society."²¹⁸

The Governance and Economic Management Assistance Program

When the UN Security Council imposed targeted sanctions on Liberia—a weapons, timber, and diamond embargo, as well as a travel ban and assets freeze aimed at the leadership—it conditioned the removal of sanctions on Liberia's meeting certain governance conditions.²¹⁹

GEMAP is a three-year World Bank program established in September 2005 to help the Liberian government meet those conditions in part by repairing its broken financial management system.

²¹⁴ UN Security Council Resolution 1712 (2006), S/RES/1712 (2006), 28 September 2006, para. 5.

²¹⁵ *Ibid.*

²¹⁶ United Nations, *Report of the Panel of Experts, submitted pursuant to paragraph 14 (e) of Security Council resolution 1607 (2005) concerning Liberia*, S/2005/745, 7 December 2005, para. 75 and table 4.

²¹⁷ Global Witness, "Cautiously Optimistic: The Case for Maintaining Sanctions in Liberia," Briefing Document, June 2006, 14, www.globalwitness.org/media_library.php.

²¹⁸ McAlpine, O'Donohue and Pierson, "Liberia: forests as a challenge and an opportunity," 91–92.

²¹⁹ Conditions include a "transparent, effective and internationally verifiable Certificate of Origin regime for Liberian rough diamonds," full authority and control over timber producing areas, and a transparent financial management system that will help "ensure that government revenues are not used to fuel conflict or otherwise used in violation of the Council's resolutions." See United Nations Security Council Resolution 1521, S/RES/1521 (2003), 22 December 2003, para. 5; Resolution 1579, S/RES/1579 (2004), 21 December 2004, especially paras.10–12; and Resolution 1607, S/RES/1607 (2005), 21 June 2005.

GEMAP's objectives are:

- Financial management and accountability;
- Improving budgeting and expenditure management;
- Improving procurement practices and granting of concessions;
- Establishing effective processes to control corruption;
- Supporting key institutions; and
- Capacity building ²²⁰

To assess requirements for GEMAP, the EU and ECOWAS audited the relevant government agencies and recommended the installation of international monitors at various levels of administration (and thus various stages of the budgeting and expenditure process), who would have binding co-signing authority on all government spending. The monitors' twin tasks are to root out corruption in government agencies while helping to build their administrative capacity.

GEMAP's implementation is overseen by the Economic Governance Steering Committee (EGSC), chaired by Liberia's president. A vice-chair is appointed by the International Contact Group for Liberia (which comprises representatives from the United Nations, ECOWAS, African Union, European Union, International Monetary Fund, World Bank, Ghana, Nigeria, and the United States). Membership on the committee is divided between Liberian officials and representatives of the international actors involved, and there is one representative of Liberian civil society. The EGSC monitors GEMAP implementation across all government agencies and ministries, and also arbitrates any disputes in the decision-making and monitoring process at lower levels. The president retains the right to make any final decisions, should arbitration fail. At all levels of GEMAP implementation, full transparency is required in all activities, with records of events, meetings, and decisions distributed both electronically and in print.²²¹

With the inauguration of President Johnson-Sirleaf in January 2006, Liberia moved more quickly toward implementation of GEMAP and related capacity building and anticorruption initiatives. Indeed, in her inaugural address, the president declared that corruption would not be tolerated by her administration and embraced GEMAP as a key element of the new government's anticorruption policy.²²² Acting quickly on this promise, she dismissed all transitional government political appointees in the finance ministry pending an investigation into allegations of corruption, and required that her appointees publish a list of their assets in the local press and announced that corrupt officials would be prosecuted.²²³

GEMAP goes beyond any other previously seen international donor attempts at curbing corruption in a recipient state. Although many Liberian leaders see the program as an

²²⁰ World Bank, "Governance and Economic Management Assistance Program" (GEMAP basic document), <http://siteresources.worldbank.org/LIBERIAEXTN/Resources/GEMAP.pdf>. See also the World Bank GEMAP website, www.gemapliberia.org.

²²¹ GEMAP basic document, 16.

²²² Ellen Johnson-Sirleaf, "Inaugural Address," Monrovia, 16 January 2006, www.allafrica.com/stories/printable/200601170106.html.

²²³ IRIN, "Liberia: New President's anticorruption Drive Targets Finance Ministry," 2 February 2006, www.irinnews.org/report.asp?ReportID=51515. See also S/2006/379, paras. 17, 69.

infringement of sovereignty, others see it as a trusteeship arrangement that will ultimately leave the country in a stronger position.²²⁴ Regardless of local opinion, many donors have made continued funding contingent upon Liberia's compliance with and implementation of GEMAP. With less corruption, Liberia would be eligible for debt relief from international financial institutions as a Highly Indebted Poor Country (HIPC).²²⁵ Such eligibility is in fact one of GEMAP's main objectives.²²⁶ Ideally, proper implementation of the initiative will allow responsibility for provision of basic public services to shift from outside agencies to government authorities.

GEMAP does nonetheless have some drawbacks. Because it was essentially imposed by the donor community, Liberian civil society has largely been left out of the framework. There is a legitimate concern that the single civil society representative on the EGSC could be relegated to second class status. The civil society representative has the tremendous and likely impossible task of speaking for the many disparate elements of the Liberian population. At least at the start of the process, however, Liberian civil society appeared generally pleased with GEMAP.²²⁷

CONCLUDING THOUGHTS ON FIGHTING CORRUPTION IN LIBERIA

With a large UN peacekeeping force contributing to immediate public security, security for the disarmament and demobilization program, and security for elections, with substantial international monitoring of those elections, and with international fiscal monitors taking their places concurrently with the new Johnson-Sirleaf administration, the new president of Liberia had an immediate ability to back up her claims that her government would be honest and transparent. However, breaking the cycle of corruption can have political costs as individuals in and out of government find their patronage and revenues curtailed. These individuals will naturally resist the new administration's attempts to consolidate control, and could cause significant headaches for the president and her cabinet. At the same time, the work of the GEMAP monitors must be closely observed, as there is no real guarantee that monitors will automatically be less prone to corruption than their government counterparts.²²⁸ An additional layer of accountability called for under GEMAP is a new Anticorruption Commission although, as of December 2006, this Commission had not yet been established.²²⁹

Some have argued that GEMAP must not be seen as a template for promoting good governance in all post-conflict societies. A program of this scale is appropriate for Liberia, which has a small

²²⁴ International Crisis Group, "Liberia's Elections: Necessary but not Sufficient," 7 September 2005, 10–11. Global Witness, "An Architecture of Instability," December 2005, www.globalwitness.org/reports.

²²⁵ According to the International Monetary Fund (IMF), countries who wish to be eligible for HIPC debt-relief must adopt and begin implementing an anticorruption strategy. They must also create accountable financial management systems for their industries. For an overview of requirements for a typical HIPC country, see International Monetary Fund, "Benin: Enhanced Initiative for Heavily Indebted Poor Countries—Completion Point Document," IMF Country Report N/03/89, April 2003, www.imf.org/external/pubs/ft/scr/2003/cr0389.pdf.

²²⁶ Question no. 9, GEMAP FAQ page, www.gemapliberia.org/pages/about_gemap2.

²²⁷ Global Witness, *An Architecture of Instability*, 40.

²²⁸ International Crisis Group, "Liberia: Staying Focused," 5.

²²⁹ GEMAP basic document, 13. A search for news outlets announcing the possible establishment of an anticorruption commission in Liberia yielded no results. Many sources did however discuss the urgent necessity to create such a body.

population and a potentially steady stream of revenue from its wealth of natural resources. There are few post-conflict states with a comparable set of circumstances (although Sierra Leone may be one such state) and expensive external monitoring programs may not be feasible in other settings.²³⁰ Despite shortcomings, GEMAP does provide a unique opportunity to dramatically strengthen Liberian state capacity to deliver necessary services to the entire country. With GEMAP's full implementation, the Johnson-Sirleaf administration has the ability to establish significant credibility among the population, which will weaken the appeal of detractors while laying the groundwork for more capable, sustainable public administration.²³¹

Liberia nonetheless continues to struggle with insecurity. In September 2006, the Ministry of Justice asked Monrovia citizens to form vigilante citizen groups to prevent gangs of former combatants from terrorizing the city.²³² The failure of the DDR program to fully reintegrate former fighters into civil society and the economy, in the context of continuing conflict in Côte d'Ivoire (and the re-recruitment of former Liberian fighters by factions there), is also problematic. The international community failed to properly estimate the cost of the DDR program and three years after the end of fighting in Liberia, some former fighters are choosing to return to their old professions, not always because they want to, but because they have no other source of income.²³³ With the lifting of timber sanctions and the ensuing job creation in a revived timber sector that is much better-regulated than in the past, Liberia's economy may revive, although most former combatants have gravitated toward the capital city and not the country's deep forests or farms. Liberia is, in a sense, a test case of what the international community can achieve in a small, deeply war-damaged country, and just one year after the installation of a new and freely-elected government, it is too soon to reach conclusions about the extent, or the limits, of those achievements. What it says about our analytical framework for post-conflict corruption and how to combat it, on the other hand, we can and do address in this paper's final section.

²³⁰ International Crisis Group, "Liberia's Elections: Necessary but not Sufficient," 7 September 2005, 14; Transparency International, "New Anticorruption Governments: Liberia's Challenge to Deliver," 17 January 2006. www.transparency.org/layout/set/print/news_room/in_focus/2006/anti_corruption_governments/-liberia_s_challenge_to_deliver .

²³¹ Ibid.

²³² "Crime wave defeats Liberia police," *BBC News*, 7 September 2006, www.news.bbc.co.uk/2/hi/africa/5323012.stm.

²³³ Matthew Clark, "Liberia's ex-fighters seek work," *The Christian Science Monitor*, 1 November 2006, www.csmonitor.com/2006/1101/p06s02-woaf.html.

CONCLUSIONS

We began this research with two goals in mind: to survey the literature on the nature and structure of corruption in post-conflict states, and to summarize what it had to say about best practices in fighting corruption in such settings, especially where a peace operation was deployed. The corruption source survey and the evident interconnectedness of the causes and consequences of corruption led us to depict the problem visually, as an influence network that needed to be understood and broken up. We found that five nodes best describe the convergence of corruption and conflict in war-torn states:

- post-conflict political-military structures of influence;
- illicit cross-border trafficking in goods, money, and people;
- a dominant informal and weak formal economy;
- a weakened public administration; and
- wasted, misspent, or mistargeted international aid.

The first three nodes deeply and directly reinforce one another and collectively make public administration weaker and aid distribution more problematic, even when providers try to avoid corrupt structures by relying on NGOs for aid distribution. While we tried to map anticorruption best practices against each of the problem nodes, we rapidly found that many best practices applied to more than one node, reflecting the real-world need for a multi-layered assault on each. This led us to discuss best practices not so much in terms of the corruption nodes themselves, but in terms of the key sectors of governance.

A comprehensive anticorruption strategy therefore ends up looking like a comprehensive peacebuilding or state-building strategy. That conclusion, in retrospect, seems only natural. The sectors of governance that the literature points to as key to the anticorruption fight are really all sectors of governance: as such they are chronically and inevitably interdependent.

The fact that all sectors must be dealt with does not mean that an anticorruption strategy necessarily lacks priorities, however. Attention can and should be sequenced, if only because resources are finite; different sectors can receive different levels of emphasis at different times. While authors disagree on the exact sequencing of reforms, they agree on the basic requirements for beginning to fight corruption.

- 1) An **end to fighting** and the provision of **basic public security**;
- 2) A **will to fight corruption** on the part of a country's top leadership; and
- 3) **Public determination that corruption can and should be fought.**

Without these basic prerequisites in place, corruption fighters should conserve their resources and choose another battleground—because there are plenty.

With the prerequisites in place, a new government and its international supporters should first aim to dismantle wartime political-military structures because so much else that is troublesome flows from them. Ridding a state of its warlords when none has emerged a clear winner has proven difficult in practice, however, especially when combatants sign the country's peace agreement. Sometimes the right kind of leverage at the right time can be used to good effect, as when Charles Taylor, an indicted war criminal, was pushed into exile in Nigeria as part of the peace accord for Liberia. In other post-war settings, however, the "Taylors" remain the principal political players and use legitimizing mechanisms like elections to hold onto power and keep access to national resources. The wartime political-military structures merely reorient themselves, and their national and regional resource delivery networks remain in place and fully functional.

Sealing national borders to illicit trafficking therefore must be the second priority in an anticorruption strategy. Traffic across borders must be turned into cross-border trade that contributes to essential government revenues. With greater revenues, public salaries and services may both increase. To ensure that new revenues are not diverted, integrity of public administration should be the third anticorruption priority. In commodity-rich post-conflict states, proper management of commodities production and of the ensuing revenues can build a productive economy where the population at large gains from resources formerly diverted for war. An effective public administration with sufficient integrity, codes of conduct, and pay to resist corrupting influences is essential, as is the fair and effective enforcement of anticorruption laws in cases where personal integrity yields to personal profit.

Concerning which sector of the government should be reformed first, the literature points to the criminal judicial sector as a high priority target for reform. No laws can be enforced without it and a corrupt justice sector yields selective enforcement that rapidly corrodes the government's legitimacy and can stymie all other efforts to fight corruption. But judicial reform cannot stand on its own. Honest judges and prosecutors base their work on the law, and law-making is a legislative function. If the legislature is a joke, the law will be a joke.

Since elections are a visible, public demonstration of political change, the international community has tended to emphasize them in the language of peace agreements and the mandates of peace operations. Elections, however, should be free and fair and new legislators need immediate on the job training, as well as codes governing their conduct. To effectively regulate the legislature and curtail its term in office should it be exposed as corrupt, the voting public needs to know what its representatives are doing, and that is where institutional transparency, freedom of information, and freedom of the media come into play. That is why press freedom and an activated civil society are central in maintaining accountability of elected, appointed, and civil service officials. Both elections and the creation of fair and accountable media outlets are things that international peace operations have successfully helped countries set up.

Finally, the international community plays several roles in positively contributing to good governance. First, it assists in creating the conditions necessary to begin the fight against corruption. The peacekeepers provide initial security and donors ensure that aid flows through the government as soon as it is ready to receive and manage it.

More specifically, international donors should use their resources to strengthen the functionality of government, building its absorptive capacity and transparency. Public administration should become, with this kind of assistance, an effective conduit for development aid and an engine for economic recovery rather than a resource sink. On the other hand, no national extractive commodity management strategy will be able to generate adequate revenue if neighboring states or international smuggling rings maintain control over illicit production and its proceeds—re-emphasizing the need for effective and honest border management.

A relatively small population, relatively accessible and mobilizable natural resources, the presence of UNMIL, Charles Taylor's arrest, and the election of Ellen Johnson-Sirleaf and her determination to fight endemic corruption make Liberia an interesting test case for the application of anticorruption best practices. The new government and novel international support measures like GEMAP have, as of this writing, barely gotten their footing but if reforms fail in Liberia, that failure will cast a troubling shadow over international efforts to counter corruption in other post-conflict countries that are much larger and more deeply wrent, politically, religiously, or ethnically.

The steps we recommend are not easy to initiate or to complete. In fact, the war against corruption is never really over, because it pits public against personal interest. Hence, the best strategy to reduce the appeal of corruption is to differentiate explicitly between personal and public interest, to build an ethos of public service—and to reward it equitably. Such an ethos of public service helps to differentiate that which is 'mine' (in an individual or familial sense) from that which is 'ours' (belonging the country as the common heritage of all its citizens). Punishment of corrupt public officials through fair and open judicial proceedings, and top officials' putting in place systems of accounting and accountability that do not exempt themselves from scrutiny and due process, can lead citizens to realize that corruption can be fought, even if it cannot be completely eliminated. When this happens, the interconnectedness of anticorruption best practices can be transformed from obstacle to opportunity, with each new barrier to corrupt behavior reinforcing the previous one. The trust that a combination of transparency and prosecution can create between citizens and government reinforces the latter's ability to deal with most kinds of spoilers. That combination of trust and institutional capacity, in turn, helps guarantee the peace.

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—ANNEX—
CONSENSUS IN ANTICORRUPTION
BEST PRACTICES

Numbered List of Sources for Matrix
[Anticorruption Meta-Analysis Matrix](#)

Note: The anticorruption meta-analysis matrix is presented to give readers an overview of what the twenty nine sources discussed concerning corruption in post-conflict states and best practices for fighting it. It tabulates the number of times certain factors/recommendations are mentioned as an indication of the topics under most discussion and does not aim to serve as a guide for determining priorities in addressing corruption. In other words, the matrix reflects consensus and common opinions about various practices rather than a definite determination of best practices.

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