Lecture By

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Mr. Per Westerberg, Speaker of the Parliament; Distinguished Members of the Swedish Parliament; Guests; Ladies and Gentlemen:

I am deeply humbled by the opportunity to address this august gathering of Parliamentarians and other distinguished invitees. I thank His Majesty King Carl XVI Gustaf, the Government and entire Swedish people for affording us the opportunity of this official visit and for the exceptional hospitality which our delegation has received.

As you know, Liberia has a Republican form of government patterned essentially after that of the United States with three branches of Government. The Legislature is the first branch of Government. As Head of the Second branch, the Executive, I work in collaboration with our 96 Legislators, 30 in the senate, our Upper Chamber and 64 in the House, our Lower Chamber. One member of the Senate and one from the House have kindly agreed to join my delegation on this trip – Senator Findley of Grand Bassa County and Representative Ennos-Barr of Montserrado County.

Mr. Speaker, Ladies and Gentlemen:

The peoples of the Kingdom of Sweden and the Republic of Liberia have enjoyed mutually beneficial and fruitful relationships for over half a century. These relationships initiated in 1953 through commercial interests in mining. In that year, the Liberian American Mining Company (LAMCO), a joint venture between Sweden, the United States and Liberia, commenced mining iron ore. For well over three decades, LAMCO employed and trained thousands of Liberians – many holding senior positions across our economy today. LAMCO sold its interests in 1988 to a successor operation. Regrettably, that operation was adversely affected by the civil war that gripped our country from 1989 until peace was ushered in 2003. Beyond business, Swedish-Liberian ties were officially affirmed in 1959 when our countries established full diplomatic relations and exchanged Ambassadors in our respective capitals. Shortly, thereafter in 1962, a technical cooperation agreement

was signed in which Sweden graciously undertook to support numerous scholarships and training in many sectors, including mining, health, commerce, agriculture and energy. As in the case of many other countries, these ties were severed during our many years of conflict.

However, our people benefited from Sweden support during and after the period of conflict in the form of humanitarian and security assistance. The efficient and effective service of a Swedish contingent in the UN peacekeeping force which ended service about a year ago is well remembered by our people.

Mr. Speaker, recent research b y the World Bank points to several dozen civil conflicts in developing countries over the past twenty-five years. Most of these have been in Africa. More concerningly on average many of these have relapsed into conflict before the beginning of the fifth year after cessation of hostilities. These have regrettably succumbed to what is called the "conflict trap". Civil conflict, mostly resource driven, has severely engulfed not only the countries themselves but also their neighbors engendering regional quagmires. Estimates of the average costs of such civil conflicts vary, but are consistently enormous, reducing growth on average some 2.3% per annum over the life of the conflict. And worse, according to Professor Paul Collier in his recent book, "The Bottom Billion", full recovery for failing states emerging from conflict could take as much as 59 years on average!

And so, the initial realities of post-conflict societies are stark, the challenges many and enormous but we believe they are not insurmountable. For me, the wide spectrum of challenges to post conflict societies might best be grouped into three broad categories:

First those associated with the legacies of civil war and conflict, the individuals, the groups, the factors and conditions inherited from the anarchy and destruction of conflict. The means and measures must be found to respond to this challenge and to address the enormous expectations that attend the ushering in of peace.

Second, given raised expectations, there are challenges and risks inherent in the imperative of quick delivery, quick wins on the ground. Often people in such situations want to see over night, passable roads, rehabilitated class rooms, operating clinics, the restoration of electricity and clean water. Yet, the reality is that there is no quick fix, largely missing capacity is required to turn good will and commitments into cash, into implemented programs.

Thirdly, there are limits to the extent to which those early deliverables and quick wins can be made sustainable. It is not merely about quickly rebuilding assets on the ground. That is necessary, but insufficient. Rather, it is more about sustaining the presence of these assets. It is about building capacities to maintain them. It is about reorientation of the mindsets of our people to ensure that these restored assets and services are better appreciated and maintained. In many respects, this may be the most formidable and complex set of challenges as success depend largely on behavioral metamorphoses as well as our careful and meticulous participatory planning and strategizing.

Challenges of the Legacy of Conflict

Mr. Speaker, Ladies and Gentlemen:

The legacy of civil ways is typically enormous. Merely contemplating or assessing the enormity of that legacy is a formidable challenge in itself. In our own case in Liberia, by the time our 14-year civil way had ended in 2003 through an accord brokered by regional and international partners, we had recorded perhaps the steepest relative decline in national income of any nation on earth, and one of the highest levels of external debt to exports ratios in the world. Our national budget had shrunk more than ten fold from a high in the early 1980s of some \$900 million, to a mere \$80 million in 2006 for a people of 3.5 million. Virtually three quarters of the jobs we once had in our formal sector had disappeared. Poverty, both income and non-income, had implanted itself among our people in an alarming manner. Some three quarters of Liberians lived on less than US\$1 per day. Every single one of our national institutions was destroyed badly undermined by systemic corruption and malpractices. Our system had lost its salt; our society its moral fiber and its soul.

This situation remained little changed in January 2006 when I assumed office. The expectation of our people constituted an even more sobering reality. How could one tell our people who had been faced with major instability for almost three decades, who had gone through one of the most brutal civil conflicts in Africa, that their children would now still not be able to go to school, perhaps until a few more years? Or that the long decimated and looted clinics in their towns and villages could not be reconstructed for months and years? Or that the first installment payment on their five or more years of unpaid salary arrears as public servants, or worse military officers or retirees would not initiate for several months? Or that the government would not be able to clear a good portion of that, even with all the will in the world? How could we quickly guarantee that their daughters could no longer be sexually violated? Or that their fathers would not immediately come home with a paycheck? Or that the bulk of our youth would no longer remain unemployed?

Confronting these major expectations in the early years after cessation of conflict are, therefore, major challenges the enormity of which we simply cannot underestimate. Yet, we boldly embarked on the task of national remobilization and delivery formulating a plan of action and targets to be achieved for the first 150 days of our Administration. Our new and talented team was determined to hit the ground running for action.

First, in the area of security, we started the ongoing process of restructuring our armed forces, aimed at creating a more professional and human rights sensitive institution. We upgraded the skills of our police. With help from our development partners, we completed the return and rehabilitation of hundreds of thousands of our refugees, excombatants and Internally Displaced Persons (IDPs) to their communities of origin.

Second, we aggressively embarked on the revitalization of our economy, guickly almost trebling the levels of budgetary income relative to what we inherited at the beginning of 2006. We successfully completed implementing the first full IMF Staff Monitored Program and are advanced in our discussions for a successor program. Thanks to the assistance of the government of Sweden and the rest of the international committee, we are well on the road to clearing the arrears, the \$4.5 billion inherited external debt and setting the course to write off that debt under the Heavily Indebted Poor Countries (HIPC) process. We initiated a process of reviewing all inherited commercial contracts and concessions that were in many cases questionable in terms of the national interest, renegotiated a new billion dollar agreement with Arcelor Mittal Steel and have almost completed renegotiation discussions with the historic Firestone Rubber Company. We continue to work closely with our development partners under the Governance Economic Management Assistance Program (GEMAP) to assure better public resource management. International sanctions on our forestry sector and diamond sectors have both been lifted, we now have a new and modern forestry law that will bring benefits to concerned communities and protect the environment for future generations.

In addition, we are well past the half way mark for implementation of ur first two year Interim Poverty Reduction Strategy (iPRS) concluding end of June 2008. We are advanced in the preparation of a full Poverty Reduction Strategy (PRS) through 2011. we have now secured access to the African Growth and Opportunity Act (AGOA) facility of the United States with the prospect of boosting our exports. These are but a few of what we have so far achieved in this important area of rebuilding our hitherto badly broken economy.

Third, we have started to rebuild our institutions and strengthen the rule of law. We have completed a new anti-corruption policy and its implementation strategy is concluded. An act to create an *Anti-Corruption Commission* is now before our Legislature. Our *Governance Commission (GC)* was restructured and given a new mandate. It continues to spearhead important reforms, including finalization of a *Code of Conduct* for our civil servants. The GC is also now tackling major issues of land and judicial reforms. Our *Civil Service Agency* is well advanced in its badly needed reforms, including vetting our payrolls, badly bloated by "ghost" names, 17,000 of which were removed. A *Truth and Reconciliation Commission (TRC)* to promote national reconciliation is now fully operational.

Finally, after years of seeing our infrastructure and basic services destroyed, we have already made tangible progress in the rehabilitation of our roads, schools, and health facilities as well as in the limited restoration of some electricity and water to the capital city, Monrovia. We steadily expanding and rehabilitating this vital service to our people.

So far so good. But these very actions of the need to deliver and to do so quickly have presented their own enormous challenges and stresses for our government and its people. We had to quickly plan and we know that many o four original estimates were largely "guess-timates". Many of our initial targets would undershoot or overshoot for inaccurate baseline anchors, and the depth of the destruction and incapacity would be indeterminate for a while. Yet we have to meet the burning and growing expectations of our long suffering people, implementation challenges or not. Be these challenges related to the budgetary process itself, or in navigating the steep learning curve of the procurement process under a new procurement law. Or be they in clearing the stringent requirements of a new Cash Management Committee to ensure that our Budget remains in balance. Or deftly manage delays in moving from pledges or commitment of funding from our partners to actual disbursement of their cash for our investment plans. We simply have to continue surmounting these challenges of implementation and delivery.

Challenges for the Long Term Peace Dividend

But we cannot forever retain that emergency status. We have to move beyond that. Many of our partners are mandated to support us that way only for a couple of years. Some, especially in the health sector have already begun to pull out – an area of serious concern to us. To them the humanitarian phase is now complete. How then could we quickly consolidate to unlock in a sustainable manner the real potential and dividends of our hard won peace? These represent a new set of challenges, in some respects even more formidable than the ones earlier alluded to.

Hopefully post conflict benefits to our people should last beyond my own six year term of stewardship, and ideally well beyond that of my immediate and subsequent successors. We must install robust structures in our institutions, diagnosed and erected by all of our people themselves. And in doing so, a central objective would be to ensure we do not relapse conflict. We also need to ensure that we grow with equity and that we equitably share that growth.

We also know that as we strive to do so, a number of realities will inevitably confront us; that we have to move beyond them. What are some of these realities?

First, rebuilding democracy especially in post-conflict environments is a painstaking and arduous process. Today's mature economies, such as Sweden, could themselves attest to this. Reconstruction has to be inclusive, all embracing in its character. In countries like ours with three distinct branches of Government, each branch is acutely aware of its domain and sphere of influence. Yet engagement at all times is a sine qua non. And there can therefore be only one sure path to that end – old fashioned consultations, constant dialogue and information sharing and dissemination, at all times. And when compounded by the imperative of postconflict national reconciliation, the task is fully out for all actors, all our stakeholders – government, civil society, including our embryonic but energetic media, the private sector, and of course our external partners. I will say a few words on the last group in a moment.

Second, in seeking to move away from our emergency, humanitarian to a more developmental phase, our people will have to make fundamental shifts in their own attitudes – in living, in doing business, in coexisting with each other. They will have to break with time honored traditions if, for instance, these are violations of human rights, or perpetuate systemic inefficiencies. They will have to become less dependent on the state, as the state may no longer be able to afford it. Breaking away from these is never easy and often politically sensitive. We will also need to better understand that public service means just that – serving our people and doing it efficiently, honestly and openly. That post-conflict development space will require new and imaginative and at times more sympathetic ways of doing business. A key to this monumental shift in attitudes will be our continued commitment to massive investment in education of our people to which we remain steadfast.

Third, we will need to accept that good neighborliness and good neighborhoods are mutually reinforcing realities, with serious inherent challenges. We in Liberia are part and parcel of a resource rich subregional neighborhood with strong traditions of cross-border movement and commerce. We have to sustain those in mutual respect while exploiting the many synergies of political infrastructure and other economic and social cooperation. As history has time and again clearly manifested, an unstable Liberia is an unstable West Africa or Mano River subregion and vice versa.

Fourth, and very importantly, we will have to seriously confront a number of challenges that attend on rebuilding of strong strategic partners, domestic and especially external. For us, good partnerships are two way streets. Mutual accountability by both government and partners is a sine qua non. For their part, our partners must minimize responses of support driven by ideology or geopolitics. Rather responses must be largely tailored to the complex post-conflict realities and architecture on the ground. Our partners must be creative and responsive in their mechanisms for identifying with us our necessary support and once mutually agreed upon delivering that support in a timely way.

They need to quickly and in relevant ways, build up their capacities on the ground, adequately empowering their staff to make in situ decisions as much as possible. This way our post conflict countries could quickly have access to the necessary material, technical and financial support thus assisting us in eschewing what the literature is today calling the "conflict trap"; our social partners themselves often entrepreneurs, the NGOs must themselves be accountable for their work and be prepared to be more open and transparent; our private sector more accommodative, supportive, innovative and responsible to the realities of post-conflict environments.

Finally, we ourselves must continuously create the space in our country for doing business better. We must ensure that administrative and other barriers are quickly minimized and eventually dismantled; that our laws and regulations are easily

enforceable; that our labor codes are internationally compliant and friendly; and that the system of managing of our land is much less complicated. We simply have to quickly break from our old, archaic and inefficient ways of doing business if we are to trade and grow our way out of poverty, looking ahead. In this context, we are already receiving ample support from our partners, especially the World Bank Group and the International Trade Center.

As you can see, the challenges here are numerous and complex but surmountable but we have embarked in earnest on the long journey ahead and will stay the course.

Mr. Speaker, Distinguished members of the Swedish Parliament, Invited Guests, Ladies and Gentlemen:

As I close, let me say that firmly believe these challenges of post-conflict societies that I shared with you today – complex and complicated as they are – they are by no means insurmountable. But in confronting them we need to draw strength from ourselves and our rich past as a people as well as from the time-honored successes and continued goodwill of our enduring partners such as Sweden. We are confident that we could count on your sustained support thus ensuring that Liberia becomes a nation that both we ourselves and our friends alike could be proud of once again.

I thank you.