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Intervention and Post-Conflict Natural Resource Governance: Lessons from Liberia

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"[T]he most important consideration at the peace table will be the question of allocation and ownership of resources. Indeed, world peace hinges upon our answer to that question."

George Renner¹

I. INTRODUCTION

Regardless of whether George Renner was correct in his analysis of the World War II peace process, his connection between resolving natural resource issues and sustaining peace in post-conflict societies was prescient. While the conflicts of today's world are not of the scale of yesterday's world wars, and increasingly involve military interventions in civil war, the consideration of natural resources in the peace process is even more critical. Indeed, establishing effective post-conflict natural

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1. George T. Renner, *Natural Resources in the Post-War World*, 49 AM. J. SOC. 430, 430 (1944) (writing about resolution of natural resource issues for a post-World War II global society).

resource governance is *essential* to maintaining stability and peace after military interventions.

Violent internal conflicts, or civil wars, were frequent throughout the world in the 1980s and 1990s,² and while some of these conflicts have been suspended or repressed in the past ten years, the potential for continued civil war and societal collapse remains.³ Despite the gradual rejection of colonialism in favor of self-determination after World War II, military intervention by foreign governments in civil wars has increased in the last two decades.⁴ Whether these interventions are justified for humanitarian, national and international security, or other reasons, once the intervention occurs, the foreign states have played a large role working to establish the rule of law and a lasting peace. This role has enlarged in the last decade, with the intervening states or organizations becoming increasingly involved in the whole or partial administration of the society in crisis.⁵

The factors in effectively administering a post-conflict society are varied, but the importance of natural resources cannot be overlooked. Natural resource issues have played a significant role in numerous civil wars over the past few decades.⁶ The centrality of this role in the initiation and continuance of conflict has been the source of recent scholarly debate. From the econometric work of Paul Collier and Anke Hoeffler emerged a distinction between greed and grievance models for civil war initiation.⁷ Collier and Hoeffler's studies found that primary commodity exports were the most important

2. MONTY G. MARSHALL & TED ROBERT GURR, CENTER FOR INTERNATIONAL DEVELOPMENT & CONFLICT MANAGEMENT, PEACE AND CONFLICT 2005: A GLOBAL SURVEY OF ARMED CONFLICTS, SELF-DETERMINATION MOVEMENTS, AND DEMOCRACY 13 (2005).

3. *Id.* at 2 (classifying thirty-one countries in serious risk of succumbing to civil war or governmental collapse, and indicating that another fifty-one countries display some factors associated with this serious risk group).

4. JANE STROMSETH ET AL., CAN MIGHT MAKE RIGHTS? BUILDING THE RULE OF LAW AFTER MILITARY INTERVENTIONS 1-2 (2006).

5. *See id.* at 63.

6. *See, e.g.*, PHILIPPE LE BILLON, FUELLING WAR: NATURAL RESOURCES AND ARMED CONFLICT 36 tbl. 2 (2005); MICHAEL T. KLARE, RESOURCE WARS: THE NEW LANDSCAPE OF GLOBAL CONFLICT 208 (2001); Michael Ross, *The Natural Resource Curse: How Wealth Can Make You Poor, in* NATURAL RESOURCES AND VIOLENT CONFLICT: OPTIONS AND ACTIONS 17-18 (Ian Bannon & Paul Collier eds., 2003); Richard Snyder, *Does Lootable Wealth Breed Disorder? A Political Economy of Extraction Framework*, 39 COMP. POL. STUD. 943, 945-46 tbl. 1 (2006).

7. *See* Paul Collier & Anke Hoeffler, Abstract, *On Economic Causes of Civil War*, 50 OXFORD ECON. PAPERS 563 (1998).

factor in predicting civil war.⁸ From these results arose a greed or utilitarian model of conflict. Instead of ethnic divisions and unjust regimes driving conflict (the grievance model), the availability of lootable resources, such as alluvial diamonds and timber, provided the underlying motivation for rebellions.⁹ While Collier and Hoeffler refined the greed model over time,¹⁰ a number of scholars have questioned the purely economic focus of the model, instead bringing political structures and natural resource governance back into the picture.¹¹ Other research emphasized that considering the different characteristics and locations of natural resources is critical to understanding civil war initiation and continuation.¹² Despite the recent critiques and qualifications of the greed model, there is a growing recognition that natural resource abundance and mismanagement can create conditions ripe for civil war.

Ensuring that resource-rich post-conflict societies regain stability and sustain their peace in the aftermath of a military intervention requires a comprehensive approach to natural resource governance. Intervening states and organizations that seek to promote stability must integrate natural resource considerations into every phase of the intervention. Pre-intervention planning should include study and analysis of the state's natural resource characteristics, effective management of international resource sanction regimes, and development of a viable blueprint for immediate post-conflict resource management. Immediately after intervention, security must be established with natural resources in mind, thus giving the transitional government effective control over its resources and preventing remaining rebels from using those resources to continue conflict. In promoting effective internal governance and the rule of law, legislative reform must clearly delineate public and private ownership over resources. Transparent and independent regimes will need to be established for tracking

8. See Paul Collier, *Doing Well out of War: An Economic Perspective*, in GREED AND GRIEVANCE: ECONOMIC AGENDAS IN CIVIL WARS 91 (Mats Berdal & David M. Malone eds., 2000).

9. See *id.* at 106.

10. See, e.g., Paul Collier & Anke Hoeffler, *Resource Rents, Governance, and Conflict*, 49 J. CONFLICT RESOL. 625, 625 (2005); Paul Collier & Anke Hoeffler, *Greed and Grievance in Civil War*, 56 OXFORD ECON. PAPERS 563, 563–64 (2004).

11. See, e.g., James Ron, *Paradigm in Distress? Primary Commodities and Civil War*, 49 J. CONFLICT RESOL. 443, 443–44 (2005) (introducing a special issue of the Journal of Conflict Resolution discussing the link between primary commodities, political instability, and civil war); Snyder, *supra* note 6, at 946–47.

12. See LE BILLON, *supra* note 6, at 31.

resource exploitation and controlling corruption. Working with local leaders, interveners must provide adequate funds and infrastructure to build and maintain local and regional natural resource institutions. Economic reform, both internally and internationally, must allow for diversification of the economy and reduce incentives for spoilers. Finally, international legal structures must be in place to independently assist and prod the post-conflict state into peaceful transition. This includes a possible continuation of the sanction regime, processes for natural resource tracking and verification (such as the Kimberley Process) and controls on multinational corporations trading in resources with the state. While the scope of this article will be limited to only a few of these areas, all of them are crucial.

Using Liberia as an example, this article will emphasize the importance of establishing effective natural resource governance after international military interventions. Part II will analyze the connection between natural resources and conflict. Part III will introduce Liberia's recent experiences in civil war and state failure. Part IV will discuss Liberia's natural resource situation and analyze the failures and successes in Liberia's post-conflict natural resource governance, which suggest a number of lessons for the future.

II. NATURAL RESOURCES AND CIVIL WARS

A. IS THERE A LINK BETWEEN RESOURCE WEALTH AND CONFLICT?

Stating that there is a connection between natural resources and a country's development is not a novel or controversial idea. Scholars have been debating for centuries whether natural resource abundance is a boon or a curse to the possessor country.¹³ However, recent research focuses on the relation between violent conflict and natural resource endowments.¹⁴ Understanding this research and the relative

13. See generally Michael L. Ross, *The Political Economy of the Resource Curse*, 51 WORLD POL. 297 (1999) (providing a review of the recent literature on natural resource abundance and economic development).

14. See generally, e.g., Paivi Lujala et al., *A Diamond Curse? Civil War and a Lootable Resource*, 49 J. CONFLICT RESOL. 538 (2005) (finding that the production of lootable diamonds increases the risk of onset of ethnic war); Ola Olsson, *Conflict Diamonds*, 82 J. DEV. ECON. 267 (2007) (concluding that diamond abundance has a negative relationship with economic growth in countries with weak institutions);

connection between civil war and a country's resources is a prerequisite to proper post-conflict peacekeeping.

The centrality of natural resources in initiating and prolonging civil wars is controversial. A common understanding of civil wars is that such conflicts start from grievances of individuals within the country, either against another group in the country or against the government.¹⁵ However, recent research challenges this assumption, arguing that rebellions arise from rebels' greed over exploiting natural resource wealth.¹⁶ This general greed versus grievance framework provides a starting point, but vastly simplifies the complex interactions between natural resources, rebels, conflict, and the effectiveness of central governments.

In determining the importance of greed to civil war, scholars developed econometric models using civil war initiation or duration as the dependent variable. The models then explored various independent variables that could represent greed and grievance factors. For example, Paul Collier and Anke Hoeffler's early studies used three proxies to capture the economic agenda or greed factors (with the intended factor in parentheses): primary commodity exports (natural resource endowments), proportion of young men in society (cost of attracting recruits to the rebellion), and average years of education (other income-earning opportunities).¹⁷ As proxies for grievance factors, Collier and Hoeffler used indices for societal fractionalization (ethnic or religious hatred), ownership of land (economic inequalities), indices of political rights (lack of political rights), and recent rate of growth per capita (government economic incompetence).¹⁸ Collier and Hoeffler's

Indra de Soysa, *The Resource Curse: Are Civil Wars Driven by Rapacity or Paucity?*, in GREED AND GRIEVANCE: ECONOMIC AGENDAS IN CIVIL WARS (Mats Berdal & David M. Malone eds., 2000) (finding that an abundance of a country's mineral wealth is positively and significantly related to internal armed conflict); Collier, *supra* note 8 (highlighting the link between exports of primary commodities and the origins of civil war); Collier & Hoeffler, *Greed and Grievance in Civil War*, *supra* note 10 (finding that primary commodity exports significantly increase conflict risk); Ross, *supra* note 6 (describing how an abundance of primary commodities, such as minerals, drugs, and timber, increases the risk of civil war); Snyder, *supra* note 6 (analyzing the relationship between lootable wealth (e.g., gems, timber, drugs) and disorder).

15. See Paul Collier, *The Market for Civil War*, FOREIGN POL'Y, May–Jun. 2003, at 38, 40–41.

16. See Collier, *supra* note 8, at 91.

17. *Id.* at 93–95.

18. *Id.* at 95–96.

models found that the presence of primary commodity exports greatly increases the risk of civil war, exceeding any other greed or grievance factor.¹⁹ These results indicate that where the perceived economic benefits from violence outweigh those from peace, civil war is more likely.²⁰ Collier and Hoeffler's findings departed from the standard approach focusing on political variables such as ethnic divisions, regime stability, history, political legitimacy, state strength, and income equality.²¹

Collier and Hoeffler are not the only scholars to approach the issue, nor are their results unquestioned. The broader issue of natural resource abundance, economic growth, and governance, which directly relates to conditions for internal conflict, is found throughout literature before and after Collier and Hoeffler's studies.²² While there is dispute as to the centrality and relative effect of natural resource abundance to civil wars, most of the literature recognizes that natural resources play some role in influencing the initiation and duration of violent internal conflicts.

B. WHAT IS THE LINK BETWEEN NATURAL RESOURCES AND CONFLICT?

It is common to think that many conflicts are caused by a scarcity of natural resources. As global population and demand grow, the scarcity of natural resources, especially oil and water, can be a large factor in creating conditions ripe for violent conflict.²³ A leading scarcity and internal conflict perspective focuses on two mechanisms through which natural resource scarcity acts to prevent socio-economic innovation and perpetuate underdevelopment: (1) scarcity encourages powerful groups—elites—within a society to “capture” resources, therefore marginalizing others in the process; and, (2) scarcity overwhelms efforts to promote social and economic innovation, therefore increasing grievances and eroding the authority of the

19. *Id.* at 97.

20. *Id.* at 103–04; *see also* Ron, *supra* note 11, at 444.

21. *See, e.g.*, Collier, *supra* note 15, at 40–41; Collier, *supra* note 8, at 91–92; Ron, *supra* note 11, at 444; de Soysa, *supra* note 14, at 115–16.

22. *See, e.g.*, Macartan Humphreys, *Natural Resources, Conflict, and Conflict Resolution*, 49 J. CONFLICT RESOL. 508, 511–18 (2005); LE BILLON, *supra* note 6, at 11–24; de Soysa, *supra* note 14, at 114–22; Olsson, *supra* note 14, at 267–69; Ron, *supra* note 11, at 444–45; Ross, *supra* note 6, at 19–22.

23. *See, e.g.*, KLARE, *supra* note 6, at 15–26; SANDRA POSTEL, *LAST OASIS: FACING WATER SCARCITY* 73–86 (1992); MARQ DE VILLIERS, *WATER WARS: IS THE WORLD'S WATER RUNNING OUT?* 20–21 (1999).

government.²⁴ While this approach to civil wars is useful to understanding possible mechanisms involving countries with scarce resources, recent interventions—including Liberia as discussed in Part III—have occurred in countries with an *abundance* of some kind of natural resource. Additionally, recent studies find little evidence that scarcity of resources drives conflicts, instead focusing on the significance of resource abundance.²⁵ The theory that natural resource abundance results in poor governance and economic underperformance is often termed the “resource curse.”²⁶

Under the resource curse theory, natural resource dependence heightens the risk of armed conflict through four groups of mechanisms: effects on the economy, governments, groups within the state, and outsiders.

1. *Economies and Natural Resources*

Economic effects can be divided into a reduction in growth and an increase in poverty and inequality. On average, resource-dependent countries consistently experience lower economic growth rates than resource-poor countries.²⁷ This lower growth rate is often explained through the Dutch Disease theory, where resourcedependence results in a failure to diversify and innovate in an economy.²⁸ Because of the availability of natural resources for ready capital, the state has little incentive to allocate capital, labor, and innovation to other industries.²⁹ The country is therefore much more vulnerable to international commodity price instability, which in turn has both microeconomic and macroeconomic effects that jeopardize

24. de Soysa, *supra* note 14, at 117–18.

25. See de Soysa, *supra* note 14, at 124.

26. See, e.g., Ross, *supra* note 6, at 17; de Soysa, *supra* note 14, at 113.

27. LE BILLON, *supra* note 6, at 11; Ross, *supra* note 6, at 20. There are a number of ways to measure resource dependence and abundance. One approach considers a resource-dependent country as having a large ratio of natural resource exports to GDP—essentially the country relies on natural resources, as opposed to other sectors such as manufactured/finished goods, for a large part of its national revenues. See, e.g., Ross *supra* note 6, at 21 tbl. 2.4. Another way of portraying abundance of resources is through a measure of natural resource stock per capital. See de Soysa, *supra* note 14, at 122 (arguing that this measure is a better proxy for determining abundance and scarcity of natural resources within a country).

28. See, e.g., LE BILLON, *supra* note 6, at 19; de Soysa, *supra* note 14, at 120–21.

29. LE BILLON, *supra* note 6, at 19; de Soysa, *supra* note 14, at 120.

development.³⁰ Lower rates of growth and vulnerability to price shocks correlate to higher probabilities of unconstitutional political change.³¹ The failure to diversify into a manufacturing sector, which could dampen price shocks, also results in what Humphreys calls the sparse networks mechanism.³² Under this mechanism, a weak manufacturing sector results in correspondingly low levels of internal trade. This both fragments the economy into independent enclaves of production and limits cooperation, understanding, and information sharing, therefore raising conflict risks.³³

Resource dependence tends to result in greater poverty and inequality, consequences that form the grievances that often influence civil wars. For example, reliance on mineral exports is correlated with high poverty rates, high child mortality rates, poor education, lower life expectancy, and greater income inequality.³⁴ Groups suffering from poverty, income equality, and vulnerability to trade shocks are more likely to rise up against their government—numerous studies demonstrate that the greater a country's poverty, the greater the likelihood of civil war.³⁵ Therefore, grievance mechanisms can arise through resource dependence.

2. Governance and Natural Resources

Resource dependence also has a significant effect on politics and the quality of governance. Ineffective governments are not able to effectively resolve conflicts before they result in violence, and the governments may often exacerbate those conflicts.³⁶

30. See Patrick Guillaumont & Sylviane Guillaumont Jeanneney, *Dampening Price Shocks*, in NATURAL RESOURCES AND VIOLENT CONFLICT: OPTIONS AND ACTIONS 354–55 (Ian Bannon & Paul Collier eds., 2003).

31. Collier & Hoeffler, *Greed and Grievance*, *supra* note 10, at 569; Guillaumont & Jeanneney, *supra* note 30, at 355.

32. Humphreys, *supra* note 22, at 513.

33. *Id.*; see also de Soysa, *supra* note 14, at 120 (explaining that innovation progresses more rapidly in the manufacturing sector because that sector is linkage-strong).

34. LE BILLON, *supra* note 6, at 11–12; Ross, *supra* note 6, at 20.

35. Ross, *supra* note 6, at 20–21.

36. See, e.g., STROMSETH ET AL., *supra* note 4, at 137–40; Ross, *supra* note 6, at 25; David Keen, *Incentives and Disincentives for Violence*, in GREED AND GRIEVANCE: ECONOMIC AGENDAS IN CIVIL WARS 26–29 (Mats Berdal & David M. Malone eds., 2000). Failed and weak government institutions have significantly contributed to violence in a number of states. For example, Somalia's weak regime was easily overthrown in 1991, quickly resulting in anarchy and violent civil war. See STROMSETH ET AL., *supra* note 4, at 139, 156; Jeffery Clark, *Debacle in Somalia*:

Three complementary mechanisms each make internal conflict over natural resources more likely: weak governments, corruption, and unaccountability.³⁷

The weak states mechanism theorizes that resource dependence weakens state structures, making the country less able to provide public goods and resolve social conflicts.³⁸ In many resource dependent countries, the primary source of capital for the state is typically from resource export revenues, and not from taxation of the public.³⁹ Weak states generally arise from resource dependence in two ways: less societal control over government and less government control over society.⁴⁰ In the first variation, citizens who do not bear the burden of taxation have less power over the government.⁴¹ Those citizens have less information about government activities, a lesser interest in demanding accountability for those spending their tax monies, and fewer measures at their disposal to withdraw support from a government with which they disagree.⁴² The second variation focuses on weakened state control. Governments that rely on resource revenues rather than taxes have less incentive to create strong bureaucratic institutions that could better conduct country-wide social and economic planning and effectively prevent or intervene in social conflicts.⁴³

The corruption mechanism focuses on greed at the government leadership level. When a government derives more of its capital from natural resources, it is more likely to

Failure of the Collective Response, in ENFORCING RESTRAINT: COLLECTIVE INTERVENTION IN INTERNAL CONFLICTS 207–12 (Lori Fisler Damrosch ed., 1993). The violence in Sierra Leone in the 1990s was exacerbated by the inability of any central government to deal with rebel forces; instead, the weak government either was overthrown or joined with the rebels. See STROMSETH ET AL., *supra* note 4, at 158–59; W. Ofuatey-Kodjoe, *Sierra Leone, in DEALING WITH CONFLICT IN AFRICA: THE UNITED NATIONS AND REGIONAL ORGANIZATIONS* 128–37 (Jane Bolden ed., 2003); NORRIE MACQUEEN, *UNITED NATIONS PEACEKEEPING IN AFRICA SINCE 1960* 180–91 (A.J. Nicholls & Martin S. Alexander eds., 2002). See Part III of this article for a description of Liberia's government failures.

37. Ross, *supra* note 6, at 24–25.

38. *Id.* at 25.

39. Nathan Jensen & Leonard Wantchekon, *Resource Wealth and Political Regimes in Africa*, 37 COMP. POL. STUD. 816, 817 (2004).

40. See Humphreys, *supra* note 22, at 512.

41. See *id.*; Emeka Duruigbo, *Permanent Sovereignty and People's Ownership of Natural Resources in International Law*, 38 GEO. WASH. INT'L L. REV. 33, 71 (2006).

42. See, e.g., Duruigbo, *supra* note 41, at 70–72 (2006); Humphreys, *supra* note 22, at 512.

43. See, e.g., Duruigbo, *supra* note 41, at 72; James D. Fearon, *Primary Commodity Exports and Civil War*, 49 J. CONFLICT RESOL. 483, 487 (2005); Humphreys, *supra* note 22, at 512; Ross, *supra* note 6, at 25.

experience corruption.⁴⁴ It is difficult for many governments to effectively manage large amounts of revenue.⁴⁵ Therefore, coupled with the weak states mechanism, resource dependent governments are unable or unwilling to track all the revenues from resources, thereby enabling corruption. The results of corruption may be disastrous for the country's economy, the legitimacy of its rulers, and the quality of its governance, leading to high levels of inequality and raising strong grievances against the government.⁴⁶

Reduced accountability is tied to both the weak states mechanism and corruption. Often termed the "rentier-state" effect, the availability of large resource revenues allows the government to pursue politics of patronage and build up internal security forces to quell dissent, therefore undermining the possibility of democratic governance.⁴⁷ The lack of innovation and diversification that occurs in resource dependent states also extends to a lack of social capital and political modernization.⁴⁸ Resource dependence is associated with a lower level of democracy, especially in Africa.⁴⁹ Corruption also serves to reduce accountability through government officials who favor and listen only to those who can afford to pay bribes.⁵⁰

44. See, e.g., Duruigbo, *supra* note 41, at 74; Ross, *supra* note 6, at 24.

45. Ross, *supra* note 6, at 24.

46. See LE BILLON, *supra* note 6, at 22.

47. See, e.g., de Soysa, *supra* note 14, at 121; LE BILLON, *supra* note 6, at 21; Ross, *supra* note 6, at 25.

48. See LE BILLON, *supra* note 6, at 21.

49. See Jensen & Wantchekon, *supra* note 39, at 817–18, 834–36. Jensen and Wantchekon find that natural resource abundance has a significant negative impact on democratic consolidation in Africa. *Id.* at 818. This is because "resource abundance allows incumbent politicians to maintain support and consolidate their hold on political power" through the profits or "rents" gained from the trade of natural resources. *Id.* at 819. For example, in the Republic of the Congo (Brazzaville), leaders used oil revenues to consolidate political power in the late 20th century. See *id.* at 820. Burma's government has retained absolute control of the country since 1990 by controlling the trade in natural resources such as drugs, gems, and timber. See Snyder, *supra* note 6, at 959–62; GLOBAL WITNESS, LOGS OF WAR: THE TIMBER TRADE AND ARMED CONFLICT 28–33 (2002), available at http://www.globalwitness.org/media_library_get.php/150/0203_The%20Logs%20of%20War_by%20GW_Fafo.pdf; Peter S. Goodman & Peter Finn, *Corruption Stains Timber Trade*, WASH. POST, Apr. 1, 2007, at A1. As described in Part III, Charles Taylor used revenues from the timber, diamond, and rubber trade to gain and then maintain authoritarian power. See, e.g., STROMSETH ET AL., *supra* note 4, at 100–01; GLOBAL WITNESS, LOGS OF WAR, *supra* note 49, at 22–26; Jamie O'Connell, *Here Interest Meets Humanity: How to End War and Support Reconstruction in Liberia, and the Case for Modest American Leadership*, 17 HARV. HUM. RTS. J. 207, 214–16 (2004).

50. Ross, *supra* note 6, at 25.

Studies find a strong link between decreased accountability/democracy and an increased risk of conflict.⁵¹

3. *Internal Actors and Natural Resources*

The third general effect of resource dependence is on groups within the country, especially on potential rebel groups. Under a greedy rebels mechanism, the availability of exploitable natural resources creates incentives for domestic groups to engage in quasi-criminal activity to benefit from these resources outside of state control.⁵² Either through direct extraction and sale of the resources or through extracting rents from those engaged in extraction, domestic groups can gain access to a large revenue stream.⁵³ If those potential revenues are greater than the group is receiving or could receive in peace, a strong incentive exists to start or prolong conflict that will enable private access to the resources.⁵⁴ The concentration of natural resources in a particular region can also give people who live in that region an incentive to form a separate state and a belief that the state would be viable through resource revenues, therefore increasing the risk of secessionist conflict.⁵⁵ Rebel groups with potential access to resources can also finance rebellion through the sale of future exploitation rights, or "booty futures," to resource companies.⁵⁶ This allows an aspiring rebel group that has not yet captured valuable resources to obtain funds to support the rebellion.⁵⁷ Therefore, through sale of booty futures, conflict that might not otherwise occur is now much more likely to occur. Additionally, when resource firms already exist in the country, rebels can obtain money through the extortion and kidnapping of the workers of those firms.⁵⁸

4. *External Actors and Natural Resources*

Finally, resource dependence can increase the incentives for

51. Collier & Hoeffler, *Greed and Grievance*, *supra* note 10, at 576; Ross, *supra* note 6, at 26.

52. Humphreys, *supra* note 22, at 511.

53. Ross, *supra* note 6, at 30–34.

54. *See, e.g.*, Collier, *supra* note 15, at 41–42.

55. LE BILLON, *supra* note 6, at 39–40; Humphreys, *supra* note 22, at 511; Ross, *supra* note 6, at 27–28.

56. Humphreys, *supra* note 22, at 512; Ross, *supra* note 6, at 32.

57. Ross, *supra* note 6, at 32–33.

58. *Id.* at 33–34.

other states and corporations to engage in or foster conflict within that state, the greedy outsiders mechanism.⁵⁹ This mechanism is very similar to the rebel greed mechanism, except that it involves the perceived benefits for a foreign state or multinational corporation to intervene in or initiate a civil war.⁶⁰ Resource availability can offer self-financing of an intervention and potentially lucrative opportunities for occupying troops.⁶¹

C. CHARACTERISTICS OF NATURAL RESOURCES

All natural resources are not equal in their potential to cause conflict. Collier and Hoeffler's primary commodity export variable reflects mostly cash crops and oil exports;⁶² however, it seems likely that different resources would influence conflict outcomes in different ways. This is in fact the case—the type and characteristics of natural resources affect the balance of power between groups competing for those resources.⁶³ Non-renewable resource abundance or mineral wealth shows greater significance in conflict initiation than renewable resources, such as water and agriculture.⁶⁴ Some mineral wealth, such as oil reserves, may not be able to provide the financing for rebel groups because control of those resources requires a national distribution system. Instead, an abundance of such reserves may be tied to weaker state institutions and a higher conflict risk.⁶⁵

The majority of recent civil wars involved an abundance of lootable resources.⁶⁶ Lootable resources are defined as

59. Humphreys, *supra* note 22, at 511.

60. See, e.g., *id.*; John Bray, *Attracting Reputable Companies to Risky Environments: Petroleum and Mining Companies*, in NATURAL RESOURCES AND VIOLENT CONFLICT: OPTIONS AND ACTIONS 287–89 (Ian Bannon & Paul Collier eds., 2003); Philippe Le Billon, *Getting it Done: Instruments of Enforcement*, in NATURAL RESOURCES AND VIOLENT CONFLICT: OPTIONS AND ACTIONS 256–57 (Ian Bannon & Paul Collier eds., 2003). For example, the De Beers Diamond Company, among many other companies, participated in the trade of Angolan diamonds in violation of a U.N. embargo in the 1990s, therefore providing money to the warring factions. See Mungbalemwe Koyame, *United Nations Resolutions and the Struggle to Curb the Illicit Trade in Conflict Diamonds in Sub-Saharan Africa*, 1 AFR. J. LEGAL STUD. 80, 84–85 (2005).

61. LE BILLON, *supra* note 6, at 42.

62. Fearon, *supra* note 43, at 486.

63. LE BILLON, *supra* note 6, at 31.

64. See de Soysa, *supra* note 14, at 124; Fearon, *supra* note 43, at 487.

65. See Fearon, *supra* note 43, at 486–87.

66. A number of studies provide lists of resources involved in recent civil wars. See, e.g., LE BILLON, *supra* note 6, at 36 tbl.2; Ross, *supra* note 6, at 18 tbl.2.1; Snyder, *supra* note 6, at 945 tbl.1.

“lucrative, easy-to-transport resources, such as gems, tropical timber, and illicit drugs”⁶⁷ or as “high-value goods with low economic barriers to entry.”⁶⁸ Conversely, nonlootable resources are goods with high barriers to entry, such as petroleum reserves and deep-shaft minerals (e.g., Kimberlite diamond deposits).⁶⁹ A parallel concept is to think of resources as diffuse or point. Diffuse resources are “exploited over wide areas through a large number of small-scale operators.”⁷⁰ Point resources are “exploited in small areas by a small number of capital-intensive operators.”⁷¹ Regardless of the terms used, the accessibility of the resource matters. Diffuse or lootable resources are exploited or controlled much more easily by rebel groups than the government. Point or nonlootable resources involve larger capital investment and often have a low value-to-weight ratio, thereby making them ideally exploitable by governments and not rebels.⁷² In a study distinguishing the types of diamonds and conflict, alluvial diamonds are associated with increased incidence of civil wars, while deep-shaft diamonds (point) tend to make ethnic conflict less likely.⁷³

While a government is less likely to be able to control diffuse resources because of their dispersed nature, control is not impossible. The location and mode of extraction of diffuse resources can also influence the balance of power between belligerents and the government. In reference to their location, resources can be either proximate or distant. Proximate resources are located in areas closer to government power centers, and therefore are easier for the government to control.⁷⁴ Distant resources are found in remote territories, in politically contested areas, or near porous borders, thereby making the resources more difficult for the government to control.⁷⁵ Diffuse resources that are located near a capital city and government security forces will be more susceptible to government control than those located further away. In reference to the mode of extraction, diffuse resources can be obtained through artisanal

67. Snyder, *supra* note 6, at 943–44.

68. Richard Snyder & Ravi Bhavnani, *Diamonds, Blood, and Taxes*, 49 J. CONFLICT RESOL. 563, 565 (2005).

69. *Id.*

70. LE BILLON, *supra* note 6, at 32.

71. *Id.* at 34.

72. *Id.* at 35; Snyder & Bhavnani, *supra* note 68, at 568.

73. Lujala et al., *supra* note 14, at 539.

74. LE BILLON, *supra* note 6, at 35.

75. *Id.*

and small-scale extraction⁷⁶ or through industrial extraction (point resources require industrial extraction).⁷⁷ If industrial extraction of a diffuse resource is the dominant mode of extraction (i.e., through a large timber or mining company), the state can still control a large share of the income through taxes on the industry.⁷⁸

Resource characteristics do matter. The following list summarizes the relation of accessibility, extraction, and location of resources to the risk of civil war:⁷⁹

Greatest Risk: Diffuse, distant resource involving artisanal extraction;

Medium-High Risk: Diffuse, proximate resource involving artisanal extraction;

Diffuse, distant resource involving industrial extraction:

Medium-Low Risk: Point, distant resource; and,

Low Risk: Point, proximate resource.

As this Part has shown, natural resources are important in influencing the susceptibility of a society to civil war. While natural resources are never the only source of conflict nor do they make conflict inevitable, resource abundance and dependence, especially involving diffuse resources, significantly heightens the danger of violent conflict.

While many countries with an abundance of natural resources have experienced instability and civil war, Liberia provides an excellent example of how different natural resources shaped the course of internal conflict and how a multinational intervention has dealt with natural resource issues after

76. THOMAS HENTSCHEL ET. AL., ARTISANAL AND SMALL-SCALE MINING: CHALLENGES AND OPPORTUNITIES 5 (2003), available at http://www.ied.org/mmsd/mmsd_pdfs/artisanal.pdf.

Broadly speaking, artisanal and small-scale mining refers to mining by individuals, groups, families or cooperatives with minimal or no mechanization, often in the informal (illegal) sector of the market In some countries a distinction is made between 'artisanal mining' that is purely manual and on a very small scale, and 'small-scale mining' that has some mechanization and is on a larger scale. In some West African countries . . . small-scale mining is differentiated from artisanal mining by the presence of permanent, fixed installations that are established once an ore body is confirmed.

77. Snyder & Bhavnani, *supra* note 68, at 569.

78. *Id.*

79. See LE BILLON, *supra* note 6, at 31-35; Snyder, *supra* note 6, at 948-55; Snyder & Bhavnani, *supra* note 68, at 568-70.

intervention. Liberia's experience involves various natural resources with different characteristics, therefore providing examples of how these different characteristics actually influence the exploitation of the resources during and after conflict. Additionally, Liberia's experience is very recent, with multinational stability operations still ongoing, therefore providing a view into whether and how natural resource issues influence modern post-conflict interventions and outcomes.

III. LIBERIA, CIVIL WAR, AND INTERVENTION

A. INITIAL INTERVENTION IN LIBERIA

Since 2003, the United Nations Mission in Liberia (UNMIL) has sought to bring greater stability to Liberia, and in the process has addressed questions of natural resource management. The U.N. Security Council established UNMIL in September 2003,⁸⁰ and recently extended its mandate to September 2008.⁸¹ This multinational intervention is not the first in Liberia, nor is the United Nations the only international organization involved.

Civil war and intervention in Liberia trace back to December 1989 and a rebellion led by Charles Taylor's National Patriotic Front of Liberia (NPFL) to overthrow the repressive government of Samuel Doe. As the insurgency spread, a lengthy violent civil war ensued, resulting in the displacement of over half of the country's 2.6 million people and thousands of horrific deaths by the summer of 1990.⁸² The Economic Community of West African States (ECOWAS)⁸³ deployed the ECOWAS Monitoring Group (ECOMOG) as a peacekeeping force to Liberia in August 1990 to establish a cease-fire and stop Taylor from gaining control of the capitol. Despite ECOMOG's presence in Liberia and the establishment of an interim government, a rebel faction killed Samuel Doe and the civil war

80. S.C. Res. 1509, ¶ 1, U.N. Doc. S/RES/1509 (Sept. 19, 2003).

81. S.C. Res. 1777, ¶ 1, U.N. Doc. S/RES/1777 (Sept. 20, 2007).

82. David Wippman, *Enforcing the Peace: ECOWAS and the Liberian Civil War*, in *ENFORCING RESTRAINT: COLLECTIVE INTERVENTION IN INTERNAL CONFLICTS* 157, 163 (Lori F. Damrosch ed., 1993).

83. The members of ECOWAS consist of: Benin, Burkina Faso, Cape Verde, Gambia, Ghana, Guinea, Guinea-Bissau, Cote d'Ivoire, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, and Togo. MACQUEEN, *supra* note 36, at 173 n.1.

continued as ECOMOG confined itself to controlling only Monrovia, leaving Taylor in control over the rest of the country.⁸⁴

The civil war crossed borders when Taylor's forces joined with Sierra Leonean rebels and invaded the diamond-rich areas of Sierra Leone in March 1991.⁸⁵ New rebel groups formed in opposition to Taylor's NPFL and the fighting continued.⁸⁶ After Taylor launched a full-scale assault on Monrovia in October 1992, the United Nations began a period of limited involvement beyond humanitarian aid.⁸⁷ In November 1992, the Security Council called for a cease-fire and endorsed an embargo on weapons transfers to Liberia,⁸⁸ and in September 1993 established the United Nations Observer Mission in Liberia (UNOMIL) to monitor and supervise compliance with the terms of the cease-fire agreement agreed to by the warring factions in August 1993.⁸⁹ As noted by the Security Council, "this would be the first peace-keeping mission undertaken by the United Nations in cooperation with a peace-keeping mission already set up by another organization, in this case ECOWAS."⁹⁰ However, with very limited strength⁹¹ and a limited mandate,⁹² UNOMIL had almost no control over the enforcement of the cease-fire. As a powerless observer force, UNOMIL's presence essentially legitimized ECOMOG activities and only delayed the inevitable victory by Taylor in the 1997 elections.⁹³ After the elections, the Security Council did not extend the UNOMIL mandate and

84. See STROMSETH ET AL., *supra* note 4, at 99–100; Wippman, *supra* note 82, at 168–69; Funmi Olonisakin, *Liberia*, in *DEALING WITH CONFLICT IN AFRICA: THE UNITED NATIONS AND REGIONAL ORGANIZATIONS* 111, 116–17 (Jane Boulden ed., 2003).

85. INTERNATIONAL CRISIS GROUP, *LIBERIA: THE KEY TO ENDING REGIONAL INSTABILITY 2* (2002), available at http://www.crisisgroup.org/library/documents/report_archive/A400627_24042002.pdf; MACQUEEN, *supra* note 36, at 174; Wippman, *supra* note 82, at 170.

86. See Wippman, *supra* note 82, at 170–73.

87. MACQUEEN, *supra* note 36, at 174; Olonisakin, *supra* note 84, at 118; Wippman, *supra* note 82, at 172–73.

88. S.C. Res. 788, U.N. Doc. S/RES/788 (Nov. 19, 1992).

89. S.C. Res. 866, U.N. Doc. S/RES/866 (Sept. 22, 1993).

90. *Id.*

91. UNOMIL had a maximum strength of about 300 military personnel in its initial phase, dropping to 160 in November 1995 in the wake of increased fighting and to single digits after the evacuation of most U.N. personnel in April 1996. MACQUEEN, *supra* note 36, at 169, 178; Olonisakin, *supra* note 84, at 120.

92. "Without participation in enforcement activities, [UNOMIL is] to coordinate with ECOMOG in the discharge of ECOMOG's separate responsibilities." S.C. Res. 866, *supra* note 89, ¶ 3(h).

93. MACQUEEN, *supra* note 36, at 179.

withdrew UNOMIL in September 1997, leaving behind a minimal Peace-building Support Office (UNOL).⁹⁴ ECOMOG withdrew from Liberia in November 1999.⁹⁵

B. CURRENT INTERVENTION IN LIBERIA

Taylor's corrupt, intimidating, and abusive rule contributed to the resumption of civil war in Liberia. From a loose coalition of dissidents organized through ECOMOG in 1998, Liberian exiles formed a rebel group in 2000, Liberians United for Reconciliation and Democracy (LURD), with the aim of overthrowing Taylor's government.⁹⁶ LURD began invading Liberia from Guinea in July 2000, and Taylor responded by sending government troops, Revolutionary United Front (RUF) fighters, and Guinean dissidents on a counterattack into Guinea.⁹⁷ This started a period of violent conflict between Taylor's forces and LURD, with more than 100,000 people already internally displaced by fighting in July 2002.⁹⁸ In March 2003, a faction of LURD in Cote d'Ivoire formed an independent rebel group called the Movement for Democracy in Liberia (MODEL), allied with LURD in advocating the overthrow of Taylor, but wanting to prevent LURD from gaining control of Monrovia.⁹⁹ By May 2003, LURD and MODEL controlled nearly two-thirds of the country,¹⁰⁰ and in June and July, LURD laid siege to Monrovia, with MODEL advancing on, but never reaching, the capital.¹⁰¹

In late July 2003, ECOWAS leaders agreed to again intervene in Liberia by deploying the ECOWAS Mission in Liberia (ECOMIL) in early August.¹⁰² At the same time, the Security Council authorized "Member States to establish a

94. S.C. Res. 1116, U.N. Doc. S/RES/1116 (June 27, 1997); The Secretary-General, *Report of the Secretary-General to the Security Council on Liberia*, ¶ 3, U.N. Doc. S/2003/875 (Sept. 11, 2003) [hereinafter *Report on Liberia*].

95. *Report on Liberia*, *supra* note 94, ¶ 3.

96. LIBERIA: THE KEY TO ENDING REGIONAL INSTABILITY, *supra* note 85, at 3-4.

97. *Id.* at 4.

98. LIBERIA: UNRAVELLING 1 (2002), available at http://www.crisisgroup.org/library/documents/report_archive/A400741_19082002.pdf.

99. TACKLING LIBERIA: THE EYE OF THE REGIONAL STORM 20-21 (2003), available at http://www.crisisgroup.org/library/documents/report_archive/A400960_30042003.pdf.

100. *Report on Liberia*, *supra* note 94, ¶ 9.

101. INTERNATIONAL CRISIS GROUP, LIBERIA: SECURITY CHALLENGES 5 (2003), available at http://www.crisisgroup.org/library/documents/africa/071_liberia_security_challenges.pdf.

102. *Report on Liberia*, *supra* note 94, ¶ 9.

Multinational Force in Liberia” and declared “its readiness to establish . . . a follow-on United Nations stabilization force to support the transitional government and assist in the implementation of a comprehensive peace agreement for Liberia.”¹⁰³ Under pressure from the rebels, ECOMIL, and the U.N., Taylor gave up power and left for Nigeria on August 11, 2003.¹⁰⁴ The warring factions signed the Comprehensive Peace Agreement on August 18, which established the National Transitional Government (NTG), dividing the government among Taylor’s former government, LURD, and MODEL.¹⁰⁵ In September 2003, the Security Council established the United Nations Mission in Liberia, requesting that the Secretary-General transfer authority from ECOMIL to UNMIL, and authorizing a force of up to 15,000 military personnel, 250 military observers, 160 staff, and 1,115 police officers.¹⁰⁶ On October 1, UNMIL took over peacekeeping responsibilities from ECOMIL.¹⁰⁷

Although the UNMIL intervention was the largest and most robust U.N. mission in the world at the time and assisted by a Chapter VII mandate,¹⁰⁸ insecurity continued in the years following its deployment. Disarmament, demobilization, and reintegration (DDR) efforts did not initially proceed smoothly,¹⁰⁹ and comprehensive UNMIL deployment proceeded slowly.¹¹⁰ Though the DDR program overcame its early difficulties, the security situation remained fragile, with continuing violent incidents involving rebel groups, students, ex-combatants, and ex-government employees.¹¹¹ After fair and very well-attended

103. S.C. Res. 1497, ¶¶ 1–2, U.N. Doc. S/RES/1497 (Aug. 1, 2003).

104. *Report on Liberia*, *supra* note 94, ¶ 13.

105. *Id.* ¶ 15; LIBERIA: SECURITY CHALLENGES *supra* note 101, at 3.

106. S.C. Res. 1509, *supra* note 80, ¶ 1.

107. The Secretary-General, *First Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶ 2, delivered to the Security Council, U.N. Doc. S/2003/1175 (Dec. 15, 2003) [hereinafter *First Progress Report*].

108. LIBERIA: SECURITY CHALLENGES, *supra* note 101, at 1.

109. See The Secretary-General, *Second Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶ 19, delivered to the Security Council, U.N. Doc. S/2004/229 (Mar. 22, 2004) [hereinafter *Second Progress Report*]. See also STROMSETH ET AL., *supra* note 4, at 171.

110. *First Progress Report*, *supra* note 107, ¶ 7; see also *Second Progress Report*, *supra* note 109, ¶ 4.

111. See, e.g., The Secretary-General, *Fourteenth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶ 10, delivered to the Security Council, U.N. Doc. S/2007/151 (Mar. 15, 2007) [hereinafter *Fourteenth Progress Report*]; The Secretary-General, *Twelfth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 15–17, delivered to the Security

elections on October 11, 2005 and run-off elections on November 8,¹¹² Ellen Johnson Sirleaf was sworn in as President on January 16, 2006.¹¹³ While large problems remain in dealing with the legacy of decades of war and the lack of state institutions, the political and security situation has been relatively stable since President Johnson Sirleaf's election. President Johnson Sirleaf has been committed to controlling corruption and increasing security, with some success.¹¹⁴ The Security Council has continued to extend the UNMIL mandate, and as of August 8, 2007, UNMIL troop strength remains at 14,141 out of an authorized 15,125.¹¹⁵ In September 2006, the Secretary-General laid out benchmarks to be met for the consolidation, drawdown, and withdrawal of UNMIL.¹¹⁶ As these benchmarks are met, the Security Council will begin a "phased, gradual consolidation, drawdown and withdrawal of UNMIL's troop contingent, as the

Council, U.N. Doc. S/2006/743 (Sept. 12, 2006) [hereinafter *Twelfth Progress Report*]; The Secretary-General, *Eighth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 15–17, delivered to the Security Council, U.N. Doc. S/2005/560 (Sept. 1, 2005) [hereinafter *Eighth Progress Report*]; The Secretary-General, *Seventh Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 19–23, delivered to the Security Council, U.N. Doc. S/2005/391 (June 16, 2005) [hereinafter *Seventh Progress Report*]; The Secretary-General, *Sixth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 15–18, delivered to the Security Council, U.N. Doc. S/2005/177 (Mar. 17, 2005) [hereinafter *Sixth Progress Report*]; The Secretary-General, *Third Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 8–12, delivered to the Security Council, U.N. Doc. S/2004/430 (May 26, 2004) [hereinafter *Third Progress Report*].

112. The Secretary-General, *Ninth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 2, 10, 13, delivered to the Security Council, U.N. Doc. S/2005/764 (Dec. 7, 2005) [hereinafter *Ninth Progress Report*] (voter turnout was 74.9% for the first elections and 61% for the run-off).

113. The Secretary-General, *Tenth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶ 4, delivered to the Security Council, U.N. Doc. S/2006/159 (Mar. 14, 2006) [hereinafter *Tenth Progress Report*].

114. See The Secretary-General, *Thirteenth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶¶ 6–7, 10, delivered to the Security Council, U.N. Doc. S/2006/958 (Dec. 11, 2006) [hereinafter *Thirteenth Progress Report*]; *Fourteenth Progress Report*, *supra* note 111, ¶¶ 7, 11. *But see* U.N. Panel of Experts on Liberia, *Report of the Panel of Experts Submitted Pursuant to Paragraph 4(d) of Security Council Resolution 1731 (2006) Concerning Liberia*, ¶ 17, delivered to the Security Council, U.N. Doc. S/2007/340 (June 7, 2007) [hereinafter *Report of the Panel to Resolution 1731*] (noting that civil servants continue to ask for bribes and few have been penalized under the President's zero-tolerance corruption policy).

115. See The Secretary-General, *Fifteenth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶ 64, delivered to the Security Council, U.N. Doc. S/2007/479 (Aug. 8, 2007) [hereinafter *Fifteenth Progress Report*].

116. *Twelfth Progress Report*, *supra* note 111, ¶¶ 71–72 & annex I.

situation permits and without compromising the security of Liberia."¹¹⁷

IV. LIBERIA AND NATURAL RESOURCES GOVERNANCE

One of the specific mandates of UNMIL is "to assist the transitional government in restoring proper administration of natural resources"¹¹⁸ In giving UNMIL this mandate, the Security Council recognized the criticality of effective natural resource governance in establishing a sustainable peace in Liberia. The Secretary-General included management of natural resources as a benchmark for the drawdown of UNMIL.¹¹⁹ Using the concepts and framework from Part II, this Part will describe Liberia's conflict risk from its natural resources and analyze the successes and failures of the NTG, UNMIL, and the new Liberian government in meeting the natural resources mandate and establishing effective post-conflict natural resources governance.

A. NATURAL RESOURCES IN LIBERIA

Liberia's primary natural resources are minerals, timber, and rubber. Before the start of civil war in the late 1980s, mining was the biggest sector of the economy, accounting for two-thirds of Liberia's exports.¹²⁰ The mining sector was primarily focused on iron ore and diamonds, followed by gold and then other minerals mined in smaller quantities. Historically, Liberia was one of the world's largest iron ore exporters, with iron ore production and exports ranging from 12 million metric tons (Mt) per year to 24 Mt/yr during the period from 1964 to 1989, the last year of any significant production.¹²¹ All of the iron ore mines closed by 1991, with most of them

117. S.C. Res. 1750, ¶ 4, U.N. Doc. S/RES/1750/62 (Mar. 30, 2007). In August 2007, the Secretary-General delivered recommendations to the Security Council for the adjustment and drawdown of UNMIL. *Fifteenth Progress Report*, *supra* note 115, ¶¶ 68–76. This drawdown process is linked to a new set of benchmarks. *Id.* ¶¶ 66–67.

118. S.C. Res. 1509, *supra* note 80, ¶ 3(r).

119. *Twelfth Progress Report*, *supra* note 111, at 20.

120. U.S. DEPT OF STATE, ECON./COMMERCIAL SECTION, DOING BUSINESS IN LIBERIA 20 (Aug. 2007), http://monrovia.usembassy.gov/uploads/images/xGoSlozIaZz7M5PAN3V9pw/doing_business_in_liberia_2007.pdf [*hereinafter* DOING BUSINESS IN LIBERIA].

121. GEORGE J. COAKLEY, THE MINERAL INDUSTRY OF LIBERIA 24.1–24.2 (2004), available at <http://minerals.usgs.gov/minerals/pubs/country/2004/limyb04.pdf>.

looted and damaged during the war or decaying due to neglect.¹²² While there has been some recent reinvestment in the iron ore industry,¹²³ this resource has not played a significant role in the civil wars. However, as there are still extensive known resources of iron ore left in Liberia,¹²⁴ iron ore could again become a significant revenue source for the new government.

Diamond deposits occur primarily in two areas, the Ghanpa area in Nimba county (north central Liberia) and a large area on the western border between the Mano/Morro River and the Loffa River (bordering Sierra Leone).¹²⁵ Between 1980 and 1988, Liberian annual exports of rough diamonds ranged from 138,000 to 403,000 carats, averaging US\$8.4 million annually.¹²⁶ However, with the outbreak of war in the 1990s, diamond exports from Liberia increased dramatically.¹²⁷ Diamond exports were far in excess of the quantity or quality available in Liberia. For example, in 1999, official Liberian exports totaled only 8,500 carats, but "Liberian" listed diamond imports to Belgium totaled 1.75 million carats.¹²⁸ This convinced the Security Council that Liberia was engaging in the illicit trade of diamonds from countries such as Sierra Leone, thereby funding

122. DOING BUSINESS IN LIBERIA, *supra* note 120, at 21.

123. U.S. DEP'T OF STATE, UNDERSEC'Y FOR ECONOM., ENERGY AND AGRIC. AFFAIRS, 2007 INVESTMENT CLIMATE STATEMENT—LIBERIA (2007), <http://www.state.gov/e/eeb/afd/2007/80718.htm>. Arcelor Mittal Steel recently renegotiated its US\$900+ million iron ore agreement with Liberia raising the investment to over US\$1 billion. *See, e.g.*, Press Release, Arcelor Mittal, Arcelor Mittal and the Government of Liberia Conclude Mining Review (Dec. 11, 2006), <http://www.arcelormittal.com/index.php?lang=en&page=49&tbPress=here&tb0=30>; Press Release, Global Witness, Mittal Steel did the Right Thing—Will Firestone? (Apr. 30, 2007), http://www.globalwitness.org/media_library_detail.php/539/en/mittal_steel_did_the_right_thing_will_firestone. Additionally, Mano River Resources is conducting a pre-feasibility study of iron ore mining in the Putu Range. Press Release, Mano River Resources Inc., Mano River Update on Putu Range Iron Ore Project in Liberia (Mar. 12, 2007), http://www.manoriver.com/i/pdf/news/2007-03-12_NR.pdf.

124. The Liberian Ministry of Land, Mines and Energy estimated that Liberia had over 2.5 billion metric tons of iron ore reserves in 2004. *See* COAKLEY, *supra* note 121, at 24.6 tbl. 3.

125. *Id.* at 24.3.

126. *Id.* at 24.5 tbl. 2; U.N. Envtl. Programme [UNEP], *Desk Study on the Environment in Liberia* 57 (2004), available at http://postconflict.unep.ch/publications/Liberia_DS.pdf.

127. UNEP, *supra* note 126, at 57.

128. U.N. Panel of Experts on Liberia, *Report of the Panel of Experts Pursuant to Security Council Resolution 1343 (2001), Paragraph 19, Concerning Liberia*, ¶ 353, delivered to the Security Council, U.N. Doc. S/2001/1015 (Oct. 26, 2001) [hereinafter *Report of the Panel to Resolution 1343*].

RUF rebels.¹²⁹ Based on this finding, the Security Council imposed sanctions on all diamond exports from Liberia in March 2001.¹³⁰ After the imposition of sanctions, official Liberian diamond exports ceased, but smuggling of alluvial diamonds from small-scale artisanal operations into other countries continued.¹³¹ In April 2007, the Security Council decided to lift the embargo on Liberian diamonds,¹³² so Liberia will be entering a new phase in its diamond exploitation.

Liberia has potential valuable gold reserves throughout the country.¹³³ During the civil wars there was little formal gold exploration activity in the country because of the lack of security;¹³⁴ therefore any gold mining occurred primarily through artisanal and small-scale operations.¹³⁵ With the imposition of diamond sanctions, artisanal gold production increased.¹³⁶ However, gold exports have not recently constituted a large revenue source for Liberia.¹³⁷ The situation is changing though. After the cessation of hostilities in 2003, a number of mineral companies began exploration and study of the potential for gold in Liberia, finding large reserves.¹³⁸

129. S.C. Res. 1343, at 1, U.N. Doc. S/RES/1343/56 (Mar. 7, 2001).

130. *Id.* ¶ 6.

131. *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 359–60.

132. S.C. Res. 1753, ¶ 1, U.N. Doc. S/RES/1753/62 (Apr. 27, 2007).

133. *See, e.g.*, Philip A. Szczesniak, *The Mineral Industries of Cote d'Ivoire, Guinea, Liberia, and Sierra Leone*, 3 MINERALS YEARBOOK 11.1, 11.3 (2000), available at <http://minerals.usgs.gov/minerals/pubs/country/2000/ivgvlislymb00.pdf>; UNEP, *supra* note 126, at 55 map 7.

134. *See, e.g.*, Philip M. Mobbs, *The Mineral Industry of Liberia*, 3 MINERALS YEARBOOK 26.1, 26.1 (1998), available at <http://minerals.usgs.gov/minerals/pubs/country/1998/li98.pdf>; U.S. Geological Survey, *The Mineral Industry of Other Countries in Africa*, 3 MINERALS YEARBOOK 623, 631 (1994), available at <http://minerals.usgs.gov/minerals/pubs/country/1994/9247094.pdf>; Thomas R. Yager, *The Mineral Industries of Cote d'Ivoire, Guinea, Liberia, and Sierra Leone*, 3 MINERALS YEARBOOK 11.1, 11.4 (2003), available at <http://minerals.usgs.gov/minerals/pubs/country/2003/ivgvlislymb03.pdf>.

135. UNEP, *supra* note 126, at 56.

136. U.N. Panel of Experts on Liberia, *Report of the Panel of Experts Appointed Pursuant to Security Council Resolution 1395 (2002), Paragraph 4, in Relation to Liberia*, ¶ 109, delivered to the Security Council, U.N. Doc. S/2002/470 (Apr. 19, 2002) [hereinafter *Report of the Panel to Resolution 1395*].

137. Figures for the export of alluvial gold in January 2002 showed only 192.90 ounces exported (US\$41,642.19). *Id.* Reported annual production of gold from 2001 to 2005 fluctuated between 16 kilograms (564 ounces) and 110 kilograms (3880 ounces). Omayra Bermudez-Lugo, *The Mineral Industry of Liberia*, 3 MINERALS YEARBOOK 24.1, 24.1 tbl. 1 (2005), available at <http://minerals.usgs.gov/minerals/pubs/country/2005/limyb05.pdf>.

138. *See, e.g.*, COAKLEY, *supra* note 121, at 24.2; Press Release, Mano River Resources Inc., Positive Feasibility Study for New Liberty Gold Project (Jan. 10,

Therefore, while gold exploitation was not as significant as timber or diamonds during the civil war and will not be discussed in detail throughout this article, revenues from the future export of gold may assist in rebuilding Liberia's economy.

The agricultural sector makes up the other major natural resource exports. Rubber production and logging are the major agricultural exports for Liberia. A favorable climate, good soils, and the absence of many predatory fungi give Liberia a competitive advantage for rubber production.¹³⁹ Rubber production began with Firestone establishing its first rubber plantation in 1906 and then the world's largest industrial rubber plantation at Harbel in 1926.¹⁴⁰ Rubber exports grew from US\$19.4 million in 1997 to US\$57.4 million in 2002.¹⁴¹ Because of the structure of the plantations and need for long-term planning and investment, rubber is relatively well controlled by foreign investors.¹⁴² The gestation period of rubber trees is five to six years, and, because no significant planting has occurred, some reports indicate that the rubber industry is on the verge of collapse.¹⁴³ Despite the potential state of the industry in the future, rubber remains Liberia's primary natural resource export, even after the 2003 intervention.¹⁴⁴

Liberia is the last area in West Africa with substantial forest cover; about forty percent of Liberia's land area, or 4.6 million hectares, is forested,¹⁴⁵ representing approximately forty percent of West Africa's remaining rain forest.¹⁴⁶ The two

2007), http://manoriver.com/i/pdf/2007-01-10_NR.pdf; *Mano's Strategy Bearing Fruit*, WORLD MINING STOCKS, Nov. 2006, at 60, 60-61, available at <http://www.mining-journal.com/company-profiles/pdf/ManoRiverResources.pdf>; *Mano River on the Move: Liberian Gold Mine Takes Shape*, MINING REV. AFR., Nov.-Dec. 2006, at 46, 46-47, available at http://www.miningreview.com/archive/mra_6_2006/pdf/46-47.pdf.

139. DOING BUSINESS IN LIBERIA, *supra* note 120, at 22.

140. *Report of the Panel to Resolution 1395*, *supra* note 136, ¶ 142; UNEP, *supra* note 126, at 33.

141. UNEP, *supra* note 126, at 33.

142. *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 320.

143. *Report of the Panel to Resolution 1395*, *supra* note 136, ¶ 142; UNEP, *supra* note 126, at 33; DOING BUSINESS IN LIBERIA, *supra* note 120, at 22.

144. Bureau of African Affairs, U.S. Dep't of State, Background Note: Liberia (Dec. 2007), <http://www.state.gov/r/pa/ei/bgn/6618.htm>. In 2005, rubber exports equaled US\$99 million of a total export trade of US\$112 million. *Id.* Much of Liberia's remaining revenues at this point come from its maritime flag registry program, the second largest in the world. *Id.*

145. *Report of the Panel of Experts Pursuant to Paragraph 25 of Security Council Resolution 1478 (2003) Concerning Liberia*, ¶ 31, delivered to the Security Council, U.N. Doc. S/2003/779 (Aug. 7, 2003) [hereinafter *Report of the Panel to Resolution 1478*].

146. Background Note: Liberia, *supra* note 144.

remaining densely-forested areas are in the northwest and the southeast.¹⁴⁷ Since President Doe seized power in 1980, the timber industry has gone through five major periods. From 1980 until the NPFL uprising in 1990, the industry increased production dramatically, producing almost three million cubic meters of timber in 1989.¹⁴⁸ During the 1990s, the industry stagnated because of the civil war; however, after Taylor gained power in 1997, production again increased.¹⁴⁹ Round log production totaled about 680,000 cubic meters (valued at US\$46.2 million) in the first six months of 2001.¹⁵⁰ The increasing violence from civil war and U.N. sanctions on the Liberian timber industry in May 2003¹⁵¹ led to a sharp decline in production, with large-scale logging and official exports ceasing.¹⁵² Only small-scale domestic pitting operations continued (using chainsaws to cut and process logs into planks).¹⁵³ The most recent phase of Liberia's timber industry started in June 2006 with the lifting of timber sanctions.¹⁵⁴ Liberia then adopted the comprehensive National Forestry Reform Law in October 2006.¹⁵⁵ While there are no legal timber contracts presently in place,¹⁵⁶ Liberia's Forestry Development Authority (FDA) plans to award six short-term timber sales contracts in 2008.¹⁵⁷

B. CONFLICT AND NATURAL RESOURCE CONTROL IN LIBERIA 1997–2003

Liberia's dependence on natural resources places it at

147. UNEP, *supra* note 126, at 44.

148. *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 31.

149. *Id.*

150. *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 31.

151. S.C. Res. 1478, ¶ 17, U.N. Doc. S/RES/1478 (May 6, 2003).

152. *Report of the Panel of Experts Submitted Pursuant to Paragraph 9(e) of Security Council Resolution 1647 (2005) Concerning Liberia*, ¶ 18, *delivered to the Security Council*, U.N. Doc. S/2006/379 (June 7, 2006) [hereinafter *Report of the Panel to Resolution 1647*].

153. *Id.* ¶ 24.

154. See S.C. Res. 1689, ¶ 1, U.N. Doc. S/RES/1689 (June 20, 2006).

155. S.C. Res. 1760, U.N. Doc. S/RES/1760 (June 20, 2007); *Report of the Panel of Experts Submitted Pursuant to Paragraph 1(e) of Security Council Resolution 1760 (2007) Concerning Liberia*, ¶ 71, *delivered to the Security Council*, U.N. Doc. S/2007/689 (Dec. 5, 2007) [hereinafter *Report of the Panel to Resolution 1760*].

156. President Johnson Sirleaf nullified all timber concession claims because of legal violations and tax evasion. *Report of the Panel to Resolution 1731*, *supra* note 114, ¶ 29. As of November 2007, there were still no legal logging operations in Liberia. *Report of the Panel to Resolution 1760*, *supra* note 155, ¶ 77.

157. *Report of the Panel to Resolution 1760*, *supra* note 155, ¶ 78.

continual risk of conflict. The success of Charles Taylor's rise to power in the 1990s relied greatly upon revenues from natural resources, especially alluvial diamonds and timber.¹⁵⁸ It is not surprising then that Taylor would try to exert complete control over Liberia's natural resources after his election. Taylor's methods of natural resource governance provided him with extravagant resource revenues, but at the expense of most of Liberia.¹⁵⁹ Any successes Taylor achieved in resource capture only led to further instability and the ultimate failure of his rule. This Section discusses government and rebel control over natural resources in the period from Taylor's taking power in the late 1990s to his removal. Knowledge of this background is necessary to understanding what might trigger conflict in the future and how natural resources governance should proceed.

Taylor's government and rebel groups fought over Liberia's rubber resources, with rebels eventually gaining control over the rubber plantations. Rubber has more of the characteristics of a proximate-point resource than diamonds and timber. Firestone Natural Rubber Company owns and operates the primary rubber plantation in Liberia in Harbel.¹⁶⁰ The Firestone plantation and its associated processing plant are only sixty kilometers from Monrovia.¹⁶¹ Some of the other rubber production occurs in counties adjacent to Monrovia¹⁶² and some in counties further away.¹⁶³ The structure and investments needed for viable rubber plantations make the resource more

158. See, e.g., LIBERIA: THE KEY TO ENDING REGIONAL INSTABILITY, *supra* note 85, at 2; MACQUEEN, *supra* note 36, at 174; O'Connell, *supra* note 49, at 214–16.

159. See, e.g., STROMSETH ET AL., *supra* note 4, at 100.

160. See, e.g., UNEP, *supra* note 126, at 33; DOING BUSINESS IN LIBERIA, *supra* note 120, at 23. The Firestone plantation at Harbel dates back to 1926 when Harvey S. Firestone obtained a one million acre concession from Liberia for 99 years with exclusive rights to the land. U.N. MISSION IN LIBERIA [UNMIL], HUMAN RIGHTS IN LIBERIA'S RUBBER PLANTATIONS: TAPPING INTO THE FUTURE 72 (2006), available at <http://unmil.org/documents/hr/liberiarubber.pdf>. Firestone's Harbel rubber estate has grown to be the largest single natural rubber estate in the world, covering almost 200 square miles and including about 8 million rubber trees. Firestone Natural Rubber Company LLC, History, http://www.firestonenaturalrubber.com/company_history.htm (last visited Feb. 2, 2007).

161. UNMIL, *supra* note 160, at 72.

162. The Liberian Agriculture Company and Weala Rubber Corporation owned plantations in Grand Bassa and Bong Counties, and the Guthrie Rubber Plantation is located along the main road from Monrovia in Bomi and Grand Cape Mount Counties. See, e.g., UNMIL, *supra* note 160, at 20–21; DOING BUSINESS IN LIBERIA, *supra* note 120, at 23.

163. The Pleebo Rubber Company manages the government-owned Cavala plantation in Maryland County, and the Sinoe Rubber Plantation in Sinoe County has been through numerous managers. UNMIL, *supra* note 160, at 20–21.

like oil or kimberlite diamonds in its susceptibility to government control,¹⁶⁴ and President Taylor had authority over the awarding of new rubber concessions;¹⁶⁵ however, rebel groups still took control of some plantation operations. During the civil conflict, LURD rebels gained control of the Guthrie and Sinoe rubber plantations and MODEL rebels achieved control of the Cavalla rubber plantation, depriving the Taylor government of any revenue streams from those plantations.¹⁶⁶

Taylor's diamond revenues during the late 1990s came both from mining operations in Liberia and smuggling operations with Sierra Leone. The latter made up the bulk of Liberia's diamond trade, with the 8,500 carats of official Liberian exports in 1999 reported to be only ten to twenty percent of what was actually leaving the country.¹⁶⁷ This was a pattern. In 1998, Liberia reported 8,000 carats of exports for a value of US\$800,000, but Belgium recorded imports from Liberia by twenty-six companies totaling 2.56 million carats.¹⁶⁸ Numerous international diamond dealers had established offices in Liberia and, with the government, helped create fictitious mines and companies as a cover for the smuggling.¹⁶⁹ Taylor was reported to have a representative overseeing diamond operations in Sierra Leone, and other high-level Liberian officials were otherwise involved in the illicit diamond smuggling from Sierra Leone.¹⁷⁰

In response to the reports of Liberian involvement in the illicit trade of Sierra Leone diamonds and Liberia's support of the Revolutionary United Front (RUF) rebels in Sierra Leone, the Security Council directed in March 2001 "that all States shall take the necessary measures to prevent the direct or indirect import of all rough diamonds from Liberia, whether or not such diamonds originated in Liberia."¹⁷¹ President Taylor

164. See, e.g., *Report of Panel to Resolution 1395*, *supra* note 136, ¶ 142; *Report of Panel to Resolution 1343*, *supra* note 128, ¶ 320; *DOING BUSINESS IN LIBERIA*, *supra* note 120, at 21–22.

165. *Report of Panel to Resolution 1395*, *supra* note 136, ¶ 143.

166. See UNMIL, *supra* note 160, at 20–21.

167. *Report of the Panel of Experts Appointed Pursuant to Security Council Resolution 1306 (2000), Paragraph 19, in Relation to Sierra Leone*, ¶ 88, delivered to the Security Council, U.N. Doc. S/2000/1195 (Dec. 20, 2000) [hereinafter *Report of the Panel to Resolution 1306*].

168. *Id.* ¶ 122.

169. *Report of the Panel to Resolution 1306*, *supra* note 167, ¶¶ 126–29; UNEP, *supra* note 126, at 58.

170. *Report of the Panel to Resolution 1306*, *supra* note 167, ¶¶ 86–89.

171. S.C. Res. 1343, *supra* note 129, ¶ 6.

acknowledged the diamond ban;¹⁷² however, significant evidence pointed to his continued involvement in diamond production and smuggling even after the embargo was in place.¹⁷³ U.N. experts connected the illicit diamond industry to the import of arms for Liberian government forces in violation of U.N. sanctions.¹⁷⁴ Several reports found evidence that President Taylor harbored senior al Qaeda operatives in the months following September 2001 in return for a US\$1 million payment.¹⁷⁵ The terrorist operatives had been engaging in a US\$20 million “diamond-buying spree” in the region since 1998.¹⁷⁶

While sanctions on diamond exports had a significant effect on diamond production, continued violent conflict suppressed diamond production even further.¹⁷⁷ Taylor’s Liberian government and rebels continually fought for control of the diamond-producing regions. Rebels succeeded in taking control of many alluvial diamond areas and began smuggling Liberian rough diamonds into neighboring countries.¹⁷⁸ Desiring an independent source of revenue for its war effort, LURD tried to establish regular diamond trafficking, especially through Guinea.¹⁷⁹ At the same time, the government made it a prime objective to prevent LURD from gaining sustained access to diamond production.¹⁸⁰ While the government made efforts to stop the illicit diamond trade and to establish a certification scheme for rough diamonds,¹⁸¹ the smuggling continued, albeit at a declined intensity.¹⁸² Diamond production in the months

172. *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 355.

173. *Report of the Panel of Experts Appointed Pursuant to Security Council Resolution 1408 (2002), Paragraph 16, Concerning Liberia*, ¶¶ 131–32, delivered to the Security Council, U.N. Doc. S/2002/1115 (Oct. 25, 2002) [hereinafter *Report of the Panel to Resolution 1408*]; *Report of the Panel to Resolution 1395*, *supra* note 136, ¶ 115–18; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶¶ 360, 365.

174. See S.C. Res. 1343, *supra* note 129, ¶ 5(a); *Report of the Panel to Resolution 1408*, *supra* note 173, ¶¶ 134–37.

175. Douglas Farah, *Report Says Africans Harbored al Qaeda: Terror Assets Hidden in Gem-Buying Spree*, WASH. POST, Dec. 29, 2002, at A1.

176. *Id.*

177. *Report of the Panel to Resolution 1408*, *supra* note 173, ¶ 138.

178. *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 363; *Report of the Panel to Resolution 1395*, *supra* note 136, ¶ 110.

179. *Report of the Panel of Experts Appointed Pursuant to Paragraph 4 of Security Council Resolution 1458 (2003), Concerning Liberia*, ¶ 125, delivered to the Security Council, U.N. Doc. S/2003/498 (Apr. 24, 2003) [hereinafter *Report of the Panel to Resolution 1458*].

180. *Id.* ¶ 126.

181. *Id.* ¶¶ 133–37; *Report of the Panel to Resolution 1408*, *supra* note 173, ¶ 152; *Report of the Panel to Resolution 1395*, *supra* note 136, ¶¶ 104–05, 130–39.

182. *Report of the Panel to Resolution 1458*, *supra* note 179, ¶ 130.

before Taylor left office in August 2003 occurred primarily in Lofa and Nimba Counties, with the illegal exports going principally through the capitals of Guinea, Sierra Leone, and Cote d'Ivoire.¹⁸³

The timber trade during Taylor's regime was marked by corrupt government control. Timber supported Taylor's rise to power in the 1990s by supplying an independent source of revenue to the NPFL.¹⁸⁴ When Taylor took the presidency, he quickly appointed his brother to head the Forestry Development Authority and issued a government order giving the FDA authority to collect a large amount of taxes applied to logging, effectively giving Taylor complete control over timber revenues.¹⁸⁵ Liberia's government passed a new National Forestry Law in January 2000 declaring that almost all forest resources are the property of the Government and giving the FDA power to unilaterally grant and deny logging concessions.¹⁸⁶

Taylor used his power to consolidate logging concessions into large operations that he could exercise control over more easily. In 2000, Taylor granted only twenty-five logging concessions, and 10 of these accounted for more than eighty-five percent of the semi-annual production.¹⁸⁷ Many of the timber companies' granted concessions had close connections to President Taylor, an apparently necessary ingredient to profitable operations.¹⁸⁸ Three of the largest timber companies were owned at least in part by Gus Kouwenhoven, a Dutch national and close friend of Charles Taylor who helped Taylor with timber revenues during Taylor's rise to power.¹⁸⁹ The largest of these companies, the Oriental Timber Company, was created in 1999 and controlled over forty percent of Liberia's

183. *Report of the Panel of Experts Appointed Pursuant to Paragraph 25 of Security Council Resolution 1478 (2003), Concerning Liberia*, ¶¶ 126–34, delivered to the Security Council, U.N. Doc. S/2003/937 (Oct. 28, 2003) [hereinafter *Report of the Panel to Resolution 1478 Paragraph 25*].

184. See, e.g., *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 322; Rudy S. Salo, *When the Logs Roll Over: The Need for an International Convention Criminalizing Involvement in the Global Illegal Timber Trade*, 16 GEO. INT'L ENVTL. L. REV. 127, 133 (2003).

185. See, e.g., *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 329; GLOBAL WITNESS, LOGS OF WAR *supra* note 49, at 23–24.

186. LOGS OF WAR, *supra* note 49, at 26; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 329–30.

187. LOGS OF WAR, *supra* note 49, at 24.

188. See *Report of the Panel to Resolution 1343*, *supra* note 128, ¶¶ 333–42.

189. *Report of the Panel to Resolution 1478*, *supra* note 145, tbl.1; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 333; Salo, *supra* note 184, at 133.

productive forests, accounting for almost fifty percent of total timber production.¹⁹⁰

Timber operations in Liberia during Taylor's regime were linked to corruption, the arms trade, and human rights abuses. Large amounts of timber tax revenues were unaccounted for during Taylor's presidency and the FDA remained outside the central revenue account for Liberia, thus making an accurate determination of tax revenues and expenditures impossible.¹⁹¹ Much of the money paid by timber companies went directly to Taylor, government officials, and local militias for security.¹⁹² Timber companies were directly involved in providing military supplies and arms to Taylor's government in direct violation of U.N. sanctions.¹⁹³ Additionally, the timber companies and their militias committed numerous human rights abuses, including intimidation, imprisonment, torture, forced displacement, and murder, often assisted by the government.¹⁹⁴

As the civil conflict intensified in 2002, rebel activities began disrupting timber production.¹⁹⁵ By April 2003, hostilities and sanctions had effectively shut down official Liberian timber operations.¹⁹⁶ While rebels took control of some timber concessions during the conflict, it does not appear that the rebels began efforts to obtain revenue from these concessions until after Taylor left office and the peace agreement was signed in August 2003.¹⁹⁷

190. *Report of the Panel to Resolution 1395*, *supra* note 136, ¶ 148; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 333; *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 31.

191. *Report of the Panel to Resolution 1478*, *supra* note 145, ¶¶ 38–40; *Report of the Panel to Resolution 1408*, *supra* note 173, ¶ 192.

192. LOGS OF WAR, *supra* note 49, at 24–25; *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 39; *Report of the Panel of Experts Pursuant to Paragraph 22 of Security Council Resolution 1521 (2003), Concerning Liberia*, ¶¶ 115–16, delivered to the Security Council, U.N. Doc. S/2004/396 (June 1, 2004) [hereinafter *Report of the Panel to Resolution 1521*].

193. S.C. Res. 1343, *supra* note 129, ¶ 5(a); LOGS OF WAR, *supra* note 49, at 24–25; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶¶ 346–49. In 2006, a Dutch court convicted Gus Kouwenhoven of trafficking arms to Liberia in violation of sanctions. *Report of the Panel to Resolution 1731*, *supra* note 114, ¶ 38; *see also infra* note 200.

194. *See, e.g.*, LOGS OF WAR, *supra* note 49, at 25–28; *Report of the Panel to Resolution 1521*, *supra* note 192, ¶ 115 & box 3; *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 59.

195. *Report of the Panel to Resolution 1408*, *supra* note 173, ¶ 189; *Report of the Panel to Resolution 1395*, *supra* note 136, ¶ 145.

196. *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 34; *Report of the Panel to Resolution 1458*, *supra* note 179, ¶ 149.

197. *Report of the Panel to Resolution 1478 Paragraph 25*, *supra* note 183, ¶ 152;

By the end of the civil conflict, rebels had succeeded in gaining control of many rubber, diamond, and timber areas. Taylor had exploited natural resources for the exclusive benefit of his regime, at the expense of Liberia's development and its people. As discussed in Part II, these factors provided both greed and grievance motivations and created a recipe for instability even after the signing of peace agreements. For any post-conflict multinational intervention to be successful in Liberia or any country in a similar situation, the intervening forces must address the central government's legacy of natural resource mismanagement and ex-combatants' control of those resources.

C. EFFECTIVE NATURAL RESOURCE GOVERNANCE

Pekka Haavisto, the current European Union Special Representative for Darfur and former chairman of numerous United Nations Environmental Programme (UNEP) post-conflict environmental assessments (including Liberia), had this to say about natural resources and conflict in Liberia:

[S]ome people might feel it is not a priority to put up environmental administration in a post-conflict situation. This is actually what we have faced in Liberia, people say to us, "You know, again the environmental people can wait a little bit, let's deal with other issues." But if you don't establish this kind of proper control of the natural resources . . . it's a wild situation. Whoever can control it does, and it's usually then controlled by illegal activities, criminal groups, or different kinds of armed groups And actually, in some countries, it's not only by criminal groups but also a lot of corruption with this illegal trade of natural resources over the borders. So if you want to stop these activities and also the corrupted activities, you have to have a legal framework in place.¹⁹⁸

The necessary legal framework for resolving natural resource issues in the post-conflict period, and therefore lessening the chance of conflict, is divided into three general areas in this article: pre-intervention, security and control, and internal governance. This Section will examine how these specific measures were employed in Liberia and discuss their effectiveness. While this article focuses only on the above three areas, there are many more relevant considerations for effective

Report of the Panel to Resolution 1478, supra note 145, ¶ 35.

198. Pekka Haavisto, Keynote Address at the Georgetown International Environmental Law Review Symposium: International Responses to the Environmental Impacts of War (Feb. 2, 2005), in 17 *GEO. INT'L ENVTL. L. REV.* 565, 588 (2005).

natural resource governance after intervention, such as economics,¹⁹⁹ business practices,²⁰⁰ continuing sanction regimes, legislative reforms, property considerations, and controlling corruption. Future scholarship should expand the scope of this research to include these considerations and provide organizations involved in stability operations with a more comprehensive analysis.

1. Pre-Intervention Phase

All three of the general areas discussed in this Section must be considered in depth *before* any intervention as part of an overall blueprint for building the rule of law in a post-conflict state.²⁰¹ Too often, interveners will approach the situation with

199. Internal economic reforms (such as diversification of the economy into manufacturing), international economic aid and debt forgiveness (enabling the country to rebuild its resource infrastructure and begin obtaining revenues for further progress), international economic reforms (such as changing tariff structures to allow for profitable export of manufactured resources) and other economic measures are all critical to effective post-conflict management of natural resources, but these are outside the scope of this article. For a good summary of these measures, see LE BILLON, *supra* note 6, at 51–79.

200. Encouraging ethical investment and business practices is also a critical step in ensuring responsible and sustainable extraction by multinational resource extraction corporations, but one that both the new state government, and the entire international community must take on. Corporate codes of conduct, state laws (such as the U.S. Foreign Corrupt Practices Act) and international conventions (such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions) can all serve to influence corporate conduct. See BARRY E. CARTER ET AL., *INTERNATIONAL LAW* 139–42 (5th ed. 2003). For an excellent description of corrupt business practices in the timber trade, see Goodman & Finn, *supra* note 49, Apr. 1, 2007, at A1. Regarding Liberia, the practices of multinational resource extraction corporations have been under considerable scrutiny since the end of the latest fighting. See, e.g., Press Release, Global Witness, Mittal Steel, *supra* note 123; GLOBAL WITNESS, HEAVY MITTAL? A STATE WITHIN A STATE: THE INEQUITABLE MINERAL DEVELOPMENT AGREEMENT BETWEEN THE GOVERNMENT OF LIBERIA AND MITTAL STEEL HOLDINGS NV (2006), available at http://www.globalwitness.org/media_library_detail.php/156/en/heavy_mittal. The former owner of the Oriental Timber Company and other logging companies conducting operations in Liberia, Gus Kouwenhoven, was sentenced to eight years in prison by a Dutch court for breaking the U.N. arms embargo and smuggling weapons for Taylor but was acquitted on charges of war crimes and crimes against humanity. Marlise Simons, *8-Year Sentence for Businessman who Smuggled Arms to Liberia*, N.Y. TIMES, June 8, 2006, at A8.

201. See STROMSETH ET AL., *supra* note 4, at 85.

Blueprints lay out the critical steps interveners and their local partners expect to take to move a state from the shock of military intervention to self-government under the rule of law. Typically, they include provisions for maintaining security, forming an interim government, conducting

a short-term focus driven by political and military considerations back home, and the resulting blueprints will fail to fully consider local history, culture, and norms, as well as fail to adopt a long-term approach to stabilization.²⁰² Part of any effective individualized and long-term blueprint must include natural resources. By their very nature, natural resource issues require examination at the local, regional, and national level and necessitate a short and long-term approach. While blueprints must be general and flexible enough to evolve to changing situations within the country,²⁰³ failure to consider an important area of the intervention before it starts will inevitably result in that area receiving support that is too little or too late in the post-intervention phase. As Pekka Haavisto stated above, this is often seen in the area of natural resources, particularly in Liberia.

While the UNMIL and the National Transitional Government of Liberia (NTG) may not have experienced complete success in their management of Liberia's natural resources, there is evidence that natural resource issues entered into the U.N.'s pre-intervention planning. The impact of natural resources on conflict in West Africa entered into reports and resolutions before UNMIL intervention in September 2003. The Security Council imposed sanctions on Liberia's diamond exports in March 2001²⁰⁴ and timber exports in May 2003.²⁰⁵ By direction of the Security Council, the Secretary-General regularly (on a biannual basis) commissioned a panel of experts to study the sources of conflict and effectiveness of sanctions regarding Liberia starting in December 2000.²⁰⁶ Finally, in establishing UNMIL, the Security Council mandated UNMIL "to assist the transitional government in restoring proper administration of natural resources."²⁰⁷ This last point should

elections to choose a new government, and in many cases, drafting the constitution under which that government will operate.

202. See *id.* at 88–90.

203. See *id.* at 91.

204. S.C. Res. 1343, *supra* note 129, ¶ 6.

205. S.C. Res. 1478, *supra* note 151, ¶ 17(a).

206. See, e.g., *Report of the Panel to Resolution 1306*, *supra* note 167, ¶¶ 122–30, 141–43, 157 (discussing the role of Liberia in the conflict diamond trade influencing conflict in Sierra Leone and recommending an embargo on Liberian diamond exports); *Report of the Panel to Resolution 1343*, *supra* note 128 (providing the first in a series of biannual reports including discussion on the effectiveness of sanctions on natural resource exports and the influence of natural resources on Liberia's stability).

207. S.C. Res. 1509, *supra* note 80, ¶ 3(r).

not be understated. Explicit inclusion of natural resources in a U.N. mission's mandate is a significant and critically necessary step. Previous and subsequent Security Council resolutions establishing U.N. missions in countries with considerable natural resource issues did not include any mention of natural resources.²⁰⁸ Without an explicit mandate regarding natural resources, this issue becomes secondary to others and is not required to be considered in subsequent reports of the Secretary-General and panels of experts. Having not prioritized natural resources to at least the same level as other considerations, the U.N. mission will then be confronting natural resource issues in an ad hoc and inconsistent manner, thus creating further potential for instability.

Before intervention, the international organization or intervening states must also conduct adequate studies of the characteristics and control of natural resources in the country.²⁰⁹ These studies must also include an overview of the government institutions (or lack thereof) established for managing those resources. As discussed in Part II, resource characteristics are very significant in determining the susceptibility of the resources to rebel or government control. Determining who is in effective control of these resources is critical to setting up security and disarmament, demobilization, and reintegration

208. See, e.g., S.C. Res. 1704, ¶ 4, U.N. Doc. S/RES/1704 (Aug. 25, 2006) (establishing the U.N. Integrated Mission in Timor-Leste); S.C. Res. 1590, ¶ 4, U.N. Doc. S/RES/1590 (Mar. 24, 2005) (establishing the U.N. Mission in Sudan); S.C. Res. 1542, ¶ 7, U.N. Doc. S/RES/1542 (Apr. 30, 2004) (establishing the U.N. Stabilization Mission in Haiti); S.C. Res. 1528, ¶ 6, U.N. Doc. S/RES/1528 (Feb. 27, 2004) (establishing the U.N. Operation in Cote d'Ivoire); S.C. Res. 1410, ¶ 2, U.N. Doc. S/RES/1410 (May 17, 2002) (establishing the U.N. Mission in Support of East Timor); S.C. Res. 1401, ¶ 1, U.N. Doc. S/RES/1401 (Mar. 28, 2002) (establishing the U.N. Assistance Mission in Afghanistan and referencing for its mandate a report of the Secretary-General. The Secretary-General, *Report of the Secretary-General on the Situation in Afghanistan and its Implications for International Peace and Security*, ¶¶ 94–97, delivered to the Security Council and the General Assembly, U.N. Doc. S/2002/278, A/56/875 (Mar. 18, 2002)); S.C. Res. 1291, ¶ 7, U.N. Doc. S/RES/1291 (Feb. 24, 2000) (establishing the U.N. Organization Mission in the Democratic Republic of the Congo); S.C. Res. 1320, ¶ 2, U.N. Doc. S/RES/1320 (Sept. 15, 2000) (establishing the U.N. Mission in Ethiopia and Eritrea); S.C. Res. 1270, ¶ 8, U.N. Doc. S/RES/1270 (Oct. 22, 1999) (establishing the U.N. Mission in Sierra Leone); S.C. Res. 866, *supra* note 89, ¶ 3 (establishing the U.N. Observer Mission in Liberia).

209. Cf. STROMSETH ET AL., *supra* note 4, at 130 (“[N]o plans for reform can succeed without a realistic, strategic assessment of existing local resources for the rule of law. Such an assessment will help to identify what resources—cultural, human, material, and, indeed, legal—are available and also how to best make use of them.” (first emphasis in original, second emphasis added)).

(DDR) operations and assisting the transitional government in establishing effective institutions once the intervention begins.

The record for pre-intervention studies on natural resources in Liberia is mixed. After sanctions were imposed on diamonds and timber, the U.N. mandated panel of experts addressed these resources and the effects of the sanctions in their reports prior to the establishment of UNMIL; however, with the exception of one report on the timber industry,²¹⁰ none of these reports described in any depth the characteristics and control of natural resources.²¹¹ The U.N. did eventually conduct a comprehensive and detailed study of the environment and natural resources that included recommendations for effective environmental governance, but this was not published even in draft form until February 2004, five months after UNMIL had begun its operations.²¹²

Providing some kind of pre-intervention study of natural resources is critical. In many cases, the security situation in a country may not allow a detailed pre-intervention study or the U.N. may decide to intervene very quickly after the rise of hostilities, therefore not allowing time for a detailed study; however, a great deal of information can be gained without even entering a country or by confining operations to safe areas.²¹³ In Liberia's case, the U.N. had extensive prior experience with resource operations through the earlier UNOMIL mission and several events indicated that an intervention in Liberia was forthcoming.²¹⁴ However, because the U.N. did not utilize these advantages by beginning natural resource studies on Liberia earlier than it in fact did, it lost the power to provide decision makers with detailed natural resource information before the UNMIL intervention.

210. See *Report of the Panel to Resolution 1478*, *supra* note 145 (providing some background of the timber resources in Liberia in assessing the impact of recently imposed timber sanctions).

211. See, e.g., *Report of the Panel to Resolution 1458*, *supra* note 179, ¶¶ 125–47; *Report of the Panel to Resolution 1408*, *supra* note 173, ¶¶ 124–56, 189–94; *Report of the Panel to Resolution 1395*, *supra* note 136, ¶¶ 102–37, 144–50; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶¶ 320–86.

212. See UNEP, *supra* note 126, at 42–83.

213. Much of the information in the pre-intervention reports of the Panel of Experts concerning Liberia was obtained without the Panel ever leaving Monrovia because of the security situation. See *Report of the Panel to Resolution 1458*, *supra* note 179, ¶¶ 23–29 (describing the Panel's methodology).

214. The international community had been considering a response to instability in Liberia over a year before intervention. See *Report on Liberia*, *supra* note 94, ¶¶ 6–8.

Pre-intervention sanctions on extractive industries can be effective in targeting belligerents without a large humanitarian impact by reducing access to revenue resources that may be prolonging conflict.²¹⁵ However, depriving rebels or governments of resource revenues will not always shorten conflict. When one side of a conflict has greater access to revenues, this may alter military balances, giving greater military might to that entity.²¹⁶ The weaker opponent(s) may then have greater incentives to settle the conflict, or the imbalance will result in quicker victory for the strong side. When sanctions work to bring the more powerful side into balance with the weaker side, conflict duration may increase. Therefore, any pre-intervention sanctions on natural resource exports must work to weaken all combatants and allow for external forces to establish control; alternatively, the sanctions must so severely widen the disparity of power so as to give the weakened side a strong incentive to negotiate a peaceful settlement.

In Liberia's case, the sanctions on diamonds and timber worked to deprive Taylor of revenues essential for his continued control over all of Liberia. As seen in Section B above, the diamond embargo imposed in 2001 pushed Taylor to other sources of legal revenue (e.g., increased taxes on timber and other indirect taxes), and to illegal smuggling operations, showing the importance of diamond revenues to Taylor's regime.²¹⁷ The loss of revenue from the diamond sector also resulted in under-regulation of the mining sector, therefore weakening central government control of mining operations and allowing for increased rebel control.²¹⁸ Once timber sanctions were imposed in May 2003, Taylor's government was deprived of another large source of revenue, therefore further weakening his control.²¹⁹ Taylor would depart office only three months later. While both Taylor's government and rebel groups were able to obtain continued illicit resource revenues despite the sanctions, it appears that Taylor's government was weakened enough to allow LURD and MODEL to advance to the capital and force the international community to respond and Taylor to flee the state.

215. See LE BILLON, *supra* note 6, at 63.

216. Humphreys, *supra* note 22, at 514–15.

217. See, e.g., *Report of the Panel to Resolution 1458*, *supra* note 179, ¶ 150; *Report of the Panel to Resolution 1343*, *supra* note 128, ¶ 45.

218. See *Report of the Panel to Resolution 1408*, *supra* note 173, ¶ 142.

219. See, e.g., *Report of the Panel to Resolution 1521*, *supra* note 192, ¶ 7; *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 8.

Whether the sanctions succeeded is a question of timing and goals. The weakening of the government may have further prolonged the conflict,²²⁰ but it did result in Taylor's resignation.

Regardless of the effectiveness of sanctions in depriving belligerents of conflict revenues, the sanctions must not independently worsen the humanitarian situation in the country. If the sanctions themselves are seen as the reason for worsening social services and human rights violations, the populace may respond negatively to any international intervention and the affected government may exploit these grievances to retain control, despite worsening conditions. Sanctions may also "aggravate conflicts by criminalizing targeted belligerents, making it more likely that they will be less inclined to negotiate politically."²²¹ Conversely, if the central government is seen as the cause of poor humanitarian conditions, sanctions may have no effect on the populace's perception or the sanctions may serve to further stigmatize the government, therefore making foreign intervention more acceptable.²²² Liberia seems to fit in this second category. While the sanctions potentially resulted in a large loss of income and employment to rural communities, Taylor's government had long ago abrogated its responsibility to provide basic social services, and many of the government-supervised resource operations were committing human rights abuses.²²³ Therefore, it appears that pre-intervention sanctions did little to change the overall poor humanitarian situation in Liberia, and a poll taken after the conflict indicated that many Liberians understood the rationale for the sanctions.²²⁴

2. *Establishing Security and Control*

Reestablishing a secure environment after a military intervention is a required building block and often the hardest part of stability operations; without basic security throughout the country, any further progress is destined to fail.²²⁵ In the context of natural resources, establishing security involves three main areas. First, the multinational forces must have a

220. See Le Billon, *supra* note 60, at 236.

221. *Id.* at 235.

222. See *id.*

223. *Report of the Panel to Resolution 1478*, *supra* note 145, ¶¶ 5-12.

224. *Report of the Panel to Resolution 1521*, *supra* note 192, ¶ 7.

225. See STROMSETH ET AL., *supra* note 4, at 134.

mandate and authority that permits some control of natural resource areas. Second, the multinational forces must exercise this authority to secure those areas capable of providing resource revenues to belligerents and cede control of these areas to the transitional government. Third, the transitional government and multinational forces must establish an effective disarmament, demobilization, and reintegration program, thus reducing incentives for ex-combatants to try to regain control over resource areas.

The importance of an effective mandate is discussed further in the previous subsection; however, this area is closely linked to the second area of actual control. Without a mandate and authority explicitly addressing natural resources, any stability force is likely only to respond to those areas where violent conflict is ongoing or imminent. As a result, ex-combatants and possible future spoilers can retain control over resource areas often distant from the capital and gain revenues for supplies and arms, increasing the possibility of a future conflict. The ex-combatant exploitation of the resources, while illegal, may be mostly peaceful,²²⁶ therefore raising no immediate need for response from the stability force. With an effective mandate giving priority to and authority over natural resources areas, stability forces could stop potential spoilers early before they gain enough power to respond with force.

In addition to having sufficient authority, actually establishing control over resource exploitation areas requires sufficient strength. The majority of the resource areas controlled by ex-combatants will be in locations distant from the capital and/or the center of multinational operations. Therefore, an effective post-conflict security response requires enough forces to reach all the major resource operations and reestablish government control over those operations. Even with a strong mandate, a stability force with insufficient numbers will not be

226. See, e.g., *Report of the Panel of Experts Submitted Pursuant to Paragraph 8(e) of Security Council Resolution 1579 (2004), Concerning Liberia*, ¶¶ 107–14, delivered to the Security Council, U.N. Doc. S/2005/360 (June 13, 2005) [hereinafter *Report of the Panel to Resolution 1579*] (noting increased illegal diamond mining operations in areas without NTG or UNMIL security forces); *Report of the Panel of Experts Pursuant to Paragraph 2 of Security Council Resolution 1549 (2004), Concerning Liberia*, ¶ 29, delivered to the Security Council, U.N. Doc. S/2004/995 (Dec. 6, 2004) [hereinafter *Report of the Panel to Resolution 1549*] (describing the occupation of Sapo National Park by ex-combatants engaging in illegal mining, hunting and logging operations); *Report of the Panel to Resolution 1478 Paragraph 25, supra* note 183, ¶ 152 (alleging that MODEL was negotiating with a timber company for resumption of logging in MODEL-controlled territory).

able to reach all of the resource areas controlled by belligerents before violent conflicts begin anew.

The first two steps in establishing security address short-term solutions; however, an effective DDR program must be in place to ensure long-term security. As its name suggests, DDR involves disarmament (identifying ex-combatants, managing the handing over of weapons, destroying the weapons), demobilization (confining ex-combatants to a cantonment or similar site for a period), reintegration (providing stipends for resettlement expenses, transport to resettlement areas, basic orientation and training, and short and long-term employment opportunities).²²⁷ Achieving successful DDR is very difficult but necessary to ensure that previously warring factions have little incentive to reinitiate conflict.²²⁸ Part of this incentive relates to controlling resource exploitation (the greed mechanism); therefore, effective DDR allows the government to continue peaceful supervision and control over natural resources, allowing resource revenues to assist with the rebuilding effort and not increase instability.

Establishing security over natural resources after the comprehensive peace agreement in Liberia proceeded very slowly and ineffectively at times. By March 2007, almost four years after the end of the civil war, UNMIL and the Liberian government still had not established complete control over all major natural resource operations.²²⁹ Insufficient authority and strength of the UNMIL forces and problems with the DDR program were the primary causes of this slow progress. Without "full executive authority to detain those undermining peace or to enforce the sanctions," UNMIL was hampered in limiting the recruitment and training of future insurgents.²³⁰ This limited mandate resulted in an inability to control looting and exploitation of natural resource operations by former

227. See *First Progress Report*, *supra* note 107, ¶ 23.

228. See STROMSETH ET AL., *supra* note 4, at 165–66.

229. See *Fourteenth Progress Report*, *supra* note 111, ¶ 31 (noting that security is still a serious concern at two rubber plantations, Cocopa and Sinoe); see also *Report of the Panel to Resolution 1731*, *supra* note 114, ¶ 71 (describing in June 2007 the continuing growth of an illegal mining settlement, its danger to public health, and Liberia and UNMIL's inability to deal with the situation). By August 2007, security had improved at Cocopa, but ex-combatants still controlled the Sinoe plantation and continued to extract rubber illegally. See *Fifteenth Progress Report*, *supra* note 115, ¶ 51. The Secretary General also noted continued illegal mining by ex-combatants, foreigners and unemployed youth in August 2007. *Id.* ¶ 50.

230. *Report of the Panel to Resolution 1579*, *supra* note 226, ¶ 10; see also *Report of the Panel to Resolution 1549*, *supra* note 226, ¶ 13.

combatants.²³¹ Lacking a mandate to assist Liberia's Ministry of Lands, Mines and Energy in the control of the diamond sector, the UNMIL has continually failed to prevent increased levels of illegal mining in Liberia's interior.²³²

Exacerbating the lack of authority was the slow deployment of peacekeeping forces. As of December 12, 2003, UNMIL troop strength stood at only 5,900 military personnel out of an authorized 15,000, prompting frustration from the Secretary-General that slippage in the deployment schedule would harm the DDR program and efforts to deploy beyond Monrovia.²³³ Even when UNMIL strength later increased, the forces failed to deploy fully throughout Liberia and, in those areas where they were deployed, patrolled only the main towns and roads.²³⁴ UNMIL did not achieve complete deployment of military troops to all fifteen counties until June 2005, almost two years after the mission began.²³⁵ The failure to deploy quickly throughout the country enabled ex-combatants to retain control of some mining, timber, and rubber operations, sometimes resulting in violent disturbances.²³⁶

UNMIL had extensive plans in place for the DDR program at the outset of mission operations.²³⁷ The DDR efforts eventually achieved a large amount of success, but were riddled with numerous problems along the way. An early DDR exercise was overwhelmed by over 12,000 ex-combatants, resulting in brief riots over misunderstandings concerning benefits.²³⁸ After a brief suspension in DDR efforts, the program resumed with new conditions, but some violent riots still ensued and the Secretary-General expressed concern over the low number of weapons surrendered.²³⁹ The failure of UNMIL to deploy quickly beyond Monrovia also contributed to frustration among

231. See, e.g., *Report of the Panel to Resolution 1579*, *supra* note 226, ¶ 99; *Report of the Panel to Resolution 1549*, *supra* note 226, ¶ 118; *Report of the Panel to Resolution 1521*, *supra* note 192, ¶ 101.

232. See *Report of the Panel to Resolution 1731*, *supra* note 114, ¶ 71; *Report of the Panel to Resolution 1647*, *supra* note 152, ¶¶ 54–62, 66.

233. *First Progress Report*, *supra* note 107, ¶¶ 6–7.

234. See, e.g., *Second Progress Report*, *supra* note 109, ¶ 4; *Report of the Panel to Resolution 1521*, *supra* note 192, ¶¶ 24–25.

235. See *Seventh Progress Report*, *supra* note 111, ¶ 15.

236. See, e.g., *id.* ¶ 20; *Sixth Progress Report*, *supra* note 111, ¶ 17; *Report of the Panel to Resolution 1579*, *supra* note 226, ¶¶ 30–31; *Report of the Panel to Resolution 1549*, *supra* note 226, ¶ 29.

237. See *First Progress Report*, *supra* note 107, ¶¶ 21–29.

238. See, e.g., *id.* ¶ 9; *Second Progress Report*, *supra* note 109, ¶ 19.

239. See *Third Progress Report*, *supra* note 111, ¶¶ 17, 19.

combatants, leading to further civil unrest.²⁴⁰ Lack of funding plagued the DDR program as many reintegration opportunities remained only ideas.²⁴¹ The lack of reintegration opportunities and incomplete reach of DDR efforts made illicit natural resource exploitation an attractive and perhaps necessary option for many ex-combatants.²⁴² As of March 2007, about 75,000 out of 101,874 demobilized ex-combatants had completed, were participating in, or were registered for reintegration programs; however, this left significant numbers still waiting for reintegration opportunities.²⁴³ If these DDR efforts are not ultimately successful, there is a strong potential that greed or necessity will draw many possible belligerents back into the illegal natural resource trade, therefore making long-term security a difficult prospect.²⁴⁴

3. Promoting Effective Internal Governance

While security is being established, the stability forces and the transitional government can begin work on longer-term

240. See The Secretary-General, *Fourth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, ¶ 8, delivered to the Security Council, U.N. Doc. S/2004/725 (Sept. 10, 2004).

241. See *Sixth Progress Report*, *supra* note 111, ¶ 26.

242. See *Eighth Progress Report*, *supra* note 111, ¶¶ 18, 28 (describing how over 20,000 people, many ex-combatants moved to an area following the discovery of diamonds, resulting in a devastating cholera outbreak and how ex-combatants allegedly excluded from DDR efforts retained control of the Guthrie rubber plantation). See also *Report of the Panel to Resolution 1760*, *supra* note 155, ¶ 151 (citing a September–December 2006 study finding several hundred ex-combatants involved in the illegal management and exploitation of the Guthrie Rubber Plantation).

243. See *Fourteenth Progress Report*, *supra* note 111, ¶ 25.

244. In August 2007, the Secretary General reported that many Liberians believe that the “reintegration program has failed to provide sustainable alternative livelihoods for ex-combatants.” *Fifteenth Progress Report*, *supra* note 115, ¶ 32. Thousands of these ex-combatants “have regrouped for the purpose of illegally exploiting natural resources in diamond and gold mining areas, as well as on rubber plantations.” *Id.* See also *Report of the Panel to Resolution 1731*, *supra* note 114, ¶¶ 142–43 (noting that illegal mining and rubber tapping continues). Ex-combatants in Liberia are also exacerbating regional instability. See, e.g., *id.* ¶¶ 146–51 (describing the involvement of Liberian ex-combatants in Guinea’s internal conflict). While about 70 percent of ex-combatants who received training under the official UNMIL DDR program considered themselves unemployed or underemployed in December 2006, this could also be largely because of the general economic situation in Liberia—with unemployment rates above 80 percent among the general population. See *Report of the Panel to Resolution 1760*, *supra* note 155, ¶¶ 146–47. Therefore, revitalizing Liberia’s economy generally is as important as effective DDR programs.

internal natural resource governance. Intervening forces should focus on five areas regarding natural resources and state governance in the post-conflict period: tracking resources, establishing adequate natural resources capacity and infrastructure, determining appropriate resource property rights, enacting legislative reforms, and controlling government corruption. As this article focuses on the role of the multinational force, this subsection will only address the first two areas.²⁴⁵

The effective tracking of resources involves chain of custody and certificate of origin regimes. The foremost example of this is the internal controls that must be implemented to join the Kimberley Process. The Kimberley Process Certification Scheme for rough diamonds represents the culmination of a number of meetings on an international certification scheme for diamonds that would address the sale of conflict diamonds financing rebel activities, especially in Africa.²⁴⁶ The Security Council strongly supported this Scheme “as a valuable

245. Effective allocation of property rights over natural resources is also a crucial consideration for internal governance; however, this is best left to the new state government as property rights must be addressed on a long-term basis through all branches of government. For an article exploring the ownership of natural resources, see Duruigbo, *supra* note 41 *passim*. Secondly, legislative reform, including the passage of new environmental and natural resource laws, is critical to natural resource governance but again is best left to the state government and not the intervening forces. For a good overview of the progression of forestry laws in Liberia, see ENVTL. LAW INST. ET AL., LAWS AND REGULATIONS RELATED TO FORESTRY IN LIBERIA, <http://www.fao.org/forestry/site/31586/en> (last visited Feb. 1, 2008). Finally, controlling government corruption is an important part of the larger effort to provide for effective governance. See *Ninth Progress Report*, *supra* note 112, ¶¶ 52–57. If government officials are receiving bribes or other incentives to allow the continuance of illegal operations, reformation and rebuilding of the government will not occur. *Id.* Part of controlling corruption is providing incentives to officials to resist the corruption, such as through adequate wages and through strict legal penalties. *Id.* In September 2005, international donors and the NTG agreed to implementation of the Governance and Economic Management Assistance Program (GEMAP) that contains provisions intended to increase accountability and transparency in public revenues and projects and increase government capacity to deal with corruption. Since her election, President Johnson Sirleaf has been taking active steps to address the issues of corruption and bad governance in Liberia. See, e.g., *Report of the Panel to Resolution 1760*, *supra* note 155, ¶ 16; *Fourteenth Progress Report*, *supra* note 111, ¶ 7; *Thirteenth Progress Report*, *supra* note 114, ¶¶ 6–7; *Twelfth Progress Report*, *supra* note 111, ¶ 7; *Tenth Progress Report*, *supra* note 113, ¶¶ 4–7; GLOBAL WITNESS, CAUTIOUSLY OPTIMISTIC: THE CASE FOR MAINTAINING SANCTIONS IN LIBERIA 8–9 (June 2006), http://www.globalwitness.org/media_library_get.php/259/Global%20Witness%20June%202006%20Report.pdf.

246. Koyame, *supra* note 60, at 95–97.

contribution against trafficking in conflict diamonds"²⁴⁷

Launched in January 2003, the Kimberley Process requires governments to certify that shipments of rough diamonds are free from blood diamonds. Countries that participate must pass legislation to enforce the Kimberley Process. They must also set up control systems for the import and export of rough diamonds. Participants are only allowed to trade rough diamonds with other participants.²⁴⁸

To comply with the Kimberley Process, States must establish a chain of custody for the diamonds from the point of mining to the point of export.²⁴⁹ While not implemented in binding international agreements, chain of custody schemes have also been proposed for timber products.²⁵⁰ Some schemes already exist in the international commercial realm, such as that required by the Forestry Stewardship Council.²⁵¹ Effective chain of custody schemes for natural resources can help the new government build confidence with potential investors and meet benchmarks that are often tied to sanctions.

Nations involved with stability efforts can play a limited, albeit crucial, role in the tracking of natural resources. The majority of work must be done through the passage and enforcement of laws by the new government. However, multinational forces can assist with funding of certification efforts, training of officials, surveys of resources, and control of resource areas. All of these efforts can be seen in the case of Liberia. In January 2006, the U.S. disbursed US\$1.4 million to assist Liberia in making a successful application to participate in the Kimberley Process.²⁵² UNMIL staff also served as

247. S.C. Res. 1459, ¶1, U.N. Doc. S/RES/1459/58 (Jan. 28, 2003).

248. GLOBAL WITNESS, THE KIMBERLEY PROCESS AT RISK, BRIEFING DOCUMENT 1 (2006), http://www.globalwitness.org/data/files/media_library/6/en/the_kimberley_process_at_risk.pdf. As of November 2006, 71 countries had met the minimum requirements of the Kimberley Process Certification Scheme. *Id.* The Clean Diamond Trade Act is the legislation passed to bring the U.S. within compliance. See Koyame, *supra* note 60, at 98–99.

249. CAUTIOUSLY OPTIMISTIC, *supra* note 245, at 18.

250. See Salo, *supra* note 184, at 143–44.

251. *Report of the Panel to Resolution 1478*, *supra* note 145, at 29 box 3.

252. *Report of the Panel to Resolution 1647*, *supra* note 152, ¶¶ 33–34. Managed through an international consultancy, Futures Group, this money went to: developing internal control structures and databases necessary for Kimberley Process certification, training mining inspectors and evaluators, performing geological surveys, supporting the organization of cooperative schemes for artisanal alluvial miners, and coordinating a process for valuation of export shipments of rough diamonds. *Id.* The US, through the United States Agency for International Development (USAID) also funded an independent valuator in September through

representatives at the Kimberley Process in place of Liberian officials.²⁵³ Despite the international assistance, Liberia's government proceeded very slowly in establishing its chain of custody schemes. Liberia only very recently achieved a system adequate to satisfy the lifting of diamond sanctions,²⁵⁴ and the government is working on a chain of custody system for timber.²⁵⁵ The main problem was a lack of capacity and infrastructure necessary to implement any controls.²⁵⁶

Establishing adequate government capacity and infrastructure to control natural resources is somewhat like establishing security; little progress can be made in a post-conflict country without addressing this fundamental area. Just as multinational intervening forces must have adequate strength and authority to secure and maintain peace, state governments must have sufficient and functioning state institutions to ensure natural resources contribute to, not detract from, rebuilding efforts. The effort to rebuild state natural resource institutions is integral to the overall effort in rebuilding the rule of law after intervention.²⁵⁷ Any successful effort to rebuild state institutions must address issues of funding, staffing (numbers and qualifications), incentives to work (wages), political will, security, and regional and local dispersion of institutions.

Liberia's experiences demonstrate the importance of each of these issues. In June 2004, the Forestry Development

December 2007 to provide third-party assessment of diamonds in the Government Diamond Office. *Report of the Panel to Resolution 1760*, *supra* note 155, ¶ 24.

253. U.N. Panel of Experts on Liberia, *Report of the Panel of Experts, Submitted Pursuant to Paragraph 14(e) of Security Council Resolution 1607 (2005), Concerning Liberia*, ¶ 35, delivered to the Security Council, U.N. Doc. S/2005/745 (Dec. 7, 2005) [hereinafter *Report of the Panel to Resolution 1607*].

254. S.C. Res. 1753, *supra* note 132.

255. See U.N. Panel of Experts on Liberia, *Report of the Panel of Experts Submitted Pursuant to Paragraph 5 of Security Council Resolution 1639 (2006), Concerning Liberia*, ¶ 57, delivered to the Security Council, U.N. Doc. S/2006/976 (Dec. 15, 2006) [hereinafter *Report of the Panel to Resolution 1639*]. A chain-of-custody management firm was to be appointed in late 2007 to maintain "a tracking system that follows trees from forest to sale to ensure that no illegal wood enters the legal supply chain and that, prior to export, all the proper taxes and fees are collected." *Report of the Panel to Resolution 1731*, *supra* note 114, ¶ 38. The FDA negotiated a contract to manage this chain of custody system with SGS Group, signing a contract on October 31, 2007. *Report of the Panel to Resolution 1760*, *supra* note 155, ¶ 79.

256. CAUTIOUSLY OPTIMISTIC, *supra* note 245, at 18.

257. Cf. STROMSETH ET AL., *supra* note 4, at 178–248 (describing the challenge of justice system reform in building the rule of law after intervention).

Authority did not function outside of Monrovia due to security concerns, some regional FDA offices were destroyed by looters, FDA staff had not been paid since February 2004, the regional offices lacked equipment, and the FDA regional staff lacked adequate training, resulting in a lack of capacity to monitor and police the timber industry.²⁵⁸ Even with money later provided to reopen its regional offices, the FDA did not deploy employees into the field until the spring of 2005 because of concerns for their security.²⁵⁹ Lack of funds to the FDA had a number of effects. Having not been paid since November 2004, FDA staff went on a short strike in May 2005.²⁶⁰ The nonpayment of wages was a pattern and gave FDA officers little incentive to actively enforce forestry policies. Despite a temporary ban on pit-sawing, the domestic processing of logs continued, sometimes with explicit approval of FDA officers for a fee.²⁶¹ While the FDA complained about a lack of capacity, pit-sawyers complained that regional FDA staff were not carrying out their management responsibilities, but instead were extracting bribes.²⁶² The failure of effective FDA control could be seen when Sapo National Park—Liberia's only national park—was invaded by more than 4,000 illegal gold miners and bushmeat hunters.²⁶³ The FDA (with the assistance of UNMIL and other organizations) did not succeed in evicting the squatters until about six months later.²⁶⁴ It was not until 2006, with support of international donors and UNMIL, that the FDA was eventually able to achieve some effective control over logging, resulting in the enactment of a new national forestry reform law, the lifting of logging sanctions, and the beginnings of restarting large-scale commercial logging in Liberia.²⁶⁵ However, as of June 2007,

258. *E.g.*, *Report of the Panel to Resolution 1521*, *supra* note 192, ¶ 106; *Report of the Panel to Resolution 1478*, *supra* note 145, ¶ 90.

259. *See Report of the Panel to Resolution 1579*, *supra* note 226, ¶ 129.

260. *Id.* ¶ 135.

261. *See id.* ¶¶ 121–28.

262. *Report of the Panel to Resolution 1607*, *supra* note 253, ¶ 70.

263. *E.g.*, *Report of the Panel to Resolution 1579*, *supra* note 226, ¶ 130; *Report of the Panel to Resolution 1549*, *supra* note 226, ¶ 29.

264. *See, e.g.*, *Eighth Progress Report*, *supra* note 111, ¶ 67; *Report of the Panel to Resolution 1607*, *supra* note 253, ¶ 65.

265. *See, e.g.*, *Fourteenth Progress Report*, *supra* note 111, ¶ 28; *Thirteenth Progress Report*, *supra* note 114, ¶¶ 23–24. However, at the time the Security Council lifted timber sanctions, there were concerns that Liberia's timber industry was insufficiently reformed. *See* Press Release, Global Witness, U.N. Security Council Lifts Liberia Timber Sanctions Despite Insufficient Reform of the Industry (June 22, 2006), http://www.globalwitness.org/media_library_detail.php/448/en/united_nations_security_council_lifts_liberia_timb.

FDA regional offices were still not fully functioning and rural policing of timber producing areas remained a challenge, necessitating continued UNMIL security in rural areas.²⁶⁶

Mining sector government institutions experienced similar problems. The Ministry of Lands, Mines and Energy also lacked functional capacity to control illegal mining in the interior, struggling with this problem through the end of 2006.²⁶⁷ The pay of mining inspectors was low enough that more lucrative incentives could alter the exercise of their responsibilities.²⁶⁸ This was shown when some local mining officials allegedly engaged in the illegal sale of mining permits.²⁶⁹ Including its latest report, the Panel of Experts has continually pointed out the lack of capacity of the Ministry.²⁷⁰ Despite these problems, Liberia was able to eventually rebuild its mining infrastructure enough to satisfy the Security Council's conditions for an end to diamond sanctions in 2007.²⁷¹ After the lifting of sanctions and the visit of a Kimberley Process expert mission, Liberia was admitted as a participant in the Kimberley Process on May 4, 2007, and the Liberian government removed its own ban on diamond mining in July of 2007.²⁷²

266. See *Report of the Panel to Resolution 1731*, *supra* note 114, ¶ 35. Joint FDA and UNMIL patrols in late 2007 found evidence of illegal pit-sawing in all forest sectors and rangers at Sapa National Park have been attacked on at least two occasions in 2007. *Report of the Panel to Resolution 1760*, *supra* note 155, ¶¶ 90–91. The Panel of Experts has expressed concern that an ineffective judicial system may be contributing to the uncontrolled use of forest resources. *Id.* at ¶ 92 (“Even where FDA officers are able to be effective in making arrests, the judicial system and other officials do not appear to support these actions. FDA staff claim that at least 40 people arrested in Sapo National Park since May 2006 were released by various courts within a week of arrest.”).

267. See, e.g., *Thirteenth Progress Report*, *supra* note 114, ¶ 25; *Twelfth Progress Report*, *supra* note 111, ¶ 37; *Tenth Progress Report*, *supra* note 113, ¶ 32; *Eighth Progress Report*, *supra* note 111, ¶ 64; *Report of the Panel to Resolution 1549*, *supra* note 226, ¶¶ 97, 101.

268. See *Report of the Panel to Resolution 1607*, *supra* note 253, ¶ 24.

269. *Ninth Progress Report*, *supra* note 112, ¶ 59. In March 2007, “the Deputy Minister and an assistant minister in the Ministry of Lands, Mines and Energy were relieved of their posts for allegedly granting bogus mining licenses.” *Fifteenth Progress Report*, *supra* note 115, ¶ 4.

270. See, e.g., *Report of the Panel to Resolution 1760*, *supra* note 155, ¶¶ 55–60; *Report of the Panel to Resolution 1689*, *supra* note 255, ¶¶ 31–32; *Report of the Panel to Resolution 1647*, *supra* note 152, ¶ 54.

271. See S.C. Res. 1753, *supra* note 132 (noting that the continued lifting of sanctions is conditional on Kimberley Process certification and the results of the June 2007 report of the Panel of Experts).

272. *Fifteenth Progress Report*, *supra* note 115, ¶ 50. “The Government obtained its Kimberley Process Certification Scheme certificates in late July 2007 and announced the end of its moratorium on diamond mining on 26 July 2007”

In both forestry and mining operations, when government authorities demonstrated "a lack of political will to implement measures for the proper control and management of the country's natural resources and to ensure that revenues from these resources are used for the public good," UNMIL provided advice, conducted monitoring, and assisted with security.²⁷³ This is exactly what a stability force must do. As evidenced by Liberia's experiences, the establishment of effective internal government controls can proceed slowly; therefore, the stability force must be ready to step in and help prod the government toward success.

V. CONCLUSION

Regional stability in West Africa depends largely on the outcomes of the peace processes in Liberia, Sierra Leone, and Cote d'Ivoire. A large part of ensuring sustainable peace in these countries and others experiencing violent internal conflict is through effective management of natural resources after the cessation of hostilities. While consideration of natural resources is not the only factor in building an effective post-conflict society, it is one of the most important, and ignoring it creates conditions that may inevitably pull the country back into civil war.

UNMIL's experiences in Liberia demonstrate the need to consider natural resources issues early in the planning process and to regularly reevaluate the effectiveness of particular measures. Before any nation or multinational organization determines whether intervention may be appropriate, it must examine the natural resource issues particular to the country experiencing civil strife. Only through adequate study of resource issues (along with many other issues) can the possible intervener determine whether and how to intervene. If the organization or state does decide to intervene, it must ensure that it enters peacekeeping operations with an explicit natural resources mandate providing sufficient authority to establish security in resource exploitation areas. The establishment of

Report of the Panel to Resolution 1760, supra note 155, ¶ 26. By the end of October 2007, the Government had issued 108 diamond mining licenses, thirteen broker licenses, and twelve dealer licenses, and issued certificates for nine shipments of diamonds between September and October 2007 totaling over 14,000 carats and approximately US\$1.85 million. *Id.* at ¶¶ 27–28.

273. See *Seventh Progress Report, supra* note 111, ¶¶ 55–56.

security in those areas must be done quickly and with sufficient force. Delays in the deployment of security forces only allows ex-combatants to entrench themselves with resource revenues and build their capabilities to spoil peacekeeping operations. Although a very difficult task, the intervening force must provide for an effective DDR program to ensure that ex-combatants will not have incentives to resume conflict, especially through illicit trade in natural resources. Finally, the intervening force must help with the transitional government's efforts to establish effective internal governance of natural resources in areas such as the tracking of resources and building of central government capacity and infrastructure.

This article has only addressed a fraction of the natural resource issues involved in establishing the rule of law and maintaining peace after military interventions. Other issues include economic issues, international legal frameworks (sanctions, foreign aid, international environmental agreements, international business practices, and rules), government corruption, property rights, and legislative reform. Many other natural resources may feature in different countries, such as petroleum, coffee, cocoa, opium, copper, and other minerals. Different resources will call for different approaches. While this article only serves as a starting point for examining the role of natural resource governance in conflict areas, it highlights a critical component of effective intervention policy that has been too often overlooked.

