

Testimony by Assistant Administrator Lloyd O. Pierson
“The Impact of Liberia’s Election on West Africa”
House International Relations Committee
Subcommittee on Africa, Global Human Rights and International Operations
Chairman Christopher H. Smith
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Introduction

Good afternoon, Mr. Chairman, and Members of the Committee. Thank you for the opportunity to be here today to testify on the impact of Liberia’s historic election and the work that the United States Agency for International Development (USAID) is engaged in to ensure a continuing, successful transition to democracy.

Along with the Assistant Secretary of State for Africa, who headed the delegation, Congressman Donald Payne, Senator Lincoln Chafee, and others, I served as an international observer of Liberia’s elections in October 2005. Voter turnout was approximately 75 percent, and citizens lined up for hours to cast their votes. There was great excitement over what for many was the first truly free election in their lifetime. I had been involved in the elections of 1997 and the hopeful, enthusiastic, and joyful spirit of this election was in marked contrast to that previous occasion.

The election in Liberia was a strong affirmation of the rebuilding process which began two years ago under the transition. Today, I want to address how USAID’s work in Liberia serves our goals for the broader region. I want to elaborate on USAID’s strategy to promote a democratic and prosperous Liberia, both in the next few months and over the longer term as the new government begins to tackle Liberia’s many challenges.

It is particularly inspiring that Liberia—which has suffered for so many years from civil conflict and leadership that prioritized personal gain over the national interest—should be the first nation on the African continent to inaugurate a democratically elected female president.

USAID, along with other agencies of the United States Government, will do everything it can to help bring about peace, democracy, good governance and security in Liberia. While we believe in sustained development, we also know that there need to be immediate gains.

The First One-Hundred and Fifty Days

In her inaugural address, President Ellen Sirleaf shared her strategy toward securing and promoting the transition in the first hundred and fifty days of her term in office. I quote:

“Our strategy is to achieve quick and visible progress that reaches a significant number of our people, to gain momentum, consolidate support, and establish the foundation for sustained economic development. This

will encompass five major pillars: Security, Economic Revitalization, Basic Services, Infrastructure, and Good Governance. In implementing the programs, consistent with this strategy, we will ensure broad geographic representation and participation, placing emphasis on those areas that have received less in the distribution of economic benefits.”

In support of this approach, in the immediate term, USAID will undertake nearly \$6 million in quick impact projects which will demonstrate tangible peace dividends to the Liberian people and help secure support for the democratic process. Through the Liberia Community Infrastructure Project, USAID will implement a range of projects in Monrovia and in the more remote southeast region of the country, which borders Cote d’Ivoire, where security concerns persist and investment is urgently needed. These include renovation of high schools and a hospital; rebuilding of roads that link remote areas to Monrovia and main towns; and completion of the Barclayville Bridge, opening areas previously accessible only by helicopter.

Beyond the physical impact of rehabilitated infrastructure, this program will yield employment, support community development, and generate income. We estimate that these projects will total nearly 280,000 person days of employment, and engage more than 1,500 individuals in productive labor. Another result of the program will be heightened security – directly, through rehabilitated court buildings, but much more broadly by strengthening citizen confidence in the government’s ability to deliver services and protect the rights of the individual. The establishment of stronger linkages across all regions of Liberia will also directly improve citizen confidence and security. The work will be labor-intensive and will involve on-the-job training where possible. By rebuilding key roads, the cash economy of the rural areas will be reactivated, expanding benefits to the farmers and artisans who will now have a viable market for their goods and produce.

USAID’s Development Strategy

While such activities are needed to demonstrate visible immediate progress, much more will be required over the medium and longer term to advance economic development and build democratic institutions. The great bulk of USAID’s resources during the transition has gone to support the reintegration of ex-combatants and other war-affected populations, health and other services for the internally displaced, as well as preparations for the recent elections. However, ongoing programming also addresses community redevelopment, critical health needs and education remediation. Recognizing how critical this juncture is, and in consultation with Congress, USAID plans to substantially increase the Development Assistance (DA) and Child Survival and Health (CSH) resources to be made available to Liberia in FY 2006. In this we are guided by a new strategy focused on addressing the critical challenges to stability in Liberia and ensuring the country is on a sustainable and democratic path to recovery. In its implementation, we will work closely with the government of Liberia as well as with key donors, in particular the World Bank and European Union.

Our strategy is driven by two root sources of conflict which have jeopardized progress in Liberia in the past. The first is the deliberate exclusion of the majority of Liberians from political life and economic opportunities. Successful development in Liberia will require a participatory democratic political system that represents the interests of all Liberians. If the pattern of exclusion is not overcome, the marginalized population is likely to continue to foment violence and engage in criminal activities.

The second potential source of conflict is competition for resources. Lacking mechanisms for oversight and enforcement, Liberia has been vulnerable to leaders seeking to exploit its substantial natural resources and potential revenue sources for personal gain. This diversion of resources, through a variety of mechanisms, has resulted in a severe lack of funding for essential public services. This has, in turn, fostered disaffection toward government among the public, and sown the seeds for growing instability.

USG assistance must address these core sources of conflict to be successful in stabilizing Liberia. Therefore, USAID's work is focused on four strategic objectives organized around the goals of first, averting and resolving conflict, and second, managing crises and promoting stability, recovery, and democratic reform. Our objectives are 1) to promote local capacity to mitigate conflict; 2) to increase access to social services provided by local and national institutions; 3) to advance inclusive governance; and 4) to restore livelihoods. I will briefly describe the activities that we expect to pursue under each of these objectives.

Our first objective is designed to build the capacity of the Liberian government and civil society to address sources of conflict. In addition to early warning mechanisms, activities under this objective will focus on restoring the social fabric of Liberian communities while promoting stability and access to services. While USAID's preliminary transition efforts focused on reintegrating displaced people and ex-combatants, programs will now be expanded to ensure benefits reach the broader community and support longer term rehabilitation efforts. Community Development Committees (CDCs), which consist of local officials and community members, as well as NGOs, churches and other private sector groups, will be engaged in prioritizing local delivery of essential services. These activities will be complemented by efforts to strengthen governance structures at the national level. In particular, efforts to fight corruption in the national government through the Governance and Economic Management Assistance Program (GEMAP) will increase the revenue available for public services and help secure the national government against the corruption and competition over resources that have proven so destabilizing in the past.

Secondly, we will help expand access to health and education services, which are critical to restoring a degree of normalcy in society and improving citizens' quality of life. USAID will work to build the capacity of local and national government actors to provide these basic services, thereby enhancing their legitimacy in the eyes of the population.

Our third objective is focused on advancing inclusive governance. This is at the heart of our strategy, and seeks to address the great harm inflicted upon society by decades of poor and unaccountable governance. USAID will assist Liberia to meet this challenge by promoting increased participation in the political process, expanding access to the justice sector, and promoting corruption reforms, particularly through GEMAP. USAID will manage the USG's contribution to the GEMAP, which will include the provision of financial advisers in several government ministries and agencies, along with preparations for contracting out the management, or arranging for the privatization of a number of revenue-generating entities such as the port, airport, and forestry authority.

A special focus of USAID's work in governance is to help re-exert legitimate control over the management of natural resources, including timber, diamonds, iron ore and oil. This will help prevent further exploitation of these resources, cut off financing for potential conflict, and ensure that revenues benefit the majority of Liberians. Civil society and the media will be assisted to provide necessary oversight, transparency, and advocacy for reform. Legislative and electoral bodies may receive assistance to enhance their ability to conduct oversight and ensure accountability.

USAID's final objective is to restore basic economic activity and livelihoods in order to both raise standards of living and engage the population in productive and peaceful activities. Our programs will enhance agriculture, food security, and economic growth through increased production and improved access to markets, including financial and technical assistance. In particular, they seek to rehabilitate rubber and cocoa farms and to organize and support farmers' groups and community-based organizations to engage in micro-finance and micro-enterprise activities. We hope to create an economic environment that will also help attract resources - both financial and technical - of the Liberian Diaspora back to the country, for the benefit of its resident population.

Additionally, USAID's program in Liberia will address the multi-faceted issues of HIV/AIDS, urbanization, gender, capacity-building, and youth throughout the entire portfolio. Capacity-building of government agencies and the new legislature is necessary to ensure service delivery, budget oversight, and transparency and accountability. Local community and government organizations also require strengthening to help meet basic needs and to support peoples' participation in making decisions and holding the government accountable. Our attention to youth, a large segment of the population, is particularly important. Many youth took part in the armed conflict, and most missed out on any education or semblance of a normal childhood. Integrating them into the community, through accelerated learning programs, vocational training, and employment programs is critical to the progress of the country.

Regional Stability

While substantial progress has been achieved, fragile conditions in neighboring countries continue to threaten progress toward peace and stability. Conflict in Sierra Leone, on Liberia's western flank, only recently subsided and requires continued vigilance. Cote d'Ivoire continues to simmer on Liberia's eastern border, and instability threatens to the

north in Guinea. Continued instability fosters a number of related issues, including criminal activities, environmental degradation, the spread of disease, increased numbers of refugees and displaced persons, societal fragmentation, poverty and conflict over resources, and a general deterioration in living conditions for the region's inhabitants. To help respond to these challenges, USAID is focusing its programming in Liberia's immediate neighborhood on creating conditions that mitigate instability and conflict.

With a stable and democratic Liberia, our goals throughout the region become more attainable, whether consolidating Sierra Leone's peace, addressing civil unrest in Cote d'Ivoire, or stabilizing the fragile situation in Guinea. If its valuable natural resources are managed for the public good, Liberia also has the potential to be a substantial economic force in the region and to contribute to prosperity throughout the Economic Community of West African States (ECOWAS) countries.

Regional challenges require regional and international engagement for sustained progress. President Bush's policy toward Africa has emphasized supporting the capacity of African countries and regional organizations to mediate conflict and support peacekeeping operations in the region. ECOWAS' role in the negotiation of Liberia's peace agreement in 2003 and its deployment of a peacekeeping mission served as a dramatic testimony to this regional approach, and USAID is proud to have played a role in enhancing ECOWAS' internal capacity to address conflict, as well as to build regional cooperation in the economic and energy sectors. In Liberia, international donors, regional actors, Liberian government officials, and NGO representatives meet regularly in Monrovia and have made substantial contributions toward progress in the transition. These include the successful negotiations with the National Transitional Government of Liberia to establish GEMAP.

The election of President Sirleaf is a hopeful sign for West Africa. Liberia has emerged from brutal dictatorship and civil war and is now pointed toward a democratic and free future, with leadership responsive to the public's needs. The successful implementation of GEMAP, and adoption of the fundamental principles of good governance and responsible financial management by President Sirleaf's administration, will provide a new model of government for the Liberian people. With the commitment of the new Liberian government, and the ongoing support of the international community, a brighter future for the population of all West Africa is within our reach.

Conclusion

Liberia's recovery is fragile. The country faces enormous challenges: Unemployment remains over 70%; approximately 35% of the population is chronically malnourished, and only 20% are literate. In the great excitement which rightly surrounds the recent election, we must not forget the tremendously difficult job facing the newly elected government. President Sirleaf will need our support, and that of African regional organizations, the United Nations and international financial institutions, and other donors. For its part, the USG is committed to helping Liberia improve the lives of its people, and complete its transition from war to peace and democracy.

As you know, Liberia was founded by freed American slaves; the country has always held a strong cultural affinity with the United States. Unfortunately, the past fifteen years have been marred by civil war and predatory leadership, which made our relations, and an effective assistance program, difficult. We were able to make progress in restoring stability over the past two years, but now seek to help build a new future for Liberia. With the election of President Sirleaf, we believe our relationship with the new Liberian government will be close and productive.

We are committed to working in partnership with the new Liberian government to ensure that progress is maintained and the will of the people is carried out.

Our support, and that of the whole international community, has been critical to Liberia's peaceful development. I express my appreciation to the Congress for the \$200 million supplemental appropriated for critical humanitarian, security, and development needs in the early days of the transition. The USG's leadership in rebuilding Liberia has been important to ensure participation from other donors.

Liberia stands at a critical juncture. The election and peaceful inauguration of President Sirleaf are tremendous accomplishments. We and others in the international community are excited at the prospect of an eager and willing partner in the Liberian government, committed to pursuing security and stability goals, for the good of Liberia and the broader region.

In conclusion, I would like to thank you, Mr. Chairman, and members of the Committee for your continued interest, and for all the work and support that you have dedicated to Liberia and the region. Thank you, as well, for this opportunity to share USAID's planning for Liberia's future. Liberians have spoken and elected a President to lead them on the path of stability and progress. Together we can help Liberia move forward and promote progress throughout the region. We must also make this effort because it will help ensure the security of America, while promoting stability in a potentially resource-rich country and region.

I welcome your questions on my testimony or any others you might have for me at this time.