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Country Reports

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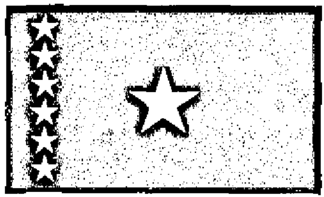
Prospects for Stability and Recovery in the DRC



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Greg Mills

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Kabila is Dead—Long Live Kabila? Prospects for Stability and Recovery in the DRC

Greg Mills[1]

> [I]f I were asked whether I think there is any figure in the Congo who could become a national leader, I would not be able to answer to the affirmative...The only man who has genuine qualities of a mass leader is, in my view, Kabila...But I will make so bold as to say, in this text that will see the light of day only after many years have passed, that I have very grave doubts about his ability to overcome his defects in the environment in which he operates. The other well-known Congolese leaders will all be swept away by events.
>
> Ernesto Ché Guevara, 1965[2]

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2 Ché Guevara E, *The African Dream: The Diaries of the Revolutionary War in the Congo*. London: Harvill Press, 2000, p.244.

General Mobutu has planted well in a number of areas, but none of his efforts seem more important than those to expand and diversify the Zairean economy.

National Geographic, March 1973

Rebuilding the Congo is more of a bet rather than something about which there are clear projections.

Michel Losembe, Citibank[3]

The Heart of Africa

In January 2002, one year after the inauguration of Joseph Kabila as president of the Democratic Republic of Congo (DRC) (who succeeded his father had been assassinated), the volcano in the eastern town of Goma erupted. In the same month, the Inter-Congolese Dialogue (ICD) scheduled to take place in South Africa was postponed due to a lack of funding and difficulties over the registration process.

At the same time, the foreign ministers of the United Kingdom and France, Jack Straw and Hubert Vedrine, were on a whistle-stop tour of the DRC, Rwanda, Burundi and Uganda joining forces in an attempt to convince Kampala and Kigali to withdraw their armies from the DRC, thereby hopefully establishing the conditions for long-term peace. The swimming pool at the Grand (formerly Inter-Continental) Hotel in Kinshasa, immortalised in Michela Wrong's account of the Mobutu years *In the Footsteps of Mr Kurtz,* was once again surrounded by a mix of expatriates including Norwegian and Dutch aid workers, Ukrainian, Russian and South African pilots, Zimbabwean and Angolan military officers, members of the international media, World Bank officials, and members of the Congolese elite. The levels of poverty in the chaotic, decaying streets of Kinshasa outside the insulated hotel also suggested that little had improved since Laurent-Désiré Kabila took power from Mobutu Sese Seko in 1997. Indeed, gross domestic product in the DRC had slipped to under $80 by 2002.

3 Discussion, Kinshasa, 27 January 2002.

At the heart of Africa, Congo is the continent's second most populous and second-largest state. It is one-quarter the size of the US, comprises 50 million people in more than 200 tribes, and is bordered by nine countries—Congo-Brazzaville, the Central African Republic (CAR), Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola. It is also one of the richest countries, yet its people remain among the poorest and its leaders, for the most part, have been more concerned with ensuring their own wealth and survival than the well-being of Congo's diverse population. It is, in the words of the World Bank representative, 'One of the five poorest countries in the world, but probably one of the ten richest resource countries world-wide'.[4] It has a hydro-electric potential estimated at 100,000MW, sufficient to meet at least all of Southern African needs; oil reserves of 180 million barrels; and has enormous wealth in other natural and mineral resources including 65% of the world's cobalt reserves.[5] The Congo is emblematic, in this way, of all that is good and bad in Africa, contrasting huge economic potential and opportunities with the challenges of dealing with corruption and venality, providing governance, ensuring state capacity and institutionalising democracy.

War, instability and misrule have been a characteristic of the Congo since colonial times. The brutal history of colonial exploitation was followed by decades of turbulent government and poor governance under President Mobutu.[6] The end of the Cold War and later the end of Mobutu's rule heralded brighter prospects, but these have yet to be realised. An invasion from the country's east by the Alliance of Democratic Forces for the Liberation

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4 Interview, Kinshasa, 26 January 2002.

5 For details, see *http://www.cia.gov*. The DRC's main exports include diamonds, copper, coffee, cobalt, coltan and crude oil, totalling an estimated $960 million in 1999. The country's main export partners in 1999 were: Benelux (62%), US (18%), South Africa, Finland and Italy. The main imports in 1999 (totalling $660 million) were foodstuffs, mining and other machinery, transport equipment, and fuels. The country's main import partners in 1999 were: South Africa (28%), Benelux (14%), Nigeria (9%), Kenya (7%) and China.

6 See, for example, Hochschild A, *King Leopold's Ghost: A Story of Greed, Terror, and Heroism in Colonial Africa*. New York: Mariner, 1999; and Wrong M, *In the Footsteps of Mr Kurtz*. London: Fourth Estate, 2000.

of Congo-Zaire (AFDL) put paid to Mobutu's regime in May 1997 and installed in its place that of Laurent Kabila. Hope that Kabila's rule would lead to a more prosperous and stable period in the Congo's history turned quickly sour as his own regime was characterised by large-scale corruption, human rights abuses and a renewed round of warfare as Kabila's former Rwandan and Ugandan allies turned against him and he sought new external partners.

The latest round of conflict, lasting from August 1998 until today, has been termed 'Africa's first world war' drawing combatants from almost all the surrounding countries, including Angolan, Zimbabwean, Namibian, Ugandan and Rwandan troops as well as mercenaries. At the heart of the war (and the subsequent peace process) costing an estimated three million lives has been the very future of Congo as a state. At the time of the UN-sponsored Lusaka cease-fire in mid-1999, Kinshasa's remit covered roughly 40% of the overall territory in the western sector of the country while foreign troops and guerrilla groups occupy the remainder—mostly in the eastern half.

While UN troops and observers are charged with monitoring the settlement under the *Mission de l'observation des Nations au Congo* (MONUC), it is by no means clear that the formal cease-fire will lead to the withdrawal of troops and the return to a Congo under single political leadership. This is to a great extent dependent on the success of the Inter-Congolese Dialogue process and on the role of external (mainly neighbouring) powers.

This *SAIIA Country Report* examines the prospects for recovery in the Congo in three sections:

- First, a background to the current situation in the Congo, including an examination of the period of colonial rule and the Mobutu years, the first stage of Laurent Kabila's rule—from August 1997 until the fallout with his Rwandese and Ugandan supporters in 1998, the second stage of Kabila's rule—from 1998 until his death in January 2001, and the period of the rule of Joseph Kabila.
- Second, it provides a snapshot of the current economic environment and reform efforts in the Congo.
- Third, it will examine the likelihood of political stability, economic recovery, investment and trade in the country.

Congo timeline

1884	King Leopold II's personal sovereignty over Congo is recognised at the Berlin Conference.
1908	Congo ceases to be the personal property of King Leopold and is transferred to Belgium.
30 June 1960	Congo becomes independent. Joseph Kasavubu is appointed president and Patrice Lumumba is appointed prime minister.
11 July 1960	Moise Tshombe declares Katanga independent.
February 1961	Patrice Lumumba is assassinated.
1964	Tshombe becomes prime minister in the Kasavubu government.
October 1965	Kasavubu dismisses Tshombe.
24 November 1965	Joseph Désiré Mobutu takes over in military coup.
1966	Mobutu creates a single-party called the *Mouvement populaire de la révolution* (MPR). He is elected unopposed to seven year terms in 1970, 1977 and 1984.
24 April 1990	Mobutu unveils a political reform programme.
August 1991	A constitutional conference commences.
December 1992	A transitional legislature, *Haut conseil de la République* (HCR), elects Etienne Tshisekedi prime minister.
January 1993	Soldiers riot and pillage in protest at being paid in new bank notes which were declared illegal by Tshisekedi.
March 1993	Mobutu dismisses Tshisekedi, appointing Faustin Birindwa as prime minister. This results in two parliaments and two governments.
October 1993	The two parliaments agree to merger into the *HCR-Parlement de la transition* (HCR-PT).
January 1994	Mobutu dismisses both Tshisekedi and Birindwa.
June 1994	Léon Kengo wa Dondo is elected prime minister. The transition is extended until 1997.

Congo timeline (continued)

October 1996	Supported by Rwanda and Uganda, Congolese *Banyamulenge* Tutsis commence a military campaign resisting persecution.
16 May 1997	Kinshasa falls to the *Alliance des forces démocratiques pour la libération du Congo-Zaire* (AFDL) under Laurent Désire Kabila. Mobutu flees into exile where he dies of prostate cancer four months later.
June 1998	Kabila replaces high-ranking Tutsis in the government and the army.
August 1998	Rwanda and Uganda intervene again, backing the *Rassemblement congolais pour la démocratie* (RCD). The campaign is halted by the intervention of Zimbabwean, Sudanese, Angolan, Chadian and Namibian forces. Rebel forces are left in control of most of eastern Congo.
July 1999	The Lusaka Peace Agreement is signed.
January 2000	The UN Security Council passes a resolution for the deployment of 500 observers and 5,000 troops in the Congo.
June 2000	Kabila creates the *Assemblée constituante et législative-Parlement de transition* (ACL-PT), a national transition Parliament, with 240 of 300 deputies selected by a government panel.
16 January 2001	Laurent Kabila is assassinated in Kinshasa.
March 2001	UN (MONUC) troops and observers commence deployment.
26 May 2001	An economic liberalisation programme is launched.
October 2001	The inter-Congolese Dialogue commences in Addis Ababa, but ends in failure.
January 2002	The inter-Congolese Dialogue scheduled to take place in South Africa is postponed due to a lack of funding. It is re-scheduled for February 2002.

Plus ça Change?

A history and background

One week after his inauguration on 26 January 2001, Joseph Kabila attended a prayer breakfast at the White House hosted by President George W Bush. In the course of four days in the US, France and Belgium, he met with the South African president, Thabo Mbeki, the French president, Jacques Chirac, the president of Rwanda, Paul Kagame, the Belgian prime minister, Guy Verhofstadt, the US secretary of state, Colin Powell, and the UN secretary-general, Kofi Annan. He addressed the UN Security Council, attended a meeting of the influential US Corporate Council for Africa, and met with the World Bank president James Wolfensohn.

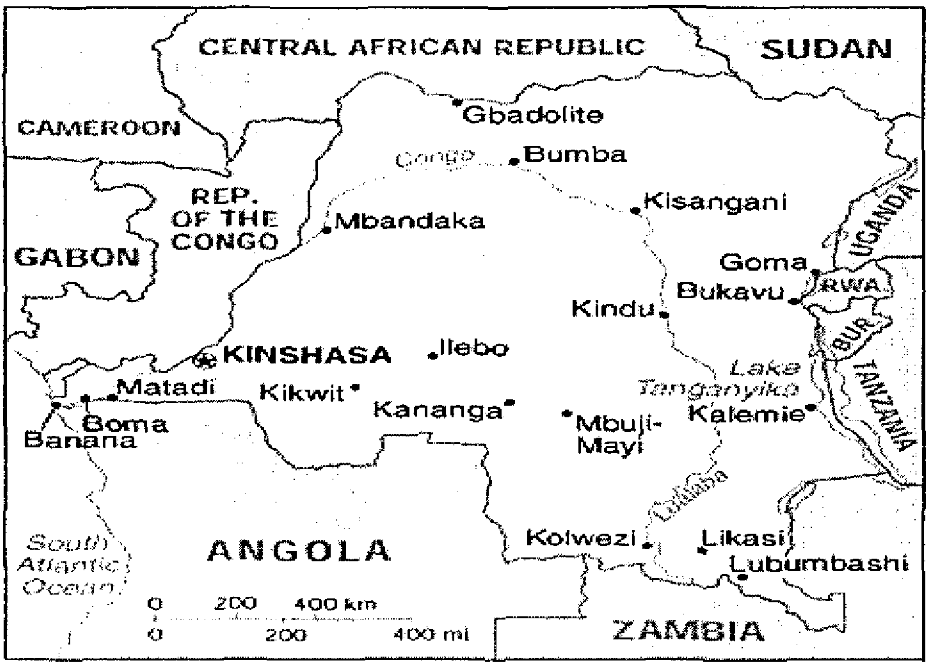
Just over a decade earlier, President George Bush had welcomed Mobutu Sese Seko on the lawns of the White House as a friend of the United States. It is estimated that Zaire was loaned around $4 billion between 1982 and 1991 as Mobutu astutely played on the US' fears of Soviet expansionism in Africa, money mostly squandered on white elephant projects rather than allocated to development. He was also an important conduit for links and military support to Jonas Savimbi's Angolan *União Naçional para a Independênçia Total d'Angola* (UNITA) movement—during the 1980s a favourite of the Reagan and Bush I administrations—and, in doing so, provided a method of contact and co-operation with apartheid South Africa.

Just as Mobutu had offered to align the then Zaire to the West and sought to allay Washington's security concerns, at the Corporate Council meeting President Joseph Kabila promised to make the DRC safe for investors.

In reality, however, the Congo is a collapsed, divided and dysfunctional state, one that can currently no more promise to provide security to foreign investors than it can provide for its own citizens. It has shifted from being the playground for colonial interests in the 19th century, to a strategic prize for the superpowers in the second half of the 20th century, once described as

'Organised pillage for the profit of the foreigner and his intermediaries'.[7] At the start of the 21st century, following the implosion and eventual collapse of Mobutu's Zaire, the Congo is a focus of regional African rivalries, venality and security interests. At the heart of Africa, it symbolises the continent's core challenges of leadership, state capacity, governance and nation-building.

But if this is the current reality, what does the future offer?



From Leopold to Leopard

In 1876, King Leopold II of Belgium formed an international group to 'develop' the Congo region. The outcome of the Conference of Berlin in 1885

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7 Pastoral letter cited in Young C & T Tower, *The Rise and Decline of the Zairean State*. Wisconsin: University of Wisconsin Press, 1983.

organised the Congo Free State with Leopold as both king and owner. In October 1908, the private colony reverted to the Belgian state and became known as the Belgian Congo. Even after independence on 30 June 1960, the Congo became a battleground of international and regional interests. The country fell into essentially four squabbling entities: the central government in the old capital or Leopoldville (now Kinshasa), a rebel movement in the eastern capital of Stanleyville (now Kisangani), the independent republic of Kasai in the south-west, and an independent Katanga (Shaba) in the south with the capital at Elisabethville (now Lubumbashi).

UN troops, deployed in a peacekeeping capacity, succeeded in quashing the Katangese secession which was led by Moise Tshombe, later to become prime minister of a united Congo and who led the defeat of the so-called Simba rebels in eastern Congo in the mid-1960s. However, in 1966, 1967, 1977 and 1978 the Katangese again revolted, and this was only suppressed after external (French Foreign Legion) intervention. Patrice Lumumba, who had won the first general elections on 31 May 1960, was murdered in February 1961 having been removed from power the previous September after the UN intervention had attempted to halt widespread violence against white settlers.

In September 1964, leftist rebel elements established a People's Republic in Stanleyville. This rebellion was suppressed by July 1965 with the assistance of foreign mercenaries (most notably those of Five Commando under Colonel 'Mad' Mike Hoare[8]), while Belgian paratroopers rescued hundreds of trapped settlers. In 1965, Colonel Joseph-Désiré Mobutu was named president—after which Zaire (as the country was renamed in 1971) began a precipitous slide into decay and economic collapse.

Indeed, the overall long-term trend in the Congo has, since independence, been towards continued state fragmentation and disintegration whatever the short-term prospects of peace. Such is the colonial legacy and the effect of Mobutu's 35-year rule.

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8 For a detailed account of the activities of these mercenary troops, see Colonel Jerry Puren as told to Brian Pottinger, in Pottinger B, *Mercenary Commander*. Alberton: Galago, 1986.

Mobutu destroyed any semblance of viability of his inheritance in an attempt to keep the Congolese state together through a mixture of repression, the use of a personality cult verging on voodoo, a far-reaching Africanisation programme of *retour á l'authenticité*, and, critically, making use of patronage and turning a blind-eye to, and even encouraging, corruption. Mobutu presented the radical Zairianisation programme as an offset to the impact of colonialism, though it was implicitly focused on consolidating his political support: 'To perpetuate the exploitation of the black man by the white', he said, 'the colonisers systematically wiped out African traditions, languages and culture. In short, totally negating the black man so that he thinks, eats, dresses, laughs and breathes in the manner of the white man'.[9] Whatever the rationale, the effect of Mobutu's programme was, however, somewhat different. As Alec Russell notes:[10]

> In good revolutionary style, *Monsieur* and *Madame* gave way to *Citoyen* and *Citoyenne*, the necktie to the loose African shirt, and the river Congo, like the country, was renamed Zaire. In practice it became clear to all but the most star-struck or self-interested Mobutuists that *authenticité*, like everything else Mobutu did, was about making money and entrenching his position and cult.

The raping of the state mining goose, *Gécamines*, created out of the nationalisation in 1967 of the *Union Miniére du Haut Katanga*, which accounted for 70% of export receipts, ultimately undercut Mobutu's rule. Contrary to popular belief, however, while much was spent on the trappings of Mobutu's power including real estate in Belgium, Switzerland, France and Cape Town, much more was expended on buying off supporters. By the turn of the 21st century, Leopold's 'magnificent African cake' had only a few crumbs left, mainly in the mining and energy sectors, though copper production levels were less than one-tenth of what they were at their peak. As Russell writes:[11]

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9 Taken from the video, *Mobutu: King of Zaire*.

10 'The King of Kleptocracy' in Russell A, *Big Men, Little People: Encounters in Africa*. London: Pan, 2000, p.14.

11 *Ibid*, p.13.

> Since independence from Belgium in 1960, the state had in all but name ceased to exist. More than four-fifths of the estimated 80,000 kms of roads had been reclaimed by the bush, as had most of the railway...The telephone cables had long since been uprooted...It was estimated in the late seventies that more than two-thirds of the government's budget never reached its destination. By the nineties, central funding had effectively ceased.

Access to state power (and thus to resources) was carefully managed by Mobutu, on ethnic as well as political grounds. Between 1965 and 1990, he appointed no less than 51 government teams, each with an average of 40 ministerial slots, while there were more than 600,000 names on the civil service payroll. As one diplomat who served in Kinshasa at the time noted, 'Mobutu's cabinet was like a medieval court, with rivals jockeying for positions rather than handing out advice. Cabinet selection was like musical chairs. When the music stopped, 20 would be ministers, 20 in jail, 20 in exile and 20 in the opposition. Then the music would start again'.[12] Provincial governors had a free hand to extort, but were closely watched by Mobutu lest they should become too powerful.

Following the end of the Cold War and the increased unwillingness of the West (and the US in particular) to support a regime as obviously corrupt and undemocratic as Mobutu's, a process of democratisation was embarked upon. The national sovereign conference commenced in August 1991, but collapsed as Mobutu attempted to manipulate it to his own ends. Nonetheless, its decisions will most likely form the basis on which a new political dispensation—if any—will today be constructed.

When his ability to deliver patronage started to run out the writing was on the wall. This was coupled, critically, with the aftermath of the Rwandan genocide which Mobutu had badly mismanaged by allowing, in the style of venality perfected during his reign, exploitation and the misuse of Hutu refugee camps to the east. In addition, the result of keeping his army divided, ineffectual and geared more towards self-enrichment than the business of

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[12] Discussion, Pretoria, January 2002.

defence, was seen in their dramatic collapse in the face of a Rwandan–Ugandan-led rebel march on Kinshasa in mid-1997.

Mobutu to Kabila I: Corruption and dysfunction

Laurent Kabila was at the head of the Alliance of Democratic Forces for the Liberation of Congo-Zaire (ADFL)[13] movement that successfully ousted Mobutu from power in May 1997. The movement owed its origins to Yoweri Museveni of Uganda and Paul Kagame of Rwanda who, by early 1996, had lost patience with the armed threat posed by the remnants of the Rwanda Hutu army and the *Interahamwe* militia based in the then Zaire. The Hutus had moved to eastern Zaire in 1994 following Major-General Kagame's Rwandan Patriotic Front (RPF) overthrow of the genocidal Hutu regime.[14] In 1995 and early 1996, the Hutu increased their incursions into Rwanda, affecting, too, Kigali's close ally, Uganda. The international community did little to intervene. On the contrary, it continued to provide aid to the refugee camps in Goma and elsewhere in the then Zaire, thereby feeding the Hutu army. Rwanda and Uganda therefore decided to clean up the camps themselves with help from Zairois *Banyamulenge* Tutsis who had become alienated from Kinshasa owing to a series of discriminatory laws aimed at revoking their citizenship rights.

However, the extent of the rot in the then Zaire had been underestimated by all concerned. When Kinshasa's army—the Zairean Armed Forces (FAZ)—repeatedly fled (after looting the cities it was to defend), the Rwandans, Ugandans and Laurent Kabila moved forward with astonishing speed.

Once having taken power, however, a number of things about Kabila soon became clear.

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13 For background on the formation of the AFDL, see Reed WC, 'Guerrillas in the Midst', in Clapham C (ed.), *African Guerrillas*. Oxford: James Currey, 1998, pp.134–154.

14 For details, see Prunier G, *The Rwanda Crisis: History of a Genocide*. London: Hurst, 1995.

First, he was, from all accounts, an irascible character. He made impossible the attempts by the international community led by Nelson Mandela who were trying to negotiate a solution between Kabila and Mobutu aboard the South African naval vessel, *SAS Outeniqua*, at the end of 1997; and in his blocking of the Inter-Congolese Dialogue towards the end of his rule.

Indeed, despite attempts at international assistance such as sending a South African technical team to the Congo[15] in 1997, Kabila preferred to ignore such outside offers. From the beginning, on the *Outeniqua*, he was paranoid about US military threats and intentions, and was deeply suspicious of South African and American leadership.[16] For example, he initially refused to board the *Outeniqua* believing that it would be torpedoed by US submarines.

His insecurity and lack of a national project to implement relates to a second issue: although a tough survivor, he was, initially at least, simply the figurehead to front for the Ugandan and Rwandan activities. A colleague of Patrice Lumumba in the early 1960s, Kabila fled to the hills of eastern Congo/Zaire after Lumumba's assassination where he survived in several quasi-states that were outside Kinshasa's reach. The Zairois army finally gained control of the area in the 1970s and Kabila was forced to flee further east. Most observers presumed that he was dead and were astounded when he reappeared as head of the anti-Mobutu movement in late-1996.

As a result, reliant on a coalition of external forces for support, Kabila had little or no national project to implement. Kabila and his colleagues confronted the daunting task of national rule with little or no idea of how to achieve it. The situation was exacerbated by a devastated economic inheritance. As a result, and given his Katangese ethnic origins, he initially had few allies within Kinshasa, which is home to one quarter of the DRC's population, where he faced the need to make peace with a sophisticated population which had little time for his largely Tutsi (and Lingala/English-speaking) army.

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15 This technical team comprised officials from the South African Departments of Finance, Foreign Affairs and Trade and Industry.

16 Discussion, Kinshasa, 26 January 2002.

These strains manifested themselves in the form of a Tutsi uprising against Kabila less than one year after he took power.

Africa's first world war[17]

Kabila was thus installed in Mobutu's place largely as a result of the combined efforts of the Rwandan, Ugandan and Angolan governments which were concerned about the rebel's use of Zairian territory to launch attacks against them. Kabila faced an immense task, one that he did not, essentially, prove to be up to. On the one hand, he had to unite and govern a large and diverse country impoverished both financially and in terms of available government resources by Mobutu's years of kleptocracy. On the other, his erstwhile backers expected him to keep his borders secure and deny access to Congolese bases used by the Angolan rebel movement UNITA in the west and Hutu forces to the east.

It should not be surprising, therefore, that given both the nature of his inheritance and his lack of governance experience that he failed to bring the country together. Instead, he initially reverted to what was described as 'his own domestic comfort zone' in the southern province of Katanga while seeking, at the same time, to reduce his reliance on the locally unpopular Rwandan/Tutsi forces which had brought him to power but whose brutality against Hutu exiles in the east of Congo brought domestic and international censure. Indeed, as many as 130,000 Hutu exiles were reportedly killed by government forces in 1998.

The trigger of the 1998 crisis was related to Kabila's domestic insecurities. As he marched through the country, he had to make deals with a large number of power-holders who had become accustomed to minimal interference from the capital. The decision to replace the Tutsi chief of staff of his armed forces with a Katangan was followed by the expulsion of the remaining Rwandan Tutsi forces from the Congo at the end of July. In an address to the nation on

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17 This is the term coined by former US assistant secretary of state, Susan Rice. See Reyntjens F, 'Briefing: the Democratic Republic of Congo, From Kabila to Kabila', *African Affairs*, 100, 2001, p.311. See also Turner T, 'The Kabilas' Congo', *Current History*, May 2001 for a good background on current events.

28 July 1998, Kabila explained that this was a necessary step to create orderly relations with Rwanda. Kigali claimed that the decision to withdraw had been their own but that they hoped 'to maintain our co-operation with the Congolese in dealing with the criminal elements in eastern Congo'.

Both Rwanda and Uganda had, in turn, been coming under increasing insurgent pressure from the so-called Alliance of Democratic Forces (ADF), a loose guerrilla coalition including former Mobutuists and Hutus. Operating with Sudanese support in and across the Ruwenzori mountains into Uganda, the ADF launched a number of successful attacks into Yoweri Museveni's country, threatening, *inter alia*, the cobalt mineral investment at Kasese.

A first *Banyamulenge* (Congo) Tutsi revolt in February 1998 was resolved peacefully. A second uprising started at the beginning of August 1998 with substantial military support from Rwanda, despite formal denials that this was the case. The rebels made rapid advances: on 3 August, army commanders in Goma, Bukavu and Baraka withdrew support from Kabila. Although the rebels predicted the fall of Kinshasa to their forces before the end of August, as the Rwandan-led military campaign neared the capital, logistical problems together with a major military intervention principally by Angolan, Namibian and Zimbabwean troops curbed their advance.

As Herbert Weiss has argued:[18]

> Perhaps this conflict between Kabila and his sponsors was inevitable, since any Congolese president would have sought to legitimise himself with the Congolese public and that would have necessitated distancing himself from foreign, especially militarily present, sponsors.

But it must also be said that Kabila provoked both internal and external opposition, which was not inevitable: He could have strengthened his internal position both by applying a more pluralist policy and by acting to retain the support of the ADFL founders and supporters. He could have taken care to treat the FAZ soldiers sent to re-education camps in a more humane and dignified fashion (some informants claimed that they were being starved). He

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[18] See *http://www.unc.edu/depts/diplomat/AD_Issues/amdipl_16/weiss/weiss_print1.html.*

could have avoided giving the impression that his intimates from Katanga were being favoured over people from other regions. In his relations abroad, he could have avoided offending Uganda by establishing warm ties with Sudan. If it is true that before August 1998 he began to recruit *Interahamwe* and arm them (there is no doubt that that was done after that date), he could have refrained from provoking Rwanda to the point of an inevitable, total enmity. And there was surely nothing to be gained by antagonising Western leaders, sometimes in a very personal manner. Yet, all this having been said, it should be remembered that Kabila had, for decades, been a marginalised guerrilla leader with virtually no experience as a statesman. The role which history handed him was full of opportunity, but it would have been difficult to fill it under any circumstances.

This left the country divided in two, the rebels occupying the east and north-west, with very restricted lines of communication between the two zones.

Various efforts to end the war resulted in the signing of the Lusaka Accord in July 1999. Under its terms, the six nations involved (the DRC, Angola, Namibia, Zimbabwe, Rwanda and Uganda) and the rebels agreed to:

- The creation of a joint military commission responsible for monitoring the peace agreement in conjunction with the UN and its deployment.
- The withdrawal of all foreign troops within nine months.
- The disarmament and repatriation of all armed groups operating in the DRC.
- The holding of national dialogue to create a national government.
- Amnesty for all rebel groups, apart from those implicated in the genocide.

Although fighting continued sporadically over the next 18 months, the Lusaka Accord is viewed by the foreign protagonists as the 'basis for a peaceful settlement and their own (eventual) withdrawal'.[19] However, its implementation was held up by Laurent Kabila who rejected the Organisation of African Unity-nominated former president of Botswana Sir Ketumile

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19 Economist Intelligence Unit (EIU) Country Profile, *Democratic Republic of Congo*. London: EIU, 2001, p.8.

Masire as the facilitator of the Inter-Congolese Dialogue and refused to guarantee the security of UN peacekeepers. Following the assassination of the increasingly isolated Laurent Kabila in January 2001, his son, Joseph Kabila (who succeeded him) reinvigorated the peace process, authorising the UN deployment, accepting Masire as the facilitator, and disengaging the Congolese army.

Since its deployment in force in April 2001, the UN in the form of the MONUC has played a key peacekeeping role.[20]

MONUC Structure and Mandate[21]

Headquarters Kinshasa; Democratic Republic of the Congo Liaison offices in Addis Ababa (Ethiopia), Bujumbura (Burundi), Harare (Zimbabwe), Kampala (Uganda), Kigali (Rwanda), Lusaka (Zambia) and Windhoek (Namibia)

Duration

Commenced 30 November 1999

Authorisation

15 June 2001 to 15 June 2002 (UN Security Council Resolution 1355, 15 June 2001)

Strength

Authorised strength: 5,537 military personnel, including up to 500 military observers, supported by specialists in human rights, humanitarian affairs, public information, child protection, political affairs, medical and administrative support.

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[20] See *http://www.un.org/Docs/sc/missionreports/416e.pdf.*

[21] See *http://www.un.org/Depts/dpko/monuc/monucF.htm.*

Strength (31 August 2001): 2,398 total uniformed personnel, including 385 military observers and 2,013 troops; supported by 475 international and 170 local civilian personnel.

Contributors of military personnel

Algeria, Bangladesh, Belgium, Benin, Bolivia, Burkina Faso, Cameroon, Canada, China, the Czech Republic, Denmark, Egypt, France, Ghana, India, Indonesia, Ireland, Italy, Jordan, Kenya, Malawi, Malaysia, Morocco, Mozambique, Nepal, Niger, Nigeria, Pakistan, Paraguay, Peru, Poland, Romania, the Russian Federation, Senegal, South Africa,[22] Sweden, Switzerland, Tunisia, Ukraine, the United Kingdom, Uruguay and Zambia.

Financial aspects

Commitment authority (six months): July–December 2001: $209.1 million

The United Nations is now poised to implement Phase III of the MONUC plan. Phase I involved the arrival of the UN team and the stabilisation of the security environment. Phase II has seen the pulling back of the warring parties to new defensive positions approximately 30kms apart according to a plan signed in February 2001[23] and the insertion of 54 static UN monitoring posts and 41 mobile teams.

Phase III, due to be implemented by mid-2002, will attempt the voluntary disarmament of militias in the east—the so-called DDRRR (Disarmament,

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22 In January 2002, the South African contingent comprised 98 personnel made up of six aircraft handling teams of eight personnel per team (one each at Mbandaka, Goma, Kisangani, Kalemi, Kananga and Kinshasa) responsible for loading and offloading equipment, one fire-fighting and rescue team in Kinshasa (seven personnel), one medical team with six members; 24 personnel at the South African headquarters at the IVECO base near Kinshasa, and eight seconded to the MONUC headquarters in the city itself.

23 Essentially, as one MONUC officer explained, 'out of artillery range'. Interview, Kinshasa, 23 January 2002.

Demobilisation, Repatriation, Resettlement and Re-insertion). In terms of UN Security Council Resolution 1376 of 2001, this involves the establishment of forward deployment areas in Kisangani and Kindu, creating between ten and fifteen reception/assembly areas for the rebel armed groups. This envisages a UN force of around 10,000 (up from the January 2002 levels of 3,500) present for at least two years.

The UN is a critical element in the normalisation of political activity along with the stabilisation of the territory. If the UN can enable, through Phase III, the disarmament and demobilisation of militias in the east of the country, then the Rwandans and Ugandans might be convinced to leave. As one diplomat has argued,[24]

> While there is a certain economic incentive now for the Rwandese to stay, their presence is relatively pure, its about their security. If these security concerns can be met, then Kigali has no excuse to be there, and the international community can pressurise them to withdraw. They also realise now that they can have influence without troops.

The UN is not only, however, involved in monitoring the cease-fire line running diagonally across the DRC, but also the shifting patterns of rebel activity and support. Below is a summary of the make-up of the rebel and government-allied forces.

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24 Interview, MONUC, Kinshasa, 23 January 2001.

Forces in the Congo conflict: The government side, January 2002	
Angola	Between 500 and 1,000 troops, based mainly near its own borders, and focused on denying sanctuary to UNITA.
Namibia	At peak 2,000, but are believed to have left the DRC entirely possibly save for diamond mining interests near Tshikapa and regular consultations with government forces.
Zimbabwe	Estimated force strength of 8,000, down from a peak of 12,000, but provides military 'backbone' to Kinshasa.
Forces armées congolais	Estimated at 40–60,000 troops, including some Hutu *Interahamwe* and Mai Mai militias mainly in Kivus, former Rwandan Army (*Forces armées rwandaises*—FAR), Burundian Hutu forces (*Forces pour la défense de démocratie*—FDD), and ex-Mobutists.
AliR	Alliance of *Interahamwe* and ex-FAR totalling around 30-40,000.
FDD	Believed to total, at peak, around 15,000, split between the DRC and Tanzanian refugee camps.
Forces in the Congo conflict: The rebel side, January 2002	
Burundi	At peak around 2,000 troops, but announced their withdrawal in January 2001.
Rwanda	Rwandan Patriotic Army (RPA) strength is estimated at 18,000. Forces in the DRC are made up of local Tutsi and Hutu (ex-FAR) elements.
Uganda	Estimated 3–4,000 Ugandan People's Defence Force (UPDF) troops, based mainly in North Kivu.

Forces in the Congo conflict: The rebel side, January 2002 (continued)

MLC	*Mouvement de Liberation Congolais* (MLC) headed by Jean-Pierre Bemba, based mainly in Equateur province and headquartered in Mobutu's former 'pink palace' at Gbadolite. Was supported mainly by Uganda, but recent tensions related apparently to Bemba's desire to control customs posts on the eastern border have soured relations leading to creation of RCD-K/ML and RCD-K/N. Estimated between 6,500–9,000 troops.
RCD-K/ML	*Rassemblement Congolais pour la Democratie* (RCD)-Kisangani/ML allied to Jean-Pierre Bemba. Was formally known as RCD-K (see below) under Ernest Wamba dia Wamba, and entered in early 2000 into an alliance with Bemba under the terms of which the MLC transformed temporarily into the *Front pour la libération du Congo* (FLC). Later broke away again, but remains close to (and is supported by) Uganda. Headed by Mbusa Nyanwisi. Around 2,500 troops.
RCD-G	RCD-Goma, sponsored by Kigali and headed by Adolphe Onasumba, a South African-educated doctor, who replaced Emile Illunga in late-2000. Created out of split of the RCD in May 1999, when Wamba dia Wamba broke away to form the RCD-Kisangani supported by Uganda. Total of some 17,000–20,000 troops.
RCD-K/N	RCD-Kisangani/National created in January 2002, headed by Roger Lumbala and allegedly sponsored by Rwanda following a fissure within the RCD-K/ML.

Although the Rwandans, Ugandans, Zimbabweans, Namibians and Angolans originally intervened for strategic political and security reasons, their continued presence has been paid for largely by extensive mining and other interests.

The Economy

There is both anecdotal and empirical evidence of economic collapse in the DRC, a situation that is fraught with structural difficulty and political intrigue.

According to the United Nations Development Programme (UNDP),[25] by 2002 more than 70% of the population are living in absolute poverty. According to official statistics inflation was at 511% in 2000 and the economy shrank by 11% in that year.[26] Men and women, old and young alike, hawk every imaginable product in the potholed streets of Kinshasa, most with no jobs at all, but some trying to supplement their meagre government salaries. Unemployment is around 85%.

The minister of the economy, finance and budget, Mbuyamu Ilankir Matangulu, has said that this is the result of 'No meaningful investment of business over the last 10-15 years because of political turmoil and problems in the area of economic management'. The minister of press and communication, Kikaya bin Karubi, put it slightly differently: 'It is difficult to have a viable, working economy in times of war'.[27] As a recent Standard Bank report notes:[28]

> The ongoing war, which broke out in August 1998, has impacted negatively on the economy and people of the Democratic Republic of the Congo (DRC). The war has accelerated the country's economic and social decline. In spite of its rich natural resources, it remains one of the poorest countries in the world: GDP per capita declined to $85 in 2000 compared to $380 in 1985 and $205 in 1991. This illustrates the extremely low and declining standard of living. The on-going conflict has destroyed a large portion of the country's productive capacity. Infrastructure maintenance has also been inadequate. Declining output is evident in most sectors and industries. Between 1996 and 2000 the

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25 Interview, Professor Munkeni, UNDP, Kinshasa, 24 January 2002.

26 These figures were supplied by the minister of economy, finance and budget, Mbuyamy Ilankir Matungulu, in an interview, Kinshasa, 5 January 2002.

27 Interview, Kinshasa, 25 January 2002.

28 *Economic Pointer*, 29 October 2001.

primary sector declined by nearly 17%, the secondary by 37% and the tertiary by 23%. Over the same period mining declined by 20%; manufacturing by 37%; construction by 58%, market services by 43%; and transportation and telecommunications by 35%.

Noting that the DRC's economy is dominated by primary sector activities (agriculture, forestry, livestock breeding and farming, hunting, fishing and mining) which comprises 61% of economic activity, the Standard Bank report says that the low contribution of the mining sector (6% of GDP) 'is surprising' given the 'perceived importance of copper, cobalt and diamond mining to the economy'. The report suggested that this may be due to the decline in the copper price in the early 1990s given that copper was the leading export, accounting for almost half of total export earnings. Also, 'since the outbreak of the war in 1998 the government has lost control over the mining and agricultural sectors. For example,' the report noted, 'some commodities, such as gold are smuggled out of the DRC and exported from neighbouring countries'. Mining, including mineral processing, accounted for about 90% of export earnings and 7% of employment. Yet as an illustration of the decline of this sector, copper production has fallen from 475,000 tonnes in 1989 to 20,000 tonnes today.[29] Mining's contribution to GDP had already dropped from 24% in 1987 to 5.9% in 1994.

29 Interview, minister of finance, Kinshasa, 25 January 2002.

The DRC: Economic trends[30]

	1997	1998	1999	2000	2001[31]
GDP current market prices ($m)	3807	6218	4579	4540	–
Real GDP (% change)	-5.6	-1.6	-10.4	-11	-3
CPI (% annual average)	199	107	270	511	135
Fiscal deficit/surplus (% of GDP)	-10.8	-6.2	-5.2	-5.9	2.5
Reserves ($ m)	47	60	66	52	–
Imports covered by reserves (weeks)	1.8	2.3	2.9	2.2	–
Population (millions)	46.7	48.2	49.7	50	50
Exchange rate (end of period) ($)	1.3	2.4	4.5	50	310

The Standard Bank report concludes that:

> The country's growth record is abysmal. Negative growth rates have been recorded for a number of years; for example, the economy contracted by 10.4% in 1999. The poor growth record in 1999 is attributable to the start of the war in August 1998, which led to declining output in virtually all economic sectors. Other contributing factors to the overall socio-economic decline are gross mismanagement of the economy, endemic corruption, damage to and deterioration of the infrastructure and the collapse of the health and education systems.

Two factors dominate the country's recent economic development as well as its future outlook. Firstly, because the government monetised the large fiscal deficit (in effect it printed money to finance the deficit), the unchecked money creation resulted in hyperinflation. Secondly, the country is burdened with a massive medium- and long-term external debt, equal to 280% of GDP. This brands the country one of the most heavily indebted poor countries in the world.

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30 This is drawn from a number of sources, including World Bank and government interviews as well as the aforementioned Standard Bank report.

31 Estimated figures.

In response to this environment, the Kabila II government has launched a series of market reforms aimed at breaking the cycle of hyper-inflation and improving the macro-economic environment. This has been carried out in close consultation with the World Bank and the IMF, and is envisaged to take place over three stages:[32] stabilisation, recovery and development.

The first (IMF-supervised) stage involves the reduction of inflation and the floating of the currency, preparing the country for the recovery phase. This also involves the opening of a World Bank office in Kinshasa at the start of 2002, and the disbursement of a $50 million grant for spending on institution-building and preparatory studies; and projects, notably the $15 million reconstruction of the Kinshasa-Matadi link, HIV/Aids[33] and various community-driven projects. A number of preparatory donor meetings have also been organised in preparation for the recovery and development phases.

On 26 May 2001, the government floated the currency, allowing it to deflate from $1-CF50 to $1-CF330 today. The petrol price was liberalised, increasing from CF70 to CF255 today. In addition, the government broke a marketing monopoly held by the Israeli IDI Diamonds firm. Inflation fell to 135% over 2001, but under 10% for the second half of the year. The government arrested the economic contraction, registering a 3% shrinkage for 2001. The government plans to embark on a second stage of reforms in March 2002 with the implementation of an IMF and World Bank programme to improve levels of efficiency in government expenditure and revenue collection, curb corruption, embark on privatisation, and manage the $14 billion external debt partly by obtaining eligibility for the Highly Indebted Poor Countries (HIPC) debt relief initiative.[34] Debt repayments are estimated at more than $500 million annually.

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32 This section is based on an interview with the resident representative of the World Bank, Kinshasa, 26 January 2002.

33 According to UNAIDS, the national HIV infection rate is 15%, although this is rumoured to be as high as 60% in the FAC.

34 This figure includes arrears of $1.6 billion, made up of outstanding payments to the World Bank ($300 million), the IMF ($500 million) and the African Development Bank ($800 million).

Movement to the recovery and development phases is dependent on sufficient, tangible progress in the peace process and the 'nod of approval' from the donor community. According to the governor of the Central Bank, Jean-Claude Masungu, there is an approximate amount of $850 million waiting in development funding to be disbursed over three years, plus around $1 billion in bridging finance for outstanding debt arrears.[35]

Given the Congo's wealth and related to these developments and the promise of political stability, there has been increased interest from South African firms. At least five South African-linked firms possess mining options (see below). In other sectors, Vodacom has recently won a telecommunications licence, Securicor Gray a security contract, Engen is involved in a joint venture with Petrofina, and there is the possibility of Eskom involvement in the Inga power-scheme and Spoornet in supplying wagons and engines including for the Kisangani-Kindu link which is likely to be rehabilitated for MONUC's Phase III.

Doing business in the DRC

Getting there: SAA has twice-weekly flights to Kinshasa. These are popular with DRC citizens travelling also to Europe, particularly with the collapse of Sabena and the curtailing of that link to Brussels. The local Hewa Bora Airlines flies to Europe and internally, but their flights are reportedly unreliable and on aircraft of dubious serviceability. Other connections exist via Air Cameroon, Air Gabon and Kenya Airways. Air France has recently commenced a twice-weekly flight to Paris. Kinshasa's single arrival and departure hall at Ndjili International Airport is something of a scrum with numerous checks and hurdles. South African citizens require a visa from the DRC embassy in Pretoria (Tel: 012-342-5508; Fax: 012-342-5510).

South African embassy and firms: There is an embassy but no trade representative in Kinshasa (Tel: (+243) 48287; Fax: (+243) 8804151; E-mail: *Ambasud@raga.net*). Non-mining firms (see footnote) with DRC experience include Engen, Batemans, Vodacom, Siemens, DSTV, Eskom, Spoornet and Securicor Gray. The only one with a permanent branch is Stanbic Africa (Tel: (+243) 88-41984; Fax: (+243) 88-46216; E-mail: *gaskinr@raga.net*).

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[35] Interview, Kinshasa, 27 January 2002.

Doing business in the DRC (continued)

Where to stay and eat: Two hotels are recommended—Hotel Grand (Avenue Batetela, Kinshasa; Tel: (+243) 33102/34542/33111/20111/2/3/4; Fax: (+243) 8841500; E-mail: *Grandhotelkinshasa@ic.cd*; $165 per single in the recommended 'Tower' part of the complex) and the Hotel Memling (5 Avenue de la République; Tel: (+243) 8845747; Fax: (+243) 8848284; E-mail: *Memling@sabenahotels.com*; $185 per single). A 30% tax is payable on all bills. Be careful, breakfast is around $20, though nowhere is cheap to eat in Kinshasa. Try La Chantilly near the South African embassy for a quick sandwich, or Restaurant Al-dar on Avenue 30 June (Tel: (+243) 8804134) for a recommended Lebanese meal. $ is the preferred tender, though Congolese Francs, Euros and Sterling is also accepted at the hotels above. The rate of exchange in January 2002 was $1-CF330. Major credit cards are accepted at the main hotels.

Getting around: Taxis are relatively safe, but it is best to hire a 'fixer' (at around $100 per day) to take care of these details. For example, Isaac Ngwenza has worked with South Africans before and speaks fluent English, Langala and French. (E-mail: *isaac_ngwenzae@yahoo.com*). Taxis are expensive in Kinshasa, particularly from the international hotels, at around $10,00 per ride.

Do's and don'ts: Safety is a major concern, though violent crime is unusual. This is still a country at war, however, and you are advised not to take photographs. For social entertainment, there is a golf course a La Circle near the graveyard off Avenue 30 June (rounds are approximately $30; clubs can be hired), and the nightlife in Kinshasa is (in) famous. Club 3516 also on the main Avenue 30 June is well-known and frequented by MONUC members.

In spite of the economic reforms, a number of formidable problems remain.

First, and most importantly, there are doubts about Joseph Kabila's ability to either deliver on promised reforms or to remain in power in the face of powerful, more sinister forces within or near government. There are also serious difficulties in the peace process, most notably concerning representation in the ICD (see below).

In this regard, three men are seen as having a key role in running the Congo: Mwenze Kongolo, the minister of national security and public order;

Augustine Katumba Mwanga, the minister without portfolio in the presidency; and Didier Kazadi, the head of the Intelligence Service *Agence Nationa6l de Renseignment* (ANR). Kongolo is viewed as the guardian of Zimbabwean interests, a relationship formalised at the business level through the Senga Mines venture and, more dramatically, through the role played by the Zimbabwean military in providing the backbone to the Congolese Army and assisting the presidential security force.[36]

Second, and related to the above, '[T]he capacity', one businessperson noted, 'for corruption is enormous' despite the government's rhetorical commitment to cleaning up. This is encouraged in an environment where the 400,000-strong public service is poorly paid if they are paid at all. A high-school teacher will earn only $20-30 per month, where their family costs, according to the government, will be around $500.[37] Although a number of public systems are now in place to address the scourge, corruption—or what is known locally as 'System D' (*Debrouillez vous*—'manage how you can')—can ultimately only be addressed through the creation of a functioning economy. This will also take a long time, given that for forty years the Congo has operated within this culture, where, as one foreign observer termed it, one could 'never go to jail for stealing, but could go to jail for not sharing'.[38]

Third, business is made very difficult in an environment where more than half the country is under rebel control, and where disruptions in the main artery (the Congo River) have made trade and access to markets for raw materials impossible in some areas (for example, Kisangani).

Fourth, the complex tax laws deter even local investment. Efforts are, however, being made to streamline these, although 89 different taxes remain in force, including one of 15% on capital investments.

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36 Following Laurent Kabila's assassination, security for the president is provided by a mixed unit of Congolese and Zimbabwean special forces.

37 Locally employed civilians with MONUC earn between $100–$200 which is reportedly adequate.

38 Interview, Kinshasa, 23 January 2002.

Fifth, the formal economy is extremely small. For example, the total balance sheet of the nine banks operating is around $150 million, about the same, one banker noted, as 'a branch in New York'. Ten years ago this was close to $1 billion. Today less than 10% of the economy is estimated to go through the banking system, operating for some 20-25 blue-chip Congolese companies.[39]

Sixth, this has not been assisted by an overall investment trend that, since 1997, has been negative. As one business put it, 'Most [foreign] business is operating here or are here because they were already here. There are no new entrants'. The government hopes that the pending investment and mining codes will go some way to assist, but changing the culture from one that sought to control rather than to facilitate private capital will be more difficult. Fears over the economic path and political stability have been compounded by external interference in the economy, in both the rebel-held east and on the government side notably from Zimbabwe. This, given Harare's own difficulties and (lack of) respect for the rule of law, has not heartened foreign investors.

The new scramble for riches: The commercial connections

The UN's *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the DRC* of April 2001, has noted that 'The conflict in the DRC has become mainly about access, control and trade of five key mineral resources: coltan, diamonds, copper, cobalt and gold. The wealth of the country is appealing and hard to resist in the context of lawlessness and the weakness of the central authority'. Put differently, minerals, along with the security concerns of Rwanda and Uganda, have replaced the motivations of colonial imperialism and Cold War strategic logic as the basis for foreign intervention in the Congo. As the UN panel noted:[40]

> The link between the exploitation of natural resources and the continuation of the conflict in the Democratic Republic of Congo does exist, and it is based on five factors that are not mutually exclusive. First, the capacity of countries to use their own resources to sustain the

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39 Interview, Citibank, Kinshasa, 26 January 2002.

40 See *http://www.un.org/Docs/sc/letters/2001/357e.pdf*.

war up to a certain stage, as in the case of Angola. Second, the ability of countries to take resources from enemies and use it to fight the so-called 'self-sustaining' war, as in the case of Rwanda. Third, the intent of some governments to take advantage of the war situation and use it to transfer wealth from one country to their national economy, as is the case with Rwanda and Zimbabwe. Fourth, the will of private citizens and businesses who endeavour to sustain the war for political, financial or other gains; for example, generals and other top officials and unsavoury politicians (Victor Mpoyo, Gaetan Kadudji, Mwenze Kongolo) in the government of the Democratic Republic of Congo. Fifth, the capacity of one of the warring parties to give incentives (mineral and others) to its allies and soldiers, for example the Democratic Republic of Congo.

Rwanda, Uganda and Zimbabwe have been those who have benefited the most financially from their involvement. Despite having few mineral resources of their own, Uganda and Rwanda's mineral exports have increased dramatically since 1997. Between 1996–97, Rwanda's coltan exports doubled bringing in an estimated $20 million per month, and its diamond exports from a reported 166 carats in 1998 to 30,500 in 2000. Uganda's diamond exports, too, increased over the same period from 1,500 carats to 11,300.[41] President Museveni has told Parliament that Uganda exported ten tonnes of gold in 2000, a substantial increase over recent years. His brother, Major-General Salim Saleh, is reputed to have interests in several mining companies.[42] The involvement of Uganda-based government and private interests in exploiting the DRC's mineral wealth led the UN panel of experts to recommend imposing sanctions on Ugandan minerals.

In 1999, Zimbabwe is reported to have exported 19,000 carats mainly from its mines in Eastern Kasai. But it has also obtained a 500,000 square km agricultural concession in Katanga reportedly to grow rice, corn, soya and

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41 See Montague D & F Berrigan, 'The Business of War in the Democratic Republic of Congo', *Dollars and Sense*, July/August 2001.

42 See 'Uganda, Sanctions and Congo-K: Who is Who in Uganda Mining', *Africa Analysis*, 5 June 2001 on *http://www.globalpolicy.org/security/issues/congo/2001/0606uga.htm*.

sweet potatoes, and has effectively seized control of Gécamines despite the departure of Billy Rautenbach as its manager in November 1999.[43] Although the government denies that other Zimbabwean businesses exist outside of Senga Mines,[44] there is anecdotal evidence of alluvial mining by the Zimbabwean army in the Polygon area near Mbujimayi and of Angolan, Namibian and Zimbabwean concessions near Tshikapa in Kasai. As a recent Oxfam report entitled, *Poverty in the Midst of Wealth,* has argued: 'Wealth from natural resources is sustaining the war and bad governance,' where '[N]atural resource exploitation has become a key factor in determining military deployment, perpetuating the cycle of violence'.[45]

This has largely overshadowed legitimate interests in the Congo's wealth. As is noted above, the DRC holds an estimated 80% and 60% of the world's coltan and cobalt reserves respectively, and the world's largest supply of high-grade copper. Oil reserves are estimated at 180 million barrels.[46] One study estimated the value of the DRC's known mineral ores at $157 billion.[47] A large

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43 See *The Namibian* on *http://the.namibian.com.na/netstories/econ 10-99/natural.html.* Rautenbach was replaced by George Forrest in November 1999. Under Forrest, a Congolese-born Belgian national, Gécamines secured a small loan from Belgolaise and re-established links with its international creditors.

44 Interview, Minister of Communication, 25 January 2002.

45 UN IRIN, 23 January 2002.

46 These are being exploited by two consortia, Chevron and Union Oil and Japan's Teikoku Oil, and Belgium's Petrofina and Shell.

47 See Montague D & F Berrigan, *op. cit.*

number of predominantly South African,[48] Canadian[49] and US companies have exploration and concession interests. But the realisation of this promise remains unlikely until, at least, the forthcoming investment and mining codes have been passed and studied, and the country returns to stability and the rule of law.

Prospects for Stability and Recovery in the Congo

Since 1970, Africa has had more than 30 wars fought on its territory, the vast majority of which have been intra-state conflicts. Fourteen of Africa's 53 countries were afflicted by armed conflicts in 1966 alone. This accounted for more than half of all war-related deaths world-wide, resulting in more than eight million refugees, returnees and displaced persons. The consequences of these conflicts have seriously undermined Africa's efforts to ensure long-term stability, prosperity and peace for its people.

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48 These are: Ruashi Mine, involving Cobalt Mining Company/East Daggafontein in Gécamines with a 55%-45% share respectively; Kamoto Mine, shared 30%–70% between Kumba Resources and Gécamines; Tenke Fungunime, a joint venture between BHP Billiton and Phelps Dodge with 50% each, with the two receiving 55% of cash flow and Gécamines 45%; Kolwezi, a joint venture between Anglo American and American Mineral Fields Inc with 50% each, with a 60%–40% split between them and Gécamines of the cash flow; and Kalukundi, involving the HJ Swanepoel Family Trust (55%) and Gécamines (45%). None of these ventures is operational however. De Beers has a stake in the MIBA (*Société Miniére de Bakwanga*) Mine through its stake in the Belgium company Sibekan which holds 20% of MIBA.

49 See *http://www.ichrdd.ca/111/english/commdoc/publications/globAfrCamp.html*. These companies reportedly include: America Mineral Fields Inc. (AMFI), Banro Resources Corporation, International Panorama Resource Corp., International Star Resources Ltd., Melkior Resources Inc., Namibian Minerals Corporation, South Atlantic Resources Ltd., Tenke Mining Corp., White Swan Resources Inc., and Wye Resources Inc. At the time of Mobutu's fall, AMFI was widely accused of supporting the ADFL, both logistically with the loan of a company jet, and financially. Reportedly AMFI cut a $1 billion deal with Kabila Senior, with negotiations beginning immediately after Kabila's forces had captured Goma in February 1997. This deal reportedly allowed AMFI to conduct feasibility studies on reactivating the Kipushi zinc and copper mine.

No one—not the United Nations, not the international community, not Africa's leaders—can escape responsibility for the persistence of these conflicts.

Kofi Annan[50]

The situation in the Congo is thus about as desperate as it can get. As more than one minister noted during the course of a research trip to Kinshasa in January 2002, 'Things have gone down to the bottom. They can only go up'. Civil servants are poorly if ever paid, most Congolese survive through the informal economy and through subsistence agriculture, hyperinflation has reduced living standards, the mining sector has imploded in the face of widespread corruption and the distribution of concessions to military allies, and, critically, the country is only emerging from a five-year civil war with a tenuous peace. The collapse of the economy is related to the war, poor macro-economic policies during the Mobutu and Kabila I periods, an absence of public investment in key services and infrastructure, a haemorrhage of skilled talent and very high economic transaction costs for the remaining businesses.

Two questions stand out in conclusion:

- Will political stability and security return to the Congo?
- Will Kinshasa be able to lead a process of economic reform and recovery?

The answers to the above relate to the role played by leadership, to the relationship with regional powers and the international community, to the success of the peace agreement, and to the fragmented nature of the Congolese state and nation itself.

Paths for stability and security?

Economic recovery and the implementation of a donor-funded programme in the DRC are dependent on progress in the political settlement. In this regard, the picture is unclear. Despite progress made at various dialogue initiatives,[51] there remain problems of representation of political groupings

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50 See *http://www.un.org/peace/africa/SECGEN.htm.*

51 Such as that organised by the Belgian government in Brussels in January 2002.

including rebel factions in the ICD. The government has been unwilling to entertain equal representation of itself and each of the rebel groupings, and is deeply sceptical of Sir Ketumile Masire's ability to organise the ICD successfully and produce a result. The success of the ICD and the progress through Phase III of the UN operation is critical to an increase in donor support for Kinshasa, however. Even if this happens, and sufficient progress is deemed to have occurred and despite the economic progress made through the reforms instituted in May 2001, enormous economic challenges remain, not least in changing the pernicious venality of the 'business' culture in the DRC. As the minister of finance has argued:[52]

> All of this is conditional on a number of important assumptions underlying our projections. First, that the political front will move to settling of the conflict so that the country is more peaceful and attractive to investors and that commercial links between different parts of the country are re-established. In Kinshasa, many businesses depend for their supply and inputs on resources elsewhere in the country under rebel control, such as with palm oil. If we continue to have good prospects for the settlement of the political situation and a continuation of good policies coupled with the IMF and World Bank programme, this will help us to very vigorously restart the economy.

The economic challenges can be summarised as the need to push ahead with a liberalisation process, including privatisation. This might well threaten individual, political and related interests including ethnic links. For example, although the government Gécamines mining parastatal is costing the government in financial terms, Kinshasa arguably lacks—at least at this stage—the political will that the inevitable loss of jobs and source of patronage will entail. As one analyst put it,[53]

> To get [Gécamines] to work, the government will have to fire all of Lubumbashi'. Without an end to corruption dependent on political liberalisation, new mining and investment codes and other (largely rhetorical) reforms will be, in the same analyst's words, 'Like many

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52 Interview, Kinshasa, 25 January 2002.

53 Interview, Kinshasa, 23 January 2002.

deckchairs on the Titanic'. The principle challenge is, in the finance minister's own words, 'to provide the good environment...in which growth and investment can be provided by the private sector.

This includes ending corruption, which could be a dangerous political move for a politician as vulnerable as Joseph Kabila.

The role of leadership

The Congo will require incisive, prescient and strong leadership if it is to emerge from the darkness of the Mobutu and Kabila I years. It is unclear whether, for all of his youthfulness, the younger Kabila can provide this. There are two schools of thought with regard to his role—one, that he is in a job he did not want and appears incapable or unwilling to carry out, isolated and threatened and influenced by powerful, sinister figures around him. The other is of a man playing a difficult and possibly dangerous job the only way possible: without fanfare, without threatening the aforementioned powerful interests, and without upsetting the delicate peace process, thereby relatively silently ushering in political and economic reforms. Whatever the case, he is undoubtedly vulnerable, and it is not exactly clear who are his friends and who his enemies, a fact borne out by the controversy which continues to surround the identification of those responsible for his father's murder.

Moreover, leadership of the Congo is a near-impossible task. Mobutu is rightly criticised for human rights violations, single-party rule, his destruction of the economy and nepotism, all of which occurred not only under the noses of the West and its institutions but with their active support, in line with the Cold War logic of the time. But it may well be asked what alternatives Mobutu realistically had given his inheritance of a territory that had functioned under the personal control of Leopold only through extraordinary brutality, even by colonial standards. The colony's purpose was to make money for the king, while the standard set for Mobutu's army and bureaucracy to forage off the land and prey off the Congolese was set during colonial times by the 'Force Publique', a ragtag collection of 15,000+ mercenaries.[54]

In this regard Mobutu and both Kabilas face similar politico-cultural challenges. Mobutu was the first to discover that, like the former monarchs he attempted to emulate, his power was not as absolute as he envisaged. Paradoxically, surrounded by underlings unwilling—or hesitant—to shoulder responsibility, provide reliable and accurate advice, exercise judgement and carry through decisions, there follows an over-centralisation of power and a necessity to micromanage.

As a result, there are those who call for a benign dictatorship to be re-established in the Congo—a hybrid of Museveni and Lee Kuan Yew. However, this is too often used as an excuse by African leadership for undemocratic regimes intent on personal enrichment rather than effective government and good governance.

Ultimately, Joseph Kabila will, however, have to be judged on his record. He is faced with trying to balance the need for economic reform with social delivery; build legitimacy and his own constituency through political reform; and keep the army and other interest happy. He is surrounded by some good men and many bad ones where corruption is entrenched in political culture and economic practice. Progress has been slow, but his track record has been impressive given the circumstances. He came to power in difficult, if not near impossible conditions. He has implemented a stabilisation programme including a draconian fiscal austerity programme, he has not signed a single new mining deal since coming to power, and has unblocked the political logjam. He might have done little, but has done little wrong. His future in the Congo depends partly on the extent to which the international community is prepared to cut him some slack.

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54 Barabaric behaviour, including mass executions and the hacking off of body parts was already perfected by this white-led force, as Michela Wrong reminds us, 'a century before the amputations carried out by Sierra Leone's rebel forces sent shudders through the West'.

External powers

MONUC is playing a role in the Congo beyond stabilising a cease-fire line. As with peacekeeping operations elsewhere, it has become an important contributor to the economy, spending more than $500 million annually, some of which is spent directly in the DRC and on the Congolese. The impact of this contribution is all the greater in an environment where there are scant economic opportunities.

International financial institutions and bilateral donors, as has been highlighted above, too, will have a role to play in moving the economy beyond stabilisation to a recovery and growth phase, without which political stability is near impossible to achieve.

The international community will also have to come to the party by providing electoral support without which a nation-wide election cannot occur. Congo's infrastructure has declined to the point that it is non-existent in many areas. As one Congolese expert put it: 'towns that are 200km from Kinshasa are a world away'.[55] While it takes three days of driving to reach Lubumbashi from Johannesburg, the trip from Lubumbashi to Kinshasa, which is roughly the same distance, can take two weeks in the dry season and one month in the wet. Or as one diplomat has noted, 'Travelling from Lubumbashi to Kinshasa is like taking a car from Lisbon to Moscow with only ten bridges left'.[56] MONUC could be instrumental in providing the necessary electoral logistics though its observation teams and transport network and in doing so cover, by informal UN estimates, 70%–80% of the population.[57] Even if this is to occur, Robert Kaplan's advice on the value of democratisation and elections is pertinent, '[S]tates have never been formed by elections'.[58] Indeed, this also demands changing the nature of the political 'culture' in the DRC, moving away from an environment dominated by 'sharp suits, dark glasses and crocodile skin shoes'.

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55 Interview, Pretoria, October 2001.

56 Discussion, Pretoria, January 2002.

57 Interview, Kinshasa, 23 January 2002.

58 *The Coming Anarchy*. New York: Vintage, 2000, p.69.

Internal and regional dynamics

One diplomat[59] has posed a key question about the Congo's current security status and division: Why should those in the eastern part of the country give up their financial interests and security guarantees for something less certain and probably more threatening?

It is clear that a number of core issues must be addressed if the Congo is to function free from external military interference and occupation. There is a need for the Rwandans and Ugandans not only to agree on the *entente*, but also to convince their own rebel movements to participate. Splits in the rebel ranks continuously threaten to derail the implementation of the comprehensive and ambitious Lusaka peace. As one UN member noted, 'Rwanda and Uganda are run by militarised, autocratic leadership where problems are settled by war where other nations would send huffy little diplomatic notes to each other'.[60]

To change the current modus operandi, however, any Congolese leadership structure will have to provide the necessary reassurances to each of the neighbouring states that have a stake in developments in the DRC. For Rwanda and Uganda, it will have to offer stability in the border areas and the disarming and prosecution of *Interahamwe* Hutu and *Mai-Mai* militias—an almost impossible and inevitably bloody task. Good relations will have to be maintained with Angola and Congo-Brazzaville. As the May 2001 report of the UN Security Council mission to the Great Lakes noted:[61]

> There will be a durable peace only if all the countries of the region are successful in defining among themselves the rules by which to promote security and development. When the time comes, a conference on the Great Lakes region would allow for a close and continuous

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59 Discussion, Pretoria, October 2001.

60 Interview, Kinshasa, 23 January 2002.

61 Cited in Cilliers J & M Malan, 'Peacekeeping in the DRC: MONUC and the Road to Peace', *ISS Monograph Number 66*. Pretoria: Institute for Security Studies, 2001, p.73.

examination of these questions and would also bring together contributors from the donor countries.

This is also linked to the imperative to establish parallel inclusive settlements in the neighbouring countries mentioned above, without which an inclusive political process will be impossible in the Congo. This is very difficult to achieve in the short-term in Angola and, especially in Rwanda, given the unlikelihood that this generation of Tutsis will be prepared to be ruled by Hutus after the 1994 genocide.

Conclusion: Long Live Kabila?

Joseph Kabila celebrated his first anniversary as president by making an appearance at the Grand Hotel. He has passed his most critical hurdle—he is still alive and is still in power. He has also succeeded in stabilising the economy and in building an improved relationship with the international donor community, a difficult task given the social conditions and political and military divisions within the Congo and the nature of the ties with the World Bank in particular during the Mobutu years.

But arguably even more difficult tasks await him. He has to manage the parallel processes of political reform and economic liberalisation. Additional donor support is necessary for conditions of growth to take root and is contingent on the former; and progress in creating an inclusive political system is linked to the relationship with his external patrons and opponents and the success of the Inter-Congolese Dialogue. The extension of his own legitimacy and the building of a power-base outside of the more sinister elements around his government is incumbent on the establishment of conditions of transparency and the process of democratisation. This depends also on the extent to which Kabila and the population can—or even want to—translate a Congolese national identity into a nation-state.

Mobutu's inheritance is of a Congolese identity, but with few tools to feed and satisfy this nationalism. As Athanese Matenda Kyelu, managing director:

Congo Federation of Enterprises, put it 'Mobutu left very bad souvenirs'.[62] Despite the façade of unity, the country was badly fragmented and the economy destroyed, with, for example, four different currency zones and exchange rates operating in Kasai, Kinshasa, the Kivus and Katanga.

Indeed, Kinshasa has not ruled large parts of its territory for a long period. The reality is that the Congo today represents little more than a rhetorical illusion, a prize to be fought over by rival groups. The transfer of power between the Kabilas might provide an opportunity to revisit the colonial folly of the Congo's borders and to match sovereign polemic with the reality of a currently fragmented and dysfunctional state by carving it up into smaller, more manageable and functioning state units. But there are equally a number of reasons why the Congo will remain intact. Any attempt at carving it up is unlikely to receive any support from African leaders, intent on keeping the moratorium on Africa's colonial frontiers—if not to maintain the illusion of African solidarity and sovereign control, than for reasons of clear political self-interest.

Secessionism in the Congo, where it occurs, however, is unlikely to be of the declaratory type promoted by Moise Tshombe and his batch of mercenary-supported rebels in Katanga in the early 1960s, but a less public, more insidious fragmentation. While this may be the ambition of some warlords and external actors and also companies weary of Kinshasa's bloodsucking role and reliability, legitimate interests are more likely to operate through Kinshasa especially if the peace holds, the dialogue works and donors arrive. These are among the challenges to be met if, as Wrong notes, the Congo can deal with 'that paradox of sub-Saharan Africa, which dictates that countries with the greatest natural assets are doomed to war and stagnation'.[63]

Two comments stand out in conclusion when considering the stage where the Congo finds itself today and the stake South Africa has in its peace and development. The political situation is balanced on a knife-edge between the need for political reform and inclusivity which is linked to improved regime

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62 Interview, Kinshasa, 24 January 2002.

63 Cilliers J & M Malan, *op cit.*, pp.108

legitimacy and external economic assistance on the one hand; and the need for Kabila to appear personally strong enough to his rivals within government, his country and region on the other. Leadership is key. As one observer noted, 'President Kabila led us into the tunnel; the question is now whether there is light at the other end'. And if Kinshasa and Kabila together can get things even half-right there are huge opportunities for South Africa and its businesses. As the governor of the Congolese Central Bank argued: 'The continued growth of South Africa will rely on how much investment it makes in the Congo'.[64] Peace and stability in the Congo is in South Africa's and the regional actors' self-interest but is ultimately the responsibility of the Congolese themselves.

64 Interview, Kinshasa, 27 January 2002.

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