

A Case of Political and Economic Collapse: Democratic Republic of Congo

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Introduction

The purpose of this research is to critically analyze and understand the political and economic difficulties the nation of the Democratic Republic of Congo has been facing for decades. We try to identify the root causes for the perpetuation of extractive political, economic, and social institutions, how foreign interests have affected the DRC, and the cost that has been placed on the country. To understand those, we are focusing on the kinds of formal and informal political and economic institutions that have been created or shaped since independence. We will also try to analyze the effect those institutions had on the social and cultural fabric of the country. Like many countries in Africa, the DRC gained Independence in 1960 but with little armed conflict as more countries started to gain independence, and Belgium accepted the growing trend of free African countries. And while it has had its share of violence, and autocratic rulers, the DRC is different in that it is still at conflict, has not achieved any economic growth since independence with change still seeming distant. For over a decade the nation of DRC has been faced with what is known as “Africa's largest conflict”, this long-lasting conflict is due to a number of factors including ethnic tensions, predatory rule, foreign interference, and a possible natural resource curse, along with weak institutions.

The erosion of public, economic and social institutions

After gaining Independence in 1960, the DRC (formerly Zaire) fell into conflict and Joseph Mobutu, a colonel seized power from Lumumba, the first democratically elected leader in 1965, after a coup approved by the western powers (Olsson, 2004, p.323). Since then the country has faced one successful and three attempted coups, while the political economy that developed during the reign of Mobutu set the country along a destructive path. In hindsight, Mobutu who

ruled for 34 years from 1965 to 1997, is described as a kleptocratic ruler who scavenged the countries natural resources. While there are many papers on how autocratic rulers use their position to enrich themselves and hurt their countries economy in the process, the methods they use to stay dominant over the majority of the population is as important if not more to the future of the country. In their research paper *Kleptocracy and Divide and Rule: A model of personal rule* Acemoglu and Robinson assert that the success of Kleptocrats is mainly because they use a divide-and-rule strategy. After deposing Lumumba and ensuring their security, Mobutu started to go after the natural wealth of Zaire in the early 1970s by implementing a policy they called Zairification which put the key economic sectors under state control (Olsson, 324). The regime could be described as a gangster-owned and operating system with the treasury and his personal bank account being synonymous. To depose a kleptocrat, usually members of the society would have to band together, yet cooperation between them can be severed by putting taxes or other punishment on a citizen suggesting such and redistributing the benefit to the would-be collaborators (Acemoglu, 2004 p.163). The kleptocratic rule is more likely to succeed when the economy is based more on foreign aid, natural resources, and other rent-seeking. Like any good Kleptocrat, Mobutu ensured he would stay in power by avoiding a coalition of groups to stand up against him which meant bribing or propping up pivotal social groups and laying continued mistrust amongst the groups. While also maintaining an outward look to his Western backers that he remains the best alternative by exemplifying his anti-communist stance. As William Reno notes in his paper;

“Mobutu's commitment to a pro-Western stance in the context of the Cold War continued to interest foreign officials, especially in the USA, throughout the 1980s. By the early 1990s it appeared as though Mobutu was a creature of his Western patrons and would fall or survive in

power at their sufferance.²⁶ From an economist's perspective this arrangement provided incentives for rent-seeking: the predatory behavior on the part of elites that enabled them to prey upon otherwise productive citizens and appropriate for themselves the assets of the state. This situation, in turn, gave rise to a vigorous informal market as citizens sought to avoid the predations of their rulers” (Reno, 2006 p. 50)

The system of patronage that he created for his allies through the extraction of natural resources and backchannel dealing with shady foreign firms created a situation in which his allies were less dependent on the people in their group and their grip on power. While other groups especially in the far east of the country, with its traditional localized power structure, were able to get their own foreign backers easily and also welcome armed rebels from neighboring countries as a base. For example, conflicts between the Hutu and Tutsi ethnic groups who migrated from Rwanda prior and during colonization moved to DRC (also known as Banyarwanda). There also are the indigenous Hunde, Nande, and Nyanga tribes (Dobbins,2013, p.181).

Long term leader Mobutu was finally overthrown by Kabila in 1997, in what is known as the First Congo war from (1996-1997) and Zaire was renamed The Democratic Republic of Congo. However, Mobutu’s overthrow did not spell positive change for the country as the complex ethnic and political dynamic in the region was shifted drastically. The war was prompted partially by the 1994 genocide in Rwanda in which the defeated army fled across the border after killing almost 800,000 Tutsis (Streams, 2013 p.100). Kabila came to power through the support of Rwanda and Uganda who first set upon destroying the refugee camps the defeated army fled to and from there launched an offensive against Kinshasa (Streams, 2013 p.101). In the process of power transition, the country was going through local conflicts based on ethnic and

tribal differences. Soon after Kabila took power, there was a fallout with his former backers especially Rwanda who immediately launched an attack by sending fighters, arming rebel groups and financing them (Dobbins, 2013 p. 179). Soon after Uganda and Rwanda invaded The Congo, the country was divided into at least five different parts, each one run by an armed group with a foreign backer (Stearns, 2013, 101). Due to the geography of the country which has a huge land mass (the 12th largest country in the world) and the second largest forested area, means of transportation was very limited. There are no roads that connect the capital Kinshasa to the provinces directly with transportation being limited to air or boat travel along the Congo river basin (Dobbins, 2013 p.181). This was a major challenge and one of the reasons for the long duration of the war.

In July 1999, the first peace talks began in Zambia with demands that rebels and soldiers backed by Uganda and Rwanda withdraw from the country. The nearly impossible task that these talks had to achieve was convincing each interested group, as well as their national backers, had more to gain from a transitional government than armed violence (Stearns, 2013 p.101). The peace talks were somewhat successful in achieving that goal as Rwanda withdrew its forces and rebels gave up their arms, mostly due to immense monetary and diplomatic pressure from international groups. However, within the process, President Kabila was assassinated in 2001 and his son Joseph Kabila takes power and continues the talks which were in part successful because Joseph Kabila had some leeway to steer the transition in his favor. After the conclusion of the peace talks in South Africa in 2002, President Joseph Kabila negotiated a peace deal with rebel groups promising them a power-sharing interim government. This deal became official when Kabila signed a transitional constitution in April 2003. Rebel forces integrated their forces into the national army, this helped to create a government with a strong civil society and

opposition. And in 2006, the DRC had its first multiparty democratic elections in 41 years (Stearns, 2013 p.101). One of the main opposition military groups and Rwanda's ally the Congolese Rally for Democracy (RCD) who were a potent military force were deeply unpopular, and in the 2006 elections, they fared very poorly. And went from controlling almost a third of the country to a few percent representations in national institutions. However, in anticipation of just an event, the group had been preparing to launch another rebellion since 2003 by several high-ranking ex-RCD officers and the Rwandan government calling the new movement National Congress for the defense of the people (CNDP). This continued until 2009 with multiple unsuccessful offensives against the rebels, the government in Kinshasa reached an agreement with Rwanda to arrest the leader of the movement but incorporate the fighters into the army. There are many parallels between this and the first Congo war that brought down Mobutu which was a weak Congolese state with little interest in strengthening its institutions and an aggressive Rwanda that is suspicious of its neighbor and wants to keep its influence in the country.

The Democratic Republic of Congo is full of immense fertile land and natural resources compared to most nations in the world, yet the country has the lowest GDP per capita. The war and instability from the 1990s led to the country ranking as one of the poorest in the world. The overall GDP fell from \$380 in 1960 to \$141 in 1997. There were more people internally displaced in 2010 than at the end of 2006 (Autesserre, 2012, 203). By the end of Mobutu's regime, the country was faced with hyperinflation. Mobutu elevated "corruption to the level of an institution" (Dobbins, 2013, p.183). After the war, the nation was in a detrimental state. Roads were destroyed, areas lost access to electricity, clean water, and most importantly investments stopped, and exports came to a halt. The nation that solely depends on raw mineral exports and is now constantly challenged with illegal exploitation of mineral resources. It is estimated that the

value of illegally mined and smuggled diamonds to be \$300-400 million per year, corresponding to roughly half the value of official exports (Ingrid, 2002, 469). Income from mineral exports is used to finance the war effort in the DRC including rebel groups. When the national lost control of the mining of natural resources, the revenue decreased simultaneously. Rebel groups illegally mine resources commonly using forced labor, intimidation or very low wages, creating a system of exploitation and destruction while gaining resources for more conflict. By illegally possessing and exporting minerals, rebel groups gained both financial and an incentive to keep fighting. The exploitation of natural minerals also involves other African nation that helped Kabila gain power. Rwanda was not only compensated with material gain but also had access to mining concessions, this intervention is also known as “African imperials” (Dobbins, 184, 2013).

After the war foreign involvement in the DRC increased for post-conflict nation-building, the first step towards this was the election of 2006. Prior to the years of the election. The new constitution included a strongly decentralized system as a political compromise between Kabila's regime and the former insurgency Rassemblement Congolais pour la Démocratie. While Kibala and his allies argued federalism will open door to separatism, RCD advocated for a federal system. Foreign donors supported the idea of centralized government due to the countries lack of institution. They worried that fiscal centralization contained significant macroeconomic risks (Tull, 2010, 654). Countries with high ethnic fractionalization usually struggle with proportional political representation for all groups. The election in 2006 was anticipated to bring peace and stability for the Congolese population who has been faced with political difficulties. However, ethnic representation declined and almost disappeared for certain ethnic groups, predominantly the small Tutsi community. This is due to the fact that this ethnic group is considered suspect by

indigenous tribes especially due to their role in the extraction of illegal minerals and close ties to the Rwandan government (Dobbins,2013, p.184).

Conclusion

The political economy of DRC has been and still is performing low due to lack of proper government institutions, war and other economic factors caused by the intersecting of foreign involvement, weak institutions, ethnic mistrust, and easily accessible mineral deposits. Once violence had broken out, Congo had seen not only Rwandan or Ugandan fighters but also Namibian, Angolan, and Zimbabwean troops who joined the fight on the other side albeit for their own regional and financial interests. And as we know from conflict resolution theories and studies the escalation of a conflict towards involving more and more parties adds a whole new set of complex issues that further blur and entangle the basic underlying reasons for the conflict in the first place. And Given the fact that the region had a contentious and fragile ethnic makeup due to migration, and colonial divide and rule strategies that were implemented throughout the continent, it has remained the most complex conflict in the modern day. Nation-building will be a challenging task for the DRC. The DRC is faced with many challenging factors such as continued ethnic conflict, low per capita income and a growing large population which are the main ingredients for a reverse back to armed conflict. DRC is still facing challenges regarding illegal exploitation of minerals, a huge informal economic sector, internally displaced people, and inaccessibility of its provinces. Moving forward, even if a sense of peace is achieved, generational trauma due to the savage attacks experienced by some of the most vulnerable segments of the population, ethnic mistrust, and shadow institutions will have to be dealt with thoroughly. Moreover, a transparent government in the capital that is not beholden to an

individual or an elite from one group would have to work on establishing trust with the public and begin an honest reconciliation and unification process.

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