

5. ENDING THE WAR ECONOMY IN THE DRC

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5.1 Introduction

The discourse on 'war economies' or the economic motivations for contemporary conflicts is still in its infancy, albeit having made a significant contribution in the understanding of the longevity for such warfare. Critical areas of the discourse, in particular, the systemic dimensions of 'war economies' require development. Reflective of these dynamics are the absence and, in some cases, the failure of peace initiatives aimed at resolving conflicts that are driven by economic factors. Indeed the focus on economic agendas of conflict has meant new challenges for actors pursuing a resolution for such wars.

As outlined in the introduction of this publication, if the longevity of conflict is the result of economic gain then the search for a political settlement and the very basis for a resolution may be futile. Even more challenging to traditional thinking on war and peace, warring factions may not even want to win. In other words the intention of belligerents may not be to win the war as much as it is to enrich themselves and moreover to ensure that the war lasts long enough to generate a loot worthy for retirement. Subsequently one is compelled to ask are the days of war and conflict whereby "power asymmetries translated into the expulsion or extermination of the weaker party, over"¹? The simple answer is no. Wars aimed at a regime change, for example the recent war on Iraq, would surely intend to defeat the enemy, especially when pursued by the world's most powerful states.

The failure of the numerous peace initiatives aimed at resolving the DRC conflict, however, questions the peace processes as much as the intentions of the belligerents to end the war. Since the DRC conflict broke out in August 1998, the warring factions entered into numerous negotiated settlements, only to renege on the deals and resume hostilities to maintain an atmosphere of insecurity and conflict². In discussing *The Political Economy of Modern Era Wars in Africa*, Nils Borje Tallroth argued that the gains made from the control of natural resources has become the main obstacle in the efforts to bring an end to such conflicts³. He noted that "while the diminishing returns of these practices would imply that these wars would eventually fade away by themselves without international intervention, this would happen, in principle, only after nearly all assets of a country have been depleted"⁴. Accepting this argument, the DRC conflict could last a life time given that the primary cause of the conflict are the ambitions of regional and foreign forces to maintain control over the country's exceptionally abundant natural resources.

Given the economic and commercial interests for the DRC conflict, there has been a natural call for embargoes on the purchase of minerals from the DRC and international sanctions on warlords that are perpetuating the bloodshed. However, it would be short-sighted to pursue the resolution of this conflict solely at the international level and from only an economic angle. The complexity of this conflict warrants a multi-dimensional approach to a resolution. In other words, while at the international level a resolution should be the product of trade embargoes on the sale and purchase of the DRC's illegally exploited natural resources, there needs to be at the regional level peace processes in the neighbouring countries as well as the institutionalisation of the mooted Great Lakes Conference. At the same time the operationalisation of resolutions taken at the Inter-Congolese Dialogue and the implementation of the Pretoria Agreement must be achieved at the national level. These are first track initiatives that indeed need to be complemented by second track processes that are directed reducing the enmity that exists among the citizens from all member states in the Great Lakes Region.

5.2 Continuation of Conflict: The Need for Peace Enforcement

Reviewing the chapters of this publication, David Moore concluded that the 'war economy' in the DRC was benefiting no one enough to warrant a continuation the war. For him there was no direct 'economic' dynamic for prolonging the war and there are means available to stop it. One way of so doing, Moore suggested, was to ban all transnational corporations from having any dealings with any of the parties to this war, and compel them to pay for the humanitarian activities needed to fill whatever economic gap is

left by such 'sanctions'. Moore's focus for a resolution is at the international level. Unfortunately, and tragically for Congolese civilians, Moore's optimism was not realised. The enormity of the conflict and the nature of the crisis failed to produce a political settlement capable of delivering lasting peace to the Congolese population and the people of Africa's Great Lakes region. An upsurge of micro-conflicts was experienced, in particular in the eastern parts of country.

Peace in the DRC remained elusive as long as rebel groups and factions that considered themselves entitled to a share in the country's natural resources, were not satisfied in respect of the accumulation targets set by invading national armies. As a result, rebel movements split, producing a collapse and shift of strategic alliances as new warlords scrambled for lucrative territory and positions of power. At the same time, as long as no faction was assured of winning the war, opposing factions shared an interest in avoiding costly confrontations with one another in order to maximise their economic gains. Consequently private self-enrichment through the control and exploitation the DRC's natural resources created strong incentives for the warring factions to maintain a 'no war-no peace' equilibrium. This general economic interest in perpetuating a 'no war-no peace' situation is central to understanding the difficulties in reaching a lasting peace agreement in the DRC⁵.

After the signing of breakthrough Pretoria Agreements, the north-eastern region of Ituri was engulfed in a new round of conflict. The bloodshed was the result of military forces manipulating historical land ownership tensions between the Hema and Lendu communities for commercial interests. The Hema-dominated rebel faction that took control of the region, the Union of Congolese Patriots (UPC) was not a signatory the Pretoria Agreement and therefore could wage its military onslaught, claiming not to be in violation of any peace accord. Sometimes referred to as UPC-FRP (Front for Reconciliation and Peace), this rebel movement was created by Ugandan military officers for continued control of the region.

The prospect of petrodollars in the Ituri region provided a new impetus to the bloody battle for control of the territory. Geological surveys indicated potential oil reserves in the Semliki basin, south of Lake Albert that borders Uganda. A Canadian firm, Heritage Oil Corporation, had been exploring western Uganda and was in the process of drilling a test well in the area called 'Turaco-1' in 1997. In June 2002, Heritage Oil signed an agreement with President Joseph Kabila to gain initial rights to a staggering 3.1 million hectares of eastern DRC, including eastern Ituri⁶. One source of revenue for rebel groups such as the UPC was the sale of mining and exploration concessions to foreign businesses and unscrupulous overseas investors. But because rebel movements had to be in control of the territory to award these concessions, armed battles were regularly waged, inflicting untold misery on the local populations.

The more than 5 000 strong UN Observer Mission to the Congo (MONUC) was expected to fill the security vacuum left by Uganda's withdrawal and support the implementation of an agreement for all militias to canton and disarm their troops and form a joint police force. However, since MONUC lacked the necessary mandate to enforce peace, it failed to protect civilians that were being literally slaughtered by warring factions that battled for the most lucrative sites of the Ituri region. Subsequently on 30 May 2003, the Security Council authorised the deployment of the French-led 1,500-strong multinational force to Bunia, the capital city of the Ituri district. The force was mandated to secure Bunia, and protect UN staff, humanitarian workers and civilians.

However, as some analysts correctly foresaw, this multinational force was "totally insufficient"⁷. A much larger UN intervention force that covers a greater geographic area and stays much longer than the 1 September 2003 deadline, was needed. The multinational force was "conceived only as a stopgap, to hold the line until additional MONUC troops were deployed in September 2003"⁸. But this meant that MONUC's mandate needed to be reinforced with the physical capability to intervene and protect civilians from warring militias. Moreover it was important that MONUC's reinforced mandate not be limited to the Ituri region, but extended to the provinces of North and South Kivu, which have been at the heart of the DRC war.

5.3 The Role of the International Community

In any conflict situation, the international community bears a responsibility to provide critical support and assistance to the resolution of such aggression. In responding to the civil wars that have dominated the post-Cold War era, the international community has generally been reluctant to intervene with

means beyond political initiatives and the provision of humanitarian assistance⁹. The international community comprises, however, a myriad of actors ranging from international business cartels to religious bodies. Central to any resolution of the DRC conflict, is the role of the international business community and an implementation of a best practices regime for multinational corporations (MNCs). The exploitation of natural resources in the continuation of war and conflict in any region of the world, is to a great extent, encouraged, directly and indirectly, by big business. The demand for and capacity to purchase natural resources by MNCs has provided rebel movements as well as unaccountable and autocratic governments with a lucrative and, moreover, guaranteed market for financial enrichment.

As Moore and Nabudere have demonstrated in their chapters, MNCs are the true powers in the shadow of the DRC 'war economy'. After all it is not an anonymous market which underpins the DRC conflict, but rather identifiable actors including private firms, governments of industrialised countries in the North, financial institutions, corrupt state officials, warlords, and criminal organisations. Accordingly, the UN Panel of Experts Report of October 2002 recommended reducing development aid flows to offending countries; tighter controls on the trade in conflict goods; travel bans on individuals; freezing of personal assets; and blacklisting of selected companies and individuals from dealings with international financial institutions¹⁰.

Considering Moore's suggestion (noted above), a key recommendation of the UN report was the imposition of a temporary embargo on coltan and other natural resources originating from the occupied parts of the DRC and countries involved in its war. The report argued that such a measure should allow the UN, the EU and national governments to investigate companies and nationals involved in the coltan trade, and to take measures to prevent this trade from contributing directly or indirectly to the financing of the war in the DRC. However these recommendations were never implemented. In Tallroth's view international sanctions aimed at depriving the factions of their sources of foreign exchange earnings by applying economic sanctions on exports are not absolutely inviolable and sometimes very difficult to enforce¹¹.

The case of United Nations sanctions on the UNITA rebel movement in Angola is a case in point. The main objective of such sanctions was to stifle the financial capacity of UNITA rebels to wage war. However, these sanctions were violated which subsequently gave rise to the establishment of a panel of experts to investigate violations of the imposed sanctions against UNITA. The panel, on completion of its task, recommended to the UN Security Council the imposition of sanctions on those countries charged with the violations. But in the absence of providing any concrete action to implement these recommendations, the UN Security Council approved a new sanctions monitoring mechanism for Angola¹². The failure of the UN to penalise the named sanctions-busters was a revelation of the conundrum that the UN found itself in. In other words, on the one hand, the UN established an investigation panel to determine how sanctions that had already been imposed were being violated. On the other hand, this very investigating unit recommended the imposition of addition sanctions against states that were named sanctions-busters. Put differently, the action recommended by the panel was the very action that the UN was been unable to enforce in the first place and which brought about the establishment of the panel itself¹³.

According to Oxfam Manager, Anneke Van Woudenberg, the corporate sector is starting – if only tentatively – to acknowledge that it is contributing to the spiral of violence¹⁴. But in the absence of a transparent and effective system of international company regulation, many multinationals have been able to do business in conflict ravaged countries with impunity and total disregard for the lives of civilians and their human development. Large flows of unethical investment and illegal trading in natural resources and arms have produced 'war economies' that benefit MNCs while arming local warlords. Indeed, the responsibility for resolving wars lies not just with peace brokers, but also with those who benefit from them. As such the governments of rich countries in which these multinationals are based are also responsible. They have a vital role in monitoring what their companies do and ensuring that their support to such firms are conditional on guarantees that they are not involved in illegal or unethical exploitation of natural resources¹⁵.

Some of the recent initiatives that aim to tackle various aspects of 'war economies' and unethical business ventures have great potential, for example, the OECD guidelines for multinational companies. However, most of these initiatives are voluntary and have no effective enforcement or monitoring mechanisms. If these efforts are to be effective, they need to be backed by political will. Governments

should work to ensure that independent monitoring and enforcement mechanisms are created, learning from the lessons of the UN panel of experts. An international framework is essential to address the problem of 'war economies', without which those involved in illicit business activities will continue to exploit the DRC's rich resources¹⁶.

5.4 Resolving the conflict from within

In chapter four, Roger Kibasomba also places emphasis on the international level for a resolution of DRC imbroglio. He has maintained that the DRC war was the result of global capitalist forces sponsoring a rebellion through Uganda and Rwanda to secure their interests, especially with regard to the country's mineral wealth. Therefore to stop the 'war economy' in DRC, Kibasomba argued, one needs to sever support for the rebels and their Rwandan and Ugandan backers from principal donors such as the World Bank (WB), International Monetary Fund (IMF), Belgium, France and the US. At the same time the DRC government should review the donors' political and economic interests as business opportunities and strive to optimise them for the DRC's own post-war reconstruction.

While Kibasomba points out that such a process had begun with the tenure of Joseph Kabila, he cautions that this approach will not serve the best interests of the Congolese if local capacities charged to manage and implement this reform are not enriched and consolidated. In other words a resolution of the DRC conflict that is pursued at international level must be accompanied by action at the national or local level as well. In Kibasomba's words, the DRC government should fight those who wage war on the Congolese but at the same time be positively flexible to nations and people who want to bring technologies, finance capital or labour into the country. Dani Nabudere, in chapter three also focused on the local or national level in offering some kind of way out of the Central African quagmire. For Nabudere global economic forces will continue fuelling this conflict and similar ones on the African continent unless the Congolese get their act together. However, he fails to provide any detail as to what action is required by the Congolese.

As a provision of the Lusaka Ceasefire Agreement (LA), the Inter-Congolese Dialogue (ICD) served as a process from within that aimed for a lasting resolution to this conflict. These political negotiations that began on 25 February 2002, in Sun City, South Africa, were expected to revive and consolidate a democratisation process that was thwarted, initially by Mobutu Sese Seko's one party Zaire, and thereafter, by the installation of and subsequent attempt to remove Laurent Kabila, as the president of the DRC. To achieve a political resolution to the anti-Laurent Kabila war, the ICD was accordingly expected to deliver an all-inclusive transitional government that would oversee the formation of a new republican army, set a timeframe for democratic elections, implement an economic reconstruction and development plan, and agree on a national reconciliation programme. By implication, therefore, a political settlement to 'Africa's World War I', was also expected to usher in a democratic DRC state¹⁷.

Since "the real aim of the ICD was to weaken Laurent Kabila and boost the political legitimacy of rebel movements", the Sun City talks became complicated by Kabila's assassination and the subsequent political and economic reformation of the successor government of his son Joseph¹⁸. Indeed, Laurent Kabila's autocratic rule legitimised the existence of the rebel movements. However, he was killed and replaced by a more internationally accepted government, only after the rebels' legitimacy was secured. But external interests that underlined the creation of the rebellion against Kabila (Snr.), could not nullify the rebels existence, even after such interests were met by the new DRC government. As a result the rebels retained their recognition as legitimate opposition forces having equal status as the other components of the ICD.

In other words, although the RCD-Goma rebels were diplomatically weaker by the time of the talks, an ICD resolution was preconditioned to meet their demands as actors having equal strength as their main opponent, the DRC government. Since the inception of the Joseph Kabila government, international support for Kinshasa increased in accordance with the political and economic reforms instituted by the authorities. As a result, foreign backing for the rebels was seriously diminished in favour of the new DRC government. The loss of their foreign backers reduced the rebels' standing among their opponents at the negotiating table. But the rebels still demanded equal, if not greater, control of a transitional authority. Consequently the ICD commenced in an atmosphere of fits and starts and produced a fractious outcome¹⁹.

A year later, on 2 April 2003 the DRC government, rebel movements, political opposition parties and representatives of civil society signed the Final Act of the ICD that entailed the setting up of a transitional government to oversee democratic elections after two years. In terms of the Final ICD Agreement, the DRC president, Joseph Kabila, retained his position in the transitional government while the four posts of vice-president were to have been filled by members of the rebel movements and the non-armed political opposition parties. Lasting peace, however, rested on the successful implementation of the agreement. Accordingly, a national follow-up committee was created and charged with the establishment of various institutions of the two-year transitional authority.

The swearing in of a transitional government was postponed due to disagreement over the composition of the national army. It was hoped that the Final ICD Agreement would include an agreement on the integration of the different forces into a national army. However the Final Act only produced the main principles without securing an agreement on the sharing of responsibilities, especially regarding the head of the military. While the parties agreed that rebel fighters should be merged within a new national army, key questions remained over the command structure of an integrated force. Rebel leaders also expressed fear about going to the capital, Kinshasa, and called for a neutral international military force to ensure the security of the transitional government and its members. This together with resumed conflict in the north-eastern Ituri region became a major threat to the peace deal.

5.5 A regional dimension to a resolution

The origins of the DRC conflict lie as much within the neighbouring countries as in the DRC itself. In other words the DRC had become a theatre for the civil wars of its neighbours. As the chapters in this publication have shown, the military invasion of the DRC by Rwanda, Uganda and Burundi was justified on grounds that these neighbouring governments were pursuing their home-grown rebel movements in the name of national security. Although their agenda of territorial occupation for commercial gain was subsequently exposed, the issue of security posed by the Rwandan and Ugandan rebels operating in the DRC, was a cause for concern and a factor that could not easily be dismissed. But the initiation and continuation of conflicts in these neighbouring countries are all attributable to the internal dynamics of and societal tension within these respective states. Therefore, each of the DRC's eastern governments must be urged to undertake an internal process of resolving politically armed aggression waged on them by local groups operating in the DRC. Anyway it remained unclear why, in the first place, these countries could not ensure their national security from their side of the border.

A peace process Burundi had already been underway at the time of writing this chapter. However, no similar approach had been attempted in Rwanda or Uganda. Since the 1994 genocide in Rwanda, practically the entire former Hutu government has been accused of being guilty for the genocide. As result the conflict has been simplified and presented being devoid of any historical context. In other words, the history of genocide in Rwanda begins and ends in April 1994. Having converted the entire former Hutu government into the responsible party for the 'only' genocide, and the Tutsis into the only victims, the Rwandan Patriotic Front (RPF) 'liberators' obtained *carte blanche* to prevent another genocide on the Tutsis.

Atrocities committed during the first invasion to remove Mobutu from power are well known by Congolese, especially the killings of more than 200 000 Hutu refugees, mostly women and children, in refugee camps around Goma²⁰. The UN blamed Laurent Kabila for blocking the investigation into these killings. In actual fact it was the Rwandans that formed part of his government, in particular Bizima Kahara and James Kaberebe, that blocked the investigation, fearful that it will disclose their involvement in the genocide. In spite of these events the UN investigative team lead by Roberto Garreton, confirmed the existence of between 20,000 and 100,000 corpses in only 40 locations. His reports were already speaking of the 'genocide' perpetrated by the extremist Rwandan and Burundian armies. Under US government pressure the term 'genocide' in the report was substituted by 'massacres'. Similarly the Gersony report accusing the RPF of genocide and crimes against humanity, also from the UN and delivered in September 1994, a permanent embargo.

As a result, the 'thesis of a single genocide' without any talk of a genocide suffered by the Hutu population, will not install the necessary confidence-building measures required for the former Rwandan Armed Forces (ex-FAR), accused of carrying out the 1994 bloodbath, to leave the DRC. Although the ex-FAR and *Interahamwe* militia are considered as if they "were composed exclusively of persons guilty of

the 1994 genocide, it is impossible to know how many of these forces are in fact *genocidaires*. While some are certainly soldiers of the ex-FAR and *Interahamwe*, others are merely civilians with no military experience²¹. Therefore, many will be unwilling to return to Rwanda, fearing being treated as a *genocidaire*, thereby giving the Kigali government the reason for maintaining a military presence, directly or through their RCD-Goma protégés, in the eastern DRC. What is needed therefore, is some sort of an independent truth commission, set up by the African Union, to expose even the atrocities committed by the Rwandan government.

Similarly in Uganda the lack of attempts to pursue an all-inclusive multi-party government, has served to convince the Allied Democratic Forces (ADF) to continue operating from the DRC with the objective of overthrowing the government of President Yoweri Museveni. Since seizing power in 1986, President Museveni has been able, without any criticism from the international community, to maintain a no-party system of government. Only one political organisation, President Museveni's National Resistance Movement (NRM) is allowed to operate freely. Candidates are only allowed to contest the presidential elections as individuals and not as leaders as political parties. Claiming that the NRM is not a political party but a movement, the Ugandan government has regularly argued that the movement system of government has been best able to rid the country of ethnic conflict. Why do armed groups continue to operate against the Kampala government is a question that remains inadequately answered. It may not be conspiratorial to argue that the Museveni government wants to maintain a 'no peace' dynamic to justify a militaristic control of political power.

In addition to the need for individual peace processes in neighbouring states, there is need for a regional forum. Given the regional dimensions of the DRC conflict, the idea for an international conference on the Great Lakes region has been a recurrent idea since the early 1990s. A concrete proposal for such a forum, however, only emerged in December 1999 through the instructions of the UN Secretary General, Kofi Annan. The focus of the conference would be on peace, security, democracy and development and organised under the auspices of the UN and the African Union. The value of the conference would lie in the process it unleashes for in-depth examination of a broad range of issues, their prognosis and prescriptions for resolution. It is envisaged that the process would culminate in the establishment of a regional mechanism that would monitor and follow-up the conference's decisions, carry out early warning functions and organise periodic meetings and/or summits of regional leaders.

5.6 Conclusion

The immense mining riches of the DRC, the size of its territory, and its geo-strategic position, has made it the most important objective for big multinational corporations and their host governments, a battle ground for regional states, and an arena for political contest and economic predation by local actors. But these natural riches have also made the civilian populations of this vast African country the most unfortunate for having been born in such a privileged and sought after territory. Given the fact that well-planned economic agendas are central to the cause and perpetuation of this conflict, the prospects for sustained peace and development will remain slim, without halting the economic forces that illegally exploit the DRC's natural resources concomitantly with measures aimed at Congolese socio-economic development and structures for regional peace processes in Africa's Great Lakes region.

End Notes:

1 T Farer, "Shaping Agendas in Civil Wars: Can International Criminal Law Help?", in M Berdal & D Malone (ed.), *Greed and Grievance: Economic Agendas in Civil Wars*, Lynne Rienner, Ottawa, p 205.

2 The various peace deals are: The Lusaka Ceasefire-Agreement signed in July-August 1999, The Inter-Congolese Dialogue signed in April 2003, the DRC-Rwanda peace agreement signed in July 2002, the DRC-Uganda Luanda agreement signed in September 2002 and the Pretoria Accord signed in December 2002.

3 N B Tallroth, "The Political Economy of Modern Era Wars in Africa", see: <http://wbln0018.worldbank.org/Networks/ESSD>

4 Ibid.

5 See N B Tallroth, op. cit.

6 See <http://www.irinnews.org/webspecials/Ituri/srep9.asp>

7 <http://www.crisisweb.org/projects/showreport.cfm?reportid=1005>

8 Ibid.

9 Centre for Economic Analysis, "Economic Deriving Forces of Violent Conflict and War", <http://www.fao.no/piccr/ecodrive.pdf>

10 See <http://www.irinnews.org/webspecials/Ituri/srep9.asp>

11 See N B Tallroth, op. cit.

12 The Security Council resolution 1295, passed in mid-April this year, requested that the secretary-general establish a monitoring mechanism of up to five experts to further investigate violations of the arms and fuel embargo on UNITA, as well as the ban on rebel movement diamond sales.

13 S Naidoo, "Natural Resources in Conflict". *Conflict Trends*, vol. 4/2000, pg. 32.

14 A van Woudenberg, "The Business of War", [http://www.worldlink.co.uk/stories/storyReader\\$1096](http://www.worldlink.co.uk/stories/storyReader$1096)

15 Ibid

16 Ibid

17 S Naidoo, "The Inter-Congolese Dialogue: Negotiations for a Democratic State or the Formalisation of a New Scramble?", Occasional Paper No 16, Friedrich Ebert Stiftung, South Africa, 2002, p. 3.

18 ICG, "The Inter-Congolese Dialogue: Political Negotiations or Game of Bluff", Report No. 37, 2001.

19 S Naidoo, 2002, op cit. pg. 7 & 18.

20 These refugee camps were attacked with the justification that it harboured the *genocidaires*

21 See Human Rights Watch Report: *DRC Eastern Congo Ravaged: Killing civilians and silencing protest*