

**The new role of some key peripheral countries
after the fall of the Berlin wall**

The case of democratic republic of Congo

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Introduction

The first international african war is going on. From august 1998 on 2.5 million people have been killed directly or indirectly in this media-silent war ¹, this is almost one tenth of all ‘casualties’ incurred by the Soviet Union during the second world war. A first important but partial explanation is the change within the world-system after the demise of the Soviet Union. I.Wallerstein wrote immediately after the fall of the Berlin Wall ² that with the end of the cold war violence and international warfare would change in nature because “*The emperor (the US or capitalist hegemony) stood naked after he lost his figleaf (of the communist countries)*”. The end of the east-west competition would open new arena’s of threats to peace and in his almost profetic analysis he predicted that violence and new conflicts would rather increase because underdevelopment and regress could not anymore be imputed to the wrong policies.

However since the same international environment (the so-called globalisation) leads to very different outcomes in this world-system , the geo-political explanation should be complemented by other factors. Why do most of the violent conflicts occur in Africa where also economic regression is most prominently going on ? We shall explore some of the recent and influential theories in the second part of our paper.

In the third and last part of the paper, I will focus more specifically on one of the once key-peripheral countries of the african continent.: DR Congo. More specifically, we’ll tackle some questions concerning the first international african war. Is this war the product of the new geo-political role of Africa in the world-system? Translating the Huntington thesis on the “Clash of Civilisations” that means that the unconditional help for the invading countries Uganda and Rwanda by the US is nothing else than reinforcing the regional agents of US-hegemony against the increasing influence of Islam fundamentalism (Sudan). Or should this war be seen as nothing else than a second scramble for Africa’s wealth, reproducing the old good world imperialism thesis? We’ll see that history never reproduces itself but is continually old and new producing new and unforeseen realities.

¹ INTERNATIONAL RESCUE COMMITTEE, Washington D.C., may 2001.

² I.WALLERSTEIN, *Elegy and Requiem for the ideology of national development*, F.Braudel Center, paper 1989, New York University at Binghampton.

1 The bright future and the gloomy figures

There is an african saying or proverb which is particularly suitable to describe the fate of a continent in the capitalist world-system before and after the fall of the Berlin Wall. “*When two elephants fight each other it is the grass that suffer*” and one could paraphrase the saying to fit the post coldwar era as follows: “*and when two elephants make love it is again the grass that suffers*”.

We know that structural positions in the world-system are determined by positions of hegemony, dominance and dependency and that these positions do determine in part the “path dependency”, to use the vocabulary of the now fashionable school of institutional economics, of a country. The theoretical problem and weakness of the world-system paradigm is however to analyse, understand and predict change and diversity between countries. Indeed the whole school of dependency and world-systems approach is very much penetrated by the idea that the structural position is determinant which leaves very little room for change and especially underestimate the way the local and the global interact with more autonomy and capacity to influence at the local level than is sometimes believed³. The interaction of nationals, local powergroups, traditional bonds and cultural heritage with the external environment can produce substantial differences without which we could not take into account or understand, the rise of certain countries and decline of others in the world-system. That this interaction does not give way to pseudo racist explanations, by explaining the rise of asian countries by eg a better cultural fit to the globalisation process, can easily be demonstrated by the fact that differences within the same cultural horizon can be bigger than between different “civilisations”. The performances e.g of African countries like Botswana and Mauritius with a growth per capita of 7% and multipartyism contrast enormously with the general tendency of decline in other african countries and perform much better than certain asian or latin-american countries. We therefore very much subscribe the sentence of J.F.Bayart that “*Africans here have been active agents in the mise en dépendance of their societies, sometimes opposing it and at other times joining in it*”⁴. This sentence means that of course african elites and powerful individuals can not by themselves change their peripheral position but that within this context they were as much an actor influencing their destinies and historical trajectories by “joining” or “opposing” dependency than were other dominant actors.

Certainly the fall of the Berlin Wall has altered fundamentally the matrix of action for the players on the african continent. The combination of, the debt-problem, the structural weak position of Africa in the world system and the end of the cold war plunged Africa in a deep crisis that has been reflected in the thesis of Afro-pessimism and the thesis of the so-called marginalisation of the continent.

That the crisis is deep and that the structural position of Africa in the world economy is weak is beyond discussion. Just a few data. The income

³ A.G.FRANK, *Reorient : Global economy in the asian age* (Univ.of California Press, Berkeley, 1998

⁴ J.F.BAYART, *The state in Africa. The politics of the Belly*, Longman, Harlow, 1993, p21

per capita has decreased with one to two % since the end of the seventies. Thirty five years after decolonisation the income of SSA was 20 %lower. At independence Sudan had the same income per head as South Korea. The Korean income per head is now 15 times higher than that of Sudan. These tendencies find its corollary in the international position of SSA. The total value of the exports of Sub-Saharan Africa with 540 million inhabitants to the rest of the world equals that of Singapore with three million inhabitants. Africa 's share of world-exports declined from 3% in the sixties to 1.5% in the beginning of the nineties. The continent has a regional production that equals that of Belgium with ten million inhabitants. Total foreign investment in SSA fell dramatically in the eighties and beginning of the nineties and were redirected towards asian destinies. There costs were half that of Africa and profits on foreign direct investment nine times higher while property rights were respected. This deep crisis was also reflected in other non-economic data. Most of the world refugees are to be found in Africa and aids and other epidemia seem to be more prevalent in these crisis-ridden environment.

The international response to that crisis and possible instability has been more rhetoric than real up to now. Consider and contrast these realities with the speech of the Clinton administration launched at Denver for the G-7group and repeated at the Afro-American summit in Harare in 1997

"...but there really is a dynamic new Africa out there...Since 1990, the number of democracies in Sub-Sahara Africa has more than quadrupled. Now more than half the region' 48 states have freely chosen their leaders. Many are embracing economic reform, opening markets, privatising... Growth has more thantripled since 1990. The economies in such countries as Senegal, Mozambique, Côte d'Ivoire are expanding at rates up to 7% a year. Ethiopia was not long ago gripped by famine; it grew by 12% last year. Uganda, once a byword for tragedy has become a magnet for investment; it grew by almost 10% last year '5"

⁵ USEMBASSY, "Clinton unveils new partnership on african trade" june 30th1997

The new discourse and international policy on Africa is clear; the so called Washington consensus consisting in the triad of economic reform (structural adjustment), opening up of markets and privatisation and lastly by promoting democracy is seen as the remedy for the crisis and countering instability in the region. This new discourse on Africa does not reflect the reality. Indeed we have had more violence in the nineties - Angola, Sierra Leone, Somalia, Eritrea, Sudan, Tchad, congo Brazzaville, the genocide in Rwanda and the first international african war breaking out one year after the discourse of the bright future for Africa - than before. **There are however two fundamental reasons why this policy is not leading to more peace and prosperity.** The first is that the Washington consensus policy is not complemented by sufficient concessionary financial flows and second that the policy underestimates the consequences of the post-cold war changes on the behaviour of african elites. The first reason is easily understandable. Since the weak structural position of Africa in world trade it is very improbable that this continent with low value-added activities will gain sufficiently

by opening up their markets, it will rather weaken their balance of payments position. Moreover since states are weak or collapsing and markets very imperfect direct investment will not be sufficiently attracted. Therefore if the crisis has to be softened in Africa more concessionary financial flows will be necessary. If one looks to what the US was engaging in that region (approx. 1 billion \$ compared to the 3 billion \$ flowing to Israel) under the Clinton administration and that the Bush administration is not likely to increase that amount, then the future of the “new Africa” seems much less bright. In order to understand the second fundamental flaw in the Washington consensus policy we turn to the second part of our paper.

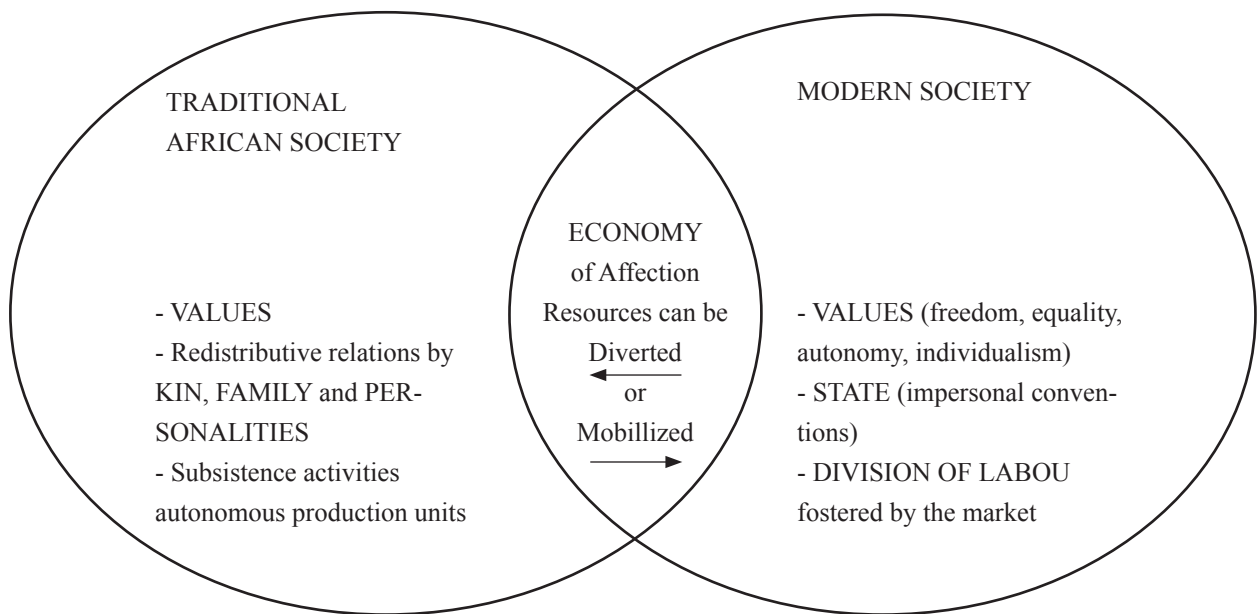
2 Opposing or complementary theoretical explanations ?

Two facts have undermined the idea that countries undergo passively the globalisation process and are unable to alter their structural position in the world-system. First since the same causes must produce the same results how does one explain the different results between countries all undergoing the effects of globalisation. That is only possible if the articulation between internal and external factors is very different meaning that internal (f)actors condition also outcomes. Second, since there are huge differences between African countries in terms of economic and governance performances, then clearly one should explore the specifics of the African crisis in terms of internal conditions. So the pendulum in explaining African underdevelopment has swung since the seventies and eighties from an explanation in terms of dependency to an explanation looking for the causes much more in a national and cultural context. Let's explore some of the influential explanations of the African crisis.

2.1 The economy of affection thesis

The fundamental causes of the economic crisis in sub-Saharan Africa is in my opinion first described in G. HYDEN's work “No Shortcuts to Progress”, published in 1984. In figure 1 the transition or interaction of a traditional society and a modern society is called “economy of affection”. The economy of affection points to allocation (French: affection) of time and scarce resources by a network of “support communications and interaction among structurally defined groups connected by blood, kin, community or other affinities... Because such co-operation is not an inherent and permanent part of the production system, it tends to be ad hoc and informal rather than regular and formalized. These are ‘invisible organisations’ which tend to be too readily forgotten in the development debate, yet they constitute both opportunities and constraints for efforts to change the African societies” (HYDEN, p. 8,9).

Chart 1: Economy of Affection



The economy of affection is certainly most extensive in the rural society but stretches out to the apex of society. What in the west is often perceived as corruption can be the normal functioning of the economy of affection, e.g. a well paid civil servant has the responsibility for different brothers, sisters and nephews to give them hospitality and help them to finance their studies or look for a job. He might also at a certain moment divert money and resources from a project to some family obligations. In the first example resources are **mobilized for development** in the second however **resources are diverted** and damaging the normal functioning of a state or the market. There are a lot of examples where the economy of affection is mobilizing scarce resources in a very efficient way for development (small saving and investment groups based on kin and neighbourhood relations that cannot be served by formal banking institutions investment in human capital etc.). Examples of the contrary are also well known (e.g. almost one half of all formal co-operatives going virtually bankrupt in Zaïre by diversion of funds).

If the formal economy and the state are not very performant, people are naturally inclined to drawback in the traditional networks that they know better and give them more security thereby undermining further the weak structures of state and market.

This **perverse spiral** deepens the crisis and can virtually block the formal economy and the institutions (health and education services, public utilities etc) up to a point where the state is almost nonexistent. Of course the economy of affection or the informal sector absorbs part of the crisis and leads to creative popular responses but has also very substantial drawbacks in the long run on attitudes and development. If schoolteachers charge private fees when taking exams or when soldiers levy so-called taxes on transport of mer

chandise and medical staff selling drugs and universities deliver valueless diploma's, then everybody is court-circuiting the already weak institutions. When these practices are also found on a huge scale in the top of a nation where the president (e.g. Mobutu) himself is believed to have built up a private fortune of about 5 billion \$ (Time-magazine) or 70 % of the whole debt of the country, then public morality is a joke. The "Mal Zaïrois (Congolais)" or Zaïrian sickness as it is called is mirrored in the Zaïrian (Congolese) languages where you have a few hundreds of expressions for the word bribe.

Once the negative aspects of the economy of affection reach the apex of society, it spirals down the whole society and saps the real foundations and institutions of modern society. You do not get back a traditional society but only a perversion of it since the past can never be reconstructed.

In the words of the author then, there are 'no shortcuts to progress'. Africa is pre-capitalist and cannot escape "the brutal but necessary role of capitalism". The bankruptcy of economic statism so prevalent in Africa needs to give way for the construction of a capitalist class that will broaden the material base. This echo of the discussion between K. Marx and Vera Sassoulitch on the possibility of skipping "the brutal phase of capitalism" one century later, has been very influential. The so-called new african leaders backed by the US (Museveni of Uganda and P. Kagame of Rwanda) have been influenced by Hyden and embrace the new credo that foreign investment, economic reform, liberalisation and economic growth is essential to overcome the structural african crisis. That they have their own agenda's will be fully clear in the last part of the paper. Let us now focus on the more recent theory that has been embraced by the World Bank in order to explain differences in economic, government and other institutional differences between countries.

2.2 The social capital approach

Whereas it is now almost universally accepted that markets are a good device in delivering private goods and services there is a whole area where markets and capitalism do not have the answer. The discussion is not anymore market or state but what can a market do and what it cannot, the question is not if there should be state intervention but what is the quality of that intervention and how do you explain the enormous divergence in real markets and real states? It is in that discussion that a new framework of understanding has been formulated that we would call "new institutionalism" developed at the crossroads of different human sciences. An important contribution to this debate is the concept of social capital.

Social capital as a stock of values and social networks, helps people to cooperate and trust each other in order to overcome dilemmas of collective action (prisoner dilemmas, free-rider behaviour, tragedy of the commons, etc) that would be impossible if behaviour was based on narrow "pursuit of self interest".

The theory of dilemmas of collective action developed largely from within the science of economics and more particularly “game theory” show how rational behaviour in the context of distrust can lead to the worst case scenario. The best known dilemma is the prisoner dilemma where two detainees have to denounce the other in order to be free. Without cooperation and trust they both denounce each other and consequently get the heaviest penalty. However if both do not denounce each other proof of guilt can not be given, the penalty therefore less than if denounced.

The best known examples where given by Ostrom in what is known as “the tragedy of the commons”. Deforestation, desertification, overgrazing of the common fields, depleting of fishing grounds by the use of fine meshed nets, queing on motorways, airpollution etc are all fields explained by dilemmas of collective action.

There are two solutions to the problem of dilemma’s of collective action . The first is “third party enforcement “. The other is a soft solution of voluntary cooperation which will depend on “social capital”.

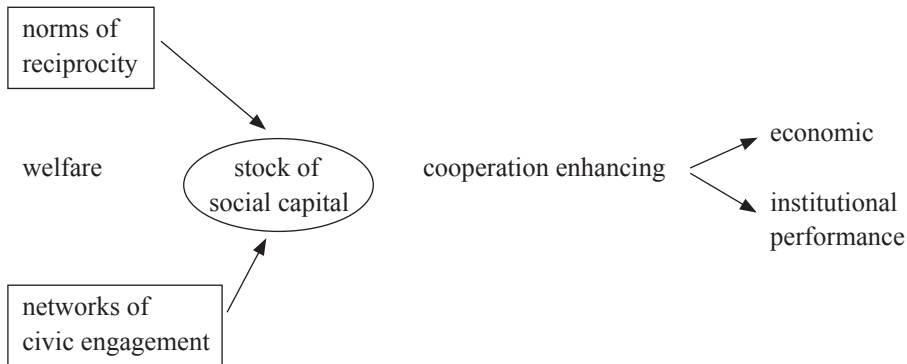
Third party enforcement is necessary if parties do not voluntarily cooperate because of opportunism, lack of trust, pursuit of short sighted self-interest etc. Since people are not saints and universal altruism an unattainable ideal how do you deal with those dilemmas. A third party by law and coercion can sanction the parties if do not respect the rules. The problem with third party enforcement is that it is very costly but more fundamentally, how can you be sure that the enforcers, the state, those in power, act for the common good and do not “free ride” on the back of citisens efforts and tax-money, with other words how do you eliminate corruption and enforce “effective and responsive government”?

A lot of the expenses of third party enforcement can be set aside if there is voluntary cooperation. That is possible in a society that has inherited a substantial stock of social capital, in the form of norms of reciprocity and networks of civic engagement. Social capital refers here to features of social organisations, such as trust, norms and networks, that can improve the efficiency of society by facilitating coordinated actions. (Coleman, 1990, p302)

Features of social capital:

1. It is capital , but unlike physical capital it increases with use
2. it is social and therefore is a public good that is indivisible and difficult to produce in an intentional amount

If you would like to chart it:



This theory of social capital popularised by R.Putnam in his seminal work on Italy⁶ has been thoroughly criticised on different grounds:

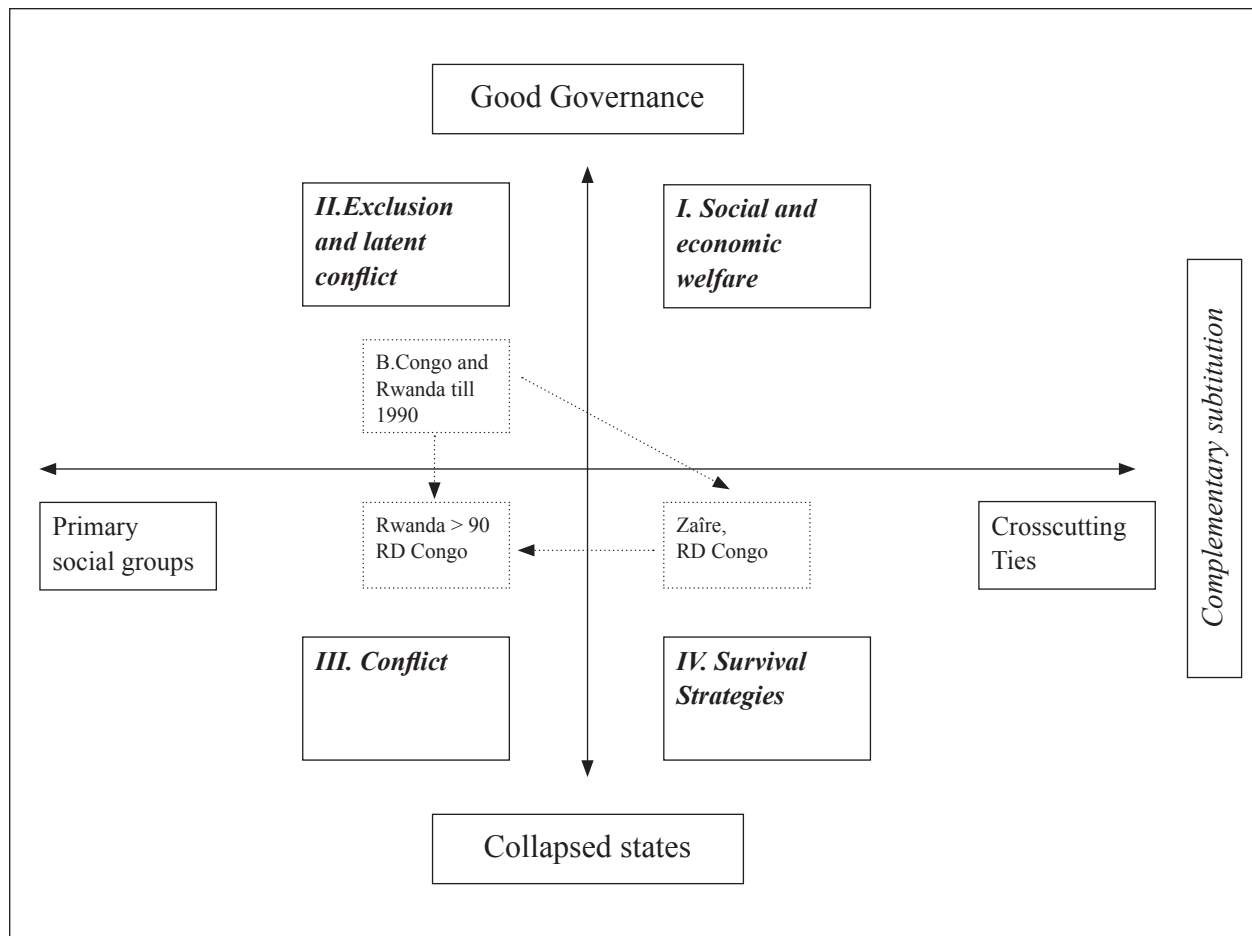
⁶ R.PUTNAM, *Making Democracy Work*, Harvard University Press, 1993

- the causality between all kinds of social groups and economic performance seems to be more of a hocus-pocus forgetting the whole area of capital accumulation
- certain social groups are detrimental for democracy and the production of public trust
- can you produce or engineer social capital if its production is so “path dependent”?
- the role of the state has been underestimated and that of the civil society overemphasized.

All these points have been discussed in order to improve the explanatory character of the theory. I will only mention the improvement in terms of the articulation between the quality of the state and the different combinations with development enhancing social capital (cross-cutting ties) and development hindering social capital.

This is depicted in chart 3.

Chart 3: The evolution of the state and social Capital in some african countries



Whereas traditional dependency and world systems approaches overemphasised the role of the dominant and hegemonic core countries, the new approaches sin by the almost total ommission of external factors in their analysis. More comprehensive and enlighting are some recent publications by R.Bates and J.F.Bayart ⁷.

2.3 Bates’ political economy of development and Bayarts’ criminalisation of the state and extraversion thesis

In his most recent work R.Bates, a well known economic scholar on Africa, writes that the study of the political economy of development is the study of prosperity and violence . The Great Transformation of society (to use the words of K.Polanyi) depends critically on economic and political development.

‘Economic development occurs when persons form capital, making present sacrifices in order to reap future gains. It occurs when they form economic organisations that productively combine...such that the product of the “whole” - be it a city or a firm- exceeds the sum of what can be produced by the parts. When people invest and combine, the city then displaces the village, the firm displaces the farm...prosperous societies emerge from

⁷ R.BATES, *Prosperity and Violence : The political economy of Development*, Norton pub.Cy, 2001. And J.F.BAYART, *Africa in the World : A history of extraversion*, in *African Affairs*, 2000 p.217-267

the great Transformation. Political development occurs when people domesticate violence, transforming coercion from a means of predation into a productive resource. Coercion becomes productive when it is employed not to seize or to destroy wealth, but rather to safeguard and promote its creation. The political roots of development productively join with the economic when specialists in violence realize that they can best survive and prevail by promoting the prosperity of their economic base.’ (Bates 2001, p.101-102)

For Bates the prevalence of violence and predation in the political sphere and the regression in the economic arena are linked. But not as an intrinsic feature of peoples or cultures but very much linked with the history of the worldsystem after the second world war. Economic crisis and violence occurred.

‘...where the state system that prevailed after world war II provided sufficient safeguards that political elites did not tend to treat economic policy-making as a matter of political survival. ...Lacking the spur of the risk of survival (because during the east-west geo-political competition, elites were flooded with financial aid flows = our addition) , in most developing countries, those with power confronted few incentives to render coercion economically productive. ...Variations in the incentives faced internationally thus help to account for differences in the behaviour of states over time and, within the modern era, over place’ (Bates,p.104)

This explanation by Bates accounts certainly for a more complete picture of the crisis or the so called marginalisation of Africa. In order to weave cloth and create differences you need a different pattern of warp and weft. In order to explain differences between peripheral countries you need the articulation of both ‘internal’ and ‘external’ factors. What Bates does not explain is why violence and economic regress seem to be more prevalent and on a larger scale in Africa after the fall of the Berlin Wall.

One explanation is given by Wallerstein. Experiences of regress, poverty and social exclusion will be part and parcel of the world-system and people will look for a scapegoat and salvation. Since globalisation will fuel unattainable dreams and frustration for many it seems possible that modernisation is looked upon as the cause of their frustration and turn to the lost paradise of the traditional values. If these frustrations and aspirations are mobilised it can lead to internal violence and wars.

Bayart adds another interesting hypothesis more specifically for the evolution of the state system in Africa after the cold war. The international scene has dramatically altered the ways elites in Africa respond to that new phase in dependency. The introduction of the Washington Consensus – economic and political reform, liberalisation and privatisation –after the fall of the Berlin Wall has impeded for many regimes the easy access for african elites to financial funds. Since the transition from predation to economic

productive taxation is impossible (argument against Bates' analysis) in most countries, because of the weak state and market structures; war and the criminalisation of the state are the new strategies of extraversion in order to secure vested interests. In an exceptional case the transition to a successful democracy, where the elites have been able to '... productively join with the economic when they as specialists in violence realize that they can best survive and prevail by promoting the prosperity of their economic base' (Bates— can be realised. This insight is in sharp contradiction with the official discourse on 'the bright future of Africa' heralded by the Clinton administration. Our case study on the first international African war in DR Congo seems at first sight to confirm Bayart's thesis.

3 The case of the DR Congo and the first international African war

3.1 A short historical digression

Congo got its political independence June 30th of 1960. The colonisation has been a brief period in the history of a territory populated by some 450 different ethnic groups with as many languages.

A first period of colonisation from 1875 to 1908 was characterised by brutal predation and violent coercion on the population by the Belgian King, Leopold II. He was able to convince all hegemonic powers at the 1885 Berlin Conference to grant this huge country, 80 times bigger than Belgium, the status of 'Etat indépendant du Congo'. This was a private territory under the exclusive governance of the King and on condition that commerce would be free for all hegemonic states and slavery abolished. Further plans of developing infrastructure, policing the territory and investment in the exploitation and processing of raw materials however, drove up the costs of the empire. This led the King to hand over the territory to the Belgian state, after leaving the vault of the "Etat Indépendant du Congo" empty.

The territory became officially a Belgian colony in 1908. This short period was an apparent break with African civilisation and introduced the country into modernity. The specific articulation of tradition and modernity has been termed 'paternalistic capitalism'. If by 1960 Congo was the second industrialised country of the African subcontinent after South Africa it did so thanks to the efforts of many but largely based on coercion and not internalised by most of the Africans who had to work and perform in one world and live in another. This dual system visualised by the opposition European 'ville' and indigenous 'cité', black and white, modern and money economy versus use value production, etc. Hence modernity – state, money, wage labor, Christianity – was superficially introduced and with few strong roots in traditional society. At independence there were only 18 university graduates representing a very small base for the governance of a huge, resource-rich country.

The post-independence period has been very heavily influenced by the international environment of cold-war rivalry. The first five year period of multi partyism characterised by a struggle of the african elites for state power further stimulated by the old metropole. Indeed Belgian economic interests tried to divide the country in order to separate and control better the copper rich province. These tendencies led to a chaotic environment. The threat of communism led the so-called triad (US, France and Belgium) in Congo to adapt a counter revolutionary strategy. This was not only the case in Congo but also in the two other key peripheral countries (Brazil and Indonesia). Revolutionary and elected regimes/persons were either eliminated (Lumumba in Congo) or neutralised (Goulart in Brasil) and replaced by military regimes under the auspices of the West. The lack of internal legitimacy was compensated by the western support and access to international money. Development paths of these key peripheral countries diverged since then. If all patron and clients of these regimes enriched themselves fabulously (The military colonels in Brazil , Mobutu in Congo/Zaire and Suharto in Indonesia) and if inequality was on the rise in all of these contries they did so in a different manner. The state apparatus and real investments rose in Brazil and Indonesia where Congo/Zaire has been characterised after a brief period of apparent prosperity (1965-1974) by economic regress and state collapse. These divergent paths can only be explained by a different 'warp and weft' of a different response of strategy to the same international environment, finally leading to the first international african war.

3.2 Explaining the collapsed state and economic regress

Table 1 shows the postindependent record of economic growth and the income per capita. A first period up to 1974 was characterised by growth and a lot of new investment by competing international economic interests eager to exploit the mineral rich country. Playing on that rivalry, president Mobutu attracted in that period a lot of foreign capital and nationalised the Belgian Union Minière that became Gécamines. This company called the 'mother' and 'the father' of all inhabitants of the Katanga province produced up to 500.000 tonnes of copper a year in 1974 , represented 50 % of all exports and financed the state up to 75 % of all state revenue. Beginning of the nineties , although african cadres were multiplied by ten, the production dropped to a dismal level of 30000 tons because of lack of spare parts, reinvestment and maintenance. Although the bankruptcy of the state mining company was somewhat compensated by the rise of diamond production in the eighties and the nineties, it was not able to finance the state because diamond production and exports are much more difficult to control and can be informalised from the digger to the exporter. The african elite confusing property with production, underestimated the problems of organisation, production and management and used these resources in a predatory way. The consequences can be read from the disastrous record of economic regression.

Table 1: GDP growth rate and income per capita in

period	Average yearly growth rate	Income per head in \$
1965-1974	2.7	
1974-1983	-3.5	
1980-1984	-4.6	
1986	-0.1	
1990	-6.6	168
1991	-3.4	157
1992	-13.4	146
1993	-16.5	122
1994	-7.0	113
1995	-2.5	110
1996	-4.3	106
1997	-8.3	97
1998	-5.0	92
1999	-13.4	80
2000	-14.3	68

Source: BANQUE NATIONALE CONGOLAISE, *condensé de statistiques, différents n°, Kinshasa, 2000-5/2001,*

That the formal sector and modernity in terms of wages or formal employment can be derived from the fact that these wages became insignificant after 40 years of independence . They were however still important as social status and for the access to certain education, health and transport facilities. (table 2)

Table 2 Wages and formal employment

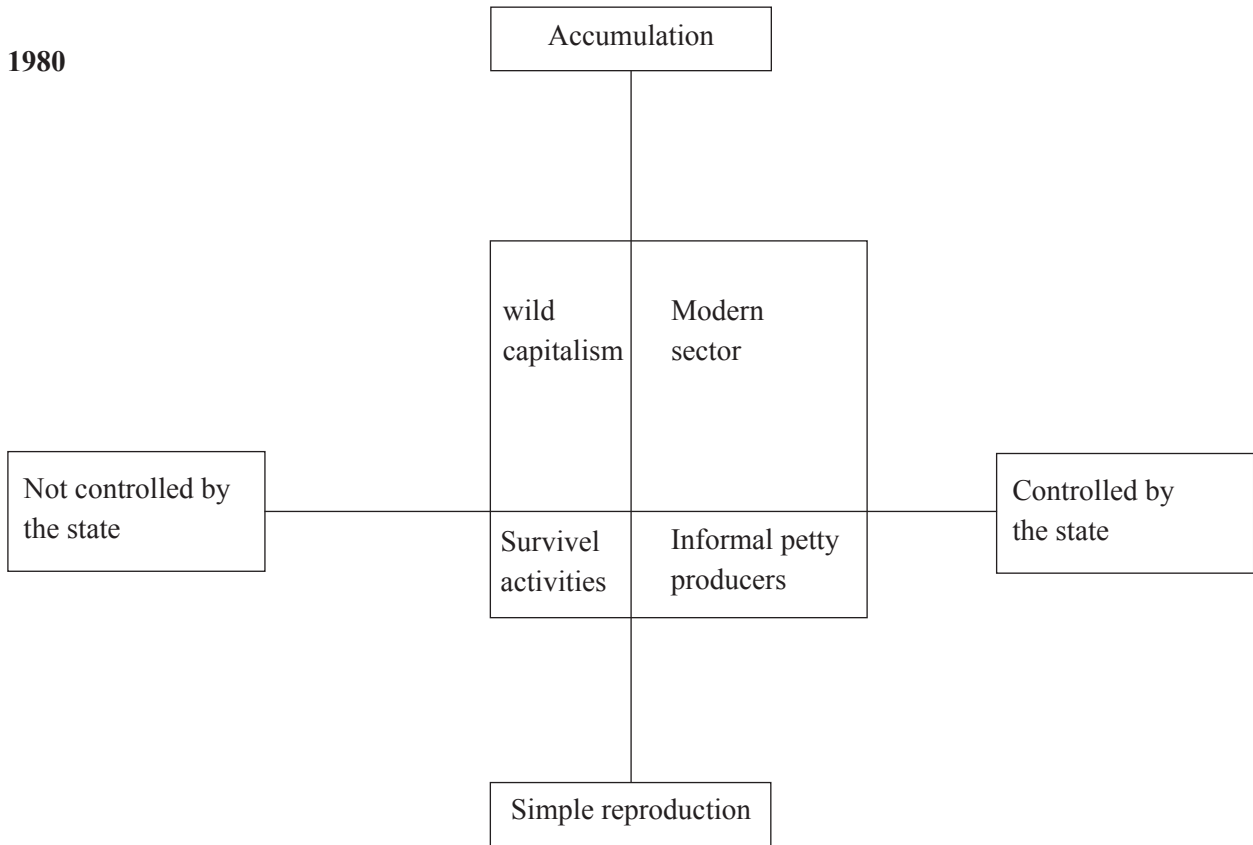
year	Average yearly wage in \$	Formal employment as % of total population
1967	1441	2.7%
1999	28	1.7%

If wages become insignificant , social security does not exist and retreat into usevalue production impossible for urbanised people, how can one survive? What kind of popular strategy can one invent? The informalisation of society.

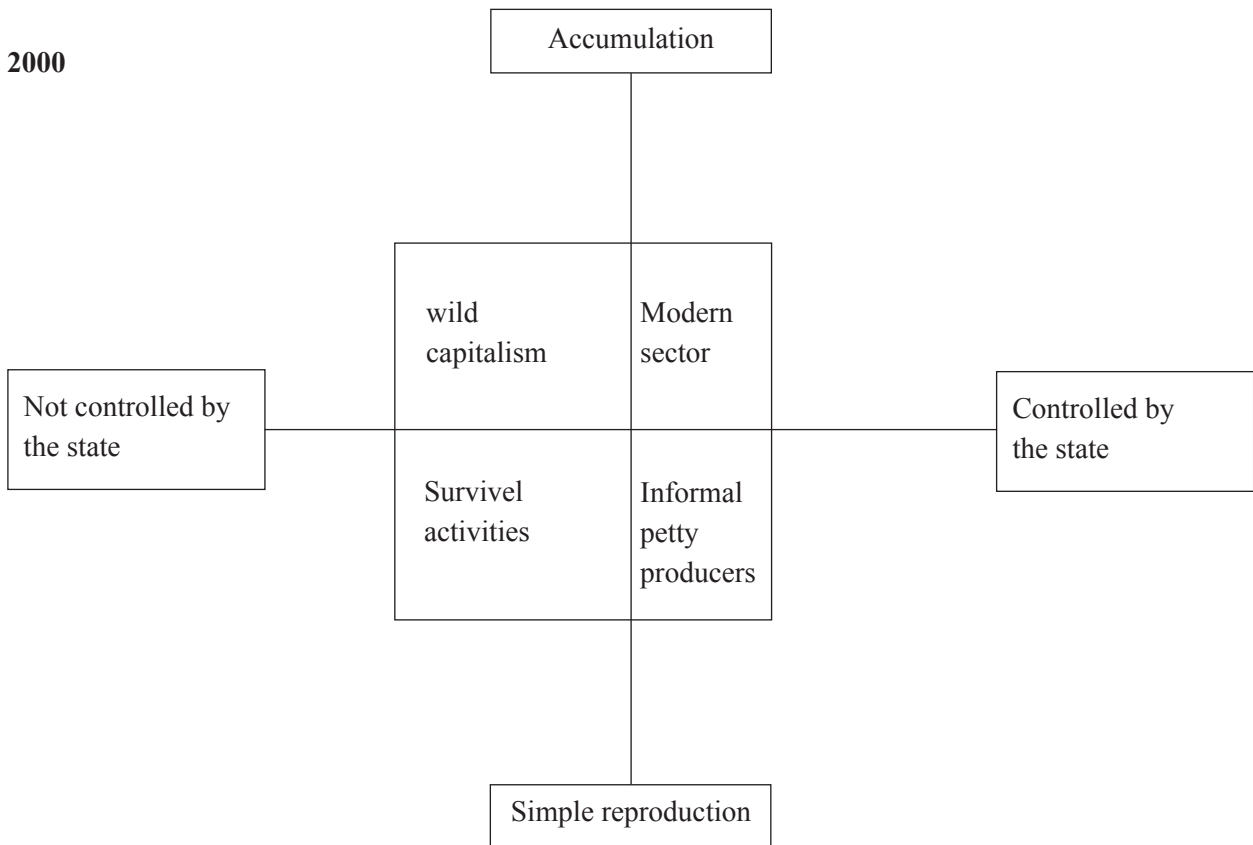
Chart 4 depicts what has happened.

Chart 4

1980



2000



As can be seen from the growth figures in table 1 and from some data in table 3 the main period of steepest decline was however situated in the nineties and thus in the post cold-war era.

Table 3 A few other economic indicators

	units	1980	1999
Population	Millions inh.	27	50
Domestic Product	Millions US\$	14922	5200
Domestic Product	In % of 1980	100	35
Exports	In mio\$	2507	1050
Imports	In mio \$	1117	540
Copper	In 1000 tonnes	468 (in year 1988)	35
Cement	In 1000 tonnes	485(in year 1988)	149
Diamond	In 1000 carat	18163 (in 1988)	26084

Source: World Bank, World Development Indicators en Lukusa, CEDAF, 1999

President Mobutu tried to cling to power after he was sacked by the west. Since he had never had an incentive to finance his voracious appetite for ostentatious wealth out of increased production that had completely collapsed, there was little room for manoeuvre. Since formal production could not be taxed anymore he used the moneypress as a last means. The printing of “real/false” money was so massive that by 1993 a hyperinflation of 32000% was the result, thereby taxing the poorest hardest, since those masses who had too little could not flee in diamond or dollars. That chaotic period led also to the impossibility of financing an army. Soldiers had to fend for themselves, meaning that they were ‘taxing’ every lorry or had to find clients in order to sell their security services. Zaire had become by 1997 a giant on clay feet and any exterior or interior enemy could wage a war without great risk. Since the east of Zaire/Congo was not military controlled it was a territory where; rwandan refugees fleeing the new tutsi regime in Kigali found a safe haven, rebel groups fighting Ugandan, Rwandese and Burundese regimes found an easy retreat area. But the region was attractive for other reasons. Fertile and abundant land was in contrast with the very densely populated areas of the neighbouring countries Rwanda and Burundi. Moreover the region harbored (new) mineral wealth (diamond, gold, coltane).

3.3 The second scramble for Africa's resources or plunder of Africa by Africans ?

In 1997 armed opposition found easy and direct military support in Rwanda and Uganda to overthrow the Mobutu regime. A self-proclaimed political heir of Patrice Lumumba, Laurent Désiré Kabila with a long standing record of armed opposition and dubious economic activity, was leading the military campaign and entered triumphantly the capital Kinshasa in May 1997. His army was however controlled by Rwandese officers and when he tried to recover his autonomy and sent them home a second war was started in August 1998 again by so-called internal opposition opposing the dictatorial regime of the new president. Rwanda and Uganda denied first their invasion but had to admit afterwards when their massive involvement became too obvious. Meanwhile Kabila had been able to mobilize Angolan and Zimbabwean military support thereby dividing the country. The western and southern part was controlled by the government and his allies (Zimbabwe, Angola, Namibia) whereas the rebels controlled by Uganda and Rwanda dominated the north and the east of the country.

Officially Uganda and Rwanda justified their intervention, stressing the need to secure their borders. However these countries defend their borders by invading a neighbouring country and occupying a zone more than 1000 kilometers away from their borders. Other motives and a hidden agenda is therefore suspected. First expansion of territory is a possible motive but that seems difficult because the invading forces are seen as such confronting a strong national feeling. Moreover there is an international consensus that borders, although artificially constructed in Africa, must not be questioned because this would generate a domino effect of violence and war. Another more probable and hidden motive is that a military-commercial class is using the war as a means to enrich themselves. And since a war is by essence a period where activities and actions are not transparent and kept silent, it is an exceptional opportunity for predation. Thus plunder at the terrible social cost for the population, seems to be the underlying drive for the continuation of the war. Another factor pointing in the same direction is the fact that the invading Ugandan and Rwandan armies were fighting each other August 1999 for the control of Kisangani, Congo's third city who has become the second centre for diamond and gold finds and trade.

Of course plunder of the mineral resources existed before the war as can be read from table 4.

Table 4: Trade Balance of DR Congo and fraudulent exports of diamond (in mio.USD)

Year	1995	1996	1997	1998	1999	2000
Exports	1.562	1.546	1.448	1.442	749	685
official exp of diamonds (1)	331	347	341	399	237	200
Fraudulous exp.of diamant	400	417	411	480	284	239
Exp.diamant/exp en %	47%	49%	51%	60%	69%	64%
Imports	870	1.089	769	1.102	568	596
Solde	692	457	697	320	180	89

BANQUE NATIONALE CONGOLAISE, condensé de statistiques, différents numéros, Kinshasa, 2000-5/2001.

This table shows that the Zairian /Congoese state was already weakened in the nineties. Diamond smuggling accounted for was estimated by the national bank as high as the official exports. We have shown elsewhere that this is a low estimate. Diamonds from congoese origin entering Antwerp are already twice as important as the legal diamond export from Congo. What the table doesn't show is that there is not a very comprehensive control in Congo since high ranking officials control often the illegal circuits of diamond smuggling. This is an example of what Bayart calls the "rhizome state".

There is the official state and then an invisible one, often circumventing the laws of the official state. This criminalisation of the state did not start with the invasion of Uganda and Rwanda. But there are a few differences. First as can be seen from table 4 , during the war years 99 and 2000 diamond production and smuggling went down as reported by the national bank. Since the occupied territories do not report their exports it means that the plunder went on but to the benefit of anoteher militaro-commercial group. Second the ruthlessness of the occupation can be seen from table 5. Indeed not only are the benefits of the plunder going to the Rwandan-Ugandan military and commercial class but the scale of plunder has been increased significantly.

The plunder by these two neighbouring countries is exceeding the total revenu of the Congoese state. The direct or indirect support from the US and the Bretton Woods institutions for these two african allies who have got full access to international financial flows is known (They are both elected in the HIPC debt reduction exercise). It is also a testimony that although Africa is more and more the affair of the africans and direct military intervention of the hegemonic states is less likely, their role in shaping and directing wars and violence still present.

Table 5: Mineral exports from Congo plundered by Rwanda and Uganda

<i>In mio. USD</i>	<i>RWANDA</i>		<i>UGANDA</i>	
	<i>1999</i>	<i>2000</i>	<i>1999</i>	<i>2000</i>
DIAMANT				
<i>Official Exports</i>	0,4	1,8	1,8	1,3
Non declared diamond exports for Rwanda and reexports in the case of Uganda	40	40	1,8	1,3
GOLD⁸				
<i>Official exportss</i>	0,1	0,1	95,0	89,9
Non declared gold exports*Rwanda and reexports Uganda	29	29	95,0	89,9
COLTAN				
<i>Offical Exports</i>	24	16,6	13,9	-
Non declared coltan exports*	240	240	13,9	-
Total declared exports of minerals⁹	61,2	68,4	438,8	380,5
Total exports declared and non declared	309	309	110,7	91,2
En % of declared exports.	505%	452%	25%	24%
Total value added of plundered diamond, gold and coltane	238,3	238,1	61,1	45,3
En % PIB¹⁰	12,2%	10,4%	1,1%	0,8%
En % dép. militaires¹¹	292%	277%	53%	43%

⁸ we estimate the value of gold exports by multiplying the exports by the goldprice as of april 30, 2001 (8.300 USD/kilo).

⁹ IMF, Rwanda. Staff report for the 2000 article IV consultation and requests for the third annual arrangement under the poverty reduction and growth facility and for extension of commitment period. Washington, IMF, 12 December 2000, p.39 ; IMF, Uganda. Staff report for the 2001 article IV consultation, Second review under the third annual arrangement under the poverty reduction and growth facility and request for waiver of performance criteria, Washington, IMF, 19 January 2000, p.43.

¹⁰ IMF, Uganda. Staff report for the..., op. cit., 12 March 2001, p.8, 37.

¹¹ IMF, Uganda. Staff report for the..., op. cit., 12 March 2001, p.8, 40.

Conclusion: violence and regress

The main theses on Africa's changing role in the world-system and the increasing risk of fragmentation, violence and regress can be summarised as follows :

- We are confronted with collapsing states and economic regress in former key peripheral countries.
- This multifaceted crisis is woven out of the warp and weft of internal and external (f)actors. In other words the collapse of state and economy is due to the action of the economy of affection intertwined with the absence of incentives by the political african elites – because of easy-money access through geopolitical rivalry in the coldwar era – to create sustainable economic surpluses.
- The change in the international environment in the post cold war era has led to the adaption of the Washington consensus but triggered off a new strategy of extraversion by african elites. This new strategy was in some rare cases a transition to democracy, in many other countries led to violence, further regress and war.

RD Congo is exemplary as illustration for these three theses.



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