The complete impunity which the RCD authorities tolerate – not to say their participation in many crimes of violence – makes them no different from other Congolese military such as the forces of Joseph Kabila or Jean-Pierre Bemba, and on a level of culpability with the worst of the *Mayi-Mayi* and *Interahamwe*. However long it takes, the women of eastern DRC will one day have to be given a chance to express publicly what they have lived through. The Women's International War Crimes Tribunal for the Trial of Japan's Military Sexual Slavery took half a century to be organised, but has been key to a new understanding of one part of World War Two. The women of DRC deserve no less.

VB's note: I sought no interviews on rape because of the risk of re-traumatising women. All responses quoted were unprompted.

Footnotes to the Mining Story

Erik Kennes

Thoughtful political science analysis of the plunder of Africa's natural resources is increasingly being taken hostage by journalistic interpretations and NGO reporting and 'expert' commissions. This is particularly true with respect to the DRC. Recent reliable evidence from the Congo is scarce and research policy tends to be dictated by policy agendas. As a consequence, two crucial analytical considerations are often masked. One pertains to regional power politics. The vacuum left by the death of president Mobutu was filled by the Congo's neighbours. Their operations have not resulted into a clear new balance of forces, even if Angola, South Africa and Uganda seem to be the new regional patrons. Diplomatically, Tanzania is an essential 'behind the scenes' player. Because of its mining economy successes, its role may become increasingly important in the future.

By neglecting this political aspect of crisis, there is a danger that the model (developed mainly by William Reno) for Liberia and Sierra Leone will be applied to Central Africa. Internal rebellion against a central government is the first phase of this model. In response, both groups of actors link up with international patrons and companies to strengthen their position. Both parties in the conflict are thus externally legitimated. Conversely, the war that started in 1998 in the Great Lakes region was not an internal rebellion – it was masterminded and executed by the Rwandan Popular Front (RPF).[1]

The functioning and evolution of the international mining sector is the second point that is often overlooked. This sector has gone through fundamental changes over the last two decades and is now fully integrated in to a globalised economy. It operates primarily according to economic logic, which explains why it is much less involved in Central Africa than many local actors tend to believe.

By not taking this perspective into account, analysis tends to highlight conspiracy theories whereby mining companies finance wars for profit. Many reports confuse criminal and criminalised activities with the ordinary workings of a formal mining economy. As a result, they make dubious recommendations about punishment of individuals and murky companies instead of trying to develop measures that could profitably link up the economies on the local level with the global economies – for the benefit of both.

Evolution in the Mining Sector

In 1996-97 during the AFDL march towards Kinshasa, some commentators saw 'globalisation' as the culprit for the war. Big companies, more powerful than nation-states and in pursuit of ruthless profiteering were perceived as dictating the political and military agenda. They argued that 'big business' was financing the Alliance to secure their interests. This is surprising, however, because few sectors had already attained such a degree of globalisation even since the very beginnings of their operations. Metals and minerals were among the very first commodities whose prices were fixed at a global level. In the colonial period this global market had a limited number of buyers and sellers. Supply and demand was predictable, and as a consequence, so were prices and investment decisions.

The situation changed at independence with the emergence of an important third actor: the nation-state. These new entities depended heavily on revenue from the mining sector for establishing legitimacy. The outcome of the struggle between government and producing companies depended on the relative margin of manoeuvre they each enjoyed in a given period. During 1970, a fourth actor was added: the big development banks who were able to add finance and guarantees for mining projects.

The 1980s and 1990s, however, saw a constant decline in real terms of the prices for base metals which made the mining sector less attractive for investors. The more risky sections of mining companies such as exploration were consequently shed. New smaller companies run by highly competent personnel that had been dismissed by the larger companies took on the risky operations associated with exploration.

While the exploration risk is very high and the chances for success very low, potential earnings can be enormous. Once a discovery is made, it can be sold to a major company who is capable and willing to exploit a concession. Some huge profits have been earned in this way. In 1996, speculators Robert Friedland and Jean-Raymond Boulle sold the jackpot discovery of an enormous nickel deposit at Voisey's Bay (Canada) to Inco, which is a major company. The huge profits made by Boulle enabled the company to engage in speculative exploration work in Congo.

Speculation reflects a fundamental change in the world economy. The mining industry was caught up in the whirlwind of the economy of finance. With the pressure of growing liberalisation of commercial and financial markets, the mining industry had to raise part of its capital on the stock market. The imperative of rapid profitability for the stakeholders forced the mining companies to look for rapid and secure profits. The competitive advantage is conferred by flexibility and ability to operate on a worldwide level. In other words: de-localisation.

For speculative purposes, rhetoric often prevails over reality. Enron was not the only speculative balloon: in 1996-97, the Canadian company Bre-X led every important actor in the mining sector to believe that it had discovered fabulous gold reserves in Indonesia. In May 1997 it was ascertained that no gold at all was present. This scandal shook the mining sector from the top to the bottom.[2]

In Africa, the pressure of globalisation in the mining sector contributed to the final breakdown of the formerly existing model of integration of mining interest into the nation state structure. This model was one of a long term engagement of major companies with the government of a country where a *de facto* monopoly was granted to the company. The company bought security and was not really forced to keep up with international developments. It was easy for a company to link up with the country's informal elite networks.

This radically changed during the 1990s. First, the state structure itself crumbled in many instances. As it had been reduced to a purely formal construction, struggling for survival, the state became a partner dominated by an elite faction willing to sign any agreement – even though it had become incapable of fulfilling its obligations because of the developments briefly described above. The mining companies had to look beyond their traditional footholds and were forced to become players on a global level, thereby cutting their long-term links with former partners.

The fundamental issue here is pure common sense. A serious mining company will not consider a war ridden country as its primary option for engagement and investing except if it has no other choice. Therefore, it seems very unlikely that a company would finance the war in Congo. This may seem obvious but it is a view that is not always accepted by actors on the ground.

Consequences for the Mining Sector in Congo (DRC)

The opening up of the mining sector in a context of institutional decay had important consequences.[3] First, because of the under exploitation of many concessions and deposits, much exploration results are available at little or no cost. Together with the availability of new technologies for exploitation, many deposits became profitable again. Second, with the end of apartheid, the mining sector in South Africa was opened up. This meant that the traditional closed structure of the mining houses (characterised by close integration between finance, production structures and management contracts with subsidiaries) was gradually abandoned in favour of a global liberalisation. The apex of this development was the move by Anglo American (still the biggest mining company in the world) from South Africa to London. The aim of Anglo is obviously to become a global player, trying to break into the Northern American market. It had previously been barred because of US anti-trust regulations.

This does not mean that the African continent is without importance for Anglo. The company juxtaposes African opportunities with the broader picture at world level. Anglo can thus associate with junior companies for exploitation of promising deposits (as happened with the huge gold deposit Sadiola Hill in Mali, with the junior Iamgold) or invest directly in a country, as happened with its decision to engage in Konkola Deep Mining in Zambia. This last project clearly illustrates the de-localisation process. After an initial decision in 2001 to invest in the huge copper/cobalt deposit of Konkola, a project which can influence the future of the Zambian copperbelt, Anglo decided to withdraw in 2002. It thereby left the Copperbelt in disarray and without many further options but to sell its most valuable deposits for a fraction of what they are worth. Anglo’s decision was based on the steady fall of the copper price on the world market and the huge investments needed in Konkola. In this context, a state can acquire a comparative advantage by its infrastructure and its institutions. This advantage is definitely lacking in Congo.

The Belgian Congo was a prime example of a closed system where mining companies and administrative structures exercised hegemony in close collaboration.[4] This made considerable investments in the economic and social sectors possible after the World War Two. After independence, the Congolese state tried to control this structure by its nationalisation in 1967. The Congolese and Zairean state, however, never developed the necessary management capacity and merely used the mining sector (especially the Gécamines) as its main source of revenue. The Zairian state transformed gradually into a conglomerate of personal and clientelistic networks.[5] This general label, however, covered different types of realities. It is possible to put the types of patrons on a continuum: on the one side, the ‘legitimate’, redistributing type, who is necessarily commanding a huge informal clientele network. On the other, the pure plunderer, appointed by the president, whose network is limited to patrons at a lower level but as members of the governing elite.

The 'democratisation' movement during the 1990 fragmented a number of patron-client networks. Due to the cutting off of international aid and the implosion of the formal economy, it was increasingly difficult to make these networks function. A programme of liberalisation begun in 1981-82 led to enormous growth of artisanal mining, mostly in diamonds and gold. This informal economy had internal mechanisms of functioning that gave it a high sociological density which made it very difficult for outsiders to penetrate this informal economy. It was possible though for patrons with access to commercial networks abroad to control crucial points of entrance into the informal circuits.

In 1995-1996, the government embarked on a programme of limited privatisation of parts of the mining sector. Several major and junior companies tried to bid for the most interesting concessions. In some instances, junior companies succeeded in outbidding larger actors. Most of the contracts that would shape the mining sector in Congo for the two years to come were signed in August 1996 under the Mobutu regime. When the AFDL army swept over the country, it did so in an exceptionally favourable international environment for mining investment. The large international availability of risk capital, the prospects for a political renewal and the active promotion and support of Canadian companies by the Canadian government resulted in a massive arrival of mining company representatives in Kinshasa and Lubumbashi. Representatives of purely speculative enterprises (such as America Mineral Fields) had an interest in creating the illusion of US support at the highest level. This helps explain why rumours immediately circulated about a US-led takeover of Congolese minerals and resources. It also boosted the shares of junior companies listed on Canadian stock markets.

The new mining administration appointed by President Kabila in 1997-98 was not able to control the sector and direct it towards more productive objectives. In the name of a 'fight against monopolies', smaller concessions were awarded but often to companies that were not very trustworthy.

A crucial element is the recruitment of the new political elite by the Kabila regime. consisting mainly of former rebel comrades or technocrats from the Congolese diaspora. None of the new generation belonged to the clientelistic structure crystallised during the Mobutu regime. This would not have been dramatic if efforts were made to create a viable state structure. The country, however, was not run in a systematic manner and Kabila often gave the impression that he ran the country as he had managed his guerilla movement in the East during the 1970s and 1980s.

The result from this very confused situation was that the major mining companies withdrew and waited for better times to come. Junior companies were often unable to find funding for their projects. In 1998-99 many projects consequently collapsed. The wave of globalisation had withdrawn from the country. Companies like Anglo preferred to invest in stable countries such as Mali or Tanzania. Barrick Gold had a huge concession in the North-East of Congo (Kilo Moto) but choose not to develop it yet. This evolution was proof that a free market does not develop as a force of nature but is the product of an institutional structure. What should have been a paradise for free marketeers with a virtual absence of state structure turned into a nightmare. Regional interests became predominant and the dark side of globalisation forcefully emerged with the war that started in 1998.

Military Commercialism & Global Criminalisation

With the war that started in August 1998, the movements one could identify as consequences of globalisation in the formal mining sector turned their back on the Congo. Instead, a newer development inside the state structures in the region forcefully became apparent.

The colonial state was based on its army and bureaucracy. As the bureaucracy imploded, the army alone remained as an organisational structure. This army came to embody the sovereignty of the state – as witnessed most notably in Rwanda. Instead of a private security organisation taking over functions of state power, the state itself in its most forceful manifestations (the army) became privatised. This process, aptly called 'military commercialism' by Chris Dietrich, is exemplified by the cases of Angola, Zimbabwe, Rwanda and Uganda.[6] However, in each case, this commercialism was never a cause but a consequence of military involvement. Michael Nest has suggested[7] that the Zimbabwean business involvement was a consequence of the opportunities offered by military logistical structures and government-to-government contracts. Nest's reasoning can be generalised: the first motivation for involvement of all the regional power players was political and strategic. It became economic when their armies got stuck into the quagmire of the Central African war.

Key actors who have an interest in a situation of disorganisation are those who are able to create a monopoly – such as traders and transporters. Many essential actors (such as Billy Rautenbach or General Zvinavashe of Zimbabwe) in the ongoing plundering of the Congo were transporters in the past. Traders such as Glencore are actively involved in activities that assure a steady flow of production (as in the Mkana/Mufulira mining project in Zambia with First Quantum). This leads to a situation whereby military networks – not the state – become intermediaries between the local and the global levels. The numerous pre-existing and sometimes highly structured informal trade networks were not created by military involvement, although they have been controlled by them. Very few military groups are engaged in trading themselves. They do however try to exploit the existing networks for their own profit by controlling essential points of access such as airports and trading posts in order to levy taxes. Although a multitude of practices exist, the military officers mainly try to control the top level of the pyramids. Often the former patron of a network is taken away and replaced by a figure at a lower level in the pyramid who will be loyal to the military who set him up. In other cases a local patron is controlled by a military structure. The cases where military officers are directly involved in exploitation are rare.

This type of situation, exacerbated by high levels of insecurity and violence, is a disincentive for many mining companies to get involved when alternatives are available. The boom in coltan prices at the end of 2000 and the first months of 2001 was the result of the existence of a bottleneck on the world market. A temporary shortage of colombo-tantalite had to be filled by any means, including buying coltan from the network of artisanal diggers controlled by armed forces. Whenever the companies had the opportunity for a regular and steady flow of production elsewhere, they turned away from the Congo. Depending on supplies from war zones is not good business practice.

This rejection of 'global' business has detrimental consequences because it deprives international political actors of leverage. Important parts of the mining sector in Congo may be uninteresting for ordinary business but remain a source of wealth for military and criminal activities. As the criminal economy incrusts itself in the region, the pre-existing informal economy links up with the 'dark side' of globalisation. The same type of structures come to function for an area of economic activity that is increasingly beyond control of the international political actors, sometimes (as in the case of Liberia) leading to a totally criminalised political structure.

The Way Ahead

What can be done about the undeniable plunder of the Congo's resources? Beyond the commercial interests state and sub-state actors may have, there is an important political and strategic aspect to be addressed. It should be possible to regulate commerce by trade and business agreements. Conversely, *Mayi-Mayi* movements cannot simply be regarded through a Liberian or Sierra Leonian lens. While they may be involved in self-feeding violence, combating Rwandan troops is an essential motivation for their action. The key point will be to offer these groups new economic and business opportunities.

Second, it is useless to blame companies or actors of criminal activity before reorienting existing networks of exploitation and trade towards productive objectives. Some questions need to be answered before: how can these networks be linked up with 'legitimate' economic activities and how can new safeguards between the local and the global level be set up and how can monopoly positions by military actors be eliminated? The reintroduction of formal mining companies in the region depends on a context whereby legitimate authority with some capacity for negotiation and implementation of an agreement is provided for. Perhaps some inspiration can be taken from a company as First Quantum in Zambia: it evolved from a junior company to a mid-level operator through investments made in the region. As First Quantum cannot afford to leave suddenly – as Anglo American did – it becomes a more reliable partner.

This leads us to the third element. The main problem in all regions in the Congo is the destruction of networks of social cohesion. How can informal economy networks be reintegrated into a stable sociological structure? One possibility might be the reintroduction of traditional authority. Once a traditional chief is made co-responsible for the well-being of his people, a nucleus of sociological density may be reconstituted.[8] This will offer possibilities for a process of social healing, where not only conflict solution can be addressed on a local level, but where criminal elements of the *Mayi-Mayi* may be the object of social stigmatisation. The informal networks of trade may thus, at the local level, be reintegrated into structures of legitimacy.

Endnotes

1. Gauthier de Villers (avec Jean Omasombo et Erik Kennes), 'Guerre et politique. Les trente derniers mois de L.D. Kabila' (août 1998 - janvier 2001), *Cahiers Africains* n° 47-48, p. 18-21. This is not to says there was no internal dissent or discontent, but the popular support for the second 'rebellions' was very limited and dwindled away as the war continued.

2. Cf. Douglas Goold and Andrew Willis, *The Bre-X Fraud*, McClelland and Stewart, Toronto, 1997, p.272.

3. Cf. Magnus Ericsson and Andreas Tegen, 'African Mining in the late 1990s – A Silver Lining?', in *CDR Working Papers*, Centre for Development Research, 1999, p.33.

4. Cf. the seminal study of Jean-Luc Vellut, 'Les bassins miniers de l'ancien Congo Belge. Essai d'histoire économique et sociale (1900-1960)', in *Les Cahiers du Cedaf*, novembre 1981, 7, p.70

5. See *Le nouvel ordre politique et les enjeux économiques du conflit en République Démocratique du Congo*, Rapport du groupe d'expertise congolaise de Belgique, Tervuren, p.64.

6. Chris Dietrich, 'Commercialisme militaire sans éthique et sans frontières' in F. Reyntjens and S. Marysse (ed.), 'Annuaire des Grands Lacs 2000-2001', CERGLA-Université d'Anvers, L'Harmattan, 2001, pp.333-364.

7. Michael Nest, 'Ambitions, Profits and Loss: Zimbabwean Economic Involvement in the DRC' in *African Affairs*, 2001, nr. 100, pp. 469-490.

8. I am fully aware that chiefs are part of the problem in the Kivu region because of their policy of land distribution. But one can only try and find workable solutions. In the present situation there are no optimal or even good solutions. I am grateful to Mr. Mwando Nsimba for inspiration with these proposals.

Congo: Revisiting the Looking Glass

Carole J.L. Collins

This Briefing analyses economic developments and trends in the Democratic Republic of the Congo (DRC), within the context of recent political and military manoeuvres and the current human rights situation.

Peace on the Horizon?

On 30 July 2002, Joseph Kabila, president of the Democratic Republic of the Congo (DRC), and Rwandan president Paul Kagame signed a United Nations/South African-brokered peace agreement intended to resolve their conflict. The two governments' specific undertakings to end hostilities and their inviting the United Nations (UN) and South Africa (RSA) to monitor the accord's implementation raised hopes that peace might be on the horizon.

But things are rarely what they seem in the DRC. All parties to the conflict say they want peace – but most of the belligerents still want it on their own terms. By mid-August 2002, observers were asking if peace, or merely another chapter in the Congo's regional war, was at hand. While devoutly hoping this may be a first step towards peace, many fear the accord may merely be a marriage of convenience or 'PR' exercise by two politically weak parties to the conflict. Skeptics of the accord are many. They include South African analysts who feel Mbeki backed an imperfect accord in an effort to boost the credibility of African leaders' stated commitment to conflict resolution embodied in the New Partnership for Africa's Development (NEPAD). They also include '*Les Kinois*', those living in Kinshasa, who have seen Kabila Sr. and Jr. pull out of peace processes before. Also skeptical are many in the Kivus, where Rwanda has long resisted pressure to end its military presence and where Ugandan and Rwandan military officers have been extensively involved in looting the DRC's natural resources. All of these saw earlier hopes for peace dashed by the failure of the more inclusive Lusaka Peace Accord of 1999. Many fear this is just another political manoeuvre between but two of the Congo's multiple belligerents in this complex regional conflict.

Several positive developments following the signing of the July 30 accord raised modest hopes that it might 'take' and move Congo clearly down the path to peace. Among these were:

- A reported decision by Ugandan President Yoweri Museveni in mid-August to order the total and immediate withdrawal of UPDF soldiers still in the DRC, though some will reportedly remain along the DRC-Uganda border to prevent inter-ethnic fighting in Ituri province spilling into Uganda;

- A reported new willingness of Kabila to begin negotiations with the RCD-Goma and his naming Vital Kamhere (assisted by two deputies, Mupapa Say and Seraphin Ngwej) in mid-August as the DRC government's commissioner-general in charge of following up the Great Lakes peace process. (Kamhere, from South Kivu, previously worked as a deputy on Kinshasa's relations with MONUC. Some say he was the main broker of the Kabila-Bemba power-sharing agree-