

BTI 2012 | Congo, DR Country Report

Status Index	1-10	3.09	# 122 of 128	
Political Transformation	1-10	3.60	# 107 of 128	➔
Economic Transformation	1-10	2.57	# 124 of 128	➔
Management Index	1-10	3.12	# 114 of 128	

scale: 1 (lowest) to 10 (highest) score rank trend

This report is part of the Bertelsmann Stiftung’s Transformation Index (BTI) 2012. The BTI is a global assessment of transition processes in which the state of democracy and market economy as well as the quality of political management in 128 transformation and developing countries are evaluated.

More on the BTI at <http://www.bti-project.org>

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Key Indicators

Population	mn.	66.0	HDI	0.286	GDP p.c.	\$	347
Pop. growth ¹	% p.a.	2.7	HDI rank of 187	187	Gini Index		44.4
Life expectancy	years	48	UN Education Index	0.356	Poverty ³	%	79.6
Urban population	%	35.2	Gender inequality ²	0.710	Aid per capita	\$	35.6

Sources: The World Bank, World Development Indicators 2011 | UNDP, Human Development Report 2011. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$2 a day.

Executive Summary

The Democratic Republic of the Congo has recorded very little democratic or economic progress during the period under review (January 2009 – January 2011). Many factors have blocked rapid democratic and economic development including widespread human rights abuses, a visible disrespect of constitutional requirements, widespread corruption within the administration and the leadership's inability to devise and implement appropriate policies. Congolese state structures have either remained extremely weak or are barely existent in some areas.

While much of the western area of the country has achieved relative peace and stability, the state continues to struggle with establishing its monopoly on the use of force. Several U.N.-backed military operations in alliance with the Rwandan and Ugandan armies have failed to track anti-government forces and completely end violence in the country's eastern provinces.

The country's economic performance has not really live up to expectations. Even though relatively significant GDP growth has been experienced in 2009 and 2010, the majority of the population remains extremely poor. The implementation of economic policies has only been possible as a result of constant pressure from the IMF, World Bank and other international donors. The country's leaders have not really shown the willingness or the capacity to devise appropriate policies and implementation strategies to set the country on a sustainable course for democracy and economic development.

Under the current circumstances, no major change should be expected following the forthcoming 2011 general elections. President Kabila and his political coalition are likely to maintain their supremacy.

Because the country still relies on international assistance, it is important that international partners emphatically require strong signals from the Congolese leaders concerning the fight against corruption, a commitment to decentralization and the promotion of social reconciliation

(especially at community levels). Urgent reforms in areas such as the security sector and the education system can no longer be put on hold if the country wants to effectively kick-start its economic and political development.

History and Characteristics of Transformation

For many decades, the history of the Democratic Republic of the Congo (DRC) has been one of successive conflicts, economic mismanagement, widespread corruption among the elite and severe social poverty. Combined domestic and external pressure in the 1990s did not prevent President Mobutu from obstructing the country's political and economic transformation. Since 1996 and in the wake of Laurent Désiré Kabila's forceful overthrow of Mobutu in 1997, the Congo has entered into a long series of wars within wars and continued violent regional conflicts which various peace initiatives have failed to end. Struggles for power and for control of Congolese natural resources, the nonexistence of a trustworthy system of leadership change, and the continued widespread culture of corruption among Congolese leaders have left no space for the country to embark effectively on the process of devising and implementing appropriate development reform policies.

The country's political conflicts began in 1960, after it achieved independence from Belgian colonial rule. The post-independence era was characterized by ethnic rivalries, army mutinies, political struggles over access to state leadership offices, the isolation and then assassination of the country's first prime minister, Patrice Lumumba, and a widespread partition of the country as a result of regional secessions. Mobutu's 1965 coup d'état paved the way for his 32-year authoritarian regime, during which only very few individuals directly linked to him benefited from the system, and appropriated public funds for private purposes.

Although Western allies grew increasingly disinclined to support Mobutu in the 1990s, this did not result in any effective change in his political and economic leadership. Even though Mobutu opened up the political field in the 1990s by legalizing many pro-democracy parties alongside his own political party, he continued to obstruct political and economic process. At the Sovereign National Conference, over 2,000 representatives of all political parties and civil society organizations agreed on long-awaited reforms which were simply ignored and never implemented. Democratic elections were always postponed. Mobutu and his cronies continued to rule imperiously over all economic and political structures of power, resulting in total political, economic and social chaos.

With the support of the impoverished and socially desperate population, a rebel movement – Alliance des Forces Démocratiques pour la Libération du Congo (AFDL) – launched a campaign against Mobutu in 1996. Enjoying considerable unofficial international support, but militarily backed mainly by Rwanda and Uganda, AFDL successfully ousted the 32-year regime of Mobutu. Its leader Laurent Désiré Kabila proclaimed himself head of state on 17 May 1997.

Laurent Kabila's leadership did not differ from that of his predecessor. Equally authoritarian, he ruled autocratically and made use of all forms of power. The population's quality of life worsened and no improvements were made in human rights.

Kabila's leadership had destroyed and blocked every existing initiative to promote the rule of law, much-needed economic transformation and the development of a democratic infrastructure. He also led the Congo into a new war from 1998 to 2002. Perceived initially as a mere internal disagreement within AFDL, the crisis evolved within months into a regional war against the regime of Laurent Kabila, pitting the same external government armies implicated in the 1996 war (mainly from Rwanda and Uganda) against one another in alliance with several newly formed rebel movements. The war also attracted several multinational companies and complex spheres of local, national and regional interests drawn by the relatively easy access the conflict afforded to Congo's rich natural resources, destroying any remaining infrastructure and plunging the Congo into the world's greatest humanitarian catastrophe. Laurent Kabila was assassinated in January 2001 and succeeded by his son Joseph Kabila, who resumed peaceful negotiations with various rebel groups, representatives of political parties and civil society delegates. After the world's largest U.N. peacekeeping force (MONUC) was deployed around the country, the negotiated power-sharing government was installed in 2003 and tasked mainly with restoring the state's overall authority and organizing long-awaited democratic elections.

In 2006, as a result of what was largely accepted as the country's first democratic election since 1960, Joseph Kabila remained in office. Following a parliamentary coalition deal, Antoine Gizenga was appointed prime minister in 2007. The government's major reform programs were based on poverty reduction strategies, effective reunification of the country after war, and the building of fundamental state institutions such as a judicial system but did not prove successful during Gizenga's tenure. In 2008, following Gizenga's resignation, President Kabila appointed Adolphe Muzito as prime minister to oversee his plan of action. While Muzito's approach slightly differs from that of his predecessor, his government's actions have not really resulted in the hoped-for economic and political transformations. The state's most important structures have remained either weak or nonexistent in most of the country.

While the elected parliament has continued to produce many laws, actual power has remained confined to the country's president. The constitutional promise of local elections and decentralization into 27 provinces never materialized and was put on hold following the January 2011 revision of the constitution.

The administration's major characteristics – its notorious corruption, inappropriate governance, lack of transparency in policy-making/implementation, and continued serious human rights abuses – mean that the Congo continues to be an unsuitable environment for private foreign investors despite its rich natural resources and subsoil assets (diamonds, coltan, copper, gold, oil, etc.). Major attempts to reform the country's economic and financial sector have either proved inadequate or were simply quietly abandoned. In 2008 as a result of continued international support there were scant signs of a possible economic recovery, which did not translate into sustainable results in 2009. Even though substantial GDP growth was registered in 2010, the

delivery of state services remained largely nonexistent and the majority of the population continued to live on less than \$1.25 a day.

Continued violence in eastern parts of the country deters most investors. New and revived insurgent movements continue to challenge the elected Kinshasa government and the U.N. mission, in defiance of ongoing peace efforts. Initiatives ranging from peace conferences (Kigali and Nairobi 2007, Goma 2008, Nairobi 2008 and Goma 2009), talks with eastern neighboring countries, and joint governments' military attacks against anti-government forces have not ended violence in the Congo. While many of the western provinces remain free of large-scale violence, the eastern region is still at war, and the Congo remains one of the world's most unstable countries. As of January 2011, the Congo is still confronted with enormous challenges to effective political and economic transformation.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 10 (best) to 1 (worst).

Transformation Status

I. Political Transformation

1 | Stateness

The state's continued struggle to maintain its monopoly on the use of force remains acute and visible in most parts of the country, except in a few major cities such as the capital Kinshasa. Emerging and renewed insurgent movements continue to seriously challenge the government's monopoly on the use of force. While many such movements are confined to the eastern region, there were in 2009 and 2010 reliable reports of violence in the northwestern province of Equateur. Efforts to reform police forces during the review period have shown little progress. The national army, the Armed Forces of the Democratic Republic of the Congo (FARDC), is being rebuilt but is poorly organized. Despite peace agreements signed in 2003 and 2009, former rebel forces have yet to be properly integrated into the army, which continues to lack clear effective leadership. Attempts to incorporate former rebel groups into the military have resulted in competing chains of command and factional conflicts, with many soldiers answering to former commanders and political leaders rather than their formal superiors. Largely unpaid, many soldiers turned to terrorizing civilians, often extorting their belongings. There have been numerous reported cases of rapes and civil rights abuses at the hands of FARDC. MONUC forces (MONUCSO, as of July 2010) have also failed to help establish a secure environment. During the past two years under review, the Congo has remained unstable while providing fertile territory for emergent armed groups. These groups increasingly challenge the state's monopoly on the use of force.

The notion and the existence of a "single Congolese" nation-state has unanimously remained sacrosanct. All major groups in the country (ethnic groups, regional groups, political parties) accept the concept and existence of the Congolese nation-state. Even in the course of the past decade of violent conflict, no rebel movement or other major group advocated secession. This relatively strong sense of national identity is one of the most remarkable features of the country, despite the predatory nature and history of its state, which, over the past two decades, has provided none

Question
Score

Monopoly on the
use of force

3

State identity

7

of the public services and functions that are commonly expected from state institutions. Occupation by foreign armed groups and armies, notably Rwanda and Uganda, has undoubtedly contributed to fostering Congolese nationalism.

Minority groups are not denied civic rights as a matter of government policy, but some measure of discrimination exists in parts of the country. In North Kivu and South Kivu, the Congolese nationality of Rwandophone minorities continues to be questioned by ethnic majority groups. However, the law on nationality that parliament passed in 2006 was, in theory, inclusive.

The DRC is a secular state. Religious dogmas have only a very limited degree of influence on politics. However, the country's religious bodies, especially the Christian churches, are influential institutions that play a positive, integrating role in the country by providing social, educational and health services. Moreover, they remain the moral conscience of the society and, to some extent, they either influence or engage actively in politics. Pentecostal churches and evangelical preachers have a substantial influence on many Congolese, but are more profit-driven than political.

No interference of religious dogmas

8

The state's infrastructure is more or less present in most parts of the country, while an increasing state presence is focused on larger cities and important mining areas. The administration's ability to operate smoothly and its service delivery, however, have remained inadequate due to corruption, underfunding and weak professionalism. After the government's successes in defeating rebel movements in the Kivus, it undertook – with strong support from international donors – comprehensive efforts to establish its authority in eastern Congo. The framework for this is given by the Stabilization and Reconstruction Plan for DRC (STAREC) and the International Security and Stabilization Support Strategy (ISSSS), which focused on the construction of infrastructure and a broad deployment of newly trained and equipped police forces. Large parts of the areas in conflict have remained outside state control and are still administered by parallel administrations established by rebel groups (mainly the National Congress for the Defense of People (CNDP), which has now turned into a political party and joined the pro-government coalition AMP). The judiciary legal system has still not been extended to most rural areas. The planned peace tribunals (about 150), which are supposed to deal with local election complaints, have not been fully. The state only rarely maintains law and order. Its representatives often go unpaid and lack equipment, relying on petty corruption to survive. Decentralization has been slowed by the fact that the constitution has been changed to allow for the creation of 15 new provinces. Twenty-six provinces were supposed to be created within 36 months of the 2006 constitution being signed, but it is now up to the legislator to determine the procedures for implementation of the constitution.

Basic administration

2

2 | Political Participation

In 2006, the DRC held its first free and fair presidential, parliamentary and provincial elections since independence. The next general elections are expected to be held in November 2011 and February 2012. Local elections were originally scheduled for 2007, but were postponed several times before being scheduled for 2013. Since the voter registration update has undergone serious delays since 2008 and has not yet been finalized, local elections have been postponed until after the general elections. A further change of the electoral calendar is likely. Because of the delays, elections may be held only after the official end of the president's mandate (5 December 2011). In this situation, the president's legitimacy could be doubted and conflict could arise.

The political climate deteriorated considerably in January 2011 due to rapidly passed constitutional changes, including the abolishment of the second round of presidential elections and the introduction of a simple majority vote for the presidential contest. The opposition claimed that the changes were tailored for President Kabila, and contradicted the Sun City peace agreement and the historical consensus around the constitution of February 2006. In late 2010, two heavyweight opposition candidates, Etienne Tshisekedi of the Union pour la Démocratie et le Progrès Social (UDPS) and Vital Kamhere of the Union Nationale Congolaise (UNC), declared their intention to run for president. Since then, intimidation of opposition members by government security forces has increased. It is possible that Kabila seeks to amend the electoral law to furthermore exclude particular opposition candidates. Nevertheless, it can be expected that numerous political parties and platforms will take part in the election. The outgoing Independent Electoral Commission (IEC) has been very inefficient in organizing the complex and high-tech voter registration update, which was also slowed by delayed or withheld government funding between 2007 and 2010. When registration is finalized, some 31 million Congolese are expected to receive voter cards through a highly transparent process. The new Independent National Electoral Commission (INEC), sworn in on 26 February 2011, may become even more dependent on the government than the previous one. The commission's new president is very close to Kabila and is supposed to guarantee his re-election. Nevertheless, the ruling majority and the opposition have finally agreed on a fair division of key INEC posts, including an opposition vice president, and the risk of a boycott by the opposition has been reduced. In 2010 the government took positive steps towards funding the electoral process by adhering to the previously agreed division of costs with the donor community. The government intends to finance 65% of the \$240 million election budget. Media access is government-biased and not equally ensured for all parties and candidates.

Free and fair
elections

6

President Kabila remains in charge and has the power to govern with regard to important matters as far as classical veto powers (armed forces, landowners, business groups, etc.) were concerned. Several individuals within government inner circles are said to have power and influence over the government and Kabila. It is difficult for external observers to assess how far the influence of different individual or groups actually goes, and when alignments have changed. The country's governance problems stem from various factors like the deeply imbedded culture of corruption and the weakness of state institutions. The major problem, however, results from the growing influence of the president, who increasingly positions himself against the democratic system. Nevertheless, the influence on national politics of informal power structures and some business groups (particularly from Katanga) should not be underestimated.

Effective power to govern
3

The constitution guarantees freedom of association and assembly. Opposition parties with any relevance for governance have been repeatedly constrained in their activities or disabled. The government has applied repressive measures against opposition groups and has left little space for public protest. Opposition groups include Jean Pierre Bemba's Liberation Movement of Congo (MLC), Etienne Tshisekedi's Union pour la Démocratie et le Progrès Social (UDPS) and, more recently, the newly founded Union Nationale Congolaise (UNC) of Vital Kamhere. The Bas Congo-based politico-religious movement Bundu Dia Kongo (BDK) was blocked from registering as a political party. In general, however, civil society organizations are able to act without restrictions.

Association / assembly rights
4

Freedom of expression is guaranteed in the constitution but severely limited in practice. Citizens, organizations and mass media expressing opposition opinions run a high risk of state intimidation, arrests and abuses. Those critical of country's political and military elites were repeatedly pursued and illegally detained. During the period under consideration, human rights organizations reported several abuses and murders, but the best known case is the assassination of the Congolese human rights' activist Floribert Chebeya. One of the president's strongmen, General John Numbi – the head of the country's police – is reportedly implicated. Fenando Kutino is another example: a prominent pastor, he was arrested five years ago by Kabila's security services for simply expressing his views. He still remains in prison without trial. In many of these cases, the perpetrators, often close to the country's leadership, have never faced justice.

Freedom of expression
4

Generally, the mass media is poorly developed. Newspaper circulation was mainly limited to Kinshasa and a few big cities. Elsewhere, newspapers are too expensive for most citizens. Private TV and radio stations exist, but are occasionally subject to restrictions and closure or are controlled by wealthy politicians and businessmen with political interests. Despite broad deficits, the mass media provides room for a lively political and societal debate that definitely adds to the democratic opinion-forming process in urban areas at least. The only nationwide media that transmitted

objective information was Radio Okapi, a U.N.-sponsored media outlet. In sum, severe interference with freedom of expression is reflected by international assessments – in the Freedom House Global Press Freedom 2010 survey, DRC was classified as “Not Free” and ranked 174th out of 196 countries.

3 | Rule of Law

The 2006 constitution provides for a separation of powers between the executive, the legislative, and an independent judicial system. However, the period under review has seen an increasing concentration of power in the presidency. Kabila’s former ally, the President of Parliament Vital Kamhere, was forced to resign by the President in early 2009 after criticizing Kabila’s negotiation of Rwanda’s armed intervention in eastern Congo. The parliament, which had become a relatively dynamic and open political forum for active opposition participation, lost its influence under the leadership of Kamhere’s successor, Evarist Boshap. Because of the National Assembly’s overruling mandate in case of dissent, the Senate’s influence remained quite limited despite its leader Kengo wa Dondo, who is considered to be somewhat opposition-friendly. The overriding power of the president became even more obvious following constitutional changes which were pushed through rapidly during an extraordinary session in January 2011. While the Senate President was initially opposed to rewriting the constitution, both houses finally united and approved major changes, including the abolition of the provinces’ autonomy. This not only violated the original constitution, but essentially changed the political system from a semi-parliamentarian to a presidential system. A number of essential laws passed the two houses according to protocol, including the law on the constitutional court and the law on police reform. Several governors and presidents of Provincial Assemblies were dismissed through votes of non-confidence. Later, however, the same individuals were “nominated” by President Kabila, which often involved bribing members of the provincial parliaments to vote for the ruling coalitions’ candidates. This was the case, for example, in Equateur, where the opposition lost its influence in its last stronghold (in 2006, the province had voted for Jean-Pierre Bemba and his MLC).

Separation of
powers
3

Root and branch reform remains long overdue in the judicial system. While every provision is made in theory for the judiciary to be independent, in practice it continues to be overburdened, under-financed and severely undermined by political influence and corruption. The courts are completely subordinate to political authorities. They are notorious for returning favorable verdicts to the payer of the highest bribes. Members of the judiciary are appointed directly by President Kabila – usually without due consultation – and lack independence.

Independent
judiciary
2

Despite the existence of anti-corruption laws, most officeholders who exploit their offices for private gain have gone unpunished. The prosecution of corrupt officeholders was usually motivated by the desire to weaken political competitors rather than promote the rule of law, per se. However, there are signs that total freedom to abuse power no longer exists – for example, some soldiers who committed human rights violations, in particular rape, have been sentenced. The population is growing more and more aware of high-level corruption through the “naming and shaming” of suspects. In general, however, the rule of law remains seriously undermined by political corruption.

Prosecution of
office abuse
3

Civil rights are guaranteed by the Congolese constitution, but are frequently violated by the state and its agents, and especially by security forces in the war-torn eastern provinces. The former rebel General Bosco Ntaganda, accused of widespread violations of civil rights, still enjoys his freedom. He has been incorporated into the regular army and given responsibility for vital military operations in the east. For all practical purposes, given the state of the judiciary and the weak rule of law, there is no possibility of redress for the vast majority of the population. While women face outright discrimination in many areas of life, their rights – including the right to life, security and physical integrity – have been massively violated, particularly in the eastern provinces. Sexual violence against women is a tremendous problem in DRC, and international donors have made the fight against it a priority.

Civil rights
3

4 | Stability of Democratic Institutions

Democratic institutions were formally established following the 2006 elections, but their actual performance reveals major democratic deficits at national and regional levels. Power has become even more strongly entrenched in the presidency than in the previous period under review. State institutions that should provide checks and balances, like parliament and the judiciary, suffer from corruption, a lack of professionalism, poor performance and from dependence on the political patronage dispensed by the president. There are very few reform-minded individuals among the country’s elite.

Performance of
democratic
institutions
2

The DRC’s political culture does not yet provide fertile grounds for democratic development. Many institutions – including non-state entities, such as political parties and civil society groups – lack internal democracy and are often characterized by the personal rule of individuals. The presidency does not practice democratic procedures as prescribed by the constitution and the political system. Instead, the use of corruption to attain political goals remains a prevailing way to influence legislators in key decision-making processes. On several occasions, parliamentarians at a provincial level were said to have been bribed to install a Kabila-friendly provincial government or to replace the Provincial Assembly’s

Commitment to
democratic
institutions
2

president. The government also lacked commitment to providing regular funding to the electoral authority to organize local elections in a timely manner, for which legislation remains partially lacking.. While parliament provided the essential laws for the country's decentralization, it has not implemented the constitutional provision for the creation of 15 additional provinces. Provincial Assemblies have been hampered by not having appropriate mechanisms for state budget distribution, which should allow them to retain 40% of their collected revenues. Opposition parties' initiatives have been frequently disrupted and the regime's critics are increasingly suppressed or even eliminated, as in the case of the well-known human rights activist, Floribert Chebeya. The deeply embedded culture of clientelism runs the risk of destroying the democratic foundation built during the recent peace and reconstruction process. The government, however, appears to be gradually re-instituting an autocratic system.

5 | Political and Social Integration

The DRC's political party system is fragile. Out of 355 registered parties only a few are firmly rooted in society, and even fewer are organized on a national basis. Many parties remain fragmented along ethnic, communal or regional lines. Among the exceptions is Kabila's ruling party, the People's Party for Reconstruction and Democracy (PPRD), which has countrywide structures thanks to its comprehensive access to state funding. The PPRD holds 22% of the seats in parliament and is the largest party. Through co-option of smaller parties and "independents," the pro-government coalition Alliance for the Presidential Majority (AMP) has increasingly established its political supremacy. The AMP's adherence to an alliance with the Party of Unified Lumumbaists (Parti Lumumbistes Unifiés, PALU) – the party of the prime minister and the third largest party in the National Assembly – has proved a stabilizing factor. The majority in the National Assembly is organized in nine, the opposition in three parliamentary groups. The MLC is the second strongest party in parliament and remains the leading opposition party, but suffers from a decreasing influence through the loss of its party leader, Jean-Pierre Bemba. With the return of its former leader Etienne Tshisekedi to DRC in late 2010, the UDPS, which is currently part of the extra-parliamentary opposition, announced that it would participate in the 2011 election and has started to reactivate its regional structures. While a number of larger political parties exist and are trying to consolidate their structures, most parties remain focused on individuals who use their party as a vehicle to launch a political career, often in the hopes of being co-opted by the ruling elite.

Interest groups are present only in isolated social segments and seldom cooperate. On the whole, they are poorly organized and lack political clout. The regime's comprehensive control of power seriously impairs the people's ability to organize

Party system
4

Interest groups
4

into effective interest groups. It is also significant that there are few obvious links between such interest groups and major political formations. Among those that have some influence are the employers' association (the Federation of Enterprises in the Congo, or FEC), several trade unions and associations of school teachers and doctors. However, their demands are rarely taken into account, despite the fact that they frequently organize strikes. Christian churches may be the only bodies in the country that can channel the demands of some segments of society.

Given the absence of representative survey polls, the citizenry's consent to democracy cannot be adequately evaluated. On the face of it, it can be assumed that the commitment of the citizenry to democracy is fairly strong; this commitment extends to the point that the "return" of civilian politics after many years of war has raised unrealistic hopes. The only indicator available so far is the impressive level of participation in the various elections of 2006 – the first time that most Congolese had a chance to vote. At the same time, the citizens' current strong interest in political change is often perceived as a reaction to the social and economic misery they face rather than their commitment to democratic norms.

Approval of
democracy
n/a

Given the absence of state services in the last two decades, social self-organization and social capital have been steadily built up by default. The country has a lively associational life. Today, there are about 5,000 registered NGOs, whose numbers have increased tenfold since the beginning of the 1990s. However, like the political parties, many of these groupings are often linked to narrow local and ethnicity-based constituencies. This is particularly true in the eastern regions of the country, where trust among the various social groups has been severely eroded. Poverty and the low level of economic and social development have negatively affected the ability of the Congolese to organize in a way that effectively benefits their society. Village communities, extended families, and women's local groups provide the major frameworks of solidarity and self-organization, within which interpersonal trust appears to be high.

Social capital
4

II. Economic Transformation

6 | Level of Socioeconomic Development

Question
Score

For many decades, the majority of the population lived in absolute poverty. In the UNDP HDI update of 2010, DRC attained a HDI value of 0.39 and ranked 168 out of 169 evaluated countries. 71.3 % of Congolese lived absolutely below the poverty line and the majority of them lived on less than \$1.25 a day. More than 53.7% of the population is deprived of the most basic needs such as access to drinking water and

Socioeconomic
barriers
1

basic health care (48.2%), while 52% of children do not have access to adequate nutrition. The state provides only very limited services to residents in major cities, where access is also restricted to a few individuals with connections to the most powerful individuals. Service delivery in most of rural parts is largely nonexistent. In general, the Congo continues to suffer social and economic disparities, largely as a consequence of the incompetence of its government, the strongly embedded culture of corruption and the lack of appropriate economic reforms. For many Congolese, survival is only ensured by subsistence farming (which it is currently limited due to the ongoing instability in some areas) and informal small-scale trading. Churches, social groups or family members often provide some social assistance. Poverty has little systematic relation to ethnicity or identity. Those with access to power, either via the ruling presidential alliance or existing armed groups, live a relatively comfortable life. Women, who have increasingly become major providers for their families, continue to suffer rape and violations of their civil rights, especially in the war-torn regions.

Economic indicators		2007	2008	2009	2010
GDP	\$ mn.	9977.1	11668.4	11204.1	13145.1
GDP growth	%	6.3	6.2	2.8	7.2
Inflation (CPI)	%	16.9	17.3	-	-
Unemployment	%	-	-	-	-
Foreign direct investment	% of GDP	18.1	14.8	5.9	22.4
Export growth	%	9.9	-3.9	5.4	9.4
Import growth	%	9.2	15.7	-11.9	17.0
Current account balance	\$ mn.	-	-	-	-
Public debt	% of GDP	129.1	136.3	138.3	29.5
External debt	\$ mn.	12365.4	12210.5	12276.0	5773.7
Total debt service	\$ mn.	496.6	591.9	622.9	267.6

Economic indicators		2007	2008	2009	2010
Cash surplus or deficit	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	10.4	11.0	7.6	5.5
Public expnd. on edu.	% of GDP	-	-	-	-
Public expnd. on health	% of GDP	6.1	7.3	9.5	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	2.0	1.4	1.0	-

Sources: The World Bank, World Development Indicators 2011 | International Monetary Fund (IMF), World Economic Outlook 2011 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2011.

7 | Organization of the Market and Competition

The government boldly showed its intention to move from a state-run economy to a market-oriented economy by taking a few measures of privatization which were ineffectually implemented. Progress remains very slow and has been severely obstructed by corruption courtesy of informal and non-transparent networks directly connected to various political elites and their foreign allies. Market competition is present only in segments. Its institutional framework is meager and unsupported by the government. Even though laws for market participation exist, they are either not implemented or inconsistently applied (favoring those with privileged status). State regulations are not effective and are often ignored. In “Doing Business 2011,” a World Bank publication that assessed the worldwide business climate, the Congo ranked 172 out of 179 evaluated countries. This is, however, an improvement on recent years when the DRC repeatedly ranked last.

Market-based
competition
2

Given that effective state structures do not exist and law enforcement is the exception rather than the rule, there are no safeguards against monopolies and cartels. There has been a considerable amount of private investment in the mining sector between 2007 and 2010, but the state stills holds the monopoly in many other sectors such as energy. A wide range of international companies operate in the country, for example in the communication sector.

Anti-monopoly
policy
2

Officially, the DRC is committed to the liberalization of its economy. State agencies for the promotion of foreign trade have been set up, and the required laws have been passed. The government’s implementation of the existing legislation, however, remains deficient and inconsistent. As the Heritage Foundation’s 2010 Index of Economic Freedom reports, (Foreign) Entrepreneurial activities, are curtailed by an uncertain regulatory environment and the absence of influential institutional support

Liberalization of
foreign trade
4

or facilitation for an effective private-sector development. The cost of trade is raised by arbitrary taxations, poor infrastructure, systematic corruption of state officials, many outmoded and often inconsistently implemented regulations, and the weak rule of law.

In 2009 and 2010, there were a few foreign investments in the Congolese banking system, which still remains weak and often unreliable. Even though a considerable number of commercial banks have started to operate in the DRC, the majority of commercial transactions still go through other informal channels, which account for more than 80% of the money supplied. Due to geographical and infrastructural constraints, and many years of violence, most of these banks have remained confined to major cities. There was no indicator that they could expand their operations in the near future. In addition, banking regulation and supervision are inadequate, and there is no sustainable and functioning capital market. A micro-finance sector, which aims to support small-scale projects, is ineffective, inaccessible and largely nonexistent in many parts of the country, especially in rural areas. Credits to the private sector accounts for less than 5% of GDP.

Banking system
4

8 | Currency and Price Stability

The depreciation of the Congolese franc has slowed in relative terms. However, largely as a result of extensive political patronage, a lax fiscal policy and internal and external domestic economic blows, inflation remains high. It averaged 46% in 2009 and, though it fell significantly during 2010, it still stands at a worrying 26% according to EIU estimates. The annualized rate for 2011 is currently projected to reach less than 10%. A continued surge in oil and food prices remains the major cause for concern. In principle inflation control is a component of the economic system, but in reality it is institutionally and politically subordinated to other goals. Foreign exchange policy is essentially used for political purposes and performs only under pressure from international donors.

Anti-inflation /
forex policy
3

In the past five years, the government had initiated economic reforms aimed at stabilizing the macroeconomic situation and promoting economic growth. However, there has never been a consistent implementation of fiscal and debt policies. Many of these policies were either unsuitable or unable to promote macroeconomic stability. Due partly to the 2009 global financial crisis, but mostly to these inadequate policies, leaders' mismanagement, continued violence in the eastern regions, unlimited money supply and uncontrolled public expenditure, the DRC faces a serious fiscal and monetary crisis. Its international reserves have neared zero and the exchange rate has rapidly deteriorated. According to the Heritage Foundation, total government expenditures, including consumption and transfer payments, rose significantly to 22.7% of GDP in 2010. Thanks to an infusion of international emergency assistance and improved prices for key export

Macrostability
3

commodities, the DRC's macroeconomic situation has stabilized in relative terms and the economy has significantly recovered. After an estimated real GDP growth of 5% in 2010, rates of 6.5% and 6.3% are expected in 2011 and 2012 respectively.

9 | Private Property

Property rights may be stipulated in a very complex manner, but they are still explicitly recognized in the Congolese constitution. However, due to sustained corruption, a dysfunctional judicial system and frequent administrative failures, these rights are either largely ignored or inconsistently enforced. Expropriations of private property are frequent, especially by people with links to the president, his direct family, political and military elites. The state remains a major property owner of both important real estate and the country's land, and also awards and validates property rights to private owners. Major infringements of these rights are directly linked to complex and obscure government procedures. Many contracts awarded either to exploit or own an important piece of land have been, since 1996, subject to revision by the next authority in power. Without resorting to bribing the country's elites for protection, many businesses in sectors such as mining face tremendous difficulties in operating freely.

Property rights
3

The Congolese government is under enormous pressure to improve the environment for the free flow of private investments and effective operation of private enterprises. The country's regulations explicitly allow for the promotion of foreign and domestic private investments, especially in the form of private ownership. The state does not formally limit domestic or foreign private investments. However, as also reported in the 2011 Index of Economic Freedom, it is time-consuming and costly to successfully launch a business, and a ridiculous amount of money (often much higher than the start-up capital itself) has to be paid in unclear tax provisions. Generalized institutional deficiencies such as persistent corruption and lack of access to credit often discourage many private investors. Without the protection of the president and his wider entourage, to whom access needs to be bought either by exorbitant amounts of money or by the transfer of an important proportion of the future company's shares, entrepreneurs have to wait for over 150 days to obtain their business license. Permit and license procedures are very complex. Various government agencies are involved. Outrageous corruption is the norm. In the event of property seizure (often orchestrated by the country's elites), official channels are unable to provide support.

Private enterprise
3

10 | Welfare Regime

No state-sponsored safety nets exist in the DRC. The national Institute for Social Security (INSS) is outmoded and has been completely dysfunctional for up to 25

Social safety nets
1

years. Those safety nets that do exist are found in the private sector and are provided by small self-help organizations, churches and international organizations. However admirable they may be, these organizations are not in a position to cope with the continuing humanitarian crisis in the DRC. The majority of the Congolese people rely largely on their family and community structures as the main social basis for survival, for example in cases of accidents, illnesses, disability, old age, death or maternity. In many cases, employees, most of whom are state employees, have gone unpaid for at least 36 months. The majority of retired employees never see their pension payments.

Equal opportunity does not exist in the Congo and there has been no change in the period under review. There are no institutions to compensate for gross social differences or mechanisms to facilitate the social (re)integration of disabled people or ethnic groups such as the Pygmies, who suffer from systematic discrimination. Women suffer from discrimination in many sectors, but in particular as regards their access to education (especially in rural areas). Generally speaking, opportunities for social success are directly linked to the social status and connections of the individual's family. Societal participation in the DRC is determined by personal relations and patronage networks. A merit-based system of opportunities does not exist.

Equal opportunity

1

11 | Economic Performance

Overall economic performance registered significant improvements driven by major investments in the mining sector and sustained international assistance, but remains mixed. Inflation rates reached very high levels in 2009 and 2010 (46% and 26% respectively) but projections indicate that they will fall sharply in 2011 and 2012. As a result of the global financial crisis and the resulting drop in prices for mining commodities and poor management of the country's financial sector, the projected GDP growth was not attained in 2009. Instead, a growth of 2.7% was estimated at the end of the year. In 2010, largely as a result of a strict compliance with conditions of the IMF, the World Bank and other international donors, the government's economic management resulted in an estimated 5% of real GDP growth. Nevertheless, there are still no visible social effects of this minor boom. The country's revenues are still not fairly redistributed to the entire population. The majority of the population remain very poor, and reliant on small-scale subsistence farming, informal low-level trading, and family and community assistance to survive. The country remains heavily dependent on food imports to meet the needs of the urban – and increasingly urbanizing – population. Moreover, with the exception of the mining sector, the industrial sector remains fairly weak and the economy lacks a solidly diversified base. The tertiary sector is under-resourced and has not yet adjusted to producing more skilled labor for other areas of the economy

Output strength

5

such as agriculture and tourism. For 2011 and 2012, the country's GDP growth projections are respectively estimated at 6.5% and 6.3%. In general the country's economic stability remains highly vulnerable due to continued hikes in oil and food prices. Challenges of any kind, but especially continued corruption, the lack of a consistent implementation of policies and widespread inappropriate management of the financial sector remain causes for serious concern.

12 | Sustainability

The Congo has the world's second largest rainforest, accounting for 18% of the planet's remaining tropical rainforest. The Congo basin represents 70% of the African continent's plant cover and makes up a large portion of Africa's biodiversity with over 600 tree species and more than 10,000 animal species. The country's most important river, the Congo, is the world's second largest river by volume. Despite this, DRC has never established a functional institutional framework capable of developing the most suitable conservation policies. Existing regulatory measures are inappropriate and have never been enforced to protect the country's ecosystem. In the past decade, the country's deforestation rate has been one of the world's fastest. Timber is harvested on a commercial scale every day. Rural residents systematically clear parts of the forest for subsistence farming activities. Widespread violent conflicts have also seriously devastated forests and resulted in the expansion of the bush meat and informal timber trade. Successive Congolese governments, including the current one, have shown no consideration for sustainability, preferring to concentrate on the country's economic growth at the expense of its environment. Many legal mining companies have been destroying the country's ecosystem in order to operate, especially in Katanga and most of the eastern region. Even though some companies operating in the timber trade (especially in Ituri) are not officially recognized, they are directly linked to the country's political and military elites. The government's current efforts to extract oil from Virunga National Park do not incorporate any environmental considerations.

Environmental
policy
2

The Congo probably has one of the world's most outdated education, training and research and development infrastructures. Little, if any, data on government spending is available, but it is fair to state that government expenditure on education is minimal, and as result of widespread corruption, officials frequently misuse funds. Even though universities, schools and research centers exist (mainly in major cities), most of them are old and lack basic resources such as libraries, laboratories for research, and trained teachers and academics. Recent wars and ongoing violence have also damaged the infrastructure. Most schools and universities are run by churches and private investors, and parents are expected to pay fees which are usually higher than the equivalent of their two year-state income.

Education policy /
R&D
2

Transformation Management

I. Level of Difficulty

The structural constraints on governance in the DRC are massive, and they will not be overcome in the foreseeable future; they require a fundamental adjustment of the country's current power structure. Structural constraints include a difficult political geography entailing a huge territory with a thinly spread population, the near total lack of infrastructure (e.g., roads), extreme levels of poverty, a poorly educated workforce whose survival depends on the informal economy, various burdensome legacies of a decade of violent conflict and, finally, the total absence of popular trust in institutions and agents of the state. The huge reserves of precious natural resources (e.g., copper, cobalt, diamonds and oil) may call for a more optimistic view. However these resources have never been used for the development of the country but have, instead, stimulated corruption and external interventions.

Structural
constraints
10

Despite the country's otherwise deplorable past, there is a certain tradition of civil society activism in the DRC, which is a result of the long-standing demise of the state under Mobutu. The pinnacle of civil society activism came with the National Conference, when church leaders and other civil society activists (e.g., women's and students' associations, human rights groups, professionals, etc.) made a spirited attempt to force Mobutu out of office.

Civil society
traditions
7

The war of the past decade has seriously weakened civil society dynamism, as the militarization of every aspect of life took root. Civil society has become increasingly politicized, and many civil society activists have entered into politics. The Congo's civil society also reflects the problems that haunt society at large, such as ethnic divisions, exclusionary strategies, reliance on external support as well as organizational and management weakness. Several international donor programs have set the goal of addressing these shortcomings by providing capacity-strengthening measures for civil society organizations.

There are serious ethnic and regional conflicts in the DRC and conflict has continued during the period under investigation, particularly, but not exclusively in the east. Divisions between indigenous peoples and migrants, for example, create a significant source of conflict in the eastern regions and can also be seen to a certain extent in Katanga and Bas Congo. Latent conflicts are stoked by intense regional

Conflict intensity
8

rivalries associated with political elites, and the results of the 2006 elections revealed a striking division between western Congo and the east, which supported the president. Western regions voted against Kabila, and there is a high degree of resentment toward the president and what many perceive as his eastern “mafia” from the Kivus, Maniema and Katanga.

II. Management Performance

14 | Steering Capability

The government lacks the capacity and suitable personnel to kick-start the country’s social, economic and political course of development. The leadership appears to have no intention whatsoever of promoting the collective well-being of the Congolese people. Since coming to power in 2001, President Joseph Kabila has seldom overseen the construction of a hospital, a school, a university, a library, or a road linking two Congolese provinces. None of his successive governments ensured that the old infrastructure – even in the areas under government control during the wars – was renewed and maintained. Furthermore, even though the proposed Grand Inga Dam could provide energy for the entire African continent, the majority of Congolese households – even in the capital, Kinshasa – don’t have access to electricity. After winning the 2006 general elections, President Kabila announced a plan of action known as “Cinq Chantiers de la République” that focuses on the country’s pressing problems such as education, health, infrastructure, energy and employment. However, to date the results have been negligible. The majority of the population are still unemployed, and those with employment, including the country’s military, rarely receive their salaries regularly. In the eastern provinces, where the government usually claims to devote much of its resources and expertise to restoring stability, violence continues. The government has never established a state infrastructure tasked with carefully studying, organizing and prioritizing the country’s pressing problems. Whenever a government comes up with a plan such as the “Cinq Chantiers de la République,” it is often a calculated strategic move to attract funds from the IMF, World Bank and other international donors.

President Kabila devises the government’s strategic priorities which are mostly broadly framed and often unsuitable. Hardly any of these priorities have been implemented in a sustainable way. One of the first negotiated pledges, a minimum salary for employees, has never been fulfilled. The government occasionally executed short-term policies (often financial regulations and adjustments) in 2009 and 2010 to retain the cooperation of the IMF, World Bank and other international donors. In general, the country’s leadership did not show a strict commitment to

Question
Score

Prioritization
3

Implementation
3

promoting and preserving constitutional democracy, to social responsibility or to creating an ecologically sustainable market economy.

The policymaking process in the Congo has always been complex and inefficient. Decisions are often taken within an informal circle in the president's entourage. These circles are usually even more influential than the prime minister and the cabinet. In general, there is little policy learning. Commissions are occasionally established in order to study the government's errors, but failed policies go uncorrected and the government simply remains silent. For instance during 2009 and 2010, government funds were wasted on the reconstruction of a few roads in Kinshasa and Goma which collapsed following heavy rain. Such debacles often result in the replacement of the construction company (the tender often being won by companies with direct links to political or military elites) without thorough investigations. Similar mistakes happen in the mining sectors, where contracts are signed before being annulled by the next minister. In addition, the country's academics are neglected. Their inputs are only valued when they contribute to consolidating the regime. In general, failed policies are addressed only as a result of external pressure from international partners, and the conclusions are concocted to satisfy those partners. Unsurprisingly, the resulting solutions usually have a short life.

Policy learning
3

15 | Resource Efficiency

Successive Congolese governments are notoriously known for wasting even the smallest amount of human, financial and organizational capital. In general, the DRC's political economy is characterized by the wastage of state resources (human, financial and organizational) and their consumption by political elites. Fundamental problems include poor revenue collection, corruption by revenue-collection services and tax evasion. Budgetary procedures are often ignored, and nondiscretionary spending is high. There is probably a parallel budget for private purposes. According to the 2011 Heritage Index of Economic Freedom, total government expenditures, including consumption and transfer payments, rose significantly to 22.7% of GDP in 2010 while the total debt was about 93% of GDP, and the central bank was required to finance the budget deficit. Virtually none of the mechanisms associated with the effective bureaucratic administration of human and financial resources, including monitoring, evaluation and auditing procedures, is in place. The territorial administration is a mere shadow organization. The 2006 constitution provides for a decentralized administration, but – to the frustration of the provinces – foot-dragging by the central government has prevented its implementation. The government's 2009 and 2010 promises to renew the public administration workforce have not yet materialized. Graduates, who are often poorly trained, have not been given the opportunity to replace the ageing public workforce. On average,

Efficient use of
assets
2

only one out of 20 young graduates are hired – often those who have personal connections to the country’s elites.

Power, policymaking and coordination have become increasingly concentrated in the presidency. During the period under review, Kabila has even taken over all the decisions regarding the budget, a responsibility which should actually lie in the hands of the government. Other state structures (national or provincial, executive, legislative or judiciary) are simply expected to support the president’s decisions. Different branches of the government often compete against one another, with counterproductive effects. Public officials’ responsibilities often overlap (e.g., national vs. provincial ministers). The confusing situation leaves room for rivalries and politicking, but still allows President Kabila to retain control. In 2010, when the prime minister annulled the provincial taxes, the association of governors lobbied the president to overturn his decision. The rapidly multiplying centers of power informally organized around the country’s president also hold back the government’s attempts to coordinate policies. The president often dispatches groups of people with no formal public role, such as his own twin sister, to perform duties, often in complete disregard for the formal public officials.

Policy
coordination
2

Despite Kabila’s official “zero tolerance” anti-corruption policy, there remains rampant corruption in all political, economic and social sectors. There are no competitive recruitment procedures and there is constant political interference in government and administration and a total lack of transparency in all affairs of the state, notably in economic and financial matters. Auditing and expenditure tracking is the exception. Public auditors’ reports are often ignored and if offenders’ actions have drawn significant public attention, they are simply moved to other posts. Public procurement systems are opaque and ineffective. Those individuals or companies awarded government tenders are often linked to the country’s elites. Effective prosecution of corruption is unheard of. In 2009 and 2010, for instance, a group of high-ranking military officers accused of embezzling their subordinates’ salaries went unpunished and maintained their roles. Although Article 99 of the constitution stipulates that the president and members of government must make asset declarations, this does not happen. Media editors have become increasingly reluctant to report cases of corruption, fearing repressive responses from the perpetrators. Foreign businessmen often cite corruption as the principal obstacle to doing business. Corruption and government policies have given rise to a parallel economy.

Anti-corruption
policy
2

16 | Consensus-Building

Consensus on the market economy and democracy remains rudimentary, very fragile and is already subject to fundamental revisions. In January 2011, the governing alliance revised the constitution and allowed a single round of voting in

Consensus on goals
3

the presidential elections, abolished the firm constitutional commitment to a decentralized government system, and withdrew the population's sovereign power to elect their provincial governors. The president can also appoint and dismiss them. Abuses of civilian rights and the violent repression of the opposition have been quickly established as the regime's most-used tactics. To date, the government has failed to develop sustainable economic policies to generate revenues and create jobs for the majority of the population. Although the rhetoric of political actors – both inside and outside government – suggests that they target the goals of a market-based democracy, their actions suggest otherwise. The government has shown a marked tendency as a result of consistent international pressure. The elite may block this market development, as it could limit their access to resources.

The regime's partisans have rapidly become very powerful and can exclude any uncooperative actor either politically or by force. Powerful veto actors have been defeated by divisive political maneuvers (e.g., Vital Kamhere in 2009), including the use of force and corruption incentives to allow co-optation into the presidential ruling alliance. Given the authoritarian and patronage-based mentality of the current regime, it is doubtful whether economic and political reforms are really on the agenda. The government has established itself as the country's major anti-reform veto actor.

Anti-democratic
actors

3

No measures have been thoroughly implemented to address the existing divisions or prevent cleavage-based conflicts from escalating. Political elites manipulate – and even exacerbate – existing tensions to shore up their own power. This has been the case in the eastern regions, where national elites aggravate ethnic tensions in tandem with local allies. Where political manipulations have been unsuccessful, the regime has frequently used military force to deal with conflicts perceived as a challenge to their power. The social protest movement in Bas Congo in 2007, 2008 and 2009, and the recent 2009 and 2010 uprisings in the Kivu and Equateur provinces are just a few examples.

Cleavage /
conflict
management

3

In general, owing to its military strength and political supremacy, the political leadership often ignores the opinions of civil society, which is rarely involved in decision-making. While the voices of some union leaders are heard in important negotiations with the government, in other areas civil society is almost completely excluded. In the finalization of the new electoral commission law, for example, the AMP ignored a call for representatives of civil society to be included on the board of the new electoral authority. Elected parliamentarians rarely returned to consult their constituents after moving to Kinshasa in 2007. Opinions that contradict those of the regime are often met with severe repression. Journalists and human rights activists have been killed or accused of high treason and imprisoned without trial. The killing of Floribert Chebeya and the imprisonment of Fenando Kutino are the most high-profile examples. Few of the organized civil society organizations fully exercise their roles, especially when their inputs may infuriate the regime. Many of

Civil society
participation

4

the DRC's most influential civil society figures enter politics and no longer act as autonomous agents. As a consequence, they tend to focus on their own personal political benefit, and not their organizations' concerns.

Reconciliation and justice between those perceived to be perpetrators and victims of past and ongoing injustices, and among different social communities within the Congo remain very crucial to a sustainable end of violence. The country's political leadership has devoted no effective effort in this area. The Truth and Reconciliation Commission set up in 2004 as a result of the 2003 peace agreement never operated. Rather than promoting reconciliation and justice, particularly in the ethnically divided eastern parts of the country, power politics have tended to reinforce tensions. The government has also remained very selective, calling on the International Criminal Court (ICC) to pursue some former warlords, while similar criminals such as General Bosco Ntaganda have been protected and entrusted with high responsibilities in the national army. Given the absence of deeper processes of reconciliation and justice, the risk of renewed widespread violence remains imminent. Anxious not to infuriate the political leadership, which has openly requested a rapid end to its mission, the United Nations continued to shy away from pushing the issues of reconciliation and justice.

Reconciliation
3

17 | International Cooperation

The government's relations with the international community remain ambiguous. Criticisms of its handling of affairs, even if mild, are often denounced as an infringement on the country's sovereignty. In 2010, relations with Belgium hit a new low when the Belgian prime minister denounced the Congolese army's abuses of human rights, and the political leadership's mishandling of the financial sector. The government is only open to an international cooperation which results in a direct financial assistance. The government usually accepts most requirements of the international donors to allow a rapid release of their funds, which are often used for short-term expediencies. Government projects such as in President Kabila's "Cinq Chantiers de la République" have largely remained unfulfilled. International assistance is diverted in part into the personal coffers of the country's political and military elites. As a result, state employees, including the country's soldiers, have remained largely unpaid for years.

Effective use of
support
5

In general, the government tries to present itself as a credible and reliable partner. However, the majority of the international partners who have provided substantial assistance for the last decade are growing increasingly frustrated with the government's mishandling of the country's affairs. The channels of governmental decision-making remain extremely opaque. The many centers of power do not share a common vision about policies and priorities for the country's political and economic development. Until January 2011, international partners had been given

Credibility
4

no reasons for continued delays in reforms of the country's army, where high-ranking officers' assurances are often overturned by their subordinates, who work closely with the president. Most Western donors believe that the Congolese leaders are not open to advice in any form, but are instead willing to receive the maximum possible of financial assistance available. Partly as a result of this Western perception, the Congolese government has become closer to China.

The Congolese leaders have made substantial progress in normalizing relations with most of the country's neighbors – in particular Rwanda and Uganda, who invaded the country twice between 1998 and 2003. In 2009 and 2010, embassies were re-opened and the Economic Community of Great Lakes Countries (CPGL) was re-launched. Meetings which frequently focus on the security sector are regularly held between Rwanda, Uganda and Burundi. These eastern neighboring countries are giving strong signals that their trust in the Congolese leaders has considerably improved, especially in security and peace issues. One major downside to this return to regional cooperation is that these relations are completely dependent on the country's president and lie beyond the state's control. For instance in 2009, and 2010, the president allowed the Rwandan and Ugandan armies into the Congo without the approval of the country's parliament. The majority of the Congolese population, uninvolved in the process, are still very reluctant to support a rapprochement and continue to hold unfavorable perceptions of these eastern neighboring states.

Regional
cooperation
5

Strategic Outlook

The Democratic Republic of the Congo remains burdened with serious economic and political problems. During the period considered (January 2009 – January 2011), the government has made very little progress towards ending violence in the east of the country and kick-starting democratic and economic reforms. The Congolese political system is designed to consolidate and maintain President Joseph Kabila's power rather than developing sustainable and functioning democratic structures. Even though the IMF, World Bank and international partners continue to exert continued pressure on the government to promote a market economy, there is still a high level of state intervention and the government still holds an absolute monopoly over various areas of the economy. Complex and often conflicting centers of power, unprofessional public officials and widespread corruption at every level of government seriously hinder the progress of political and economic development.

No major change is foreseeable after the forthcoming 2011 general elections. If the current conditions prevail, it is more than likely that President Kabila and his coalition will win and increase their dominance. The country's constitution has been revised to consolidate more power in the person of the president. The country's opposition forces remain divided. Because of the country's geographic size and various constraints, no single political manifesto has successfully captured the country's diverse realities and clearly illustrated step-by-step strategies to initiate the country's economic and political advance.

Countless problems continue to hamper the country. An even longer period of time may be required to devise the most sustainable solutions. These solutions will need to consider many factors, but the following are essential:

- A systematic anti-corruption campaign. Corruption should be forcefully combated if the Congo wants to pursue economic and political development. As corruption has become a way of life throughout the entire society, it is important that the education system takes on a leading role. International partners should uncompromisingly target corruption among the country's leaders at every relevant level of government.

The reform of the security sector. This is long overdue. One of the reasons why violence is still ongoing in certain parts of the country is because the country lacks a reliable army, capable of monopolizing legitimate force.

- Reconciliation campaign. One of the major aspects of the conflict is social division and culturally reinforced misleading perceptions of others at the rural community level. The gains of the peace process and other efforts towards disarmament, demobilization and reintegration can only stand the test of time if they are sustained by a serious social reconciliation campaign between communities, especially in rural areas.

- **Independent judicial system.** It is important that the political and military leadership refrain from dictating court judgments. Some laws, such as the law on property, especially in rural areas, are misinterpreted. The extension of a reliable and independent judiciary system to these areas is crucial for the country's peace and stability.
- **Education and training.** Reform in the education system, with a strong emphasis on educating more women, is one of the most pressing priorities. The construction and maintenance of schools, universities and hospitals is required in order to ensure that young people be educated and highly trained. Furthermore, to ensure a rapid and integral development, the country needs to produce a strong and competitive workforce. This sector can no longer be ignored. The country's review of current events shows that the majority of the armed groups were or are made of young people. The majority of them were unemployed, severely impoverished and structurally excluded – membership of armed groups has become their only survival option.
- **Decentralization of the government.** The January 2011 revision of the country's constitution took a dangerous step backwards by withdrawing the commitment to decentralization. Even if the majority of the people adhere unconditionally to the idea of being Congolese, without a decentralized form of government, the geographic size and infrastructural constraints will continue to obstruct effective democratic and economic development in the Congo.