

# BTI 2014 | Democratic Republic of the Congo Country Report

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This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2014. It covers the period from 31 January 2011 to 31 January 2013. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

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**Key Indicators**

Population	M	65.7	HDI	0.304	GDP p.c.	\$	422.2
Pop. growth <sup>1</sup>	% p.a.	2.7	HDI rank of 187	186	Gini Index		44.4
Life expectancy	years	49.3	UN Education Index	0.362	Poverty <sup>3</sup>	%	95.2
Urban population	%	34.8	Gender inequality <sup>2</sup>	0.681	Aid per capita	\$	71.4

Sources: The World Bank, World Development Indicators 2013 | UNDP, Human Development Report 2013. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$2 a day.

## Executive Summary

During period under review, from January 2011 to January 2013, one can safely say the Democratic Republic of the Congo made no progress in terms of democratic and economic transformation. In fact, in some areas, particularly concerning electoral politics and the control of violence in the eastern provinces, substantial setbacks were recorded.

Many factors have blocked democratic and economic development of the country, most notably widespread human rights' abuses, a visible disrespect for the constitution, a legitimacy crisis resulting from contested 2011 election results, extensive corruption, and the leadership's inability to devise and implement appropriate policies. In addition, in some areas of the country, state structures have remained either extremely weak or hardly existent.

The state's monopoly on the use of force remained largely deficient and instability is almost ubiquitous. Even in the western regions, where there are no ongoing violent conflicts, tension remains high. Opposition activists have been trying to evade the state and stage daily mass protests in order to contest the election results and demand an immediate "restoration of the truth." The Kasai provinces, which are normally peaceful relative to the rest of the country, has become the staging front of a dissident armed group led by Colonel Tshibangu. Likewise, some areas of Katanga province are occupied by organized armed groups. Ethnic rivalries in the northwestern province of Equateur were also reported.

In the eastern provinces, the Congolese military (Armed Forces of the Democratic Republic of the Congo, FARCD), which is supported by the U.N. and works in alliance with the Rwandan and Ugandan armies, has failed to end the violence. Instead, a new cycle of intensified violence started with the official emergence of the reportedly Rwandan backed-armed group, the March 23 Movement (M23). On 20 November 2012, M23 temporarily seized control of the strategic North

Kivu's capital, Goma, evicted the provincial government and threatened to march to Kinshasa unless President Joseph Kabila unconditionally agreed to discuss the group's grievances.

Economically, the country's performance did not live up to expectations. Falling inflation rates were projected to rise to more than 15% in 2012. The country's economic growth registered a slight drop in 2011, with projections of it slowing further in 2012. Growth projected in 2013 may not be attained as, following the elections, the International Monetary Fund (IMF) suspended its financial support to the government led by Prime Minister Matata Ponyo in protest of the government's continued corruption and lack of transparency, especially in the mining sector.

Policies devised to initiate the country's sustainable course to democracy and economic development are either inappropriate or have not been implemented.

Even though the 2011 election results were largely criticized as lacking credibility, President Kabila and his political coalition have so far successfully maintained their supremacy. The opposition remains strongly divided.

Because the Congo relies on international assistance, it is important that international partners put heavy pressure on its leaders to make the electoral commission truly independent, to consistently fight against corruption, to commit to decentralization and to promote social reconciliation, especially at the community level. Reforms are also urgently needed in certain areas, such as security, health care and education. These reforms can no longer be put on hold if the country wants to finally initiate its economic and political transformation.

## History and Characteristics of Transformation

The history of the Democratic Republic of the Congo (Congo) since independence in 1960 has been one of successive conflicts, economic mismanagement, widespread corruption and severe poverty. The roots of the Congo's problems date back to the colonial period.

In the mid 1800s, when the European powers effectively divided up the African continent, the Congo was granted to King Leopold II as a "personal concession." Leopold ruled the colony with particularly brutal force, using its rubber plantations to amass great personal wealth. The Belgian government eventually took over administration of the colony due to a scandal over the brutality that marked Leopold's rule. But the Belgian government, like Leopold, had a hands-off education policy, and when the colonial rulers turned the country over to the Congolese in June 1960, the country had only 16 university graduates out of a population of around 13 million. Without an educated Congolese class who could have united the country, the years that followed were marked by ethnic rivalries, army mutinies, and power struggles. The first prime minister, Patrice Lumumba, was forced out of office and assassinated in 1961. In 1965, Mobutu Sese Seko staged a coup d'état, which paved the way for his 32-year authoritarian regime. During his reign, only a

few individuals directly linked to him benefited from the system, abusively misusing public funds for private purposes.

Because of his anti-Communist stance, Mobutu received massive support from the United States and other Western allies during the Cold War, which did not translate into effective political and economic leadership. Even though Mobutu opened up the political space in the 1990s and legalized many pro-democracy parties, he continued to obstruct other political and economic developments. Long-awaited reforms agreed upon during the Sovereign National Conference, attended by over 2000 representatives of all political parties and civil society groups, 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 a total political, economic and social chaos.

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

While the old regime was gone, Laurent Kabila's leadership did not differ from his predecessor. Equally authoritarian, he exclusively controlled and made use of all forms of power. The population's quality of life had worsened and no improvement had been made to promote the respect of human rights. Congo entered a long period of "wars within wars," which various peace initiatives have since failed to end.

During his reign, Laurent Kabila blocked every existing initiative to promote the rule of law, needed economic transformation and democratic infrastructure.

In 1998, Kabila led the country into a four-year war. What was initially an internal disagreement within AFDL evolved into a regional war with Rwanda and Uganda, the same powers implicated in the 1996 war. This time the alliance included newly-formed armed groups rebelling against the regime of Laurent Kabila. Due to the relatively easy access to the Congo's rich natural resources, the war attracted several multinational companies and complex spheres of local, national and regional interests, destroying any remaining infrastructure and plunging the Congo into what would become the world's greatest humanitarian catastrophe.

Assassinated in January 2001, Laurent Kabila was succeeded by his son Joseph Kabila, who resumed peaceful negotiations with various rebel groups, representatives of political parties and the civil society delegates. After the world's largest U.N. peacekeeping force deployed in the country, the negotiated power-sharing government tasked mainly with restoring the state's overall authority and organizing the long-awaited democratic elections was installed in 2003.

In 2006, the Congo held its first democratic elections since 1960 and Joseph Kabila won. As a result of parliament's coalition deal, Antoine Gizenga was appointed as prime minister in 2007.

The government's major reform programs based on poverty reduction strategies, post-conflict reunification of the country, and building fundamental democratic institutions, such as a judicial system, had not been 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 differed slightly from his predecessor, his government's actions did not result in the expected economic and political transformations either. The state's most important structures remained either weak or nonexistent.

In 2011, the Congo held its second general elections, which were largely decried as lacking credibility and are still being internally contested. With 48.95% of the vote going to Kabila and to 32.33% Etienne Tshisekedi, President Kabila was re-elected for his constitutionally final mandate. The new legislature, led by technocrat and respected former Finance Minister Matata Ponyo, has not yet been able to fulfill its promise of rapidly alleviating the suffering of the people. Instead, service delivery to the population remains largely nonexistent and the proportion of the population living on less than \$1.25 a day has increased.

While the elected parliaments of 2006 and 2011 continued to produce many laws, actual power has remained confined in the executive. The constitutional promise of local elections and the country's decentralization into 26 provinces never materialized and altogether put on hold until the January 2011 revision of the constitution.

The administration remains characterized by flagrant corruption, inappropriate governance, lack of transparency in policy making/implementation, and grave human rights' abuses. As a result, the Congo has remained an unsuitable environment for private foreign investors, though the country is rich in natural resources, with several subsoil assets (e.g. diamonds, coltan, copper, gold, oil). The country also has the potential to development economically in other areas, such as tourism and agriculture.

Major attempts to reform the country's economic and financial sectors have either never translated into expected results or were simply abandoned. There were some signs of a possible recovery of the Congolese economy in 2008, which stemmed from international aid, but the advances did not last. Owing also to a lack of macroeconomic discipline, inflation rates are projected to rise. The country's economic growth is set to register another drop. Growth projected in 2013 is likely not to be attained if the IMF maintains its decision to withhold assistance. The IMF has accused the government of not providing due transparency and not fighting corruption, especially in the mining sector.

The continued violence, especially in the already war-ravaged eastern parts of the country, not only threatens people's lives, but also their livelihoods, as economic development in the region has stalled indefinitely. To date, emerging and renewed insurgent movements continue to confront and offer military challenges to the elected Kinshasa government and the U.N. mission, in defiance of the ongoing peace efforts. International initiatives and peace talks have failed to end the violence in the region. These have included peace conferences in Kigali and Nairobi in 2007, in Goma in 2008, in Nairobi in 2008 and in Goma in 2009; talks with eastern neighboring countries;

and joint governments' military attacks. Instead, a new cycle of intensified violence started with the official emergence of the reportedly Rwandan backed–armed group, March 23 Movement (M23). On 20 November 2012, M23 seized control of Goma, the strategic capital of North Kivu province. Forced by regional and international leaders to leave Goma after 11 days, M23 is currently discussing its grievances with the Congolese government in Kampala under the mediation of the Ugandan government.

Other, normally stable, regions of the country have been hit by the emergence of dissident armed groups, namely in the Kasai and Katanga provinces. Such conflicts are driven by ethnic rivalries, high tension caused by opposition activists, and the population's desire to protest against the 2011 election results.

As of January 2013, the Democratic Republic of the Congo remains one of the world's most unstable countries, confronted with enormous challenges for its 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 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

Question  
Score

The Congolese government's monopoly on the use of force recorded troubling setbacks during the review period. From January 2011 to January 2013, the state's longstanding deficiency in this area persisted and deepened in some regions. Several reports, including those by the United Nations, Oxfam International and the International Crisis Group have confirmed uncontrolled violence throughout the eastern parts of the country, as well as violent incidents in the previously stable western provinces.

Monopoly on the  
use of force

2

Insurgent movements have continued to multiply through the formation of new groups and by splitting into smaller, but still efficient, armed groups. These militarized movements continue to challenge the government's monopoly on the use of force. Among them, M23 has emerged as the most prominent one. Officially formed on 4th April 2012, M23 rapidly grew in power to take control of some rural cities in the eastern province of North Kivu. On 20 November 2012, M23 officially seized control of the North Kivu provincial capital, Goma, evicted the provincial government and threatened to march to Kinshasa unless President Joseph Kabila unconditionally agreed to discuss the group's grievances.

As the latest U.N. reports on the Congo conclude, M23 and other armed groups are to date in control of non-negligible, yet strategic, areas, making the Congo one of the world's most unstable and conflict-ridden countries of the last two decades.

Aside from a few privately well-trained battalions exclusively for the protection of President Kabila, his family and inner circle, the country's armed forces (FARDC) remained an impaired and dangerous organization, who have only worsened the nation's problems. The FARDC is made up of undisciplined soldiers reportedly involved in massive looting and outrageous rape, and of unprofessional leaders, such as General Gabriel Amisi, who has been involved in illicitly supplying equipment to

the same armed groups the FARDC is supposedly combating. International assistance to reform the national police (PNC) has not resulted in an encouraging outcome.

The integration of various armed groups into the FARDC and PNC, as mandated by peace settlements, has proven to be unsuccessful. Both institutions remained fractured, with no clear effective leadership across different factions. The U.N. mission, known as MONUSCO is proving insufficient in supporting peace efforts and restoring a stable environment.

Despite the predatory nature and history of the state, which, over the past two decades, has catastrophically failed to deliver even the most basic services, the Congolese have a remarkably strong sense of national identity. The notion and the existence of a “one Congolese” nation-state has remained unanimously sacrosanct. All major groups in the country (ethnic groups, regionally based groups, political parties) adhere to such a notion. Even in the course of the past decades of violent conflict, no rebel movement or other major group has advocated for secession.

State identity

7

Occupation and continued interference by foreign armed groups and armies, most notably Rwanda and Uganda, have undoubtedly contributed to fostering Congolese nationalism.

Minority groups are not denied civic rights as a matter of government policy, but some measures of discrimination exist in some parts of the country (which is more a problem of the rule of law). In the eastern provinces, the citizenship of minorities who speak Rwandan languages continues to be questioned by ethnic majority groups. However, the 2006 law on nationality is, at least in theory, inclusive.

The Congo 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 rather positive and 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, have an influence on politics. Pentecostal churches and evangelical preachers have a substantial influence on many Congolese. While they are generally profit-oriented and steer clear of politics, many Pentecostal and evangelical preachers publicly campaigned for the re-election of President Kabila in 2011 and 2012. Also, the Catholic Church, especially the diocese of Kinshasa through Cardinal Laurent Monsengwo, had criticized the constitutional revision allowing for the president to be elected in one round of voting. After the 2011 elections, Monsengwo called for the re-establishment of justice and truth. His diocese has been pushing for some form of dialogue, expected to lead to more credible and transparent elections.

No interference of religious dogmas

8



The state infrastructure is fragile in most major cities and almost nonexistent in many remote regions. Largely due to widespread corruption, underfunding, unpaid professionals (who mostly rely on petty corruption to survive) and lack of appropriate equipment the administration's functioning and service delivery has remained very deficient. The state tried to maintain law and order in a few major cities, mostly through repression.

Basic  
administration  
2

The government's major reconstruction programs, especially the construction program "Cinq Chantiers de la République", have produced limited results. The renewed and continuous resurgence of armed groups, especially in the eastern regions, has strongly hampered internationally supported efforts to re-establish state authority and set up basic service delivery infrastructure nationwide. Moreover, under the current circumstances, targets focusing on the construction of infrastructure and a broad deployment of newly trained and equipped police forces are set to fail. These include the Stabilization and Reconstruction Plan for DRC (STAREC) and the International Security and Stabilization Support Strategy (ISSSS).

Major parts of the country continue to be subject to parallel administrations of the state and those of armed groups, such as the M23.

The judiciary, disgracefully partial and inefficient, did not undergo needed systematic reforms and has remained restricted to a few major cities.

Further decentralization from 11 provinces to the constitutionally recommended 26 – considered an important step toward reconstruction due to the country's immense geographical size – never materialized. Its constitutional implementation was suspended, then never spoken about concretely in 2011 and 2012.

## 2 | Political Participation

The Democratic Republic of the Congo held its first-ever democratic elections in 2006, and its second democratic elections in November 2011. The 2011 elections were at least held prior to the end of the presidential mandate (6 December 2011) and according to the announced timeframe. However, a new electoral commission, the Independent National Electoral Commission (INEC), was established very late, in March 2011, which allowed little time to organize elections in such a huge country with little infrastructure. The INEC lost initial credibility by poorly updating the voter register. Candidate registration caused difficulties because of the sheer number of over 18,000 candidates. While the last months' preparations were conducted under extreme time pressure – with MONUSCO and the South African army providing major air support to deliver electoral materials – electoral operations during election day went considerably smoothly. However, major violent incidents occurred in the cities of Kinshasa, Lubumbashi and the capitals of the two Kivu provinces. The

Free and fair  
elections  
3

election results of both presidential and National Assembly elections became strongly contested.

International observer groups such as the European Union, the Carter Center and national observer groups from the Catholic Church, questioned the credibility of the results of the presidential elections. In three constituencies in the Katanga province, the stronghold of President Kabila, a voter turnout of nearly 100 percent with a participation of all registered voters for candidate Kabila, raised the attention of all observer groups, who ended up discrediting the overall election results in the remaining 164 constituencies for various reasons. Observer groups reported cases of results' manipulation in some counting centers. As a result of violence and other problems including the intimidation of polling staff and the chaotic manner in which results were collected, the INEC could not account for 20% of the election results in Kinshasa. Elections went more smoothly in other provinces.

The final presidential election results, announced by the Supreme Court, attributed 49% to President Kabila and 32% to opposition leader Etienne Tshisekedi. Even though President Kabila officially won by a considerable margin, a large part of the population remained unconvinced Kabila was the real winner. The announcement of the results thus triggered massive protests and deadly violence, especially in major cities. Yet attempts by parts of the Catholic Church, opposition parties and civil society activists to stage peaceful mass protests in order to force the annulment of the election results were in vain. The state deployed heavily armed police, soldiers and alleged mercenary units to push back the protesters. As Human Rights Watch reported, these security forces fired tear gas and even fired into crowds. The major opponent, Tshisekedi, who declared himself president elect, was essentially held under house arrest for several weeks. The opposition, and even political actors close to President Kabila, accused INEC of corrupt practices and massive irregularities. The state media was government-controlled. Throughout the pre-electoral period, the High Commissioner for Human Rights (OHCHR) and the U.N. peacekeeping mission jointly released a report documenting 188 cases of electoral process violations including serious intimidation and targeted violence causing the death of activists.

Direct elections for provincial assemblies, whose members are supposed to indirectly vote for the 108 senators of the upper house, governors and vice-governors, was postponed due to national and international critiques of how INEC carried out the presidential election. In June 2012, following INEC's annual report to Parliament, the National Assembly suspended INEC's operations. A new INEC law was passed in January 2013 to allow for new leadership in the commission and an improved electoral process.

In sum, the Democratic Republic of Congo strongly failed to carry out credible elections. One could not assert that the basic norms of justice were highly respected or that the results reflected the true voice of the Congolese people.

After the last elections, the government can no longer be considered democratically elected. Apart from the geographical areas seized by the increasingly powerful armed groups, however, President Kabila was overall in charge and had the power to govern with regard to important matters as far as classical veto powers (armed forces, landowners, business groups, etc.) were concerned. After the early 2012 death of Augustin Katumba Mwanke, the most trusted friend and most influential advisor of President Kabila, different major inner circles reportedly emerged. These circles have great influence on the president and exercise discreet, but excessive, influence on government affairs. For external observers, however, it is difficult to assess how far the different relevant persons' or groups' influence actually goes – and when constellations change.

Effective power to govern

2

The country's governance problems stem from various factors, but especially the deeply imbedded culture of corruption and the weakness of state institutions. The major problem, however, results from the increasing influence of the president who continues to position himself against the democratic system.

Nevertheless, other informal power structures and some of the business groups' influence (particularly those involved in the mining sector or in purchasing military equipment) on national politics should not be underestimated.

The constitution guarantees freedom of association and assembly. In 2011 and 2012, opposition parties, especially those that positioned themselves against the ruling coalition, were repeatedly harassed or constrained in their activities. The government has applied repressive measures against opposition groups and kidnapped or killed activists in order to counter any public protests, especially during the 2011 elections.

Association / assembly rights

3

The headquarters of opposition political parties such as Etienne Tshisekedi's Union for Democracy and Social Progress (Union pour la Démocratie et le Progrès Social, UDPS) and Vital Kamhere's National Congolese Union (Union Nationale Congolaise, UNC) have been attacked and destroyed.

In general, however, civic organizations without a competing political agenda to the ruling coalition were able to operate without restrictions.

Constitutionally, the right to freedom of expression is guaranteed, but in practice, it is strictly limited. On many occasions this right has been completely denied by President Kabila and his supporters.

Freedom of expression

3

Despite broad deficits, the mass media (at least in the urban areas) continue to challenge the state in order to provide room for lively political and societal debate

that definitely adds to the democratic opinion-forming process. The only countrywide media that continues to transmit objective information of good quality is Radio Okapi, the U.N.-sponsored media outlet. In general, the mass media is poorly developed. Newspaper circulation is mainly limited to Kinshasa and a few big cities. Elsewhere, newspapers are too expensive for most citizens.

Regulations and laws related to the media generally serve as a way for the government to censor information, to consolidate President Kabila's power and to suppress any form of criticism. Under these laws the government has brought criminal charges against political opponents and shut down broadcast operations.

Citizens, organizations and the mass media that have voiced criticism of President Kabila or the official political and military elites have experienced state intimidation, illegal detentions and physical abuses.

During the review period, human rights organizations reported severe human rights abuses and killings of journalists and activists, but the most known cases are the assassinations of the North Kivu radio journalist, Kambale Musonia, and of Hardy Kazadi Ilunga of the Katanga based Radio-Télévision Mosaïque. Also, several journalists were charged and handed arbitrary lengthy sentences. For example, Freddy Mulumba Kabwaya, the managing director of one of Kinshasa's largest private daily newspapers, *Le Potentiel*, was charged with defamation against a leading politician.

During the electoral year, TV and radio stations sympathetic to opposition parties, such as Radio Télé Kin Malebo (RTKM), had their offices either destroyed or closed. The Catholic Church had its activities and interests disturbed as a result of Cardinal Monsengwo's open and direct criticism of the regime during the electoral year. In August 2011, Eugénie Ntumba, Chief Editor of Radio Télévision Satellitaire 1 (RTVS1) faced rape threats by Yves Kisombe, a pro-Kabila member of parliament, after she recorded a phone conversation of theirs in which she asked him for his comments on the opposition's call for transparent elections.

Prominent radio stations such as Radio Okapi and Radio France Internationale (RFI) had their broadcasting signals temporarily suspended in 2012 for "disrespectful coverage" or for "meddling in government affairs."

The High Council for Broadcasting and Communication (CSAC) is the permanent regulatory institution, which replaced the transitional High Authority on Media (HAM) in October 2011. It is constitutionally tasked with ensuring equal access of political parties to state and private media, but has shown itself to be strongly biased to the current regime. During the 2011 presidential elections, the CSAC did not sanction President Kabila for taking up more than 85% of the media air time, though the time was constitutionally supposed to be divided among all 11 presidential candidates. In contrast, the HAM in 2006 had been able to sanction media in a fairly

objective and professional manner by preventing hate speech of politicians and temporarily closing down media stations that broadcast hate speech.

Severe interference with freedom of expression is reflected in international assessments. Freedom House's global surveys published in 2011, 2012 and 2013 maintained the Congo in the "Not Free" zone, with the most alarming scores. In the Press Freedom Index 2011/1012, the Congo ranked 145th out of 179 countries.

### 3 | Rule of Law

The constitution provides for the separation of powers between the executive, the legislative, and the judiciary. In practice, however, the system of checks and balances is severely limited. All powers are centralized with the president and his political allies, who influence all branches of government. Apart from inconsequential issues, both chambers of parliaments rather simply "rubber-stamp" what the presidency dictates.

Separation of powers

3

Major changes have been made to increase the president's powers. The judiciary system is dependent on the president, his closest allies and his ruling coalition. No court case against them has ever ended with a guilty verdict. Control mechanisms exercised by the legislative powers, the courts and the media are almost nonexistent, or only applied to matters judged inconsequential for the president.

In essence, the Congo has moved from a constitutionally-set semi-parliamentarian system to a functioning authoritarian presidential system.

During the period under review, there was no palpable improvements made to the judicial system. Though the judiciary is theoretically independent, in practice it remains overburdened, under-financed, and severely undermined by corruption and the influence of politicians and military authorities. In fact, the courts are entirely subordinate to the will of political and military authorities, in particular the president and his closest advisors. The courts are notorious for delivering favorable verdicts to the highest bidder or to those with direct elite connections. Members of the judiciary are appointed directly by President Kabila, usually without due consultations.

Independent judiciary

2

Despite the existence of anti-corruption laws, most officeholders who exploited their offices for private gain went unpunished. The prosecution of corrupt officeholders was usually motivated by the desire to demote or weaken potential political competitors, rather than to promote the rule of law.

Prosecution of office abuse

3

Cases of office abuses involving the president's closest allies, raised in reports by the United Nations and Human Rights Watch, were quickly quieted by withdrawing the suspect in the form of a suspension. In most cases, these cases go quiet, and suspects are reinstated in other low-profile positions directly linked to the president. The case

of General Gabriel Amisi, who illicitly sold government arms to rebel groups is the most illustrative. Otherwise, in general, only low-ranking soldiers who committed human rights violations, in particular rape, faced sanctions, while their commandants, often accomplices in such practices, were simply withdrawn or relocated.

The population is growing more and more aware of high-level corruption through the “naming and shaming” of suspects. In sum, however, the rule of law remains seriously undermined by political interference and a deeply embedded culture of corruption.

Civil rights are guaranteed by the Congolese constitution, but were frequently violated by the state and its agents, especially by security forces. Grave violations of civil rights often go uninvestigated, especially when the acts implicate high-ranking government officials.

Civil rights  
3

While women face outright discrimination in many areas of life, their rights to life, security and physical integrity have been massively violated, particularly in the eastern provinces. Sexual violence against women remains a tremendous problem in the Congo, and even though the Congolese international partners have made the fight against it a priority during the last years, the results are not yet reassuring.

#### 4 | Stability of Democratic Institutions

Democratic institutions have been established since the 2006 elections, but they are weak and ineffective, especially since the 2011 elections. The functioning of these institutions reveals major democratic deficits on the national and provincial level. Compared to the previous years, excessive powers to dominate all state sectors have become strongly vested in the presidency. State institutions, and especially the parliament and the judiciary, which should provide checks and balances, suffer from corruption, lack of professionalism, poor performance and dependence on the political patronage of the president.

Performance of  
democratic  
institutions  
2

The Congo’s political culture and the recent developments do 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 characterized by the personal rule of individuals. Generally, few key actors really accept democratic institutions as legitimate, as recent developments demonstrate.

Commitment to  
democratic  
institutions  
2

Constitutional provisions, which may be compromising or expose the leadership or regime’s weaknesses, are not followed in practice. The president’s actions, constitutional or unconstitutional, remain the norms and have indicated a gradual, but rapidly progressive, re-institution of an autocratic system.

Opposition parties' initiatives and the civil societies' protest attempts have often been disrupted, and their leaders have been regularly suppressed and sometimes even killed.

The deeply embedded culture of clientelism, with the president being presented as the father figure, runs the risk of fundamentally destroying the country's already weak democratic foundation, which has been built during the long lasting peace and reconstruction process.

## 5 | Political and Social Integration

The Congolese party system is heterogeneous, but still very fragile and mainly built along ethnic, regional and community lines. The tribal origins of the leaders of a party largely define the proportion of support a party is likely to enjoy. Out of more than 350 registered parties, only a few have roots in society and even fewer are organized on a national basis. Among the exceptions is Kabila's ruling party, the People's Party for Reconstruction and Democracy (PPRD), which has countrywide structures thanks to comprehensive access to state funding. Since the 2011 elections, it has increasingly established its political supremacy in the national parliament throughout the country, among others, as a consequence of the systematic co-option of smaller parties and "independents," as well as of a few opposition leaders' boycott of the new parliament. While the PPRD remains the first political force in the country with 62 seats (about 12.4 % of all 500 seats), it has lost nearly half of its representatives (compared to 111 seats in the outgoing assembly). Tshisekedi's UDPS, which boycotted the 2006 elections, is institutionally represented for the first time with 41 seats and a fairly good representation in more than half of the country. The third biggest party is the People's Party for Reconstruction and Democracy (PPRD), allied to PPRD and the Presidential Majority (PM), with 29 seats. The former major opposition party, MLC, led by Jean-Pierre Bemba, has lost two thirds of its seats and gained only 22. Vital Kamehre's Union for the Congolese Nation (UNC), newly represented in the National Assembly, is now the second-strongest opposition party with 17 seats, while the third strongest, Kengo wa Dondo's UFC, only gained three seats. The National Assembly is confronted with an increase of political parties from 70 to 100. The number of independent candidates has substantially decreased from 64 to 16 in the new assembly. Women occupy 10% of the 500 seats. While a number of larger political parties exist, it has become difficult for them to consolidate their structures and come up with clearer manifestos drawn from the general needs of the entire country. Most parties are built around 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 cooperate little among themselves. Overall, 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 the existing interest groups, the Federation of Enterprises in the Congo (FEC) and some trade unions, in particular of teachers, doctors and state officials, are the most influential. However, their demands are rarely taken into account, despite the fact that they frequently organize strikes. The Catholic Church, the only credible institution capable of mobilizing some segments of society, has recently been targeted, monitored and had many of its initiatives suppressed.

Given the absence of representative empirical evidence, the citizenry's consent to democracy cannot be adequately evaluated. It appears that the commitment of the citizenry to democracy is fairly strong; this commitment is such 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 elections of 2006 and 2011 and various initiatives of the population to demand a thorough review of the largely contested elections' final results.

Approval of  
democracy  
n/a

At the same time, the citizens' current strong interest for political alternation is often perceived as a reaction to the social and economic misery they face rather than their consent to democratic norms.

Given the virtual absence of basic service delivery over the last 30 years, social self-organization and social capital have been steadily built up by default. The country has a lively associational life. Today, there are more than 5,000 registered NGOs, more than 5,000 local NGOs are registered, and the number keeps rising. However, like the political parties, many of these groups 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 severely eroded.

Social capital  
4

Poverty and the low-level of economic and social development have negatively affected the ability of the Congolese to organize in an effective and beneficial way to their society. Plus, the associations' leaders often utilize the provided forum for their own political ascendancy.

Village communities, extended families, and local women's groups provide the major frameworks of solidarity and self-organization, within which interpersonal trust appears to be high.



## II. Economic Transformation

### 6 | Level of Socioeconomic Development

Question  
Score

Socioeconomic  
barriers  
1

The Congo continues to face many economic and social challenges, largely as a result of many years of ongoing violent conflicts, the state's inappropriate economic governance style and a strongly embedded culture of corruption. For many decades already, the majority of the population has lived in absolute poverty.

In the UNDP HDI update of 2011, the Congo attained a HDI value of 0.286 and ranked dead last at 187 out of 187 evaluated countries. Between 1980 and 2011, the Congo's HDI value increased from 0.282 to 0.286, an increase of 2% or an average annual increase of about 0.1%.

59.2% of Congolese lived below the poverty line and the majority of them lived on less than \$1.25 a day. Over 75% of the population lacks access to basic human needs. That is, more than 53.7% of the population is deprived of the most primary needs such as access to drinking water and basic health care (48.2%), while over 60% of children do not have access to adequate nutrition. Unemployment remains also very high, especially among the youth where more than 90% of graduates are jobless.

The state provides only very limited services to the population in major cities, for which 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. For many Congolese, survival is only ensured by subsistence farming, which it is currently limited due to the ongoing violence, and by informal small-scale trading. Churches, social groups and family members provide the only social assistance. Poverty has little systematic relation to ethnicity or identity. Those with access to power, controlled largely by the ruling presidential alliance and, in some instances, by the armed groups, live a relatively comfortable life.

The status of women in the Congo remains very low. Rape continues to be used as a weapon of war, and women and girls suffered from systemic sexual violence, especially in the war-torn regions. Economic burdens have also fallen on women as they have increasingly become the major providers for their families.

In general, great social and economic disparities characterize life in the Congo. Pressure from the International Monetary Fund (IMF) and international donors is failing to appropriately transform the Congolese economy, largely owing to vested personal interests of the Congolese leaders and the culture of corruption.

Economic indicators		2009	2010	2011	2012
GDP	\$ M	11204.0	13108.0	15653.6	<b>17869.7</b>
GDP growth	%	2.8	7.2	6.9	<b>7.2</b>
Inflation (CPI)	%	728.7	85.1	-	-
Unemployment	%	-	-	-	-
Foreign direct investment	% of GDP	-2.5	20.8	10.2	-
Export growth	%	-1.3	47.4	21.0	-
Import growth	%	-12.9	41.7	5.4	-
Current account balance	\$ M	-	-	-	-
Public debt	% of GDP	136.4	38.4	33.0	<b>36.0</b>
External debt	\$ M	13096.8	6203.9	5448.2	-
Total debt service	\$ M	625.1	274.0	253.5	-
Cash surplus or deficit	% of GDP	0.4	3.8	-	-
Tax revenue	% of GDP	13.1	13.7	-	-
Government consumption	% of GDP	12.1	9.8	13.2	-
Public expnd. on edu.	% of GDP	-	2.5	-	-
Public expnd. on health	% of GDP	3.9	2.1	2.9	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.1	1.4	1.5	<b>1.7</b>

Sources: The World Bank, World Development Indicators 2013 | International Monetary Fund (IMF), World Economic Outlook 2013 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2013.

## 7 | Organization of the Market and Competition

During the review period, the government demonstrated its intention to move from a state-run economy to a market-oriented economy by privatizing various state companies and passing laws to reform the economic system. However, progress remained very slow and severely obstructed by corruption and informal and non-transparent networks, directly connected to various political elites and their foreign allies.

Market-based  
competition  
2

Market competition remained present only in segments. Its institutional framework was meager and not promoted at all. Even though the rules for market participants existed, they were either not implemented or inconsistently applied (favoring those with privileged status). State regulations were not effective and often ignored. The World Bank's Doing Business Report 2012 ranked the Congo 181 out of 185 countries. In short, the Congo remains one of the worst places in the world to do business. Looking ahead, there is no indication that Congo's leaders will make the necessary reforms required to put their country on the path to a free and competitive economic market.

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 investments in the mining sector between 2007 and 2012, but the state continues to hold the monopoly in many other sectors, such as energy. A wide range of international companies operate in the country, particularly in the telecommunications sector. They are typically associated with powerful individuals or groups with direct links to the president or his direct circle.

Anti-monopoly  
policy  
2

Officially, the Congo is committed to the liberalization of its economy. State agencies have been set up to promote foreign trade, and required laws have been passed. The government's implementation of the existing legislation, however, has remained deficient and inconsistent. In the Heritage Foundation's 2013 Index of Economic Freedom, the Congo ranked 171 out of 176 evaluated countries.

Liberalization of  
foreign trade  
4

As also reported, foreign entrepreneurial activities have been curtailed by an uncertain regulatory environment, extremely reduced access to adequate credit (particularly long-term loans), poor financial services, and the absence of the institutional support required for effective private-sector development. Under current conditions, it still takes more than 30 days to start a new business. Arbitrary taxation, poor infrastructure, systematic corruption of state officials, many outmoded and often inconsistently implemented regulations, and the weak rule of law add to the cost of trade.

Even though a considerable number of commercial banks operate in the Congo, the majority of commercial transactions still go through informal channels, which account for more than 80% of the money supplied.

Banking system  
4

Due to the geographical and infrastructural constraints in the Congo, and many years of violence, many of these banks have remained confined to a few major cities, or directly linked to the mining sector.

There was no indication that they will be able to expand their operations in the entire country in the near future. In addition, banking regulation and supervision are inadequate, and there is no sustainable and functioning capital market. A microfinance sector, which aims to support small-scale projects, is ineffective,

inaccessible and largely nonexistent in many parts of the country, especially in rural areas. Credit to the private-sector accounts insignificantly for less than 5% of GDP. The few foreign investments in the Congolese banking system have not created an inclusive banking infrastructure for the benefit of the majority of the Congolese population. They are rather oriented toward the more attractive mining sector.

## 8 | Currency and Price Stability

According to the latest African Economic Outlook report, the depreciation of the Congolese franc was relatively steady. However, the country's inflation remained high in 2012 and is expected to rise to more than 15%, largely as a result of the uncontrolled political patronage, the uncertain political situation continued violent conflicts, the inconsiderate fiscal policy as well as the economic blows driven by internal and external factors.

Anti-inflation /  
forex policy  
4

The rise in energy and food prices remained a major cause for concern. In addition, even though controlling inflation is a component of the economic system, and progress has been made in the last years, it is institutionally and politically subordinate to other goals. In fact, with the issuing of high denomination Congolese notes of up to 10,000 francs (about \$10 U.S.), concerns are that the country is set for another hyperinflation cycle.

Foreign exchange policy is essentially used for political purposes and relatively performs only under international donors' pressure. As far as monetary freedom is concerned, the 2013 Index of Economic Freedom, ranked the Congo 44th out of 46 evaluated countries in the sub-Saharan Africa region, and its score is far below the regional average.

The Congo's macroeconomic situation has experienced relative setbacks in recent years. Due to inadequate policies, leaders' mismanagement, continued violence in the eastern regions, unlimited money supply and uncontrolled public expenditure, the Congo is likely to face another serious fiscal and monetary crisis.

Macrostability  
3

The international reserves in foreign currency remained low. As a result of the issuance of new bank notes under questionable economic policies, the exchange rate is set to rapidly deteriorate.

According to the 2013 Index of Economic Freedom, total government expenditures, including consumption and transfer payments, rose significantly to 36.5% of GDP.

According to the African Economic Outlook report, the GDP growth slowed in the Congo to 6.5%, and is expected to fall to 5.1% in 2012 before picking up again to 6% in 2013.

## 9 | Private Property

Property rights, even though stipulated in a very complex manner, are explicitly recognized in the Congolese constitution. However, due to sustained corruption, a dysfunctional judicial system and frequent administrative failures, these rights are often ignored and inconsistently enforced. Expropriations of private property are frequent, especially by people with direct links to the president, his direct family or other members of the elite. The state remains a major property owner of both valuable real estate and rural lands, and awards and validates property rights to private owners. Major infringements of these rights are directly linked to complex and obscure government procedures. Contracts to exploit or own an important piece of land are often revised by another authority. Without resorting to corruption of the country's elites for protection, many businesses in sectors such as mining continued to face tremendous difficulties to freely operate.

Property rights  
3

The Congolese government remains under enormous pressure to improve its business environment to enable the free flow of private investments and the 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 either.

Private enterprise  
3

However, as reported in the 2013 Index of Economic Freedom, successfully launching a business is time-consuming and often prohibitively expensive. Officials demand large sums of money – often much higher than the start-up capital itself – for unclear taxes, and outrageous “fees” for petty services. Generalized institutional and infrastructural deficiencies, such as persistent corruption, lack of access to credit, and nonexistent transportation infrastructure often discourage many private investors.

Businesses are all but required to participate in corruption in order to operate in the Congo. For example, entrepreneurs have to wait over 150 days to obtain their business license unless they buy the protection of the president and his wider entourage. This requires paying exorbitant sums of money or transferring an important proportion of the future company shares to powerful politicians. Permit and license procedures are very complex. Various government agencies are involved. In the event of property seizure (often orchestrated by the country's elites), private entrepreneurs are left on their own; official channels are unable to provide the needed support and the courts of law have proved to be unable to guarantee independent justice.

## 10 | Welfare Regime

No state-sponsored safety nets exist in the Congo. The National Institute for Social Security (INSS) is outmoded and has been completely dysfunctional for as many as 25 years. Safety nets that do exist are found in the private sector and provided by small self-help organizations, churches and international organizations. However admirable they may be, these organizations lack the capacity to cope with the continuing humanitarian crisis in the Congo.

Social safety nets  
1

The majority of the Congolese people rely on their families and community structures for support in cases of accidents, illnesses, disability, old age, death or maternity. The state even fails, in many cases, to pay its workers; state employees have gone three years without pay. Likewise, the majority of retired employees never see their pension payments. Moreover, full access to the poor services offered by the state health care system, which the government has failed to fix, remains a luxury reserved for a handful of the Congolese population. Not surprisingly, life expectancy stands at an average of 48 years.

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 inequalities or mechanisms to facilitate social integration of disabled people or ethnic groups, such as the Pygmies, who suffer from rather systematic discrimination. While preference of baby boys over baby girls has become a topic of the past, women suffer from discrimination in many sectors, particularly education, and especially in rural areas. According to the 2011 Gender Inequality Index, the Congo has a score of 0.710, ranking it 142nd out of 146 evaluated countries.

Equal opportunity  
1

Generally speaking, and relevant for many other assessments in this report, opportunities for social success are determined by personal relations and patronage networks. A merit-based system does not exist. Legal provisions against discrimination are complex and subject to interpretation that suits the most powerful elites, and are in fact rarely implemented.

## 11 | Economic Performance

The Congolese economic output of 2011 and 2012, driven by the extractive industry and sustained international assistance, generated considerably strong rates of growth, but little to generate broad-based development.

Output strength  
5

Because of the high political risk of investing in the Congo, major investors have shied away. As a result, the diversification of the economy has slowed down, trapping a majority of the population in poverty.

Falling inflation rates were projected to rise to more than 15% in 2012. Economic growth in 2011 reached 6.5%, a slight drop from the 2010 figure of 7.2%, partly due to several factors: a severe drop in mining commodities as a result of the global financial crisis, caution on the part of businesses during a elections, and the country's continued lack of the discipline in the financial sector (unbalanced budget, unreasonably increasing unplanned expenditure, et cetera). Because of the persistent political instability and the ongoing violent conflicts, growth may slow further in 2012 to 5.1% before picking up again to 6% in 2013.

Nevertheless, there are still no visible social effects of this minor boom of the Congolese economy. The country's revenues are still not fairly distributed to the population. The majority of the population remains very poor and reliant on small subsistence farming, informal small trades, 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, the industrial sector outside the mining sector remains weak. Also, the service sector is under-resourced and has not yet adjusted to producing more skilled labor, for other areas of the economy such as agriculture and tourism. In general, the country's economic stability remains highly vulnerable to external factors such as hikes in the oil and food prices. Internally, major causes of concern for the country's economic future are continued corruption, lack of a consistent implementation of policies, and poor management of the financial sector.

## 12 | Sustainability

The Congo has the world's second largest rainforest, accounting for 18% of the planet's remaining tropical rainforest. Its 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 River, is the world's second largest by volume. Even though its ecosystem is one of the earth's most precious, the Congo never established a functional institutional framework or suitable policies for protecting its natural resources.

The few regulatory measures that exist are inappropriate and have never been enforced to protect the country's ecosystem. Neither previous Congolese governments nor the current one have ever showed any consideration for sustainability. Instead, governments have always subordinated environmental concerns to economic ones.

Many legal mining companies have been destroying the country's ecosystem in order to operate, especially in the province of Katanga and most of the eastern region. Even

Environmental  
policy  
2

though some logging companies (especially in Ituri) are not officially recognized, they are directly linked to the country's political and military elites.

Wood is harvested on a commercial scale every day. Rural residents systematically clear parts of the forest for their subsistence farming activities. The widespread violent conflicts have also seriously devastated forests and resulted in the expansion of the bush meat and informal wood trade. In the past decade, the country's deforestation rate has been one of the world's fastest.

In addition, the government's current efforts to extract oil from Virunga National Park shows a flagrant disregard for the environment. Not surprisingly, the 2012 Environmental Performance Index published by Yale University ranked the Congo 92nd out of 132 countries, with a score of 47.48.

The Congo has some of the world's most outdated infrastructure for education, training and research and development. It is difficult to compare the Congo to other countries, though, because very little reliable data on government spending is available. However, it is fair to state that government expenditure on education is extremely low, and, as a result of widespread corruption, officials usually misuse the 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.

The recent wars and ongoing violence have also continued to damage infrastructure. With the state's only superficial involvement in the education sector, most schools and universities are run by churches and private companies, and parents are expected to pay fees that are usually higher than their income. The education and R&D standard are low, and would require fundamental reforms to spur the country's economic and social development. The government in power since 2011 pledged a specific fund (on top of the usual education's 5.6-6% of the Congolese budget) in order to speedily restructure the education sector. But given the current state of the sector and the lack of commitment from the officials (most of whom are known to be corrupt), it is highly unlikely that the government's new fund will have a significant impact.

Education policy /  
R&D  
2



# Transformation Management

## I. Level of Difficulty

The structural constraints on governance in the Congo are massive, and they are unlikely to be overcome in the foreseeable future. Overcoming these constraints would require a fundamental shift in the country's current governance style.

Structural  
constraints  
10

Structural constraints include the following: a difficult political geography entailing a huge territory with a thinly spread out population, the near total lack of infrastructure (e.g., roads, railways, safe maritime passage), extreme levels of poverty, a poorly educated workforce whose survival depends on the informal economy, various burdensome legacies of decades of violent conflicts and, finally, the total absence of popular trust in institutions and state agents.

The vast reserves of precious natural resources (e.g., copper, cobalt, diamonds and oil) may call for a more optimistic view. However, so far, these resources have not been used for the development of the country, but have rather stimulated corruption and external interventions.

Despite the country's otherwise troublesome past, there is a tradition of civil society activism in the Congo, which has its origins in anti-Mobutu activism in the 1990s. The pinnacle of civil society activism came with the National Conference in the early 1990s, when church leaders and other civil society activists (e.g., women's and students' associations, human rights groups, professionals) made a spirited attempt to force Mobutu out of office.

Civil society  
traditions  
7

Yet the past decades of war and the militarization of many aspects of the Congolese society have seriously weakened civil society's dynamism. In addition, civil society activism has become increasingly politicized. A fair number of activists have become fervent politicians, abandoning their associations and the values for which they stood. Finally, civil society groups reflect the problems that haunt Congolese society at large, such as ethnic divisions, exclusionary strategies, organizational and management weaknesses, and reliance on the regime's patronage.

Several international donor programs have set the goal of addressing these shortcomings through capacity building measures for civil society organizations. For the period under review, however, no substantial progress has been noted. In fact, the

regime's authoritarian approach has weakened the majority of associations, especially those involved in denouncing the state's deficiencies.

There are serious ongoing ethnic and regional conflicts in the Congo, particularly in the eastern parts of the country, where the newly-emerged Rwandan-backed armed group M23 seized the strategic North Kivu's capital, Goma, on 20 November 2012 for 11 days.

Apart from the conflict in the Kivu, longstanding divisions, tensions and sometimes minor violent conflicts between ethnic groups have been reported in much of the eastern part of the country, and also in the provinces of Katanga, Equateur and Bas-Congo.

In most cases, these intense ethnic tensions and conflicts are associated with political and military elites. For example, member of parliament Roger Lumbala is apparently close to the M23 rebels.

For this period under review, no conflict was directly associated with religious leaders and religious communities.

Conflict intensity

9

## II. Management Performance

### 14 | Steering Capability

The government lacks the capacity and suitable personnel to devise and implement an appropriate plan of action to effectively kick-start the country's social, economic and political course of development. At present, the country's leadership is displaying no intention whatsoever of promoting the collective well-being of the Congolese people. Efforts to construct, renew or maintain the state's infrastructure (hospitals, schools, universities, roads, etc.) have remained very limited.

The government has done little to realize the country's potential for broad-based economic development and service delivery. For example, the Congo has the potential to provide energy to the whole African continent through Inga Dam, yet the majority of Congolese households, even in the capital, Kinshasa, do not have access to electricity. After winning the 2006 general elections, President Kabila announced a plan of action known as the "5 Chantiers de la République" that focuses on the country's pressing problems, namely physical infrastructure, employment, education, health, energy and health. Upon being re-elected in 2011, the president tasked a new government led by the technocrat and former finance minister, Matata Ponyo, to oversee the rapid realization of his promises of social and economic development.

Question  
ScorePrioritization  
3

To date, however, results have been meager. The majority of the people are still unemployed, and those with employment, including in 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 restore stability, violence continues, and armed groups have successfully overpowered the Congolese armed forces.

In general, the government is lacking a state institution tasked with carefully studying the country's pressing problems and formulating policies. Though the government has come up with plans, such as the "5 Chantiers de la République", "Zero Tolerance against Corruption", or "Mining Sector Free of Corruption", these plans are merely strategic moves to attract funds from the IMF, the World Bank and other international donors.

In general, the country's leadership did not show a strict commitment to policy implementation that would promote and preserve the constitutional democracy, live up to its social responsibility and effectively enhance an ecologically sustainable market economy. In the beginning of 2011, the constitution was revised to consolidate power in the presidency. The electoral law was also changed to allow a president to be elected with a simple rather than an absolute majority.

Implementation  
3

Government's strategic priorities (such as the "5 Chantiers de la République" and the other current targets) are usually broadly defined and often unsuitable. To date, almost none of them have been implemented throughout the whole country. Agreed minimum salaries have often been released, but only when the basic food prices hit their highest, making the measure insignificant.

The rapid execution of short-term policies (often financial regulations and adjustments) is apparently a strategy to retain the cooperation of international donors.

In general, there has been little policy learning. The policymaking process has always been complex and often inefficient. Decisions are often made the president and his inner circle, which typically has more influence than the prime minister and the cabinet. Rarely, commissions have been established to study the government's failures.

Policy learning  
3

Government funds have often been wasted on the poorly construction and repair of a few roads, which generally collapse following the first heavy rains of the year (as has been the case in Kinshasa, Lubumbashi, Kananga or Goma). The companies that carry out the work generally have direct links to political or military elites. During the last years, however, there were some improvements and some solid roads were constructed, mostly by Chinese companies.

Continued mistakes happen in the mining sector in which contracts are signed, then annulled by the next minister. Not surprisingly, the IMF has resolved to withhold its financial assistance until the government shifts to a more transparent management style, especially in the mining sector.

In addition, the country has not learned to utilize its human resources, and the Congo's academics are neglected. Their inputs are only valuable when they contribute to consolidating the regime in place. In general, the government only addresses its failed policies as a result of external pressure from international partners. However, conclusions are not thoroughly studied, but rather devised to satisfy those partners. Unsurprisingly, the resulting solutions usually have short lives.

## 15 | Resource Efficiency

The Congo's political economy is characterized by a strong waste of state resources (human, financial and organizational). Fundamental problems include poor revenue collection, corruption by revenue-collection services and tax evasion.

Efficient use of  
assets

2

Budgetary procedures are often ignored. Non-discretionary spending is high, raising suspicion that parallel budgets exist to personally enrich the political and military elites.

According to the 2013 Index of Economic Freedom, total government expenditures, including consumption and transfer payments, rose significantly to 36.5% of GDP (compared to 22.7% in 2010), while the total budget deficit stood at 6% of GDP. While much of the public debt was cancelled in 2012 under the HIPC Initiative, the government was already on its way to more debt due to a set extravagant borrowings in 2011, which were made to finance events like the 2011 elections.

Virtually none of the mechanisms are in place associated with the effective bureaucratic administration of human and financial resources, including monitoring, evaluation and auditing procedures. Likewise, the territorial administration is a mere shadow organization.

The government's promises to decentralize the public administration (as mandated under the constitution) and renew the public administration workforce have not yet materialized. University graduates have not been given the opportunity to replace the aging public workforce. Only about 20% of young graduates, often with personal relations to the country's elites, receive employment opportunities.

Power, policymaking and coordination remain concentrated in the presidency. Other state structures, whether they be national or provincial, executive, legislative or judiciary, are simply expected to act in a way that supports the president's decisions.

Policy  
coordination

2

Different branches of the government often compete against each other with counterproductive effects. Public officials' responsibilities often overlap with those of various others (national vs. provincial ministers). The resulting confusion often leaves room for rivalries and politicking – but still allows President Kabila to retain control as the ultimate arbiter. The rapidly multiplying centers of power (informally organized around the country's president) also hold back the government's attempts to effectively coordinate policies. The president often dispatches these groups of people with no formal public role to perform duties, often in complete disregard for the formal public officials.

Despite Kabila's officially proclaimed and most spoken about policy of “zero tolerance” toward corruption, rampant corruption in all political, economic and social sectors remains one of the Congo's key problems. There is constant political interference in government and public administration and a total lack of transparency in all state affairs, notably in economic and financial matters. Recruitment and tender bidding procedures are rarely competitive or made public. In fact, corruption and the approach of the Congolese government toward it have given rise to a parallel economy.

Anti-corruption  
policy

2

Auditing and expenditure tracking is the exception. Public auditors' reports are often ignored and the offenders, in case their actions drew large public attention, are simply moved to other more discrete functions. 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 2012, for instance, the U.N. reported that General Gabriel Amisi was involved in illicitly selling FARDC equipment to various armed groups in the Congo, but he is still unpunished and entitled to his full benefits during his suspension.

Furthermore, although Article 99 of the constitution stipulates that the president and government members must make asset declarations, it is not practiced. In addition, media editors have become increasingly reluctant to report cases of corruption, fearing repressive responses from the perpetrators.

## 16 | Consensus-Building

Consensus on the goals of market economy and democracy is lacking, and, institutionally, these principles are under threat. Constitutional changes and outcomes of multiparty talks are only effectively implemented if they consolidate the president's power and interests.

Consensus on goals

3

To date, the government has failed to comprehensively develop sustainable economic policies able to generate revenues and create jobs for the majority of the population. Actions of political actors – both inside and outside of government – do not indicate

that they strongly stand for the economic and political development of their country, even if their rhetoric may suggest otherwise at times (as for example during the 2011 general elections). Mainly as a result of consistent international pressure, the government has shown a tendency toward market-based principles. However, such a tendency will probably take long to fully materialize. Most elites are likely to block certain necessary stages of such development, fearing that such changes may threaten their current personal interests.

Given the authoritarian-style and clientelistic approach of the current regime, it is doubtful that economic and political reforms are really on the agenda. In this sense, the government has established itself as the country's major anti-reform veto actor.

Anti-democratic  
actors  
3

In 2011 and 2012, public figures such as Cardinal Monsengwo, opposition leaders like Etienne Tshisekedi, Diomi Ndongala and Pierre-Jacques Chalupa who have advocated reform, have either been publicly accused, held under house arrest, detained or forced into unknown confinements. Others have been defeated by divisive political maneuvers (including the use of force and corruption incentives) or co-opted into the presidential ruling alliance.

No measure has been thoroughly implemented in order to address existing divisions or prevent cleavage-based conflicts from escalating. More often than not, political elites manipulate – and even exacerbate – existing tensions to shore up their own power. This has been the case as regards the ongoing violence in the eastern region, where national elites have often been reported to aggravate ethnic tensions in tandem with local allies. Leading politicians such as Mbusa Nyamwisi and Roger Lumbala, reportedly involved in the M23 rebellion, are examples.

Cleavage /  
conflict  
management  
3

Religion was not a causal factor for conflicts during the period under review.

In general, owing to its military strength and political supremacy, the political leadership ignores the opinions of civil society in political decision-making. When anti-regime civil society groups express their opinions or protest, the government uses military force to suppress, disband, kidnap, arrest, and sometimes just kill opponents.

Civil society  
participation  
3

After their elections, only a very limited number of parliamentarians return to their constituencies to consult with and gather views of their supporters.

Opinions that contradict those of the regime are often met with severe repression. Some journalists and human rights activists have been detained or even killed. Unless operating in sectors such as health and education, most civil society associations avoid fully exercising their roles, especially when their input may infuriate the regime. Many of the Congo's most influential civil society figures no longer act as autonomous agents after they have entered politics and have joined major political

groups. As soon as they are actively in politics, their organizations' concerns always come second to their personal political interests.

Reconciliation between perpetrators and victims of past and ongoing injustices, and justice for victims remains very crucial to a sustainable end of violence. However, the country's political leadership and the government have devoted no effective effort in the 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 charged eastern parts of the country, power politics is often used to reinforce tensions.

Reconciliation  
3

The government has also remained very selective, calling on the International Criminal Court (ICC) to pursue some former warlords, while other criminals such as General Amisi have not been prosecuted.

Given the absence of a deeper process of reconciliation and justice, continued widespread violence remains imminent.

## 17 | International Cooperation

The government's relations with the international community remain very ambiguous. Even mild criticisms of the government's handling of affairs are denounced as being an infringement on the country's sovereignty. The government is only open to international cooperation that results in direct financial assistance. It usually accepts most requirements of international donors to allow a rapid release of their assistance, which are often used for short-term expediencies. The government's current projects, such as those within the framework of Kabila's "5 Chantiers de la République," have largely remained unfulfilled promises. The international assistance is partly diverted into the personal coffers of the country's political and military elites. As a result, many state employees, including the country's soldiers, remained unpaid for many years. As mentioned earlier, as a consequence, the IMF suspended its financial assistance to the current Congolese government.

Effective use of  
support  
4

In general, the government tries to present itself as a credible and reliable partner. However, the majority of international partners, who have provided extensive assistance for the last decade, have become increasingly frustrated with the government's mishandling of the country's finances and affairs.

Credibility  
4

The channels of governmental decision-making have remained 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.

Partly as a result of the Western perception of Congolese officials as corrupt and unreliable leaders, the Congolese government has turned closer to China.

Despite the current conflict in the region, the Congo's leaders had made substantial efforts to maintain relations with the country's neighbors, especially Rwanda and Uganda, even though the United Nations has reported both countries are actively supporting armed groups, like M23, that are destabilizing the Congo. During the International Conference on the Great Lakes Region (ICGLR), facilitated by Uganda as part of the regional dialogue and peace process, Congolese leaders challenged their neighbors Rwanda and Uganda over the support for the M23 insurgency. In late February 2013, after the end of the period under review, an agreement was signed to end the mutual support of rebel groups in the region.

Between regional leaders, it is evident that there is a lack of trust as far as security and peace issues are concerned. The Congolese leaders, perceived as unreliable by their neighbors, are seeking international sanctions against Rwanda and Uganda for their actions in the Congo.

One major problem regarding current efforts at regional cooperation (despite its turbulent nature) is that these relations completely rely on the president and escape parliamentary control. Furthermore, the majority of the Congo's population is still very reluctant to support any form of rapprochement with Rwanda or Uganda and continue to hold unfavorable perceptions of these eastern neighboring states.

Regional  
cooperation  
5



## Strategic Outlook

From January 2011 to January 2013, the Congolese government has made very little progress at ending violence in the country's eastern region or effectively kicking off the country's democratic and economic reforms. Rather, setbacks in both the electoral system and the control of violence were recorded. The country also remains burdened with serious economic and political problems.

Instability has grown and has also spread to the relatively peaceful western regions. In major cities, tensions remain high. After the elections, opposition activists have been trying to stage daily mass protests in order to contest the election results and demand an immediate "restoration of the truth". In the Kasai and Katanga provinces, operations by new armed groups have been reported. Ethnic rivalries in other provinces, such as in the northwestern province of Equateur, were also reported.

In the eastern provinces, the U.N.-supported Congolese army, in alliance with Rwanda and Uganda, has failed to end the violence. Instead, a new cycle of intensified violence started with the official emergence of the reportedly Rwandan backed-armed group, Movement of 23rd March (M23). On 20 November 2012, M23 seized the strategic North Kivu's capital, Goma for 11 days. Currently negotiating with the Congolese government in Kampala under the mediation of the Ugandan government, M23 threatens to march to Kinshasa unless its grievances were fully addressed.

The Congolese political arena has transformed into a shaped system aimed at consolidating and maintaining power of President Joseph Kabila, rather than developing sustainable and functioning democratic structures of the country. In 2011, the country's constitution has been revised to consolidate more power in the person of the president.

No major change is foreseeable. Following the 2011 general elections, largely decried as lacking credibility and still being internally contested, President Kabila has been re-elected for his constitutionally final mandate. President Kabila and his political coalition have so far successfully manipulated the opposition forces, absorbed a couple of key opposition figures and maintained their supremacy. The opposition remains divided.

Partly 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 (even during the 2011 election campaign period) step by step strategies to effectively initiate the country's economic and political development process.

Numerous problems continue to hamper the country's development, and it may require a long period of time in order to devise and implement sustainable solutions. These solutions would need to include the following:

- **An independent electoral commission:** The commission must be capable of independently operating in order to produce credible and generally accepted elections results, reflecting the voice of the electorate.
- **A systematic anti-corruption campaign:** Corruption should be forcefully combated if the Congo wants to embark on the process of economic and political development. Because corruption has become entrenched in the entire society, it is important that the education system takes on a role in the fight against corruption. International partners, while setting their incentives, should uncompromisingly target corruption among the country's leaders at every relevant level of government.
- **The reform of the security sector:** Security sector reform is very 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, holding the monopoly of the use of force.
- **A reconciliation campaign:** Any gains from the peace process and other efforts such as those of disarmament, demobilization and reintegration of ex-combatants can only stand the test of time if they are sustained by a serious social reconciliation campaign among various social communities, especially in rural areas.
- **An independent judicial system:** It is important that the political and military leadership refrain from dictating the outcomes in courts. Some laws such as the ones on land, especially in rural areas, are misinterpreted.
- **Education and training:** Reform of the education system, with a strong emphasis on educating more women, is one of the most pressing priorities. The building and maintaining of schools, universities and hospitals in the country require that young people be educated and highly trained. Furthermore, to ensure rapid and broad-based development, the country needs to produce a strong and competitive workforce. The majority of the armed groups are made up of young people. The majority of them were unemployed, severely impoverished and structurally excluded. Joining the armed groups became the only option for survival and belonging for these young people.
- **Decentralization:** The January 2011 revision of the country's constitution withdrawing a commitment to decentralization is the most dangerous step backward. 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 the democratic and economic development of the Congo.