

BTI 2016 | Congo, DR Country Report

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Political Transformation	1-10	3.40	# 109 of 129	➔
Economic Transformation	1-10	2.79	# 121 of 129	➔
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	scale	score	rank	trend

This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2016. It covers the period from 1 February 2013 to 31 January 2015. 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	74.9	HDI	0.338	GDP p.c., PPP \$	745.8
Pop. growth ¹	% p.a.	3.2	HDI rank of 187	186	Gini Index	42.1
Life expectancy	years	49.9	UN Education Index	0.372	Poverty ³	% 90.7
Urban population	%	42.0	Gender inequality ²	0.669	Aid per capita \$	35.5

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | UNDP, Human Development Report 2014. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.10 a day at 2011 international prices.

Executive Summary

During period under review, the Democratic Republic of the Congo (DRC) made no progress in terms of democratic and economic transformation. To the contrary, the period was marked by increasing authoritarianism and disrespect of the constitution, with the ruling elite currently using any available means to tighten its grip on power and sustain their positions beyond the upcoming elections.

Talks with the opposition in 2013 resulted in a new government in 2014, which is largely an attempt to further strengthen the ruling coalition, satisfy political allies and co-opt potential troublemakers. After eight years of postponement, the Electoral Commission finally presented a schedule for local elections. However, this should not be mistaken as a sign that long-needed decentralization reform is now seriously underway. Rather, the presentation of an incomplete electoral calendar (mentioning local elections, but omitting presidential and parliamentary elections) as well as the introduction of a law linking the elections to an ambitious and costly national census to be held beforehand (even though it was withdrawn after 48 Congolese lost their lives during the January 2015 protests) caused widespread concern that Kabila would simply postpone the elections in order to stay in power. Besides the recent events of January 2015, prior protests and any rhetoric in favor of more democracy have been answered with a disproportionate use of force, house arrests, kidnappings, assassinations or unfair court proceedings leading to forced prison terms.

Far-ranging security sector reform and a reshuffling in the national army caused a serious setback in terms of professionalization and the implementation of the rule of law, as many reform-oriented individuals were replaced by notoriously corrupt officers close to the president, who have reportedly been implicated in arms deals and human rights violations.

Despite a historical victory over the M23 rebels in late 2013, security issues remained rampant. Other armed groups continue to fight in the historically problematic East while violence has increased in hitherto rather stable areas such as Katanga.

Economic growth and low inflation remained stable. However, the country's resources as well as revenues benefited only a very small part of the politico-military elite. The humanitarian situation did not improve to a noteworthy degree. The investment climate further deteriorated. With a rank of 184 out of 189 countries, the Congo remained among the worst countries to do business in. Property rights have severely declined.

Strategic prioritization, implementation and policy learning are historically weak. During the reporting period, the focus on the next elections and a way for Kabila to stay in power overshadowed anything such as long-term strategic planning. Furthermore, the current political environment – dominated by a ruling elite unwilling to leave power and making use of any available means to prolong its rule – shows that the political and military leaders of the country have drawn no lessons from past experiences or the experiences of other African countries. In fact, Kabila's clinging to power has a high chance of resulting in yet another peak in violence across the country.

History and Characteristics of Transformation

Historically, the Democratic Republic of the Congo (DRC) has been plagued by successive armed conflicts, economic depletion and mismanagement, external meddling and severe socioeconomic problems.

The colonial period has been marked by particularly brutal force and extreme exploitation of resources to the detriment of the local population, creating a situation in which by the time of the rather sudden independence in 1960, only a few Congolese had higher education or the necessary skills to run modern politics or the economy, while at the same time traditional socioeconomic structures had long been destroyed. The early years of independence were thus marked by ethnic rivalries, army mutinies, power struggles and external meddling. The first prime minister, Patrice Lumumba, was 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, he exploited the state for private purposes on a massive scale and only a few individuals directly linked to him benefited from the system, while the majority of the population suffered – mostly in the last years of the dictatorship – from severe unemployment, poverty, extreme inflation and the decay (and destruction) of infrastructure. During the dictatorship, there was little room for socio-political mobilization and every attempt at it was stifled either by force or co-optation. However, when vital support by the U.S. and other Western allies diminished after the end of the Cold War, Mobutu was forced to open up the political sphere in the 1990s, introducing a multiparty system and formally engaging in a political dialogue during a Sovereign National Conference (CNS). The

conference was attended by over 2000 representatives of political parties and civil society groups, which mushroomed after the political opening but to a large degree, had neither a constituency nor a program or objective. Nevertheless, the CNS did some important work and produced a wide range of detailed recommendations that were never implemented. In fact, the regime never took the CNS seriously, and when for the first time since 1965 a prime minister was elected (Etienne Tshisekedi from the Union for Democracy and Social Progress (UDPS)) and a transitional government installed in 1992, Mobutu reacted by establishing a parallel government and intensifying the systematic plundering of state resources. Planned elections were continuously postponed. During the years between 1990 and 1995, inflation skyrocketed to over 3000%, any remains of the formal economic sector collapsed and plundering and armed violence – mostly in the East – soared.

A combination of internal and external factors led to the outbreak of the First Congo war, including the establishment of massive refugee camps of Rwandan Hutu from which the former Rwandan genocidal regime re-organized and attacked Rwanda after a Tutsi rebellion took over power in Kigali; ethnic conflicts in the Kivu provinces (revolving around land, access to resources and citizenship questions); and the total decay of state structures, including a disorganized and marauding army. Heavily backed (if not controlled) by Rwanda and Uganda, a rebel movement – the Alliance of Democratic Forces for the Liberation of Congo (AFDL) – started the war in October 1996 and ousted Mobutu in less than a year, establishing a new government under the lead of Laurent-Désiré Kabila.

The new regime did not bring the political and economic changes long hoped for. On the contrary, Kabila's government style was extremely authoritarian and the president quickly antagonized not only the Congolese political class and population, but also his external allies. When he expelled Rwandan army officers and engaged in anti-Rwandan discourse in 1998, his formerly most important supporters – Rwanda and Uganda – started the Second Congo War or the “Great African War,” in which nine African states as well as around 30 local militias and several multinational companies have so far been involved; the death toll is estimated to reach over 5 Million.

Congo entered a long period of “wars within wars,” characterized by the emergence of a plethora of armed groups, quickly changing loyalties and alliances as well as a shift in focus from taking over political power in Kinshasa to controlling mining rich areas in the east, north and south of the country. Rwanda and Uganda first fought alongside and then against each other through local militias, the most important being the Rally for Congolese Democracy (RCD) (split in two factions) and the Movement for the Liberation of the Congo (MLC). As opposed to the quick advance of 1996-1997, the war soon stalled and broadly divided the country into a government-controlled west and south, an RCD-controlled east and an MLC-controlled north. A first peace agreement in 1999 (Lusaka) yielded no results. Assassinated in January 2001, Laurent Kabila was succeeded by his son Joseph Kabila, who resumed parallel peace negotiations with the governments of Rwanda (in Pretoria) and Uganda (in Luanda), as well as with Congolese rebels (in Sun City), culminating in three different peace agreements in 2002 and 2003. The Sun City agreement installed a transitional government with Kabila as president and four vice-presidents from the Kabila faction, the RCD, the MLC and the political opposition. The agreement foresaw

comprehensive power-sharing in political institutions, the military and parastatal companies down to the provincial level. While the war was officially over, violence in the east continued, first between different rebel groups in Ituri (Orientale Province) and then in the Kivu provinces as parts of the RCD under Laurent Nkunda fought against the Joseph Kabila faction over the control of the resource-rich area. A short occupation of Bukavu in 2004 brought the country to the brink of a third war. In the following years, Nkunda effectively established a state within the state in North Kivu with his newly formed rebel movement CNDP.

In the meantime, the largest U.N. peacekeeping mission MONUC/MONUSCO had been established, which has since been criticized for its inefficiency.

The first post-war elections in 2006, which ended the transition period, brought a landslide victory for Kabila. His promises of widespread reforms entitled “les cinq chantiers” (“the five building sites”) – allegedly to tackle infrastructure, health and education, housing, water and electricity, and employment – have become nothing more than the butt of cynical jokes, as the logic of governance in Congo under different prime ministers has remained one of corruption, embezzlement and opportunism, with no tangible improvement for the general population. Promises of decentralization and local elections have never materialized.

The CNDP signed a peace deal with Kabila in 2009, which was meant to restore the image of government control over the whole of the Congolese territory but unofficially formalized Rwandan control in North Kivu. Due to the unfulfilled reform promises and his compromising stance toward the rebels in the Kivus, Kabila’s popularity decreased enormously, to the point where he could only win another electoral victory in 2011 through blatant fraud, evidence of which was decried by the Congolese opposition as well as national and international observers. The nomination of the technocrat and respected former Finance Minister Augustin Matata Ponyo as prime minister inspired hope, but politics in Kinshasa remained polarized. Talks with the opposition – somewhat modeled after the CNS of the early 1990s – were meant to restore a sense of national cohesion but were contested from the beginning. The result was a long list of recommendations and Kabila’s promise to create a unity government. He waited 13 months to establish the new government, which – albeit including unpopular opposition figures – was more of an attempt to foster the ruling coalition, satisfy political allies and appease potential troublemakers than a move toward inclusive politics. Furthermore, indications that Kabila would either try to change the constitution or postpone the upcoming elections to allow himself to stay in power worsened the climate in Kinshasa. Protests were met with a disproportionate use of force by the police and presidential guard units.

In 2012, yet another Rwanda-backed movement – the M23 – engaged in heavy fighting with the army and other rebel groups in North Kivu. The rebels surrendered in late 2013, marking the first ever military victory of the Congolese army against a Rwandan-backed rebellion – albeit only with the help of a new, formidable U.N. intervention brigade. However, since the end of the M23 rebellion, the fight against other rebel movements as well as the demobilization and re-integration of M23 rebels has so far been disappointing. Since the contested elections of 2011, rebel movements have also been on the increase in hitherto rather stable provinces, namely Kasai and

Katanga. Army reform has for years been marked by a series of “integration” efforts, which have often only resulted in re-defection or the establishment of parallel hierarchies. This has resulted in making the Forces Armées de la République Démocratique du Congo (FARDC) a conglomerate of former rebels, whose leadership is known for corruption, illegal economic activities and gross human rights violations while the rank-and-file are barely equipped, underpaid and undisciplined. Reform-oriented officers within the FARDC face many constraints and are repeatedly removed from important positions.

For years, relations with neighboring countries have revolved around security issues and are characterized by shifting alliances and massive (military) interference.

Overall, the DRC remains one of the world’s most unstable countries while confronting enormous challenges for political and economic transformation. Since independence, national politics have been marked by endless “transition periods,” a continuation of predatory and opportunistic behavior and a lack of sustainable reforms. Dynamics in the Kivu provinces are characterized by conflicting interests and fast-shifting alliances between the Kinshasa government, various local rebel groups and regional powers (mostly Rwanda), and for many years have been centered more on access to natural resources than political or security concerns. The multiplication of armed movements and various interests found its expression in army reform, which since the end of the Mobutu era has been a process of ongoing integration, defection and re-integration of rebels without a sustainable long-term strategy, leading to a fractionalized and dysfunctional army known for its parallel hierarchies, corruption and human rights abuses.

Due to the general political and security issues and the resource wealth of the country, the shadow economy is flourishing and international organized crime is rampant in the lucrative sectors. Reforms of the economic and financial sector have been postponed, abandoned or remain ineffective, poverty is rampant and economic development in large parts of the country – mostly in the war-ravaged East – has stalled.

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

In the history of the Congo, the state has rarely and only for brief periods of time had the full monopoly on the use of force over the whole of its territory. The immense size of the country, a disastrous lack of infrastructure and historically weak national security forces have all contributed to this fact.

Monopoly on the
use of force

3

Mostly in the eastern periphery, the state's monopoly has for decades been contested by various groups and to varying degrees. In the recent violent history of the Kivu provinces, armed groups – be they Rwanda- and/or Uganda-backed militias or purely Congolese – have repeatedly conquered territory and established state-like structures.

Furthermore, as the national army, FARDC, is mainly a conglomerate of rebel groups that had been integrated at different times but kept their particular loyalties and even command structures, many parts of the national army act on their own behalf and beyond the control of the democratically elected government. Corruption and gross human rights violations involving FARDC soldiers and officers are frequent.

In addition, the president maintains his private presidential guard to protect himself, his family and his inner circle, proving his general mistrust of the state's security forces. International assistance to reform the FARDC as well as the national police (PNC) has yet to yield any notable results.

In late 2013, the FARDC recorded their first-ever military victory over a Rwandan-backed rebel group in North Kivu; however, this was largely due to the support of a special intervention brigade mandated by the head of the U.N. Mission to the Congo (MONUSCO) rather than the effectiveness of the FARDC. For almost a year, the M23 had mounted a serious challenge to the state's monopoly in North Kivu, bringing the DRC to the brink of renewed civil war. However, the end of M23 as the most prominent armed movement does not mean that the state's monopoly on the use of force is restored. To the contrary, apart from minor rebel movements in other parts

of the country, large-scale armed violence continues to be rampant in both Kivu provinces, Orientale province and Katanga province. Despite the recent victory against M23, MONUSCO is still insufficient to support peace efforts and restore a stable environment.

Despite the violent history of the state, its immense territory and the diversity of its ethnic groups, languages and cultures, the Congolese have a remarkably strong sense of national identity. The notion and the existence of “one-Congolese” nation-state has remained unanimously sacrosanct for all major groups in the country (ethnic groups, regionally based groups, political parties). Apart from early, post-independence attempts at secession by groups promoting colonial and Belgian business interests in Katanga, no rebel movement or other major group has ever advocated for secession.

Continued interference by foreign armed groups and armies, most notably Rwanda and Uganda, have undoubtedly contributed to fostering Congolese nationalism and provided a welcome means of mobilization for various regimes (Mobutu, Kabila I, Kabila II).

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 Rwandophone minorities continues to be questioned by ethnic majority groups. However, the 2006 law on nationality is, at least in theory, inclusive.

The DRC is a secular state. Religious dogmas have only a very limited degree of direct influence on politics. However, the country’s religious bodies, especially the Christian churches, are extremely influential in society. Around half of the Congolese TV stations belong to Pentecostal churches. Therefore, politicians try to co-opt churches and preachers for their political agenda. Many Pentecostal and evangelical preachers publicly campaigned for the (re-)election of President Kabila in 2006 and 2011.

Other religious leaders openly opposed the government in place and clashed with the state’s security organs on various occasions. One of the most important religious movements, the Bundu dia Kongo, which is very influential among Kongo people in the Bas-Congo area, was banned several times due to clashes with police and the military during demonstrations and political rallies in 2002, 2006, 2007 and 2008. Followers of the self-proclaimed prophet and presidential candidate in 2006, Joseph Mukungubila, were hunted down by the police and presidential guards in January 2014, after attacks on strategic places in Kinshasa, Lubumbashi and Maniema had been attributed to the group.

The Catholic Church often has an influential voice in counterbalancing ruthless political decisions, most of all concerning elections. The diocese of Kinshasa criticized the 2011 constitutional revisions allowing the president to be elected in one

State identity

9

No interference of religious dogmas

8

round of voting. As a reaction to recent attempts by Kabila to undermine presidential term limits in order to be re-elected in 2016, the National Episcopal Conference (CENCO) publicly stated that the respective article was sacrosanct.

The state infrastructure is fragile in most major cities and almost nonexistent in remote areas. The administration is corrupt, underfunded and lacks professional personnel and resources. Service delivery is thus extremely deficient.

Basic
administration
2

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. Since 2005, local elections have been repeatedly postponed. It was only in 2014 that an ambitious calendar for local elections set for 2015 was presented by the Independent National Electoral Commission (CENI). However, the calendar seems logistically and financially unrealistic, fails to address whether the basis for the elections would be 11 or 26 provinces and lacks clarity over the handling of the voter register in the absence of a population census, which is set for 2015 but will probably take many years to be completed.

Much of the country is repeatedly subject to two parallel administrations, one by the state and one by armed groups. A functioning local administration is considered an important basis for stability in the troubled periphery of the country, as reflected in the fact that the Peace, Security and Cooperation Framework (PSCF) Agreement signed by 11 regional countries in 2013 explicitly mentions the reform of local administration as a commitment by the Congolese government toward peace and stability.

The judiciary is corrupt, partial, inefficient and largely restricted to a few major cities. As a consequence, populist and mob justice is rampant.

According to the World Bank, 31% of Congolese have access to sanitation facilities and 47% to water sources (2012); however, these numbers are much lower in rural areas. Schooling in rural areas is either extremely deficient or lacking altogether. In many conflict-ridden parts of the country, access to health infrastructure is nonexistent; if there are health facilities, most are not provided by the government but by private and/or humanitarian organizations. Even large cities, such as Bukavu in South Kivu, have no fire brigades or government-run ambulances. Major reconstruction programs, including Kabila’s promised “cinq chantiers” and the Stabilization and Reconstruction Plan for DRC (STAREC), have produced very limited results.

2 | Political Participation

Since independence, the DRC has thus far seen only two democratic elections, in 2006 and 2011. As with most African countries with a long history of colonial rule, dictatorship and civil war, the DRC has a fragile democratic culture and a non-functioning support infrastructure. At the same time, elections are the only means for the ruling elite to gain international legitimacy. Therefore, elections in the DRC are moments of extreme fragility, massive fraud and violence.

Free and fair
elections

3

The 2006 elections were generally deemed acceptable despite minor irregularities and violence on all sides. Although voter registration was a daunting task due to a total lack of infrastructure and the absence of any credible population count, the national election commission (CEI) registered 25 million voters. 33 candidates ran for president and around 10,000 candidates for the 500 parliamentary seats. Kabila won the elections in the second round with 58% of the votes, defeating his fiercest competitor, Bemba. The only credible possible candidate from the unarmed political opposition, Etienne Tshisekedi of the UDPS, boycotted the elections.

In contrast to 2006, almost from the start the 2011 elections were decried as unorganized and fraudulent. A constitutional change in 2011 eliminated the second round of voting and replaced the necessary majority for presidential elections with a relative majority. The amendment was clearly meant to help Kabila, the incumbent president, win.

Throughout the pre-election period, electoral violations, including severe intimidation and targeted violence against civil society activists, were reported. CENI, the new electoral commission, was late in being established and soon lost credibility by poorly updating the voter register. Over 18,000 candidates registered for parliamentary elections. The infrastructural problems were immense and only massive last-minute support by MONUSCO and South Africa guaranteed the on-time provision of electoral materials. Major incidents of violence in Kinshasa, Lubumbashi, Goma and Bukavu occurred on election day.

The final presidential election results, announced by the Supreme Court, attributed 49% to President Kabila and 32% to opposition leader Etienne Tshisekedi. The election results of both presidential and National Assembly elections were immediately contested by both international and national election observers as well as the political opposition. The main points of critique were an unrealistic voter turnout of 100% in Kabila strongholds, result manipulation in various counting centers, intimidation of polling staff and chaotic result collection, leading inter alia to the loss of around 20% of the election results in Kinshasa. The opposition, and

some political actors close to President Kabila, accused CENI of corrupt practices and massive irregularities.

The announcement of the results triggered massive protests and deadly violence, especially in major cities. Human rights organizations accused the government of resorting to a disproportionate use of force. Kabila's major opponent, Tshisekedi, who declared himself president-elect, was essentially held under house arrest for several weeks.

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 CENI carried out the presidential election. Local elections, as laid out in the 2005 constitution, have yet to occur due to repeated postponement. It was only in 2014 that the new CENI announced an ambitious calendar for local elections in 2015.

In June 2012, the National Assembly suspended CENI's operations. A new CENI law was passed in 2013 to allow for a new composition in leadership and an improved electoral process. The controversial head of the commission, Daniel Ngoy Mulunda, was replaced by his predecessor, Apollinaire Malu-Malu, and civil society members were included in the commission.

The upcoming elections of 2016 constitute the biggest political battle in the country. CENI already came under critique for publishing an incomplete electoral calendar for 2015-2016 and remaining ambiguous about the timing of presidential and parliamentary elections. Furthermore, a new electoral law was proposed in January 2015, which links the holding of elections to a national census to be carried out beforehand. Both the lacking time schedule and the overly ambitious planning for the census have raised fear that presidential elections will be postponed. Although Kabila recently emphasized that all elections will take place according to the planned timeframe, there are manifold signs that he will use any available means to prolong his rule. The debate about a potential constitutional amendment that would allow Kabila to run for a third term has divided the political scene in Kinshasa. Political opposition and civil society groups have started to launch large-scale campaigns and demonstrations against a constitutional amendment and postponement of the elections. Protests, especially those held on 19, 20 and 21 January 2015, have been met with excessive use of force by the police and presidential guard units, resulting in a death toll of at least 48 (International Federation for Human Rights, January 2015).

Even though the Senate's amended, adopted and published 2015 Electoral Law clearly states that the general elections will occur in 2016, and does so in full accordance with the country's constitution, a global calendar for the general elections has yet to be adopted.

After the last elections, the government can no longer be considered democratically elected. Apart from the geographical areas seized by powerful armed groups, overall the government was 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. However, president Kabila lacks a sustainable power base and his Alliance for the Presidential Majority (AMP) is more of a loose and opportunistic network than a stable coalition. Regional and ethnic affiliation are important factors that the president must consider in order not to antagonize powerful interest groups. In that sense, recent developments – including a restructuring of the armed forces and a reshuffling of the government in 2014 – can largely be interpreted as attempts to foster the coalition, satisfy political allies and appease potential troublemakers in order to stabilize Kabila’s backing for a third term in 2016. After the early 2012 death of Augustin Katumba Mwanke, the 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. National, regional and international economic players, most importantly those involved in the mining sector, have an undeniable, but difficult to assess, influence on politics.

Effective power to govern

2

The constitution guarantees freedom of association and assembly and, in principle, opposition parties and civil society organizations are free to operate. However, in recent years, opposition parties, especially those positioned against the ruling coalition, as well as civil society activists were repeatedly harassed or constrained in their activities. During the elections of 2011, demonstrations and public protests were repeatedly repressed.

Association / assembly rights

3

Rallies against a third term for Kabila were also restrained and oppositionists arrested. Most recently, in January 2015, many dozens of those protesting the 2015 proposed electoral law were killed in Kinshasa by the police and units of the presidential guard. In addition, Internet, social media, and SMS services were shut down nationwide for many days.

Constitutionally, the right to freedom of expression is guaranteed, but in practice it is strictly limited. Newspaper circulation is mainly limited to Kinshasa and a few big cities and is only consumed by the middle and upper classes. Radio and television, on the contrary, are omnipresent in large urban areas and Congolese spend many hours a day consuming audiovisual media. There are uncountable TV stations; however, most of them are completely apolitical and mainly show telenovelas or music videos, or are in the hands of Pentecostal churches broadcasting sermons. During elections, the latter are often used to spout political propaganda for various candidates. However, some media outlets continue to challenge the state in order to provide room for lively political and societal debate as a contribution to the

Freedom of expression

3

democratic opinion-forming process. The only nationwide media outlet that offers objective information of good quality is Radio Okapi, the U.N.-sponsored media outlet. Even this station sometimes shies away from certain issues of greater national relevance in order to avoid rebuke from the Congolese Ministry of Media and Information, famous for brutally policing the media in favor of the government opinion. Access to the internet is not restricted and the government does not monitor its content. However, in practicality only a negligible part of the urban population has yet to gain access to the internet.

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. Media freedom is currently being undermined severely by political tensions concerning the elections of 2016 and a potential third mandate of the president. Threats and censorship are on the rise.

Harassment and intimidation of journalists and civil society activists who speak up against the government are common. The most documented cases include the 2010 assassination of the head of one of the most important Kinshasa-based human rights organizations, "la voix des sans voix," Floribert Chebeya, the 2011 killings of the North Kivu radio journalist, Kambale Musonia, and Hardy Kazadi Ilunga of the Katanga based Radio-Télévision Mosaïque, the arrest and arbitrary trial of Freddy Mulumba Kabwaya, the managing director of one of Kinshasa's largest private daily newspapers, *Le Potentiel*, in 2011, and the lengthy pre-trial detention of the publisher of Congo News, Mike Mukebayi, in 2014.

Severe interference with freedom of expression is reflected in international assessments. For many years, the global surveys by the Freedom House have kept the DRC in the "Not Free" category in terms of general freedom and freedom of the press.

3 | Rule of Law

The constitution provides for the separation of powers between the executive, the legislature, and the judiciary. In practice, however, the system of checks and balances is severely limited. The parliament often simply "rubber-stamps" what the presidency dictates. However, Kabila's party, the People's Party for Reconstruction and Democracy (PPRD), has only a minority in parliament and the ruling coalition AMP only slightly more than half the seats. Furthermore, the AMP is rather loosely organized and loyalties are by no means stable. The parliament as a whole is fragmented. Opportunism and quickly changing alliances among members of parliament are common. Therefore, the centralization of power in the presidency is a result of a mix of intimidation and co-optation and comes at a high price, and often

Separation of
powers

3

includes the channeling of state funds into the complex system of neo-patrimonial networks. A recent reshuffling of the government in late 2014 was officially meant to create a government of national cohesion – as promised after national concertations in 2013 – but was actually an attempt to stabilize alliances and buy off opposition parties that are strong in the legislative.

State power is rarely subjected to independent decisions of the judiciary which is highly politicized, submissive to the president and his inner circle's desires and susceptible to corruption.

The Congolese judiciary is heavily corrupt, overburdened, under-financed and lacking the most basic infrastructure. It operates within the framework of one of the most ramshackle legal systems in the world. The judiciary is highly dependent on politicians and military authorities. The president appoints, suspends and dismisses judges and public prosecutors upon proposal by the High Council of the Judiciary.

Independent
judiciary

2

Office abuse is very rarely subject to juridical prosecution. At the same time, jurisdiction is often used as a means for powerful elites to silence dissidents. Many political opponents face legal prosecution and ensuing imprisonment on trumped-up criminal charges. Interestingly, Congolese courts – both civilian and military – are very active in prosecuting sexualized violence, especially rape. In 2006, the Congo was the first country to prosecute sexualized violence as an international crime invoking the Rome Statute. Ever since, prosecutions for sexualized violence – as well as verdicts and prison sentences – have far outnumbered other categories of crime, which are almost ignored in some parts of the country. The perverse effect is that many women who become victims of any kind of crime file false rape cases in order to have a chance that their cases are prosecuted. However, most cases filed before the courts still end with impunity. In 2014, a military court in Beni for example delivered only two rape convictions in the trial of 39 FARDC soldiers for the mass rape of 130 women and girls in Minova in November 2012.

Despite the existence of anti-corruption laws, absolute impunity for public officeholders prevails. There is an almost total lack of transparency in governmental decisions and accountability. Petty corruption is rampant – and in many cases the only means to survive for employees of the public administration – and largely considered normal by the population, despite a high level of frustration and a growing awareness for the problem.

Prosecution of
office abuse

3

If office abuse is indeed prosecuted, it is usually a means of getting rid of potential political competitors rather than promoting the rule of law. Cases of apparent high-level corruption and dubious deals were reported by the United Nations or civil society groups, but have had no visible consequences for the persons implicated. In most cases, the suspect was quickly withdrawn from the political or military scene and reinstated in low-profile positions for a certain time before afterwards

reappearing in high-level positions. The case of General Gabriel Amisi, who illicitly sold government arms to rebel groups, is the most telling. After having been suspended in late 2012 over accusations of providing arms to rebel groups, he was rehabilitated as commander of the western military region in the course of a major army reshuffling in 2014. In general, the FARDC are characterized by a very high rate of office abuse and general impunity. In 2013, it originally seemed that Kabila was willing to change this situation by dismissing many notoriously corrupt individuals reportedly implicated in arms deals and gross human rights violations from their positions, but the army reshuffling in 2014 brought most of them back.

Civil rights are guaranteed by the Congolese constitution, but frequently violated by the state, especially by security forces. Arbitrary arrest, intimidation, harassment and assassinations of political opposition and civil society activists are common. The most recent large-scale case of severe infringement of civil rights was the crackdown of followers of the self-proclaimed prophet and 2006 presidential candidate, Joseph Mukungubila, in January 2015, after attacks in Kinshasa, Lubumbashi and Kindu had been attributed to the group (another crackdown occurred in December 2013).

The national army is known for many cases of gross human rights violations and only very few cases have been prosecuted. Sexualized violence against women and girls remains a tremendous problem.

International attention on rape as a weapon of war – often committed by the national army – is extremely high. As a result, Congolese NGOs in the troubled east of the country have focused heavily on the topic and the DRC has since become a country with a remarkable record of court cases dealing with rape. However, results are often discouraging for rape victims and impunity remains the norm. Furthermore, the almost exclusive focus on rape has had perverse effects. Various forms of civil rights violations are increasingly framed as rape in order to have a chance at some form of reparation. Furthermore, other forms of gender-based violence, such as unequal access to resources, a misogynist statutory and customary legal framework, and outright discrimination of women in many areas of everyday life are largely ignored.

4 | Stability of Democratic Institutions

Formally, all conventionally required democratic institutions have existed since 2006 and function in accordance with the constitution and other laws. However, institutions remain weak and ineffective.

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. Parliament is characterized by a plethora of small parties and independent candidates who switch

Civil rights
3

Performance of
democratic
institutions
2

alliances almost by the day. The public administration is fragile and largely confined to major cities. A lack of funding and material makes corruption the only available means to survive for many employees of the administration and service delivery is thus extremely deficient. Given the long history of colonialism, dictatorship and civil wars, Congolese – the general populace as well as state agents – are inclined to rely on self-help (as expressed in Mobutu’s famous imaginary expression “débrouillez-vous”) and have no trust in state institutions. In those parts of the country that are subject to rebel rule, democratic institutions do not perform at all.

Since the peace agreement of 2003, political leaders have used a discourse of western style democracy and democratic institutions, in order to advance their own interests rather than out of a veritable commitment to democracy. In fact, key institutions of democracy and the rule of law, such as the constitution, elections and referenda, are often used to foster the ruling elites grip on power. The 2011 elections were exceedingly fraudulent, but nevertheless serve as the basis of the ruling elites legitimization. The establishment of a government of national cohesion is less a move toward democratic dialogue than a means to foster Kabila’s own power base and placate potential troublemakers. It is foreseeable that Kabila will use any formal means to prolong his rule, including a possible referendum to alter the constitution; the creative use of institutions paired with a discursive commitment to democracy is often sufficient to achieve particularistic aims. If not, extra-legal means, such as harassment, intimidation and the outright use of force by security agents are always available. The Economist Intelligence Unit’s democracy index ranks the Congo 159 out of 167 countries worldwide, classifying the regime as “authoritarian.” In Africa only Guinea-Bissau, Equatorial Guinea, the Central African Republic and Chad are ranked lower.

Congo is characterized by a deeply embedded culture of clientelism; political mobilization often revolves more around “big men” than ideological issues. Many institutions – including non-state entities such as political parties, associations, interests groups and civil society groups – lack internal democracy and are characterized by the personal rule of individuals. The national army comprises parallel hierarchies and loyalties to individuals rather than democratic principles. The presidential guard takes orders directly from the president and is not subject to any democratic oversight. Various armed groups repeatedly question the fundamental principles of the democratic order, even though most are making use of a discourse of democracy themselves.

Commitment to
democratic
institutions

2

5 | Political and Social Integration

The Congolese party system is heterogeneous, with more than 350 registered parties, few of which are socially rooted and organizationally institutionalized; even fewer are able to mobilize on a national basis. Most parties are mainly 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, and are strongly identifiable along ethnic, regional and community lines. The origins of the leaders of a party largely define their constituency.

The politically most important parties are Kabila's People's Party for Reconstruction and Democracy (PPRD), Tshisekedi's Union for Democracy and Social Progress (UDPS), Vital Kamerhe's Union for the Congolese Nation (UNC) and Jean-Pierre Bemba's Movement for the Liberation of the Congo (MLC). Polarization tends to be high during election time, most visibly in the fierce competition between Kabila, Kamerhe and Tshisekedi. However, when it comes to distributing government positions, most politicians easily change sides. An exception to this rule are the majority UDPS members who have thus far largely adhered to their party's politics of withstanding co-option.

No party has a majority in parliament; thus, Kabila can only rule with his Alliance for the Presidential Majority (AMP), an unstable coalition between the PPRD and various co-opted parties, which results in around 260 out of 500 seats. Voter volatility is high, as seen in the varying election results from 2006 and 2011. If possible, however, voters tend to choose a candidate of their own region or ethnic group. In 2011, the PPRD lost nearly half of its votes and now occupies only 62 seats. The UDPS boycotted the 2006 elections and entered parliament only in 2011 as the second political force in the country, with 41 seats, as did the newly founded UNC. Kamerhe used to be one of Kabila's closest cronies, but shortly before the elections, he entered as the presidential candidate and became Kabila's fiercest competitor. His party became the second-strongest opposition force, with 17 seats. The MLC lost two thirds of its votes compared to 2006 and entered parliament with 22 seats. Party leader Bemba awaits a verdict before the International Criminal Court (ICC), which has thus far not prevented him from actively engaging in politics in the DRC.

The electoral law published in 2015 has adopted parity in electoral lists in order to increase the participation of women.

Party system
4

Interest groups are present only in isolated social segments and cooperate little among themselves. They tend to be fragmented, poorly organized, locally based, politicized and with narrow focus and little impact. The Federation of Enterprises in the Congo (FEC) and some trade unions, in particular teachers, doctors and state officials, are the most influential interest groups. However, their demands are rarely taken into account, despite the fact that they frequently organize strikes.

Interest groups
4

The Catholic Church, the only credible institution capable of channeling some segments of society demands, has lately been targeted and monitored and many of its initiatives have been 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. The protests against a constitutional amendment and a third mandate for the president also suggest an approval of democracy. However, this kind of civic expression is limited to large cities and is often organized around opposition parties that are mostly concerned with their own share of the spoils rather than idea of democracy itself. Furthermore, citizens' current and strong interest in political alternation is often perceived as a reaction to the social and economic misery they face rather than their consent to democratic norms.

Approval of
democracy
n/a

Given the virtual absence of basic service delivery over recent decades, 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, and the number keeps rising. However, like the political parties, many of these groups are often linked to narrow local and ethnicity-based constituencies while leaders often exploit the provided forum for their own political ascendancy. Many NGOs simply seize the issues of the moment, such as sexualized violence, in order to acquire funds. This is particularly true in the eastern regions of the country, where trust among the various social groups has severely eroded and international attention largely defines where donor funding goes.

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. 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. However, what can save lives in times of armed conflict and poverty can become a burden for those who own prospering businesses and are expected by society to share income with family members instead of reinvesting it.

II. Economic Transformation

6 | Level of Socioeconomic Development

Question
Score

The DRC remains the second least developed country out of the 187 ranked in the 2014 Human Development Index. In the most recent Multidimensional Poverty Index for the Congo (MPI 2010), taking into consideration deprivation in health, education and living standards, 46.2% of the population live in severe poverty. Poverty is relatively evenly distributed across ethnic groups and disproportionately affects women. 79.6% of Congolese live below the poverty line of 2\$ per day (2006).

Socioeconomic
barriers
1

For many years, the humanitarian situation in the eastern parts of the country has been devastating; the number of internally displaced people was estimated at 2.6 million in 2014, with 890,000 IDPs in North Kivu alone.

The gross school enrollment ratio for primary education is 110.9% (due to older children now going to school) but drops to 43% for secondary education and only 8.2% for tertiary education. The female-to-male ration for school enrollment is 87.6% for primary education, but only 59% for secondary education and 55.1% for tertiary education. The number of women in political institutions is extremely low. According to the HDI, women hold a meager 8.3% of seats in parliament. Only three women were appointed to the new government of national cohesion in 2014. In the Gender Inequality Index (GII) of 2013, which measures discrimination in health, education and the labor market, the DRC's score was extremely poor: 0.669 (rank 147 /152).

According to the HDI, the female-to-male ratio of labor force participation is 0.938 (2012), but only 10.7% of women over 25 have at least some secondary education, compared to 36.2% of men. Women have become the main providers for their families in many parts of the country, and usually work in low-paid or unpaid, physically demanding jobs (such as agriculture) in addition to working in the household. Women are almost completely absent in white-collar jobs.

Furthermore, none of the above-mentioned indicators take into consideration deeply embedded cultural inequalities of a patriarchal society, such as systematic violence against women and girls as well as discrimination in statutory and customary law.

Economic indicators		2005	2010	2013	2014
GDP	\$ M	11964.5	20523.3	30014.9	32962.3
GDP growth	%	6.1	7.1	8.5	9.0
Inflation (CPI)	%	21.3	7.1	1.6	-
Unemployment	%	8.2	8.2	8.0	-
Foreign direct investment	% of GDP	1.4	13.3	-1.3	-1.0
Export growth	%	0.5	48.4	17.5	8.5
Import growth	%	-0.9	37.6	15.4	5.0
Current account balance	\$ M	-388.6	-2173.5	-3108.8	-2440.3
Public debt	% of GDP	88.9	27.0	18.3	19.0
External debt	\$ M	10714.7	6188.4	6081.6	-
Total debt service	\$ M	217.9	275.0	339.7	-
Cash surplus or deficit	% of GDP	-0.6	2.4	-	-
Tax revenue	% of GDP	5.9	8.8	-	-
Government consumption	% of GDP	6.9	8.9	14.2	13.3
Public expnd. on education	% of GDP	-	1.5	-	-
Public expnd. on health	% of GDP	0.8	2.0	1.9	-
R&D expenditure	% of GDP	0.10	-	-	-
Military expenditure	% of GDP	1.4	0.9	1.4	1.4

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | International Monetary Fund (IMF), World Economic Outlook, October 2015 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2015.

7 | Organization of the Market and Competition

In the World Bank's 2015 Doing Business Report, even though the DRC was among the 10 top improvers in 2013/2014 and has performed 40 major regulatory reforms (such as streamlining procedures by setting up a one-stop shop, making procedures simpler or faster by introducing technology, and reducing or eliminating minimum capital requirements) to facilitate doing business, it still ranked 184 out of 189 countries in 2015, the same as in 2014, and a slight decrease from 2013 when it ranked 183.

Market-based
competition

2

The government is equally keen on demonstrating 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 remains very slow and severely obstructed, mostly by high levels of economic opportunism that includes corruption on all levels of the administration and direct intervention in the economic sphere by the ruling elite, with the aim of influencing economic activities in accordance with political and personal opportunities. Market-based competition is confined to only a few segments of the economy.

The large informal sector is not so much a result of an extensively regulated market but rather a dysfunctional, unfair and opaque institutional framework of economic policy, a high level of corruption and clientelism as well as a general lack of infrastructure.

Historically, the Congolese economy was based on a number of large, monopolistic, parastatal structures. There has been a considerable amount of private investments in the mining sector since 2007, but the state continues to hold the monopoly in many other sectors, such as energy. 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. These are typically associated with powerful individuals or groups with direct links to the president and his inner circle. Furthermore, access to investment and credit is highly politicized. The telecommunications sector is an exception, with a wide range of international companies operating nationwide.

Officially, the DRC is committed to the liberalization of its economy. It is a member of the WTO, the Central African Economic Community (CEEAC), the Great Lakes Economic Community, the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). However, due to its dependency on tariff revenue, it has not yet joined the SADC or the COMESA Free Trade Agreement. 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. According to the Heritage Foundation's 2014 Index of Economic Freedom, the Congo's average tariff rate is 11% and importing goods can take many weeks. Complicated legal and regulatory systems, limited access to credit, poor financial services, a generally low level of private-sector development, poor infrastructure and systematic corruption pose difficulties for foreign investors. In general, the DRC's one-sided integration into the world market economy and the unequal regional distribution of export shares result in severe social, economic and regional disparities.

Anti-monopoly
policy

2

Liberalization of
foreign trade

4

The penetration of financial institutions in the DRC has been improving for the period under review, but remains extremely low, while the majority of commercial transactions still go through informal channels. The existing banks are largely confined to major cities. Owing to immense infrastructural problems, this situation is not expected to change in the near future.

Banking system
4

Only a minority of the population has access to primary banking services (such as an account) and only around 2% of the local private sector – those with close links to military and political elites – benefit from credits. In 2011 and in 2013, the central bank cut its benchmark lending rate respectively from 20% and 2% in order to spur lending.

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.

8 | Currency and Price Stability

According to the latest African Economic Outlook report, the official exchange rate of the Congolese franc was relatively steady. However the black market for currency exchange is flourishing, with rates that are strongly deviating from the official rates.

Anti-inflation /
forex policy
6

Over recent years, consumer price inflation continued to fall from over 50% in 2009 to under 10% in 2012 and finally to 1.6% in 2014. Nevertheless, the rise in energy and food prices remained a major cause for concern. The recent fall in global energy prices, which the Congolese Ministry of Economy has used to review and lower energy prices, has just started to show its impact on the prices of other primary goods (January 2015).

The central bank has been governed by technocrats for years. In 2013, Mwana Nyembo replaced Jean-Claude Masungu after 16 years in office. The bank is formally independent (the presidency exerts discreet influence and withdraws cash for patronage when needed) and focuses on maintaining low inflation and stabilizing the local currency. The Index of Economic Freedom ascribes the DRC a significant improvement in monetary stability over recent years. The government's ability to mingle in the bank's operations is limited due to its dependence on international financial institutions. The central bank cut its benchmark lending rate from 20% in 2011 to 2% in November 2013 in order to spur lending. However, due to the limited importance of financial institutions, a dominant informal sector and a general dollarization of the economy, the monetary policy of the central bank has only limited influence on overall economic developments.

The government's heavy reliance on the inflow of aid resources has forced it to at least rhetorically follow the conditions set by external donor institutions, as reflected in the PRSP II (2011-2015). The latest IMF mission to the DRC in December 2014 asserted positive trends in key macroeconomic indicators, with high growth rates and low inflation.

Macrostability
3

In the observation period, the government started various attempts to streamline duties and taxes, expand the tax base, modernize the customs and tax revenue administrations and increase tax contributions from the mining sector. In principle, however, fiscal discipline and debt reduction is a low priority for the government and the interests of the ruling elite often run contrary to established reform goals. The country remains highly vulnerable to volatile commodity prices due to its reliance on the mining sector. Partly due to serious problems with illegal mineral exportation, the negative current account balance has steadily increased from -\$151 million in 2008 to -\$1,696.3 million in 2012 despite the vast reserves of mineral resources. The international reserves in foreign currency remained low. The fiscal deficit is expected to further widen in the coming years due to inefficient spending controls and insignificant revenue increases. Due to a series of integration rounds, the government is forced to maintain an oversized army, whose rank-and-file soldiers are often unpaid or poorly equipped, as spending partly goes directly into the coffers of the military elite.

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 and a dysfunctional public administration and judicial system, these rights are often ignored and inconsistently enforced. According to the 2014 Index of Economic Freedom, property rights have severely declined over the last years. According to the World Bank, registering property (land) requires only 23 days and 5 procedures – which is close to the world average – but the indicator assumes “no title disputes.” However, disputes are the norm rather than the exception. The state remains a major owner of both valuable real estate and rural lands. Expropriations of private property are frequent, especially by people with direct links to the president. In many parts of the country, the competition between statutory and customary law creates a situation of great uncertainty concerning land ownership; already acquired land titles are often revised by a competing authority. In rural areas, women are often informally discriminated against concerning property rights, most significantly in areas that honor traditional customs.

Property rights
3

The Congolese government is under enormous pressure and has been making major reforms – as in 2013/2014 – to improve its business environment and to enable the free flow of private investments and the effective operation of private enterprises.

Private enterprise
3

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. In principle, existing private companies can operate freely, yet many constraints remain: difficult access to financing; a lack of basic infrastructure, such as energy, communication and transport; and considerable bureaucratic and occasionally direct political interference.

According to the 2015 Doing Business Index, starting a business requires 16 days for 7 procedures and officially costs 30% of per-capita income – all figures are lower than the Sub-Saharan average – and the DRC scored 16 positions better than in the previous year. However, the minimum paid-in capital is 500% of the average per-capita income, which is far higher than the sub-Saharan average of 95% and almost impossible to procure for most private entrepreneurs. Furthermore, the official costs of opening a business do not include the large sums of money being asked for by officials as dubious or nonexistent taxes, fees etc.

Despite improvements in many sub-categories, the overall Doing Business Index again rated the DRC 184 out of 189 countries, keeping the DRC among the worst countries in which to do business.

10 | Welfare Regime

The DRC has no functioning state-sponsored safety nets. Although firms must register with the National Institute for Social Security (INSS), the agency is largely dysfunctional. In many cases, the state even fails to pay its own employees, be they teachers or soldiers. Likewise, the majority of retired employees rarely 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 Congolese citizens. Not surprisingly, life expectancy remains low, at an average of 50 years.

Social safety nets
1

Service delivery by the state is very limited in major cities and largely nonexistent in most rural parts of the country. For many Congolese, survival is only ensured by subsistence farming, which is currently constrained due to ongoing violence and informal, small-scale trading.

Churches, social groups, small self-help organizations, family members and, in some parts of the country, external humanitarian aid provide the only safety nets. However admirable they may be, these organizations lack the capacity to cope with the

continuing humanitarian crisis in the DRC. Furthermore, decades of war have destroyed larger traditional social structures in many areas of the country. The majority of the Congolese people rely for support on their families and on narrow community structures. The biggest problems by far are faced by the many internally displaced people (around 2.6 million in 2014) and refugees who are fully dependent on international humanitarian aid for their own survival.

Equal opportunity does not exist in the DRC. Opportunities for social success are determined by personal relations and patronage networks. A merit-based system does not exist. 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. Even though it is illegal, women and girls are discriminated against on all levels. In the Gender Inequality Index (GII) of 2013, which measures discrimination in health, education and the labor market, the DRC score of 0.669 is abysmally low (a rank of 147 out of 152 countries). The female-to-male ratio of school enrollment is 87.6% for primary education, but only 59% for secondary education and 55.1% for tertiary education. The number of women in political institutions is extremely low, with a meager 8.3% of seats in parliament; there are only three women in the new 2014 government comprising 38 members. In addition to being responsible for the household, women make up the largest part of the low-paid or unpaid workforce while engaging in physically demanding jobs. Women and girls are disproportionately affected by poverty and regularly face sexual violence. Furthermore, the DRC is characterized by a deeply embedded patriarchal culture that includes laws and traditional customs that discriminate against women.

Equal opportunity

1

Homosexuality is not punishable by law in the DRC, yet there are no protection measures against cultural or religious discrimination or against violence based on sexual orientation.

11 | Economic Performance

Over recent years, consumer price inflation continued to fall from over 50% in 2009 to under 10% in 2012 and finally to 1.6% in 2014. GDP continued to grow at a high rate (8.5%; estimates as of 2014), mainly due to mining activity, improved agricultural productivity and some investments in infrastructural reconstruction.

Output strength

5

Despite persistent infrastructural shortcomings such as very poor road networks and electricity shortages, investment in the mining sector continues to flow while multilateral and bilateral public infrastructure programs, as well as private investment, boosts the construction sector.

However, this rather encouraging growth rate does not reflect an improvement in the living conditions of the population. First, these high rates reflect a very low base rate. In the ranking of per-capita GDP based on purchasing power parity, the DRC is in fact the second worst country in the world, with a GDP PPP growing steadily from \$583 in 2008 to \$747 in 2013.

Second, the economic prosperity of the DRC is very unevenly distributed. The majority of the population remains very poor and reliant on small subsistence farming, informal small trading, and family and community assistance to survive. 79.6% of Congolese live below the poverty line of 2\$ per day (2006). The negative current account balance steadily increased from -\$151 million in 2008 to -\$1,696.3 million in 2012. This is despite a flourishing mining sector, as much of the DRC's resources are exported illegally. For example, a U.N. Group of Experts report in January 2014 estimated that 98% of gold produced in the DRC, with a value of between \$383 and \$409 million, was smuggled out of the country. The country remains heavily dependent on food imports to meet the needs of the urban – and increasingly urbanizing – population.

Moreover, apart from the mining sector, the overall economic output remains weak. 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 international oil and food prices. Internally, major causes of concern for the country's economic future are continued corruption, a lack of a consistent implementation of policies, poor management of the financial sector and ongoing armed violence.

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, including some very rare species such as mountain Gorillas. The country's most important river, the Congo River, is the world's second largest by volume. Ever since colonization, the country's precious ecosystem has been ruthlessly exploited by the government and private companies. The DRC 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.

Many 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. Wood

Environmental
policy
2

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.

The Virunga National Park, a UNESCO World Heritage Site in the eastern DRC – home to the endangered mountain gorillas – is particularly at risk as it is assumed to hold large oil reserves. After many years of protests by UNESCO, conservationists and human rights groups, the UK-based oil company Soco International, which holds rights to a considerable area within the park, announced in 2014 that it would not drill for oil in Virunga for the time being, but remained ambiguous about future endeavors. Oil drilling would have extremely destructive ecological consequences. In the 2014 Environmental Performance Index, Congo ranked 170 out of 178 countries.

The Congo has one of the world's most outdated infrastructures in terms of education, training, research and development. Officially, education is a national priority for the government, placing it at the heart of its strategy for economic and social development and its fight against poverty. In practice, however, education remains largely neglected.

Very little reliable data on government spending is available, but it is fair to say that government expenditure on education is extremely low. In 2014, the government pledged to build 1000 self-financed schools, but in a country with around 65 million inhabitants this number is almost irrelevant. Furthermore, the problem with education in the DRC is not only the lack of schools, but a lack of material, trained personnel and regular salaries. Even though public 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. R&D standards are extremely low; modern R&D activities are nearly nonexistent.

Teachers' salaries have not been regularly paid for years; strikes are common, owing to rather strong teachers unions in most parts of the country. Furthermore, the government neglect of the sector fosters petty corruption, making it the only means of survival for many employees in the education sector. Students (or their families) must pay for almost anything, starting from primary school grade promotion to university degrees. The majority of better-equipped schools and universities are run by churches and private companies and are unaffordable for the general population.

The gross school enrollment ratio for primary education is 110.9 % (due to older children now going to school) but drops to 43% for secondary education and only 8.2% for tertiary education. The female-to-male ratio of school enrollment is 87.6% for primary education, but only 59% for secondary education and 55.1% for tertiary education. The literacy rate is below average at 61.2%; the male literacy rate of 76.9% is significantly higher than the 46.1% rate for women.

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. Structural constraints include a very low absolute level of socioeconomic development, severe poverty, 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), a poorly educated workforce, a deeply embedded culture of clientelism, various burdensome legacies of decades of violent conflicts and the normalization of everyday violence in the conflict-ridden parts of the country, a relatively inexperienced group of political leaders with regards to technical and administrative competencies and the total absence of popular trust in institutions and state agents. The vast reserves of natural resources (e.g., copper, cobalt, diamonds, gold) have thus far not been used for the development of the country, but rather have exacerbated armed conflict and stimulated corruption and external interventions.

Structural
constraints
10

There is a lively civil society tradition in the Congo, which has its origins in anti-Mobutu activism in the 1990s. During the National Conference in the early 1990s, civil society groups (e.g., women's and students' associations, human rights groups, professionals) and church leaders actively shaped the negotiations and made a spirited attempt to force Mobutu out of office. Ever since, civil society has been much better organized than in other countries in the region. However, decades of war, the militarization of social life and the state-sponsored repression of dissident voices have left their mark on civil society.

Civil society
traditions
6

Many organizations have become increasingly politicized, are particularistic and reflect larger structural dynamics such as ethnic divisions, exclusionary strategies, organizational and management weaknesses, and reliance on the regime's patronage as well as international funds. In certain regions and at times of high international attention, NGOs tend to mushroom in order to acquire funds and address those issues which are considered relevant by the international media. At the moment, the most prominent issue is rape. Thus, international donor programs do not always have a positive influence on the otherwise rather autonomous civil society tradition in the DRC. Nonetheless, courageous civil society groups are currently engaged in a wide range of activities on a grass-roots level, even in the most conflict-ridden and dangerous regions.

The Congo is riddled by ethnic and regional conflicts, particularly in the eastern parts of the country, where since the early 1990s armed conflict has almost become a normality. Various armed groups – Congolese, foreign-backed or entirely foreign forces – have governed large parts of North and South Kivu in the almost total absence of state structures. Furthermore, the national army is omnipresent in many conflict-ridden areas and known more for its human rights abuses than for fostering peace. Alliances among rebel groups and between rebels and the FARDC shift frequently. The United Nation’s MONUSCO mission is mandated to protect the civilian population, but has thus far had a mixed record and repeatedly comes under criticism for inefficiency. Since 2013, a special U.N. Intervention Brigade is tasked to actively neutralize armed groups. Despite major successes, such as the dismantling of the M23 in late 2013 – the first ever victory of the FARDC together with the United Nations over a Rwandan-backed rebel movement – conflict remains high and other armed groups are threatening peace in the east. Katanga, Equateur and Bas-Congo have also been affected by longstanding divisions and violent conflict. The recent history of the DRC has been marked by a series of national, regional and local peace agreements as well as various waves of army integration with limited positive impact on the overall violence in the affected parts of the country.

Conflict intensity
8

Societal fault lines correspond to ethnic and regional affiliation, while conflict issues include access to resources, land and citizenship; however, economic motives are becoming more and more dominant. Armed conflict in the DRC has historically been greatly influenced by developments in neighboring countries and the international economy, yet is increasingly exacerbated by the availability of natural resources and the porosity of borders. The years of conflict have left deep marks and collective trauma among the general population, resulting in a normalization of violence and a militarization of society.

II. Management Performance

14 | Steering Capability

At present, the country’s leadership lacks capacity and suitable personnel for such a program; furthermore, their expressed intentions to promote the collective well-being of the Congolese people have proven to be mere lip service. The appointment of the technocrat, Matata Ponyo, as prime minister in 2012 raised hopes that long-term development would become a government priority. Despite some improvements during his mandate, the overall sense of optimism was curtailed by the realization that an ambitious prime minister cannot alone change overall policies against the will of a generally kleptocratic elite. With the government reshuffling of 2014, which

Question
Score

Prioritization
3

brought many Kabila loyalists and political heavyweights into key government positions, Matata will have even more difficulty enforcing strategic prioritization.

Since 2011, the PRSP II is supposed to translate the rhetorical commitment to sustainable development and a market-oriented economy into projects and programs. Though the government has come up with plans, such as the “5 Chantiers de la République,” “Zero Tolerance against Corruption,” and “Mining Sector Free of Corruption,” these plans are forged with the aim of securing further external funding rather than as an appropriate plan of action to kick-start the country’s social, economic and political development.

Neither economic, social nor security politics have thus far been characterized by strategic long-term planning. Rather, immediate concerns of both electoral competition and acute security crises dominate politics. The approaching elections of 2016 are currently dictating any political decision and effectively undermining long-term prioritization.

Given that the government’s intention to promote sustainable development is little more than lip service, the will to implement respective policies is limited.

Reform-oriented individuals in the government, administration and security apparatus face many difficulties implementing official strategic priorities. Prime Minister Matata Ponyo, a technocrat, is strongly constrained by internal opponents in his efforts to advance development-oriented programs. With the government reshuffling of 2014 bringing political heavyweights close to Kabila into key positions, Ponyo’s position will become even more precarious. Reformers within the FARDC face the same problems. Not only have some known reform-oriented officers – such as the former head of ground forces, François Olenga – been dismissed from important positions in the course of the army reshuffling of 2014 and replaced by notorious individuals close to the president, that year also saw the deaths under dubious circumstances of two other important reformists within the FARDC – the commander of Operation Sokola against the Ugandan rebel group ADF-NAUL, Mamadou Ndala, and the commander of the military region covering North Kivu, Lucien Bahuma – prompting rumors that perhaps they had become too ambitious in their reforms for some powerful individuals within the military.

Apart from a lack of political will by the most powerful elites, structural constraints such as the unsuitability of skilled personnel in certain strategic positions and inappropriate budgets are hampering the implementation of even the most basic – and politically irrelevant – measures, making it dependent to a large extent on donor support.

In general, there has been scant policy learning concerning either socioeconomic issues or the security sector. Since colonial times, the governing style has been characterized by the implementation of short-term priorities (rather than long-term, sustainable plans) and the personal enrichment of political and military elites who address policy failures only under pressure from international partners. Conclusions of investigations of such policy failures have not been heeded with any thoroughness, but rather followed just enough to appease the international critics; as a result, the solutions are short-lived.

The government's style remains authoritarian and perpetuates a culture of "big men rule," while modern democratic institutions are used to benefit the ruling elite rather than to bring the country on a path to sustainable development. It has become apparent that Kabila does not plan to seize the opportunity to withdraw from the presidency in 2016 and to make history by becoming a true democrat with whom world leaders associate with the end of the Second Congo War and an era of relative stabilization. Rather, his aim is to perpetuate power, as was the aim of all of his predecessors, who ended up being overthrown or assassinated.

The government has thus far been unwilling to draw lessons from the decades of centralized rule in Kinshasa and the ongoing armed conflict in the periphery; it has continuously postponed a true decentralization process, which is urgently needed given the diversity of the DRC's population, vast territory and almost total absence of infrastructure.

The vast natural resources of the DRC have thus far not been efficiently used to benefit long-term development. Rather, the government has struck deals with international firms, which has immediately benefited the ruling elite to the detriment of the population, the environment and long-term economic prosperity. The appointment as directors of parastatals has repeatedly been political rather than merit-based, with the result that many state-owned companies suffer from bad governance and inefficiency. Furthermore, the government has not learned to utilize its human resources, including the vast number of unemployed youth who often make a living in the informal sector or – in the conflict-ridden areas of the country – become attracted to armed groups.

Since the time of the Mobutu dictatorship, rulers have made the same mistakes concerning the security sector, maintaining an oversized, underequipped, largely unpaid and undisciplined national army that is not able to face organized rebel movements or guarantee the state's monopoly on the use of force. Aware of the inefficiency and uncertain loyalty of the national army, rulers have for decades maintained their own private army (presidential guard units). Nevertheless, there have been various attempts to reform the security sector. These have usually resulted from external impetus, but have thus far produced no noticeable results. Rather, numerous rounds of rebel "integration" into the FARDC – often ending in re-

defection a few months later or in the creation of parallel hierarchies – have repeatedly undermined efforts toward more professionalization and coherence within the army. The latest successes of the FARDC against rebels in the east – most importantly the M23 – should not be misleading. These successes would hardly have been imaginable without the robust backing of the U.N. Force Intervention Brigade. The recent reshuffling of the army in 2014 can be seen as a serious backlash to the FARDC’s professionalization, as a number of reform-oriented individuals who were key players in the success against M23 have been replaced by Kabila loyalists known for blatant corruption and human rights abuses.

15 | Resource Efficiency

The Congo’s political economy is characterized by a strong waste of state resources (human, financial and organizational).

Efficient use of assets

2

Fundamental problems include poor revenue collection, corruption by revenue-collection services, tax evasion, politically motivated dismissals or new appointments of public servants, unfair recruiting procedures subject to systematic corruption, political meddling and an oversized security apparatus.

Mechanisms to raise the efficiency of the bureaucratic administration of human and financial resources – including monitoring, evaluation and auditing procedures – are lacking. Graduates have not been given the opportunity to replace individuals in the aging public workforce. Only a minority of these young graduates, often those with personal connections to the country’s elites, receive employment opportunities.

Budget planning and implementation are not transparent. Non-discretionary spending is high, raising suspicions that parallel budgets exist to finance the personal goals of the political and military elites.

For any costly political decision or event, such as the current implementation of a national census or the upcoming elections, the state relies almost exclusively on foreign aid or acquires debt without pushing for higher revenues. The provincial administration has very little financial autonomy; long-promised decentralization reforms have thus far not materialized.

The unstable coalition of the Presidential Majority Alliance (AMP), the existence of parallel hierarchies in the security forces and the fact that political posts are often allocated to foster clientelistic networks and appease potential troublemakers makes efficient coordination of the activities of many ministries and other public bodies very difficult. Politicians in decision-making positions tend to pursue their own priorities without adhering to a coherent and coordinated overall government strategy. Different branches of the government often compete against each other with counterproductive effects. Kabila’s recent attempt to foster his alliances and

Policy coordination

2

concentrate more power in his own hands through the promotion of loyalists and the strategic co-option of adversaries in both the government and the army will make policy coordination easier, but not necessarily to the benefit of long-term development; authoritarian rule will no doubt be consolidated as a result. Institutions that were supposed to foster communication between different government bodies – such as the minister responsible for relations with parliament – are mainly used to bring democratic institutions in line with the presidency’s decisions, using carrots and sticks rather than mediation.

Public officials’ responsibilities often overlap with one another, be it between different levels of the administration (e.g. national vs. provincial office holders) or between the formal governmental and traditional spheres. The results are uncertainty – for example with regard to property or business deals – and a general bias in decision-making toward the will of the highest bidder.

Despite the 2009 proclamation of a “zero tolerance” campaign toward corruption and the existence of anti-corruption laws, rampant corruption in all political, economic and social sectors remains one of the DRC’s key problems. There is constant political interference in economic and financial matters as well as an almost total lack of transparency in governmental decisions and accountability, including public procurement. Auditing and expenditure tracking is the exception. Cases of apparent high-level corruption and dubious deals were reported by the United Nations and civil society groups, but have had no visible consequences for those implicated. Absolute impunity for public officeholders prevails. The media and civil society organizations have become increasingly cautious in reporting cases of corruption for fear of repressive backlash. However, it would be mistaken to blame rampant corruption solely on the government. The code of conduct involving the public sector, private sector and civil society is meant to guide formal and informal private companies that conduct business in the DRC and to promote integrity, good governance, respect and transparency. However, the code is mere lip service and not effectively implemented. In fact, companies operating in the DRC – mostly in the lucrative mining business – all too often compromise their officially upheld moral and ethical values and have little interest in transparency concerning bidding, asset sales and, above all, the implementation of ecological protection, minimum working standards and, to put it bluntly, respect for the human rights of workers and villagers in and around major mining projects. For many large companies, the high costs of corruption are still lower than the costs of a truly integral and ethical practice of business.

Anti-corruption
policy
2

16 | Consensus-Building

There is no honest consensus on democracy as a strategic long-term goal. Rather, the government, the political opposition and even most rebel groups make use of a discourse of democracy to advance their own particularistic, anti-democratic goals. Nevertheless, democratic institutions continue to be important. Rather, all relevant players are aware of the fact that a democratic regime with regular elections and conventional institutions (a constitution, separation of powers etc.) is the only means to retain at least some internal and external legitimacy, which is necessary given the dependence of the different political actors on international support. However, democratic institutions are shaped according to the will of the most powerful elite, i.e. the Kabila government. The current debate around a potential third term for Kabila clearly illustrates this point: if the constitution cannot be changed in parliament, it will probably be subjected to a popular referendum, which will likely be successful given the vast array of means to enforce a positive outcome at the hands of the government (be it by fraud or otherwise). Another possible alternative is simply to delay the next elections on grounds of democratic consolidation, requiring the usual political scenarios: “national dialogue” and then “another inclusive government to smoothen a transition” or the instrumentalization of the CENI to produce a global electoral calendar that reaches beyond 2016, and as a result creates a constitutional impasse. The newly established government of “national cohesion” can be seen as a consolidation of Kabila’s power and a co-option of potential troublemakers regarding a potential third mandate, rather than a move toward more inclusive governance. Thus, there are manifold examples where “agreement on democratic principles” are put forward in order to consolidate authoritarian rule.

Mainly as a result of consistent international pressure, the government has shown a tendency toward market-based principles. However, the high level of corruption in the DRC suggests that the political elite is only interested in a liberal market economy as long as it benefits their own interests. To date, the government has failed to comprehensively develop sustainable economic policies that are able to generate revenue and create jobs for the majority of the population. Market-based competition is confined to a few segments of the economy, private property rights are barely enforced and subject to political intervention, private enterprises are continuously discouraged by vague legislation and rampant corruption, and public procurement as well as privatization deals and asset sales are largely based on politics and not on economic considerations.

Consensus on goals
3

The distinction between democratic reformers and anti-democratic veto actors is blurred; among all competing groups (government and the opposition, civil society, military etc.), there is evidence of anti-democratic elements. Given the authoritarian, clientelistic approach of the current regime, the government has effectively established itself as the country's major anti-reform veto actor. Many public figures who have repeatedly advocated for reform – such as Cardinal Monsengwo and opposition leader Etienne Tshisekedi – have been publicly accused, held under house arrest or detained. Many superficial reform-oriented actors become co-opted by the ruling elite. Some parts of the country are repeatedly governed by rebel groups and/or the military for a certain amount of time, effectively undermining any democratization process. A recent reshuffling of the FARDC has resulted in the ousting of many reform-oriented individuals and the return of notoriously corrupt officers implicated in illegal trade and human rights abuses. Last but not least, national and foreign economic actors and companies – most importantly those involved in the mining sector – repeatedly undermine democratization processes, fostering armed conflict and corruption while engaging in – or at least tolerating – human rights abuses for business interests.

Anti-democratic
actors
2

No measure has been thoroughly implemented in order to address existing divisions or prevent cleavage-based conflicts from escalating. The main cleavages run along ethnic and regional lines. During the Sun City talks of 2003, major divisions such as the citizenship question of the Rwandophone community in North and South Kivu were addressed while a transitional government and a comprehensive system of power-sharing on the national and provincial levels were established, which can be seen as a very costly system of long-term cleavage management. However, the transition period was accompanied by ongoing violence in the east; a pessimist may see the transition as more of a temporary pause than sustainable conflict management. After the elections of 2006, almost none of the former provisions to de-escalate conflict have survived. Rather, political elites manipulate – and even exacerbate – existing tensions to shore up their own power. This has been the case with the ongoing violence in the east, where national elites have often been reported to aggravate ethnic tensions in tandem with local allies. At the same time, the president is wary not to disgruntle potential troublemakers by co-opting regional heavyweights into government positions. However, these mechanisms are not institutionally enshrined, while the most important political and military positions are still held by loyalists from Kabila's home base of Katanga.

Cleavage /
conflict
management
3

Unfortunately, civil society organizations are subject to the same cleavages as society at large and often pursue particularistic and divisive aims. Courageous civil society activists – such as local women's groups – that try to depolarize social conflicts expose themselves to harassment and attacks of various forms, especially in those parts of the country affected by lengthy violent conflicts between different communities.

In general, the political leadership ignores the opinions of civil society in political decision-making. Civil society only becomes involved in political processes in specific institutions at specific points in time when international pressure is high. This was the case in the Sovereign National Conference of the early 1990s, the Sun City Peace Talks of the early 2000s and the National Concertations of 2013, where civil society participation was high in terms of the numbers of participants and recommendations. However, the de facto impact remained low in both cases and decisions were still largely made by political, military or rebel elites. The new CENI established in 2013 includes three civil society representatives as members of the commission as a third component in addition to representatives of the government (six members) and the opposition parties (four members). In various constituencies, relations between parliamentarians and civil society are weak and civil society figures who have become politicians lose their link to their former organizations fairly quickly. Harassment, intimidation and assassinations of civil society activists who openly express anti-government views are common.

Civil society participation
3

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 2003 as a result of the 2002 peace agreement never began to operate. Rather than promoting reconciliation and justice, particularly in the ethnically divided eastern parts of the country, politicians often make use of existing tensions for their own purposes. The government has also remained very selective with regards to the call by the International Criminal Court (ICC) to pursue some former warlords, while other criminals are protected and hold high-level positions, for example in the national army.

Reconciliation
3

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; generally, the government tries to receive as much direct financial assistance as possible. The DRC actively plays with Western partners' dependency on continuous aid provision and with their discomfort with growing Chinese influence by openly praising China as the partner who does not mingle in internal politics, but rather treats the DRC Congo as an equal business partner. The DRC usually accepts most requirements set by international donors in order to expedite their release of funds, which are often used for short-term needs and rarely for long-term development. However, in 2012 the IMF suspended their program due to concerns over the lack of transparency in the mining sector. Rent-seeking clearly dominates the use of international assistance.

Effective use of support
4

The small amount being tackled of the government's own development program, "five chantiers," is largely outsourced to Chinese investment through mining-for-infrastructure deals. The hitherto most important deal was signed in 2007, which granted Chinese companies 10 million tons of copper and 600,000 tons of cobalt. In return, \$3 billion were supposed to be invested in infrastructure. Whether these types of deals are effective is difficult to judge due to fluctuating world market prices for mining resources. The fiercest critics of the Chinese involvement are international financial institutions and Western donors, largely because they see their own influence dwindling. In any case, the deals are not democratic and still mainly benefit the ruling elite.

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. The channels of governmental decision-making have remained extremely opaque. Above all, transparency in the mining sector poses serious challenges. The DRC is forced to adhere to various international and regional transparency initiatives in order to uphold its credibility as an international partner, but so far with little impact on decision-making concerning the exploitation of the vast riches in natural resources. The DRC's candidacy for Extractive Industries Transparency was suspended for a year in April 2013 due to flaws in its 2010 report; it became full member only in 2014. In 2012, the IMF suspended part of a three-year loan agreement worth \$532 million and, in 2013, decided to completely withdraw the offer as the Kinshasa government continued to withhold details about a dubious sale of 25% of a state-owned copper project.

Credibility
4

The suspension of the IMF backing has repelled many creditors and donors. Partly as a result of the Western perception that Congolese officials as corrupt and unreliable leaders, the Congolese government has turned to China, with whom it has struck large resources-for-infrastructure deals and from whom it has received other benefits that have ultimately landed in the coffers of the political and military elites.

After two regional wars and decades of ongoing conflict, the government is fully aware of the need for good neighborly relations with the DRC's adjacent countries other regionally important players.

Regional
cooperation
5

Relations with all neighbors and regional organizations are dominated by security concerns, the issue of foreign rebel groups on Congolese soil and questions of (non-)intervention of neighboring countries as well as the exploitation of the Congo's mineral riches.

Since the early 2000s, a series of peace agreements have been signed between the DRC and its neighbors, including agreements with Rwanda and Uganda in 2002 and most recently the PSCF, signed in 2013 by 11 countries in the region.

Fairly good relations have been established, above all with South Africa. Pretoria has vested interests in the DRC's mineral wealth and most of all in the Grand Inga Dam project, which it hopes will ease South Africa's electricity supply problems. Relations with Tanzania are cordial as well. Both Kikwete of Tanzania and Zuma of South Africa have good relations with Kabila and the presidents largely support their respective internal policies. South Africa and Tanzania provide the bulk of troops to the U.N. Force Intervention Brigade operating in the eastern DRC.

Relations with Rwanda, on the contrary, have historically been tense and have worsened over the reporting period. In 2013, each government accused the other of shelling their respective territories and in 2014, the Congolese and Rwandan armies clashed north of North Kivu's capital of Goma. Kigali has accused Kinshasa of not doing enough against – or even cooperating with – the Rwandan FDLR militia, whereas the DRC government blames Rwanda for its repeated support of armed groups in the Kivus (such as the RCD, CNDP and most recently the M23). The DRC also has very fragile relations with Uganda based on Ugandan rebels on Congolese territory and Ugandan support for Congolese rebels.

Economic issues dominate Congo's relation with its biggest neighbor, Angola. The primary issue is a long simmering row over their maritime border and the associated offshore oil reserves. Until recently, the DRC has had rather cordial relations with the Republic of Congo. However, in 2014 around 130,000 DRC citizens have been deported from Brazzaville to Kinshasa, provoking a veritable diplomatic crisis between the two governments.

The DRC is a member of the South African Development Community (SADC) and the International Conference of the Great Lakes Region (ICGLR). The DRC's stance within both regional organizations is dominated by security questions; however, the interests of the organizations' members are partly in opposition to one another, making the DRC's role a very precarious one. The recent struggle over the approach toward the Rwandan militia, FDLR, has brought to the fore the fragility of the cohesion of multilateral organizations, which formed the basis of the PSCF. Whereas the SADC, with its strong members South Africa and Tanzania, supports negotiations and voluntarily disarmament of the FDLR, Rwanda (together with Uganda and Kenya) advocates for a military approach within the ICGLR.

Beyond its turbulent nature, one major problem concerning the current regional cooperation with the DRC's eastern neighbors is that these relations rely solely on President Kabila, and not at all on parliament. Furthermore, the majority of the Congolese population, even though they are not involved in the process, are still very reluctant to support any form of rapprochement to Rwanda or Uganda and continue to hold unfavorable perceptions of these neighboring states to the east.

Strategic Outlook

At the time of writing (January 2015), the DRC is experiencing a deep political crisis. The government, having already lost its democratic legitimacy with the widely contested elections of 2011, has become increasingly authoritarian and is currently heading toward a perpetuation of the president's rule. Talks with the opposition in 2013 – somewhat designed after the CNS of the early 1990s – were meant to restore a sense of national cohesion, but were contested from the beginning. The resulting new government of 2014 is not a sign of democratic transformation, but an attempt to foster the ruling coalition, satisfy political allies and co-opt potential troublemakers. Indications that Kabila will use any means possible to prolong his rule are manifold. Whether the government will try to change the constitution to allow Kabila to run for a third term has become the biggest political battle in the country. The publication of an incomplete electoral calendar for 2015-2016 by the electoral commission – presenting an overly ambitious plan for local elections while omitting presidential and parliamentary elections – has caused widespread concern that the president will try simply to postpone the elections for financial and logistical reasons. The presentation of a new electoral law, which links the holding of elections to the carrying out of a national census, has further exacerbated the political climate. Protests against a prolongation of Kabila's rule were answered with a disproportionate use of force by the police and presidential guard units. It is highly likely that the situation will become further aggravated in the coming months.

Despite a historic victory over the M23 rebels in late 2013, progress in dealing with the remaining M23 ex-combatants has been slow. Furthermore, other armed groups continue to fight in the historically troubled east while violence has also increased in hitherto rather stable areas such as Katanga (in the north).

The response by the FARDC and the United Nations continues to be half-hearted and inconsistent. While some groups, such as the ADF, are fought (albeit without dismantling their command structure), other notorious rebel movements, such as the FDLR, were given generous offers to prove their willingness to disarm, despite evidence that this willingness was pure rhetoric. In any case, most rebel groups operating in the DRC are hardly vincible by military means, as their modus operandi is mingling with the population and avoiding direct clashes with other armed groups; the M23 was an exception to this rule. If the FARDC, together with the Force Intervention Brigade (FIB), a special intervention force under the auspices of MONUC, decides to continue its military approach, which was successful against the M23, deciding which group to attack will be highly politicized and dependent on the FARDC's interests and alliances. The national army remains a conglomerate of notoriously corrupt officers, reportedly implicated in arms deals and gross human rights violations, and a bulk of unpaid and underequipped rank-and-file soldiers. In 2013, it had first seemed that Kabila was willing to increase the professionalization of the FARDC by dismissing many questionable and powerful individuals from their positions, but the army reshuffling in 2014 brought most of them back. By now, the direct control of the president over

the army has further tightened, with Kabila loyalists in the most important positions. Together with the presidential guards, this creates a solid backing for a prolongation of Kabila's power beyond 2016.

A lot remains to be done concerning the transformation of the economy toward greater social sustainability and equality. Corruption and clientelism are on the rise; the rather stable economic growth and low inflation should not be mistaken for sustainable economic development – the country's resources and revenues benefit a very small fraction of the politico-military elite.

Given these circumstances, international donors should be very careful when deciding whether to financially support the elections; a reassessment of their overall aid strategies would be wise. The current situation in the DRC is closely linked to developments in neighboring countries, such as Rwanda, Burundi and the Republic of the Congo – all these countries' leaders are constitutionally forced to step down in the upcoming elections, but are trying to prolong their rule by various means. Therefore, international partners' strategy in the DRC will also have bearing on the political developments in the sub-region more generally. The government is highly aware of the fact that aid flows, while bilateral cooperation is not only beneficial for the receiving side, but that donor countries are keen on continuing their programs as well. Kabila is trying to receive as much direct financial assistance as possible and makes effective use of the West's suspicion toward Chinese involvement in Africa to push donors for financial support without earnestly fulfilling set conditions. Rent-seeking clearly dominates the use of international assistance.