

# Trade, development and peacebuilding in the African Great Lakes

the role of the minerals sector

**Nicholas Garrett and Laura Seay**

**For the countries in the African Great Lakes, their economies – and for some their conflicts – are interdependent. In eastern Democratic Republic of Congo (DRC), investing in the creation of an economic and political environment that enables legitimate cross-border mineral trade to flourish could pay dividends, not just for traders, but also for governments and conflict-affected communities, in eastern DRC and throughout the region.**

Since the 1990s many sources have explained conflict dynamics in the Kivu provinces in eastern DRC as a consequence of various actors trying to accumulate wealth, often through the exploitation of natural resources and control over informal cross-border trading activities.

The UK-based lobby group Global Witness, for instance, has portrayed the three ‘T’ metals (tantalum, tungsten and tin), as well as gold, as ‘conflict minerals’, and mining and regional trade as the root of conflict dynamics. But even if a rational economic profit motive can explain the behaviour of some political and military elites, placing an over-simplified war economy model at the centre of analysis of eastern DRC’s conflict dynamics neglects their complexity and ignores a number of critical issues.

The primary basis of conflict in the Kivu provinces is longstanding tension over ethnicity, citizenship rights and land rights, which are in turn related to grievances over access to resources such as land, and over legitimacy and power. Conflict dynamics also include the marginalisation of eastern DRC borderland areas

from the capital Kinshasa, which are themselves symptomatic of broader governance failures in DRC. Dynamics also span the border into Rwanda and the wider region, such as through political, ethnic and economic ties and channels.

These challenges predate the 1994 Rwandan genocide and primarily concern the status of the Kinyarwanda language-speaking Congolese, known variously as Rwandaphones, the Banyamulenge and the Banyarwanda (henceforth Rwandaphones). Congolese citizenship status is directly tied to rights to the Kivu provinces’ high-value and fertile land, some of which can yield three harvests per year. The citizenship status of Rwandaphones in the Congo is therefore of paramount importance.

In the name of protecting their access to land, other Congolese indigenous to the region have a powerful incentive to deny Rwandaphones their citizenship rights and to support politicians who promise to do the same. For the past five decades, Congolese politicians – from former President Mobutu onwards – have manipulated Rwandaphone citizenship status, as well as the distribution of land to other Congolese individuals and organisations. The 2006 constitution guarantees citizenship rights to ethnic groups that were in the country at the time of independence in 1960, which includes most Rwandaphones in the Kivus. But it does not list the groups by name, leaving them vulnerable.

Rwanda’s role in the Congo wars of 1996–2003 exacerbated existing tensions. Particularly problematic was Kigali’s commercialisation of Congolese resources to finance its

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war machine and its backing of the Goma wing of the Rwandophone-dominated *Congolese Rally for Democracy*-Goma (RCD-Goma) rebel group, which used its military power to redistribute North Kivu's valuable land to Tutsi and Hutu elites from within its ranks and from Rwanda.

When the wars ended in 2003, Rwanda formally pulled out of DRC and the RCD-Goma's leadership joined the DRC government – a highly profitable move as access to the state equates to access to lucrative rents. However, the question of citizenship and land ownership in eastern DRC remains problematic, and non-Rwandaphones continue to express grievances over access to land, blaming Rwandaphones for socio-economic and political challenges.

Rather than minerals, therefore, it is perceptions that anyone who speaks Kinyarwanda is not a legitimate Congolese citizen – and therefore not entitled to own land in the region – that are key drivers of conflict dynamics in the region and motivate much of the current fighting.

A stated goal of another Rwandan-backed armed group operating in eastern DRC, the National Congress for the Defence of the People (CNDP), was to protect Rwandaphones from a Hutu militant group, the Democratic Forces for the Liberation of Rwanda (FDLR) [*for more on the CNDP see Ben Shepherd's article on page 43*]. Led by some of those responsible for the 1994 Rwandan genocide, the FDLR is a rebel movement of approximately 3,000 soldiers whose ostensible aim is to retake control of Rwanda.

Now *officially* inactive as a politico-military entity, one of CNDP's primary objectives was, in fact, to guarantee rights and influence for Rwandaphones in the region after the demise of the RCD-Goma. This was not the sole reason for Kigali's support: funding CNDP also helped some Rwandans achieve and maintain access to Congolese commodity trade revenue and has allowed Rwanda to keep a more direct eye on FDLR and the Congolese government. But there is intra-regional concern in Kigali about the status of Rwandaphones in the Congo, and Tutsis in particular.

The borderland nature of the eastern Congo also plays a significant role in the region's violence. The Kivu provinces are physically, linguistically and economically separated from the Congolese capital, Kinshasa. It is impossible to cross the more than 1,000 km between Kinshasa and the eastern cities of Goma and Bukavu by land. Air connections are the only practical way to move from place to place, meaning that most eastern Congolese never visit their country's capital city.

The *lingua franca* in the east is Kiswahili, while western Congolese use Lingala to communicate across ethnic divides. Given the difficulty of transporting goods west to Kinshasa, the east is instead incorporated into east Africa's regional economy. Goods travel overland from Uganda and Tanzania, while minerals, charcoal, and agricultural products are exported (sometimes fraudulently) to Rwanda, Uganda, Burundi, and to markets beyond the region's borders.

### **'Conflict minerals': a misdiagnosis**

American and British lobby groups *The Enough Project* and *Global Witness* have built high-profile advocacy campaigns portraying minerals as the source of conflict and sexual violence in Eastern DRC. For example, Enough co-founder John Prendergast suggested in an April 2009 op-ed, "The time has come to expose a sinister reality: our insatiable demand for electronics products such as cell phones and laptops is helping fuel waves of sexual violence in a place that most of us will never go, affecting people most of us will never meet".

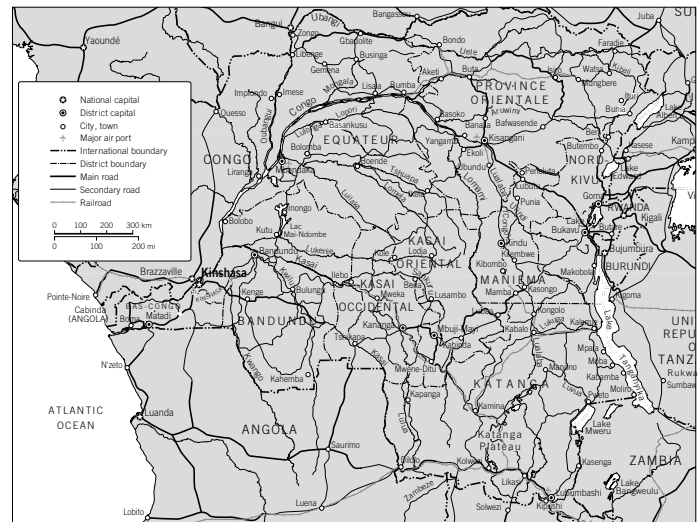
Such lobby groups present a narrative that the complex series of challenges in eastern DRC can be solved primarily through mineral trade control measures such as technical mineral traceability and certification schemes, and due diligence measures, and only secondly through wider state reforms.

While technical trade control measures have a role to play in mineral trade reform, professionalisation and formalisation, they are neither conflict resolution nor rape prevention strategies. This misunderstands both the nature of violence in the Kivus and the logic that motivates armed actors, and can only lead to weak prognoses and flawed treatments. A more solid analysis would acknowledge the complexity of eastern DRC's war economy, including the following issues:

- Insecurity in eastern DRC cannot be interpreted as resulting solely from borderland marginalisation, but is symptomatic of broader governance failures in DRC, including the inability of the Congolese state to maintain security. The DRC's national army, the FARDC, is a source of instability in eastern DRC, where its members are responsible for significant human rights violations.

Without a functioning army under state civilian control, armed groups will continue to proliferate in the region and be able to operate at will.

- Mining activity around high-value commodities, including diamonds and gold, exists throughout many regions of DRC, but violence does not develop around every mine or in every mining region. But the state is weak in *all* regions, suggesting that specific, local dynamics drive conflict.
- War economies include all economic activities that are carried out during a conflict and attention must be given to shadow economies and coping or survival economies, which are causally interlinked. In addition, economic activity in times of conflict is linked to the political, cultural and emotional economies of the conflict. At play is not simply control over resources and territory, but also deep underlying tensions stemming from ethnicity and past grievances.
- Economic activities during conflict do not necessarily differ from economic activities developed in peacetime. Likewise, conflict economies have the potential to persist in post-conflict contexts and in some cases are hardly affected by peace processes. In peacetime, competition over control of natural resources is a common facet of larger political strategies – to escape control by the political centre, for example, or to support local power complexes. Moreover, the political economies that surround the extraction and trade in natural resources can produce powerful centrifugal political forces that not only further fragment the state, but also create what Garrett, Sergiou and Vlassenroot describe as “multiple unstable, ungovernable spaces”.
- While some violence is certainly funded by the mineral trade, not all armed groups in eastern DRC get all – or even most – of their financing from minerals. Trade in other commodities including charcoal and timber, diaspora remittances, taxation of local populations, and toll collection on major roads, all constitute valuable sources of revenue for the various armed groups. If armed groups lose access to mineral revenues while the state continues to fail to adequately maintain security, it is likely that armed groups will prey on the population even more than they already do.
- Rwanda has aligned its development strategy for the domestic minerals sector with wider diversification of its economy. It has focused on service provision in regional economies, its domestic mining sector and the mining sector of eastern DRC, as well as value-addition to its domestic production and exports from eastern DRC. Rwanda’s *Vision*



**Democratic Republic of Congo**

2020 document presents both a vision for the nation to strive for, and a clear framework designed to advance development programmes for the country’s social and economic progress. In the medium-term Rwanda aims to achieve significant third sector growth and become a service-based economy. Understanding this goal helps to contextualise recent actions by the Rwandan government, such as the mobilisation of the domestic mining sector and moves to improve relationships with neighbouring countries. In other words, Rwanda has more to gain from a stable eastern DRC than from an unstable one.

The key point is that the mineral trade is not the only source of revenue for armed actors in the Kivus. The Kimia II joint military offensive, launched in early 2009, against armed groups in eastern DRC by the FARDC, which was supported by UN peacekeepers serving with the MONUC mission, was a human rights disaster. Begun as an effort to address the regional security threat posed by the FDLR as part of a broader diplomatic initiative to mend relations with Rwanda, the operation became illustrative of the depth of armed groups’ reliance on the mineral trade for revenue. Kimia II had some success pushing the FDLR out of some key mining areas in South Kivu, often replacing FDLR units with FARDC units. But far from being brought close to collapse, the FDLR continues to operate today, strengthening the argument that it has access to a diverse portfolio of revenue sources.

The majority of FDLR revenue used to be derived from the gold trade, which is largely unregulated and currently untraceable. Recent conflict minerals legislation introduced in the US, widely propagated as a means to stop conflict and rape in the DRC, will not significantly cut funding for the most significant rebel groups in eastern DRC. It will not be able to stem the largely unregulated flow of gold to countries with underdeveloped oversight structures and even less public scrutiny.



Workers stand on a muddy cliff as they work at a gold mine in Chudja, near Bunia, north eastern Congo. © LIONEL HEALING / AFP / Getty Images

As highlighted in several UN Group of Experts investigative reports, armed actors in the Kivus derive revenue from a plethora of sources, including commodity trade taxation (ie relating to charcoal, drugs, minerals, timber and cattle), and remittances and donations from sympathetic parties such as traders. These alternative revenue sources will continue to fund armed activity, unless credible security is established in key economic zones and along key transport routes, coupled with the build up of public security institutions in support of a better functioning governance regime.

## Mineral trading for peace and development

In recent years, debates on war economies have been balanced by the view that, where the exploitation of, and trade in, natural resources has formed the basis for conflict, mining and trade can also form the basis for development and contribute to peacebuilding.

In many resource-rich countries minerals are central to development, both because they sustain livelihoods and because they are the principal source of revenue for states to finance social services, security and infrastructure, and for investment in agriculture and other productive activities. This

reflects the vibrancy and resilience of much of eastern DRC's mineral trade, which has managed to remain active and vital in sustaining up to one million livelihoods regionally through the most difficult political times.

Except for the growth periods of the 1960s and 1970s, natural resources have historically brought little benefit to the Congolese people. However, this is less down to microeconomic and trade issues, but to poor mineral governance as part of broader governance weakness in the country.

Instead of trying to stop or interrupt the minerals trade, professionalising and formalising a large portion of it could contribute to long-term peace and security. Stopping or interrupting the trade is not only impossible to implement in eastern DRC, it would also likely have a retarding effect on regional development and cooperation, much of which is based on economic interdependences and dialogue.

- **Peace will not be achieved without the involvement and commitment of regional actors**, a fact that is recognised in the US-facilitated Tripartite Plus mechanism aimed at bringing lasting peace and security to the African Great Lakes, which includes Burundi, Congo, Rwanda and Uganda. Achieving long-term peace in eastern DRC must include the following regional conditions:
- *Security guarantees for Rwanda* While the FDLR is currently incapable of invading Rwanda and overtaking the government in Kigali, its presence in Congo is still a real threat to Rwanda's border security and the safety of Congolese Rwandaphones. The FDLR must be demobilised and its leaders face international justice for their roles in the 1994 genocide.
- *Economic development for Rwanda* Rwanda is developing its comparatively small mining sector, but access to the DRC's minerals trade used to be and will continue to be a strong motivating factor for Rwandan businesses. There is nothing wrong with this involvement so long as it is undertaken in compliance with existing laws. Supporting Rwanda in continuing to develop domestic economic opportunities through strengthening the service sector, strategic industrialisation and improved agricultural production will be key to reducing the importance of the minerals trade as a factor shaping regional policies.
- *Strengthen Congolese law and order institutions* DRC's national army must be transformed into a source of stability, rebel groups must be demobilised, and the criminal justice system must be strengthened in every sector.

- *Rwanda must be held to account if its government forces are found guilty of having committed atrocities in Congo.* A recent UN Mapping Report on DRC suggests that the government in Kigali is responsible for a large number of human rights violations committed during the DRC war in 1997. If the UN findings are found to be true, those responsible must face international justice to assure the Congolese that the international community will not tolerate such behaviour.

## Conclusion

The militarisation of the production and trade in minerals is primarily a reflection of governance weaknesses in eastern DRC. Where fledgling democratic institutions find it difficult to assert themselves *vis-à-vis* entrenched interests, the full developmental potential of natural resources will not be realised so long as security around natural resource deposits is negotiated locally, or the establishment of security is attempted through the application of economic sticks and carrots such as sanctions or mineral trade control regimes. While these practices can offer some positive outcomes, in all likelihood state weakness would either remain or even be exacerbated – promoting a negative feedback loop.

However, there are enough positive trends to suggest that the moment is right to help develop legal trade and productive economic activity, which remains the primary focus to achieve development in the region. A professionalised and formalised mineral sector would support a ‘regional public good’, with DRC potentially emerging as a positive economic contributor to the development trajectories of itself and its neighbouring countries in the medium to long term.

The most populous country in the region, DRC offers enormous untapped natural resources, labour and large markets for goods and services that could grow should peace prevail. Those who have been benefitting from an absence of regulation, from the militarisation of economic activity and from unauthorised rent-

seeking, are potential spoilers of positive change. But the likely benefits could improve the lives of many more across a range of sectors of society, from miners to local officials to exporters, who have had to cope with or have suffered from the effects of informal mining and trading simply because the formal systems have become so corrupted.

A process of reform that engages stakeholders in minerals exploitation and trade offers a potentially promising way to transform the industry. Actors in the current shadow economy include insecurity profiteers. But their objective is not necessarily to cause or sustain insecurity. Many may have an interest in stability and development, so long as they regard it as compatible with their profit motives. Incentivising the transfer of shadow economic activities to the formal economy would help provide a local basis for professionalising and formalising the ‘coping economy’, as well as to contribute to reform and strengthen governance from the bottom up.

The immediate dividend from improved cross-border mineral trade is economic, but the long-term reward may well be peaceful coexistence. This process will require the development of political incentives and a long-term commitment by all parties involved.

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**Nicholas Garrett is a Director of Resource Consulting Services Limited and a Research Associate with the London School of Economics and Political Science. [nicholasgarrett@resourceglobal.co.uk](mailto:nicholasgarrett@resourceglobal.co.uk)**  
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**Laura Seay is an assistant professor of political science at Morehouse College. Her research addresses community responses to state fragility in central and eastern Africa. She has conducted extensive fieldwork in the eastern Democratic Republic of Congo and is writing a book on the differences in the ways that civil society organisations respond to the state’s absence in social service provision. She is a contributor to the Christian Science Monitor’s Africa Monitor blog.**  
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