Conflict Minerals and Prevention Policies
The case of the Democratic Republic of the Congo

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I hereby state that this thesis has been written by me and the content, partly or in total, has never been published before.

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Abstract

This thesis explores the conflict in the Eastern provinces of the Democratic Republic of the Congo (DRC) in relation to international development policy in the new millennium and demand for minerals from the conflict zone by western corporations. I use a critical theoretical approach on development aid and initiatives to prevent trade with minerals from conflict areas. A critical analysis shows that despite claims of a new paradigm in development policy, with focus on the Millennium Development Goals, Trade for Aid, aid efficiency and partnerships, donor countries still use development assistance as an economic and political tool. The high demand by the electronics industry for minerals from the eastern provinces of DRC has contributed to prolonging the conflict, despite of increased efforts to trace the origin of minerals in the global market chain.

Key words: Democratic Republic of Congo (DRC), fragile state, conflict, mineral exploitation, Development policies
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1 Introduction

The Democratic Republic of the Congo (DRC) has been in constant state of conflict since the mid-1990s. Two major wars between 1996 and 2003 and an ongoing conflict in the eastern provinces of the country have caused the death of millions, mostly civilians. While the ongoing conflict with its involved militias has established itself within the territorial range of the Eastern Congolese provinces there is an international effort to end the hostilities. The militias and armed groups who are actively involved in the processes that destabilize the region have focused their activity on mineral deposits which they exploit for financial gains. The extraction of minerals is mainly done by local artisan miners who are controlled by the armed groups (Fairhead, 2005).

The international agenda on conflict prevention in Eastern Congo has focused on a few major points of interest. These are the securing of civilians through a UN Peace force, but more importantly the focus lies on the interruption of trade with minerals from mining sites where civilians are exploited and profits are being used to prolong the regional conflict. The international development assistance policy which aims at developing less developed countries plays into the context of conflict in Eastern Congo and the international effort to stop it. The international development agenda since the Millennium Declaration from 2000 and the embracement of the Millennium Development Goals mainly focuses on the eradication of poverty, the reduction of hazardous diseases and a universal primary school enrolment in the world.

The aim of this thesis is to explore the conflict in Eastern DRC in relation to international development assistance policy and economic interests of the donor community in developing countries. Specifically, this thesis focuses on the prolonging of conflict in DRC and the foreign Western involvement in this.

At the beginning of this thesis I discuss the international agenda on developing countries. I analyze the concrete approaches on economic development policies and the agenda on ‘fragile states’, a category to which DRC belongs in Western understanding. Following the theoretical context of ODA in developing fragile countries I take the example of DRC and explain the context of aid and the Western approach to the nation’s ‘problems.’
2 International Aid Policy Framework

2.1 The aid policy in the new Millennium

Development assistance has shaped the policies of underdeveloped countries since the end of World War 2. Harry Truman, the President of the United States of America, brought the idea to the public in his presidential inauguration speech in 1949. Truman said that the USA along with other developed nations “must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas” (Truman, 1949). He further laid out the approach of this program in his speech by noting that “the old imperialism-exploitation for foreign profit-has no place ...[in] ... reducing the barriers to world trade and increasing its volume. Economic recovery and peace itself depend on increased world trade” (Truman, 1949).

According to Hart (2009) the birth of development efforts does not have as exact timing as the proponents of the “post-Development” critique, claim. Development was already part of the British and French politics in their African colonies throughout the 1940s as a tool to hang on to them. Thus the idea of development did not emerge from Truman’s administration. The birth of development efforts however was “deeply entangled in the end of colonial empires and the rise of new forms of US hegemony in the context of the Cold War” (Hart, 2009, 121). The decade following Truman’s inauguration saw a professionalization and institutionalization of development agencies until the mid-1950s with the aim of creating policies to achieve what Truman said in 1949. The major organizations which since then have ‘managed’ the third world are the Bretton Woods Institutions, mainly the World Bank and International Monetary Fund, and the Organization for Economic Co-operation and Development (OECD) with its major development organ, the Development Assistance Committee (DAC) (Escobar, 1988).

From the late 1970s neoliberal ideas became the ruling framework for policy in the major international institutions financing development and among many governments holding power in these institutions. The turn to neoliberal policy in the World Bank and the IMF have been termed the Washington Consensus in development debates, referring to the location of these institutions and close collaboration with the US treasury department in policy formulation (Marangos, 2008). According to Robert Wade (2009) the terms Washington Consensus and Globalization Consensus are used interchangeably when referring to the dominant economic
The neoliberal narrative sees policy reforms towards liberalization of trade and finances, market integration across borders and less economic role of the state as the way towards higher economic growth and less poverty for all countries (Wade, 2009). The main method of implementation of the neoliberal ideas in developing countries was through new conditionality on loans from the World Bank and IMF, the Structural Adjustment Programs (SAPs). The growing critic on SAPs, including the influential UNICEF report from 1987, Adjustment with a Human Face, challenged the Washington Consensus from within the United Nations and led to the development of a more sustainable humane development approach by UNDP (Gore, 2000). According to Gore (2000) another challenge was a growing “Southern Consensus” drawing on dependency theory in Latin America and Asian development model. Others have emphasized the growth of popular movements protesting against neoliberal globalization (Hart, 2009).

The ideas of humane development were formalized in an international agenda in the Millennium Declaration and the embracement of the Millennium Development Goals. These underline the development agenda with the concrete goals of eradication of poverty and hunger, mortality rates of especially children, the improvement of health and the combating of diseases such as HIV/AIDS, and malaria. Also a global universal primary school education is on the list of goals which are to be achieved by 2015 (United Nations, n.d.). In order to integrate aid and development into a more efficient program, the term ‘aid effectiveness’ became more important in the relationship of donor and receiver nations. Aid is thus invested in countries which demonstrate sound economic provisions and good governance as understood by the donor community. Thus, liberal economies and stable non-corrupt developing countries qualify well for the new approaches of western ODA (Hyndman, 2009). As Hyndman (2009) argues this development shows the evolvement of aid in terms of its approach but not of its aim. With the new paradigms of ODA ‘trade’ has replaced ‘aid’ as the new key word in development questions. Thus, the terminology has changed while the goal is the same. In comparison Pronk (2001) argues for a positive outcome of aid if all involved engage in the correct manner. This especially sees aid as a demand driven investment.

Since it becomes more and more apparent that the MDGs will not be met in most countries of the African continent the policy of the international donor community however sees the solution in in increasingly funding the African countries with ODA. The Monterrey Consensus from 2002, a major agreement from the OECD donor community, urges its
members to increase financial support to developing countries to 0.7% of the Gross national Income (GNI), as agreed upon in a 1970 UN General Assembly Resolution. The self-set financial goal is only followed by a few countries (United Nations, 2002). Harrigan (2007) suggests “that the type of social welfarism that has become embodied in the MDGs through increasingly growing funding will simply lead to achievement of the goals in an aid-dependent manner without generating the domestic savings, tax, and foreign exchange necessary to make aid superfluous” (Harrigan, 2007, 385). The Paris Declaration included the developing world in the progress and the final conference declaration. The result saw framework goals that were defined and set to be reached by 2010, with an international monitoring on rates of success. The framework which focused on the idea of aid effectiveness saw embraced the alignment of donor- and partner nations in development work and saw a greater focus on harmonization between donors (Paris High-Level Forum on aid effectiveness, 2005).

The ‘Doha Declaration on Financing for Development’ from 2008 reaffirmed the ideas of the Monterrey consensus and kept a focus on staying engaged despite the struggle that donor nations had with their domestic financial situation after the Financial Crisis of late 2008. This goes along with the statement of the United Nations Resolution 65/1 from 2010 which states the commitment of the UN to reach all MDGs by 2015 (UN General Assembly, 2010). This statement prevails despite the fact that most aims especially in Africa south of the Sahara are not believed to be achievable by 2015. The progress report from the UN shows a stagnation and even deterioration in the MDG-areas in 2008 for most African countries (United Nations, 2008).

Criticizing development assistance, Arturo Escobar (2004) argues that the contemporary approach to the developing countries, which in itself already is an arguable term to define a status of a country, is merely a further approach to a world which is being dominated and ‘managed’ by a foreign power. The empire of the USA, that came to power in World War 2 has since dominated the policies of the West and after the fall of the USSR also the ‘East’ (Escobar, 2004). Empire are no longer extended and conquered with weapons but with the manifestation of norms that benefit its existence. Thus the US- policies of free trade, market liberalization, US consumerism and the understanding of democracy can be understood of norms that have been manifested in Europe and throughout the US range of power (Escobar, 2004). Escobar’s critique of the Western imperialist behavior roots from dependency theory
which critically engages the Western based development policies. Dependency theory argues that the western powers have after the independence of their colonies created dependencies which promote the flow of resources from the developing to the developed countries (Potter et. al., 2008). The African dependency to their former colonial powers, so Escobar (2004), is very strong in comparison to Latin American world in comparison has managed to distance partly from the domination of the USA in the 20th century. Leeson (2007) takes up Escobar’s critic and includes an analysis of Peter Bauer’s critic on ODA. He that poor countries need financial support to strengthen their economy until they have reached a level at which they can manage on their own. Bauer not only doubts the helping effect of aid but argues that it actually keeps poor countries poor. This is mainly supported by the environment in which aid is functioning. The interests on both sides, the donor and receiver, mostly work to the benefit of the donors and/or high ranking officials in the receiver nation (Leeson, 2007).

2.2 Economic Development policy

The economic development policy for Africa correlates very well with the ODA policy as the major aim of development assistance is to improve the economy of the target country. Thus a large share of ODA is labeled ‘economic development assistance (OECD, 2008). This relates to the paradigm of “Trade is Development” that has prevailed throughout policies since the independency of the African continent starting in the 1950s. (Jackson, 2003). The Monterrey Consensus which since the Millennium Declaration serves as the major reference for development states the importance of commerce and trade for development as following.

A universal, rule-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can substantially stimulate development worldwide, benefiting countries at all stages of development. In that regard, we reaffirm our commitment to trade liberalization and to ensure that trade plays its full part in promoting economic growth, employment and development for all. We thus welcome the decisions of the World Trade Organization to place the needs and interests of developing countries at the heart of its work programme, and commit ourselves to their implementation.

Monterrey Consensus, Article26 (United Nations, 2003, p. 11)
This article summarizes the policy on aid. The approach represented is that trade can enhance development in all participating partners. Further the article states the trade liberalization as a second growth factor. Trade liberalization is a key stone aspect of the neo-liberal economic school, which came to dominate the international economy in the 1980s. With the Washington Consensus dominating the economic thinking of the International Financial Institutions (IFI), mainly the IMF and World Bank, and all major donors of ODA the developing world, the economic environment in developing countries was strongly directed into the unilateral policy from the west under the guidance and pressure from the USA. The Washington Consensus is a specific economic policy package developed by the IFI, and the US Treasury Department. The main profiteers from it were corporations of the developed countries which gained access to the markets of the developing world. The approach of the Washington Consensus is generally associated with the economic school of neo-liberal thought (Marangos, 2008).

Despite the failures of this approach and a widespread criticism on the ideas of it, neo-liberal economic theory serves as the backbone of international aid policy. Failures of neo-liberal approach have led to crisis in many countries which followed its approach (Stoneman, 2004). Zaire, for example, which came under strong interference of IMF policies fell into a long lasting crisis which laid the foundations for the poverty of the nation, which created the environment that the Congo Wars were and the ongoing conflict is situated in today. The agriculture of Zaire took strong hits in Structural Adjustment Programs (SAP) that were initiated under the Bretton Woods Institutions IMF and World Bank. In the 1970s and 1980s Structural Adjustment led to an increased formal and informal mining sector as the SAP programs laid waste to much of the subsistence agriculture of the country. As in most other developing countries that came under SAP influence, the neo-liberal approaches created a downgrading effect for Zaire from which it has never recovered. While the nation as a whole was weakened by Structural Adjustment, some industries, mainly the mining sector, profited from the changed economic situation. However, profits from the changes largely did not trickle down to the poor people. The ‘Trickle-down’ idea is a principle neo-liberal theory. It advocates that profits will trickle down from the top to the bottom of the industrial chain, meaning that poor people would gain from any kind of industrial growth in a country, even if they are not directly involved (Brohman, 1995). The policies which created the process of globalization and thus the global market economy of today also created an unequal economic relationship within and between states. It is the main cause of the weakening of national
economic institutions in non-western states and thus is largely responsible for the situation which the OECD development assistance donor community is fighting (Nuruzzaman, 2009).

With this working paradigm, the aid to Africa and developing countries in general has been centered much on the economic environment in these countries. With ODA playing a major role in developing economic growth, the OECD has formulated the ‘Aid for Trade’ (AFT) program. This program is to put in practice many of the economic development ideas set forth in the conferences on aid effectiveness starting with the Monterrey Consensus. The aims of AFT are to (1) enhance donor co-ordination and alignment; (2) provide practical guidance to maximize aid effectiveness; and (3) promote greater coherence between aid and trade (OECD, n.d. a). AFT is being managed by the World Trade Organization (WTO). The WTO is an international forum that promotes trade and trade liberalization. The WTO which in 1995 developed out of the GATT agreement registers 153 members. Most nonmember states are in the application process or in diplomatic contact with the organization. Thus the WTO reaches all major industrial countries of the world (World Trade Organization, n.d.). Development Funds that are allocated through the AFT program are directed into the improvement and expansion of the national infrastructure since 2005 when the program came to life. Aid for Trade is seen as the future in development questions, as it supposedly prepares the partner nation for economic prosperity which is considered the path for nations to develop to their best potential. AFT develops the idea of development assistance and creates an environment where not aid but trade is the key of development. With this approach the western modernization theory is reshaped for developing countries. Modernization theory describes the process through which the western ‘developed’ countries have reached their development status. This process mostly was achieved by the means of industrialization and urbanization (Stiglitz et. al., 2006).

Other measures to enhance economic growth in developing countries are debt reliefs. The massive influence of donor states on the receiver states and their national policies has led to an increased use of the HIPC initiative, the initiative to reduce national debt of ‘Heavily Indebted Poor Countries’, the HIPCs. This dates back to 1996, where it was developed by the International Development Association (IDA), a sub organization of the World Bank and the IMF (World Bank, 2010b). Additionally in order to achieve the MDGs the ‘Multilateral Debt Relief Program’ (MDRI) has been started as a subprogram for the HIPC. As of fall 2010, 40 nations are situated in the “poverty-frame” that qualifies the nations for debt relief. The list
includes 29 African states from the Sub Sahara Region, including DRC (World Bank, 2010a). Debt relief sees to keep developing nations afloat as a decreased debt burden lifts pressure from national financial systems.

With ODA as the tool to increase economic potential of developing countries the G20, the group of the 19 strongest world economies plus the European Union (EU), have outlined the importance of private involvement and innovation in the aim of achieving this growth in the Low- Income Countries (LICs). Article 4 of the G20 development principles states the ‘unique role of the private sector as a rich source of development knowledge, technology and job creation’. The article further ‘encourage[s] specific ways to stimulate and leverage the flows of private capital for development, including the risks and improving the investment climate and market size’ (G20 Seoul Summit 2010, 2010, 2). This means that the monetary reform behind this approach is an opening of national markets to foreign private investment into the economy. This approach however mostly profits western corporations that can enter foreign countries and markets (Brohman, 1995) as “development is most usefully understood in terms of the exercise of power in multiple, interconnected arenas, inseparably linked with the socially and spatially uneven dynamics of capitalist development” (Hart, 2009, 122).

2.3 Fragile States Policy

Since 9/11 there has been an increased interest and focus on fragile states within the development community. The term ´fragile state´ is a post- cold war terminology which was popularized after 9/11 and the new US foreign policy that emerged after this incident (Nuruzzaman, 2009). The US National Security Strategy from September 2002 states the problem of fragility in Africa. The report notes that it threatens a core value of the United States, preserving human dignity and a US core strategy, the fighting of global terrorism (The White House, 2002).

In order to secure an effective entry for development as a stabilizing factor into fragile states the Paris Declaration has drawn on the Senior Level Forum on Development on Fragile States. The approach considered is an alignment with the receiving partner nation without directly judging and conforming to any of the nation´s policies. A further stress is put on the commitment to ease the environment in which ODA can flow (Paris High- Level Forum on
Aid Effectiveness. 2005). The Accra Agenda for Action (AAA) further encourages donor nations to actively work together with their partners to install systems of stability and peace in cooperation with the help of United Nations organizations (Accra High-Level Forum on Aid Effectiveness, 2008). The European Union (EU) has created a ‘whole-of-EU’ approach to fragile states which follows the guidelines of the international community. This procedure however took the EU seven years to complete and was published in 2008. The agenda, published in 2008, stresses a) the security of citizens and their human rights, b) the strengthening of the basic needs of inhabitants and peace in the states and c) the importance of good governance, global security and development. Development in this context means foreign financial involvement of bilateral and multilateral players of the development community (Hout, 2010).

The term ‘fragile state’ is in many ways unclear and ideologically dominated by Western understanding of a stable country. A definition of the term ‘fragile’ is neither found in the Senior Level Forum on Development on Fragile States declaration nor the Paris Declaration (Christiansen et. al, n.d.). A commonly Western practice in defining a failed state is on the basis of the Weberian understanding of the term ‘state’ which serves as the ground foundation for most modern nation states. The understanding of a Weberian system is where the state bears the authority over its citizens and has the monopoly over legitimate instruments of violence (Nuruzzaman, 2009). Critics of the Western approach to fragile states argue that there is a general association of nations’ problems to the domestic socio-cultural environment and not to foreign interference. The socio-cultural problems responsible for failure are believed to be authoritarianism, poor economic performance, prevalence of social conflicts and violence, and environmental degradation. Nuruzzaman (2009) notes that a more liberal American perspective adds colonialism into the list of failure and also argues that the borrowed western ideological understanding of politics and economic behavior are working poorly in the African environment (Nuruzzaman, 2009). William Reno (2006) strengthens the argument of foreign involvement in failing states. Reno notes that a failure of the Democratic Republic of the Congo could have been avoided with support from the USA, which had helped Mobuto Sesoso Seko, the President of DRC, in stabilizing the country in the 1970s and later. In this context stability however does not imply a general wellbeing of a countries population but merely the stability of the political system. The changing political situation after the cold war saw the USA retreat from a political Alliance with the DRC, then called
Zaire. Without foreign support Mobuto’s regime could not withstand the war that saw him removed from his position in 1997. This phase of transition will be further discussed later.

While the donor community sees financial investment and economic development in fragile states as the way to stability Mark McGillivray (2006) argues that a positive effect of aid on fragile states is still not proved sufficiently. He states that there is no conclusive mechanism that clarifies the point where aid allocated into a country’s internal structures becomes counterproductive to its original purpose, the stimulation of economic growth. Further McGillivray states that even though western donors argue for increased investment into all developing nations, also the fragile ones, there is a disfavor to invest in fragile states over politically stable ones. This relates to the still dominating self-interest of donor nations in development questions. Thus, a success in the partner nation often reflects back an impulse in various forms. These can be economic, politic or simply prestigious for the donor. Since the 1990s an increasing selective approach of donors to partners in stable countries supports this theory. This behavior has created so called aid darlings and aid orphans, the darlings being countries with a proportional high ODA influx, aid orphans receiving proportionally little aid. Aid orphans include Burundi, Nigeria, Sudan and DRC (McGillivray, 2006).
3 Holding trade from resource fueled conflicts

The concept of fragile states is strongly interwoven with resource fueled wars. As resource fueled conflicts are situated within fragile states the strengthening of a political structure in the country also will show impact on the conflict (Le Billon, 2001).

Conflicts that are fueled by the extraction of primary resource are largely driven by a market which is dominantly buyer driven. Throughout the second half of the 20th century most commonly diamonds, gold, and oil were the focus on such conflicts (Jackson, 2003). Preventing corporate involvement in fueling of war, via the purchase of raw materials in return for weapons and other equipment needed to continue the exploitation and violence, demands an increased corporate social responsibility (Global Witness, 2010a; Le Billon, 2001). The idea of corporate social responsibility (CSR) emphasizes ethics in business. Global witness, a Non-Governmental Organization focusing on the issue of corruption and resource exploitation published a guidance paper on CSR for corporation in 2010. The guide, called ‘Do No Harm – Excluding conflict Minerals from the supply chain’, specifically draws on experience that was made in DRC. The suggestions for corporations cover the entire supply chain of conflict minerals from mining site to the manufacturer (Global Witness, 2010b). Generally, securing peace in fragile states that rely on mineral trade can be partly correlated to fair resource extraction. The common practice of mineral trade however goes in hand with the enrichment of only a few high ranking people while the miners are exploited (Le Billon, 2003). Additionally to the idea that target the mineral industry, macroeconomic reforms can change the environment in which conflicts take place and eradicate the profitability of armed groups that engage in mineral trade. One measure targets the economy of countries that rely on the export of a single or a very narrow range of commodities/minerals (Le Billon, 2001). An example for the specialization on a single mineral can be drawn from Zambia. The country’s export base was almost entirely based on copper in the 1970s. As global copper prices plummeted, Zambia fell into deep recession with a large burden of debt to follow. Responsible for this were to large degree failing Structural Adjustment Policies (SAPs) (Stoneman, 2004).

In diamond trade, a procedure to prevent legal trade of conflict diamonds has been achieved. The UN General Assembly ratified the resolution 55/56 which followed the recommendation of the ‘Fowler Report’ and established the Kimberley Process Ratification System in 2003,
three years after the report. The Fowler Report laid open the involvement of the Angolan UNITA movement in ‘blood diamond’ trade (Fowler, 2000). The certification system is an industrial self-regulation process which only regulates the rough diamond market in order to prevent blood diamond trade which fueled the civil wars in Angola and Sierra Leone in the 1990s. All importing and exporting countries involved in rough diamond trade are members of the agreement including DRC as an exporter (Kimberley Process, 2011). The idea of the Kimberley process is being considered for other conflict resources, including tantalum, cassiterite and coltan. The problem is the difficulty to assess the source of origin, thus making it hard to trace conflict resources. Recently however the tracking of tantalum has been made possible. The process however is complicated and requires a long time (Johnson, 2010). The way of distinguishing locations can be done via chemical and mineral composition plus the age of the mineral. These three components combined are the ‘mineral fingerprint’ (USGS, 2010). A German funded pilot project is being set up to control the source of minerals in the eastern parts of DRC. The agreement between the German and Congolese Government was signed in 2008 (Johnson, 2010). As of March 2011 preparations for the initiation of the program are on the way after the Certified Trading Chains (CTC) and Analytical Fingerprint (AFP) program has successfully been tested in Rwanda (BGR, 2011).

Another initiative to fight exploitative resource trade is by opening up information to the public. The Extractive Industries Transparency Initiative (EITI) is a program which promotes transparency in mineral extraction business. The program that started in 2003 after being announced at the World Summit for Sustainable Development in Johannesburg in 2002. It includes 33 nations which make their investments and revenues from mineral extracting partners publicly available. EITI also has a growing support in the resource industry with 50 corporations having signed the initiative among them are all major oil, gas, and mineral corporations in the world (EITI, 2009). The impact of the EITI initiative on the resource industry is large as the 50 participating corporations control the majority of the global resource trade. According to critics on the EITI initiative the control set to reveal the payments between corporation and governments, and corporation and their affiliates, is not enough. It does not deal with exploitation of the mining civil society which still is being deprived of its share. The idea is that the whole value chain of the resources becomes transparent. This criticism focuses on the practice of nepotism or favoritism that dominates the governmental structures of many of the developing countries where the impact of the resource extracting industry is arguably the biggest (Baldwin, 2011).
Even if programs like the Kimberley Certification Scheme or EITI are very successful, the mining sector of DRC would not be humane. The legal business of diamond mining in DRC goes along with massive human rights abuses. These actions are largely unchecked, mostly unnoticed by NGOs and the United Nations and not reported by any governmental agency in the country; much less has any state official responsible for illegal killing been punished by the law (Amnesty International, 2002). National controls to track resources, especially diamonds are additionally too weak to eliminate the factor of trading conflict minerals as internationally licensed. Diamonds are being smuggled in and out of the country and the tracking system that is deployed for the official mines does not allow claiming that any of these smuggled diamonds might end up in the pile that is traded over the Kimberley Scheme. The tracking of diamonds from its source to the export however is a major component of the Kimberley Process (Global Witness, 2006). The Service d’Assistance d’Encadrement du Small Scale Mining (SAESSCAM), the national Congolese agency that oversees the mining permissions in the country clearly does not reach all the miners active. The situation in which mining is undertaken does not allow this, or the complete supervision of all mining sites. In DRC an estimated one million people are working in the diamond mining sector, mainly as artisanal miners making many million people dependent on the revenues from it (Global Witness, 2010b).

At the national level a legislative measurement to counter the entering of conflict minerals into the national market can be seen in the USA. Signed in July 2010 the ‘conflict mineral legislation’ requires the disclosure of any corporate mineral import from the DRC, with a concrete CTC report following. This legislation is seen as a win in the fight against conflict minerals. Johnson (2010) however warns the legislative implies a boycott of Eastern Congolese minerals as no importer will be able to verify with certainty that the minerals were not, at least partly, extracted in militia controlled mines. Thus, the legislation could lead to the increase of minerals prices which in turn increases smuggling. Higher prices however also mean higher profits for the militias in Eastern DRC.

National responses however often also show the lobby of mineral corporations and a downgrading of problems by governments. The Canadian response to national corporate activity in Sudan shows that. Talisman Energy Inc. which was under suspicion of being involved in actions that caused human rights abuses in Sudan, also a fragile state, was checked by the government locally without any outcome but the underlining of the Canadian
Code of Ethics for Canadian Businesses (ICECB), a guideline similar to the OECD Guideline for Multinational Enterprises. Since this the Canadian government has not made any more statements on the issue, despite continued conduct of Talisman Inc. in Sudan. (Human Rights Watch, 2003).
4 The DR Congo Context

4.1 Years of conflict in DRC

The Democratic Republic of the Congo, since its independence in 1960, has been a major economic partner of the west as its resources were in demand by those industries. Due to this, DRC was a close African ally to the US dominated western block in cold war times. In 1960 Mobutu Sese Seko manifested his regime after a CIA backed coup d'état (Fairhead, 2005). He renamed the country Zaire which was the official name until Mobuto’s fall in 1997. With the increased development and production of electronics for public and military purpose in the west, Zaire’s importance grew steadily as coltan, a mineral found in tantalum, is found in the country. More than 70% of the global tantalum production is used in electronics, mostly in capacitors (USGS, 2010). Most of the tantalum production in DRC is located in the Eastern provinces which have been under poor national governance for decades due to many features. One reason is the distance to the national capital Kinshasa, which is situated 1500 km west of the eastern borders, and the poorly developed infrastructure that connects the West and East. Another cause is the multiethnic population in the region. Ethnic groups from Uganda, Rwanda and Burundi have historically lived on both sides of the border as it was drawn by colonial powers and did not respect ethnic heritages. The geographical context of this is illustrated in Figure 1. Further poverty that grew in the 1970s and 1980s as a result of Structural Adjustment, pushed many poor families into the peripheral Eastern regions of Zaire where land was still available and artisan mining provided a livelihood (Fairhead, 2005). Apart from tantalum, cobalt and gold as well as diamonds are major export resources of DRC.

The turmoil in Rwanda triggered conflicts in eastern Congo in 1993, before the Rwandan situation turned into the genocide of 1994 (Jackson, 2003). Hutu militias were killing Tutsis that lived in Congo and as the Tutsi movement overthrew the Hutu government in Rwanda, it started to aggress the Hutu militias in Congo that had fled from Rwanda. The clashes between these ethnic groups triggered the first Congo war in 1996, as Mobuto took site with the Hutus. The Rwandan Tutsi Government with its allies of Uganda, and Burundi attacked Zaire and overthrew Mobuto with the help of Laurent Désire Kabila, a rebel leader from eastern Zaire who led the alliance of foreign forces and Congolese anti-Mobuto rebels to victory. The ending of the First Congo War saw Kabila become President of Zaire, which he renamed into Democratic Republic of the Congo, DRC. Throughout the First Congo War, the western
powers positioned themselves neutral, but approved of the ‘removing’ of Mobuto as he was considered an old-fashioned dictator with little desire for democratic development. The invaders led by Rwanda were favored by the USA as the new government of Rwanda was considered open to democratic changes. Support to Kabila’s alliance was shown indirectly by not calling the violation of DRC sovereignty an act of war. Thus, there was no international political pressure on the UN to denounce the aggressions. Due to the political alienation from Mobuto and his regime, financial support to Zaire in the early 1990s was limited as the former cold war alliance did not need to be upheld anymore (Weiss, 2001).

Following one year of peace the Second Congo War, also named the ‘Second War of Liberation’ broke out in 1998 when Rwandan and Ugandan backed troops attacked their former ally Laurent- Désiré Kabila. The aim of the aggressors was mainly to secure the Tutsi minority in eastern Congo as Kabila made no effort to ensure their safety (Jackson, 2003). Lumumba- Kasongo (2005) notes that the most important factor in the decision to attack DRC however was the political aspirations of Laurent- Désiré Kabila. His Socialist political program quickly established an anti-imperialist agenda which threatened the position of western economic actors. In this context Lumumba- Kasongo (2005) names the Second Congo War a neo-imperialist war where Uganda, Rwanda, and Burundi were puppets of the empire USA. Laurent Désiré Kabila’s regime could only be saved by the intervention of SADC- led troops that forced the anti-Kabila coalition back into the eastern provinces of DRC. SADC is the Southern African Development Community, an inter-governmental organization of southern African nations with the aim of interregional development. DRC is a member of the SADC. Since the intervention and the retreating of the anti-Kabila alliance the country has been split into two entities, the eastern foreign militia infiltrated and the western part, fully governmental controlled (Jackson, 2003). In 2001 Laurent- Désire Kabila was assassinated by his bodyguards and replaced by his son, Joseph Kabila. He was embraced by the western powers, especially USA and Belgium, which were the dominant economic partners of DRC in the early 2000s With Joseph Kabila, a western aligned leader, international support resumed to flow to DRC in form of ODA (Lumumba- Kasongo, 2005).

The deployment of a UN Peace Force, MONUC, has the aim of protecting the local population in Eastern DRC and reducing the impact of the militias. MONUC is stationed in DRC since 1999 (IRIN, 2007). In 2010 MONUC was renamed into MONUSCO, the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo. The
peace mission is however questioned as the costs are increasing. In 2010 the total reached over 8 billion US dollars. The forces comprise of over 20,000 personal and costs for 2010 alone are estimated at 1.3 billion (MONUC, 2010).

4.2 Conflicts in Easter DRC

The eastern Provinces of North Kivu and South Kivu in DRC are the main staging regions of the ongoing resource related conflict involving foreign militia troops. Other provinces are however also involved. Figure 1 shows the effected provinces of the Kivus, a term for both the Kivu provinces, Orientale, Katanga, and Equateur. The map is an overview over internally displaced people in DRC and thus shows the conflict shaken regions of DRC.

![Figure 1: Official numbers of internally displaced people in the DRC as of November 2010 (Internal Displacement, 2010).](image)

North of the Kivu provinces the Ituri conflict occurred in the Oriental Province between 1999 and 2007. The clashes were a sprout from the Second Congo War, which resulted in ethnic dispute between Lendu and Hema groups. After years of fighting between these different groups MONUC Peace forces and governmental troops secured the region with the last militia
turning in their weapons in April 2007. Displacement in Equateur is mainly a result from local clashes between different tribes. These clashes were not resource related and are reported ‘pacified’ (IRIN, 2009). In the Katanga Province militias are active to a lesser degree than in the Kivus. Thus displacement is less but the motivation for militia activity there is the same as in the Kivus—local resources (United Nations Security Council, 2010). The situation in Orientale is similar as in Katanga (Humanitarian Information Group, 2011).

Figure 2 shows the control of the Kivus by armed militias, mainly the Forces Democratiques de Liberation du Rwanda (FDLR), the Democratic Liberation Forces of Rwanda in English. The FDLR is a Hutu militia that comprises of Rwandan Hutus that fled over the border after the lost civil war in Rwanda in 1994. Today a return is unwanted by the Tutsi government in Rwanda but many Hutus also do not wish to return as they are soldiers and would not be able to earn a living in Rwanda unless taken into the national army, something highly unlikely under the Tutsi government (United Nations Security Council, 2010). The map in Figure 2 further shows the concentration of mining sites in the militia controlled areas and the locations of incidents towards humanitarian organizations in the years 2009 and 2010.

Humanitarian Organizations have also been attacked in Eastern DRC. The aim of these attacks are often not clear but pillage supports Paul Richard’s theory (1996) which sees ODA goods as a valuable target for armed groups in order to prolong conflicts. Goods of interest include medical supplies but also basics such as food. Thus, aid deliveries often are targeted through road controls, taxes and/ or pillaging. Also weapons are needed. Thus military targets often are of interest to armed groups.
Politically, neither the national government of DRC nor any international participation in peace keeping activities has managed to establish a stable secure environment in East Congo. The foreign occupying militias have neither established any security even though their activity in the region takes the form of a local government. The taxation of the people by the militias on all goods is only used for personal profit alone and not redirected into the community in any way. Thus the occupation has resulted in a collapse of public services in the affected regions (Amnesty International, 2003).

For the local population however both, the militias and the national Congolese army, pose a threat as the central government in Kinshasa only pays its troops irregularly and generally has little control over its commanders (Natalaja, 2004). Even if the exploitative trading of resources is prevented and militias lose their main income source, Johnson (2010) doubts that the conflict would resolve on its own. The resources are only one foothold of the militias’
survival. Other source of income, mainly taxation and looting, are not touched by the international agenda on the certification of minerals. Further the political differences between the national Congolese government and the militias, many being former socialist rebels, are fueling the conflict with the government. This conflict is fought in the Eastern provinces where national control is least (Lumumba-Kasongo, 2005).

4.3 Conflict economy

The provinces of Eastern DRC increasingly came into focus of militias in the late 1990s due to the resource richness of the region. The resources extracted are diamonds, tantalum, gold, cassiterite, and tin, but also timber is being exported. Mining has been a growing economic activity in the regions since the late 1970s, when artisanal mining more and more became a profitable business for the population (Jackson, 2003). With the growing prices for minerals and the finding of more resource deposits the mining, especially in the Kivus, started to grow tremendously as militias controlling the mining sites forced people into labor in the late 1990s (Fairhead, 2005). The center of mining activity today is around the city of Goma, the administrative center of North Kivu. The region around Goma is shown in detail in Figure 2. DRC in total is a major supplier of natural resources. Around 50% of all global extracted cobalt is mined in DRC. Similar, 30% of the global diamonds and 20% of global copper is mined in Congo (Lumumba-Kasongo, 2005). It is not possible to accurately determine how much of these are mined under militia control however the Eastern provinces of the country are the most resource rich. Mining occurs less in Western DRC (Fairhead, 2003).

The global reserves of tantalum are estimated to be largely in the territory of the DRC. Estimates for the Kibara Belt, which is a greater tantalum deposit range along the African Rift Valley argue for a share of over 80% of all global deposits. Large parts of the Kibara Belt are situated in DRC (Mining Journal, 2010) which has a surface of 2.5 million square kilometers and thus is as large as all of western Europe or 1/3 of the USA (Lumumba-Kasongo, 2005). Global tantalum prices increased from an average of 30 dollars per pound in 1996 to over 50 dollars in 2001. The positive price trend resulted from a doubled tantalum demand on the global mineral market (Jackson, 2003). The massive demand was coupled to the Dot-com bubble which bust in 2000/2001 leading to a massive decrease in tantalum prices in the following years. The Dot-com bubble was a market created bubble around the newly
emerging IT business. The bubble started building up in 1995 and peaked in 2000 when it bust (Howcroft, 2001). Production in eastern DRC however has only decreased temporarily after the bubble bust (United Nations Security Council, 2003).

The conflict economy of trade and taxation in the conflict regions still rest to some degree upon the national currency of the Congolese Francs but it has changed dramatically over the last decade. Foreign traders who supply the main needs of the militias, mainly weapons and drugs, bring US Dollars into the region. As a result there is an increased demand for dollars in eastern Congo and a trade in both currencies has developed. The mineral boom in the whole region has further led to massive inflation in the region. The price for manioc, the main staple food of locals increased from 6 to 17 dollars in Goma between 1999 and 2001 (Jackson, 2003).

In 2000 the UN Security Council created an expert panel on the illegal exploitation of natural resources and other forms of wealth of the Democratic Republic of the Congo (UN Security Council, 2000). The study showed concrete foreign corporate involvement in the looting of natural resources in the eastern regions of the DRC. A list of 33 corporations which were active in tantalum trade was published in 2003. Corporations from Belgium (10), the Netherlands (5), Germany (5), the United Kingdom (2), India (2), Rwanda (2), Pakistan (1), Kenya (1), Tanzania (1), the Russian Federation (1), Switzerland (1), Malaysia (1) and Canada (1) were identified as importing resources from DRC via Rwanda.

Most of the resources are suspected to have originated from militia controlled mines as a public and trusted private controlled mining sector does not exist in eastern DRC (UN Security Council, 2003). The cobalt trade which generally shows similar exploitative measures in extraction as tantalum mining saw a focus on the London based American Mineral Field Inc. (AMF), now called Adastra Minerals. AMF supported the Kabila alliance in overthrowing of Mobutu Seseko. In return for this it received a large share of the national Congolese mining company’s concessions. With this gain it managed to control the global market price of cobalt to large degree (Fairhead, 2005; Hantke, 2007). Kabila’s government has also been selling concessions to foreign corporations for areas in eastern DRC with the approval of local militias. Zimbabwe, which supported Kabila in the Second Congo War, has gained concessions to mining and logging sites in Katanga with remaining armed forces securing the sites. One Zimbabwean corporation under military control gained
access to a 33 million hectares logging concession, which are around 15% of the total land surface of the Democratic Republic of the Congo (Jackson, 2003).

The resources deposit sites are mostly controlled by the local "war lord" style militias but governmental troops are also active in the resource business. The practice in the mining areas has not dramatically changed to the better since the 1990s. Since mines are run under militia control very little to no aid reaches the people living and working there. The troops try to keep foreigners and especially humanitarian helpers out of the camps so no one can witness the situation inside, which includes shooting of civilians, raping, and pillaging. Mining and subsistence agriculture are the predominant activities for people in the region. Thus, mining and agricultural productions need to play a significant role in the regional development strategy (Campbell, 2009). Since the hostilities in eastern Congo, that started in 1993 the agricultural sector has lost almost all of its importance. The destabilization of the region through militias has led to the abandoning of fields as the conflict situation escalated. The same applies for cattle farming, which dominated the agriculture before the war (Jackson, 2003).

Large parts of the extracted resources from Eastern Congo are smuggled over the eastern borders into Uganda, Burundi Rwanda. The proximity of Uganda and Rwanda to the major mining areas around Goma is extremely close as can be seen in Figure 2. Once smuggled many laws and embargos that only apply to minerals traded from DRC do not affect the conflict minerals anymore (United Nations, 2001).

As a side effect of the mineral boom in Eastern Congo, the high inflation rates in the region have laid the regional agriculture to waste. Thus, the inflation has created the opportunity for western companies to export food to the DRC, where the situation created increased prices and a national demand for food products. Large urban areas increasingly import food from abroad in a country where estimated 70% of the population is undernourished (Democratic Republic of the Congo Ministry of Agriculture, 2008).
4.4 Development Aid to the DRC

The renewal of development aid to DRC in 2002 is visible in Figure 3. The annual financial support in the years 1999 till 2001 represents similar figures as were received throughout the 1990s (Marysse et al, 2007).

![Figure 3: Development aid to DRC in detail and national repayments (OECD Stat Extracts, 2011).](image)

The largest part of ODA to DRC in 2003 marks a debt relief under the Heavily Indebted Poor Countries (HIPC) debt initiative. Following this major relief, further debts have been written off under the same program. The total debt of DRC in 2002 was estimated by the IMF and World Bank to be approximately 12 billion USD. The majority of this, 7 billions, were licensed to foreign creditors, the largest being the Club of Rome with a 55% share (International Development Association and IMF, 2002). The composition of ODA to DRC has since the renewed support changed from a stronger “Loans” support to a dominating
“Grants” support. The difference is that the recipient does not incur a debt for grants whereas he does for loans (OECD, n.d. b). ODA finances in average one third of the government’s annual budget and accounts to more than 10% of the national GDP (World Trade Organization, 2010).

According to Jiang (2009) this shows a renewed interest of the international development community in the national resources of the Congo after a decade of alienation from DRC and its leaders. Since 2001 and the establishment of Joseph Kabila the political environment for western development assistance has improved to the gains of the Western powers. Further the increasing demand of rare minerals in the west and the push of China on the African market are reasons for Western involvement. The market is too important to be lost to the Chinese competition (Jiang, 2009). China’s share on the DRC market has increased dramatically on cost of the USA and Belgium, which were the strongest trading partners until 2005. US imports accounted to 18% of all exports from DRC in 2005, the share of Belgium reached 38%. In a matter of only four years China managed to get hold of 42.5% of exports from DRC, and thus became the largest trading partner of the country in 2008. With this development the USA and Belgium lost most of their former superiority on DRC’s market (World Trade Organization, 2010).

DRC’s policy of the International Financial Institutions (IFIs) along with their most influential members, the industrial countries of the west, has focused on a macroeconomic strengthening of the mining sector as the country’s main base to prosper since the official ‘ending’ of the war. The policies of the IFI center much on a rewriting of the government’s role in the mining sector and a privatization of the same. The mining code adopted in 2002 is one of the most liberal in terms of taxes and customs regimes in all of Africa (Campbell, 2009). This correlates with the major ideas noted in the Monterrey Consensus which see economic growth and trade as the path of development.

The effect of Aid for Trade (AFT) on DRC is difficult to estimate as total figures are very low, especially when considered the support per capita. The population of DRC is estimated at around 70 million in 2010 (United Nations Population Division, 2009). Total AFT disbursements to the DRC in 2007 were around 50.7 million USD. Commitments under the Aid for Trade program made to the country for the same year were over 140 million USD. Out of the received aid from the AFT ODA package, 29 million were invested in the improvement of the infrastructure with the highest amount going into the expansion of
transport and storage capabilities. The energy producing sector was supported with 1.1 million USD, and the rest of slightly more than 100 thousand USD went into the improvement of communication systems (WTO and OECD, 2009).

Aid effectiveness in conflict regions such as eastern DRC is immensely affected by the belligerents of the ongoing conflict. In open conflict, economic, social, cultural and political development is highly vulnerable to changing power structures and the exploitative behavior of the dominating force. These regional structures which act separately from the central Congolese government are not the only factors controlling development in the area. Parts of governmental forces also act counter to development in the conflict region as high ranking public and military officials personally enrich themselves (Le Billon, 2003).
5 Discussion

With the renewal of large development aid to DRC, the donor community has shown interest in the country’s economy after a decade of distancing itself from the politics of the Zaire/DRC. Today the IFIs again strengthen the mining industry in DRC, similar as in the 1970s and 80s. Merely the approach to this has changed. Due to increasing competition from China on the DRC market Western influence needs to establish itself in order to secure a flow of resources to Western industries (Jiang, 2009).

This follows the criticism of Escobar (2004) who sees the international development policy only as a tool to support the needs of the leading empire. Thus, the term of neo colonialism which has been used for the approaches of the western imperial institution of the cold war is not over. Even though today’s policies are underlined by ideas of equality and partnership the effect of the ODA approach to the developing world is the same. It merely changed from a direct policy intervention to a policy alignment, or western norm alignment as Escobar argues. Escobar (2004) goes as far as saying that the wars in peripheral developing countries foster the empire and do not threaten it in any way. Hantke (2007) argues that the conflict economy of Eastern DRC is a sign of this. While western involvement secures resource flows from the Congo Basin to the west, the conflict does not pose any threat to the west itself. The IMF and World Bank policy of expanding the mining sector in DRC follows this economic approach further (Hantke, 2007). By supporting a more open and stronger mining sector, the IFIs also open the door for foreign investment in forms as outlined in the AMF example (Campbell, 2009). This example shows how the state of fragility benefits the interference of Western economic stakeholders in developing countries. More than this, the AMF involvement further upheld and created fragility in the Democratic Republic of the Congo.

Criticizing the positive effect of ODA on the economy in developing countries, as outlined by Mark McGillivray (2006), Marysse et. al (2007) argue that aid itself is the compound that glues ineffectiveness and poor governance together in fragile states (Marysse et. al, 2007). Van de Walle (2001) goes as far as calling this fact the “fruit of the marriage of neo-patrimonialism and the Western development business”. Neo-patrimonialism is the term for neo-colonial governance in developing countries but goes further in its meaning as so far as defining the states of developing countries “planted democracies”. Van de Walle (2001) states that even though the political basis of these countries is democratic only parts of the system work
properly in that sense. This is mainly the result from colonial understanding of authority which was defined by repression and elitist rule. This criticism directly aims at the contemporary paradigm in development assistance. The positive affect of ODA as agreed upon by the international donor community is turned and ODA is shown as the cause of the current ineffectiveness. In this understanding, ODA will never be able to achieve the goal that the donor community has given it.

Attacks and pillage of local populations and humanitarian organizations in Eastern DRC also show how ODA can cause a prolonging of the conflict situation. Many of these attacks are believed to have arisen due foreign aid which received its location in the conflict region where it was then taken by force by the militias and thus supported their needs (Spittaeks et. al., 2010; United Nations High Commissioner for Human Rights, 2010). Thus Paul Richards (1996) ideas which were developed in the civil war of Sierra Leone also apply to the conflict zone of Eastern DRC.

DRC does little but signing agreements and supporting guidelines to prevent illegal trade (United Nations, 2001). There is also the belief that a tighter legal system in western countries that forces the regulation and opening of corporate trading chains will create an increased illegal trade of minerals as corporations cannot directly import from conflict regions. This, as Johnson (2010) argues might be a result from the US conflict mineral legislation signed in July 2010. Worse than this however could be the result of an effective fingerprint system that has the power to remove large parts of the resources mined in militia controlled mines in eastern Congo. With trade breaking in on the militias and especially the local artisan mining population, the livelihood of millions of people is taken. This would even increase tension in the region. Johnson shows how integrated the conflict of Eastern Congo is in the structures and politics of the region. Simply engaging the problem from either economic or other factors does not resolve the situation. Also does a unilateral approach from western actors not solve the conflict but simply change its form due to the multiple interests that armed groups follow (Johnson, 2010).

All western based measurements cannot work fully with the unchanging situation in conflict regions. Governmental controls often are little to non-functioning or worse, directly involved in these regions. As shown the legal mining business under supervision of national Congolese and international institutions works in similar ways as the illegal militia controlled (Amnesty International, 2002). As outlined by Global Witness (2006) most artisan diamond miners
cannot afford the concessions for mining sites. Thus a national structure that efficiently captures and manages the entire industry, as has been reached in developed countries, would mean the ruin for most poor miners. Since millions are dependent on artisan diamond mines a ‘perfect’ system should not be anticipated.

One result from schemes like the Kimberley Process or EITI however is the creation of a shadow economy of goods which then are traded illegally instead of visibly. The Kimberley Process has banned conflict diamond trade. Diamonds from Eastern Congo are thus not licensed but are mined, smuggled and traded abroad. Thus, the effect is only a partial success (Global Witness, 2010b). O’Higgins (2006) argues that codes of conduct such as the idea of corporate social responsibility in the mineral extractive industry are only likely to work if all corporations take up the idea. He further argues that in an environment of conflict and corruption like on fragile developing countries, this is not likely to happen. O’Higgins states that even a corporation that does not bribe contributes to corruption by their silence and secrecy about their own non-corruptive behavior. They do so because they indirectly support companies that do not have the same code of conduct. EITI also bears problems as corporate financial publications often are dubious and difficult to analyze. Corporations that actively are involved often see EITI as a clean washing initiative. In reality however these corporations are known for their unethical behavior in developing countries (Afrika Verein der Deutschen Wirtschaft, 2008). The unclear and confusing mining sector in DRC with millions of artisan miners working legally and illegally cannot effectively be formalized so that a corporate buying scheme, which intentionally tries to cover exploitative measures, can be uncovered (Global Witness, 2010b).

Due to this fact, the national mining structures of DRC go in hand with the code of conduct of western enterprises and as long as these are willing to trade conflict minerals, the fuel for war is secured. The chaotic bureaucratic environment will further allow tricking and bribing for their gains and with western arms as one major trading commodity into the conflict regions a two-polar trade is secure where both times the trading vessel is filled with cargo; Arms on the way into DRC and minerals onboard the way back. It is doubtful whether the large multinational mineral corporations in the near future are willing to alter their approach to a humane and ethical one which builds on ideas of corporate social responsibility in countries where the situation allows for public exploitation (Hantke, 2007). Even if this was achieved the trading of resources would still disfavor the Congolese people as costs of resources in
relation to the manufactured goods are globally underpriced and thus deprive the people of their fair share. This is mainly created by western powers and further strengthens the inequality of developing 'resource giver' and developed 'resource taker' countries. For developing countries to escape this is difficult as western development policy and aid approach align developing countries’ national economies so that merely the fields that fuel the needs of the west are strengthened DRC (Leeson, 2007). In the case of DRC, western support mainly focuses on the national mining sector (Campbell, 2009).

An important consideration in the debate on resolving the conflict in Eastern DR Congo is also the real ‘fuel’ of the conflict. Western debate focuses on the resources. With this argument the process of ‘clearing the swamp of exploitation’ in the region is driven forward under the impression that once there is no more exploitative conflict material traded the conflict will resolve itself. As Johnsons (2010) argues the conflict relies on more than one ‘fuel’. This creates the argument under which the main focus of development policy, economic development, will not bring about stability to the region. Thus achieving the Millennium Development Goals becomes unlikely. Even if the MDGs were reached some time this success would merely be in an aid-dependent manner without generating an environment in which the developing nations can sustain their status without western development support (Harrigan, 2007).

Since the Dot- com bubble the price of coltan has increased and thus increased profits for the local militias. The price trend itself is almost impossible to halt as the electronics economy is booming globally (Hantke, 2007). Lumumba- Kasongo (2005) argues that the solution of the conflict lies in the hands of African institutions, thus the west should refrain itself from any aspirations that they follow in the region.
6 Conclusion

Development aid plays a major part in the environment of fragile states. Conflicts such as in Eastern DRC are continued for multiple reasons. One of them is the economic drive of belligerents which profit from the exploitation of the resources by means of human rights abuses. I have shown the effect on the continuation of conflict by the Western policies of development in the case of the Democratic Republic of the Congo. This effect is mainly the economic development policy advocated by the OECD and more generally the Western industrial powers. Clearly this means that the policies of the west do foster economic growth in developing countries while doing little in preventing the arising of conflicts which occur around the resources extracted for the Western countries. I argue that the measures that have been created by the West to hinder the spread and mitigate the already ongoing conflict are working to some degree however assume that the conflict is simply continued because of resources. As this is not the case the effect of these measure will never be as great as the creators hoped for. The measures that are criticized are the Kimberley Process and the EITI Initiative for transparency. I also argue that the ethical ideas on corporate social responsibility are not likely to change the mineral extracting industry’s practices as long as there is a not a broader consensus on the issue.

Other factors that contribute to prolonging conflicts in developing resource dependent countries are internal structural reasons which I argue are also strongly connected to foreign development aid. ODA supports the structures that are in place by holding them afloat. In case of DRC this means the support of a government that is extremely corrupt and enriching itself on the cost of its citizens. The aid policies of the West support this and in many instances even fuel it as in the example of American Mineral Field (AMF) and the support of war in Congo in the First Congo War. The “codes of conduct” that align with the ideas of corporate social responsibility are not strong enough supported and thus do not root in practices of corporations in countries where there is the ability to avoid them easily.

The new ideas of development set forth in the Millennium Development Goals are merely a new scheme for old ideas. As Escobar argues, Empires still exist and thus Imperialism does. It merely changed its code of conduct. The international policy on developing countries is extremely connected to the idea of ODA, so much that there is little debate on the “if” it should be paid but rather a debate on “how” it should be paid. The reshaping of the approaches to developing countries in the new millennium however has first of all worked
very slowly and the real positive effect of the aid, even in its new form, is still not proven to a satisfying degree.

Bauer’s and Escobar’s critique on ODA shows how the slowly changing paradigms of aid will not change the fact of imperialism over the developing world. Even if total equality in development questions was achieved in donor-receiver relations, the developing world would still support the needs of the developed west to their own loss. This will continue due to the political and economic alignment of their interests under the general needs of the western nations, which is an active process of development policy since the beginning of its existence. Thus, as the Eastern Congolese situation continues to foster economic growth in western nations, improvement of the situation will only be followed to the extent that the western civil society demands them.
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