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Economic Impacts on the Democratic Republic of the Congo

“What colonialism does is cause an identity crisis about one's own culture”(Lupita Nyong'o). Perceived narratives regarding colonization tend to dismiss the human participants, directing focus toward the acquisition of resources; valuing people by their resources instead of contrariwise. In recent years studies and opinions regarding colonization have become increasingly more interpretive. Despite dissimilar viewpoints, it is undeniable that colonization, such as all society-altering institutions, is human-based. Colonization has disproportionately affected Africa more than any other continent. In studying the effects of colonization of the Democratic Republic of the Congo (DRC) specifically, one sees a severe civil and economic crisis evolve after independence. The effects of Belgium colonization are apparent, especially concerning unreliable government, gender barriers, and civil violence.

The DRC is one of the several African countries affected by extremely slow economic and social growth. The country is currently undergoing a demographic transition (DT), an alternation from high birth and death rates to low rates experienced by many rural third-world countries. Delayed transitional growth can be attributed to constant internal conflict. In 2015 the population was 77 million, of which 42% lived in urban areas. The GNI (Gross National Income) per capita was 720, far below the international average. Africa, being the poorest continent, suffers from mass poverty, but in the past two decades, there has been significant growth throughout the continent as countries undergo DTs. Middle, western, and eastern Africa have shown slower growth compared to southern Africa which began its DT in the 1960s (Franco-Henao et al. 6). To begin its DT the DRC needs to focus on improving ten main economic development systems: Giving access to sexual education, contraceptives, and availability of abortion clinics, providing universal primary and secondary school education, investing government money into healthcare, promoting business and socio-political stability on a macroeconomic scale, supporting small local business, providing access to financial services, introducing technology, prioritizing savings, and supporting the elderly (4). The urban population in the DRC has increased 22% to 33% from 1960 to 2007 (International Monetary Fund 43). From 1996 to 2005 growth was supported by mining and construction, from 2006-2010 growth was dependent on agriculture and services (42) Urbanization has changed the labor markets and the DRC needs new economic infrastructure to better support a parallel urban and rural environment (43). 80% of rural households along with 70 % of urban households are poor. Houses led by apprentices have an 80.25% poverty rate, followed by informal workers (75.52%), then semi-skilled workers (71.42%). Skilled workers such as aid workers, supervisors, and managers suffer from poverty the least. Generally higher educated households have the lowest poverty rates (24). To reduce this abysmal poverty the DRC needed an economic growth rate between 8- 12 %. The DRC failed to meet this goal between 2006 and 2010. The growth was 7.2 % in 2010, showing that poverty continues to have a strong grip on the country (40). A SOPPOC survey was conducted to determine common ‘risk mitigation' strategies and found the most popular strategy was families increasing working hours (90%), followed by creating multiple sources of income (77%), then obtaining a loan from friends or family (72%). Citizens lack government support when supporting themselves in financial emergencies. In the same survey, households were found to prioritize job creation, access to education, and improved healthcare. In 2004 the majority placed education before employment, but in 2005 the majority valued employment as a higher priority (35).

Along with employment rates, DRC health indicators have remained unsatisfactory. To improve overall health and lower mortality rates, the government needs to invest in public health systems. There is a lack of quantity and quality of resources. The country suffers from medical drug misuse and inaccessibility as well (29). Currently, 69.1 % of children are underweight and 1 in 3 children suffer from malaria. 58 per 1000 infants die and 104 per 100 children under 5 die. Only 50.4 % of people have drinking water, 56.1 % have access to a sanitation system, and 20.5 % have access to toilets. Maternity mortality is at 846 per 100,000. Overall 63.4 % of people live below the poverty line( $1.25) (Franco-Henao et al. 13,14). Poor health conditions and poverty in the DRC cause vulnerability to disease. The number of people affected by HIV/ AIDS increased to 1,431,800 PLWHA in 2009. (International Monetary Fund 29). AIDS has a significant impact on the DRC’s economy. It further decreases national productivity rates, causing families to lose jobs due to the inability to work; many eventually fall into poverty. The effects of AIDS cause strain on local markets by decreasing public spending. Roughly 85% of income goes towards food, so most with AIDS struggle with health expenses and are unable to circulate money (29). The DRC needs to structurally evolve and address the population issues. The primary method to address many of the growing poverty issues is to alter the average share of the working-age population (SWAP). The DRC is just starting its DT, hoping that a lower mortality and fertility rate will assist in advancing civilization and alleviating the economic crisis (Franco-Henao et al. 1). In ‘1960 the GDP per capita was 2,270 USD’, it dropped to 1,698 in 1980 and moreover to 787 in 2014. These statistics show a troubling economic decrease. Labor productivity, employment rate, and SWAP have all decreased since the DRC's independence. From 1960-1980 the GDP per capita decreased by 1.37 % annually, employment dropped by 0.24 %, and productivity decreased by 1.03 %. From 1980-2014 the GDP continued to decrease by 2.33 %, and productivity decreased by 2.18 % (12). The decrease in employment rates and population growth since the 1970s has negatively influenced the DRC’s SWAP. If the population is not controlled and stays at the same rate it will double every 25 years. This will lead to uneven age distribution and younger people will be required to maintain the economy. The increase in younger workers can lead to a national lower education rate. (International Monetary Fund 43). Similar to most African countries, the DRC follows the trend of high mortality and high fertility common in rural societies. To start the DT into an urbanized society the DRC needs to decrease infant mortality rates. Although this will initially increase the population, it will eventually lead to smaller family sizes and a ‘young dependent population’ that alters the working-age population(Franco-Henao et al. 2). Fewer children can lead to higher investment in education, which creates positive societal development. It can increase savings rates and distribute wealth to the elderly. It is estimated that if fertility was reduced by one child per woman the income per capita would double (3). Currently, the education system in the DRC has struggled due to a lack of government support and extreme national poverty. The education system is full of constraints. Households in poverty are unable to afford higher education, there is a lack of school materials and resources. Schools are often difficult to travel to and the systems exclude people living separately from mainstream society. Schools often have very low public financing from local communities and businesses. (International Monetary Fund 32).

There has been an ongoing governance crisis in the DRC driven by a predatory nature ingrained within government systems (Rackley 417). The poor governance in the DRC has been a major influence on the economic crisis and increasing poverty rates. Businesses are difficult to maintain without government support and regulated policy. This causes a decrease in job opportunities, lowering employment rates. The DRC is among the bottom 10 counties in overall success and quality of life. The country is struggling due to past major conflicts (International Monetary Fund 38). There is a long history of illegitimacy in the DRC. Many studies hope to prove a connection between political violence and mismanaged mineral wealth. While others state the connection in itself is an integral aspect of the country's foundation having existed steadily over the past 120 years (Rackley 419). Initiated by king Leopold II of Belgium with his Congo Free State (1884-1907), and expanded under Belgian colonial rule(1908-1960). A pattern of ‘unregulated yet, state-sanctioned resource extraction’ has flourished. The pattern was subsequently passed to President Mobutu Sese Seko’s movement of the revolution (1965-97). Then inherited by the Alliance of Democratic Forces for the liberation of Congo-Zaire (1997-2001), which was mainly supported by foreign backers (419). The link between political violence and natural resources was further spurred by the second Congolese ‘War of Liberation (1998 – 2003). A war that led to a further deterioration of organized government, initiating a descent into unchecked barbarism, greed, ethnocide, and cannibalism. Projecting an evolution of political turmoil as corrupt socio-economic networks formed (419). The government's crisis in the D'Arcy is affected by human issues as much as material transactions. Civil and Military administration's effects on the human exchange or a large contributor to political violence. Serving as a client state to Western interests in the Cold War and the internalized ‘fend-for-yourself ethos’ from Independence in 1960 has served to create a lineage of disorganization affecting government services and institutions (420). Despite ceasefire agreements made since 1999 2.3 million civilians had to flee due to continued armed violence. A 2004 mortality survey showed 31,000 deaths per month, mainly caused by illness from forced displacement (424). The Congolese government disdains public work in civil duty, promoted by Mobutu and continued under Kabila since 1997. Based on the idea of ‘Population baza bilana yo bino’ (the population is your provider), police and soldiers are left unchecked and low-functioning. Government soldiers and militia often go unpaid with no benefits. Unpaid soldiers often prey on local populations forcibly taking what they are not provided by the government (421). Despite some efforts, unpaid soldiers are unlikely to respond to discipline “Even if you punish every soldier in this town by cutting off the right hand, they would still have to find a way to feed themselves” ICRC representative. Military personnel are often informed that ‘your gun is your salary’ since the military is unable to provide to soldiers economically (425). Child soldiers have been a persistent problem in the DRC. Despite efforts from the UN Children's Fund, few children have been released from service, and many are forcibly recruited into labor camps or armed groups (426). Victims of sexual and gender-based violence are a large group subject to abuse from military forces. There were more than 40,000 cases of sexual abuse reported in 2004 alone. Many women who were victims of military abuse feel too unsafe to press charges; there is little government protection for women and the judicial system is dysfunctional. “Who will protect me if I say who it was who raped me? The men with guns still rule here” (human rights advocate) (427). Government corruption in the DRC has further spread to the judicial system. Court becomes a business where ‘legal judgments can be bought and sold.’ Adding another factor which along with civilian violence and illegal taxation, forms a predatory government born of anarchy. National government reform requires committed International donors and committed leaders. It is necessary to have legitimacy in the military and create more disciplined and supported institutions (428).

Women in the DRC are often unsupported by government institutions. Women have limited economic and social power in the DRC, often not included in government. In 2010 the number of women in the parliament was 8% and the Senate was 5%. Women are taken over by men in receiving skilled jobs, this disparity is a large cause of the current economic crisis (International Monetary Fund 33). Although women are in dire economic situations in most African countries there are programs such as ‘Women for Women International (WfWI)'. This program is dedicated to teaching women and places similar to and including the DR, how to escape poverty and build economic skills (McIlvaine et al. 83). The WfWI program in the DRC focuses on six areas during training. Life skills, sustaining an income, health and wellness, family and community decision-making, social networks and safety nets, and business and vocational training. These are the main aspects that can pull women out of poverty (87). Although donations and money are essential to pull ultra-poor women out of poverty. It is equally important to teach the women receiving money the skills to use it. Programs need to focus more on the social aspects of inspiring women’s entrepreneurship to grow the country's economy (91). Women stuck in poverty have a higher chance of escaping if they can increase their income, obtain better health services, increase their household contribution, and network to create communities to share knowledge (85). The WfWI program in the DRC showed a substantial increase in women sustaining income. An initial survey showed 12% of the women were earning more than $1 a day and 5% of the women reported saving money. After graduating from the program these numbers increased to 64% and 65%. After a two-year follow-up, they reached 82% and 97% (91).

Sexual and gender-based violence has a large societal and economic impact on the DRC. It causes women to have more limited economic access, and many are forced into dangerous activities to support themselves (86). Many women suffering from extreme poverty in the DRC have unrecognized struggles in improving their economic condition. Many are not given a voice and are restricted by violence and weak institutions with gender and equality (83). A report from the WfWI in the DRC found at the beginning of the program that 2% of the women were able to stop violence against them. “At the beginning of the program, few women know what violence is” ( Staff interview). This percentage increased to 23% when graduating and to 35% 12 months after. But it shows a decrease to 4% after 24 months. This is speculated to have happened due to violence caused by military forces outside of the woman's Direct Control (89). On average, women who have experienced the program found success and a better quality of life. They attributed their success primarily to an increase in voice and agency, and secondly to their business training. Women were found to have discovered that efforts to escape poverty are social challenges as much as economic hurdles (91).

The DRC’s growth has been previously limited by poor governance and corrupt leaders with little regard for the general populace. With an effective, humanitarian government, the DRC is capable of major economic and social advancement. (Franco-Henao et al. 2). The current president of the DRC, Joseph Kabila, and Prime Minister Matata Ponyo Mapon are working towards progress. They seek to reform the DRC’s government by promoting investing and encouraging social reform. (Trustfull 1). The government has been working to push positive legislation. Such as a recent public finance law(LOFIP) that supports transferring resources securely. The parliament is working on laws about local public services and laws which regulate royalties and taxes. The government is trying to show more public involvement (International Monetary Fund 39-40). In 2013 the GDP was able to grow by 8.3%, and the IMF along with government officials predict it will continue to climb to double digits in the next few years. Efforts by the Prime Minister have kept inflation at 1 %, the lowest since the DRC gained independence (Trustfull 2). In January 2014 the world bank approved a 5 million USD grant to help the DRC manage its finances. The World Bank hopes to continuously invest to contribute to the socioeconomic growth in the DRC. “The end of the war has created new opportunities for the country to make good use of its vast mineral and water resources” (Eustach Ouayoub, World Bank director for the DRC) (3). In July 2014 the DRC was granted membership in the Extractive Industries Transparency Initiative (EITI). Providing the citizen's access to information about how natural resources are governed. This is a step towards a more transparent and democratic government. Fewer government regulations will support investors to take advantage of agricultural opportunities and work to support a growing middle class (6). President Kabila intends to prioritize international relationships and organizations. Forming international partnerships is important to support the country's economic growth. And will work towards the DRC becoming integrated into a larger global market (7). Although the DRC is still considered one of the poorest countries, it has shown room for economic development. To develop, the DRC needs vigorous, government-supported macroeconomic systems (Franco-Henao et al. 15).

Considering the evidence provided, colonization in the DRC has created a societal disconnect. The violence and instability provoked through colonization have led to government diminution and economic catastrophe. Congolese people are forced to fend for themselves; and desperation for survival has led to an ongoing civil crisis, in which people are victimized by their neighbors. Government improvement is slowly progressing, but it is not enough to disestablish the social and institutional systems introduced through decades of colonization. Before the DRC can repair the economic system it needs a democratic government that works towards eliminating the hyper-independent indoctrination created from the colonization and subsequent abandonment from Belgium.

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