Of Rent Seekers and Agencies:
Insurgencies and Arms Proliferation in the Great Lakes Region of Africa

Nicasius Achu Check

This policy brief examines rent-seeking and agency activities in the Great Lakes region of Africa, with particular emphasis on Zaire/Congo and the Central Africa Republic (CAR). The brief contends that insurgencies and arms proliferations are a byproduct of these activities. Inherited boundaries, pervasive poverty, ethnic cleavages and under-development are some of the ills which countries in the sub-region need to address in order to combat this phenomenon. The lack of a dedicated local implementation government agency and political will at national level have hampered attempts at eliminating rent-seeking and agency activities, despite the presence of a continental framework. The brief argues that the continent needs an effective corruption watchdog and strong democratic institutions in order to tackle the problem.

Introduction

The Great Lakes and the Central African sub-region of the African continent have been generally referred to as the trigger for armed conflicts on the continent. Efforts by the international community to pacify the area have not yielded any sustainable results. During the colonial era, colonial intrigues and the inhospitable climate prevented any substantial and rigorous study on the internecine nature of conflict situations in the sub-region. The intricate ethno-social and political make-up of the society has been blamed for the persistent agitation and conflict in the sub-region. Until recently, this ongoing conflict has been fought with light weapons and small artillery. Though heavy weapons were used during the first and second Congo wars of 1996 and 1998, the popularity of small arms in the Congo reflects their low cost, efficiency at killing and ease of use, maintenance and portability.¹ Despite a current United Nations (UN) arms embargo on the Democratic Republic of Congo (DRC) and other armed groups in the country, the region is awash with millions of small arms. These weapons have enabled the belligerents in the conflict to continue their armed insurrection against established state authorities and institutions. The fluidity, and perhaps artificiality, of international boundaries in the region, and the constantly changing dynamics of conflicts means that stability and security in the sub-region are closely linked. This

1. Nicasius Achu Check is a Research Specialist: Governance and Security Research Programme, Africa Institute of South Africa, and PhD Candidate, Department of Politics, University of Johannesburg.
The role played by rent seekers and agencies in exacerbating the situation in the Congo is a serious concern. The present rounds of negotiations began after the M23, a mutinous group from the DRC army, in November 2012 occupied Goma, a strategic and important DRC city of more than one million people along its border with Rwanda. The M23 is made up essentially of members of the Conseil Nationale de Defense du Peuple (CNDP), formerly led by Jean Bosco Ntaganda, who is being tried in The Hague for war crimes in the DRC. Their strategic retreat from Goma paved the way for negotiations to resume in Kampala. Some of their demands include the protection of human rights, respect for ethnic minorities, democratisation of Congolese society and greater autonomy for the eastern region. Rwanda and Uganda, which the UN has accused of supporting the group, have pressurised the Congolese Government to address the concerns of the rebels and to ensure that they are properly integrated into the Congolese army.

The role played by rent seekers and agencies in exacerbating the situation in the Congo is a serious concern. This policy brief examines the role of rent seekers and agencies in sustaining instability in the Great Lakes region of Africa. It focuses on the activities of interested parties in contributing to the high level of arms proliferation in the region. Emphasis will be on agency activities in the eastern part of the DRC and in the CAR.

It is, however, important to note that African economies are at odds in defining and determining the nature and structure of their engagement with the wider world. The porosity of African political boundaries and the laxity with which the customs and taxation departments handle the trading and exchange controls have necessitated a rethink on the direction which African economies should follow. The inability of African countries to control the prices of raw materials, including precious metals such as cobalt and manganese, and even crude oil, has exposed the economies of these countries to rent seekers and agencies, whose primary objectives are to wreck and plunder the resources of these countries.

Rent seeking is to a large degree synonymous with corruption, and there is generally a substantial area of overlap. Rent seeking can therefore be defined as the accumulation of gains by individuals, both in the private and public sectors. In a more nuanced definition, rent seeking involves the acquisition of public funds for private use. In essence, therefore, rent seeking is an effort by public and private individuals to acquire access to and control over opportunities for earning rent. Though most rent-seeking activities are not illegal, they are often carried out by people with enormous authority, who are seen to be abusing their power and position in society to gain resources.

Agency refers to the capacity of individuals to act independently, and in the process make their own independent choices which may harm a particular structure. In many instances, the activities of an agent are affected by the structures embedded in a particular situation. These structures can range from the level of government presence in a particular area to the governance structure, the judicial system, customs, ethnicity, religion and even gender. In most cases, people have come together to form power agencies, combined with rent seeking, to destabilise countries and regions around the world. Of primary concern is the fact that in countries where the activities of rent seekers and agencies are unchecked, underhand methods are used and, in many instances, power is used to achieve the desired objectives. The outcome of such activities is continued violence and insecurity in mineral-rich areas of the continent.

Conceptualising rent seeking and agencies in the Great Lakes sub-region

The line between rent seeking and corruption is blurred, but the focus in this brief will be on corruption. Rent seeking and corruption are perpetuated in instances where the state fails to fairly compensate hard-working citizens. It is also pervasive in areas where the legitimacy of the state is in doubt or in areas where the effective presence of the state is questionable. This in essence means that in more competitive economies there is little room for individuals to engage in corrupt activities. The pervasiveness of rent-seeking activities in the Great Lakes sub-region of Africa can therefore be attributed to the lack of a competitive economic environment. Countries in the sub-region, particularly the DRC, Rwanda, Burundi and the CAR, are either autocratic or have few democratic institutions, which makes rent seeking and corruption a rampant and pervasive activity.

The DRC, almost the size of Western Europe, with over 200 ethnic groups, is difficult to manage and lead. Crucial to leadership is the legitimacy question, which the president of the country
should address. Questions about his true nationality and the fairness and transparency of the past two presidential elections have equally not dissipated. This has exacerbated the political leadership position in the country and compounded an already very difficult situation for the president. Regional powers are known to be the main purveyor and sponsor of agencies in the sub-region, much to the chagrin of the people in the DRC and bona fide businesspeople eager to do business with the people and government of the DRC.

Underdevelopment and poverty are usually singled out as the culprit for the pervasive and corrupt activities that characterise African economies. But in most instances, poverty is relative. While the World Bank defines poverty as a situation where an individual lives on less than US$1.5 a day, in most African rural areas a person can live comfortably on US$1.5 a day. That notwithstanding, Africa has more than 70 per cent of the world’s least developed nations, and more children under the age of five die of curable diseases on the continent than in any other part of the world.6 African leaders have not engaged in any constructive manner with efforts to reverse this trend.

The lack, therefore, of a collective and political will to rid Africa of corruption and rent-seeking activities is still an arduous task and will need radical political and policy changes to offset the trend. This is made more difficult by the fact that changes in African governments are sometimes not the result of a genuine democratic process but of unconstitutional means through which one dictator replaces another.6 The DRC and the CAR situations epitomise this.

In the DRC, the country was a flourishing parliamentary democracy when Patrice Lumumba was elected as its first post-colonial prime minister in 1960. Democracy suffered a major setback when he was assassinated a year later in 1961 by forces loyal to Mobutu Sese Seko. With the overthrow of Mobutu in 1997, democracy was again shot in the hip when Laurent Desire Kabila took over and instituted an autocratic and repressive regime. Though he was killed in 2001, his son, Joseph Kabila, was installed as president, the country missing another opportunity to institute democratic reforms. Though there have been a constitutional referendum and two presidential elections since then, they have been anything but democratic and transparent, and have not reflected the wishes of the majority. Rent seeking and agency activities are a common feature of the economic and political life of the country.

Rent seeking and agencies in the DRC and CAR: Purveyors of insurgencies and small arms

Rent-seeking and agency activities are a common feature of the politics of many post-colonial Great Lakes countries. The assassination of Patrice Lumumba and the overthrow of Kwame Nkrumah represent some of the high points of agency activities on the continent. Lumumba and Nkrumah epitomised African resistance to corruption and maladministration in the Congo and Ghana. Lumumba resisted the balkanisation of the Congo, and his exit from the political scene in the Congo ushered in a period of plundering and maladministration of the rich mineral resources of the country. The Central Intelligence Agency (CIA) played a major part in the killing of Lumumba and protecting Mobutu Sese Seko as president of Zaire/Congo for over three decades. Mobutu’s administration inaugurated the activities of rent seekers and agencies in the Congo; the CIA is noted to have built one of its largest offices in Sub-Saharan Africa in the Congo.

Given the international community’s lack-lustre attitude towards halting the 1994 Rwandan genocide and the subsequent encampment in the eastern Congo by the perpetrators, the CIA allowed Laurent Desire Kabila, together with Rwanda, to snatch and effect a regime change in the Congo. The sole purpose of the American support of the Rwandan incursion into the Congo in 1996, which led to the overthrow of Mobutu in 1997, was to assuage the guilt of the 1994 genocide and to provide Rwanda with an opportunity to contain the Forces Armées Rwandaises (FAR) in eastern Congo.

The 1996 invasion of Zaire/Congo witnessed the biggest agency activity in the Great Lakes region, as Rwanda deployed most of its military and intelligence arsenal to combat the 1994 genocide perpetrators in eastern Congo. The 1998 and the 2001 wars were largely fought with light weapons. The present conflagration has seen the use of heavy artillery by both the M23 and the government of the DRC, supported by the UN peace-enforcing brigade. The large quantity of heavy artillery and small arms in the country was brought in by these foreign agencies seeking to impose their will on the Congolese people. Agency involvement in the DRC conflict has been motivated and sustained by a variety of power interests, which may be linked to, but not limited to, ethnic solidarity, financial gains and regional ambition.

The role of powerful agencies, in this case Rwanda and Uganda, in excluding some groups
The vast number of weapons in the DRC since the 1960s has been augmented by new supplies of arms brought in by rent-seekers and agencies, or by soldiers from the negotiation for a peaceful resolution of the conflict has ensured that the activities of the groups that are not invited have gone unchecked. In essence, the activities and fire power of groups such as the Forces démocratiques de libération du Rwanda (FDLR), the Mai-Mai and the Lord's Resistance Army (LRA) are not known. Attempts therefore to curtail their activities, mode of rearmament and support base, would be difficult.

Heavy and light weapons left in the sub-region during the various regional interventions, notably the 2001 war, which saw the involvement of nine African countries, has made the region one of the most insecure places in the world. However, the proliferation of these weapons and, more importantly, the illicit trafficking in small arms are not the main causes of conflict, though a major contributing factor.\(^7\) The vast number of weapons in the DRC since the 1960s has been augmented by new supplies of arms brought in by rent-seekers and agencies, or by soldiers from the various foreign armies fighting in the country. South Africa and Tanzania, as agencies involved in the conflict, have imported high-calibre weapons into the region, and helicopter gun-ships. Though they are involved in the conflict under the canopy of the UN, it is a given that not all these weapons would return to South Africa and Tanzania upon the completion of their mandate in the Congo.

Within the rent-seeking realm it should be noted that in 2008, Sicomines, a US$6 billion joint venture between China's Sinohydro, the China Railway Group and the Congolese mining company, Gecamines, was concluded.\(^8\) The deal, proposing that the Chinese consortium would build roads, schools, railways, hospitals and dams, was fraught with rent-seeking manoeuvres. The activities of this consortium in eastern Congo have benefited neither the DRC government nor ordinary Congolese. Recently, the company has come out to question the quantity of copper in its mines in the country, and has indicated that it might have been duped from the first in signing the deal with the DRC government.

Other companies that have been involved in rent-seeking activities in the Congo include Freeport McMoRan Copper and Gold Inc., which produced 158,000 tonnes of copper and 12,000 tonnes of cobalt in 2012.\(^9\) Gencor and Randgold also have massive mines in the DRC and their rent-seeking activities are well known within the corridors of power in Kinshasa. According to the Extractive Industries Transparency Initiatives, rent-seeking and agency activities in the DRC account for over US$88 million of tax returns since 2010. This problem is exacerbated by the fact that the DRC was ranked 160 out of the 176 most corrupt countries in 2012.

In the CAR, the activities of companies such as Areva, a French government subsidiary, are troubling, as it monopolises the uranium sector in the country for a paltry tax to the government of US$8 million per annum. Areva has blocked the entry of major mining multi-nationals in the country; most of the mining in the country is artisanal. The LRA is also operating gold and diamond mines in the east of the country. This is a significant portion of the artisanal mining in the country. The LRA was able to mine partly because it was able to provide security and protection to rebel groups operating in the region.

The two countries therefore provide a fertile ground for rent-seeking and agency activities. About 71 per cent of the total population of 75 million live below the poverty line.\(^10\) In the eastern region of the DRC, the state is totally absent from the everyday life of the people. This is a region where there are more than 250 women raped daily, and the UN mission in the country, which is the largest in the world, with over 18,000 peacekeeping troops, is unable to stem this tragedy. The eastern part of the Congo is a region with huge deposits of gold, cobalt, copper, coltan, zinc, tin and diamonds.\(^11\) (The recent discovery of crude oil in Lake Albert will add to the woes of the Congolese state, which is already suffering from an acute ‘Dutch resource syndrome!’) The presence of these minerals has enabled rebel groups to survive on their illicit sales to finance their war efforts. The ability of the M23 rebel movement and the FDLR to sustainably wage war against the DRC and Rwanda proves that these rebel movements have access to these minerals and are able to sell them on the international market.

Agency activities have therefore been well coordinated in the DRC and have been able to destabilise the region for decades. Rwanda, Uganda, the FDLR, the Mai-Mai, the M23 and several multinational corporations benefit from the spoils of the crisis in the Congo. Rent seekers create an enabling environment for agencies to operate, and there is no gainsaying that they also benefit from the activities of the agencies.

In the CAR, the illicit gold and diamond trade is fuelling the war efforts of rebel movements such as the Seleka rebels and the LRA. The Seleka rebels, an amalgamation of armed groups against the government of Francois Bozize, were able to oust him in June this year. The success of the Seleka rebellion was due to their rent-seeking
activities and their ability to utilise the services of agencies in facilitating the collapse of the Bozize regime.

The rent-seeking situation and agency activities in the CAR have been compounded by the continued insecurity in the Darfur region and the instability in the eastern part of Chad. Because of this, the activities of agencies such as those sponsored by South Africa, Chad and France have been met with some resistance. Agency activities in the country were motivated by the untapped gold and diamond deposits and the huge timber industry. These natural resources ensured that agency activities were rife in the country, and though the government of Francois Bozize signed security agreements with South Africa to protect the administration, a South African military contingent that was sent to the country in March 2013 could not withstand the pressure exerted by France and Chad. In the process more than 12 South African soldiers were killed in a shootout with a group of armed rebels under the banner of Seleka.

On minimising the activities of rent seekers and agencies

Rent-seeking and agency activities are perhaps some of the major obstacles to Africa's developmental agenda. To curb their activities would require both regional and global action. Global multilateral organisations such as the UN, the World Bank, the African Union (AU) and sub-regional organisations have put in place frameworks to monitor and control these activities. Among these are the Nairobi Declaration on the Problem of the Proliferation of Illicit Small Arms and Light Weapons, which was signed in Nairobi in March 2000. The coordinated agenda for action and the implementation plan were supplementary to the main agreement, and their objectives were aimed at strengthening and harmonising legislation, strengthening the operational capacity of law-enforcement agencies, increasing cross-border cooperation, and collecting and destroying weapons. Other important areas of interest in the Nairobi agreement were the need for the signatory parties to demobilise and reintegrate combatants, and improve police versus community relations and public education and awareness-raising within the signatory member countries.

Civil society organisations were later roped in to monitor the flow of arms in the region and to help support the implementation committee. This has resulted in the establishment of national focal points to coordinate frameworks aimed at monitoring the flow of arms. There was also the need to strengthen legal controls in this regard and for the training of trainers, the management of stockpiles and the destruction of collected stockpiles. These initiatives have been met with relative success, and their contemplation in the first place is commendable.

At the AU level, African governments have also ratified the AU Convention on Preventing and Combating Corruption, which was signed in Maputo in July 2003. The Maputo Convention addresses the issue of rent-seeking activities on the continent and the onus will be on the countries of the Great Lakes to make sure that appropriate legal and institutional instruments are in place for its implementation. Article 2 of the convention states that the objectives of the convention will be to strengthen capacity within member countries to detect, punish and eradicate corruption and related offences in the public and private sectors.

There is therefore a legal and political instrument available to African countries to tackle rent-seeking activities in their respective countries. As with many other legal frameworks on the continent, its implementation is a major problem. However, the Maputo Convention has been a strong reference point for the fight against dictatorship, corruption and democracy on the continent. The convention might not have prevented the pillage currently observed in the Congo, but it lays the groundwork through which culprits can be punished.

On the question of the violation of international boundaries, the Organisation of African Unity (OAU) took a principled decision in 1963 to maintain African colonial boundaries in the post-colonial dispensation. This principle has not changed; the birth of Eritrea and South Sudan should be seen as exceptions to this principle. Coupled with the inviolability of African colonial boundaries, the OAU also took a firm decision on non-interference in the domestic affairs of member states. Agency activities supported by foreign powers in African economies are therefore illegal in the eyes of international law. Of particular importance here is the OAU 1977 Convention for the Elimination of Mercenarism in Africa.

The convention was very harsh on states that sponsored or sheltered mercenary activities. This explains why the apparent support of Rwanda and Uganda of the M23 against an elected government of the DRC is a crime against peace and security in Africa. Rent-seeking and agency activities are critical areas which the African post-colonial nation state needs to address. The fragility of many of the countries affected has made their...
Rent seeking and agencies flourish in countries where the foundation of the state and its institutions are not firmly rooted in democratic institutions. The fact that legal instruments exist on the continent to combat such activities is important in ensuring that they are eradicated.

**Conclusion and policy recommendations**

The primary objective of this policy brief is to highlight the effects of rent-seeking and agency activities in facilitating insurgencies and the proliferation of small arms and light weapons. Rent seeking and agencies flourish in countries where the foundation of the state and its institutions are not firmly rooted in democratic institutions. To address the negative effects of these vices, countries at risk need to re-look at their state-building processes and methods. This brief argues that the prevalence of such vices in the DRC and the CAR is a result of the fragility of these states’ institutions and the haphazard nature in which the natural resources of the countries have been mismanaged. The disengagement of the state from its normal ruling functions and pervasive poverty have contributed to the high level of rent-seeking activities in these countries. The situation in the DRC and the CAR is compounded by the artificiality and porosity of their borders.

Further to this argument is the question of the methodological framework of the peace-building processes in both countries. The DRC and the CAR have experienced internal strife since the late 1990s, and the peacekeeping and peace-enforcement processes in the two countries are at best questionable. While the DRC is home to the largest peacekeeping mission in the world, the CAR has signed several peace enforcement agreements with France and South Africa. La Force multinationale en Centrafrique (FOMUC) forces have equally been stationed in the country since 2003. Despite these missions, the two countries are still experiencing serious internal strife, which resulted in the overthrow of the former president of CAR in March 2013. To address the situation in these countries, this policy brief recommends the following:

1. The governments of the DRC and the CAR should engage in a process of making sure that the countries adhere to the Kimberley process. The process ensures that the proceeds from extractive industries are properly managed for the benefits of the population.
2. The international community should lift the arms embargo on the DRC. It is a known fact that the arms embargo imposed on the DRC has prevented the country from effectively protecting its people and properties. The DRC has been under an arms embargo since 2003, while its neighbours are not. This has rendered the country incapable of defending itself against outside aggression, especially from neighbours that are not under any sort of embargo.
3. The democratic institutions in both countries should be strengthened in order to prevent agencies and rent seekers from benefiting from the weak institutions in the countries. Proper and dissuasive measures should be taken against those responsible for flouting the laws of both the countries and international law in respect of the exploration, exploitation and selling of natural resources.
4. Rwanda’s security and that of other DRC neighbours should be guaranteed. The persistent support by Rwanda of militia groups in the DRC is all part of a scheme to protect and guarantee the security of Rwanda and its population and its territorial integrity. The International Conference on the Great Lakes should be empowered to initiate and conclude a region-wide sustainable and peaceful resolution of all conflicts in the region. Support should be in the form of finance, experts and logistics.
5. The governments of the sub-region should be encouraged to address poverty challenges and put more effort into eradicating infant mortality and communicable diseases and promoting the sustainable management of their natural resources. Forest companies, especially in the CAR, should be taxed to ensure that the beneficiation process of the transformation of raw materials benefits the local population.
6. The armies of both the DRC and CAR should be professionalised in the form of adequate training and equipment and should be paid according to regional standards.

**Notes and references**

3 Ibid.
4 Ibid., p.5
6 Coolidge, J. & Rose-Ackerman, S. 1997, op. cit.
8 See the Copper resources at Sicomines’ DRC mine less than hoped. Available at: http://www.mineweb.co.za/mineweb/content/en/mineweb-fast-news?oid=191494&sr=Detail [Accessed 23 September 2013].
9 Ibid.
11 Ibid.
12 Ibid., p.256.
13 Ibid.
15 Ibid.