Review of African Political Economy No.93/94:463-480

ISSN 0305-6244

Conflict of Interests or Interests in Conflict? Diamonds & War in the DRC

Ingrid Samset

This article explores how the exploitation of key natural resources, diamonds in particular, has contributed to prolonging the war in the Democratic Republic of Congo. It affirms that the motivation and feasibility of resource exploitation largely explain why external military contingents have remained active in the country since August 1998. Driving forces of war can be identified among elites of Rwanda, Uganda and Zimbabwe, for whom DRC resources have proven decisive to sustain positions of power. Although most exploitation has been carried out at gunpoint, the use of existing networks suggests that withdrawal of forces will not necessarily stop the massive resource diversion. While a lasting resolution to the crisis needs to ensure due benefits to the local population from their resources, it also requires that stakeholders see peace as a more attractive option than continued war.

L'article explore comment l'exploitation des ressources naturelles, les diamants en particulier, a contribué à prolonguer la guerre en République Démocratique du Congo (RDC). Il affirme que la motivation et la faisabilité de l'exploitation des ressources expliquent pourquoi des soldats étrangers restent actifs dans le pays depuis août 1998.

Dévéloppements recents de la théorie des conflits se sont inspirés de la nature changeante des conflits en Afrique. Le rôle central joué par les ressources naturelles dans les guerres actuelles en Angola, en Sierra Léone, dans le Soudan et en RDC a remis l'attention aux explications économiques. Les débats contemporains ne considèrent guère l'ethnicité comme la cause primordiale de conflit. On discute plutôt comment ces loyautés culturelles sont manipulées comme instruments de mobilisation, alors que les troupes mobilisées sont utilisées pour réaliser des objectifs économiques.

Comment évaluer l'activité commerciale dans un pays de guerre? Une approche purement légale à l'éthique de l'exploitation des ressources, comme l'ONU l'a proposé, s'est démontrée insuffisante. Les règlements internationaux et nationaux tendent à collider, et en RDC, les lois nationales sont évasives et largement ignorées. En plus, la perspective légale sous-estime que même l'exploitation légale des ressources peut nourrir la guerre. Une vue socio-économique se présente préférable, puisqu'elle met en point la mesure dans laquelle un pays et ses habitants bénéficient des ressources desquelles, d'après la constitution, ils sont les propriétaires.

Les ressources minerals sont clé dans l'économie congolaise, et parmi les minerais, le diamant est plus important : depuis le début des années 1980 il a donné la source de revenu principale au pays. Alors que les dépôts kimberlites dans le sud de la RDC sont assez facile à controler, des dépôts alluvials bien répandus ne le sont pas. Même si la contrebande existait avant 1998,

le déclin exceptionelle de l'exportation officielle de diamant ces dernières années met en relief le rôle des adversaires de la guerre.

Les armées rwandaises et ougandaises ont d'abord pillé de larges quantités de ressources naturelles, et dès l'été de 1999, ils se sont orientés vers l'extraction et la production en vue de profits plus longue-terme. Bien que aucun des deux ont des diamants dans leurs sols, l'exportation des diamants de Kigali et Kampala a monté en flèche après le déclenchement de la guerre - alors que celle de Kinshasa a chuté. Le diamant congolais n'a pas seulement donné aux deux pays les devises étrangères fraîches; il a également canalisé des revenus d'impôts considérables, et assisté à fournir matériaux pour la guerre comme moyen de troc.

Même si le diamant seul n'aie pas donné bénéfices nets au Rwanda et à l'Ouganda, il n'y a aucun doute que la totalité des ressources congolaises exploitées a amené une amélioration significante aux deux économies. Les produits congolais ont fait 7-8 per cent de l'exportation rwandaise en 1999 et 2000, et ils ont bien consolidé la balance des paiements ougandaise. L'exploitation a permis une forte croissance des dépenses militaires des deux pays.

Le gouvernement congolais, d'autre part, a essayé de financier la guerre par intensifier la production de francs, une mesure qui a aboutit à l'hyperinflation et une augmentation d'activités contrabandières; et par s'adresser au secteur diamantaire. L'exportation du diamant a été monopolisé, les taxes imposées aux compagnies productrices de diamants ont été élevé, et des concessions ont été accordé aux pays qui ont offert son assistance militaire à Kinshasa.

Le président Kabila a donné la majorité des concessions au Zimbabwe. En addition d'un grand nombre de mines lucratives accordé en 1998, Harare a eu encore deux dépôts diamantifères de richesse exceptionelle en 2000. En retour, le ZDF est responsable de controler les provinces stratégiques du sud.

Bien que l'assistance zimbabwéenne a été indispeansable, le prix payé par Kinshasa est immense. Les profits tirés par le régime en accordant les concessions suggèrent, tout de même, qu'il s'est servi de la guerre comme prétexte pour accélérer l'exploitation excessive des ressources congolaises – pour pouvoir tirer des profits court-terme. Le président s'est donc rendu dépendant de troupes étrangères non seul pour arrêter l'avance des aggresseurs, mais encore plus pour soutenir les revenus qui alimentent son position de pouvoir.

De leur part, le Rwanda, l'Ouganda et le Zimbabwe ont tiré des avantages significants de leur engagement militaire. L'Ouganda, toutefois, disposant d'une économie relativement forte et exploitant les ressources congolaises de manière peu militarisée, résiste moins le repli de troupes que font le Rwanda et le Zimbabwe. Parce que la guerre rend possible l'exploitation excessive de ressources, et parce que cette exploitation fait continuer les combats, l'article conclut que les adversaires, même s'il se sont mis en bataille pour gagner la victoire, finissent par aimer à maintenir la militarisation du conflit.

The Perpetuation of War Economics

Once started, armed conflicts tend to find ways of financing themselves. Certain businesses, the military industry in particular, increase profits in times of war and thus have a clear interest in continued hostility. While this has long been established in conflict theory, the 1990s saw a number of wars develop in ways that required further thinking on causal links between economics and the sustenance of war. As the persistence of conflict in Angola, Sierra Leone, Sudan and the DRC all seemed to be connected, in various ways, to the exploitation of valuable natural resources in these countries, the variable of economic interests gained increased attention. Evidence pointed towards profit-based interests in continued warfare that went beyond arms traders to encompass warring parties, as well as co-operating private companies and political and military leaders. [1]

Having earlier been viewed as the unavoidable side effects of war – hardly exerting influence on the course of the war itself – economic interests are now analysed as an explanatory factor *per se*. The gaining ground of this perspective constituted a theoretical shift from the immediate aftermath of the cold war, when explanations of the outbreak and continuation of numerous conflicts had primarily been sought in culture and ethnicity. During recent years, cultural and ethnic identities have been regarded as instruments to justify and legitimise a war in the hands of powerful actors, whose true driving force consist of *economic agendas* that they hope to realise by mobilising masses to take up arms. While this hypothesis is an interesting stepping-stone for political analysis it has proved controversial and needs to be qualified. Two methodological points deserve attention.

One, to explain behaviour with reference to agendas that actors are presumed to have is analytically problematic. If a group has an economic agenda, it will normally need to keep this agenda on a low profile to promote it successfully. If the aim is to make profit out of war, potential reactions of moral indignation make it even more crucial to disguise or hide the plan. Hence it is not surprising if, when confronted with claims of economic agendas in war, a group vehemently denies their existence. Such rejection has been commonplace in reactions of parties named and shamed in UN reports on wartime economic activities in Africa. Even if denial of economic agendas in war should not be taken at face value, it does strengthen the possibility that allegations are ill-founded. Since the analysis of war in terms of agendas has to deal with hotly contested versions of the truth, substantiating causal arguments with systematic and cross-checked evidence is imperative.

Two, close scrutiny of causal links is required to bring economic agendas from a level of claims to one of a reliable explanation. If the objective is to assert an empirical connection between agendas and the continuation of war, only those agendas that end up making measurable contributions to fuelling war are important. Three links along the causal chain then need to hold. First, even though a group is involved in an economic activity during war it may not necessarily profit from it. Second, even though a group does make profits in times of war, it may not necessarily develop economic interest in the continuation of the war. Since accumulation may be counterbalanced by losses that also are incurred as a consequence of the war situation, a balance sheet of the actor's economic activities must be drawn to conclude on whether it is interested in sustaining the fighting or not. Third, if economic interests are indeed spotted, they will not necessarily influence the war to the extent that it is continued. Connection between an actor's interests in continued war and the ways in which such interests have been translated into effective action to keep the war going, must be demonstrated in each case.

This article will investigate how exploitation of diamonds and other resources has contributed to fuelling the war that has ravaged the Democratic Republic of Congo since August 1998. Even though this is primarily an empirical problem, it also needs to be considered in a broader ethical context. The responsibility of actors involved in exploiting the resources of a war-ridden country like the DRC should also be discussed as a matter of principle regardless of the extent to which they end up profiting from the war or keeping it going. Normative considerations are key to vibrant debates on corporate social responsibility and on business complicity in conflict situations.[2] A useful point of departure for such considerations is an assessment of the legality of looting and exploitation.

Normative Approaches to Resource Exploitation

In 2001 a UN-appointed Panel of Experts delivered two groundbreaking reports, unravelling large volumes of primary evidence, on what was termed *the illegal exploitation of natural resources and other forms of wealth* of the DRC. The Panel let extraction, production, commercialisation and exports all be subsumed under the term 'exploitation' (UN, 2001a:5). Such a broad definition is useful when the aim is to encompass a wide scope of resource-related activities that may have contributed to fuelling the war.

The Panel's mandate to deal only with the aspects of exploitation deemed *illegal* is much more problematic. Legality is, in the first place, a contentious term. The Panel considers an economic activity as illegal if it (a) takes place without the consent of the legitimate government, (b) involves the use or abuse of power by some actors, or (c) violates the existing regulatory framework in the country or international law (Ibid.). The main problem of this approach is that economic activities regarded as 'legal' may contribute to fuelling war as much as 'illegal' activities do. What matters for analysing the continuation of war is hence not primarily an activity's lawfulness, but whether it has helped to keep the war going or not. Focusing on 'illegal' activities only blurs a clear understanding of why war is sustained. Moreover, the ambiguities of the UN Panel's definition illustrate that analysing resource exploitation in terms of legality is a daunting task. Difficulties of the legal approach to exploitation are exacerbated when applied to a crisis-ridden country like the DRC, recently caught in a whirlpool of regional strife.

First, the Panel's definition lacks concrete criteria for classifying particular actions inside or outside the law and thus for determining what acts of resource exploitation to study. For instance, does the use of power to exploit natural resources only turn illegal at the point of a gun? And are actions that violate international law still illegal if they comply with national law or are given government consent?

Second, the 'existing regulatory framework' is a particularly evasive entity in the case of the DRC where the state has been literally out of function since Mobutu. This political vacuum gives rise to a number of problems if the fuelling of war is to be analysed only with reference to 'illegal' activities. One, in a country where an effective rule of law is replaced by tentative rule by presidential decrees what is the 'existing regulatory framework', and what legitimacy does it have? Two, what relevance does a regulatory framework have when no institution has been able to enforce regulations throughout the territory for years, or rather, decades? The relative irrelevance of national legislation is reflected in the pervasive informal economy, largely unregulated, which creates two-thirds of Congo's GDP (BSC, 2001a:6).

When laws are few, shifting, little known, hardly enforced, and violated even by the government, limiting the study of war-fuelling activities to those deemed illegal misses the point. The trouble is not only that the study ignores conflict-promoting activities classified as 'legal', but also that it tends to assume, perhaps unintentionally, that illegal activities necessarily promote conflict. But if an activity doesn't comply with national regulations, the problem is not necessarily the character of the activity, but that of the regulations – which may be politically biased, contradictory, or lacking.

Belgium's senatorial commission of inquiry into the exploitation of DRC resources, set up in late 2001 in response to the UN reports unveiled potential Belgian complicity, acknowledges these problems and formulates an alternative working principle. According to its chair, 'the commission does not distinguish between legal and illegal looting of primary resources as both can, in fact, contribute to financing the war' (BSC, 2001b:1). It can be argued, however, that the commission's focus on 'looting' (*pillage*) helps it ignore the intricate legality question altogether, as 'looting' is equivalent to outright theft. In practical terms though, looting of natural resources should be seen as only one version of exploitation. The key distinction as against more systematic exploitation, which is motivated by the probability of long-term profits, is that looting essentially aims at maximising immediate gain. Both kinds of exploitation work, however, along the same basic logic of drawing maximum benefits out of an area's resources.

A further point of contention remains the circumstances under which exploitation, even if aimed at long-term gain, should be justified and protected by law. A guideline to clarify this question should be the degree to which a country's inhabitants benefit from exploitation of the resources that, according to principles of justice embodied in most constitutions, ultimately belong to them.

Drawing on this perspective of popular benefit, Stefaan Marysse provides a useful definition of looting, which also sheds light on dynamics of exploitation: it takes place when 'a part of the value of exports is invested in activities which do not benefit the country' (Ibid. p. 8). This conceptualisation suggests the kind of economic activity that is likely to promote conflict and prolong war: namely, that which fails to benefit the country itself or, it should be emphasised, the country's population. Francois Misser, in another testimony to the Belgian commission, highlights this view when defining looting as 'stripping someone of the fruits of their property or their work without providing a just remuneration' (BSC, 2002b:2).

A crucial question for further debate on the ethics of exploitation and war is, then, what such a 'just remuneration' should be for the groups of people concerned. Relating this debate to marxist thought on the expropriation of surplus value would be an interesting starting point for such clarifications. In the following however, we will use the approaches of Marysse and Misser as guidelines for analysing the empirical question of this article: why the DRC war has persisted since 1998. Their views inspire us to investigate how profits drawn from Congolese natural resources have been diverted from the local population to the benefit of others, and to assess how identified activities may have contributed to prolonging the war. Since data will be drawn from the exploitation of diamonds – the mineral giving the lifeline to Congolese economy – we will in the following sketch the history of the diamond sector and the mineral context of the DRC.

Minerals & Conflict in the DRC

Minerals have represented the backbone of Congo's economy ever since the vast area was centralised by colonial power. While King Léopold II set a precedent for conflict-promoting activities through large-scale looting, the Belgian state brought exploitation into more regulated forms. Colonial discovery of massive mineral deposits paved the way for industrialised extraction, which went along with traditional artisanal production – all taxed and exported by Belgian authorities.

Among the various minerals of which Congolese soils abound, diamonds have turned increasingly vital for the national economy. While the DRC ranked as the world's fourth largest producer of diamonds in 1999, most of its diamonds are of medium quality and have been used for industrial purposes. At independence the country provided 80 per cent of US industrial diamonds, by the early 1970s its industrials made more than a third of the world's total production. From 1967 to 1974, the DRC was one of Africa's main economic powers, a position largely deduced from mineral revenue flows (Goreux, 2001:3; PAC, 2001:1; BSC, 2001a:3).

From 1974, however, with the hike of oil and collapse of mineral prices, the eruption of war in neighbouring Angola and the transfer of foreign-owned mining enterprises to people of the president's entourage, mining production fell drastically. The *Zaïrisation* policy forced skilled foreigners to give way to locals who, due to a variety of factors, failed to keep up productivity. Ridden with contradictory signals the policy gave rise to inflation and the growth of an informal economy, as well as large-scale corruption. Economic crisis deepened when taxes soared on mineral exports, a move that spurred smuggling and deviation of trade to neighbouring countries. As production and income crumbled, the state eventually did too and gave way to more arbitrary rule of an emerging class of elites close to the presidency.

Even if popular discontent with the deplorable situation grew steadily, mineral exploitation was only in one context directly related to armed confrontations. In the most mineral-rich region of the country, today's Katanga, secession attempts in the late 1970s were violently suppressed – as similar efforts earlier had been under the Belgians. The two Shaba wars also sparked further implosion of copper- and cobalt-producing *Gécamines*, formerly the country's engine and the world's sixth biggest mining company (BSC, 2001a:3f; Daito & Lumbi, 2001:2). When President Mobutu liberalised the diamond sector in the early 1980s, the jewels soon provided the country with its main source of income. While Congolese mining across the board was hit by plunder, mismanagement, infrastructural and technical problems as well as declining world market prices, diamond production was a relative exception. Price developments were less disastrous, and after artisanal production of diamonds was legalised in 1981 it grew rapidly and reached a level of 70 per cent of diamond exports in 1998. Yet industrial production of diamonds did not escape the declining trend of

Table 1: DRC Production of Minerals & Metals, 1989-1995

Product	Unity	1989	1990	1991	1992	1993	1994	1995
Copper	tons	422,500	338,704	236,071	137,318	48,312	33,609	33,946
Zinc	tons	54,043	38,204	28,318	18,830	4,152	2,515	4,516
Cobalt	tons	9,311	9,981	8,621	6,127	22	3,631	3,967
Cadmium	tons	224	127	124	-	-	-	-
Silver	kilos	25,660	-	-	-	-	-	-
Cassiterite	tons	2,282	2,176	1,625	1,018	1,002	897	793
Tin	tons	1,643	1,567	1,171	733	722	646	571
Gold, incl. artisanal	kilos	2,485	5,224	6,131	2,525	1,502	780	1,180
Diamonds, MIBA	1000 carats*	8,911	9,556	6,852	4,567	4,534	4,882	5,679
Diamonds, artisanal	1000 carats*	8,638	9,991	10,598	8,934	10,616	11,377	16,345
Carbon	tons	99,998	78,255	-	-	-	-	-
Wolframite	tons	16	17	17	-	-	-	-
Coltan	tons	42	34	57	28	4	2	2
Monazite	tons	175	124	-	-	-	-	-
Oil	1000 barrels	9,780	10,678	9,699	8,212	8,308	8,972	10,087
Index of production, 1990=100		**109.3**	**100.0**	**77.8**	**53.8**	**36.5**	**34.9**	**41.5**

***Source**:* The DRC Ministry of Mining; referred to in Daito & Lumbi, 2001. *1 carat = 0,20 gr.

the 1980s and early 1990s, as is illustrated by Table 1. In 1994, the deepening of the crisis combined with pressure from the World Bank led to privatisation of the entire mining sector, allowing international companies to enter the stage and acquire lucrative concessions.

Fighting for Diamonds

The attractiveness of Congo's diamonds for purposes of political power derives not only from their pivotal economic role and high value, relative to other minerals, but also from their extraordinarily widespread distribution. Alluvial diamonds can be found in a myriad of rivers criss-crossing the vast land, extraction requires little prior knowledge or technical equipment, and the lightness of the stones facilitates transport and commercialisation. While the accessibility to diamonds throughout the enormous area complicates central political efforts to control their exploitation, it facilitates funding of insurgencies.

An important share of DRC diamond revenue is still deduced from industrial exploitation, centred in the city of Mbuji-Mayi in southern *Kasaï Orientale*, where deposits have traditionally been mined by the parastatal *La Société Minière de Bakwanga* (Miba). While geographical concentration makes these kimberlites easier to defend and control, extensive technical and material requirements render them troublesome to run profitably for newcomers and, in fact, for anyone under circumstances of war, which disturbs the flow of imports and exports.

Although regulations within the diamond sector were disturbed by the first Congolese war of 1996-97, the sector was perhaps the only remaining sphere of DRC society where national legislation still applied and was widely respected prior to August 1998. The 1981 liberalisation laws excluded foreigners from artisanal extraction and only invited them as buyers. Consequently more than three-quarters of diamond income stayed within the country. Illegal exports, however, are not covered by these statistics. Some estimate the value of illicit diamond exports to US$300-400 million per year, corresponding to roughly half the value of official exports. In general, fraudulent exports throughout the 1990s are thought to be worth two to three times the value of official exports, corresponding to a stunning six times the total budget of the DRC (BSC, 2001a:8; Daito & Lumbi, 2001:9; BSC, 2001b:8).

Even if diamond smuggling predates 1998, Table 2 still demonstrates that official exports of diamonds, as well as of other natural resources, suffered from a remarkably

Table 2: DRC Exports in Million US$, 1995-2000

Product	1995		1996		1997		1998		1999		2000 (Jan-Jun)	
	value	%	value	%	value	%	value	%	value	%	value	%
Gold	13.9	*0.90*	17.7	*1.10*	4.90	*0.30*	2.0	*0.10*	0.30	*0.04*	-	*0.0*
Diamonds	730.1	*46.7*	464.5	*30.0*	752.8	*52.0*	879.0	*61.8*	520.1	*70.9*	10.5	*54.1*
Cobalt/ copper	305.3	*19.5*	261.6	*16.9*	288.1	*19.9*	214.0	*15.0*	59.7	*8.1*	50.0	*12.6*
Oil	122.6	*7.8*	211.6	*3.7*	174.8	*12.1*	97.5	*6.9*	99.1	*13.5*	64.4	*16.6*
Coffee	288.3	*18.4*	150.3	*9.7*	114.8	*7.9*	118.3	*8.3*	90.6	*12.3*	20.0	*5.1*
Other	102.7	*6.6*	140.6	*9.1*	113.5	*7.8*	111.4	*7.8*	23.8	*3.2*	44.0	*11.3*
Total	**1,562.9**		**1,546.6**		**1,448.9**		**1,422.2**		**733.9**		**388.9**	

Source: The DRC Ministry of Economy; referred to in Daito & Lumbi, 2001.

Table 3: DRC Diamond Production, 1998/2000

	1998 weight (in 1000 carats)	1998 value (in US$m)	2000 weight (in 1000 carats)	2000 Value (in US$m)
MIBA	6,500	65.0	9,000	135.0
Artisans, sm. operators	14,86	595.8	7,500	450.0
Total	**21,362**	**660.8**	**16,500**	**585.0**

Source: Rombouts 1998/2001.

sharp decline subsequent to the eruption of war. From 1998 to 1999 diamond exports fell by 40 per cent and the sum of all Congolese exports, which had remained stable for four years, was halved. The decline was even sharper in 2000.

It is improbable that production of all of Congo's natural resources could have been simultaneously reduced by 50 per cent from one year to the next. We will discuss later how government trading in natural resources may have contributed to fuelling the war, but will, in the following, question the extent to which the 'missing' or unofficial diamond exports may be linked to the armed conflict.

Whereas Table 2 introduced exports, Table 3 accounts for production of diamonds in the DRC. They both shed light on the year of 1998, when the DRC Ministry of Economy valued exports a US$879m (Table 2) whereas production should have realised US$661m (Table 3). It is probable that this divergence was due to the considerable volume of artisanal diamonds smuggled in from Angola and exported as diamonds originating from the Congo, though obviously not recorded as DRC production.[3]

Caution should also be exercised when interpreting numbers provided in times of war, especially by a government engaged in that war. It is possible, for instance, that the ministry have somewhat overestimated the value of 1998 exports, in order to make subsequent, wartime decline catch the eye. The DRC authorities have much to gain from evidence to support the hypothesis that their adversaries have been exploiting the country's resources on a massive scale, and therefore should be unilaterally condemned. But how strong is the evidence?

Data of the UN Panel Reports do confirm that the war has been fuelled by exploitation of the DRC's natural resources, but not that such war-prolonging exploitation is exclusive to Kinshasa's adversaries. The patterns of resource exploitation of the two major camps will in the following be analysed separately, with a focus on diamonds and on major actors such as Rwanda, Uganda, Congo's government and Zimbabwe.

Rwanda & Uganda

Following their 1998 conquest of the eastern DRC, the armies of Rwanda and Uganda, helped by Congolese soldiers in the *Rassemblement Congolais pour la Démocratie* (RCD), spent a year practically emptying stockpiles of money and valuable goods found in the occupied territory. In this phase of large-scale plunder, the acquisition of diamonds was relatively less importanct than coltan, timber and coffee. The loot was transferred to Kampala and Kigali from where some of it was exported. Dispossession was presumably encouraged, sometimes organised and co-ordinated, by high-ranking army commanders of Rwanda and Uganda, with the consent of key officials in their respective governments (UN, 2001a:9). Since August 1999, when lootable resources in conquered territories were exhausted, anti-Kabila forces increasingly became engaged in extractive and productive activities. Soldiers, local people and foreigners were assigned by the occupiers to extract the resources deemed attractive.

While gold and coltan have dominated, diamonds have certainly made their mark in this phase of systematised exploitation. Diamonds cannot be found in the soils of Uganda and Rwanda, and authorities of both countries confirm that they have no production of this mineral. Yet over the last few years, both countries have exported diamonds worth millions of US dollars. From 1997 to 1998 Ugandan exports were multiplied by 12, and remained on a high level over the two ensuing years. By October 2000, Rwanda's export of diamonds had reached a level 90 times higher than during the entire year of 1998. Table 4 quantifies Rwandan and Ugandan exports since 1997, and compares them with DRC levels.

While the combined diamond exports of Uganda and Rwanda more than doubled from 1998 to 2000, DRC exports were halved. In absolute numbers though, the hikes of Uganda and Rwanda are smaller than DRC reductions. Whereas Congolese exports by 2000 had lost US$458m of their 1998 value, Ugandan and Rwandan exports combined had merely grown by some 1.6m.[4] Although only a minor share of the fall of Congo's diamond exports has been recaptured by Uganda and Rwanda, it is beyond doubt that the influx of millions of US dollars drawn from looting, producing and re-exporting DRC diamonds transformed the balance of forces in Kigali and Kampala. Have diamonds come to stimulate sustained or intensified military engagement?

Part of the answer lies in the extent to which diamonds have contributed to financing the war effort, in terms of paying up for military equipment, food, wages and medicine. Beyond ensuring a considerable revenue flow in foreign currency, evidence affirms that diamonds have also been used in exchange for needed imports.

In 2000, for instance, when Rwandan diamond exports exceeded US$1.79m, exports of diamonds from the area controlled by their Congolese partner, RCD-Goma, reached a level of US$15.3m (Dietrich, 2001a:1f). This gap of some US$13.5m worth of diamonds demands explanation. While part of it probably lies in the diversion of exports to Burundi, Uganda or the Republic of Congo, another is the use of barter (UN, 2001a:32). While the exact significance of barter is hard to quantify, these data give us a closer idea. Since the shortage of valid cash necessitates other forms of paying up for required material, and arms traders may need to cover their tracks through money laundering, the use of diamonds as a means of payment appears to benefit insurgents and co-operating traders alike. As a third avenue, beyond providing foreign currency through exports and military equipment through barter, diamonds have benefited Rwandan and Ugandan authorities by ensuring vital tax revenues.

Table 4: Diamond Exports from Uganda, Rwanda & the DRC in US$m, 1997-2000

Country	1997	1998	1999	2000
Uganda	0.12	1.44	1.81	1.26*
Rwanda	0.72	0.02	0.44	1.79*
Uganda/ Rwanda combined	0.84	1.46	2.25	3.05*
DRC	752.8	879.0	520.1	210.5**

Sources: Ministry of Economy, DRC; quoted in Daito 2001 & Diamond High Council, Antwerp; quoted in UN 2001a. *Until October 2000. **1st semester of 2000.

From 1998 to 2000, purchasers of diamonds in Rwanda-controlled DRC areas had to pay an average 5 per cent of the diamond value to the military administration. This levy has funnelled an annual average of US$2m to Rwanda, which exceeds the value of diamonds exported from that country any year. In 2001, however, Kigali pushed its luck and tripled the tax level. Purchasers now forwarded 15 per cent of diamond value, out of which one-third was kept by the RCD-Goma and two-thirds taken by Rwanda. Not surprisingly, the hike led to a reorientation of diamond trade towards Uganda, the Republic of Congo and the Central African Republic. As a result, 2001 statistics display a stagnation of Rwandan diamond exports, whereas Uganda tripled its sales to a level of US$3.8m (UN, 2001b:11f).

To illustrate the broader importance of DRC resources for Rwanda's economy, however, it should be noted that Rwanda has reaped most fruits from its exploitation of coltan. The UN Panel estimates Rwanda to have earned a stunning US$250m from DRC coltan only over the 18 months from 1999-2000 when world market prices reached an all-time pinnacle. In total, the export of all products looted from the DRC grew to a level of 8.4 per cent of total Rwandan exports in 1999, and remained as high as 7.1 per cent in 2000. These enormous values involved in the re-exportation have, according to André, allowed Rwanda to double its military expenditure (BSC, 2001b:9), and thereby to fasten its grip on occupied areas of eastern Congo.

Given that the economy of Uganda is stronger than its southern counterpart, its re-exportation of Congolese goods has mattered proportionally less. Anyhow, partly due to taxes on DRC minerals providing Uganda with some US$5m a month, exploitation has significantly improved the country's balance of payments. In fact, increased revenues from taxing and exporting DRC resources coincide with a considerable GDP improvement in 1998, which was sustained in 1999. While donors limit the level of Uganda's military budget to 2 per cent of GDP, the overall economic growth allowed an actual expansion of that budget. DRC resources have thus indirectly spurred the growth in Uganda's military spending, which in turn has facilitated Ugandan control in the vast areas across the western border.

As the war has allowed Rwanda and Uganda to draw important benefits from DRC diamonds, through re-exportation, barter and taxes, both countries have developed vital stakes in continued exploitation of Congo's resources. But does continued exploitation hinge on sustained military presence? Since Kampala and Kigali have structured their DRC activities differently, their strategies diverge. Rwanda's exploitation has been carried out under tight supervision by troops on the ground. If forces are to be withdrawn completely, the Rwandese therefore risk losing control of this crucial new source of income. Uganda, on the other hand, has to a greater extent let activities be carried out by proxies and through networks predating 1998, requiring a weaker presence of troops. Despite actual Ugandan withdrawal throughout 2001, therefore, structures that permit Ugandan officers, partners and rebel leaders to continue to profit from resource exploitation remain intact (UN, 2001b:20).

The DRC Government & Zimbabwe

On his way to Kinshasa in 1996-97, President Laurent Désiré Kabila forged new alliances by renegotiating existing mining concessions and cancelling others. While Kabila needed to gain control of this key sector, he had trouble freeing himself from his structural predicament of having been supported and sustained by foreigners.

Failing to establish the web of local Congolese partners and clients he needed, Kabila was unable to gain the upper hand (BSC, 2002a:6; Sherman, 2001:26).

A prime illustration of the president's weakness relative to the industry's strength is the ease of the enormous diamond of 266 carats, bought by Ngoyi Kasanji, head of the Congolese Diamond Federation (FCD). As Kasanji got to Kinshasa to resell his diamond, he was arrested by Kabila's security guards who took it from him. The president's efforts to sell this huge stone failed, however, as the FCD and other sector authorities instructed buyers not to accept it from him. Kabila ended up having to get back to Kasanji, who sold the stone to an Israeli buyer (BSC, 2002a:7; Monnier, et al. 2001).

This striking inability of the country's political leader to set the agenda bears witness to the diamond sector's supreme independence and sublime organisation. The late president's deceitful authority is crucial to understand his counterproductive wartime policies vis-à-vis the mining sector. By August 1998, Kabila had ruled for only a year and hardly ensured reliable sources of income to sustain his regime. Finding itself in a desperate need of income to curb the insurrection, the government recurred to speeding up production of Congolese francs. A consequent loss of the currency's value paved the way for hyperinflation, increased smuggling and consolidation of the informal market. Over two years, half the value of the country's budget was lost (BSC, 2001b:11). Locating other means of funding gained in urgency and the diamond sector, still providing most of the country's income, was targeted. The Kinshasa regime has attempted to use diamonds to finance the war in three distinct ways, which we will analyse separately:

- By setting up a monopoly on exports,
- By taxing key companies more heavily, and
- By distributing concessions in exchange for military assistance.

Monopolising Exports

In mid-2000, the government awarded a monopoly of diamond exports to Israeli International Diamond Industries (IDI). Evidence suggests that sellers perceived IDI prices to be below-market value and therefore sought to sell their diamonds from other countries instead. During the months following monopolisation, diamond exports from neighbouring Republic of Congo tripled. Moreover, sources reveal that whereas the contract stipulated a US$20m bonus to the government, IDI only paid US$3m. The government probably earned less from the deal than expected (Dietrich, 2001b:2; UN, 2001a:33), and cancelled the contract in April 2001. To justify re-liberalisation, it merely reasserted the rationale of the monopoly: to increase state revenue and check fraudulent trading.[5] Monopolising exports had obviously not succeeded in achieving these objectives.

Indications have emerged, however, that the government hoped co-operation with IDI would also promote agendas more directly related to the war. While needed foreign currency was hardly forthcoming, the granting of attractive deals such as the diamond monopoly gave Kinshasa the occasion to demand compensation in other forms than money. Nkere Ntanda Nkingi, upon signing the contract on the government's behalf, affirmed that 'the Israeli army would train the Congolese anti-smuggling unit' and that 'IDI is the only company which could offer us such a deal and that is one of the reasons why we chose them' (Dietrich, 2001b:6). IDI as well as

Congolese and Israeli authorities denied this, and Nkingi was later imprisoned 'for unspecified reasons'. Sources further suggest since 1998 IDI had attempted to gain ground in Congo's diamond sector, and that the company's director had ties to Israeli army generals (Ibid., UN, 2001a:33).

Taxing Producers

The late president, seeing his assumed authority of the diamond sector fading and foreign companies bringing operations to a halt because of the war, came to target the coffers of *Miba*, the country's major diamond firm. While company structures were already falling apart, Kabila's appointment of a loyal official, formerly provincial governor of Kasai, as Miba's head didn't improve productivity. It did, nonetheless, improve Kinshasa's access to what was left of the company's resources.

From 1999 to 2001, the proportion of non-industrial diamonds of total Miba production declined from 4 to 1.8 per cent. Evidence suggests that these most valuable stones have fed not only Miba officials, but also government representatives. Since August 1998, the government has claimed 30-40 per cent of Miba earnings, regularly taking hold of millions of US dollars. Such disproportionate levies have also been imposed on other mining companies: *Gécamines*, for instance, found itself stripped of a third of profits earned in 1999 and 2000 (UN, 2001b:9,15; UN, 2001a:33).

Awarding Concessions

Since Zimbabwe has been a crucial alliance partner to the DRC, and the one most heavily involved in economic activities, diamond concessions given to this country will be investigated in some detail. To compensate Harare for its substantial troop assistance to stage off the attack from the east, the late president Kabila granted a number of mining concessions in the Kasai provinces at an early stage of the war. In late 1998, the Zimbabwean venture *Operation Sovereign Legitimacy (Osleg)* entered into a partnership with Congolese *Compagnie mixte d'import-export (Comiex)* to exploit awarded resources. Among shareholders were top political and military officials of both countries. Their contract gave Osleg

> *the resources to protect and defend, support logistically, and assist generally in the development of commercial ventures to explore, research, exploit and market the mineral, timber, and other resources held by the state of the Democratic Republic of Congo* (GW, 2002:1; UN, 2001b:17).

The partner company called Cosleg engaged Oryx Natural Resources to provide the needed capital and technical expertise to exploit the concessions. Mining profits were to be shared as follows: Oryx 40 per cent, Osleg 40 per cent and Cosleg 20 per cent (UN, 2001a:34). Hence, Zimbabwe could draw at least 50 per cent of mining profits as it controls the entire turnover of Osleg as well as half of Cosleg's. Nonetheless, Cosleg and Oryx pressed Congolese authorities for better concessions than those already awarded, notably of diamonds. At the turn of the new decade, they finally acquired the right to exploit two of the country's richest diamond deposits, Tshibwe and Senga Senga, for the forthcoming 25 years (UN, 2001b:10). Since 2000, Harare has exported DRC diamonds through South Africa (Ibid. p.11), ensuring vital flows of foreign currency to sustain crisis-ridden Zanu-PF.

To give an idea of the magnitude of the awards, it is worth noting that the previous concessionaire of the Tshibwe kimberlite was De Beers, one of the world's largest diamond companies based in South Africa, now finding itself forced out of its joint venture with Miba by Zimbabwean interests. Some have argued that Sengamines, the company set up by Cosleg and Oryx to exploit the two exceptionally promising concessions, will replace Miba as the DRC's major diamond producer (BSC, 2002a:5; UN, 2001b:10).

In return for dominating this remarkably powerful position, Zimbabwe's primary responsibility is to keep tight military control of the strategic mining sector in the south, historically a core area of secessionist attempts. With Zimbabwe consolidating its economic stakes in this region, this military task has largely become as important for Harare as it is for Kinshasa.

While Zimbabwe is dominant among alliance partners in the Congolese diamond sector, Namibia and Angola have also demanded compensation in the form of diamond concessions. At the same time as the Tshibwe and Senga Senga concessions were given to Zimbabwean interests, a Namibian company got a diamond concession in Tshikapa. Luanda's more recent efforts, as mentioned by the vice-minister of mines to president Joseph Kabila in January 2002, aim at acquiring diamond concessions across the Angolan border in the DRC (BSC, 2002a:5f).

Has Resource Exploitation Perpetuated War?

Rwanda, Uganda, Zimbabwe and the DRC government have all succeeded in their attempts to use diamonds as a means to finance the war. The degree to which diamonds in particular, and DRC natural resources in general, have perpetuated their military activities is still variable.

Rwanda, Uganda & Zimbabwe

Evidence affirms that for these three countries the war, officially fought for other reasons, has allowed substantial inflows of natural resources and foreign currency; without the armed conflict, these would not have been forthcoming. But have DRC economic activities gone beyond financing the parties' warfare, and provided a net benefit to the three countries? Rwandan, Ugandan and Zimbabwean armies have drawn economic advantages in the DRC from exchanging appropriated natural resources for military equipment, from imposing taxes on economic activity in areas under their control, and from re-exporting appropriated goods. For Rwanda, the case is convincing that advantages have gone far beyond financing the war. The clearest indication is that re-exportation of Congolese resources provided 7-8 per cent of Kigali's foreign earnings in 1999 and 2000. As barter and taxation supplement this accumulation, it is most probable that Rwanda's DRC involvement has been more beneficial than costly. In 1999-2000, revenue from re-export of coltan alone provided all Rwanda needed to wage its war across the border (UN, 2001a:29f). This demonstrates that other resources, such as diamonds, have provided Rwandan authorities with a significant surplus.

In Uganda, DRC resources have directly contributed to growth of GDP and of the military budget. In addition to benefits generated by means of barter and taxation, the re-exportation of Congolese goods has ensured substantial revenues. While diamonds exports rocketed from US$0.2m in 1997 to US$3.8m in 2001, other resource flows reinforce this pattern. From 1998 to 1999, for instance, gold exports doubled and coltan exports more than tripled, while Uganda produced no coltan and its small production of gold declined (Ibid. p.20). Since Ugandan exploitation has required less ground forces, there is little reason to doubt that Kampala has also drawn net benefits from its warfare. Nonetheless, mainly due to the greater size of the country's economy, profits from DRC exploitation have been relatively less important than they have for Rwanda.

Since Zimbabwean stakes are linked to longer-term, systematised exploitation, benefits have probably not materialised as swiftly as for the 'non-invited' countries. Profiting from kimberlites such as Tshibwe, for instance, requires the time-consuming exercise of setting up the required technical, financial and commercial infrastructure. Although diamond profits may have been relatively low so far (BSC, 2001a:10), the probability is high that revenues will be picking up considerably. The fact that Zimbabwean economic engagement in the DRC extends far beyond diamonds, to encompass lucrative sectors such as cobalt, timber and transport, makes Harare's prospects even brighter (UN, 2001b; GW, 2002). Moreover, regardless of the exact level of current income generated in the DRC, its importance to Zanu-PF cannot be overstated. Facing broad opposition as well as a spiralling economic crisis, DRC resources provide one of the few reliable sources of income – on which embattled Zimbabwean leaders increasingly depend to adhere to power.

Beyond the question of net benefit, the structure of exploitative activities also determines the stakes involved in the continuation of war. While war would make further exploitation easier for Kampala, its use of pre-existing networks to access Congo's resources reduces its stakes in its continuation. For Zimbabwe and Rwanda, on the other hand, economic stakes are both higher and more dependent on continued military presence. Complete troop withdrawal would severely hamper the two countries' efforts to sustain income from their exploitation of DRC resources. While Zimbabwe can hope for Kinshasa's continued assistance, there is no guarantee that it will be forthcoming if the Zimbabwe Defence Force (ZDF) leaves. The RPA can be even more certain that resource-derived revenues will wither if it pulls back. Harare and Kigali authorities can, therefore, be regarded as important driving forces for the continuation of DRC war.

The DRC Government

The government in Kinshasa has tried to keep contenders at bay by resorting to a range of devices. Although a government is formally entitled to use the country's resources to defend itself against aggression, the question is whether acquired resources have served purposes beyond covering the expenses incurred by hostilities.

Wartime policies targeting the diamond sector have channelled crucial benefits to the Congolese regime. Diamond exports and taxes on Miba have been key to sustain the influx of foreign currency to fund the war effort. Diamonds have also provided a direct avenue, parallel to the intermediary of US dollars, to meet military requirements. Miba stones appropriated by regime officials have, at the end of the day, few other exits than being exchanged for military assistance. The IDI contract is one illustration of the attempts to sustain military support with diamonds.

Zimbabwe is a case in point, which raises questions on the correspondence between Kinshasa's ends and means. Harare was not only given the two most promising diamond areas, but also a range of other lucrative projects - including the world's largest logging concession (GW, 2002:3). Did the DRC really have to allow loss of control over such vast resources – only to guarantee military support? Was the war the sole reason why concessions were 'looted by the authorities', as Gorus puts it (BSC, 2002c:5)?

Since September 1998, there has been no imminent threat that adversaries would overthrow the regime. Although Zimbabwean troops have been vital to keep eastern advances at bay, Harare's disproportionate rewards raise questions on the interests of the Congolese government. When awarding diamond concessions, it made sure that Zimbabwean benefits would coincide with its own profits through Comiex, dominated by top echelons of the DRC administration. Congolese authorities, caught in the quagmire of conflict, have hence tried to get out of it not by resisting external exploitation of the country's resources, but by encouraging and joining this exploitation.

While the use of its own resources to confront aggression may be necessary, Kinshasa has moved beyond what it required to defend the country. In return for needed external assistance to stop the attack, the government has not only sacrificed massive natural resources, but developed economic interests in the continued presence of external troops – to secure its own share of the country's resources. Paradoxically, state authorities have come to depend on other state armies to benefit from their own resources. Moreover, due to the lack of legitimacy of the military presence of foreign forces, Kinshasa seems to be increasingly dependent on this external military assistance to curb popular dissent and sustain its profits from resource exploitation. A question of increasing salience is therefore how interested Congolese authorities actually are in demilitarisation.

Conclusion

For over three years, the war has facilitated and reinforced diversion of natural resources beyond Congolese control. While the total value of wartime looting is estimated to be 5 per cent of the Congo's GDP, calculations show that in the Mbuji-Mayi region, where the DRC alliance partners have their key concessions, roughly 20 per cent of exports yield no local benefit. The corresponding diversion for coltan in the eastern areas, where Rwandan and Ugandan contingents dominate, is 50 per cent (BSC, 2001b.8f). These statistics reflect the intimate relationship between resource exploitation and war, phenomena that seem to be mutually reinforcing. Simply put, war facilitates excessive resource exploitation, and excessive exploitation spurs continued fighting. The circumstances of armed conflict, which suspend norms of sovereignty and democracy, are used by internal and external actors alike to justify and facilitate excessive exploitation. In turn, wartime exploitation seems to inspire belligerents to intensify their economic activities, as they realise that resources are good for more than funding the war. Since this exploitation demands military control, economic stakes end up nurturing the interests of adversaries to keep the war going. While the initial aim may have been military victory over an identified enemy, the case of the DRC shows that adversaries can end up sharing a common aim in sustaining stalemate.

Figure 1: A Theoretical Approach to the Explanation of War

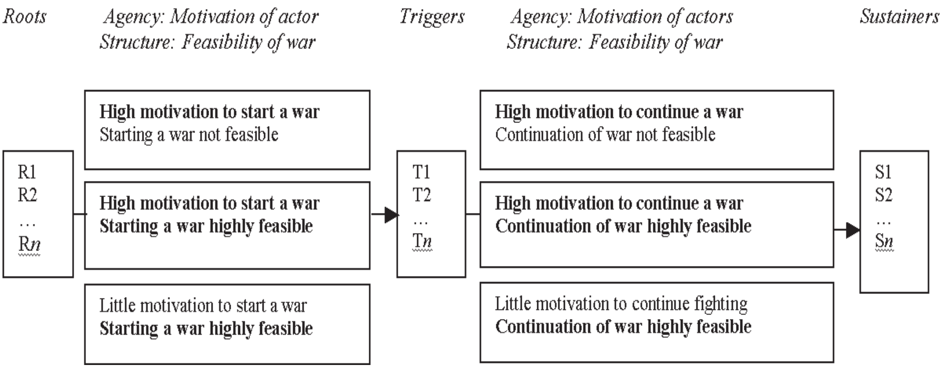

Figure 1, drawn from causal dynamics uncovered in the Congolese case, shows how the feasibility and motivation of resource exploitation are linked both to triggering and prolonging armed conflict. Triggering and sustaining war require motivation, at the level of agency, as well as feasibility at the structural level. Natural resources, which in themselves are neutral, can make both the sparking and continuation of war feasible, and motivate actors to take up arms and keep fighting – if they expect and receive resource-derived benefits. In other words, resources can motivate and make feasible the invitation and perpetuation of armed conflict. While the *expectation* of feasible and profitable resource exploitation contributes to explaining why war is *triggered*, *perpetuation* of fighting is linked to the *experience* of successful exploitation.

Combined, the feasibility of exploitation and the factions' motivation to exploit resources make the persistence of war easier to understand. While war may be triggered by a conflict of interests, abundant resources eventually trap belligerents in a most uneasy alliance where interests in continued militarisation converge.

This eventual convergence of interests among so-called adversaries raises the question of losers. Beyond comparison, those who have lost the most in the DRC war are the bulk of the Congolese population. As a result of the war at least 2.5 million people have died, many more have been displaced, and in the east a large majority has been severely undernourished (Ibid. p.11). While natural resources have been looted and over-exploited, human resources seem even more seriously affected. Promising developments underway, such as the Kimberley process to regulate the trade in diamonds as well as moves towards peace in Angola, are therefore most welcome. Yet close monitoring of these endeavours is needed to ensure that the merger of political, economic and military power, at the root of people's grievances and suffering, is fundamentally challenged.

Ingrid Samset, Department of Comparative Politics, University of Bergen/Chr. Michelsen Institute, Bergen, Norway; e-mail: ingrid.samset@cmi.no.

Endnotes

1. Key trends in this debate are reflected in the volumes of Berdal & Malone (2000), Sherman (2001) and Taylor (2002). On personal motives and corruption among individual politicians, generals and business people, much is written in press reports and by organisations such as the UN, *Global Witness* and *Transparency International*. The existing abundance of material on the individual component is one reason why this article does not go into it. Moreover, the dynamics between relevant *group* agents and structures, structures that these groups are both shaped by and try to reshape, seem to explain more of the creation and perpetuation of economic agendas in conflict than investigating the behaviour of individuals.

2. Forums of such discussions include: the *Global Compact* policy dialogue of the UN (www.unglobalcompact.org); the *Economics of Civil War, Crime and Violence* project of the World Bank (www.worldbank.org / research / conflict); the *Economic Agendas in Civil Wars* programme of the International Peace Academy (www.ipacademy.org); the *Economies of Conflict* programme of the Fafo Institute for Applied Social Science (www.fafo.no / piccr / ecocon.htm), and various campaigns by NGOs like Global Witness (www.globalwitness.org).

3. The scale and scope of diamond smuggling across the border from Angola to the DRC is well documented in Filip de Boeck (2001), '*Garimpeiro* Worlds: Digging, Dying & "Hunting" for Diamonds in Angola' in *ROAPE* 90:28, December; as well as in de Boeck's contribution to the volume edited by Monnier et al. (2001).

4. The calculation assumes that DRC exports of the 2nd semester of 2000 were the same as those of the 1st semester, giving a total 2000 output of US$421m.

5. 'Israeli firm's diamond marketing monopoly ends', *Panafrican News Agency (PANA),* 25 April 2001 (www.allafrica.com).

Bibliography

Belgian Senatorial Commission of Inquiry on the Great Lakes (BSC) (2001a), 'Audition de M. H. Leclercq et Mme P. Bouvier', professeur émérite (ULB), 30 November (www.senate.be); (2001b), 'Audition de M. Stefaan Marysse', professeur (UA), et 'de Mme Catherine André', chercheur (UA *et UCL)*, 14 December (www.senate.be); (2002a), 'Audition de M. Erik Kennes', chercheur à l'Institut africain (Africa Museum*)*, 1 March (www.senate.be); (2002b), 'Audition de M. Francois Misser', journaliste, co-auteur de *Les gemmocraties. L'économie politique du diamant africain*, 22 February (www.senate.be); (2002c), 'Audition du professeur J. Gorus' (VUB), 8 February (www.senate.be).

Berdal, Mats & David M Malone (2000), *Greed and grievance. Economic agendas in civil war,* Boulder / London / Ottawa: Lynne Rienner / International Development Research Center.

Daito, Amuri T & Pierre Lumbi (2001), *La gestion des ressources minières en RDC, 1. Le diamant*. Kinshasa: Observatoire Gouvernance-Transparance (OGT), March.

De Boeck, Filip (2001), '*Garimpeiro* Worlds: Digging, Dying & "Hunting" for Diamonds in Angola', *Review of African Political Economy* vol. 28 no. 90, December, pp. 549-562.

Dietrich, Christian (2001a), 'Mineral Exports by RCD-Goma in 2000', *Central Africa Minerals and Arms Research Bulletin* (ed.), 1, 14 June (www.diamondstudies.com); (2001b), 'Have African-based Diamond Monopolies Been Effective?', *Central Africa Minerals and Arms Research Bulletin* (ed.), 2, 18 June (www.diamondstudies.com).

Global Witness (GW) (2002), *Branching Out: Zimbabwe's Resource Colonialism in Democratic Republic of Congo*. London: Global Witness, February (www.globalwitness.org).

Goreux, Louis (2001), 'Conflict Diamonds', *Africa Region Working Paper*, Series No. 13, Washington: The World Bank, March.

Monnier, L, B Jewsiewicki & G de Villers (eds.) (2001), *Chasse au diamant au Congo/Zaïre,* Tervuren / Institut Africain; Paris: L'Harmattan.

Panafrican News Agency (PANA) (2001), 'Israeli firm's diamond market monopoly ends', 25 April (www.allafrica.com).

Partnership Africa Canada (PAC) (2001), *Congo and Central Africa,* Ottawa: PAC, April (www.partnershipafricacanada.org / hsdp / areas / cafrica.html).

Rombouts, Luc (1999), 'Diamonds' & Diamonds: De Beers' prespective', *Mining*

Journal: 27-33; (2001), *Diamond Annual Review-2000*, Mortsel: Terraconsult (www.terraconsult.be).

Sherman, Jake (2001), *The Economics of War: The Intersection of Need, Creed and Greed - A Conference Report*. Washington/New York: Woodrow Wilson International Center for Scholars/International Peace Academy (www.ipacademy.org).

Taylor, Mark (2002), 'Emerging Conclusions March 2002. Economies of Conflict: Private Sector Activity in Armed Conflict', Oslo: Fafo, March (www.fafo.no/piccr/emrg302.pdf).

United Nations (UN) (2001a), *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of Congo - S/2001/357*. New York: United Nations Security Council, 12 April (www.un.org/Docs/sc/letters/2001/357e.pdf); (2001b), *Addendum to the Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of Congo*. New York: United Nations Security Council, 13 November (http://www.un.org/Docs/sc/letters/2001/1072e.pdf).