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**THE DEMOCRATIC REPUBLIC OF THE CONGO:
CONFLICT AND NATURAL RESOURCES**

Bachelor's Thesis

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Tallinn 2015

I declare I have written the Bachelor's Thesis independently.

All works and major viewpoints of the other authors, data from other sources of literature and elsewhere used for writing this paper have been referenced.

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ABSTRACT

This Bachelor's thesis looks at conflict in the Democratic Republic of the Congo, and how it is connected to the country's natural resources. The country possesses immense natural resources which have been the object of exceptional interest by various parties. Moreover, the relationship between conflict and the country's use of its natural resources is investigated, as well the role of multinational companies in the fight over the conflict minerals in the country. The theory of economic liberalism provides a theoretical background to the thesis.

The situation in the Democratic Republic of the Congo remains unstable, as the country continues to struggle with the aftermath of a destructive war. The country's natural resources have been the object of exploitation by various rebel groups, the corrupt Congolese government, other countries in the region and global companies. The country's natural resources have prolonged the conflict, but on the other hand they are not the main cause of the conflict.

This Bachelor's thesis is a qualitative study based on primary and secondary sources. A variety of sources written about the circumstances in the country are used to investigate the conflict and its effects.

This Bachelor's thesis reaches the conclusion that conflict in the Democratic Republic of the Congo hampers the country's utilization of its natural resources, and is an obstacle to the country's economic development. In addition, this thesis finds that the role of global companies in the fight over the country's minerals is considerable, but that extensive attention has been focused only on international electronic companies.

Keywords: conflict, DRC, economic liberalism, electronic, exploitation, minerals, natural resources, global companies

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INTRODUCTION

The situation in the Democratic Republic of the Congo (DRC) remains unstable, especially in the eastern part of the country. The country is currently trying to survive a humanitarian disaster and the aftermath of a destructive war. The war in the country officially ended in 2003, but rebel groups in the eastern DRC have continued to carry out attacks to this day and the situation has remained tense. Thus, the situation in the DRC is far from stable.

DRC is a large country, the biggest sub-Saharan country in Africa, with vast natural resources; these resources include various minerals, such as gold, tantalum, tin and tungsten, amongst other things. With its resource abundance, the country certainly has potential to thrive economically. Furthermore, the DRC's natural resources include minerals which are needed in manufacturing various electronic devices, such as laptops, smartphones, tablets and other electronic gadgets. Some of these minerals are so-called conflict minerals, which are ores mined in war zones (Eichstaedt 2012). Global companies, for instance Apple, Google and Intel, have reported that there may be conflict minerals in their products (Luckerson 2014). This makes global electronics manufacturers a part of the DRC's conflict as well. For this reason, the DRC's natural resources are the object of exceptional interest by global companies, and the role of the private sector must be taken into consideration.

Essentially, the reasons for the fighting in the country are local, such as corruption, land conflict, and local political and social antagonisms (Autesserre 2012, 4). However, the country's natural resources have helped maintaining the conflict in the DRC, because of the proceeds procured from them. Various rebel groups have financed their activities by pillaging the country's natural resources. Therefore, the country's natural resources have a part in sustaining the conflict.

It is evident that international companies make profits with the electronic devices they sell, and, in which they need the DRC's minerals, because the demand for various electronic gadgets increases globally. There is a growing need for research to be conducted about the

conflict in the DRC and its effect on the country's use of its natural resources. Furthermore, awareness about the conflict minerals is needed, because the subject is understudied and misconceived. The conflict minerals are derived from conflict areas and fund the wrong individuals, such as the various rebel groups, and the corrupt individuals in the Congolese government and army (Filipovic 2014).

The conflict in the DRC is not widely reported in the media, thus more research is needed about the circumstances in the country. As Eichstaedt states about the conflict in the DRC: "... the deadliest human catastrophe since World War II, but, save for occasional articles in the back pages of major newspapers and magazines, and sporadic books, hardly anyone outside Africa knows about it" (2011, 8). However, the situation in the DRC is relevant because the country is trying to survive from the consequences of a disastrous war.

The state of affairs in the DRC remains unstable and the conflict causes severe political, social and economic problems inside the country. Furthermore, the country's vast natural resources have had a part in prolonging the conflict. In this Bachelor's thesis, the conflict is approached through the country's natural resources. With substantial natural resource wealth the DRC could prosper economically, if legitimate trade could be established. The theory of economic liberalism is used to analyse how the problem could be explained from an economic point of view. Therefore, the research problem of this Bachelor's thesis concerns the case of conflict minerals in the conflict of the DRC. Thus, the research questions of this Bachelor's thesis are the following:

- How is the conflict in the DRC affecting to the country's utilization of its natural resources?
- What is the role of multinational corporations in the fight over the conflict minerals in the DRC?

The objective of research of this Bachelor's thesis is to establish what the impact of the conflict in the DRC is to how the country handles its natural resource wealth. In addition, the goal is to determine the role of global businesses, including international electronic companies, in the fight over the conflict minerals in the DRC. Thus, the objective of this Bachelor's thesis is also to generate new information about the conflict's impact on the DRC's use of its natural resources.

The research tasks of this Bachelor's thesis include examining the background of the conflict of the DRC, looking into the current situation of the country, investigating how the

conflict is connected to the country's natural resources, and what the impact of the conflict is to the country's utilization of its natural resources. Furthermore, the role of international businesses in the fight over the conflict minerals in the DRC is analysed. In addition, it is necessary to provide an overview of the causes of the conflict in the DRC, such as the rebel groups, other countries in the region, international organisations and the Congolese government, in order to understand the conflict in the DRC. These research tasks are completed by analysing a variety of primary and secondary sources. Thus, this Bachelor's thesis is a qualitative study based on both primary and secondary sources. Moreover, the international political economy theory of economic liberalism is applied in this Bachelor's thesis, and the conflict in the DRC is analysed with the help of the theory.

The first chapter of this Bachelor's thesis is about the theory, chosen from the area of international political economy, employed in this thesis. In the first chapter it is explicated why the theory of economic liberalism was chosen to be used in this thesis. In addition, the first chapter explicates the methodology used in this thesis, and the research done in this Bachelor's thesis is explained in detail.

The second chapter of this Bachelor's thesis gives an overview of the conflict in the DRC. In this chapter, the historical background of the conflict is mentioned briefly. In addition, the second chapter deals shortly with different factors which contribute to the situation of the DRC today, such as the rebel groups, the government of the DRC and the United Nations peacekeeping mission in the DRC, while still concentrating on the issues resulting from the country's natural resources.

The third chapter of this Bachelor's thesis focuses on the issues related to the DRC's immense natural resources. The role of the conflict minerals is also analysed in this chapter. Moreover, the chapter analyses how the conflict in the DRC is tied to the country's natural resources.

Conclusion ends this Bachelor's thesis by summarizing the most important aspects of the research done. In the conclusion the effect of the conflict in the DRC on the country's use of its natural resources is determined, as is the role of transnational companies in the fight over the conflict minerals in the DRC.

1. THEORETICAL FRAMEWORK

In order to give a theoretical background to the conflict in the DRC, the international political economy theory of economic liberalism is employed in this Bachelor's thesis. International political economy has raised awareness on the matters of wealth and poverty, and they are of increasing significance in world politics (Jackson, Sørensen 2013, 206). These issues can be seen in the situation of the DRC; a country which possesses vast natural resources, but where most of the population lives in grinding poverty.

In this Bachelor's thesis the conflict in the DRC is examined through different actors who have an influential part in the conflict. Thus, like the theory of liberalism, which takes into account not only states, but also other actors, this Bachelor's thesis emphasizes the importance of the effect that the various actors, in addition to states, have in the conflict of the DRC. Without understating the role of states in the international system, liberalism considers the roles of intergovernmental organisations, non-governmental organisations, non-state actors and international institutions. Furthermore, the role of transnational corporations is taken into account in the theory of liberalism. (Baylis et al. 2014, 119; Theory . . . 2011)

Moreover, according to liberalism free trade creates common benefit to all participants, regardless of the size or nature of their economies, and thus leads to a more peaceful world. However, the theory of neo-liberalism asserts that free trade does not automatically create cooperation, but necessitates efforts, such as planning and negotiation. (Baylis et al. 2014, 117, 120)

Economic liberals accentuate the need for an open economy, free of political interfering, to help produce the large amounts of investment that is needed to promote sustained economic growth and development. Furthermore, the theory of economic liberalism asserts that close market relations with the developed countries affect positively the economies of the developing world. DRC is clearly part of the developing world. Moreover, foreign trade is seen as a way to market expansion and additional growth of the modern sector. (Jackson, Sørensen 2013, 188)

As the world is becoming increasingly globalised, it is important to note that the DRC, a country with immense natural resource wealth, has the potential to become prosperous. Economic liberals claim that globalisation has the capability of bringing increased wealth to individuals and companies (Jackson, Sørensen 2013, 200). Nevertheless, the DRC remains underdeveloped in many areas. Thus, as a developing country, the DRC lacks the skills of modernization.

Entrance to international markets is one way to promote economic growth (Bannon, Collier 2003, 8). In addition, foreign direct investment in the developing world by multinational companies brings in much required modern technology and production expertise (Jackson, Sørensen 2013, 188). However, conflict in a country tends to disturb regional trade and discourage foreign investors, who see the country as insecure, even after the war has stopped (Bannon, Collier 2003, 2). Therefore, the DRC would benefit from foreign investors, but the ongoing instability in the country hampers this prospect.

The theory of economic liberalism has been criticised. For example Hahnel argues that trade can exacerbate global inequality by distributing more wealth to rich countries (2002, 185). Nevertheless, Hahnel notes: "... the easiest way to reduce global inequality is through trade simply by setting the terms of trade to distribute more of the efficiency gain to poorer countries than richer ones" (2002, 187). Furthermore, the DRC cannot close itself, because it needs foreign knowledge, equipment and expertise, which it does not possess at the moment.

According to Besley and Persson, development encompasses a substantial expansion in the size and competence of a state. Moreover, state capacity means the capability of a state to carry out a range of policies, and a great deal of investment in state effectiveness has an influence on this capacity. (2010, 2) As a developing country, the DRC remains underdeveloped in many ways, and does not have the skills and capital to advance on its own. Therefore, the DRC's success depends on attracting foreign investors and governments to the country. (Digging . . . 2011) Furthermore, a lack of state capacity is often seen as a substantial impediment to development (Besley, Persson 2010, 30).

Moreover, the DRC can be seen as a weak state. A weak state's economy is faulty, as there is no coherent national economy, which would be able to sustain a basic level of welfare for the people and to provide the means for running a competent state (Jackson, Sørensen 2013, 295). The state of the DRC is seemingly too weak in guarding its borders and protecting the Congolese population within those borders. In addition, the problem is exacerbated by a

lack of will to practice sovereignty. (Turner 2013, 200, 201) Nevertheless, according to liberalism, weak states can be understood as pre-modern entities which have not yet reached modernity (Jackson, Sørensen 2013, 300).

According to Jackson and Sørensen, nowadays violent conflict occurs mostly inside states, particularly inside weak states. Furthermore, the violence is tied together with problems of development and underdevelopment. (2013, 205) Besley and Persson state that it is a robust empirical fact that civil war is extremely more likely to take place in poor countries (2010, 20). This can be seen in the situation of the DRC, where violent conflict continues to occur and underdevelopment is a substantial problem. However, Bannon and Collier claim that in order to avoid civil wars, even though some actions necessitate common global measures, the governments of developing countries themselves need to make greater efforts to implement economic policies and institutions that can prompt growth and decrease poverty, and enhance governance and transparency (2003, 8). Furthermore, as Eichstaedt states, actual resolutions for the DRC cannot be enforced from outside (2011, 215). Thus, the government of the DRC cannot depend completely on foreign assistance, but it itself needs to attempt, in greater capacity, to promote transparency and develop its governance. “Successful development is the best protection against civil war” (Bannon, Collier 2003, 8).

It must be noted that the theory of economic liberalism has its weaknesses: global economy makes the conflict in the DRC worse, because exploitation of the country’s vast natural resource wealth remains a problem, and the Congolese government is not receiving enough assistance in order to achieve progress. The Congolese state is too weak in achieving stability in the country itself, and needs support in this aspect. Therefore, an open economy could help the DRC to experience economic growth and bring into the country much needed foreign knowledge, equipment and expertise. Furthermore, free trade could foster peace and stability in the country. In addition, trade with developed countries could affect the DRC’s economy positively. Thus, the theory of economic liberalism has its strengths when applied to the situation of the DRC. Consequently, this Bachelor’s thesis aims to analyse the situation of the DRC with the help of the theory of economic liberalism, while acknowledging that there are significant obstacles to the country’s economic development.

1.2. Methodology

This Bachelor's thesis forms its arguments on the assumption that the conflict in the DRC has certain influence on the country's use of its natural resources. Most importantly, this Bachelor's thesis concentrates on the issues concerning the country's natural resources and the conflict.

As mentioned before, the research object of this Bachelor's thesis is the ongoing conflict in the DRC, especially in the eastern DRC. Moreover, this Bachelor's thesis is a qualitative study based on both primary and secondary sources. The final report of the United Nations Group of Experts on the Democratic Republic of Congo, from January 2015, gives this Bachelor's thesis important updated information about the plundering of the country's natural resources. In addition, the United Nations Environment Programme's Post-Conflict Environmental Assessment Synthesis for Policy Makers, from 2011, provides this thesis essential facts about the DRC's natural resource wealth. Furthermore, the World Bank's report on the Democratic Republic of Congo: 'Growth with Governance in the Mining Sector' also adds significant details about the DRC's mineral wealth to this Bachelor's thesis. A few other reports written by the World Bank and various non-governmental organizations are used as well. However, some of the primary resources written about the DRC and its natural resources are in French, and this limits the use of primary sources in this Bachelor's thesis.

In addition to the aforementioned reports, secondary sources, written about the conflict in the DRC, are used in this Bachelor's thesis as well. For instance, 'Congo', by Turner, provides a valuable overview of the complicated events that have taken place in the DRC. Also, Turner's book adds important information about the fight over the DRC's natural resources to this Bachelor's thesis. In addition, 'Consuming the Congo: war and conflict minerals in the world's deadliest place' by Eichstaedt similarly gives significant information about the conflict in the DRC and how it is tied to the country's natural resources. Other secondary sources are employed in this Bachelor's thesis as well. For example, articles from BBC News, Foreign Affairs, Foreign Policy, The Economist, Time and The Washington Post, amongst others, provide information about the conflict in the DRC to this Bachelor's thesis.

2. THE CONFLICT IN THE DEMOCRATIC REPUBLIC OF THE CONGO

The DRC has a very complicated and violent history. The country has a colonial past, as it is a former colony of Belgium. The country became independent from Belgium in 1960, and the Belgians left behind a chaos that was impossible to control. The history of the DRC can also be described as one of civil war and exploitation. During the country's colonial period, Leopold II, the king of Belgium, plundered ivory and wild rubber from the DRC (Turner 2013, 148). Deibert states that as a result of colonialism, the DRC became a seriously malformed state, and that the bloodletting which has troubled the country ever since, is due to individuals and governments advancing their own economic and political aims (2013, 8). Thus, the exploitation of the DRC's natural resources is nothing new, because it has been going on ever since the country was colonised by Belgium in the 1870s.

Today, the DRC is trying to recover from a war, in which millions of people died between 1998 and 2003 (Democratic Republic of Congo country . . . 2015). Some analysts estimate that since 1998, the war and its aftermath have caused 5.4 million deaths in the DRC (Mortality . . . 2007, 16). Eichstaedt describes the DRC as the home of one of the worst humanitarian crises since the Second World War (2012). Therefore, it is evident that the war in the DRC was destructive.

The current situation in the DRC is still unstable and far from sustainable peace. "The country has collapsed, roads no longer link the main cities, healthcare depends on aid and charity. The new regime is as grasping as its predecessors" (DR Congo: Cursed . . . 2013). Therefore, the infrastructure in the country is poor and almost non-existent. Thus, the DRC would benefit from foreign direct investment, which would bring in to the country much needed modern technology and production skills, as the theory of economic liberalism states (Jackson, Sørensen 2013, 188).

Autesserre states several reasons for the DRC's degradation, such as domestic and regional leaders' provocative actions, grassroots hostilities over land and power, and the tenacity of corruption at all levels of the country's political and economic system (2012, 2). The root causes of the conflict comprise of national and regional clashes over power and influence, and questions of citizenship and identity (An Open . . . 2014, 1). For example, access to arable land and fishing grounds has caused fighting at the local level (The Democratic . . . 2011, 24). Therefore, the reasons for the conflict are essentially local and complex.

As stated before, the DRC is a large country with a huge amount of natural resources. The World Bank states about the country: "Its surface area (2.3 million km²) spans the equivalent of two-thirds of the European Union" (Democratic Republic of Congo Overview 2015). In addition, there are more than 1100 different minerals and metals in the DRC (Democratic Republic of Congo Overview 2015). Therefore, the country is tremendously rich in natural resources, and has great potential to thrive economically.

In reality, very little economic profits from the resources actually go to the Congolese people. Instead most of the profits go to the rebel groups, international companies and the government of the DRC (Filipovic 2014). "It is a place seemingly blessed with every type of mineral, yet consistently rated lowest on the UN Human Development Index, where even the more fortunate live in grinding poverty" (DR Congo: Cursed . . . 2013).

There are various rebel groups functioning in the DRC today. There are more than 30 armed groups in the eastern DRC nowadays (Rwanda . . . 2014). The rebel groups are one of the main reasons why the situation in the country still remains volatile, especially in the eastern DRC. In addition to the local causes of the conflict, the 1994 genocide in Rwanda has affected to the DRC's volatile situation. The ethnic Hutus, responsible for the genocide, were driven out of Rwanda to the neighbouring DRC. As a result, a rebel group called *Forces démocratiques de liberation du Rwanda* (FDLR) was formed in the DRC. (Eichstaedt 2012)

Although the roots of the conflict are local, the profits from the various minerals have fuelled the fighting in the DRC. Different existing militia groups have been fighting over control of the natural resources and, over the mines used to extract the minerals. (Eichstaedt 2012) For example, a rebel group called Raia Mutomboki is controlling an area in Shabunda, in the province of South Kivu of the DRC, where there are cassiterite (the main ore of tin) mines. This armed group is receiving proceeds from the trade in cassiterite. (Final . . . 2015,

34) Thus, this rebel group is benefitting from the exploitation of the DRC's tin assets, which affects negatively the country's use of its natural resources.

Neighbouring states of the DRC have had a role in the country's conflict. Throughout the war period, Burundian, Rwandan and Ugandan rebel groups benefitted from the exploitation of the DRC's natural resources (Autesserre 2010, 64). Today, smuggling of the DRC's minerals through its neighbouring countries, Uganda and Rwanda, remains as a problem (Final . . . 2015).

DRC is currently the object of the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO). It is the largest and most expensive United Nations' peacekeeping mission in the world. The mission has already spent years and billions of dollars trying to end the conflict in the DRC. Furthermore, the mission has been heavily criticised: critics have said that MONUSCO has been too understaffed and overstretched for such a huge country (Deibert 2013, 204). However, according to Turner, even though MONUSCO is not very efficient in protecting civilians in the DRC, it remains the only source of security for them, as the Congolese state is too weak to protect its civilians (2013, 179, 200). Therefore, even though the peacekeeping mission has been much criticised, it still is a better provider of security to the DRC's population than the Congolese state itself.

Systemic corruption has continued in the DRC since its independence in 1960. Alongside volatility and conflict, the result in the country has been dramatically decreased national output and government income and escalated external debt. (The World . . . 2015) According to Transparency International, the DRC ranked 154th out of 175 countries on its 2014 corruption perception index (Corruption . . . 2014). As Jackson and Sørensen mention, corrupt and self-interested state elites are part of the development problem in sub-Saharan Africa (2013, 193).

Fighting remains a problem in the eastern DRC, and thus the situation in the country remains volatile. The conflict in the DRC has many factors contributing to it: rebel groups, the exploitation of the natural resources, the corrupt government, and other countries in the region trying to benefit from the DRC's natural resources. Fundamentally, the reasons for the fighting in the DRC are local, but the country's immense natural resources have and continue to prolong the conflict. It is imperative to know all the different aspects that affect the situation in the DRC in order to understand the conflict. The foregoing leads to the conclusion that it is evident that the situation in the DRC remains unstable.

3. THE CONFLICT AND NATURAL RESOURCES

As mentioned before, the DRC possesses vast natural resources. More than half of Africa's forest resources are located in the DRC, and over half of Africa's water resources flow through the country. In addition, there is 80 million hectares of arable land in the country. Furthermore, the DRC bears an impressive mega-biodiversity reservoir that ranks fifth in importance at the universal level and is unique in Africa. (The Democratic . . . 2011, 22) Thus, the DRC's natural resources are significant for Africa, and even to the whole world.

As stated previously, more than 1,100 different minerals can be found in the DRC (Democratic Republic of Congo Overview 2015). It is one of the most minerally rich countries in the world (DRC . . . 2010). The United Nations Environment Programme (UNEP) estimates that the DRC has untapped mineral reserves worth USD 24 trillion, which are of strategic significance to the worldwide economy (The Democratic . . . 2011, 22). This alone, shows how the DRC possesses exceptional natural resources. With such mineral wealth the DRC could become one of the most prosperous countries in Africa, provided that the minerals could be mined and then sold in a legitimate way (Digging . . . 2011). As the theory of economic liberalism asserts, foreign trade is a means to market expansion and additional growth of the modern sector (Jackson, Sørensen 2013, 188). Thus, if the DRC could manage its mineral resource wealth legitimately, it could benefit from foreign trade.

Moreover, Extractive Industries Transparency Initiative states that extraction of a country's natural resources can lead to economic growth and social development. Nonetheless, if this is badly handled, it too often causes exploitation and even conflict. (What is . . .) Consequently, there is potential for the DRC to experience economic growth, but corruption and exploitation of the country's natural resources are hampering this development. Furthermore, because the extraction of the DRC's natural resources is poorly handled in the country, conflict and exploitation continue to take place.

DRC holds nearly half of the world's cobalt reserves, and cobalt produced in the country covered 55% of global production in 2012 (Extractive . . .). In addition, 64% of the

world's known coltan reserves are found in the DRC. The metal tantalum is extracted from coltan and is commonly used in the manufacturing of capacitors needed in electronic devices, such as cell phones, game consoles, tablets and computers. (Gröndahl, Sillanpää 2015; Under-Mining . . . 2005, 13)

Furthermore, 20% of the world's industrial diamonds and 12% of tantalum came from the DRC in 2012 (Extractive . . .). Moreover, the country possesses the largest known diamond resources in the world in terms of carats, about 150 million, accounting for 25% of the total known assets in the world (Democratic . . . 2008, 15). DRC is a participant of the Kimberley Process Certification Scheme, which established requirements for regulating rough diamond production and trade in 2003. The aim of the scheme was to end the trade in conflict diamonds, and thus to assure that the trade in diamonds is not financing any conflict. (KP Basics) The Kimberley Process has been criticised for not achieving the aforementioned goals. In fact, Rhode states that the scheme has been a failure, because the system applies only to a batch of rough diamonds, not individual stones. Thus, the tracking system is not completely reliable. (2014) This raises concerns about the trustworthiness of the Kimberley Process, in which the DRC and its diamond reserves are part of.

According to the World Bank, the copper reserves in the Katanga province, in the DRC, make the Katanga Copper Belt the second richest copper region in the world after Chile (DRC . . . 2010). The Copper Belt compasses copper, cobalt, zinc and uranium resources (Democratic . . . 2008, 13). Consequently, 34% of the world's cobalt and 10% of the world's copper reserves can be found in the province of Katanga in the DRC (Katanga . . . 2006, 8).

In addition to minerals, the DRC possesses oil as well. Turner states that even though the exploitation of oil in the country has not been the target of armed groups, tensions over oil continue to exist between the DRC and its two neighbouring countries, Angola and Uganda (2013, 174). The government of the DRC reportedly wants to allow oil exploration in the country's Virunga national park, which is Africa's oldest and most biodiverse park, and is the home to some of the world's remaining mountain gorillas. The park is also a UNESCO world heritage site. Soco International, a British oil company, has executed exploratory activities in Virunga. In order to allow the legal drilling of oil in the park, the Congolese government will have to declassify parts of the heritage site, or the whole park. (Gouby 2015) This shows, yet again, how the DRC's natural resources are the object of exceptional interest of global

companies. It is indisputable that the DRC holds extensive natural resources. Therefore, the DRC's immense natural resource wealth is substantial at the global level as well.

Global use of coltan grew dramatically in 2000, about 38% from the earlier year, because of the production in the electronics industry (Under-Mining . . . 2005, 13). Consequently, minerals, like tantalum, tin and tungsten, are used in manufacturing of smart phones, tablets and laptops, which are hugely popular nowadays. These minerals end up in electronic devices all over the world. This makes international electronic manufacturers, who use the minerals originating from the DRC in their products, part of the conflict as well.

Even though, the country's natural resources have definitely had a part in upholding the conflict in the DRC, they are not the main cause of the conflict (The Democratic . . . 2011, 24). However, as confirmed by the United Nations Group of Experts on the Democratic Republic of the Congo, rebel groups continue to make profit out of the DRC's natural resources. For example, the UN Group of Experts states that the illegitimate exploitation of wildlife products, such as ivory, and the trade of these products, continues to be a severe problem, which involves local poachers, factors of the Congolese army, and rebel groups. In addition, some armed groups continue to be involved in the minerals trade and therefore conflict minerals might end up into supply chains of the DCR and its neighbouring countries. (Final . . . 2015, 3) Thus, the fight over the natural resources fuels the conflict in the DRC and is an essential part of the crisis. Furthermore, the exploitation of the DRC's natural resources does not limit to the plundering of the minerals; it includes other natural resources as well, such as the aforementioned wildlife products.

It has been argued that the conflict minerals are the direct cause of violence in the DRC, but this theory fails to comprehend the deep-rooted local causes of the conflict. As Autesserre notes, local causes of the conflict include corruption, land struggle, poverty, local political and social resentments, and antagonisms between state authorities, including security forces, and the Congolese population, amongst other things (2012, 4). Furthermore, Kenny states that countries, which possess vast natural resources, do not automatically become poorer or more volatile due to the fact that they have resource abundance. Instead, the problem originates from the country's weak state, which suppresses the development of manufacturing and services. (2010) The Congolese state is a weak state and has not been successful in generating growth in the manufacturing sector or providing basic welfare for its

population. Thus, the theory of the resource curse neglects the underlying factors of the conflict in the DRC.

The conflict in the DRC is complicated, but the theory of the resource curse proposes a primitive resolution to the conflict of the DRC: to abolish the illegitimate exploitation of the country's natural resources. Consequently, the sole focus on the country's natural resources as the main drivers of the conflict, ignores the complex causes of the conflict, and deflects the attention from them. Thus, acknowledging of the root causes of the conflict has been neglected. (Autesserre 2012, 11) Therefore, the theory of the resource curse is unsuccessful in comprehending the fundamental reasons of the conflict in the DRC.

However, the plundering of the DRC's natural resources most certainly has prolonged the conflict in the country. Thus, the natural resources have a sustaining effect on the conflict in the DRC. Nonetheless, the root causes of the conflict in the DRC do not derive from the country's natural resources.

Figure 1 shows the extensive mineral resource wealth of the DRC. Furthermore, the figure depicts the amount of minerals (gold, coltan, copper and tin, among others) located in the eastern DRC. The Katanga Copper Belt is also presented in the figure. There are also diamond reserves in the central and southern DRC. As seen in the figure, most of the mineral resources are located in the eastern DRC, where most of the fighting takes place today. In addition, the DRC's oil possession is depicted in Figure 1. From the Figure, it can be seen that the DRC's oil reserves are located in the Western part of the country, near the country's border with Angola.

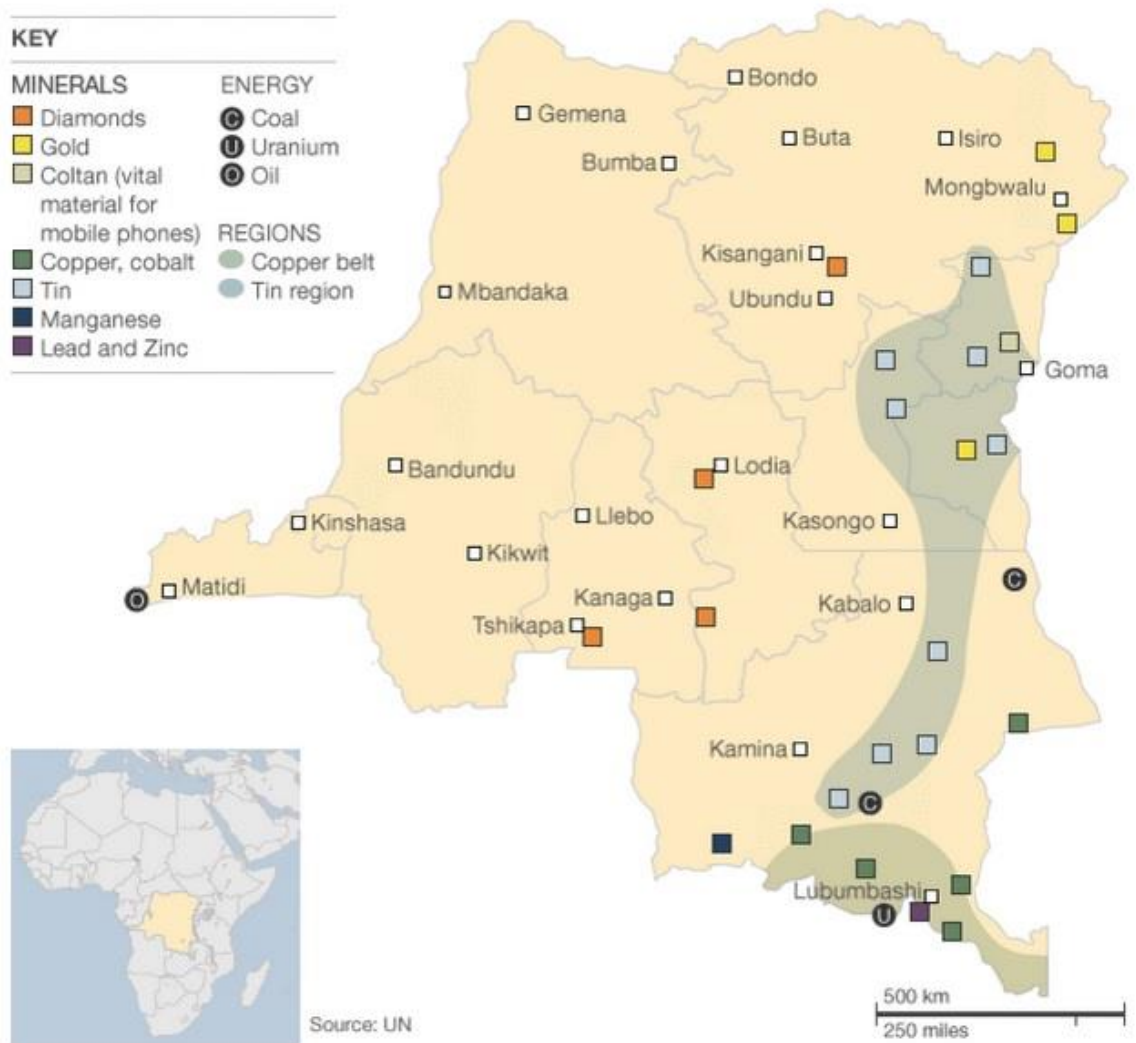


Figure 1. Mineral map of the DRC

Source: (DR Congo: Cursed . . . 2013)

Officially, some South African and Canadian companies own exploration rights to several of the mines in the eastern DRC, but the instabilities and violence in the region have resulted in many of them leaving the area. Consequently, groups of artisanal miners have entered the region. (Heath 2014) Artisanal miners are small-scale, independent miners who work at the mining sites illegally (Eichstaedt 2011, 32, 33; Heath 2014). It is estimated that as many as 8-10 million people in the DRC are economically dependent on artisanal mining of the minerals production. The World Bank estimates that 90% of the DRC's minerals production originates from artisanal miners. (Democratic . . . 2008, 56) The Congolese government's ability to monitor the artisanal mining sector is very limited. This capacity is

hindered by corruption, a lack of means, personnel, resources, and technical knowledge. (Heath 2014)

Despite all the natural resources the DRC possesses, the country's poverty rate is high and its per capita income is among the lowest in the world. In addition, the DRC is second to last on the Human Development Index. (Democratic . . . 2015) Furthermore, UNEP estimates that only 26% of the Congolese have access to safe drinking water, and access to electrification is estimated at 9%. This is startling in a country with such immense energy resources. Moreover, with an undernourishment rate of nearly 70%, the DRC has the highest level of food insecurity in the world. (The Democratic . . . 2011, 22) This ascertains how truly underdeveloped the DRC is. It is also apparent that most of the Congolese population is not benefitting economically from the natural resources their country possesses.

Martin Kobler, Special Representative and Head of the MONUSCO, has emphasized: "... the absolute urgency to see the DRC, the country geographically in the heart of Africa, a nation with immense wealth and potential to become also the economic heart of Africa" (DR Congo: amid . . . 2014). Furthermore, illegal exploitation in the DRC must give way to legitimate trade, and more money must be invested in the DRC. It is time to move from disproportionate wealth for a few to sufficiency for all. (DR Congo: amid . . . 2014) Therefore, the DRC's potential to thrive economically cannot be ignored.

The theory of economic liberalism emphasises the need for a free market economy, which stimulates growth and development (Jackson, Sørensen 2013, 188). However, this kind of development cannot be achieved unless stability in the DRC is accomplished. It is evident that the exploitation of the DRC's natural resources by various actors hampers the country's potentiality to prosper economically, and therefore it hinders also the country's utilization of its natural resources. Thus, in order for the DRC to experience economic growth, it is imperative that the exploitation of the country's natural resources ends. However, this is problematic, because of lack of proper transparency and due diligence schemes, which are still being implemented.

3.1. Rebel groups and natural resources

As mentioned earlier, there are myriad armed groups causing chaos in the eastern DRC nowadays. Some of the rebel groups continue to be associated with the illegitimate

minerals trade, and therefore conflict minerals might end up into the supply chains in the DRC and its neighbouring countries (Final . . . 2015, 3). Consequently, the armed groups, involved in the illegitimate mineral trade, gain profit from the DRC's minerals. For example, the previously mentioned rebel group called the FDLR is involved in the illegal trade of gold (Final . . . 2015, 19). This clearly hampers the DRC's economic development and the use of the country's natural resources, because the country is not receiving the proceeds of its natural resources. Instead, the rebel groups, like the FDLR, are financing their activities with the profits gained from the illegal mineral trade.

However, exploitation of the DRC's minerals is just another way for the armed groups to finance themselves. Vogel states that mining is hardly ever the main objective of the rebel groups, and when the rebels do get involved in mining, it is just one of their many options to finance their activities. Therefore, complicating the illegal trade in minerals might make it only a little harder for the armed groups to fund their actions. (2014) In addition, Kenny argues that if natural resources are not accessible for exploitation, something else will be discovered instead (2010). Thus, mining is not the main goal of the rebels in the DRC. Instead, it is a means for them to fund their activities by the profits acquired from the minerals. Therefore, it can be affirmed that natural resources are not the cause of the conflict in the DRC.

In fact, there are also other ways for the rebels to finance their actions, which do not include minerals. The other sources for economic exploitation, in addition to the conflict minerals, include clashes over cattle, charcoal, timber, drugs, and taxation at checkpoints (Autesserre 2012, 9, 10). Moreover, the previously mentioned artisanal miners have fallen under the control of the rebel groups, who receive money from them through extortion and by levying taxes (Heath 2014).

The country's minerals are not the only object of exploitation. The FDLR remains also involved in the production of and trade in charcoal and wood in the North Kivu province of the DRC (Final . . . 2015, 3). Therefore, the FDLR is pillaging the DRC's natural resources. The UN Group of Experts ascertain that elements of the FDLR and the Congolese army are involved in the trade of charcoal and wood in Karenga, north-east of the city of Goma, in the Virunga National Park (Final . . . 2015, 18). As stated by the UN Group of Experts, in addition to the FDLR, the Congolese army is also involved in the charcoal and wood trade. In fact, the Congolese army unit in Karenga allows the FDLR to trade in charcoal and wood

(Final . . . 2015, 18). Thus, the army is clearly corrupt, and this is a problem for the DRC's economic development. Moreover, according to the UN Group of Experts, the FDLR and the Congolese army officers earn a total of USD 1,805 from the sale of charcoal in Karenga daily. This figure, and the assumption of the number of charcoal deliveries made every week, indicate that the army and the FDLR officers, who are involved in the charcoal trade, could receive surplus of USD 650, 000 each year from merely the trade of charcoal. (Final . . . 2015, 19) Therefore, the FDLR is receiving significant profits from the charcoal exploitation. Clearly, this hinders the DRC's utilization of its natural resources, which charcoal is part of.

But the FDLR is not the only rebel group in the DRC to profit from the country's natural resources. Another armed group called the Allied Democratic Forces receives profits from harvesting timber in its area of control (Final . . . 2015, 10).

Moreover, the illegitimate utilisation of and trade in wildlife products, for example ivory, is a severe problem involving rebel groups (Final . . . 2015, 3). According to the UN Group of Experts, ivory and other wildlife products help armed groups finance their activities (Final . . . 2015, 44). Therefore, the rebel groups are also exploiting the DRC's wildlife resources.

Thus, some rebel groups finance their activities by plundering the natural resources of the DRC. The natural resources exploited are not only minerals, but also other natural resources, such as charcoal and timber. Evidently, armed groups, who are a major part of the conflict in the DRC, are affecting negatively the DRC's use of its natural resources, as they continue to pillage and gain profit from these resources. The rebel groups are depriving the DRC of the profits obtained from the country's natural resources. Consequently, this creates instability and hampers the DRC's economic development.

3.2. Conflict minerals

There has been a great deal of debate related to the so-called conflict minerals mined in the DRC. Conflict minerals are ores mined in conflict zones (Eichstaedt 2012). The conflict minerals include tantalum, tin, tungsten (often called the "3 Ts") and gold. These minerals are needed in the manufacturing of electronic devices, such as laptops, mobile phones and tablets. (Filipovic 2014) However, the minerals are needed in other products as well. In fact, the minerals are needed also in aerospace equipment, fly fishing hooks, jewellery, light bulbs and

tin cans, amongst other things (Eichstaedt 2011, 214; Trindle 2015). The foreign companies that buy the minerals from the DRC are a source of money for the DRC (Eichstaedt 2011, 212). Consequently, global corporations, who use minerals procured from the DRC, are connected to the country's conflict.

Some critics have said that too much attention has been given to the conflict minerals. For example, according to Turner, the conflict minerals are not the most precious or important of the DRC's minerals (2013, 167). Moreover, Eichstaedt notes that advocates have failed to mention the actual amount of the minerals derived from the DRC, thus giving the impression that all electronic devices are filled with conflict minerals (2011, 213). Furthermore, Turner states that the DRC's mineral problems are national and focus on the country's weak and corrupt government (2013, 176). However, different advocacy groups, for example the Enough Project, have asserted that the conflict minerals are the main cause of violence in the DRC (Autesserre 2012, 9; Conflict . . . 2009). This theory ignores the local origins of the conflict in the country and is misleading. According to Autesserre, the excessive attention given to the conflict minerals is mainly because the so-called conflict minerals narrative resonates with non-Congolese audiences. Moreover, the conflict minerals narrative is part of a larger narrative about the economic dimensions of violence and the so-called resource curse. This narrative allows advocacy groups and journalists to explain the conflict in the DRC in a way that the people, who are not aware of the complex causes of the conflict, can relate to. (2012, 10, 11) Moreover, according to Eichstaedt, proceeds received from mining may have only worsened the long-lasting conflict in the DRC, not generated it. Therefore, diminishing the mining most likely will not end the conflict in the country. (2011, 214) Thus, the conflict minerals are not the direct cause of the conflict in the DRC, even though they have sustained the conflict. In fact, by concentrating solely on just one cause for the violence and one solution to it, advocates of the conflict minerals narrative have unintentionally aggravated the issues they intended to solve. (Autesserre 2012, 11) "The dominance of this narrative has diverted attention from much-needed policy actions, such as the resolution of grassroots antagonisms, the fight against corruption, and the reform of the state administration" (Autesserre 2012, 11). Hence, the complete focus on the conflict minerals has left the other important causes of the conflict ignored.

Conflict minerals are a target of armed groups and a way of funding their activities (Turner 2013, 171). The mines, where the minerals are extracted, are a source of political

power and wealth for whoever controls them (Filipovic 2014). Hence, minerals have prolonged the conflict in the DRC. As stated by the UN Group of Experts, elements of the Congolese army and a number of rebel groups continue to be involved in the minerals trade. Consequently, conflict minerals may end up into supply chains in the DRC and its neighbouring countries. (Final . . . 2015, 3) Therefore, some of the rebel groups continue to profit from the DRC's natural resources. However, not only are the rebel groups involved in the illicit mineral trade, but in fact, the Congolese army is also associated with it.

There have been efforts to create a tracking system for the conflict minerals, acquired from the mines in the DRC, which would ensure that no conflict minerals are used in the manufacturing of electronic devices. The International Tin Research Institute's tin supply chain initiative is the sole traceability scheme for coltan, cassiterite and wolframite, which are transformed into tantalum, tin and tungsten (Final . . . 2015, 34). However, the minerals go through a variety of smelters before they wind up in the electronic devices (Luckerson 2014). Therefore, it is difficult to trace where exactly the minerals come from. The UN Group of Experts notes that there has been some improvement on traceability and due diligence efforts concerning the minerals originating from the DRC, but smuggling still continues to be a problem (Final . . . 2015, 3). Thus, implementing the traceability and due diligence system, so far, has not prevented smuggling of the minerals from the DRC.

Smuggling of minerals from the DRC is a problem, which complicates the tracking of the minerals. The UN Group of Experts affirmed that minerals from Rubaya, area in the North Kivu province in the DRC, are being smuggled to Rwanda (Final . . . 2015, 36). Admittedly, smuggling has decreased since the tin supply chain initiative system was introduced (Final . . . 2015, 35). However, even though the smuggling of the minerals has declined, thanks to the tin supply chain initiative, it still remains a problem.

The UN Group of Experts affirmed in 2014 that there are no due diligence and traceability efforts regarding gold in the DRC. The absence of such efforts makes it possible for gold acquired from conflict areas and not validated mining sites to enter international markets. For example, according to the UN Group of Experts gold continues to be smuggled from the DRC to its neighbouring country Uganda. (Final . . . 2015, 39) Despite the UN Group of Experts' findings, the Government of Uganda informed the Group of Experts that the country's official exports of gold, from 1 January to 15 October 2014, were less than 15 kg and that all of that gold was produced in Uganda (Final . . . 2015, 39, 41). In spite of

Uganda's statement, the country is seemingly benefitting from the DRC's gold reserves. It is evident that smuggling of gold from the DRC to Uganda affects negatively the DRC's use of its natural resources.

In addition to gold being smuggled from the DRC to Rwanda, it is also being smuggled to the United Arab Emirates through the DRC's neighbouring countries (Final . . . 2015, 43). In the United Arab Emirates, there is also a lack of due diligence and traceability efforts concerning gold coming from conflict zones and not validated mining sites (Final . . . 2015, 39). In the gold souk of Dubai's Deira district, the UN Group of Experts witnessed the willingness of jewellers to buy gold from the DRC without asking questions where the gold was coming from and without demanding evidence that export taxes for the gold had been paid (Final . . . 2015, 43). Therefore, it is highly probable that gold from conflict areas, including the DRC, is ending up in the international supply chains. This evidently has a negative effect on the DRC's utilization of its natural resources, because gold continues to be smuggled out of the country and the DRC is evidently not benefitting from it.

The Congolese government would have to implement some major changes, if it wanted to end the illegal mining in the country. These necessary changes include, for instance, ending the military's illegal involvement in the minerals trade, and thus investigating and sanctioning the military personnel, involved in the minerals trade. In addition, it is imperative that the government of the DRC would effectively oversee the country's mining sector by keeping precise trade statistics. (Turner 2013, 163, 164) This would include keeping track of: "... the quantity and type of minerals extracted from each mining site, transported by airfreight and other transport companies close to the mining sites, and purchased by buyers, trading houses and exporters" (Turner 2013, 164). Carrying out these actions would evidently require a major effort and commitment by the Congolese government. Therefore, this could be well beyond the state's abilities, as corruption and underdevelopment remain problems in the DRC. Nevertheless, documentation of the country's mining sector would provide valuable information of all mining sites where artisanal mining takes place. (Turner 2013, 164) Thus, transparency on the part of the Congolese state is essential if development in the country is desired.

According to Eichstaedt, minerals and mining will continue to be significant to the DRC, and perhaps even to the world. Thus, planning and implementing a feasible, lawful and just way to share production and profits is the first step towards achieving stability in the

country. (2012) Moreover, the exploitation of natural resources concerns a large variety of problems, such as development, economic stability, good governance, human rights, national security, state authority and trade (Eichstaedt 2011, 206). Furthermore, Autesserre notes that in order to bring an end to the fighting in the DRC, ending the illegal exploitation of the country's natural resources is just one of the many urgent actions needed for building stability in the DRC (2012, 10). Thus, the issue is evidently complex and requires comprehensive action. Focusing on solving the country's mineral problem is not enough to bring stability in the DRC.

3.2.1. The Dodd-Frank act's influence on conflict minerals

There have been some efforts to stop the use of conflict minerals in the manufacturing of electronic devices and other products. The 2010 Dodd-Frank Wall Street and Consumer Protection Act, passed by the United States Congress, includes a part called Section 1502, which concerns the conflict minerals originating from the DRC and adjoining countries. This section demands corporations, registered with the United States Securities and Exchange Commission, to reveal whether conflict minerals from the DRC or adjoining countries are used in their products. (Dodd-Frank . . . 2010, 838-843)

The United States Congress states in the Section 1502 of the Dodd-Frank act that the exploitation and trade of conflict minerals originating from the DRC is helping to fund the conflict in the country, which is characterized by extreme levels of violence in the eastern part of the country, sexual- and gender-based violence in particular. Therefore, the exploitation and trade of conflict minerals is contributing to an emergency humanitarian situation in the DRC. (Dodd-Frank . . . 2010, 838) Consequently, the aim of the law was to improve the situation in the DRC by ending the spread of conflict minerals into the international supply chain and by preventing armed groups from receiving profits from the mineral trade. The supporters of the law claimed that the law would weaken the rebel groups by cutting off their mining profits (Raghavan 2014).

Business trade groups in the United States, such as the National Association of Manufacturers, the Chamber of Commerce, and the Business Roundtable, have criticised the Section 1502 of the Dodd-Frank act. They have asserted that the provisions of the Dodd-Frank act cost them too much and are too difficult to bring into effect. In addition, the business trade groups have questioned whether the Section 1502 of the Dodd-Frank act will

actually improve the situation in the DRC. Furthermore, the business trade groups have argued that it is too difficult for the retailers and companies, which buy goods, to keep track of supply chains for all of the products in their stores, because the retailers often deal only with intermediaries and have narrow information about the supply chain used in the production of the good. (Trindle 2013)

De Luca et al. note that schemes, like the Section 1502 of the 2010 Dodd-Frank act, which aim to increase transparency on mineral resources and decrease the exploitation of the minerals, need to be supplemented by robust support to the agricultural sector and other different income sources (2012, 24). However, these kind of measures have not been taken since the law was signed.

Furthermore, other critics have said that the Dodd-Frank act has not been successful in improving the situation in the DRC, and that it has even made things worse in the country. The reason for this is that the actions taken, after the mineral legislation came into effect, were not supplemented by comprehensive economic, military, political and social reforms (Autesserre 2012, 12). Moreover, according to the critics, the sole focus on the conflict minerals essentially misconstrues the connection between the minerals and the conflict in the eastern DRC (An Open . . . 2014, 1). As mentioned earlier, the roots of the conflict in the DRC are local. Furthermore, the critics assert that the Dodd-Frank act has not lead to any substantial improvement in the DRC, but instead it has had many unintentional and harmful consequences (An Open . . . 2014, 2). For example, a company called Malaysia Smelting has stopped buying tin ore from the DRC completely, because it did not want to be labelled as a company who uses conflict minerals (Wolfe 2015). This has negatively affected the DRC's economy, because previously Malaysia Smelting was buying over 80% of all the eastern DRC's tin (Congo in . . . 2011). This is undoubtedly a significant loss for the DRC: the economic impact of this has been damaging, because the DRC has lost a major buyer of the tin ore. Therefore, one of the negative consequences of the focus on the conflict minerals can be seen in the case of Malaysia Smelting deciding to pull out of the region altogether.

After the signing of the Dodd-Frank act, the government of the DRC closed all the mining sites for six months in the fall of 2010 (Raghavan 2014). As mentioned earlier, it is estimated that as many as 8-10 million people in the DRC are economically dependent on artisanal mining of the minerals production (Democratic . . . 2008, 56). Consequently, shutting down the mines had a huge impact on the Congolese miners and their families,

whose livelihood depends upon mining. Therefore, the shortcomings of the legislation deprived the Congolese miners and their families of their only means of subsistence (Autesserre 2012, 12). Moreover, the Congolese who are incapable of taking part in continued mining will be more troubled than ever, which will result in repeated violence. Therefore, the cycle of instability will continue. (Eichstaedt 2011, 209)

There are hundreds of mining sites in the eastern DRC, but only a small amount of them are participating in the supply chain traceability or mineral export certification schemes. Moreover, only four areas, Nyabibwe, Rubaya, Lemera, and Nzibira, are part of traceability schemes permitting for legal trade in tin, tantalum, and tungsten. Consequently, the majority of the mining sites in the DRC have not yet become part of the traceability systems. Furthermore, the economic situation in the aforementioned four areas has not improved. In fact, in some mining sites prices have stagnated and in some there has been a loss of market competitiveness. Therefore, creating the traceability and certification systems takes time and costs a great deal. (Vogel, Radley 2014) Furthermore, the critics of the Section 1502 of the Dodd-Frank act assert that unless systems, which are able to provide valid proof that the minerals are coming from conflict-free zones, are put in place, the result is that buyers on the international market might pull out of the area completely and acquire their minerals elsewhere (An Open . . . 2014, 1). This has been seen in the case of Malaysia Smelting deciding to pull out of the region altogether, as mentioned earlier. Therefore, the consequences could be opposite to the aims of the conflict mineral activists and the legislation.

In addition, it has been noted that as foreign companies avoid buying minerals from the DRC, prices of the minerals have gone down. For example, in 2010, before the signing of the Dodd-Franck act, Congolese miners were selling a kilogram of tin for USD 7. At the time, the average of the world market price was USD 18 for a kilogram. In 2014, the miners were getting only USD 4 for a kilogram, even though the average of the world market price was USD 22 for a kilogram. Evidently, this is a significant loss. The consequence, in turn, has been that many artisanal miners have joined different militia groups, because the miners cannot support themselves by mining any longer. Thus, many miners have had to find other ways to survive, such as joining armed groups. For example, dozen miners in Luntukulu, near the Shabunda territory of the province of South Kivu, joined the Raia Mutomboki militia after the Congolese government shut down the mines for six months. (Raghavan 2014) Therefore,

the consequences of the Section 1502 of the Dodd-Frank act have been negative to the lives of the Congolese artisanal miners. Furthermore, the effects of the law have been opposite to what was intended when the advocates pushed for the law. In fact, the conflict is sustained, when the miners are forced to find other ways to support themselves and join armed groups.

As Eichstaedt states, companies might come to the conclusion that the mines in the DRC could simply not be worth all the negative publicity and trouble surrounding the conflict minerals (2011, 209). Moreover, if Western companies stop buying minerals altogether from the DRC and adjoining countries, other companies, from for example China or Southeast Asia, who could be less concerned about the origins of the minerals and human rights violations, could replace the previous companies operating in the area. Thus, the mineral trade could, in fact, end up being less transparent. (Eichstaedt 2011, 198, 209)

As mentioned before, according to the theory of economic liberalism foreign trade is seen as a way to market expansion and further development of the modern sector (Jackson, Sørensen 2013, 188). Accordingly, the DRC would benefit from trade with foreign countries. Therefore, if companies, like Malaysia Smelting, stop buying minerals altogether from the DRC, it will not benefit the economy of the DRC. Instead, the country's economy will experience detrimental effects.

It can be concluded that the Section 1502 of the Dodd-Frank act, which was meant to stop the fighting over the conflict minerals in the DRC and improve the living conditions of the Congolese, has not been successful. Armed groups remain active in the eastern DRC and some of them continue to exploit the country's natural resources. In fact, the law has had many unintentional negative consequences. Therefore, many of the effects of the law have been more negative than they have been positive. Thus, the current scheme to solve the issue of the conflict minerals is undoubtedly not working, and a new approach to tackle the issue is needed.

3.2.2. The European Union and conflict minerals

The European Union (EU) is currently discussing the issue of conflict minerals originating from the DRC and other conflict areas. The EU is one of the largest markets for tin, tantalum, tungsten and gold. There are over 400 companies in the EU that import the aforementioned metals. (Kähkönen 2015) The metals, derived from the minerals, are used in various consumer products in Europe: aerospace, automotive, construction, electronics,

industrial machinery, lighting, packaging and tooling industries need the metals in the manufacturing of their products (Conflict minerals . . . 2015). Thus, the EU is also a beneficiary of the DRC's vast mineral resource wealth. The EU wants to limit the amount of minerals used in Europe, so that it would not accidentally fuel the conflict in the DRC and other conflict areas. At the moment, the importers and manufacturers in Europe are not required to investigate where exactly the minerals originate from. The system suggested by the European Commission, for companies to prove that no conflict minerals are used in the manufacturing of their products, resembles the United States' Section 1502 of the Dodd-Franck act. (Kähkönen 2015)

As mentioned before, the Dodd-Frank act has not been successful in bringing the fight over the conflict minerals to an end. Instead, many negative consequences have followed. If in the EU a similar law to the Dodd-Franck act is imposed, the consequences in the DRC could be adverse. European companies could possibly withdraw from the DRC completely, and this would be a fatal blow to the legal mining sites in the DRC and would deteriorate the living conditions of the Congolese population (Kähkönen 2015). Furthermore, this would have a negative impact on the DRC's economy.

The issue is clearly complicated. As Heath mentions, improving the conditions at the DRC's mining sites is an enormous task (2014). However, the focus on the conflict minerals is not the right tactic to end the conflict in the DRC. As Turner states: "... peace might be a prerequisite for an effective certification program" (2013, 202). Thus, in order to have a functional mineral traceability and certification scheme, stability might be required first in the country. Therefore, making the conflict minerals issue as a main priority does not help improve the situation in the DRC.

The real causes of the conflict in the DRC remain ignored. As mentioned before, the reasons for the conflict in the DRC are essentially local. Ignoring them and, as critics have said, focusing exclusively on the conflict minerals, will not bring an end to the conflict in the country. There is a need for addressing the roots of the conflict, behind the conflict minerals. This requires an entirely new approach to addressing the conflict in the DRC, concentrating on the deep-rooted causes of the conflict.

3.3. The role of international electronic manufacturers

As stated previously, it is known that global electronic companies use minerals, derived from the DRC, in their products. Minerals, like tantalum, tin and tungsten, are commonly used in electronics and mined greatly in the DRC. As mentioned earlier, the minerals are used in other products as well, but extensive attention has been given to minerals used in electronic devices. As mentioned previously, the Section 1502 of the Dodd-Frank act has compelled businesses registered in the United States to reveal whether they are receiving tantalum, tungsten, tin, and gold from the DRC or adjoining countries, and if these minerals are coming from conflict zones. Consequently, global companies, like Apple, Google and Intel, have disclosed that conflict minerals may be used in the manufacturing of their products (Luckerson 2014).

According to Luckerson, the tech companies reported in their regulatory filings that they did not have enough information to conclude whether the minerals in their products were entirely conflict-free. Google has reported that about 36% of its smelters in the DRC have been certified as not dealing with conflict minerals, but the company has not been able to make a solid verdict about its other providers. According to Apple, 80% of the smelters it deals with in the DRC do not use conflict minerals. But like Google, Apple is not sure about the other suppliers. Intel is also not certain about some of its suppliers. Thus, the international companies cannot be certain that their products are completely free of conflict minerals. However, all the companies have promised to pressure their disputed suppliers to follow the conflict-free standards. (2014)

As the companies are not certain about all of their suppliers, it is highly probable that conflict minerals from the DRC have been used in the manufacturing of their products. Consequently, the fighting in the country has prolonged, since there is a demand for the minerals in the international markets, and some rebel groups still remain involved in the mineral trade. Therefore, the role of the global companies is substantial in the mineral business.

After the passing of the Dodd-Frank act, companies have taken measures to reassure the public that they are taking the issue of conflict minerals seriously. For instance, Intel has stated that while it continues to favour responsible mineral sourcing in the DRC and adjoining countries, it is the company's objective to use tantalum, tin, tungsten and gold in their

products that do not finance or profit armed groups in the DRC or adjoining countries (Conflict Free . . . 2014). Thus, the company continues to use minerals originating from the DRC in its products, while attempting to make sure that the minerals are coming from reliable sources. Consequently, the effects of the Dodd-Frank act have not been entirely negative, because it has made the tech companies pay more attention to the sources of the minerals used in their products. As Autesserre notes, the advocacy groups and activists have achieved substantial results by compelling international companies, which operate in the DRC, to contemplate whether their actions are fuelling the conflict in the country. In addition, it has become more difficult for the DRC's neighbouring countries to exploit the country's minerals illegitimately. Furthermore, thanks to the advocacy endeavours, international attention has been paid to the DRC. (2012, 11) Therefore, the consequences of the mineral legislation have not been entirely negative, and some transparency has been achieved with the help of it and the advocacy groups behind it.

Nevertheless, Luckerson notes that the reports filed by the electronic companies demonstrate that even though the businesses are promoting the production of gadgets, which would not contain any conflict minerals, they are finding it problematic to carry out such initiatives in practice (2014). In fact, the minerals mined from the DRC are shipped to various smelters in Russia, India and Southeast Asia, and from the smelters the metals are sent to component makers in other locations (Eichstaedt 2011, 215). Therefore, the supply chain is not easy to track. It is difficult to prevent the use of the conflict minerals completely, because such minerals go through various smelters, manufacturers and distributors before they end up in a finished product. Checking the complete manufacturing line is thus a difficult and costly process. Distinguishing between legitimate and suspicious miners is therefore challenging. (Luckerson 2014) However, Turner states that it is essential that the smelters would keep records of the sources of their minerals and make their records open to independent audits (2013, 162). Furthermore, at the moment there are not enough of conflict-free smelters to meet the international electronic manufacturers' needs (Heath 2014). Thus, conflict minerals are still likely to end up in electronic products.

Critics have raised concerns about the global companies' methods of determining the sources of the minerals used in their products. The critics say that global companies, for instance Apple and Intel, are inspecting smelters, and not the mines, to ascertain where the minerals, they use in their products, come from. The critics say that this is alarming, because

the smelters are situated outside of the DRC and inspections are not each time performed by third parties. Thus, the conflict-free certifications might not always reflect production realities at the mines. (An Open . . . 2014, 2) Therefore, the corporations are not auditing the mines located in the DRC, but the smelters who provide the minerals to the global companies. As mentioned, the minerals are sent to numerous smelters to different locations beyond the DRC, for example Asia. Auditing the smelters and not the mines themselves raises questions, for example can the international companies be certain that no conflict minerals are used in the manufacturing of their products, when it is known that checking the supply chain is problematic?

Companies registered in the United States have also been criticised for not complying with Section 1502 of the Dodd-Frank act entirely. Non-governmental groups, such as Amnesty International and Global Witness, have reported that companies registered in the United States did not fulfil the requirements set by the Dodd-Frank act in their 2014 reports. The two non-governmental groups examined more than 1000 reports filed by 100 companies in June 2014 to the Securities and Exchange Commission. These companies include some of the biggest companies in the United States and globally, for instance Apple, Microsoft and Intel. Amnesty and Global Witness discovered that 79% of the companies did not meet the minimum requirements of the Section 1502 of the Dodd-Frank act. Thus, only 21% of the businesses are following the provisions of the conflict mineral filing regulation. Therefore, a substantial amount of the companies in the United States have not been efficient enough in their reports. Furthermore, only 15% of the corporations reported that they had contacted or tried to contact the smelters and refiners that process the minerals they use in their products. Contacting the smelters and refiners is evidently an important part in determining whether the suppliers of these companies are using conflict-free minerals. Moreover, more than 40% of the firms did not display that they had a strategy in place to detect the risks in their supply chain. This shows that the businesses are not fully committed to investigating whether the minerals that they get are coming from conflict-free zones. However, in 2014, the companies were not required to fulfil all the requirements of the provision of the Dodd-Frank act. In fact, at the moment the companies need only to file information about their supply chains, and not declare whether their products are completely conflict mineral free. Yet, a fraction of the businesses are already following the provisions of the Dodd-Frank act in full compliance. Four corporations, including Intel and Phillips, had their supply chains audited, even though it

is not required of the companies yet. However, this is a small portion of the 100 companies that filed the reports to the United States Securities and Exchange Commission. Nevertheless, the companies still have two years left to come under the complete compliance of Section 1502 of the Dodd-Frank act. The companies need to submit their next reports in June 2015. (Gittleson 2015; Trindle 2015) Thus, the future will show how the companies registered in the United States will follow Section 1502 of the Dodd-Frank act.

Vogel and Radley note the following about the focus on the conflict minerals: "... the movement risks descending into "green-washing" of the worst kind, whereby multinationals and others improve their public image, while in the Congo – the country on which this image is founded – no solutions are found, just new problems created" (2014). Global companies surely do not want to their products to be labelled as possibly funding the conflict in the DRC. Eichstaedt states: "The groundswell of support for the due diligence process, of course, comes from the fact that companies up and down the mineral supply chain can use it to deflect the accusations that they and electronics consumers have been funding the worst human death toll since World War II" (2011, 213). Consequently, the companies want to recover from the damage that the conflict mineral campaign has created. However, concentrating merely on improving the companies' images creates the obvious risk that the local causes of the conflict in the DRC remain neglected. Thus, as a result, the situation in the DRC is not ultimately developing for the better.

However, despite the criticism towards the mineral legislation, it must be noted that some transparency has been achieved with the establishment of the Dodd-Frank act. This is a step forward. Nevertheless, the due diligence mechanism takes time to implement and is difficult in a vast country like the DRC, which is underdeveloped in many ways.

According to Dan Snow, in order to help the Congolese profit from the natural resources their country possesses, people can pressure international players in the resources extraction business to be more transparent (DR Congo: Cursed . . . 2013). Moreover, Heath states that the traceability schemes are significant in order to ascertain that the mines are conflict-free and that the DRC can form a legitimate mining industry (2014). Thus, international businesses do have an important role in the mineral business involving the DRC and adjoining countries. Furthermore, increasing transparency in the international supply chains is significant.

The theory of economic liberalism asserts that close market affairs with the developed countries have a positive outcome on developing world economies (Jackson, Sørensen 2013, 188). Economic development could be achieved in the DRC with the help of developed countries, which could in bring in the country much needed skills and techniques, as the theory of economic liberalism asserts. However, an obstacle for this kind of positive development continues to be the exploitation of the DRC's natural resources and the unstable situation in the country. Furthermore, the DRC's economic development has been hampered by the smuggling of minerals and exploitation of the country's mines, as mentioned before.

Global tech companies have a significant role in the mineral business, as they have the power to pressure their suppliers to follow the conflict-free mineral standards. Nonetheless, relying on smelters to obey the conflict mineral free standards is problematic, because the minerals from the DRC are shipped to various remote locations outside of the country, such as Asia. Nevertheless, it can be stated that excessive attention has been given to international electronic companies in the issue concerning the conflict minerals, since the electronic manufacturers are not the only companies using minerals, originating from the DRC and adjoining countries, in their products. As mentioned, minerals from the region are needed in other products as well, such as aerospace equipment. Still, extensive focus has been addressed to international electronic manufacturers in the fight against conflict minerals, because of campaigning done by advocacy groups and conflict mineral activists.

Nonetheless, transparency and due diligence are essential, if the conflict minerals are to be removed entirely from the international supply chains. Besides, debate concerning the conflict minerals has at least been brought to the attention of policy makers and the international community, and first actions to achieve due diligence and transparency have been taken. However, increasing transparency and due diligence has proven to be a difficult task. Moreover, pressuring companies to follow the conflict mineral free rules can lead to businesses stopping buying minerals altogether from the DRC. Clearly, this has a negative effect on the DRC's economy and the country's economic development. Consequently, it can be noted how the conflict in the DRC, in this aspect, once again affects negatively the country's use of its natural resources.

CONCLUSION

The objective of this Bachelor's thesis has been to look into the conflict in the Democratic Republic of the Congo through the country's natural resources. The main question, to which this Bachelor's thesis has been aiming to answer, is how the conflict in the DRC is affecting the country's use of its natural resources. In addition, the aim of this analysis was to determine the role of global corporations, including international electronics manufacturers, in the fight over the conflict minerals in the DRC. The theory of economic liberalism was employed in this thesis in order to view the issue from an economic point of view.

Going into the details of the circumstances of the DRC, in this study, has been achieved through analysing in short the current situation of the country to see what the main causes of the conflict are. The causes of the conflict are complex, but it was important to consider all the main aspects that contribute to the country's unstable condition today in order to grasp the *status quo* of the country. The conflict can be seen through the various elements in the DRC today: the corrupt government, the numerous rebel groups, and the pillaging of the country's natural resources. The situation in the country remains volatile. It is evident that the exploitation of the country's natural resources is one of the reasons why the situation in the DRC continues to be unstable.

This Bachelor's thesis comes to the conclusion that the conflict in the DRC complicates the country's employment of its natural resources, and further hampers the country's economic prospects and development. Therefore, for the DRC to prosper and experience growth, stability in the country must be achieved. Furthermore, the theory of economic liberalism shows how the DRC could benefit from free trade, provided that a legitimate trade could be established in the country. Exploitation and smuggling of the country's minerals is a result of the long-lasting conflict, and hinders the DRC's use of its

natural resources. Thus, the conflict does not descend from the country's natural resources. In fact, the roots of the conflict are local, which have not been accordingly addressed.

At the moment, as the DRC remains underdeveloped in many aspects, the country does not have the skills and proficiency to manage on its own. The Congolese state is too weak in providing security and welfare for its people. Thus, the country cannot close itself, because it needs foreign expertise and equipment. Furthermore, the country needs assistance in achieving enduring results of stability, peace and balance. However, the country needs to make greater efforts also itself in order to progress.

In addition, this analysis reaches the conclusion that multinational companies have a significant role in the mineral business, as they have the leverage to pressure their suppliers to follow the conflict-free standards. The importance of the private sector originates from the fact that the companies have the choice to either use minerals derived from the DRC in their products or not, and thus have substantial influence to the country's economy. If multinational companies stop buying minerals from the DRC altogether, the country's economy and the millions of Congolese, who depend on artisanal mining, will suffer.

Furthermore, as transparency schemes concerning the conflict minerals are recent, and electronics companies have stated that their products might include conflict minerals, it is evident that the lack of transparency concerning the minerals has prolonged the conflict in the DRC. Therefore, global corporations have a substantial role as the buyers of minerals acquired from the DRC.

However, this research also determines that the attention given to the international electronics companies' role in the fight over the conflict minerals has been excessive, as they are not the only corporations benefitting from the DRC's minerals. Nevertheless, because of the debate surrounding the electronics companies and conflict minerals, due diligence and transparency concerning the use of conflict minerals have been achieved to some extent.

Nonetheless, the causes of the conflict in the DRC are local and the conflict minerals are just one of the many problems that need to be solved. Thus, focusing completely on ending the conflict minerals trade will not bring sustainable stability into the DRC.

As most of the DRC's population remains extremely poor, it is obvious that, at the moment, the Congolese are not gaining benefits from the country's riches. Thus, it is imperative that the Congolese would start benefiting from the riches their country possesses.

It is certainly time for the profits, coming from the DRC's natural resources, to be brought in the DRC and used there. In addition, more openness in the DRC's handling of its mineral resource abundance is important to ensure that the resources can benefit all inhabitants of the country. With its vast natural resources, the DRC certainly has the potential to prosper economically.

This Bachelor's thesis concludes that the exploitation of the country's natural resources intensifies the conflict in the DRC without being the main cause of the conflict. Furthermore, the conflict has a negative effect to the country's use of its natural resources, which is a major obstacle to the country's economic development. In addition, global companies benefit from the DRC's vast mineral resource wealth, and therefore have the ability to pressure their suppliers to follow conflict-free standards. Thus, the role of the private sector is substantial in the mineral trade.

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