# DRC: a demonstration of plunder and submission

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The Democratic Republic of Congo (DRC) is a textbook case for those who wish to understand complex notions like the pillage of a country's wealth, the intolerable loss of a State's sovereignty, or the concept of odious debt. The manner in which the budget of 2007 was prepared and the orientations of the government led by Antoine Gizenga provide clear confirmation of what the Committee for the Abolition of Third World Debt and many other social movements have been asserting for a number of years.

The 2007 draft budget presented by the government to the National Assembly was marked by a strict neo-liberal orientation, and for an obvious reason: according to the Congolese Finance Minister Athanase Matenda Kyelu, it "was in line with what was agreed with IMF services". We should bear in mind that the IMF is the spearhead of financial globalization, and notorious among the poorest populations on all continents for the ravages caused by the antisocial measures it has imposed for a quarter of a century.

But the National Assembly was having none of it! On 14 June it adopted amendments to increase the budget, a development that the IMF lost no time in criticising. Again according to the Finance Minister, "the IMF Board of Directors having met on Monday, June 18 2007 to examine the progress of the macroeconomic stabilization program monitored by the IMF, expressed concerns on the evolution of the ongoing debate in Parliament on the 2007 Budgetary Bill [...] forecasted receipts and expenditure have been considerably increased, so that they no longer correspond to the macroeconomic framework underlying the preparation of this 2007 Budget". The message couldn't have been clearer. The government was then instructed to put out the fire by intervening with the Senate in this matter. A clear example of how a government bows to the IMF and its creditors, exactly as a slave serves his master.

Thus on June 23, the Congolese Finance and Budget Ministers took the IMF message to the Senate. As reported by the Congolese newspaper Le Potentiel, "Matenda Kyelu said he expected the Senate to amend the 2007 draft budget, in order to meet, in particular, the requirements of external partners, one of which being the International Monetary Fund [1]". The manoeuvre was successful: on 29 June, the Senate "amended" the Congolese State budget. What can this budget contain to make the stakes so vital?

First of all, the total amount of the budgetary package is very low: about 2.4 billion dollars, equivalent to the sum spent by the United States in less than two weeks for the occupation of Iraq. How, in such conditions, can a country devastated by two wars in which 3.5 million people died, rebuild itself? For comparison purposes, France, which, like the DRC, has a population of around 60 million, has a budget of 520 billion dollars, in other words more than 200 times the Congolese budget, whereas the subsoil of DRC is a "geological scandal" - a treasure of mineral resources - and the country's agricultural land is very fertile.

Another interesting point of comparison: the DRC's budget barely exceeds the annual operating expenditure of the IMF, which employs only 2700 people! The scandalous truth is that Congolese wealth benefits neither the State nor the population of the country, but rather a small number of cronies and the transnational corporations whose interests are represented by the IMF and the major powers.

In addition, a disproportionate share (50%!) of DRC fiscal resources goes to debt servicing, the cost of which constantly takes an increasing share of the country's budget. As the Congolese Prime Minister declared when the budget was presented: "This situation reduces the Government's capacity to devote its internal resources, from 2007, to the improvement of working conditions for State officers and civil servants, particularly the police force and the army, and to reinforce its financial capacity to make priority investments." Finally, between making these priority investments and refunding rich creditors who are grabbing the country's national resources, the government, strongly advised by the IMF, chose the second alternative. Obviously, expenditure for education and health are reduced to the meanest proportions.

It is obvious that the planned budget goes deliberately against meeting the fundamental human needs of the Congolese population. In doing so, it violates several fundamental charters, including the Universal Declaration of Human rights and the Preamble to the Congolese Constitution.

Indifferent to such arguments, the IMF and its local accomplices have built a budget whose goal is "to provide all opportunities to the DRC to guarantee its victorious march towards achieving the HIPC (Heavily Indebted Poor Countries) initiative" [2]. An initiative whose purpose is nothing else than to impose very unpopular economic measures on the DRC, such as the reduction of social budgets, removal of subsidies on basic products, privatizations, the opening up of borders and tax policies which aggravate inequalities. Can a government feel any genuine satisfaction at being at the head of such a very poor and heavily indebted State?

The very meagre debt cancellation resulting from these measures will help conceal the fact that the HIPC initiative is a vast laundering operation for former odious debts contracted by the dictator Mobutu to boost his personal fortune, with the complicity of various creditors who were handsomely paid in return. This debt has never benefited the people and is in fact an odious debt which should not be repaid. The international financial institutions (primarily the IMF and the World Bank) and the Congolese policy makers responsible for this debt, such as the current president of the Senate and former Prime Minister of Mobutu, Leon Kengo wa Dondo, should be made accountable to the Congolese people. An audit of the Congolese debt made by DRC social movements with the aim of legally repudiating this debt is the only way forward.

**Translated by Sushovan Dhar and Judith Harris**