

GUNS AND BUTTER: UGANDA'S INVOLVEMENT IN NORTHEASTERN CONGO 2003-2009

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Résumé

En 2003, le gouvernement ougandais a retiré son armée de la RDC et semblé ainsi mettre fin à son implication dans les conflits armés qui y ont lieu. Mais depuis, l'Ouganda a prêté aide à des groupes armés, manquant de mettre en œuvre des sanctions de l'ONU concernant cette guerre qui endeuille le Congo, et a permis à des chefs de milice congolais de s'engager dans des activités politiques et financières sur le territoire ougandais. L'Ouganda a également créé des opportunités pour l'installation d'entreprises ougandaises dans le nord-est de la RDC et encouragé la participation ougandaise dans le trafic de l'or congolais. Cet article décrit et analyse l'implication ougandaise dans le nord-est de la RDC pendant les années 2003-2009 : l'Ouganda a mené une politique « de fusils et de beurre » en y prenant part au conflit armé tout en facilitant l'accès aux ressources naturelles et aux marchés de la RDC.

1. INTRODUCTION

Since 1996, a series of wars have burned through the Democratic Republic of the Congo. Some scholars—particularly those engaging in econometric studies—have classified and analyzed the wars in Congo as primarily “civil wars” or “intra-state” conflicts driven by internal opposition to the Zaire/Congo government.² Other scholars and analysts with experience in the Great Lakes Region argue that these conflicts have a dominant international dimension and have been caused primarily by the governments of Rwanda and Uganda.³ Resolving the issue of whether the wars in Congo have been

¹ This paper is based on research I have conducted in pursuit of a Ph.D. from the University of California at Berkeley in the Department of Environmental Science, Policy and Management. During my research, including fifteen months in central and eastern Africa plus additional time in Belgium and the Netherlands, I have received fellowships from the United States Institute of Peace and various sources at UC Berkeley. For the 2009-2010 academic year, I am grateful for the financial support of Berkeley's Center for African Studies and Institute of International Studies.

² See, e.g., GLEDITSCH, N. P., WALLENSTEEN, P., ERIKSSON, M., SOLLENBERG, M., STRAND, H., “Armed Conflict 1946–2001: A New Dataset”, *Journal of Peace Research*, Vol. 39, No. 5, 2002, pp. 615–637; GLEDITSCH, K., “A Revised List of Wars Between and Within Independent States, 1816–2002”, *International Interactions*, Vol. 30, No. 3, 2004, pp. 231–262; SAMBANIS, N., “What is Civil War? Conceptual and Empirical Complexities of an Operational Definition”, *Journal of Conflict Resolution*, Vol. 48, No. 6, 2004, pp. 814–858; FEARON, J. D., LAITIN, D. D., “Ethnicity, Insurgency, and Civil War”, *American Political Science Review*, Vol. 97, No. 1, 2003, pp. 75–90; COLLIER, P. *et al.*, *Breaking the Conflict Trap: Civil War and Development Policy*, Oxford, Oxford University Press & Washington, DC, The World Bank, 2003; ROSS, M., “How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases”, *International Organization*, Vol. 58, No. 1, Winter 2004, pp. 35–67.

³ See e.g., REYNTJENS, F., *The Great African War: Congo and Regional Geopolitics, 1996–2006*, Cambridge, Cambridge University Press, 2009, pp. 279–280; cf. FRENCH, H. W., *A Continent for the Taking: The Tragedy and Hope of Africa*, New York, Vintage Books, 2004, pp. 125, 142; PRUNIER, G., *Africa's World War*, Oxford, Oxford University Press, 2009, pp. 67–68, 333.

primarily internal or international is beyond the scope of this article, but there seems to be general agreement among regional experts that from 1996 onward, Uganda and Rwanda played major roles in initiating and sustaining war in Congo, even after they withdrew their armies in 2002 and 2003, respectively. The wars in Congo between 1996 and 2003 were in fact polywars of numerous international and internal conflicts that overlapped and intersected in space and time.⁴

Uganda's interventions since 1996 in Congo have been part of a larger transition of power in the Great Lakes Region of Africa. Power transition theory, a form of hegemonic theory,⁵ states that wars can result from fundamental changes in the international system.⁶ Most applications of power/hegemonic transition theory focus on global power and wealth,⁷ but regional transitions of political and economic power can also produce war. According to this theory, the potential for onset of a major war is greatest at the point when a rising challenger seeks to overtake the declining leader.⁸ Either the challenger initiates a war to create a new international system or the declining power starts a war to block the aspirations of the rising power.⁹ Power transition theory puts Uganda's interventions in Congo in perspective, although it alone does not explicate the Ugandan government's actions.

The type of regime in Uganda may also explain Uganda's recent involvement in Congo. The political system in Uganda under President Yoweri Museveni transitioned during the late 1980s and early 1990s from a military oligarchy to a neo-patrimonial regime with the trappings of democracy. Joel Barkan *et al.* define a neo-patrimonial regime as "a political system dominated by one individual who maintains his authority through a combination of patronage and the selected use of intimidation, and force."¹⁰ Michael Bratton and Nicholas Van de Walle note that in neo-patrimonial regimes, "[t]he distinction between private and public interests is purposely blurred."¹¹ The structure and function of a neo-patrimonial regime helps to ensure its survival by co-opting and undermining potential rivals in civil society and government institutions.¹²

⁴ FAHEY, D., "Explaining Uganda's Involvement in the DR Congo, 1996-2008", Paper presented at the International Studies Association conference, New York, 15 February 2009.

⁵ LEVY, J. S., "The Causes of War and the Conditions of Peace", *Annual Review of Political Science*, 1998, p. 148.

⁶ GILPIN, R., "Theory of Hegemonic War", in ROTBERG, R. I., RABB, T. K., *The Origin and Prevention of Major Wars*, Cambridge, Cambridge University Press, 1988, p. 16.

⁷ LEVY, J. S., *op. cit.*, p. 148.

⁸ *Ibid.*, p. 148; cf. GILPIN, R., *op. cit.*, pp. 25-26.

⁹ LEVY, J. S., "The Causes of War and the Conditions of Peace", *Annual Review of Political Science*, 1998, p. 148.

¹⁰ BARKAN, J., KAYUNGA, S. S., NG'ETHE, N., TITSWORTH, J., "The Political Economy of Uganda (The Art of Managing a Donor-Financed Neo-Patrimonial State)", a background paper commissioned by the World Bank, 6 July 2004, pp. iii-iv.

¹¹ BRATTON, M., VAN DE WALLE, N., "Neopatrimonial Regimes and Political Transitions in Africa", *World Politics*, Vol. 46, No. 4, July 1994, p. 458.

¹² *Ibid.*, p. 462.

Neo-patrimonial regimes may initiate international war as a strategy of self-preservation. With respect to such regimes in less developed countries, the use of international war for domestic objectives may be particularly feasible when those regimes occupy a privileged position in the foreign policies of major Western powers and donors. With respect to Uganda, Reno argues the second Congo war enabled the Museveni regime to maintain its power against internal rivals: “Congolese resources figure in the regime’s management of rivals and potential rivals among UPDF officers and others who are powerful in their own right and who might challenge regime directives.”¹³ The Museveni regime’s embrace of neo-liberal reforms and appearance of democratic rule has enabled it to attract significant external support,¹⁴ which “help subsidize the diversion of internal resources toward war fighting.”¹⁵

In the case of Uganda, the benefits flowing from multilateral and bilateral donors to the “donor darling” also included political protection from meaningful international penalties for its actions in Congo. Western intellectuals and government officials praised Uganda’s President Yoweri Museveni as one of the “new breed” of African leaders, and supported his hegemonic aspirations both politically and financially.¹⁶ Some academics have even praised Uganda as a “success story” of post-conflict state building and recovery,¹⁷ despite Uganda’s prolonged occupation, plunder, and promotion of armed conflict in Congo.

Following the 2003 withdrawal of Ugandan troops from Congo, the Museveni regime supported the continuation of the war economy in eastern Congo. Pugh and Cooper broadly define a war economy as including “all economic activities carried out in wartime.” Within the war economy, they distinguish a “combat economy” of economic activities to support armed groups and their war aims, and a “shadow economy” of general economic

¹³ RENO, W., “War, Debt and the Role of Pretending in Uganda’s International Relations”, *Occasional Paper*, Centre of African Studies, University of Copenhagen, July 2000, p. 4.

¹⁴ See BIGSTEN, A., KAYIZZI-MUGERWA, S., *Crisis, Adjustment and Growth in Uganda: A Study of Adaptation in an African Economy*, New York, St. Martin’s Press, 1999; BIBANGAMBAH, J. R., *Africa’s Quest for Economic Development: Uganda’s Experience*, Kampala, Fountain Publishers, 2001; THE WORLD BANK, “World Bank: Full Debt Cancellation Approved for Some of the World’s Poorest Countries”, Press Release No. 2006/370/PREM, April 21, 2006.

¹⁵ RENO, W., *op. cit.*, p. 4.

¹⁶ OLOKA-ONYANGO, J., “‘New Breed’ Leadership, Conflict and Reconstruction in the Great Lakes Region of Africa: A Socio-Political Biography of Uganda’s Yoweri Kaguta Museveni”, *Africa Today*, Vol. 50, No. 3, 2004, pp. 29-52; cf. RICE, S., Statement to the Subcommittee on African Affairs, Senate Foreign Relations Committee, U.S. Senate, “Democracy in Africa: The New Generation of African Leaders”, 105th Congress, 2nd Session, 12 March 1998.

¹⁷ COLLIER, P., REINIKKA, R., “Reconstruction and Liberalization: An Overview”, in REINIKKA, R., COLLIER, P., *Uganda’s Recovery: The Role of Farms, Firms, and Government*, Washington, DC, The World Bank, 2001, p. 15; DIJKSTRA, A. G., “What does the ‘show case’ show? Evidence of and lessons from adjustment in Uganda”, *World Development*, Vol. 29, No. 5, 2001, pp. 841-863; cf. WEINSTEIN, J., “Autonomous Recovery and International Intervention in Comparative Perspective”, Center for Global Development, *Working Paper 57*, April 2005, p. 18.

activities not regulated by the state.¹⁸ The shadow economy refers to informal or unofficial economic activity, and is similar to what MacGaffey has called as the “second economy” inside pre-war Zaire/Congo; i.e. economic activities that are unmeasured, unrecorded, and “carried out in a manner that...deprives the state of revenue.”¹⁹ The growth of informal economic activities in Zaire/Congo was closely tied to the processes of economic regress and state collapse, as well as an important survival strategy for many Congolese people, but it lacked any genuine growth potential.²⁰

As I will discuss further in this article, after 2003, Ugandan businessmen and women, including military officers,²¹ took advantage of the continuation of the war economy in northeastern Congo. Both Ugandans and expatriates in Kampala²² worked with certain Congolese rebel groups to facilitate the illegal trade of natural resources including gold and timber, and to enable the export of products to Congo ranging from mattresses to building materials to maize.²³ The overall economy in Ituri and northern North Kivu remained a war economy through 2005, but has since transitioned to a post-conflict economy in which informal (i.e. unofficial or shadow) economic activity is dominant.

In pursuit of its political and economic interests, the Government of Uganda acted as a spoiler to the peace process in Congo led by the United Nations Mission in Congo (MONUC). Stedman defines a spoiler as a leader or party that believes “peace emerging from negotiations threatens [its] power, world view, and interests, and [uses] violence to undermine attempts to achieve it.”²⁴ Stedman classifies spoilers based on their strategies to disrupt peace processes: limited, greedy, or total. Limited spoilers have limited goals, such as redress of a specific grievance, while total spoilers pursue total power and have immutable goals.²⁵ Between limited and total spoilers is the “greedy” spoiler, who pursues “goals that expand or contract based on calculations of cost and

¹⁸ Within the shadow economy, they also describe a “coping economy”, which is “economic activity undertaken by population groups that are using their asset-base to more or less maintain basic living standards.” PUGH, M., COOPER, N., *War Economies in a Regional Context*, Boulder and London, Lynne Rienner Publishers, 2004, p. 8-9.

¹⁹ MACGAFFEY, J., *Entrepreneurs and Parasites—The struggle for indigenous capitalism in Zaire*, Cambridge, Cambridge University Press, 1987, p. 23.

²⁰ MARYSSE, S., “Regress, War and Fragile Recovery: The Case of DR Congo”, in MARYSSE, S., REYNTJENS, F., *The Political Economy of the Great Lakes Region in Africa*, New York, Palgrave MacMillan, 2005, pp. 132-134.

²¹ For its prominent role in commercial activity in Congo, Sandrine Perrot has aptly labeled the Ugandan army “entrepreneurs of insecurity.” PERROT, S., “Entrepreneurs de l’Insécurité”, *Politique Africaine*, n° 75, octobre 1999, 60-71.

²² See e.g., UNITED NATIONS SECURITY COUNCIL, “Final Report of the Group of Experts on the Democratic Republic of the Congo”, S/2009/603, 9 November 2009, § 133.

²³ For example, according to Uganda Bureau of Statistics data, in 2008, Uganda exported (USD) \$2.8 million in mattresses, \$10.8 million in tubes and pipes, \$12.9 million in Portland cement, \$8.6 million in iron and steel bars, and \$5.9 million in maize.

²⁴ STEDMAN, S. J., “Spoiler Problems in Peace Processes”, *International Security*, Vol. 22, No. 2 (Fall 1997), p. 5.

²⁵ *Ibid.*, p. 10.

risk.”²⁶ As the following discussion illustrates, Uganda played the role of a greedy spoiler in Congo’s Ituri District, particularly between 2003 and 2005.

Museveni’s promotion of both armed conflict and economic opportunities for Ugandan business interests in northeastern Congo is indicative of a “guns and butter” foreign policy. The term “guns and butter” usually refers to domestic debates about the relative importance of security and socio-economic priorities.²⁷ In this context, however, I use it to describe Uganda’s dual interests in sustaining war in northeastern Congo and in enabling Ugandan businessmen and women to profit from Congo’s natural resources and markets. Museveni sought to ensure that Congo (or at least northeastern Congo) remained a failed state,²⁸ vulnerable to foreign predations and exploitation. Museveni’s guns and butter approach to Congo furthered his goals of regional hegemony and regime survival.

Museveni has supported the “gun” by aiding and abetting armed groups in Congo, particularly during the period 2003-2005. As I will discuss further in this article, the Government of Uganda withdrew its army in mid-2003 from Congo’s Ituri District but continued to support various armed groups in Ituri by supplying them with arms, allowing them to engage in political and financial activities in Uganda, and providing them with training and logistical support. This in effect continued the new political coalitions and “warlord politics” that evolved during the failure of the Zaire/Congo state in the 1990s.²⁹

Uganda also pursued the “butter” of northeastern Congo’s natural resources and markets. Butter could be understood to be a simple metaphor for gold, but I use the term to refer to both the range of natural resources in northeastern Congo (incl. diamonds, gold, timber, and coffee), and Congo’s markets, to which Ugandan businessmen have increasingly exported agricultural and industrial products.³⁰ During the Ugandan occupation of northeastern Congo (1998-2003), Ugandan businessmen accelerated a reorientation of the economies in Ituri and North Kivu that linked commercial and financial activity more closely with Uganda than with Kinshasa. This reorientation made Uganda the main destination for northeast Congo’s natural resources and solidified Uganda’s status as the main source of consumer goods transiting to eastern Congo.³¹

²⁶ *Ibid.*, p. 11.

²⁷ See, e.g., ANTONAKIS, N., “Guns and Butter: A Multisectoral Approach to Military Expenditure and Growth with Evidence from Greece, 1960-1993”, *Journal of Conflict Resolution*, Vol. 43, No. 4, August 1999, pp. 501-520.

²⁸ The Failed States Index has listed DRC as one of the world’s top failed states; in 2006 DRC was ranked second, in 2007 it was ranked seventh, in 2008 it was ranked sixth, and in 2009 it was ranked fifth: http://www.foreignpolicy.com/articles/2009/06/22/the_2009_failed_states_index; site visited 20 December 2009.

²⁹ Cf. RENO, W., *Warlord Politics and African States*, Boulder, London, Lynne Rienner Publishers, 1998, pp. 220-221.

³⁰ Uganda’s largest “official” exports since 1994 to Zaire/Congo, in rough order of monetary value, have been “other”, maize; beans and other legumes, soap, and tobacco.

³¹ Cf. United Nations Security Council, “Report of the Panel of Experts on the Illegal

This paper analyzes Uganda's actions between 2003 and 2009 in northeastern Congo. First, I briefly trace the history of relations between Uganda and eastern Congo, with a focus on Uganda's growing political and economic involvement in Congo during the 1990s and early 2000s (2). Next I assess Uganda's political and military involvement in Congo after 2003 (3.1). I argue the Museveni regime pursued the "gun" in eastern Congo by actively supporting some Congolese armed groups, ignoring United Nations sanctions intended to halt the flow of arms into Congo, and allowing some Congolese armed groups to use Ugandan territory for political and financial activities. Finally, I review Uganda's post-2003 pursuit of the "butter" of Congo's natural resources and markets (3.2). I analyze Uganda's increasing economic ties with eastern Congo, and show that most of the increased trade is taking place in the informal or unofficial sector.

2. BACKGROUND

Uganda's political and economic involvement between 2003 and 2009 in Eastern Congo is the latest chapter in a long history of relations between these two areas. During the 19th Century, Afro-Arab slave trading and colonial involvement in the Great Lakes Region of Africa transformed centuries-old social and economic relations in the areas that would become Uganda and northeastern Congo. British colonization in Uganda established the transportation and communication links that facilitated Belgian colonization of northeastern Congo, particularly after 1905 when the Congo Free State started to exploit gold in the Kilo belt of what became the Ituri District.³²

After independence in 1960 and 1962, respectively, both Congo and Uganda experienced periods of instability followed by periods of dictatorial rule. While Mobutu Sese Seko orchestrated the slow death of the Zairian state,³³ Idi Amin and Milton Obote oversaw the deaths of hundreds of thousands of Ugandan people and the implosion of the Ugandan economy and political system. After 1986, when Yoweri Museveni emerged victorious from Uganda's civil war and became President, Uganda embarked on economic and political recovery.³⁴ At the same time, northeastern Congo became more isolated from the capital Kinshasa and more economically dependent upon trade with Uganda.

During the Cold War, the United States government and other states had strongly supported President Mobutu Sese Seko of Zaire/Congo, but after

Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo", S/2001/357, 12 April 2001.

³² BAKONZI, A., "The Gold Mines of Kilo-Moto in Northeastern Zaire: 1905-1960", Ph.D. Dissertation, University of Wisconsin-Madison, 1982, pp. 128-131.

³³ RENO, W., *op. cit.*, p. 147-182.

³⁴ COLLIER, REINIKKA, o.c., pp. 15-45; BIGSTEN, A., KAYIZZI-MUGERWA, S., *Crisis, Adjustment and Growth in Uganda: A Study of Adaptation in an African Economy*, New York, St. Martin's Press, 1999, p. 52; BIBANGAMBAH, J. R., *Africa's Quest for Economic Development: Uganda's Experience*, Kampala, Fountain Publishers, 2001, pp. 121-122.

the Cold War ended, foreign support for Mobutu's corrupt and despotic regime significantly declined.³⁵ The decline in support for Mobutu coincided with the increase in international political and financial support during the 1990s for President Yoweri Museveni in Uganda. The balance of power and influence in the Great Lakes Region was shifting to the east. When increased violence in eastern Zaire/Congo following the 1994 Rwandan genocide threatened to destabilize the entire Great Lakes Region, many African leaders and Western governments concluded it was time for Mobutu to go.³⁶

With tacit support from the United States and explicit aid from numerous African countries, Uganda assisted Rwanda in planning and executing the first Congo war (1996-97).³⁷ Uganda's President Museveni was motivated to launch the first Congo war in part by his interest in Congo's resources and markets. Museveni cited three reasons for his support of the war to depose Mobutu: to eliminate threats to Uganda posed by rebels in Zaire; to eliminate threats to Rwanda posed by rebels in Zaire; and "to see that Congo is not unstable such that we can do business."³⁸

By the mid-1990s, there was growing trade between Uganda and northeastern Congo. Businesses in Uganda were increasingly exporting goods to eastern Congo and buying imported Congolese gold and timber. Between 1994 and 1996, Uganda's exports to DRC tripled in value (Table 1). Starting in 1995, Uganda's re-exports of Congolese gold steadily increased, due in part to changes in Ugandan government policy,³⁹ and in part to increased use of gold as a "dependable hard currency" for Congolese businessmen engaging in unofficial regional trade.⁴⁰ Although Uganda's exports to Congo were negatively affected by the first Congo war (Table 1),⁴¹ Uganda's re-exports of Congolese gold experienced an immense increase (Chart 1).

³⁵ METZ, S., "Reform, Conflict and Security in Zaire", Carlisle Barracks, PA, Strategic Studies Institute, US Army War College, 5 June 1996, pp. 11-19.

³⁶ RICE, S., *op. cit.*

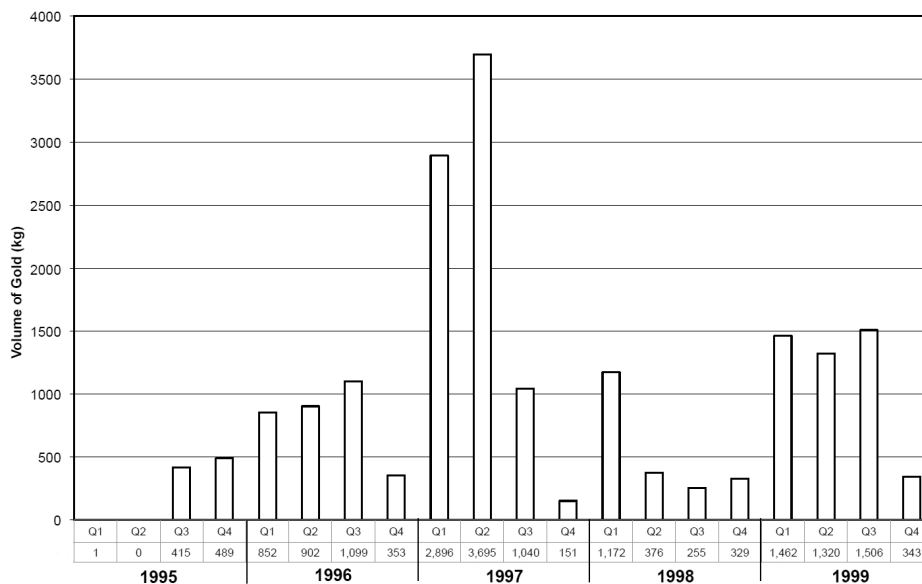
³⁷ Statement by H.E. President Yoweri Kaguta MUSEVENI, President of the Republic of Uganda, on "Background to the Situation in the Great Lakes Region", Harare, Zimbabwe, 9 August 1998; MAMDANI, M., "Rwanda; Why Rwanda Admitted to Its Role in Zaire", *Mail & Guardian* (Johannesburg), 8 August 1997; POMFRET, J., "Rwandans Led Revolt in Congo; Defense Minister Says Arms, Troops Supplied for Anti-Mobutu Drive", *The Washington Post*, 9 July 1997, p. A01.

³⁸ Presidents MUSEVENI and Hassan APTIDON's press conference in Kampala, "New Congo a player in regional stability", *The New Vision* (Uganda), 12 July 1997, p. 28.

³⁹ UGANDA MINISTRY OF ENERGY AND MINERAL DEVELOPMENT, "The Mineral Policy of Uganda", September 2000, p. 12; UN SECURITY COUNCIL, "Report of the Group of Experts on the Democratic Republic of the Congo", S/2005/436, 26 July 2005, § 84; cf. MOBBS, P. M., "The Mineral Industry of Uganda", U.S. Geological Survey, 1997, p. QQ1.

⁴⁰ Cf. NABETA, L., TUMUSIIME, J., KAKEMBO, T., "Ugandan economy sees red over Sudan, Zaire wars", *The Monitor* (Uganda), 19 March 1997, pp. 1-2; RAEYMAEKERS, T., "The Political Economy of Beni-Lubero", in VLASSENROOT, K., RAEYMAEKERS, T., *Conflict and Social Transformation in Eastern DR Congo*, Gent, Academia Press, 2004, pp. 64-65.

⁴¹ Cf. NABETA, L., TUMUSIIME, J., KAKEMBO, T., *op. cit.*, pp. 1-2; KARUGABA, M., "Zaire war hurts Hima cement exports", *The Monitor* (Uganda), 18 March 1997, p. 14.



The meteoric rise of Uganda's gold exports during the first six months of 1997 remain somewhat of a mystery. One explanation for the increase was that Kabila gave a "large consignment" of gold to the Government of Uganda for "services rendered" during the war.⁴² This gifted gold was then supposedly distributed among President Museveni's inner circle of advisers and relations,⁴³ although Ugandan government officials vigorously have denied this allegation.⁴⁴ Another explanation is that the war created new opportunities for businessmen to buy gold at Watsa, Mongbwalu and other sites in eastern Zaire,⁴⁵ and to trade that gold in Kampala.⁴⁶ While the truth may lie in some combination of these explanations, Uganda's extraordinary gold exports in 1997 illustrated the potential benefits of Ugandan intervention in Congo.

When the war ended in May 1997 and Rwanda and Uganda put Laurent Kabila in control of a renamed Democratic Republic of the Congo, Ugandan businessmen rushed to Congo to take advantage of the new opportunities.⁴⁷ As a sign of Ugandan enthusiasm for increased trade with

⁴² MWENDA, A. M., "Kabila paid Uganda in gold, says report", *Sunday Monitor* (Uganda), 21 September 1997, pp. 1, 4.

⁴³ Interview in Kampala, January 2008.

⁴⁴ MWENDA, A. M., *op. cit.*, pp. 1, 4.

⁴⁵ Most of the gold exported by Uganda during the first half of 1997 reportedly originated from the Moto mines in Orientale's Haut-Uele district. Interviews in Mongbwalu and Bunia, June 2009.

⁴⁶ FRENCH, H. W., "The Great Gold Rush in Zaire", *The New York Times*, 18 April 1997.

⁴⁷ YUNUSU, A., "UA begins Kinshasa flights", *The New Vision* (Uganda), 9 July 1997, p. 33; MATSIKO, G., "Ugandans to tap Congo oil", *The New Vision* (Uganda), 28 July 1997, p. 37; OJULU, E., "Get your share of Congo", *The Monitor* (Uganda), 24 September 1997, p. 13; EDITORIAL STAFF, "Uganda: Opportunities Ripe in the Congo" (Editorial), *The New Vision* (Uganda), 15 August 1997.

Congo, the state-owned Ugandan newspaper *The New Vision* urged Uganda's businesses to "Go For It!" in Congo.⁴⁸ Among those seeking to take advantage of these new opportunities were President Museveni's son Muhoozi Keinerugaba and Museveni's brother Lt. Gen. Salim Saleh.⁴⁹

The promise of greater official economic trade between Congo and Uganda never fully materialized. This was at least partly due to the deterioration of relations during 1997 and early 1998 between the Kabila regime and its Rwandan and Ugandan supporters, which limited the finalization of new and lucrative arrangements. Uganda's official exports to Congo remained low during 1997 and 1998, but these statistics hide the growth of unofficial or informal trade between Congo and Uganda.

In August 1998, Uganda and Rwanda re-invaded Congo, thus starting the second Congo war (1998-2003). Museveni wanted a president in Kinshasa who would accommodate his political and economic agendas, which included hegemony in the Great Lakes Region.⁵⁰ Museveni also wanted to consolidate his domestic power base by enabling Ugandan army officers and other business interests to have unfettered access to Congo's resources and markets. The UN Panel of Experts documented how Ugandan military officers used their authority to gain "unprecedented control of the economy of the eastern and north-eastern Democratic Republic of the Congo."⁵¹ This control enabled Ugandan army officers and business agents to easily bring consumer goods and other merchandise from Uganda to Congo, and to take looted items and illegally exploited timber and gold from Congo to Uganda.

Uganda's official trade with Congo remained low through 2002 (Table 1), but one indication of the size of the unofficial trade during this period is Uganda's export of gold that originated in occupied areas of Congo⁵² (Tables 2,

⁴⁸ EDITORIAL STAFF, "Go For It!" (Editorial), *The New Vision* (Uganda), 28 November 1997.

⁴⁹ MWENDA, A., "Muhoozi seeks Congo cows deal", *The Monitor* (Uganda), 1 October 1997, pp. 1-2; REPUBLIC OF UGANDA, "Judicial Commission of Inquiry into Allegations into Illegal Exploitation of Natural Resources and Other Forms of Wealth in the Democratic Republic of Congo 2001", November 2002, p. 29; KENNES, E., "Le secteur mineur au Congo: 'Déconnexion et Descente aux Enfers'", *L'Afrique des Grands Lacs, Annuaire 1999-2000*, Paris, L'Harmattan, 2000, pp. 322-323.

⁵⁰ See MUSEVENI, Y. K., "Towards a Closer Cooperation in Africa", Kampala, 10 July 1998.

⁵¹ UNITED NATIONS SECURITY COUNCIL, "Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo", S/2001/357, 12 April 2001, § 64.

⁵² Investigations by the United Nations and Human Rights Watch have established that Uganda exports gold that originates in the Congo. The Government of Uganda's Porter Commission disputed this finding and asserted that the proportion of gold mined in Uganda is uncertain because production of gold in Uganda is not adequately recorded. The Porter Commission's assertion is borne out by estimates from the Ugandan Ministry of Energy and Mineral Development that 90 percent of artisanal and small-scale mining activities in Uganda take place outside the government's legal framework. Still, given Uganda's insignificant gold production, it is clear that the vast majority of Uganda's gold exports originate in the Congo. Cf. REPUBLIC OF UGANDA, "Judicial Commission of Inquiry into Allegations into Illegal Exploitation of Natural Resources and Other Forms of Wealth in the Democratic Republic of Congo 2001", November 2002, pp. 111-113; UN SECURITY COUNCIL, "Addendum to the report of the Panel of Experts on

3). For example, in the calendar years 1999-2001, Uganda's official imports from Congo totaled only 1.391 million USD, yet Uganda officially exported 39.393 million USD of (mainly) Congolese gold in the 1999/2000 fiscal year, and 58.487 million USD of gold in the 2000/01 fiscal year. As Uganda's gold exports suggest, and as discussed later in this paper, the unofficial cross-border trade between Uganda and Congo appears to be larger than the official trade.

The Ugandan occupation of parts of eastern Congo from 1998-2003 was characterized not only by economic exploitation, but also by numerous violations of international law. The decision of the International Court of Justice in the case *DRC v. Uganda* includes numerous damning findings, such as:

[T]he Republic of Uganda, by the conduct of its armed forces, which committed acts of killing, torture and other forms of inhumane treatment of the Congolese civilian population, destroyed villages and civilian buildings, failed to distinguish between civilian and military targets and to protect the civilian population in fighting with other combatants, trained child soldiers, incited ethnic conflict and failed to take measures to put an end to such conflict; as well as by its failure, as an occupying Power, to take measures to respect and ensure respect for human rights and international humanitarian law in Ituri district, violated its obligations under international human rights law and international humanitarian law.⁵³

Uganda's profoundly negative role in northeastern Congo during its period of occupation also created conflict among local groups that would continue for years.⁵⁴

A combination of international and domestic pressure finally forced the Government of Uganda to negotiate its withdrawal from Congo.⁵⁵ On 6 September 2002, the governments of Uganda and DRC signed an agreement in Luanda, Angola, "in which Kinshasa traded withdrawal of Ugandan troops against establishment of a joint security mechanism at the common border and the holding of an Ituri Pacification Commission (IPC) to which Uganda would

the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo", S/2001/1072, 13 November 2001, § 27-28; and HINTON, J., "Summary Report: Artisanal and Small Scale Mining in Uganda: Key Issues, Constraints and Opportunities", Entebbe, August 2005, p. ii.

⁵³ INTERNATIONAL COURT OF JUSTICE, *Case Concerning Armed Activities on the Territory of the Congo (Democratic Republic of the Congo v. Uganda)*, General List No. 115, 19 December 2005, § 345 (3).

⁵⁴ UN SECURITY COUNCIL, "Special report on the events in Ituri, January 2002 to December 2003", S/2004/573, 16 July 2004; cf. UNITED NATIONS SECURITY COUNCIL, "Eighteenth Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2005/506, 2 August 2005, § 21-30.

⁵⁵ Cf. INTERNATIONAL CRISIS GROUP, "Storm Clouds over Sun City: The Urgent Need to Recast the Congolese Peace Process", *ICG Africa Report* No. 44, 14 May 2002, pp. 6-7; CLARK, J. F., "Museveni's Adventure in the Congo War: Uganda's Vietnam?" in CLARK, J. F. (ed.), *The African Stakes of the Congo War*, Kampala, Fountain Publishers, 2003, pp. 160-161.

be party.”⁵⁶ The agreement produced a power struggle among the armed groups in Ituri, as well as between Rwanda and Uganda, who were both vying for influence there.⁵⁷ Uganda remained in Ituri for another eight months, supporting various sides in the war in Ituri in order to safeguard the commercial interests of Ugandan army officers and politicians. The slow progress of the IPC—which did not formalize an agreement until less than two weeks before Uganda’s withdrawal from Bunia⁵⁸—also virtually ensured a political vacuum would follow Uganda’s withdrawal from Ituri. Nonetheless, Uganda remained politically, militarily, and economically engaged in Congo long after its forces officially withdrew.

3. UGANDA AND NORTHEASTERN DRC, 2003-2009

Since 2003, Uganda has maintained a strong political and economic involvement in eastern Congo. After Uganda withdrew its army from DRC, it continued to actively support some Congolese armed groups to preserve the “elite networks” of resource extraction and commercial trade, particularly in the Ituri District.⁵⁹ After 2005, when MONUC brought some stability to northeastern Congo, Uganda continued to passively meddle in Congo’s affairs by allowing some armed groups to meet and conduct business in Kampala. As peace took hold in Congo, Uganda substantially increased its official and unofficial exports to Congo, signaling a shift in Uganda’s involvement from the use of force toward greater economic engagement. This shift was also evident in Uganda’s use of diplomacy to resolve the 2007 disputes on Lake Albert. This section examines first the political and military aspects of Uganda’s involvement in DRC since 2003, followed by an analysis of Uganda’s trade with DRC; i.e., I first examine Uganda’s use of the “gun” and then assess Uganda’s pursuit of the “butter” in DRC.

3.1. Political and military aspects

On 6 May 2003, Uganda finally withdrew from Bunia, marking the start of a new phase of the war in northeastern Congo.⁶⁰ For the preceding four

⁵⁶ INTERNATIONAL CRISIS GROUP, “Congo Crisis: Military Intervention in Ituri”, 13 June 2003, p. i.

⁵⁷ *Ibid.*, p. 7.

⁵⁸ UNITED NATIONS SECURITY COUNCIL, “Second Special Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo”, S/2003/566, 27 May 2003, § 13.

⁵⁹ Letter from Mahmoud KASSEM, Chairman, Panel of Experts on the Democratic Republic of the Congo, to H. E. Mr. Kofi Annan, United Nations Secretary General, 20 October 2003, pp. 9-11.

⁶⁰ UNITED NATIONS SECURITY COUNCIL, “Fourteenth Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo”, S/2003/1098, 17 November 2003 § 3; UN SECURITY COUNCIL, “Special report on the events in Ituri, January 2002 to December 2003”, S/2004/573, 16 July 2004, § 77-87. The last Ugandan troops

years, the Ugandan army (UPDF) had not only incited ethnic conflict in Ituri, but also created and equipped several armed groups. The UPDF was a great source of instability in Ituri, but it also exerted some control over the Congolese groups with which it engaged in military operations and business enterprises; Uganda had been playing the role of both arsonist and fireman. The new war that took shape as the UPDF was pulling out of Ituri involved various Congolese armed groups supported by Uganda or Rwanda that fought each other, a European Union force (IEMF), MONUC troops, and Congolese army (FARDC) soldiers.

To address the surge in violence in Ituri after the withdrawal of the UPDF, on 30 May the UN Security Council authorized the deployment of a European Union-led Interim Emergency Multinational Force (IEMF).⁶¹ This deployment, known as *Operation Artemis*, consisted of just over 1,000 troops at its peak, mainly from France,⁶² who deployed to Congo in early June, plus another 500 support troops at Entebbe, Uganda.⁶³ The IEMF aggressively took control of Bunia,⁶⁴ secured the Bunia airport, and created a weapons-free zone in Bunia town.

Operation Artemis paved the way for the deployment of the MONUC Ituri Brigade, which the Security Council authorized on 28 July 2003.⁶⁵ The Ituri Brigade, which had a Chapter VII mandate,⁶⁶ started to deploy in mid-August and formally took over from the IEMF on 1 September. Its initial efforts focused on the military and political stabilization of Ituri, but the 9 armed groups then active in Ituri⁶⁷ did not initially cooperate with either MONUC or the Ituri Interim Administration established by the IPC.⁶⁸

reportedly re-entered Uganda from Congo on 19 May 2003. See MPAGI, M. C., "Last UPDF troops from Congo arrive", *The Monitor*, 20 May 2003, p. 3.

⁶¹ UN SECURITY COUNCIL, Resolution 1484, 30 May 2003.

⁶² Austria, Belgium, Brazil, Canada, Cyprus, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Portugal, South Africa, Spain, Sweden, and the United Kingdom of Great Britain and Northern Ireland also provided troops.

⁶³ UN SECURITY COUNCIL, "Fourteenth Report of the Secretary-General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2003/1098, 17 November 2003, § 6.

⁶⁴ Interview in Bunia, November 2007.

⁶⁵ UN SECURITY COUNCIL, Resolution 1493, 28 July 2003. During April and May 2003, MONUC had deployed approximately 720 Uruguayan soldiers to Bunia, but they had a limited Chapter VI mandate and limited duties; thus they did not intervene in the violence that followed the withdrawal of the UPDF. UNITED NATIONS SECURITY COUNCIL, "Second Special Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2003/566, 27 May 2003, § 14.

⁶⁶ Chapter VII of the United Nations Charter empowers the UN Security Council to authorize military action "by air, sea, or land forces as may be necessary to main or restore international peace and security" (Article 42).

⁶⁷ The Ituri-based armed groups were: UPC, PUSIC, FPDC, FAPC, FNI, and FRPI. Regional groups present in Ituri included MLC, RCD-ML, and RCD-N.

⁶⁸ UN SECURITY COUNCIL, "Fourteenth Report of the Secretary-General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2003/1098, 17 November 2003, § 7, 12; UNITED NATIONS SECURITY COUNCIL, "Fifteenth Special Report of the Secretary

The weaknesses of both MONUC and FARDC in eastern Congo became evident during May-June 2004, when renegade officers Laurent Nkunda and Jules Mutebusi attacked and looted Bukavu (South Kivu).⁶⁹ This prompted the UN's Department of Peace Keeping Operations to re-evaluate MONUC's overall strategy, including changing its "hearts and minds" approach in the Ituri District to a "more robust approach."⁷⁰ In Ituri, the various armed groups had more or less settled into their zones of influence and largely shifted from fighting to pursuing economic interests.⁷¹ The political administration of Ituri and its territories by transitional authorities improved during 2004, but the armed groups remained the true source of power in the Kilo gold mining area and at the key border crossings. After 1 September 2004, when the United Nations Development Programme started the first disarmament program in Ituri, there was increased violence in Ituri, particularly against MONUC,⁷² which within MONUC reinforced the need for a new operational method.

On 7 January 2005, then-UN Secretary General Kofi Annan tasked his Military Advisor, Dutch General Patrick Cammaert, to assume command of MONUC forces in eastern Congo.⁷³ Cammaert went to eastern Congo to execute the new operational plan he designed, which coupled strong military attacks (coordinated with FARDC) and aggressive negotiations.⁷⁴ The new plan focused on Ituri, which MONUC considered to be the most serious security problem for MONUC's Eastern Division and its entire force in DRC⁷⁵ (Figure 1). As a result of MONUC's increased pressure, some armed groups started to fragment and thousands of combatants entered disarmament programs, but remnants of these groups continued to resist MONUC and FARDC and started to coordinate their efforts.⁷⁶

General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2004/251, 25 March 2004, § 26-27.

⁶⁹ REYNTJENS, F., *The Great African War...*, pp. 211-212.

⁷⁰ Interview with former MONUC official, May 2008; cf. MONUC, "Presentation for DPKO", PowerPoint presentation, 16 July 2004.

⁷¹ These interests included controlling trade at the DRC-Uganda border and exploiting natural resources including gold. UNITED NATIONS SECURITY COUNCIL, "Seventeenth Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2005/167, 15 March 2005 § 11; HUMAN RIGHTS WATCH, "The Curse of Gold", 2005, pp. 51-56.

⁷² UNITED NATIONS SECURITY COUNCIL, "Sixteenth Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2004/1034, 31 December 2004, § 11-13, 54.

⁷³ UN NEWS SERVICE, "Congo-Kinshasa; 30 People Killed Last Month by Mutineers in Buramba, DR of Congo—UN Mission", 7 January 2005.

⁷⁴ Interview with former MONUC official, May 2008

⁷⁵ MONUC, "Ituri Bde", undated. Filip Reyntjens states MONUC took this new robust approach in response to the 24 February 2005 "killing in an ambush of nine Bangladeshi peacekeepers." REYNTJENS, F., *op. cit.*, p. 221.

⁷⁶ MONUC, "Mission OPS Room Report", 30 May 2005; MONUC, "Assessment of Situation; Ituri Bde", undated (likely May 2005); MONUC, "Weekly Military Brief—26 Aug 2005", 26 August 2005.

Figure 1. MONUC Campaign Plan, March 2005

Source: MONUC, “Initial Campaign Plan, Eastern Division,” 15 March 2005.

While MONUC tried during 2005 to end conflict, the Ugandan government continued to meddle in Ituri. Uganda’s involvement was both active, such as directly supporting armed groups, and passive, such as ignoring UN sanctions and allowing militia leaders to operate freely in Kampala. In many cases the lines between active and passive support were blurred. MONUC operational reports from 2005 include reports of Ugandan instructors training militias in Ituri,⁷⁷ and of movement of armed groups from Uganda into Ituri after receiving military training in Uganda.⁷⁸ MONUC reports also state that Ituri armed groups were engaging in trade with Ugandan businessmen,⁷⁹ including reports of trading timber for ammunition and guns.⁸⁰ Some MONUC reports mention connections of an unknown purpose and intent, for example:

At DELE check point [SE of Bunia], the intelligence officer informed the patrol team that on 16th May 05, 8 persons (7 Ugandans and one American) who came from UGANDA were arrested by the ANR (National Intelligence Agency) at TCHOMIA. Four of them were

⁷⁷ MONUC, “Assessment of Situation; Ituri Bde”, undated; MONUC, “Weekly Brief”, 20 May 2005; MONUC, “Weekly Military Brief”, 19 August 2005; cf. MONUC, “Ituri Daily Jun 05”, June 2005.

⁷⁸ MONUC, “Mission OPS Room Report”, 30 May 2005; MONUC, “Mission OPS Room Report”, 31 May 2005.

⁷⁹ MONUC, “Ituri Daily Jun 05”, June 2005.

⁸⁰ MONUC, “Mission OPS Room Report”, 16 May 2005; MONUC, “Mission OPS Room Report”, 23 May 2005; MONUC, “Assessment of MRC, FNI and FRPI Militias Motivations and Capabilities”, 11 October 2006.

immediately sent back to UGANDA because they were found with mobile phone numbers of some Ugandan Generals.⁸¹

These and other reports led MONUC to enlist the support of foreign governments to put diplomatic pressure on Uganda to cease its meddling in Ituri.⁸²

Despite increased diplomatic pressure, the Government of Uganda continued to allow the leaders of some Ituri armed groups to use its territory to organize their efforts. In mid-2005 the Government of Uganda facilitated the creation in Kampala of the *Mouvement révolutionnaire congolais* (MRC), a rebel coalition that operated in Ituri.⁸³ In November 2005, MONUC reported MRC militants were obtaining ammunition and guns from Ugandan army officers in exchange for gold.⁸⁴ Also in November, military operations by MONUC and FARDC in Ituri forced six prominent militia leaders to flee to Kampala, Uganda; three of the six had previously been declared *persona non grata* by the Ugandan government,⁸⁵ but Uganda took no action against the presence of these and other militia leaders in Kampala.⁸⁶

During the second half of 2005, MONUC-led operations significantly affected the operations of armed groups in Ituri. Numerous MONUC/FARDC missions resulted in the killing and capture of militia members; capture of arms and ammunition; and displacement of armed groups from their bases and areas of control.⁸⁷ These operations also caused UPC to fragment, leading Bosco Ntaganda and other UPC leaders to flee Ituri for Rwanda.⁸⁸ Despite this progress, new problems emerged. As FARDC increasingly deployed in eastern

⁸¹ MONUC, "Weekly Brief", 20 May 2005.

⁸² MONUC, "Mission OPS Room Report", 13 May 2005; MONUC, "Mission OPS Room Report", 12 May 2005.

⁸³ UNITED NATIONS SECURITY COUNCIL, "Report of the Group of Experts on the Democratic Republic of the Congo", S/2006/53, 27 January 2006, § 57-59.

⁸⁴ MONUC, "Ituri Weekly Assessment", 11 November 2005.

⁸⁵ "Those named are: John BEBWA (G3 of PUSIC), MUTEGEKI (PUSIC), Alex MUNYALIZI (DCOS of PUSIC), Justin LOBHO (Pol Com of FNI and G2 of MRC), Dido MANYIROHA (PUSIC, in charge of the security in the MRC), Col Vihuto Bwambale KAKOLELE "Aigle blanc" (ex-APC, PIO of MRC). Some of them have been reported to be staying in KAMPALA despite of arrest warrants issued against them. The GoU has already declared Vihuto Bwambale KAKOLELE, Dido MANYIROHA, Mathieu NGUDJOLO, Mbuna DIEUDONNE, Jean Pierre SAMBIDHU and Justin LOBHO *persona non grata* on 23 Aug 05, at that time giving them 48 hours to leave the country." UNITED NATIONS ORGANIZATION MISSION IN CONGO (MONUC), "INTSUM: 14 November to 21 November 2005", 21 November 2005.

⁸⁶ Interview in Kinshasa, August 2007.

⁸⁷ MONUC, "Ituri OPS", PowerPoint presentation, October 2005; MONUC, "Ituri", PowerPoint presentation, 11 October 2005; MONUC, "Military Brief", PowerPoint presentation, undated; MONUC, "Weekly Brief", PowerPoint presentation, 23 December 2005.

⁸⁸ "It is also reported that the most influential leaders of the UPC/L, Bosco NTAGANDA (Supreme Comd), Col SALONGO "Tiger One" (D COS) and Gen Innocent KAYINA "India Queen" (G3), have fled to Rwanda. It is becoming increasingly evident that all IAGs are losing control of their traditional areas and that their Rwandan sponsors have given up hope of influencing politics in Ituri via their traditional proxies (particularly the UPC/L).": MONUC, "HQ MONUC INTSUM", 21 November 2005.

Congo as part of these operations, its undisciplined and underpaid/unpaid soldiers engaged in many of the same predatory activities as the armed groups they displaced, including rape, extortion, murder, and theft.⁸⁹

As MONUC led the fight against militias in Ituri, it also had to address two anti-Ugandan rebel groups present in northeastern Congo.⁹⁰ One group was ADF/NALU,⁹¹ which had operated since November 1996 along the Uganda-DRC border in North Kivu. From 24-29 December 2005, 600 MONUC and 3,000 FARDC soldiers undertook *Operation North Night Final* against ADF/NALU.⁹² MONUC followed up the first operation with *Operation North Nutshell* from 22-23 January 2006.⁹³ These operations dislodged ADF/NALU from its camps and led some militants to surrender during February 2006.⁹⁴

The second anti-Uganda group in northeastern Congo was the Lord's Resistance Army (LRA). During 2005 and 2006, the Ugandan army and the Sudan People's Liberation Army (SPLA) fought the LRA in Southern Sudan near the DRC and Uganda borders; their operations pushed the LRA into

⁸⁹ MONUC, "Bunia Weekly 28 November – 03 December 2005", undated; cf. MONUC, "Operations Branch Brief", PowerPoint presentation, 1 June 2006; cf. MONUC, "Daily Situation Report (267/07)—25 1600B Sep 07 to 26 1600B Sep 07", 26 September 2007.

⁹⁰ Three other groups are worth mentioning, although they did not significantly affect security in either eastern DRC or Uganda after 2003. First, in December 2003, MONUC repatriated most of the remainder of the West Nile Bank Front (WNBFF) from eastern Congo to Uganda, who were from the so-called "Sierra battalion." MONUC, "Update and Assessment of Armed Groups Operating in the DRC", undated. Second, there may or may not have been a group called the People's Redemption Army (PRA) operating in eastern Congo; it is possible the Government of Uganda asserted the existence of this group in order to help President Museveni get re-elected in 2002. MONUC, "HQ MONUC INTSUM", 21 November 2005; MONUC, "Update and Assessment of Armed Groups Operating in the DRC", undated; Interview in Bunia, November 2007; cf. REYNTJENS, F., *The Great African War...*, p. 218. Third, a group called Fanya Fujo Uone (FFU) operated in North Kivu and Ituri in late 2005; one source states the FFU is anti-Ugandan, while another states the FFU was in alliance with UPDF, FNI, FRPI and UPC. MONUC, "Weekly Military Brief—15 November 2005", 15 November 2005; MONUC, "Weekly Military Brief—26 August 2005", 26 August 2005.

⁹¹ Allied Democratic Forces (ADF) and the National Army for the Liberation of Uganda (NALU). For more on the ADF/NALU, see PRUNIER, G., "Rebel Movements and Proxy Warfare: Uganda, Sudan and the Congo (1986-1999)", *African Affairs*, Vol. 103, No. 412, 2004, pp. 370-373; KAYUNGA, S. S., "The Impact of Armed Opposition on the Movement System in Uganda", in MUGAJU, J., OLOKA-ONYANGO, J. (eds.), *No-Party Democracy in Uganda: Myths and Realities*, Kampala, Fountain Publishers, 2000, p. 116; DE TEMMERMAN, E., "ADF Rebellion—Guerilla to Urban Terrorism", *The New Vision* (Uganda), 21 May 2007.

⁹² This operation, led by the Indian Army, killed 86 ADF/NALU, recovered 33 weapons, and destroyed many ADF/NALU camps. The fighting also killed 6 FARDC soldiers and wounded 18 more; MONUC suffered one killed in action and four wounded in actions. MONUC, "Update of Operations Jan 06 – Jun 06", PowerPoint presentation, undated.

⁹³ This operation resulted in 4 ADF/NALU killed in action, 3 militants captured, and 20 weapons captured. MONUC, "Update of Operations Jan 06 – Jun 06", PowerPoint presentation, undated.

⁹⁴ MONUC, "Weekly Military Brief", 6 January 2006. By the end of February 2006, 43 ADF/NALU had surrendered to MONUC and FARDC. This included 37 adults (32 Congolese and 5 Ugandans) and 6 children (3 Congolese and 3 Ugandans). MONUC, "Weekly Military Brief", 24 February 2006.

Congo's Ituri and Haut-Uele districts.⁹⁵ In late 2005, the LRA established camps in Garamba National Park in Haut-Uele.⁹⁶ In January 2006, MONUC launched *Operation Paper Tiger* against the LRA at Garamba, but the operation ended in disaster when the LRA killed 8 Guatemalan Special Forces soldiers in an ambush.⁹⁷ In April 2006, the UPDF reportedly pursued some LRA elements into the DRC near the Haut Uele-Ituri border after fighting in Southern Sudan.⁹⁸ During the remainder of 2006, the LRA and FARDC clashed several times in Haut-Uele district,⁹⁹ and the UPDF reportedly crossed the DRC border to either pursue or defend against the LRA.¹⁰⁰

Uganda supported MONUC actions against ADF/NALU and the LRA, but during 2006, Uganda continued to function as a rear base and source of supplies for numerous other armed groups in northeastern Congo. The MRC continued to obtain ammunition and arms from Ugandan territory,¹⁰¹ as did the FNI.¹⁰² In December 2006, Laurent Nkunda of CNDP reportedly ordered his forces to take control of an area near the Ugandan border in North Kivu in order to facilitate the resupply of ammunition from Uganda.¹⁰³ In addition, during 2005 and 2006, the Government of Uganda took no action against Congolese businessmen who did business in Kampala despite being on a UN sanctions list because of their ties to the arms trade in Eastern Congo¹⁰⁴ (see further discussion in Economic Aspects section, below).

Despite Uganda's tacit or open support of armed groups in Eastern Congo, by late 2006 MONUC and FARDC had made significant progress in bringing peace to northeast Congo. During the first half of 2006, MONUC and FARDC undertook numerous military operations to create a peaceful

⁹⁵ In September 2005, approximately 400 LRA armed men and families were present in the Ituri District, near the town of Aba (200 km NW of Aru). MONUC, "Ituri BDE", undated. "[T]he UPDF has stationed two attack helicopter in Southern Sudan to combat the rebels." MONUC, "HQ MONUC INTSUM", 24 October 2005.

⁹⁶ Cf. MONUC, "Bunia Weekly 28 November – 03 December 2005", undated; MONUC, "Bunia Weekly Assessment Report 14-20 November 2005", undated.

⁹⁷ The Guatemalan forces had deployed to Garamba on 8 January 2006 to support FARDC and Senegalese Battalion troops to seek out the LRA and arrest LRA leaders. On 23 January the LRA ambushed a Guatemalan unit, killing 8 and wounding five. MONUC attack helicopters engaged the LRA with rockets, killing an estimated 15 LRA militias. MONUC, "Operations Branch Brief", PowerPoint presentation, 1 June 2006.

⁹⁸ MONUC, "Ituri BDE (08 March 2006 to 01 July 2006)", undated; MONUC, "Weekly Military Brief", 28 April 2006.

⁹⁹ MONUC, "Summary of Weekly OCHA Brief", 13 October 2006; MONUC, "Headquarters Eastern Division Daily Situation Report", 24 September 2006.

¹⁰⁰ MONUC, "Summary of Weekly OCHA Brief", 24 November 2006; cf. MONUC, "Bunia Weekly Assessment Report 14-20 November 2005", undated.

¹⁰¹ MONUC, "Weekly Military Brief", 31 March 2006.

¹⁰² "Mr. Karim regularly receives ammo in sacks of salt and in cooking oil jerry cans from UGANDA and the person who delivers the ammo is an old man." MONUC, "Headquarters Ituri Brigade Daily Situation Report", 15 June 2006.

¹⁰³ MONUC, "Summary of Weekly OCHA Brief", 8 December 2006.

¹⁰⁴ UN SECURITY COUNCIL, "Report of the Group of Experts on the Democratic Republic of the Congo", S/2006/525, 18 July 2006, § 215.

environment for the 30 July national elections.¹⁰⁵ These operations, combined with militia leaders' apparent realization that this was their "last chance to enter [Congolese] society as important personalities, with access to political life, economy and wealth,"¹⁰⁶ helped to produce peace agreements in November and December 2006 between the Government of the DRC and the three remaining armed groups in Ituri (MRC, FNI, FRPI). In September 2007 the leaders of these groups entered FARDC and left Ituri for Kinshasa, thus effectively ending the war in Ituri. Although MONUC's operations have had scandals and shortcomings, they arguably succeeded in bringing stability to large parts of Ituri by weakening the armed groups and disarming more than 24,000 combatants between September 2004 and September 2007.¹⁰⁷

In 2007, boundary issues and oil in Lake Albert were the basis for new tensions between Uganda and Congo. On 29 July, FARDC troops captured four UPDF marines on the disputed Rukwanzi Island, which both Congo and Uganda claimed as their own.¹⁰⁸ Then, on 3 August, a firefight near Rukwanzi Island between FARDC personnel and UPDF naval forces (who responded to a call for help from two Uganda-based Heritage Oil barges) resulted in the death of one FARDC marine and one British employee of the Canadian company Heritage Oil, which was exploring for oil under the Lake from its base in Uganda.¹⁰⁹

After these incidents, MONUC helped to facilitate diplomatic channels to resolve the disputes. On 8 August 2007, high-level meetings between the Congolese and Ugandan military chiefs at Entebbe led the delegations to reaffirm their commitment to a 1990 agreement signed by the Zaire and Ugandan governments for joint exploration of oil deposits in Lake Albert.¹¹⁰ On 27 August, MONUC started *Operation Ituri Inspiration*, which consisted of aerial reconnaissance by MONUC of military patrols and oil exploration

¹⁰⁵ MONUC, *Civil Affairs Special Report*, "Observations regarding ongoing military operations in Ituri", 28 June 2006; MONUC, "Ituri OP Summary Jan 06 to Jul 06", undated; MONUC, "Operations Branch Brief", PowerPoint presentation, 1 June 2006; MONUC, "Ituri Bde (08 March 2006 to 01 July 2006)", undated; cf. MONUC, "List of Operations Conducted since June 2005", undated.

¹⁰⁶ MONUC, "G2 Weekly Assessment, 29 July – 4 August 2006", undated.

¹⁰⁷ UNITED NATIONS DEVELOPMENT PROGRAMME, "The DDR Phase III in Five Pages", Bunia, DRC, 24 September 2007.

¹⁰⁸ MONUC, "Force HQ, G2 Weekly Assessment, 29 July – 04 August 2007", 4 August 2007; cf. Anonymous, "Le pétrole du lac Albert à la base", *Les Coulisses* (DRC), n° 181-182, 20 sept. au 20 octobre 2007, pp. 14-15. These marines were released on 6 August 2007. KISAKYE, B., KAYIZZI, F., RWEBEMBERA, W., "Congo Hands Over Captured Soldiers", *The New Vision* (Uganda), 7 August 2007, p. 1.

¹⁰⁹ MONUC, "Force HQ, G2 Weekly Assessment, 29 July – 04 August 2007", 4 August 2007.

¹¹⁰ IKEM, M., "Deux incidents sur le lac Albert appellent à l'application de l'Accord de 1990 sur l'exploitation commune de pétrole", *Les Coulisses* (DRC), n° 179-180, 20 juillet au 20 août 2007, p. 11; cf. "Accord de coopération pour l'exploration des hydrocarbures et l'exploitation des gisements communs entre le gouvernement de la République de l'Ouganda et le Conseil Exécutif de la République du Zaïre", reprinted in *Les Coulisses*, n° 181-182, 20 sept. au 20 octobre 2007, pp. 17-18.

activities on Lake Albert.¹¹¹ A meeting on 8 September between Congo's President Kabila and Uganda's President Museveni at Ngurdoto, Tanzania produced a new agreement, which included establishment of a border commission, cooperation on oil exploration, action against the LRA and other "negative forces", and establishment of a commission to decide on reparations related to the 2005 ICJ decision.¹¹² Differences in language used in the French and English versions of the agreement led to delays in implementing the agreement.¹¹³

Despite the diplomatic efforts and agreements, during the remainder of 2007 there continued to be tension along the DRC-Uganda border. On 24 September, UPDF soldiers on maritime patrol on Lake Albert opened fire on a boat coming from Congo, killing six people and wounding five more.¹¹⁴ Also during September there were several reports of UPDF units crossing into Congo or massing on the Ugandan side of the Congo-Uganda border.¹¹⁵ On 22 November, FARDC soldiers arrested two surveyors working for Heritage Oil and one security guard from Saracen Security after they illegally crossed from Uganda into Congolese territory.¹¹⁶ Other incidents during the remainder of the year on Lake Albert or along DRC-Uganda land borders pointed to the persistence of tensions,¹¹⁷ but these disputes failed to escalate into an armed conflict and relations between the two countries gradually improved.¹¹⁸

¹¹¹ MONUC, "MILAD Report, 1-31 August 2007", undated; MONUC, "Daily Situation Report (269/07)—25 1600B Sep 07 to 26 1600B Sep 07", 26 September 2007.

¹¹² THE REPUBLIC OF UGANDA, "Ngurdoto-Tanzania Agreement between the Democratic Republic of the Congo and the Republic of Uganda on Bilateral Cooperation", Ngurdoto, (Tanzania), 8 September 2007; cf. OXFORD ANALYTICA, "DRC/Uganda: Lake Albert spat imperils wider region", 29 May 2008, <http://ocha-gwapps1.unog.ch/rw/rwb.nsf/db900sid/SNAO-F7U9R?OpenDocument>.

¹¹³ MATSIKO, G., "Kampala-Kinshasa lost in translation", *Sunday Monitor* (Uganda), 23 December 2007, http://www.monitor.co.ug/artman/publish/sun_news/Kampala_-_Kinshasa_lost_in_translation.shtml.

¹¹⁴ "TCHOMIA MILOB Team interacted with Dr Pascala at TCHOMIA Hospital and visited the individuals who got wounded on 24 Sep, due to UPDF firing in Lake Albert. Their condition is stable at the moment. All patients confirm that UPDF demanded FARDC weapons and when FARDC soldiers refused, UPDF opened fire indiscriminately." MONUC, "Daily Situation Report (269/07)—25 1600B Sep 07 to 26 1600B Sep 07", 26 September 2007; cf. MONUC, "Weekly Ops Room Report, 23 September – 29 September 2007", undated; MONUC, EASTERN DIVISION HEADQUARTERS, "Daily Situation Report (268/07)—24 1600B Sep 07 to 25 1600B Sep 07", 25 September 2007.

¹¹⁵ MONUC, "Weekly Ops Room Report, 23 September – 29 September 2007", undated; MONUC, "Daily Situation Report (269/07)—25 1600B Sep 07 to 26 1600B Sep 07", 26 September 2007; MONUC, "Weekly Ops Room Report, 30 September – 6 October 2007", undated.

¹¹⁶ OKELLO, W. F., "DR Congo troops arrest Heritage Oil surveyors", *Sunday Monitor* (Uganda), 25 November 2007.

¹¹⁷ MONUC, EASTERN DIVISION HEADQUARTERS, "Daily Situation Report (354/07), 19 1600B Dec 07 to 20 1600B Dec 07", 20 December 2007; cf. MONUC, Eastern Division Headquarters, "Daily Situation Report (340/07)—05 1600B Dec 07 to 06 1600B Dec 07", 06 December 2007.

¹¹⁸ MONUC, EASTERN DIVISION HEADQUARTERS, "Daily Situation Report (351/07), 16 1600B Dec 07 to 17 1600B Dec 07", 17 December 2007; cf. Anon., "L'Ofida et l'URA signent un

During 2007 and 2008, illegal armed groups in Congo continued to use Ugandan territory to obtain supplies and plan their activities. Laurent Nkunda's CNDP reportedly continued to purchase supplies from Ugandan businessmen,¹¹⁹ including some UPDF officers.¹²⁰ In late 2008, the UN's Group of Experts stated that the presence of CNDP representatives in Uganda (and Rwanda) "has also allowed them to rally funds and organize supplies."¹²¹ Around September 2008, a new Congolese rebel group—the *Front Populaire pour la Justice au Congo* (FPJC)—formed in Uganda. FPJC is reportedly working with FRPI remnants in southern Irumu. Although the connection between the two groups is tenuous, FPJC may be parasitically attaching its name to FRPI's operations in order to gain legitimacy.¹²² The FPJC leadership reportedly uses Kampala as a rear base for political activity and fundraising.¹²³ In August 2008, another new Ituri group announced its existence; however, the *Union pour la Révolution Congolaise* (URC) appears to be a group in name only operating out of Kampala, Uganda, with no presence and little support inside Ituri.¹²⁴

In late 2008, the Ugandan army re-entered DRC to attack the LRA. Between 2006-2008, the LRA had haltingly engaged in peace negotiations in Juba, Southern Sudan, but the negotiations appeared to be doomed to failure due to intransigence on the part of the LRA and possible duplicity on the part of the Ugandan government. On 14 December 2008, the UPDF, FARDC, and Southern Sudan armed forces (SPLA) undertook a joint operation, called *Operation Lightning Thunder*, against two LRA camps in Congo's Garamba National Park.¹²⁵ MONUC was not involved in the planning or execution of this operation.¹²⁶ This operation killed some LRA members, but most rebels reportedly escaped and retaliated by killing more than 600 civilians in the so-called "Christmas massacres" at the end of December 2008.¹²⁷ Then-President

Accord d'assistance mutuelle administrative", *Les Coulisses* (DRC), n° 185-186, 20 décembre 2007 au 25 janvier 2008.

¹¹⁹ Interview in Kampala, February 2008; UN SECURITY COUNCIL, "Final Report of the Group of Experts on the Democratic Republic of the Congo", S/2008/773, 10 December 2008, § 27, 29, 47.

¹²⁰ MONUC, EASTERN DIVISION HEADQUARTERS, "Daily Situation Report (341/07)—06 1600B Dec 07 to 07 1600B Dec 07", 7 December 2007.

¹²¹ UN SECURITY COUNCIL, "Final Report of the Group of Experts on the Democratic Republic of the Congo", S/2008/773, 10 December 2008, § 18.

¹²² The head of FPJC is Sherif Manda, a Hema who had previously been in the Aru area of Uganda and has ties to Bosco Ntaganda. Interviews in Bunia, June 2009.

¹²³ UN SECURITY COUNCIL, *ibid.*, § 121-125.

¹²⁴ Interviews in Bunia, June 2009; *Union pour la Révolution Congolaise*, "Mémorandum de L'Union pour la Révolution Congolaise URC", 30 August 2008.

¹²⁵ MONUC and UNHCR, "Summary of fact finding missions on alleged human rights violations committed by the Lord's Resistance Army (LRA) in the districts of Haut-Uele and Bas-Uele in Orientale province of the Democratic Republic of Congo", December 2009.

¹²⁶ Letter from Alan DOSS, Special Representative of the Secretary-General, to Ms. Laurence Gaubert, Head of Mission, Médecins Sans Frontières, 6 February 2009.

¹²⁷ HUMAN RIGHTS WATCH, "DR Congo: LRA Slaughters 620 in 'Christmas Massacres,'" Press Release, 17 January 2009.

Bush authorized the US Department of Defense's new Africa command (AFRICOM) to assist the Ugandan army with intelligence, satellite phones, and 1 million USD in fuel for this failed operation.¹²⁸

Despite making a show of leaving Congo after the end of *Operation Lightning Thunder* in March 2009,¹²⁹ some Ugandan army units have remained in Congo throughout 2009.¹³⁰ Some LRA units have dispersed to the Central African Republic and Sudan (where the UPDF is currently pursuing them), but FARDC and the UPDF are also hunting LRA elements in Haut-Uele and Bas-Uele districts. Through June 2009, the LRA had reportedly killed hundreds of Congolese civilians and abducted hundreds more.¹³¹ As of September 2009, the LRA war had displaced 270,000 people in Congo.¹³²

3.2. Economic Aspects

Uganda's changing economic relationship with eastern Congo during 2003-2009 is evident in two aspects. First, Uganda's official and unofficial exports to Congo have significantly increased. Second, Uganda has effectively ignored UN sanctions on Congolese and Ugandan businessmen, although these sanctions have disrupted Uganda's official gold trade. In fact, Uganda continues to export large quantities of Congolese gold, but the trade is apparently becoming more unofficial and underground as a result of UN sanctions.

Since 2002, Uganda's official and unofficial trade with Congo has increased dramatically. Uganda's official exports to Congo have increased an amazing 1,300 percent between 2002 and 2008, while imports have remained low, giving Uganda extremely favorable terms of trade (Table 4). Several factors may explain the increase in official exports, including the establishment of peace and stability in eastern Congo, expansion of business opportunities for Ugandans outside the UPDF-regime circle that controlled trade during the war, and improved efforts by the Ugandan government to monitor trade.

Recent efforts by the Ugandan government to assess unofficial cross-border trade not only suggest a dramatic increase in this trade between 2005 and 2008 (Table 5), but also indicate the unofficial trade is substantially larger than the official trade. For example, in both 2007 and 2008, Uganda's unofficial exports were approximately 50 percent higher than its official exports, and unofficial imports were nearly 2,400 percent higher than official imports. The reasons for the growth in informal trade include new opportunities

¹²⁸ GETTLEMAN, J., SCHMITT, E., "U.S. Aided a Failed Plan to Rout Ugandan Rebels", *The New York Times*, 6 February 2009.

¹²⁹ EGADU, S. R., "Uganda: Congo Withdrawal Sparks Panic", London, Institute of War & Peace Reporting, 17 March 2009.

¹³⁰ MONUC and UNHCR, "Summary of fact finding missions...", *op. cit.*, § 42.

¹³¹ *Ibid.*, § 3.

¹³² The FARDC-led operation is known as Operation Rudia II. UNITED NATIONS SECURITY COUNCIL, "Twenty-ninth Report of the Secretary General on the United Nations Organization Mission in the Democratic Republic of the Congo", S/2009/472, 18 September 2009, § 17, 29.

created by the peace and stability in eastern Congo and lack of effective customs control at border crossings.

One aspect of Uganda-DRC trade obscured by both official and unofficial statistics is the trade in gold. Uganda does not acknowledge official or unofficial gold imports from Congo, despite the fact that, as discussed above, the overwhelming majority of Uganda's gold exports consist of gold produced in eastern Congo. Between 2003 and 2006, Uganda's gold exports remained high, although below pre-2003 levels (Tables 2, 3). During this time, three companies dominated Uganda's official gold exports. Uganda Commercial Impex (UCI) was the largest gold exporter, followed by Machanga Ltd. and A. P. Bhimji Ltd.¹³³ Despite the long-standing ties between Uganda's gold exports and conflict in the DRC, until 2006 the Government of Uganda publicly praised and awarded Uganda's major gold exporters.¹³⁴

The United Nations Security Council has had a dramatic effect on Uganda's exports of Congolese gold, although the effect was delayed. The process started on 1 November 2005, when the Security Council listed two gold traders who did extensive business in Kampala—James Nyakuni and the late-Ozia Mazio—on its sanctions list for their ties to the illegal arms trade in eastern Congo.¹³⁵ However, in July 2006, the UN's Group of Experts stated that no action had been taken by authorities in either the DRC or Uganda to comply with the UN sanctions.¹³⁶ The sanctions did not negatively affect Uganda's gold exports, which actually increased during 2006.¹³⁷ On 29 March 2007 the UN added Kampala exporters UCI and Machanga to its sanctions list along with Congolese businessman Kambale Kisoni and his companies.¹³⁸ The March 2007 sanctions significantly affected UCI, Machanga,¹³⁹ and Uganda's official gold exports (Tables 2, 3). UCI ceased officially exporting gold in May 2007 while Machanga made its last official gold export in April 2007. In late 2007 UCI unsuccessfully appealed its listing to the UN Security Council, arguing in part that Kisoni's death removed its link to illegal armed groups in Congo.¹⁴⁰ The Group of Experts reported in February 2008 that the central

¹³³ Seventeen other exporters account for about five percent of Uganda's gold exports between 2002 and 2006.

¹³⁴ The annual Presidential Export Awards included among its honorees Uganda Commercial Impex (Gold award—2002-2004, Bronze award—2005), Machanga Ltd (Silver award—2002, 2003), and A. P. Bhimji (Silver award—2004). No gold exporters were given Presidential awards for 2006 due to negative publicity.

¹³⁵ UN SECURITY COUNCIL, "List of Individuals and Entities Subject to the Measures Imposed by Paragraphs 13 and 15 of Security Council Resolution 1596 (2005)", 1 November 2005.

¹³⁶ UN SECURITY COUNCIL, "Report of the Group of Experts on the Democratic Republic of the Congo", S/2006/525, 18 July 2006, § 215.

¹³⁷ UGANDA MINISTRY OF FINANCE, Planning, and Economic Development, "Background to the Budget, 2007/08 Fiscal Year", Kampala, Uganda, June 2007, Table 44, p. A55.

¹³⁸ UN SECURITY COUNCIL, "List of Individuals and Entities Subject to the Measures Imposed by Paragraphs 13 and 15 of Security Council Resolution 1596 (2005)", 29 March 2007, pp. 2, 7-8.

¹³⁹ UN SECURITY COUNCIL, "Final Report of the Group of Experts on the Democratic Republic of the Congo", S/2008/43, 13 February 2008, § 87.

¹⁴⁰ UN SECURITY COUNCIL, *op. cit.*, § 87; interview in Kampala, January 2008.

banks of DRC and Uganda claimed “they were unaware of the individuals and entities whose assets were to be frozen under paragraph 15 of Security Council resolution 1596 (2005).”¹⁴¹ By December 2008, the Government of Uganda had still not complied with requests from the Group of Experts for information about Uganda’s gold exports and other violations of UN sanctions.¹⁴²

The destinations of gold exported from Uganda changed significantly since 2002 (Table 6). The shift in exports away from Switzerland and towards Dubai is partly explained by international attention to gold mining in the DRC. The Swiss refinery Metalor, which had been a major importer of gold from Uganda, decided on 20 May 2005 to suspend gold imports from Uganda as a result of reports from Human Rights Watch and the UN’s Group of Experts.¹⁴³ As a result, Uganda’s main gold exporters started to deal exclusively with Emirates Gold in the United Arab Emirates.

There has not been a comprehensive study of the effects of UN sanctions, but it appears one effect has been to push the gold trade further underground at the very time the Government of DRC is trying to formalize it. Fears about both ICC indictments and UN sanctions are reportedly forcing some Congolese and Ugandan gold traders to avoid any “official” ties that could leave a paper trail.¹⁴⁴ The effect of sanctions can be seen in Uganda’s official gold exports, which have declined since March 2007 (Tables 2, 3, 6). Yet there has reportedly been no major decrease in production of gold in eastern Congo or reduction in trade in gold between eastern Congo and Uganda,¹⁴⁵ so the decline in Uganda’s gold exports suggests the gold trade is becoming more unofficial and perhaps traders are bypassing Kampala to go directly to Dubai or other locations to trade their gold. The UN Group of Experts has reported that during 2009, Kampala-based directors of companies on the UN sanctions list have traded in gold from conflict areas of North Kivu,¹⁴⁶ and remain the largest buyers of gold produced in Ituri.¹⁴⁷

Ugandan businessmen not only continue to trade in gold, but also may be supporting artisanal mining in Ituri. In early 2009 an association of pit bosses in the Mongbwalu area (ASTRAMIN) traveled to Kampala and obtained promises of funding from Ugandan investors. These Ugandans offered to provide capital for generators, tools, and other equipment, but Congolese government authorities reportedly prohibited this investment, citing national security concerns.¹⁴⁸

¹⁴¹ UN SECURITY COUNCIL, *op. cit.*, § 86.

¹⁴² UN SECURITY COUNCIL, “Final Report of the Group of Experts on the Democratic Republic of the Congo”, S/2008/773, 10 December 2008, § 192(b) and (h), 193.

¹⁴³ METALOR, “Metalor and the Democratic Republic of the Congo”, press release, 2 June 2005, available through www.metalor.com.

¹⁴⁴ Interviews in Bunia, May and June 2009.

¹⁴⁵ Interviews in the Ituri District, June 2009.

¹⁴⁶ UNITED NATIONS SECURITY COUNCIL, “Final Report of the Group of Experts on the Democratic Republic of the Congo”, S/2009/603, 9 November 2009, § 133-141.

¹⁴⁷ *Ibid.*, § 243-245.

¹⁴⁸ Interviews in Mongbwalu and Pili Pili, June 2009.

4. CONCLUSION

Since 2003, the Government of Uganda has pursued diverse political and economic agendas in northeastern Congo. Politically, Uganda has helped to maintain instability in Congo by supporting armed groups in Congo's Ituri District, allowing armed groups from eastern Congo to operate on its territory, and failing to enforce United Nations' sanctions intended to curb the transfer of weapons to Congo. Economically, Uganda has facilitated a lucrative informal cross-border trade in gold and enabled Ugandan businessmen to substantially increase exports to Congo.

Uganda's "guns and butter" foreign policy towards Congo has shifted over time. Initially Uganda played the role of a greedy spoiler to the peace process, particularly in the Ituri District. During 2005, Uganda's behavior started to change as a result of both the success of MONUC-led military operations in eastern Congo and increased diplomatic and public pressure on the Museveni regime to curtail its meddling in Congo's affairs. As security conditions improved during 2005 and 2006, particularly in the Ituri District, Ugandan businesses vastly increased their official and unofficial exports to Congo, thereby improving Uganda's economy and macroeconomic profile.

Despite Uganda's military interventions during 2008 and 2009 in pursuit of the LRA, Uganda currently appears to be more interested in the economic benefits flowing from greater stability in northeastern Congo than in sponsoring a resumption of widespread conflict. Still, Uganda continues to allow Congolese rebel groups to use its territory for political and financial activities, and blatantly ignores United Nations sanctions on Congolese individuals and Ugandan businesses. Uganda's current emphasis is more on "butter" than "guns", but recent history suggests Uganda's priorities could easily and quickly change.

In much the same way that some conflict theorists have mischaracterized Congo's wars as "civil wars", thereby denying the key role of external intervention in causing and sustaining the wars, other scholars have ascribed "failed state" status to Congo without recognizing the role of foreign governments in contributing to state failure.¹⁴⁹ Congo's former leader Mobutu Sese Seko set the state on the path to failure with the support of the United States, France, Belgium, and other governments,¹⁵⁰ but since 1996, Ugandan intervention has played a significant role in maintaining state failure in large parts of northeastern Congo. After withdrawing its army from Congo in 2003,

¹⁴⁹ ROTBERG, R. I., "The Challenge of Weak, Failing, and Collapsed States", in CROCKER, C. A., HAMPSON, F. O., AALL, P., *Leashing the Dogs of War: Conflict Management in a Divided World*, Washington, DC, United States Institute of Peace, 2007, pp. 83-94; BATES, R. H., *When Things Fell Apart: State Failure in Late-Century Africa*, Cambridge, Cambridge University Press, 2008; cf. HAIMS, M. C., GOMPERT, D. C., TREVERTON, G. F., STEARNS, B. K., "Breaking the Failed-State Cycle", RAND Corporation, Occasional Paper, 2008

¹⁵⁰ NZONGOLA-NTALAJA, G., *The Congo from Leopold to Kabila: A People's History*, London and New York, Zed Books, 2007, pp. 160-165; cf. RENO, W., *Warlord Politics...*, *op. cit.*, pp. 147-172.

Uganda supported armed groups in Congo's Ituri District not only to preserve political instability in Congo, but also to maintain the war economy that benefited high-ranking Ugandan army officers and members of President Museveni's family.¹⁵¹ Museveni sought to achieve both regional hegemony and the preservation of his neo-patrimonial regime. To realize these goals, the Ugandan government actively and passively interfered with the United Nations' efforts to wrest control of Ituri from illegal armed groups, thereby playing the role of a greedy spoiler in the peace process.

Ironically, respected scholars including Paul Collier and Jeremy Weinstein have hailed Uganda as a "success story" of post-conflict state building and recovery,¹⁵² despite Uganda's role in perpetuating state failure, promoting armed conflict, and plundering natural resources in Congo. Indeed, the Museveni regime has skillfully achieved the privileged status of "donor darling" with the United States, World Bank, and other supporters. This status has enabled the Government of Uganda to avoid United Nations sanctions and reductions in debt relief or financial support for its role in supporting armed conflict and instability in Congo. As noted by William Reno, "benefits are available to those rulers who can fake adherence to norms and who can find external partners who will tolerate this fakery, often to satisfy their own political needs."¹⁵³

Berkeley, April 2010

¹⁵¹ Uganda also sought to minimize Rwandan influence in Ituri, but Uganda's strategy was "overwhelmingly commercial." Letter from Mahmoud KASSEM, Chairman, Panel of Experts on the Democratic Republic of the Congo, to H.E. Mr. Kofi Annan, United Nations Secretary General, 20 October 2003, p. 9.

¹⁵² COLLIER, P., REINIKKA, R. "Reconstruction and Liberalization...", *op. cit.*, p. 15; WEINSTEIN, J., "Autonomous Recovery and International Intervention in Comparative Perspective", Center for Global Development, *Working Paper 57* (April 2005), p. 18.

¹⁵³ RENO, W., "War, Debt ...", *op. cit.*, p. 4.

Appendix

Table 1. Uganda's Official Trade with Zaire/Congo, 1994-2002
(millions of USD)

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|----------------|--------|--------|--------|-------|--------|-------|
| <i>exports</i> | 13.115 | 38.223 | 40.301 | 9.299 | 10.156 | 3.427 |
| <i>imports</i> | n/a | n/a | 0.0 | 0.0 | 0.0 | 0.0 |
| | 2000 | 2001 | 2002 | | | |
| <i>exports</i> | 7.834 | 14.740 | 9.908 | | | |
| <i>imports</i> | 0.052 | 1.339 | 1.178 | | | |

n/a—not available

Sources: For 1994-1999 exports—UGANDA BUREAU OF STATISTICS data; for 2000-2002 exports—BANK OF UGANDA, “Annual Report 2002/2003”, Appendix 12, p. 96; for 1996-1998 imports—BANK OF UGANDA, “Annual Report 1998/99”, Appendix 10, p. 84; for 1999 imports—BANK OF UGANDA, “Annual Report 1999/2000”, Appendix 10, p. 73; for 2000-2002 imports—BANK OF UGANDA, “Annual Report 2002/2003”, Appendix 13, p. 97.

Table 2. Uganda, Gold Exports by Fiscal Year (1 Jul-30 Jun)
and Value, 1993/94-2008/09
(millions of USD)

| | 1993/94 | 1994/95 | 1995/96 | 1996/97 | 1997/98 | 1998/99 |
|---------------------|-----------|---------|-----------------------|---------|---------|---------|
| <i>export value</i> | 0.960 | 12.444 | 35.150 | 110.537 | 25.453 | 27.946 |
| | 1999/2000 | 2000/1 | 2001/2 | 2002/3 | 2003/4 | 2004/5 |
| <i>export value</i> | 39.393 | 58.487 | 56.668 | 48.184 | 58.487 | 71.326 |
| | 2005/6 | 2006/7 | 2007/8 ¹⁵⁴ | 2008/9 | | |
| <i>export value</i> | 101.554 | 116.142 | 44.852 | 27.836 | | |

Sources: BANK OF UGANDA, “Annual Report 2002/2003”, Appendix 10, p. 94; BANK OF UGANDA, “Annual Report 2005/2006”, Appendix 10, p. 126; BANK OF UGANDA, “Annual Report 2007/08”, Appendix 10, p. 122; BANK OF UGANDA, “Annual Report 2008/09”, Appendix 9, p. 140.

¹⁵⁴ The Bank of Uganda's 2007/08 report lists the figure as 118.465, but the 2008/09 report lists the figure as 44.852. I have listed the latter because it most likely represents an updated amount. Uganda's official exports significantly dropped during the second half of the 2007 calendar year after the UN Security Council added Uganda's two largest gold exporters to a sanctions list; this prompted Emirates Gold in Dubai to announce it would no longer buy gold from the sanctioned companies.

Table 3. Uganda, Gold Exports and Domestic Production, 1994-2009
(kg)

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 |
|----------------------------|-------|-------|-------|--------------|-------|-------|
| <i>exports</i> | 225 | 905 | 3,206 | 7,781 | 2,132 | 5,558 |
| <i>domestic production</i> | 2 | 2 | 3 | 6 | 8 | 5 |
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
| <i>exports</i> | 7,303 | 6,162 | 7,117 | 3,478 | 5,465 | 4,241 |
| <i>domestic production</i> | 56 | 0.1 | 3 | 40 | 1,447 | 46 |
| | 2006 | 2007 | 2008 | Jan-Mar 2009 | | |
| <i>exports</i> | 6,090 | 2,844 | 2,054 | 209 | | |
| <i>domestic production</i> | 22 | 20 | n/a | n/a | | |

n/a—not available

Sources: For **export volume**—UGANDA BUREAU OF STATISTICS, “2006 Statistical Abstract”, Kampala, UBOS, June 2006, Table 4.2 A, p. 213; UGANDA MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT, “Background to the Budget, 2009/10 Fiscal Year”, Kampala, June 2009, Table 15, p. A:27; YAGER, T. R., “The Mineral Industries of Kenya and Uganda”, in *2001 Minerals Yearbook*, Renton, VA, U.S. Geological Survey, 2001, p. 17.4; YAGER, T. R., “The Mineral Industries of Kenya and Uganda”, in *2000 Minerals Yearbook*, Renton, VA, U.S. Geological Survey, 2000, p. 17.4; UGANDA MINISTRY OF TOURISM, TRADE AND INDUSTRY, “The Uganda National Export Strategy, 2008-2012”, October 2007, Table B2.0, p. 152; UGANDA MINES DIVISION, “Annual Statistics 2007”, Entebbe, March 2008, p. 5.

For **domestic production**—YAGER, T. R., 2001, *op. cit.*, Table 1; YAGER, T. R., “The Mineral Industry of Uganda”, in *2005 Minerals Yearbook*, Renton, VA, U.S. Geological Survey, 2005, Table 1, p. 41.3; UGANDA MINISTRY OF ENERGY AND MINERAL DEVELOPMENT, “Annual Report 2001”, Kampala, 2002, p. 40; YAGER, T. R., *op. cit.*, 2000, Table 1; UGANDA MINISTRY OF ENERGY AND MINERAL DEVELOPMENT, “Metallic mineral production of Uganda”, Entebbe, Department of Geological Survey and Mines, 2008; UGANDA MINES DIVISION, March 2008, *op. cit.*, p. 4.

Table 4. Uganda, Official Trade with DRC, 2002-2008
(millions of USD)

| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | TOTAL |
|----------------|-------|--------|--------|--------|--------|---------|---------|---------|
| <i>exports</i> | 9.908 | 15.272 | 27.129 | 59.612 | 44.818 | 101.283 | 129.663 | 387.685 |
| <i>imports</i> | 1.178 | 1.917 | 2.443 | 3.099 | 0.124 | 0.118 | 1.464 | 10.343 |

Source: BANK OF UGANDA, “Annual Report 2008/2009”, Appendix 11, p. 142; Appendix 12, p. 143.

Table 5. Uganda, Informal Cross-Border Trade with DRC, 2005-2008
(millions of USD)

| | 2005 | 2006 | 2007 | 2008 | TOTAL |
|---------------------|---------------|---------------|----------------|----------------|----------------|
| <i>EXPORTS:</i> | | | | | |
| <i>all products</i> | 73.964 | 80.453 | 156.534 | 195.167 | 506.118 |
| agricultural | n/a | 21.782 | 28.276 | n/a | - |
| industrial | n/a | 57.969 | 124.253 | n/a | - |
| other | n/a | 0.702 | 4.006 | n/a | - |
| <i>IMPORTS:</i> | | | | | |
| <i>all products</i> | 19.550 | 11.288 | 18.242 | 19.671 | 68.751 |
| agricultural | n/a | 8.870 | 11.018 | n/a | - |
| industrial | n/a | 2.417 | 7.041 | n/a | - |
| other | n/a | 0.001 | 0.183 | n/a | - |

n/a—not available

Sources: UGANDA BUREAU OF STATISTICS, “The Informal Cross Border Trade Survey Report 2007”, November 2008, Table 2, p. 20; UGANDA BUREAU OF STATISTICS, “2009 Statistical Abstract”, June 2009, p. 73.

Table 6. Uganda, Gold Exports by Destination, 2002-2008¹⁵⁵
(kg)

| DESTINATION | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | TOTAL |
|---------------------|---------|---------|---------|---------|---------|---------|---------|----------|
| <i>South Africa</i> | 4,347.4 | 1,964.0 | 187.0 | - | - | - | - | 6,498.4 |
| <i>Switzerland</i> | 2,581.6 | 1,124.6 | 3,549.6 | 748.7 | - | - | - | 8,004.5 |
| <i>Hong Kong</i> | 46.0 | - | - | - | - | - | - | 46.0 |
| <i>Netherlands</i> | 41.0 | 15.0 | - | - | - | - | - | 56.0 |
| <i>UAE</i> | 20.0 | 336.0 | 1,724.8 | 3,429.3 | 6,894.2 | 3,181.2 | 1,844.6 | 17,430.1 |
| <i>USA</i> | - | 31.0 | - | - | - | - | - | 31.0 |
| <i>UK</i> | - | - | - | 43.0 | - | - | - | 43.0 |
| <i>Belgium</i> | - | - | - | 11.0 | 17.0 | - | - | 28.0 |
| <i>Korea</i> | - | - | - | - | 25.0 | - | - | 25.0 |
| <i>Tanzania</i> | - | - | - | - | - | 0.7 | - | 0.7 |
| <i>Canada</i> | - | - | - | - | - | - | 2.1 | 2.1 |
| <i>Congo-Braz.</i> | - | - | - | - | - | - | 99.0 | 99.0 |
| <i>Sudan</i> | - | - | - | - | - | - | 104.0 | 104.0 |
| <i>TOTAL</i> | 7,036.0 | 3,470.6 | 5,461.4 | 4,232.0 | 6,936.2 | 3,181.9 | 2,049.7 | 32,367.8 |

Source: GOVERNMENT OF UGANDA, export statistics, 2002-2008.

¹⁵⁵ These totals differ from those in Table 3 due to the source, but are presented here to indicate the general destinations of Uganda's gold exports.