

# Responsive and Accountable Leadership for a Peaceful and Prosperous Congo

United State Institute of Peace, May 14, 2010



## THE CONGO RECOVERY PROGRAM (CRP)

**\$140 billion States Bonds for DRC reconstruction**

*The Obama Plan?*

**Dr. George Makita Alula**

*President of the movement of the Congolese Unity - UNIC*

May 14, 2010

The Congo Recovery Program  
THE BUSINESS PLAN

*Author of the book  
THE IGNORED ECONOMIC GENOCIDE  
Killing the majority to protect the minority  
Sex used as weapon  
Published by Xlibris – July 2009*

# Executive summary

- ✦ Country full of natural resources that needs to be properly managed for the best interest of DRC people and all stakeholders.
- ✦ Gold reserve known and unexploited - 23 trillion USD (estimate), 80% the size of US and EU annual GDP
- ✦ 4.5 billions mobiles phone – worldwide [DRC has 80% of world's coltan reserve]
- ✦ What is good in the DRC [marketing plan]



CRP duration?  
4 years project

## AIMS

- Create & Maintain a stable economy
- Ensure financial stability

# The DRC Facts

- ◆ Demography
- ◆ Administrative division
- ◆ Resources
- ◆ Strategic partners



# Why CRP?

- ◆ ***Humanity conscience***
- ◆ 6 millions victims / Jewish - NAZI system
- ◆ 2 millions IDP
- ◆ Broken State (DRC (Western Europe))
  - No infrastructure
  - demolished state
- ◆ ***Security reason – Terrorism expansion***
- ◆ War against Free market world & partners
- ◆ Terrorism threat to the world
- ◆ Poverty is the bed to terrorism  
[terrorism expansion like communism expansion]
- ◆ ***World financial stability and security***
- ◆ Securing - Natural resource supply chain
- ◆ High Value market product supplier

**Breaking the  
Genocide Cycle**

**Terrorism Threat  
like Communism  
System**

**World financial  
System Stability**



*From Despair to Hope*

# Past history

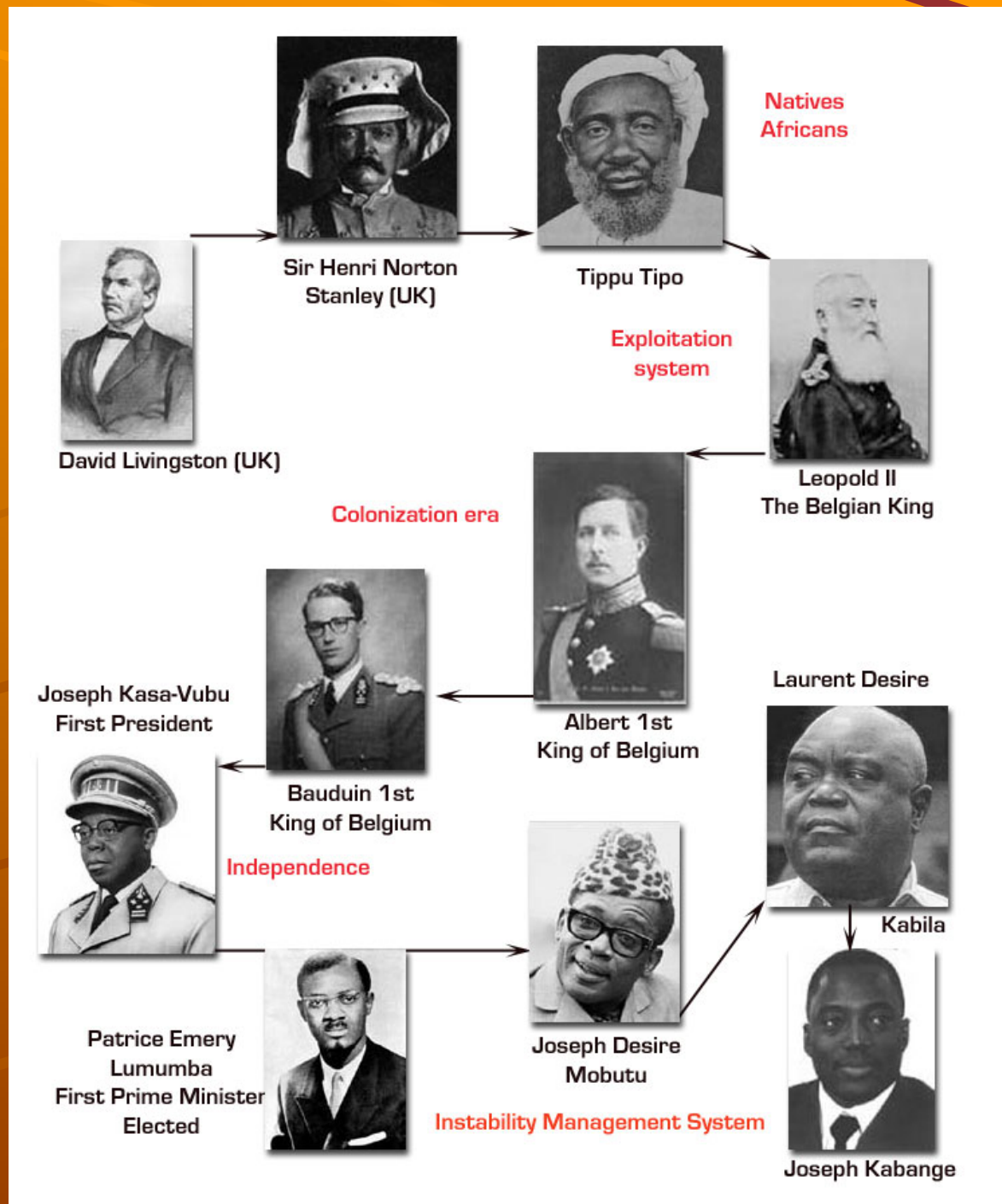
- ✦ Slavery
- ✦ Colonization
- ✦ Independence
- ✦ Instability management / International community
- ✦ Conflict of interest
- ✦ Wars
- ✦ Genocides

Slavery System disaster  
Two Economic Genocides  
\*\*\* 600+ years of human  
disaster for the same people \*\*\*



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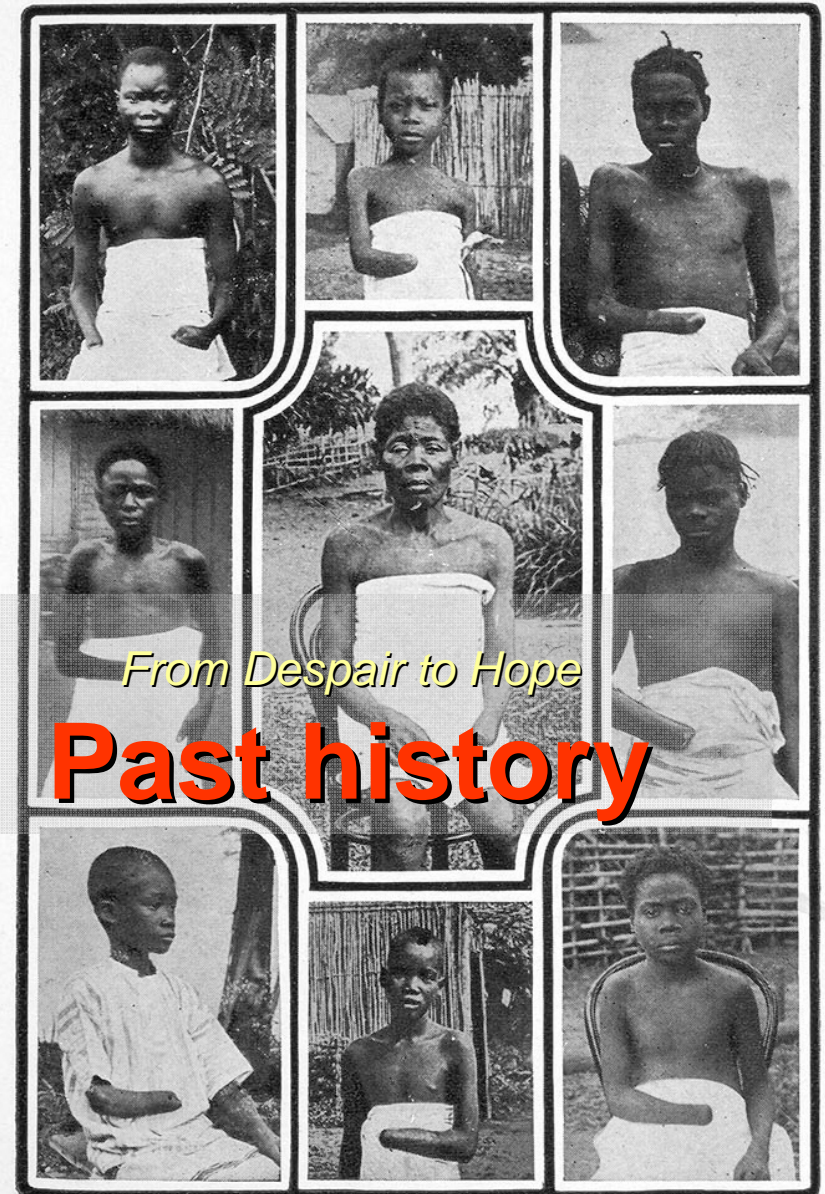
# Congo Free State (CFS) 1885-1908



Leopold II – The King of Belgium  
and owner of the CFS

## The 1<sup>st</sup> Economic Genocide

- ✦ Rubber, Copper, Gold, diamond, timbers – brutal exploitation
- ✦ 10 millions + victims
- ✦ Survivors – Hands severed



*From Despair to Hope*

**Past history**

FROM PHOTOGRAPHS, CONGO STATE

"The pictures get sneaked around everywhere."



*From Despair to Hope*

# Past history

## ◆ Global impact

– Technology progress

◆ Defense (Uranium) - Hiroshima

◆ Jewelry (Gold, Diamond) – London Bullion metal exchange

◆ Automotive (Rubber)



Hiroshima



\$23 trillion Gold RKU

– DR CONGO **IMPACT ON THE WORLD**  
GLOBAL ECONOMIC STABILITY AND  
SECURITY

## *From Despair to Hope*

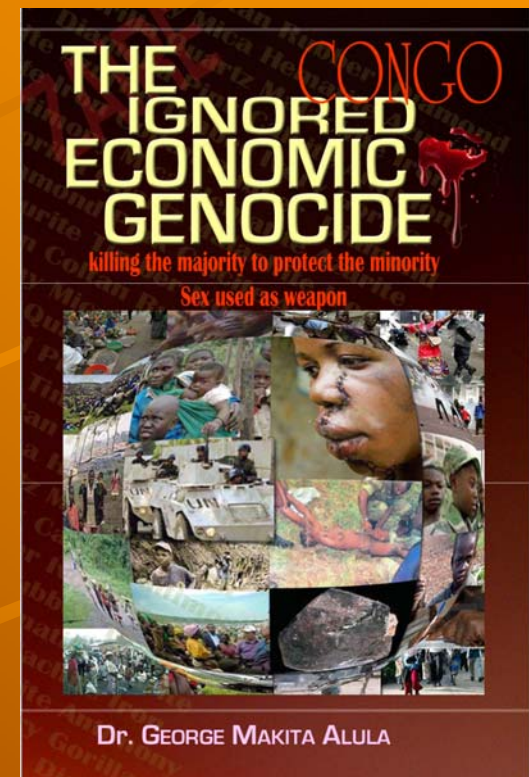
### **Current situation** (since 1998)

#### ✦ An Ignored Economic Genocide

- Needs to break the silence
- STOP THE GENOCIDE
  - ✦ 6 millions victims
  - ✦ 2 millions people displaced from their home

#### ✦ WW-III (African World War III)

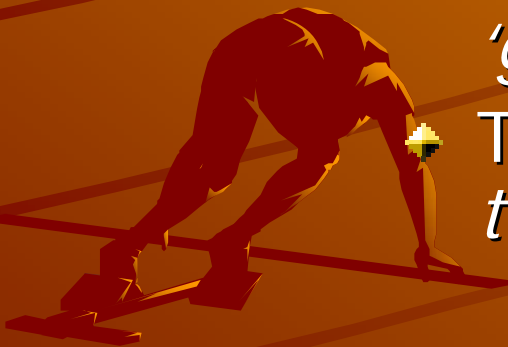
- 6+ countries involved in war to control the rich natural resources regions
- Mass killing, rapes, insecurity...
- Infrastructure demolished, No State country





# Warning ...

- ✦ Some of the following *images of the Congolese Genocide are shocking*
- ✦ But that is the truth that the word '*genocide*' may hardly translate
- ✦ The World needs to know *to help them...*



# History repeat itself.. (continued)



Jewish women (1945) – Congolese Women rapes and sexual mutilations...

# History repeat itself.. (continued)





# History repeat itself.. (continued)

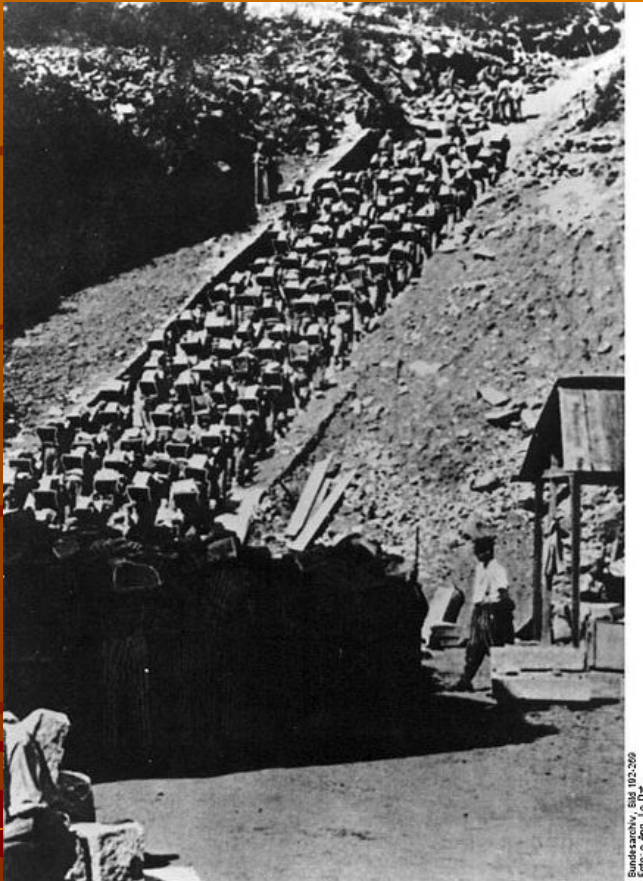


Burned villages...

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# History repeat itself.. (continued)



Congolese and Jews - deportation



# History repeat itself.. (continued)

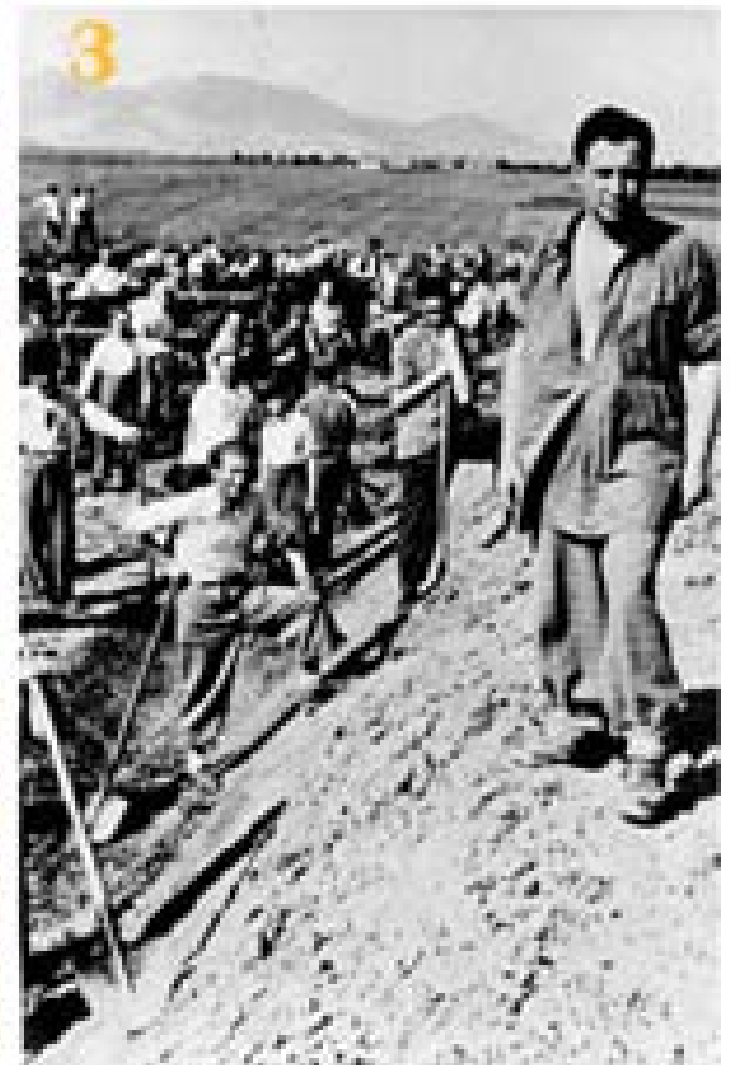


Congolese and Jews - deportation



# Artisanal to Industrial mining?

History repeat itself.. (continued)

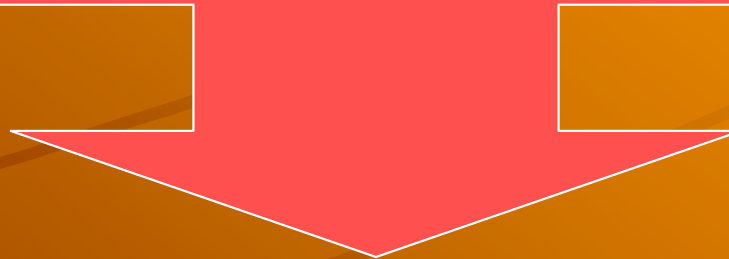


Congolese mining process (today) like Jews – Forced labor camp (1940-45)

# An Economic response to an Economic War

Stop the *International community  
willingness Instability Management System*  
(ICWIMS)

Solve the *conflict of Interest* among  
Western countries partners  
(USA, BE, FR, UK....) and now CHINA.



**Guaranteed States Bonds  
\$140 billion**

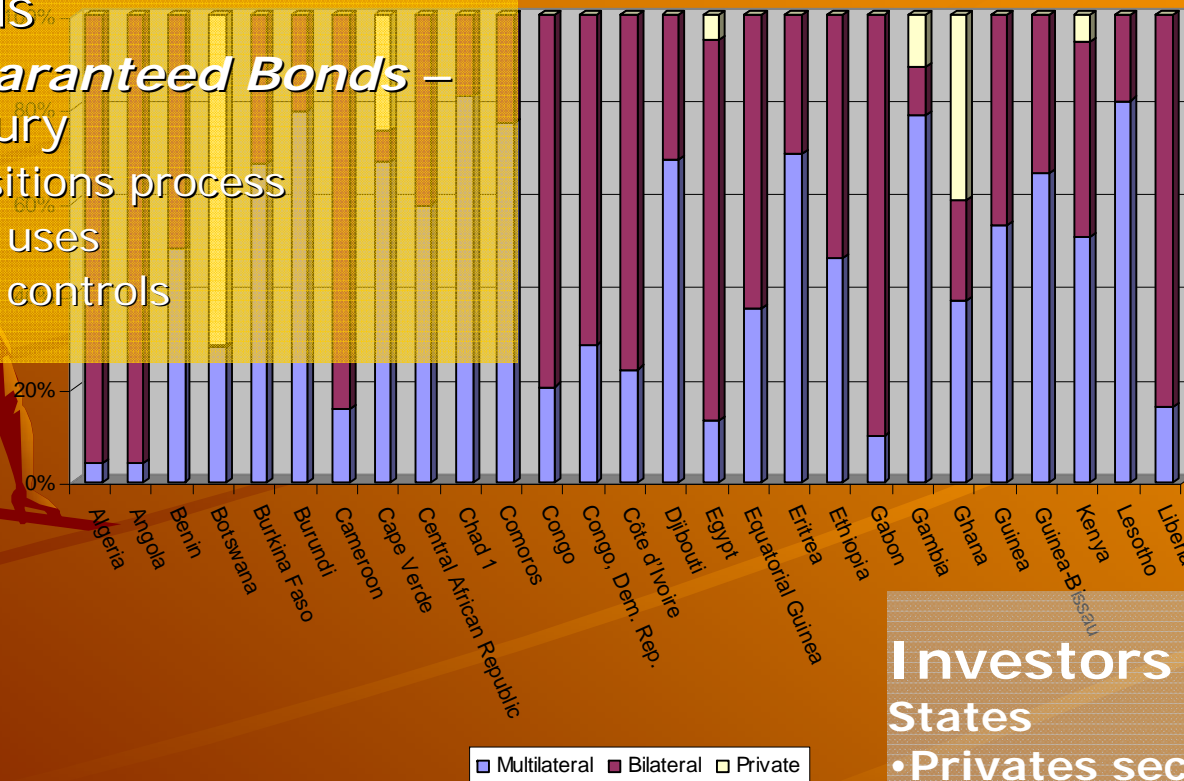
**Free Market World**

# What is the base of CRP?

- CRP program is based on the launching of DRC \$140 billion **reconstruction State Bonds** backed up by the USA as principal partner.

- States Bonds
  - State *Guaranteed Bonds* – US Treasury
    - Acquisitions process
    - Funds uses
    - Funds controls

Distribution of the Year 2006 - Debt Outstanding

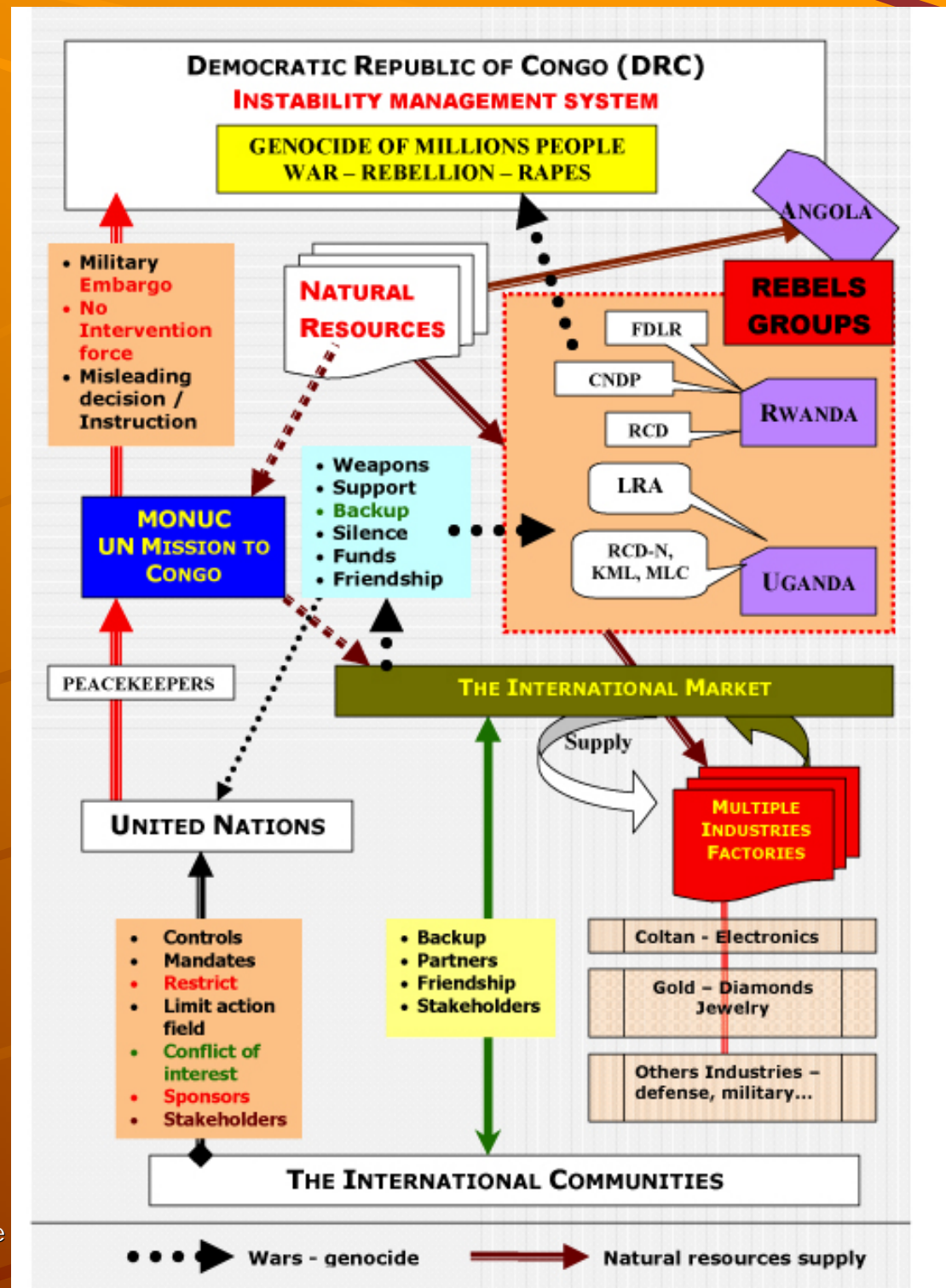


**Investors – Partners**  
**States**  
 •Privates sectors  
 •Business / individual



# DRC's Willingness Instability Management System (WIMS)

DRC - Raw material supplier  
to the International Market and  
High-Technology industry



From R&D and  
Natural resource to  
final product

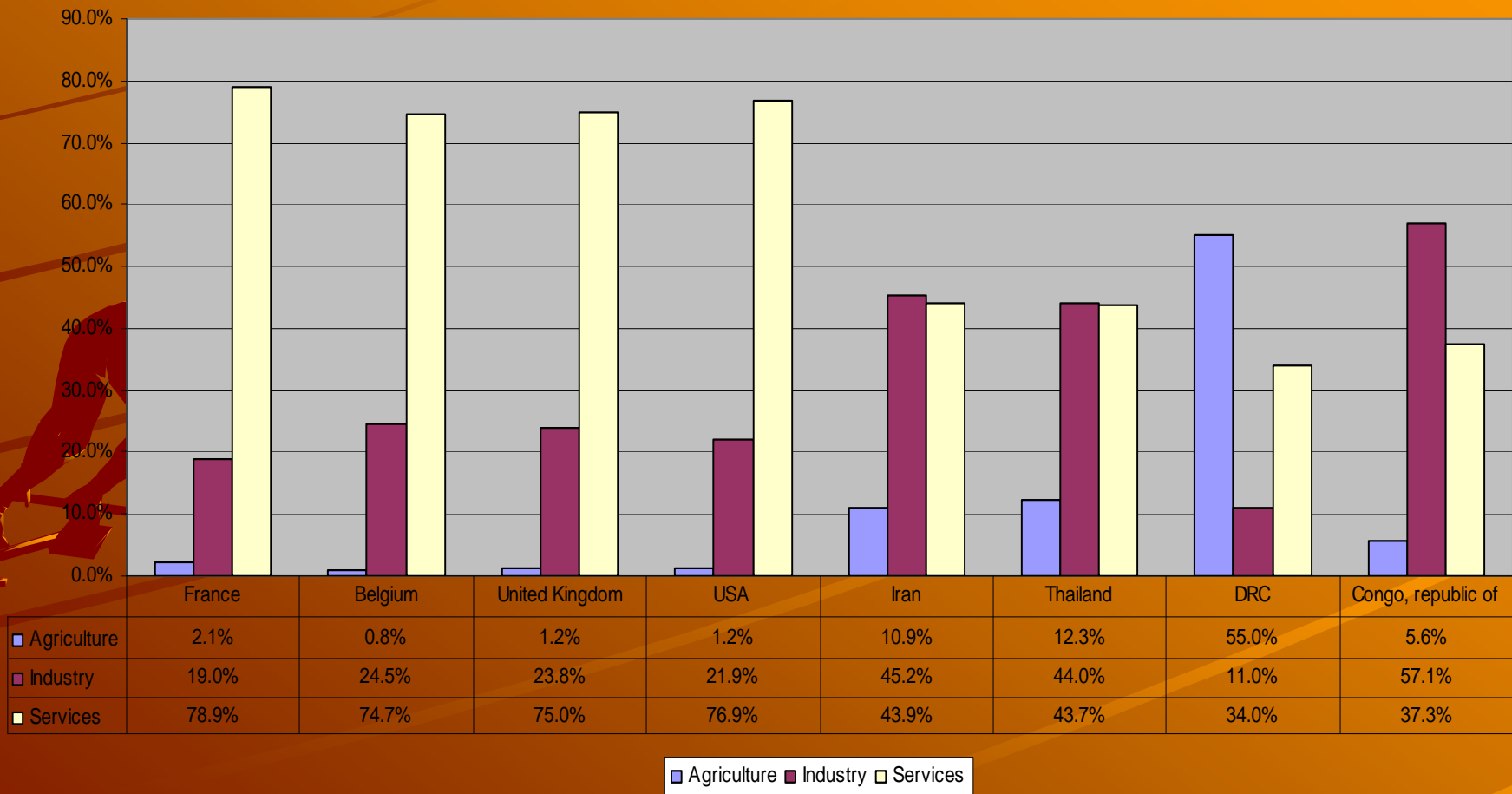
DRC as Direct  
Supplier to the  
High-Tech industry



- ✦ Sustainable peace / restored
- ✦ Controlled inflation rate
- ✦ Interest rate: 3-5%
- ✦ No more war – DRC strong US military base
- ✦ US alliance – Business / Military
- ✦ \$140 Billion State's Bonds

# Assumption

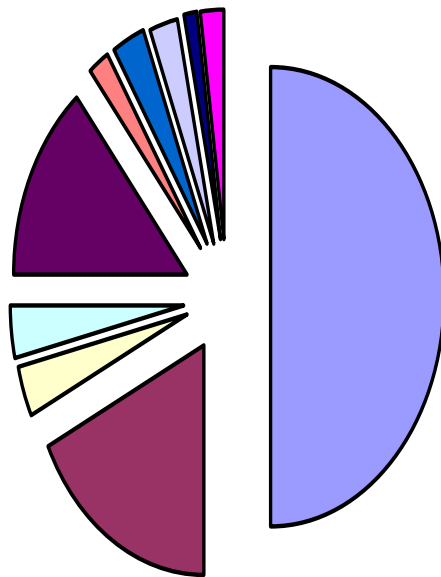
DRC economy structure





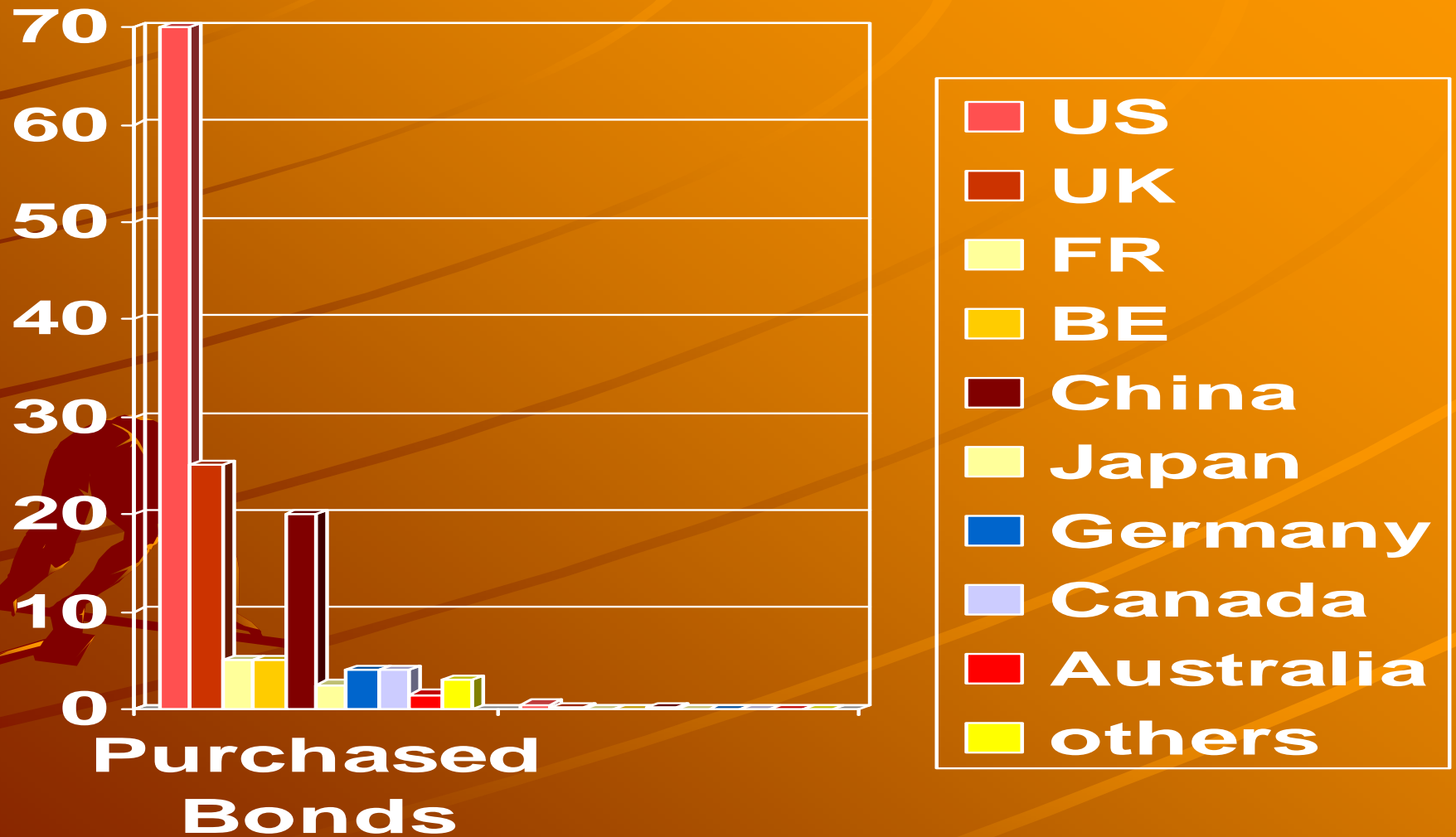
# States Bonds acquisitions

## Partnership power sharing



■ US ■ UK ■ FR ■ BE ■ China ■ Japan ■ Germany ■ Canada ■ Australia ■ others

# States Bonds acquisitions



# Milestones

- ◆ Existing Assistance Funds – may be used to create streamline (\$1-2 B):
- ◆ basic infrastructure (setting up the country banking system, telecommunication)
- ◆ skills building – workers training program (6-12 month)
- ◆ collect \$10 billion fine due by Uganda to DRC



# Investors - Partners Benefit

## ♦ See – Marshall plan benefit to the US for the ERP[1]

- Strong allies ties
- Jobs creations
- Industries progress
- Peace and securities

[compare GDP before and after War]

## ♦ Direct supply chain

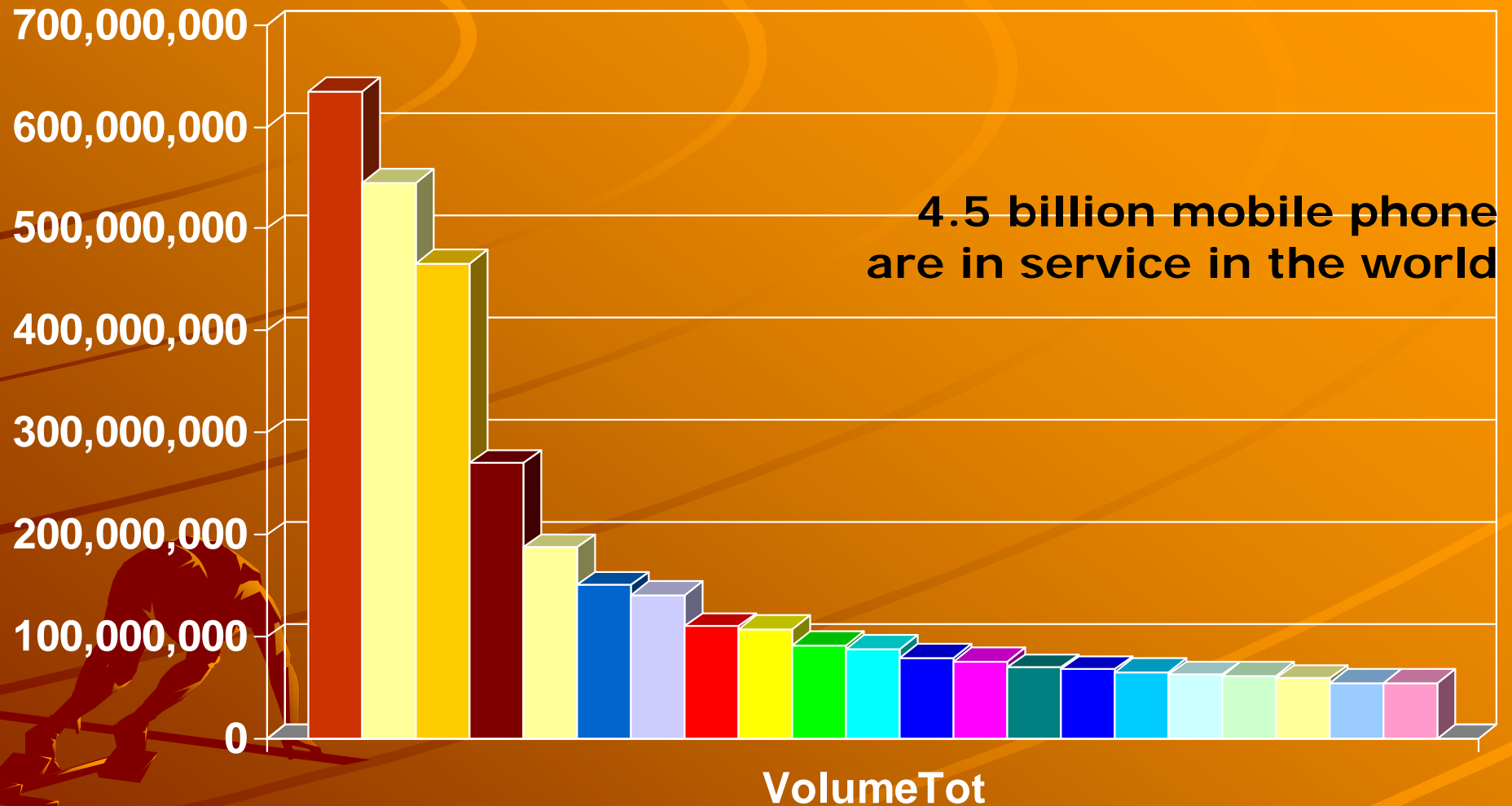
## ♦ CRP Benefits

- International market player (OECD standards)
- Stopping rapes, mass killing, population displacement, insecurities

[1] European Recovery Program

France Partners: Germany 14.4%, Italy 8.7%, Spain 8.3%, UK 7.8%, Belgium 7.6%, US 5.8%, Netherlands 4.1%  
DRC - China 47.3%, Belgium 15.4%, Finland 9.6%, US 8.1%, Zambia 4.4%

# Investors - Partners Benefit



China	India	European Union	United States	Russia	Brazil
Indonesia	Japan	Germany	Pakistan	Italy	Mexico
United Kingdom	Vietnam	Philippines	Turkey	Nigeria	Thailand
France	Ukraine	Egypt			

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# What is the Plan stand for?

## *Investments areas*

- ◆ Defense
- ◆ Justice
- ◆ Security
- ◆ Infrastructure – building & development
- ◆ Health care system
- ◆ Education
- ◆ Transportation system
- ◆ State recreation and building
- ◆ Large and diverse *production industries*



# Money Uses – the Budget

Department	US_Budget_Ref	Budget_%	Budget_Amnt
Department of Defense	\$515.40	24.00%	\$ 33,600,000,000
Industrial Infrastructure Development	\$145.20	11.00%	\$ 15,400,000,000
Department of Health and Human Services	\$70.40	7.00%	\$ 9,800,000,000
Department of Transportation	\$68.20	15.00%	\$ 21,000,000,000
Department of Education	\$45.40	8.00%	\$ 11,200,000,000
Department of Veterans Affairs	\$44.80	2.00%	\$ 2,800,000,000
Department of Housing and Urban Development	\$38.50	6.00%	\$ 8,400,000,000
State and Other International Programs	\$38.30	2.00%	\$ 2,800,000,000
Department of Security	\$37.60	3.00%	\$ 4,200,000,000
Department of Energy	\$25.00	4.00%	\$ 5,600,000,000
Department of Agriculture	\$20.80	4.00%	\$ 5,600,000,000
Department of Justice	\$20.30	1.60%	\$ 2,240,000,000
National Aeronautics and Space Administration	\$17.60	1.46%	\$ 2,042,271,032
Department of the Treasury	\$12.50	1.00%	\$ 1,400,000,000
Department of the Interior	\$10.60	0.88%	\$ 1,230,004,144
Department of Labor	\$10.50	0.87%	\$ 1,218,400,332
Social Security Administration	\$8.40	0.70%	\$ 974,720,265
Environmental Protection Agency	\$7.10	0.59%	\$ 823,870,700
National Science Foundation	\$6.90	0.57%	\$ 800,663,075
Judicial branch ( federal courts)	\$6.30	1.40%	\$ 1,960,000,000
Legislative branch ( Congress)	\$4.70	0.39%	\$ 545,379,196
Army Corps of Engineers	\$4.70	0.39%	\$ 545,379,196
Executive Office of the President	\$0.40	1.00%	\$ 1,400,000,000
Small Business Administration	\$0.70	0.06%	\$ 81,226,689
Other agencies	\$7.20	0.60%	\$ 835,474,513
Other Off budget Discretionary Spending	\$39.00	2.50%	\$ 3,500,000,000

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# CRP - The implementation planning

## ✦ Security

### – Justice

#### ✦ Infrastructures

##### – Agriculture

##### – Distribution

#### ✦ Transportation

##### – Census

#### ✦ Decentralization process

#### ✦ School system development

#### ✦ Public Administration

#### ✦ Health care system

#### ✦ Industrial development

#### ✦ Services



**PRIORITIES**



# How the \$ will be used?

## ◆ By sector

[see budget FR, UK, USA budget distribution model vs DRC budget distribution per sector]

## ◆ Distribution per activity sector (industry area)

## ◆ Distribution per partner's country (CRP BONDS buyers?)



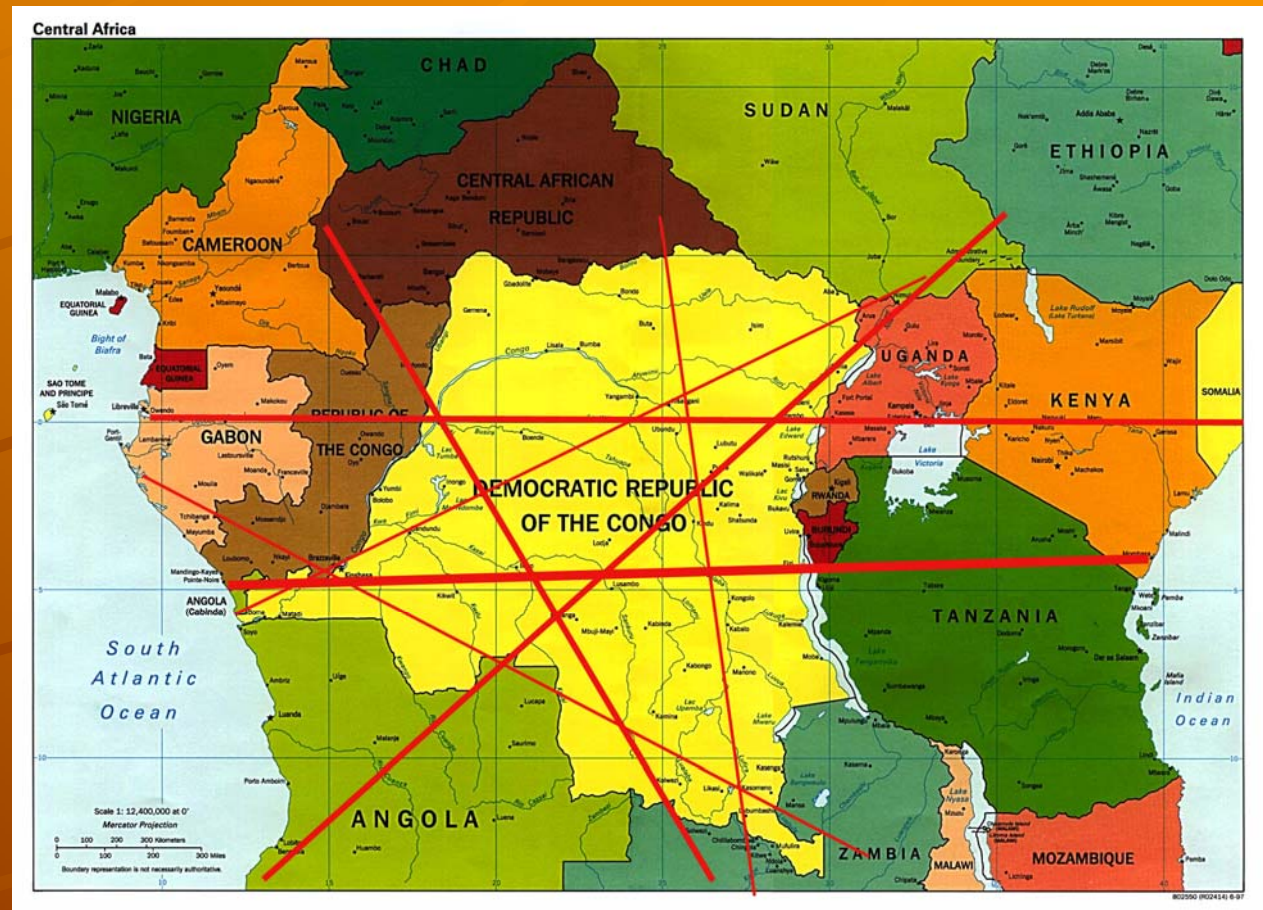
# Examples of targeted realization

- ◆ Health care system
- ◆ Education system
- ◆ Transportation system
  - Airlines companies
  - Automotive industry installation and local production
    - ◆ Cars, trucks, bus
  - Rails ways
- ◆ Heavy equipment production
- ◆ Industrials development
  - Refineries / smelting facilities
  - Energy production and distribution
  - Telecommunication
  - cabling
- ◆ Others needed area: agriculture, farming

Bring an Economic  
response to an  
Economic War

*From Despair to Hope*  
**Future - Hope**

✦ ***Transportation  
infrastructure  
development*** -  
Transatlantic highway  
linking - *Indian and  
Atlantic oceans* trough  
DRC - & joining *South  
Africa to Western Africa*



David Star – Transportation Network © GMA

# What is the ROI?

## *Impact of such benefit*

- ✦ Fix return (3-5%) Bonds interests
- ✦ The market stabilization will open up and diversify partners interest area on untapped market access to others industries – others than the mining industries
- ✦ How much worth the strong diplomatic, commercial, familiar ties between European countries and the US?
- ✦ *We see the DRC as a strong ally to the Free market world*

Country	GDP
USA	\$ 46,400
Australia	\$ 38,800
Canada	\$ 38,400
Belgium	\$ 36,600
United Kingdom	\$ 35,200
France	\$ 32,800
Japan	\$ 32,600
Iran	\$ 12,900
Thailand	\$ 8,100
Congo, Republic of the	\$ 4,100
Congo, Democratic Republic of the	\$ 300



# Advantages for the DRC?

*Strong and stable DRC is for the best interest all stakeholders*

- ◆ Provides for its populations needs:
  - Foods, health care, education, mental development, infrastructures...
  - Development of an economic structure consistent with growth, diversity and cost advantage benefitting its own population and the international market
- ◆ Great lake region peace and development
- ◆ Africa's continent development
- ◆ Re-instate the Congo's state *[peaceful and prosperous DRC]*

*From Despair to Hope*

# Future - Hope

**Bring an Economic response to  
an Economic War**

- ✦ Building a ***Win / Win agreement***  
between the DRC and all stakeholders
- ✦ Establish ***new leadership*** in the country
- ✦ **DRC as direct supplier** of its minerals to  
the International Market

