

THE SOCIAL IMPACT OF THE GLOBAL FINANCIAL CRISIS IN THE DEMOCRATIC REPUBLIC OF CONGO (DRC)

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Abstract: -

The global financial and economic crisis is also causing considerable problems for the Democratic Republic of Congo in particular and sub-Saharan African countries in general. As it highlights the dysfunctions of the world economy, some believe that a reform of the international financial architecture is essential. Although the crisis was sparked by events in the US real estate market, it has spread to all regions of the world and has disastrous consequences for global trade, growth and investment. The financial crisis is a serious setback for the Democratic Republic of Congo as it comes at a time when the country is making progress in terms of both results and economic management. Since 2006, the Democratic Republic of Congo has recorded an average growth rate in real terms of more than 5% while inflation has fallen below 10%. In addition, the significant improvements in governance and the decline in the number of armed conflicts have attracted more private capital to the country. The developing countries in which the Democratic Republic of Congo is located do not, on the whole, have the same means as the industrialized nations when it comes to stimulating the economy while protecting their most vulnerable social categories. But many have made considerable efforts to mitigate the impact of the crisis. Some developing countries have intensified their reciprocal cooperation and urge closer involvement in the shaping of the rules of the world economy.

Keywords: - *Financial crisis, central bank, money creation*

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INTRODUCTION

Since the beginning of the second half of 2008, at the international level, a theme has dominated international economic news: "the financial crisis" that has won the world economy. In the early months of this crisis, there was a consensus that African countries would hardly be affected, given their weak integration into the world economy. But far from being a myth, the global financial crisis has become a reality in Africa and particularly in the Democratic Republic of Congo (DRC), taking on many facets. The consequences of the crisis are most disastrous on the finances and the real economy, including bankruptcies of major banks and companies, a decline in global economic activity and demand, resulting in the development of the "infernal couple" poverty-unemployment " [Binzangi, 1997, pp.43-44]. Faced with this situation, some people remember the idea of Rene Dumont, who already in 1962 titled his book: "Black Africa is badly off" [Kalombo Tuebana Shaloom., 2009, pp. 87-88]. So, in the midst of this world upheaval, soon half a year a century later, everything seems to indicate that the worst is not yet behind us. The most recent news from Africa unfortunately confirms every day the pessimistic diagnosis issued by René Dumont. Despite all the measures taken to curb the consequences of this crisis, all analysts agree that 2009 will remain a year of recession and the most optimistic of them project the end of the crisis for 2010. It is in this context that in the Democratic Republic of Congo, at the end of the Provincial Governors' Conference which was held in Kisangani in the eastern part of the country on 24 and 25 June 2009, President Joseph Kabila makes the following observation: "At the social and economic level, the multifaceted crisis that is hitting our country with full force comes from the international situation that spares no country in the world. But it can not stop our determination to move forward in the implementation of our development agenda. That is why I instructed the heads of the Provincial Executives to put our people back to the productive work of the land, with the short-term goal of mechanization of agriculture and, in the medium term, food self-sufficiency as well as transforming our agricultural products for export ... "[Kabuya and Tshiunza Mniye, 2002, pp. 342-343]. However, let us not underestimate the challenges facing the Democratic Republic of Congo. In these circumstances, the main problem this study addresses is the one facing African leaders is to find ways to manage it so that it does not negate the progress made since the beginning of the millennium and does not darken prospects for achieving the Millennium Development Goals (MDGs). This study analyzes how the international financial crisis affects the Democratic Republic of Congo and its social impact? Indeed, the global economic crisis has created serious dangers for the Congolese economy in terms of job losses and declining quality of life. This is all the more true because it is generally accepted that the economic situation has an influence on the social situation [Kudinga Benoît, 2006, p.98]. Indeed, although the crisis was triggered by events that have occurred on the real estate market in the United States it has spread to all parts of the world and the consequences are disastrous for global trade, growth and investment. In the Democratic Republic of Congo, the rapidly advancing global financial crisis is taking over businesses, mines, jobs, income and livelihoods. Time is running out and the decisive action can not wait. This study also lists the measures taken by the Congolese government and other stakeholders to mitigate the effects. Finally, it examines the directions and measures to be taken to ensure that it does not turn into a humanitarian crisis. The main sources of information used are official documents of the Government, the Congolese Central Bank and other institutions on this theme; reports, books and articles published; studies by other organizations, as well as articles in the press and on the Internet. The documentary study was followed by analytical research through interviews with stakeholders in the sector as well as with the population, which is suffering the effects of this crisis.

Part 1. The Socio-Economic Context of the Democratic Republic of Congo

The Democratic Republic of Congo is endowed with important natural resources (agricultural, mining, energy, fishery, tourist ...), whose exploitation should be the guarantee of its economic and social development. At independence (June 30, 1960), the country had an integrated economic fabric that was the result of unrest, looting, wars and politico-economic inconsequential measures, totally dislocated compromising the good prospects of the tracks of His development. In general, a decline in activities and production is observed in all sectors. As an exporter of several agricultural and food products, the country has become an importer to meet the needs of the population and its industries. Formerly occupying the first positions in the production of several ores (copper, cobalt, diamond, tin ...), the country is now content with marginal places. Indeed, in 2008, the Democratic Republic of Congo recorded poor economic, financial and social performance, despite promising prospects for resolving conflicts, exploiting mineral wealth and structural reforms. These results are due to exogenous factors, such as the global context of food, energy and financial crisis, and to endogenous structural factors, including the lack of basic infrastructure and transport, energy, without forgetting the low level of political and economic governance. During 2008, the growth rate stood at 5.7% at the end of the year against 6.3% in 2007, and the inflation rate was 26.2% against 16.7% in 2007. During the same period, the Congolese franc (CDF) depreciated by 29.3% against the US dollar (USD) [Luwansangu, 2005, pp.121-122]. The deteriorating state of public finances, the slow pace of reforms, the lack of good governance and the lack of a threshold the liberalization of loans granted to the country by a group of Chinese companies did not allow the Democratic Republic of Congo to conclude in March 2008 - as agreed - a program with the International Monetary Fund (IMF) under the Facility for the Reduction of Poverty and Growth (PRGF). As a result, the Democratic Republic of Congo did not reach the completion point in 2008 that would have eased the country's debt by \$ 9 billion. In this regard, it should be noted that the Democratic Republic of Congo is supposed to benefit from debt relief, following its election for the debt relief initiative of the poor and highly indebted countries (HIPC). But this relief has continued to be postponed: from the end of 2006 to the second half of 2007, then to mid-2008 and a third time at the end of 2009. In December 2008, the IMF announced the award: debt relief promised in Congo will only be granted if the contract with China is renegotiated. The Chinese investments in question concern the "contract of the century" of over \$ 9 billion

finalized between the Congolese government and a group of Chinese companies in January 2008. This contract is based on a form of barter: Chinese companies invest in Congolese infrastructure (roads, railways, roads, hospitals, social housing, universities) in exchange for the exploitation of natural resources (copper, cobalt and gold). The limited effects of economic growth on the standard of living of the population are still moving the country away from the Millennium Development Goals (MDGs). The slowdown in growth that started in the last quarter of 2008 is expected to continue and reach a rate of minus 0.6%, given the downward trend in demand for DRC's export products, the decline in world prices of major exports and macroeconomic imbalances. According to forecasts, in 2010, growth will resume to reach 2.7%.

Part 2. Impact of the financial crisis on the Democratic Republic of Congo economy

With the global financial crisis, there are countries where its impacts are immediate and others in which they will be depreciated, following the initial conditions. Indeed, the crisis came at a time when the Democratic Republic of Congo was turning a corner, gradually laying the groundwork for accelerating growth and reducing poverty. As a reminder, let us say that before the international financial crisis, the Congolese economy recorded a continuous growth over the period 2006-2008. Indeed, real GDP growth was 6.3% at the end of 2007 against 5.6% in 2006 driven by the wholesale and retail sectors, agriculture, transport and communications as well as than extractive industries. Growth forecasts made in September for 2008 were 10.7% driven by the extractive industries sectors (mainly mining), Buildings and Public Works, as well as wholesale and retail trade. detail. Domestic prices remained relatively stable over the 2006-2008 period, despite their volatility, with year-on- year inflation declining to 10% at the end of December 2007 after reaching 18.2% in 2006. Mid December In 2008, cumulative inflation stood at 25.80%, 26.05% year-on-year against an annual target of 23.8%. As for the exchange rate of the Congolese franc against the US dollar, it was CDF 499.6 the dollar at the end of December 2007 against CDF 503.4 in 2006, a slight appreciation of 0.2%. At mid-December 2008, it has increased to CDF 610 the dollar, a depreciation of 22.1% in comparison with its level at the end of 2007. The synchronized slowdown in global economies induced by the current financial crisis is undermining the significant macroeconomic performance of the past five years, particularly in Africa. Thus, speaking of the impact of this crisis on the economy, it should be noted that the current economic and financial crisis is resulting in a recession that is hitting hard and particularly the countries dependent on extractive industries like the Democratic Republic of Congo, in addition fragile state and post-conflict. The impact of this crisis on the Democratic Republic of Congo can be assessed through several criteria. This is so:

2.1. Falling prices of exported products

The Democratic Republic of Congo, as we have already noted, has a mineral potential bordering on the scandal and is therefore rightly described as a "geological scandal"[Salin Pascal, 2014, pp. 323-324]. But the problem is when the population does not reflect this wealth. As one of the most income-dependent countries in the mining sector, it must only be strongly affected by the collapse of prices of mineral raw materials and metals. Thus, the fall in commodity prices in general and mineral commodities in particular severely affects the economy of the country and the consequences are to be feared. Among the metals whose prices fell, silver, tin, aluminum and platinum fell sharply, from 28% to 43%. Lastly, prices for zinc, copper, nickel and lead dropped even more sharply, dropping from 50% to 63%. Specifically, the price of a ton of copper fell to 2,811 US dollars in December 2008 against more than 8,000 US dollars in early 2008. The price per ton of cobalt fell to 16.5 US dollars in December 2008 against 38.1 US dollars in July 2008; the same is true of wood and crude oil. From this fall in the prices of exported products, the economic repercussions were immediate in the Democratic Republic of Congo, where many farms were stopped. Indeed, we have seen companies bear the full brunt of the financial crisis that has collapsed sales, drop the capitalization of companies and derail the risk on debts. Of course, stock prices of publicly traded companies have been highly volatile. As solutions, most mining companies have adopted solutions that are out of step with the current situation, namely: - internal measures to companies consisting of an adequate reduction of production; - the maximum reduction of expenses; - debt optimization (if possible) and; - the sale of assets (even if the moment is unfavorable).

2.2. Falling exports and foreign exchange reserves.

The Democratic Republic of Congo, with an economy highly dependent on commodity exports and external budget support, which are subject to fluctuation for one and conditional on the other, should reduce its economic outlook. Indeed, the macroeconomic framework as set by the budget law for the 2009 financial year, provided for a more favorable economic situation with a GDP growth rate of 9%, an end-of-period inflation rate of 11.5% and a rate of US dollar exchange rate of 580 Congolese Francs (CDF) US dollar. But because of the low level of production, export prices and foreign direct investment, the World Bank projections project GDP growth rates of around 4 to 5% for 2009 and 2010. The contraction of global demand has also led to a significant decline in export earnings. Indeed, the slowdown in economic growth in three major export markets, Europe, the United States and China, has had an impact on demand for products from Africa. In clear terms, growth in African exports increased from 4.5% in 2007 to 3% in 2008. Imports increased from 14% in 2007 to 13% in 2008. According to World Trade Organization forecasts. (WTO), the volume of world trade is expected to fall by 9% in 2009. The impact on the continent's exports can only be negative for this year 2009. In the Democratic Republic of Congo, the rate of decline in exports in the second half of 2008 is estimated at 56.3% against a forecast of 46.8%. Foreign exchange reserves fell by nearly 400% from US \$ 253.1 million in May 2008 to US \$ 77 million in December 2008. As a result, the stock of foreign exchange reserves is falling dangerously, and in this regard it was revealed at the beginning of this crisis that the Democratic Republic of Congo has reserves covering only a few weeks of imports, which seriously jeopardizes its ability to import even essential goods

such as foodstuffs, medical and agricultural inputs. In fact, the fall in exports generally slows the entry of foreign currencies, which leads to a depreciation of the exchange rate of the local currency, which is the Congolese Franc, which has lost more or less 20% of its value against the US dollar as the reference currency. Thus, the inflation rate was thus calculated at the end of 2008 at 27.6% against a forecast of 23%. A few months after the inauguration of the new Democratic Republic of Congo government led by Prime Minister Adolphe Muzito, the Congolese franc (CDF) depreciated by 23% against the dollar. For this purpose, the exchange of a dollar has rapidly increased from about 560 CDF to 750 CDF, which in one way or another reflects the decline in the purchasing power of the Congolese population[Mabi, 2001,p.87].

2.3. The loss of growth points.

The growth rate in 2008 is estimated at 6% against an initial forecast of 10%. The most affected sectors are mining, oil production, the agricultural export sector (coffee, rubber, wood), as well as the service sector, particularly at the level of telecommunications companies. The outlook for 2009 puts growth at 2.7%, below the population growth rate of 3.3%; and the Democratic Republic of Congo has been in recession since April 2009.

2.4. The fall in fiscal and fiscal revenues leading to an increase in fiscal deficits.

2.5. Compared with their levels in the first quarter of 2008, government revenue fell sharply in the first quarter of 2009, from financials, mining and oil revenues. In real terms, they went from \$ 230.3 million in March 2008 to \$ 175.9 million in March 2009, a decrease of 23.6%. Thus, the expected clean revenues were not realized during the first quarter of 2009, causing a budget deficit. This deficit could be higher if donor countries reduce external aid to budget support[Kalombo Tuebana Shaloom., 2009, pp. 76-78], given the volatile international economic environment. Lack of resources to finance infrastructure in communications, energy infrastructure and basic social services; Massive job losses in the upstream and downstream mining sector. The estimate of direct job losses is 300,000 units. Taking into account the average household size of the order of 10 people, these job losses have affected the standard of living of nearly 3 million people. This element will be further developed in point 2.5. which deals with the social impact of the financial crisis.

2.6. Impact of the financial crisis on the social situation of the Congolese population

It is generally accepted that the economic situation has an influence on the social situation. Many economists believe that a strong economic expansion is therefore essential to increase the incomes and living standards of the population or workers in particular[Kabuya Kalala, and Tshiunza Mniye, 2002, pp. 65-67]. Thus, as noted earlier, before the global financial crisis, the DRC had benefited from the high export prices of its mining products and this had a knock-on effect on the social improvement of the Congolese population. The situation has been reversed since 2008. There has been a decline in copper, cobalt and petroleum products prices on international markets with the following consequences: the slowdown in the flow of non-debt generating capital; the entry of the Congolese economy into recession and; the aggravation of the incidence of poverty. Thus, as the global recession stalled, the impact of the crisis economic and financial impact on the poorest is worsening. With few exceptions, the impact of the phenomenon on many African countries is severe and affects in one way or another the closure of enterprises, the increase in the unemployment rate, the decline in Buying the Congolese Population[Zucman Gabriel, 2013, pp. 78-79]. Removing a child from school or having less food because of a loss of employment and income leads to consequences that will continue to weigh heavily well after the announced end of the economic recession and the start of the expected raise.

2.5.1 Impact of the crisis on real estate

The financial crisis is not just affecting the employment sector in the mines. In the province of Katanga, the real estate sector is severely affected by the collapse of copper following the financial crisis. It has adverse effects on real estate in Katanga, where landlords are faced with the harassment of tenants demanding the return of rental guarantees granted during the good times of copper. Donors are struggling to repay the excessive rental guarantees they had received in the past. moment of the boom of raw materials. Those who had asked for very strong rental guarantees, tempted by the strong demand for housing, can no longer repay them today. Many tenants leave since the fall in commodity prices in the global market. To follow the law would have avoided these problems, thinks a resident of Lubumbashi. Mr. Alfred Samboy, a resident of Lubumbashi interviewed said: "I was forced to break up my plot and put a portion for sale to repay the rental guarantee to a trio of Chinese who rented one of my homes for residential use" [Yawidi, 2008, pp. 47]. This father of six, who is used to trading with the rental guarantee, tells the story that led him to live now in his own crumbled parcel. "When the Chinese came to solicit me at home, they were ready to comply with all my conditions because they were in need. I asked them for \$ 10,000 in rental security and \$ 200 for monthly rent[Weidenfeld and Spire, 2015, pp. 214-215]. "Six months later, falling metal prices pushed several mining companies, including the Chinese, to close. Alfred found himself unable to repay the money to tenants who demanded it before returning home. Take money from several tenants. Similar cases have proliferated in the city with the arrival of thousands of people attracted by mines. With only the embarrassment of choice for the tenants, the landlords rented their houses without following the law. Others took money from several people for one house[Verhaegen, 1995, p. 39].

Part 3. Measures adopted or proposed by the government and other institutions of the DRC to deal with the crisis

In the face of the crisis and its socio - economic impacts, with a view to mitigating the effects of this crisis, rescue and

emergency plans designed to contribute to the maintenance of economic and social stability are being taken by the Congolese government - at central and provincial - and by other development partners.

3.1. Intervention by financial institutions

The Democratic Republic of Congo has engaged its main development partners, namely the World Bank, the African Development Bank (AfDB), and the European Union, to counteract the adverse effects of the financial crisis. The country has also benefited from support to the balance of payments of the International Monetary Fund. Indeed, one of the most important effects of the current crisis is the drying up of credit, which has affected the ability of countries and financial institutions to carry out their development programs and commercial activities. To this end, the World Bank has made a grant of US \$ 100 million for an Emergency Project to mitigate the effects of the financial crisis. This financing consists of three components, including support for the balance of payments, the support of the salaries of primary and secondary teachers for two months, and the payment of the common charges of the State. Substantial response to the thorny issue of international reserves [Sloterdijk, 2012, p. 68]. Also, as a response to the international financial crisis that spares no sector of the Democratic Republic of Congo's economic life, the ADB had just proposed two solutions to the DRC. These are the US \$ 1.5 billion emergency liquidity facility and the US \$ 1 billion trade finance initiative. In other words, in order to provide a sound and timely lending instrument, the ADB will set up an emergency liquidity facility (FLU), provisionally endowed with \$ 1.5 billion USD, subject to revision based on actual demand. The FLU should provide eligible beneficiaries with the necessary means, in a timely manner and under appropriate conditions, to meet pressing liquidity needs. In the short term, the facility will function as a revolving mechanism with disbursements in either dollar or euro. Its *modus operandi* will be based on the "first come, first served" principle. It will have an initial ceiling of \$ 150 million per country (subject to revision) and will carry out transactions with public guarantee and without public guarantee. All transactions will have to respect the current limits of commitment, with the possibility of granting increases under certain conditions. Within country limits, the maximum amount per eligible project will be \$ 50 million. It should be noted that the amount granted will depend on the borrower's debt capacity, the strength of its balance sheet, and its management capabilities and future cash flows used to repay the amounts disbursed. The contribution of these various institutions, although very appreciable, remains insufficient in view of the scale of the economic crisis which, in the case of the Democratic Republic of Congo, is coupled with a humanitarian crisis in the east of the country as a result of armed gangs foreign origin.

3.3. Measures of the Central Bank of Congo (BCC)

The Central Bank of Congo (BCC) recognizes that the Congolese economy is concerned by this decline in international demand, which is the main determinant of its economic growth. Through the decline in imports and investments of its partners, the economic growth of the Democratic Republic of Congo is already affected. To cushion this shock, the Democratic Republic of Congo must not be content with the effects of the rescue plans agreed by most of its partners. It must, on the one hand, continue the structural reforms already undertaken, and undertake further reforms and, on the other hand, take cyclical and budgetary adjustment measures [Salin, 2014, p. 72]. In terms of the measures that the Government must take, the governor argues that all-out vigilance should be observed both at the budgetary and monetary levels. Thus, the Government should pay particular attention to the adjustment of its expenditures to the revenues actually collected to avoid the use of printing, which is the source of monetary inflation [Mabi Mulumba, 2001, pp.109-113]. It is therefore necessary to remove all the obstacles preventing the rapid conclusion of "A formal program with the IMF. The so-called formal program says disbursement of Balance of Payments and Budget support. In addition, it is also necessary to inventory all the financial facilities on which the Democratic Republic of Congo can draw. For example, the IMF has the Exogenous Shock Abatement Facility (FPCE), the World Bank through the World Food Program (WFP), FAO for agricultural intervention through its multiple projects. Other bilateral and multilateral facilities exist to deal with economic, humanitarian or natural crises or disasters [Luwansangu, 2005, pp. 113-115]. On the other hand, in the medium term, the Government should mobilize itself to increase large-scale public investments such as infrastructure to create jobs, distribute income and put the economy back on the water. Finally, it is more than necessary to continue the structural reforms already undertaken to mitigate the impact of the international financial crisis. With regard to monetary policy, it is observed in most countries that it is currently ineffective. In fact, despite the general decline in key management rates of the main central banks in Europe, economic activity is still not reviving via the increase in demand for investment or consumption credits resulting from the fall in interest rates. of interest receivables. This is due to *de facto* credit rationing by commercial banks, which are very cautious after accumulating slates of unpaid bills [Kudinga, 2006, pp. 57-58]. In sum, for the future, the central bank of Congo (BCC) governor notes that the economic prospects of the Democratic Republic of Congo are closely linked to the ability of the governors to implement deep structural reforms and sustainably pursue sound and credible economic policies. The year 2009 is very difficult. It is up to the Government to decide on the lines of communication, or the five building sites: agriculture, fishing and livestock farming or energy to name but a few.

3.4. Measures to Mitigate the Effects of the Global Financial Crisis at the Provincial Level: Case of Katanga Province

The province of Katanga in the southern part of the Democratic Republic of Congo is rich in mineral resources. It is the economic heart of the Democratic Republic of Congo, but the recent global financial crisis has affected the Congolese economy, especially the mining sector of Katanga where we have seen the slowdown of activities, and even the sudden closure of several companies. This situation has caused negative economic and social consequences for the Province;

notably the decrease in import-export traffic, the gradual loss of jobs. Pointed out by public opinion for their lack of reaction for six months, the Katanga authorities decided to react. Assisted by MONUC, the UN peacekeeping mission in the Democratic Republic of Congo, local authorities have embarked on a major assessment of the social problems that the crisis may engender [Kalombo Tuebana Shaloom., 2009, pp.65-66]. In order to provide a solution to the problems of the the aforementioned financial crisis in the mining sector of Katanga. The implementation of a policy to revive mining activity whose flagship measure is the reduction of taxes to the imposed on mining companies. Therefore, a "post-mining symposium in Katanga" was organized. Held from April 15 to 18, 2009 in Lubumbashi capital of Katanga province in the Democratic Republic of Congo. The development model based solely on mining potential has proved limited and unpredictable for the province of Katanga. This justified the post-mining symposium initiated by the provincial government of Katanga and in which even international experts had taken part [Kabuya and Tshionza, 2002, pp. 102-103]. These meetings gave rise to a new conception of Katanga's social economy by setting the stage, the revival of agriculture, fishing, livestock and tourism in the Copper Province. The financial crisis that is affecting the world and which does not spare the countries that base their economy on the mineral wealth, pushes the leaders at all levels to think about the alternative. This symposium wanted to break with the old and bad habits of the Democratic Republic of Congo, which has remained since its independence dominated by a mining production that has failed to propel the country on the path of its development. With this new vision, he wants to get the Congolese citizen out of laziness that sticks to his skin because of these minerals, which have dragged him into poverty and misery but also to the destruction of his agriculture and any thoughts on alternatives to minerals. It is no longer enough to rely solely on mineral wealth for a strong economy when these mines are exhausted. To this end it is necessary to work for the development of agriculture, fishing, tourism. These activities will enable the development of a diversified economy as is the case in other countries in the region. It emerged from this symposium that the agricultural, rural, tourism and cultural sectors should be considered as preferred alternative sectors to the mining industry which has just shown its limits. Thus, the participants recommended to the Katanga provincial government to implement the Maputo 2003 Commitment, which advocates an increase of at least 10% of the provincial budget to the agricultural and rural sector, to pay particular attention to the improvement of agricultural feeder roads, as well as strengthening the annual budget in the sectors of culture and tourism. To avoid these resolutions and recommendations being put in the drawer, the Katanga government will also need to put in place a structure or a follow-up council.

3.5. Crisis resolution measures in the DRC: a glass half empty or half full?

Beyond the measures mentioned above, we say that in order to soften the shock of the international financial crisis, the Democratic Republic of Congo must not be content with the induced effects, the rescue plans agreed by most of its partners. Indeed, in the face of this devastating crisis for the country and its people, it is more than urgent that the Congolese government do something. But, it seems that he does nothing or does little. Indeed, the newspaper. Everything happens as if nothing had happened. Instead of recognizing the warning signs and determining when to intervene and what to do, curiously, they allow themselves to be lax, which is far from reassuring. Questions, we ask ourselves. In particular, with regard to the policy put forward by the Government to deal effectively and efficiently with this crisis. The same is true of the privileged tracks of the same government to revive the economy and put the banks in conditions that allow them to play an important role in the reversal of bad trends that have been observed for some time on the economic and financial front [Buabua wa Kayembe, 2006, p.42]. As if to increase, the potential underlines that the Democratic Republic of Congo, whose economy is already experiencing serious difficulties, is bearing the full brunt of the consequences of the international financial crisis, since the last quarter of 2008. The governments and central banks of these countries have acted by lowering key interest rates and buying the sometimes risky assets of troubled financial institutions [Binzangi Kamalandua, 1997, pp. 81-82]. In the Democratic Republic of Congo, on the other hand, the government maintains an inexplicable and guilty silence and one can ask why the government, like the governments of other countries, has still not considered a bailout plan to help companies in difficulty and why no measure has come to support the Congolese economy in the doldrums [World Bank Report, June 2014, pp. 357-349]. In conclusion, it is high time for the government to wake up and take stock of the scale and pace of the serious repercussions of the international financial crisis on the Democratic Republic of Congo economy. Failing this, the current and continuing deterioration of the economy will continue, with all the devastating consequences in all sectors of activity. Some possible solutions? Given the unrealistic nature of the 2009 budget, the Government must present a realistic 2009 budget collective. The forecasts for this revised budget project must be based on a realistic and coherent macroeconomic framework. As its economy is extroverted and suffering only indirect effects of the multifaceted crisis, the solution to the global crisis will have to come from the West (which has spawned it) thanks to a concerted economic recovery plan between the European Union and the European Union and United States. In considering the use of IMF financial assistance (subject to certain conditions) to its members under the Exogenous Shocks Facility (ESF), the great temptation for the Democratic Republic of Congo to take only that can mitigate the indirect effects of the crisis [Bouvier, 2009 pp. 231- 233]. It would be a big mistake. As the Congolese economy is vulnerable not only to external exogenous shocks (the international multiform crisis), but also to internal shocks such as the resurgence of hostilities in the eastern and northeastern parts of the country, The solution to the Democratic Republic of Congo's problems lies in mitigating the vulnerability of its economy to shocks. This approach requires anticipation. It is therefore a whole program to be defined.

Conclusion

According to this study, in the Democratic Republic of Congo, the causes of the global financial crisis are mainly the

difficulties of raising funds abroad and the deterioration of commodity prices on international markets. Indeed, the multifaceted crisis is happening in the Democratic Republic of Congo in a difficult context, the country is still under the effect of triple shocks (food and energy and the war in the East). The impact of the international financial crisis on the Congolese economy is multidimensional with social implications, aggravating the crisis of poverty and inequality and plaguing the already poor population much more. On the real economy the prices of raw materials (ores, hydrocarbons, timber, etc.) have fallen since the last quarter of 2008, resulting in the closure of several mining companies in Katanga province, the unemployment of thousands of workers in this sector and the stop exports. This situation has led to a drying up of currencies and a net slowdown in the GDP growth rate since the beginning of 2009. Consequently, the State can not be virtuous because, it will not have the means of its policy and as usual, social projects (schools, health centers, ...) will be affected. Since the origin of inflation is essentially budgetary, the worsening of the budget deficit will ipso facto cause inflationary pressures, the depreciation of the Congolese franc against the US dollar and the decline in Congolese purchasing power. On the banking and financial system: there has been a drastic reduction in the supply of foreign exchange on the market, huge cash flow problems in commercial banks, the loss of the value of the Congolese franc against the US dollar. The overheating observed in the foreign exchange market since September 2008 has increased during 2009, leading to an acceleration in the pace of domestic price formation. The erosion of households' purchasing power is the consequence of this upward price movement. On public finances: the budget forecasts of the State Budget for the 2009 financial year will not be achieved, thus calling for a prudent fiscal policy and a fiscal collective, insofar as, in addition, the macroeconomic framework is completely outdated. This has the social consequence that the government does not have the means to pay the salaries of civil servants; it no longer has the capacity to provide necessary services to the population (water, electricity, health, etc.). As we conclude this study, there is a rebound in copper prices and hope is already showing on the faces of Congolese and mining operators. Indeed, after the fall, today, the tendency is to overthrow. The rebound in copper prices is confirmed. It currently quotes \$ 5,473 on the London Metal Exchange (LME)[Bakandjeja wa Mpungu, 1997, pp. 8-9] . Good news for Democratic Republic of Congo mining companies. After the panic caused by the sharp fall in base metal prices, including copper, which will have extended its effects to the mining province of Katanga, we are witnessing a reversal of trends in recent times as a result of rebound in copper prices. With a course now running at around USD 6,000 per tonne, mining companies are almost reassured to cover their production costs without much concern. Hence, the lull that can be seen in all the faces of mining, mining and other government departments who hope to reap significant dividends from this reversal of trends. However, it should be noted that, notwithstanding this rise in the cost of copper, it must be borne in mind that the problem of the Congolese people being the shortage of the mass consumer products they face, it is necessary for the Government to draw up a specific plan. facing this shortage. The future of demand and the supply of these mass-consumption products can only be balanced if they adopt appropriate policies in the various sectors, particularly agriculture.

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L'impact social de la crise financière mondiale en République démocratique du Congo (RDC)

Résumé

La crise financière et économique mondiale a également causé de graves problèmes à la République Démocratique du Congo, en particulier en général pour les pays d'Afrique subsaharienne. En soulignant les dysfonctionnements de l'économie mondiale, certains estiment qu'une réforme de l'architecture financière internationale est nécessaire. Bien que la crise ait déclenché des événements sur le marché immobilier américain, elle s'est répandue dans toutes les régions du monde et a des conséquences catastrophiques pour le commerce mondial, la croissance et les investissements. La crise financière a constitué un grave obstacle pour la République Démocratique du Congo, à un moment où le pays a réalisé des progrès en termes de résultats et de gouvernance économique. Depuis 2006, la République Démocratique du Congo, a enregistré une augmentation réelle de plus de 4% en termes réels, tandis que l'inflation est tombée en dessous de 10%. En outre, l'amélioration significative de la gestion et la diminution du nombre de conflits armés ont attiré davantage de capitaux privés dans le pays. Les pays en développement dans lesquels la République Démocratique du Congo, est située ne disposent généralement pas des mêmes ressources que les pays industrialisés pour stimuler l'économie tout en assurant la sécurité des catégories sociales les plus vulnérables. Mais beaucoup ont fait des efforts considérables pour atténuer les effets de la crise. Certains pays en développement ont intensifié leur coopération mutuelle et ont appelé à une plus grande implication dans la définition des principes de l'économie mondiale.

Mots-clés: banque centrale, création monétaire, crise financière **Classification du code JEL:** E42, E44, E51, E58