CENTER FOR INTERNATIONAL POLICY

CAPITAL FLIGHT FROM THE DEMOCRATIC REPUBLIC OF CONGO

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GLOBAL FINANCIAL INTEGRITY

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DEMOCRATIC REPUBLIC OF THE CONGO
TABLE 1. BASIC DATA, 2001–06

Area	2,344,860 square kilometers
Population	
Total, CGF millions (2006 estimate)	59.3
Annual growth rate	3.04
GDP per capita, CGF (2006 estimate)	70,289
Government	
President:	Joseph Kabila
Prime Minister:	Antoine Gizenga
Minister of Finance:	Athanase Matenda Kyelu
Minister of Budget:	Adolphe Muzito
Central Bank Governor:	Jean-Claude Masngu
United States Ambassador:	William John Garvelink

	2001	2002	2003	2004	2005	2006
Output and prices						
Real GDP	-2.1	3.5	5.7	6.6	6.5	5.1
Nominal GDP (CGF Billions)	1,407	1,967	2,351	2,692	3,486	4,168
GDP deflator (2000=100)	484	654	739	793	965	1,097
Consumer prices, annual average	357.3	38.0	12.9	4.0	21.4	13.2
Consumer prices, end of period	135.1	15.0	4.4	9.2	21.3	18.2
	(CGF Millions, unless otherwise indicated)					
Central government finance						
Revenue (excluding grants)	91,276	152,193	176,817	248,003	388,956	528,698
Grants (excluding humanitarian aid)	0	7,447	46,506	51,354	175,942	328,131
Expenditure	115,147	198,406	319,634	405,772	670,512	883,936
Primary balance (commitment basis)	-4,339	22,391	-9,870	-12,768	19,394	4,515
Overall balance (commitment basis)	-23,871	-38,765	-96,311	-106,415	-105,614	-27,106
Overall balance (cash basis)	...	-46,772	-110,565	-115,441	-323,557	-32,614
Overall balance (commitment basis, percent of GDP)	-1.7	-2.0	-4.1	-4.0	-3.0	-0.7
Money and credit						
Net domestic credit	23,426	16,360	49,204	68,834	148,033	245,406
Net credit to government	12,242	2,328	29,582	27,212	84,567	132,088
Credit to the private sector	10,789	13,205	19,393	39,823	63,021	111,147
Credit to parastatals	395	827	228	1,799	444	2,171
Broad money	69,686	94,089	124,503	215,270	267,292	428,794
Central bank interest rate (percent)	140	24	8	14	15	16
	(Changes in percent of beginning-of-period broad money, unless otherwise indicated)					
Net domestic credit	30.7	-10.1	34.9	15.8	36.8	36.4
Net credit to government	-6.8	-14.2	29.0	-1.9	26.6	17.8
Credit to the private sector	37.5	3.5	6.6	16.4	10.8	18.0
Credit to parastatals	-0.1	0.6	-0.6	1.3	-0.6	0.6
Broad money	216.7	35.0	32.3	72.9	24.2	60.4
	(US$ Millions, unless otherwise indicated)					
External sector						
Current account, including transfers	-252	-90	56	-157	-755	-644
Merchandise trade	74	45	117	60	-402	-421
Exports, f.o.b.	880	1,076	1,340	1,813	2,071	2,319
Imports, f.o.b.	-807	-1,031	-1,223	-1,753	-2,473	-2,740
Capital account	-315	0	-4	-5	-91	82
Overall balance	-709	-161	-452	-257	-368	-431
Gross official reserves	22	75	98	236	131	155
Gross official reserves (in weeks of non-aid-related imports)	1.1	3.2	2.8	5.4	2.7	3.0

	2001	2002	2003	2004	2005	2006
	(Annual percentage changes; '-' = depreciation)					
Exchange rates						
CGF/USD, average	273	347	405	398	474	468
USD/CGF, end of period	0.003	0.003	0.003	0.002	0.002	0.002
Exchange rate (USD/CGF, end of period)	-54.7	-18.5	2.6	-16.1	-6.4	1.3
Nominal effective exchange rate [1]	-84.1	-70.9	-21.7	-12.0	-17.6	1.3
Real effective exchange rate [1]	-10.3	-52.9	-13.5	-5.1	-2.1	11.6
	(US$ Millions, unless otherwise indicated)					
External public debt						
Total, including IMF	12,457	10,709	10,775	10,542	10,000	10,519
Of which: multilateral institutions	2,754	3,567	3,625	3,925	4,090	4,214
official bilateral creditors	9,386	6,789	6,558	6,499	5,410	5,658
Scheduled debt service (Percent of exports of goods and services)	76	47	30	21	14	18
Social indicators [2]	(Percent, unless otherwise indicated)					
Life expectancy at birth (years)	46	45	42	...	44	...
Infant mortality rate (per 1,000 live births)	128	129	129	...	129	...
Gross primary school enrollment rate (1998–2002)						
Male	...	69	52	51	...	...
Female	...	54	47	46	...	...
Literacy rate (adult, total) [3]	...	...	...	...	...	...
Immunization rate (percent between 12–23 months)						
Measles	37	45	54	64	70	...
Diphtheria	32	43	49	64	73	...
Child malnutrition (percent under 5 years)	31	...	...	...	...	...

Sources: Congolese authorities; World Bank; UNICEF; and IMF staff estimates.
[1] Annual averages. Minus sign indicates depreciation.
[2] Data for 2003 from UNICEF. Data prior to 2003 from World Bank.
[3] UNICEF.

A History of Macroeconomic Instability

The Democratic Republic of the Congo (DRC), formerly called Zaire, has had a history of civil unrest, lack of governance, rampant corruption, as well as economic and political instability. The country is often cited as an example of the "paradox of plenty" in that it is extremely rich in natural resources (80% of world wide resources of Coltan, 10% of world wide resources of copper) while its population continues to suffer from extreme poverty (80% of the Congolese population lives of less than US$ 0.20 a day).
The country has not progressed much in the last three decades. The frequent political fiasco and the lack of basic security have left its economy in shambles amid widely envied natural resources. The DRC's civil society regressed to a state where right to life and liberty are poorly guarded, if at all.

A large part of the problem of achieving economic progress can be traced to a poor track record of maintaining macroeconomic stability. In the 1970s, Zaire's (as the country was called then) currency was pegged to the SDR. Under the fixed peg and supported by trade restrictions, expansionary financial policies led to high inflation and a steady appreciation of the currency in real effective terms. The SDR peg was abandoned in 1983 with a sharp devaluation of the currency and the introduction of a free floating exchange rate. However, as the authorities interfered with the operation of the market-determined exchange rate system, there emerged in time a thriving parallel market for foreign exchange. Annual inflation averaged 62 percent in the second half of the 1970s, 44 percent in the first half of the 1980s, and 69 percent in the second half of 1980s. Beginning in 1990, the country entered a protracted period of political transition and turmoil and the authorities lost control over economic and financial developments. Inflation reached extraordinary high levels—from 256 percent in 1990 to nearly 10,000 percent in 1994 before coming down to 370 percent in 1995 only to accelerate to 657 percent in 1996. Anecdotal evidence suggests that from 1990 onward, prices in Zaire were increasingly set in foreign currency (US dollars or Belgian francs) but rates of inflation as well as currency depreciation were highly unstable.

After years of civil conflict and political instability, the DRC has started making some economic and political progress since 2001. Prudent macroeconomic policies resulted in rapid disinflation (from 357 percent in 2001 to 13 percent in 2006, Table 7) and stabilization of the exchange rate while implementation of structural reforms made the economy more open, reduced major price distortions and strengthened macroeconomic management. These policies together with the improved confidence fostered by progress on the political and security fronts, including the formation of a transition government of national unity in 2002, helped increase investment and renew growth (averaging nearly 6.0 percent during 2003-06; see Table 7).

The DRC reached the decision point in April 2002, following which the Paris Club rescheduled US$ 33.9 million of DRC's total external debt in 2005.[1] This was a

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[1] The decision point is the first stage of qualification for debt relief; at this point in time, the country must have a current track record of satisfactory performance under IMF and IDA-supported programs, a Poverty Reduction Strategy (PRS), or an interim PRS in place, and an agreed plan to clear any arrears to foreign

traditional rescheduling under the HIPC framework. Following the decision point, the IMF approved a Poverty Reduction and Growth Strategy (PRGF) arrangement in July 2002 implementation of which allowed the DRC to reach the completion point for the enhanced HIPC initiative in 2003.

However, economic performance started to weaken in 2005 as the government's focus turned to the drafting of a new constitution and the preparation for general elections**.** In 2006, large money financed government overspending, primarily for security and the elections, resulted in the Congo franc to depreciate by 15 percent against the US dollar, 12-month inflation to rise to 18.2 percent, and gross international reserves to decline to US$150 million (3 weeks of imports). As a result of policy slippages, the DRC was unable to obtain full debt relief which prevented completion of the last review under the PRGF before it expired in March 2006. Real GDP growth, which had picked up to 6.5 percent in 2004-05 slowed to 5 percent in 2006 because of weak manufacturing production and a drop in diamond exports. Major reforms suffered delays, including those in the mining sector, public enterprises, the civil service, the social sectors, customs administration, and the central bank.

The government is presently consulting with the IMF on a Staff-Monitored Program (SMP), which essentially seeks to build a track record by mimicking the PRGF without financial resources. No further debt relief is being contemplated under the HIPC initiative until the DRC is able to launch a full-scale PRGF with performance criteria which will pave the way for the country to reach the HIPC completion point and receive full debt relief under the enhanced HIPC. As of end 2006, the DRC owes US$ 5.3 billion to Paris Club bilateral creditors (or roughly 51 percent of total external public debt) which is by far the DRC’s most important group of creditors (multilateral institutions are the second most important group of creditors holding around 40 percent of the DRC’s total external debt). Only US$29 million are estimated to remain outstanding to commercial creditors under the London club, just half of what was owed to that group at end-2004.

The first democratic elections in four decades were successfully held in 2006, bringing to an end the mandate of the transitional government and leading to the formation of a new government in February 2007. The new government took steps to reestablish macroeconomic discipline. Strong revenue collection and expenditure restraint reduced net bank credit to the government. This tightened liquidity conditions and contributed to a decline in base money leading to an appreciation of the Congo franc, a decline in the rate of inflation, and an increase in gross international reserves to US$190 million. Preliminary data indicate that real GDP could grow by 6½ percent in 2007. However, the DRC accumulated external arrears vis-à-vis bilateral creditors, and its external debt remains unsustainable.

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creditors. At the decision point, many creditors, such as the World Bank, the IMF, multilateral development banks, and Paris Club bilateral creditors, begin to provide debt relief, although many of these institutions maintain the right to revoke this if policy performance falters.

Given the lack of a track record in prudent macroeconomic policies, there are considerable risks to macroeconomic stability. For instance, the 2007 budget announced last July is very expansionary, calling for a very large increase in domestically financed spending, including on wages, which is unlikely to be matched by a commensurate increase in revenue. While the IMF recently commended the DRC for the successful completion of the first democratic elections in four decades, it stressed early actions to further strengthen fiscal discipline, improve governance, and carry forward structural reforms to lay the basis for sustained growth and the alleviation of poverty. There is an urgent need for the government to continue avoiding central bank financing of fiscal deficits in order to improve macroeconomic stability. Instead, the IMF has called upon the authorities to strengthen tax administration and revenue collection, rationalize expenditure procedures and improve expenditure prioritization, better track pro-poor spending, and establish an affordable and efficient civil service. Moreover, monetary policy should remain tight to reduce inflation which in turn requires strengthening monetary policy management and enhancing the central bank's credibility and independence. Reinforcing financial sector supervision is also needed to strengthen the banking system and deepen financial intermediation.

The IMF has impressed upon the DRC that the country's external debt is unsustainable. They encouraged the authorities to quickly establish a track record for prudent policies and reforms to help advance toward qualifying for debt relief under the enhanced Heavily Indebted Poor Country and Multilateral Debt Relief initiatives.

Meanwhile, most DRC public sector companies such as non-bank financial institutions are in dire straits. Financial information is scarce because nonbank institutions do not produce audited accounts, do not follow international accounting standards, and are not well supervised. Several have stopped allowing customers to draw on their deposits, seriously damaging confidence in the sector. The state-owned savings bank *Caisse d'epargne du Congo* has ceased to function. It has accumulated large losses and a high volume of nonperforming loans. The postal savings network is almost bankrupt and no longer operates as a financial institution. Though 69 offices are still open, small depositors are unable to withdraw funds because available resources are used to cover operating expenses. The state-owned *Société nationale d'assurances,* which has a monopoly on the insurance market, also faces serious financial difficulties. Pension funds such as the *Institut National de Sécurité Sociale* (INSS) also face serious difficulties. The INSS is not able to collect the premiums it needs to pay claims because of the large size of the informal sector and the number of public enterprises in financial distress. Moreover, much of its infrastructure has been mismanaged. But it still employs 1,650 agents and has 36 branches throughout the country. Specialized financial institutions such as the *Société Financière de Développement* (SOFIDE) and *Fonds de Promotion de l'Industrie* have accumulated heavy losses. SOFIDE is a development bank that finances medium and long-term projects for small and medium-sized enterprises. Its loan portfolio has dropped sharply and is mostly nonperforming, it has been accumulating losses for years, and it has a negative net worth.

History of Corruption

Pervasive corruption in the DRC has been a long-standing problem. In fact, in seeking to promote growth and reduce poverty, the IMF has emphasized that the medium-term policy agenda should include bold strategies to combat corruption—especially in the natural resources sector—privatize public enterprises, strengthen the judiciary, and reduce the regulatory burden on business. In that regard, the Fund has called for the effective implementation of the relevant laws to fight corruption, money laundering, and the financing of terrorism. They welcomed the authorities' intention to meet the requirements of the Extractive Industries Transparency Initiative (EITI). Progress in these areas will be essential to mobilize donor support.

The DRC was accepted as an EITI Candidate Country at the board meeting in Accra 22 February 2008. The country now has until 9 March 2010 to undertake validation. Once the government recognized that the EITI is a tool to address the paradox of plenty, it endorsed the principles of the EITI to strengthen transparency and good governance of the country's extractive industry.

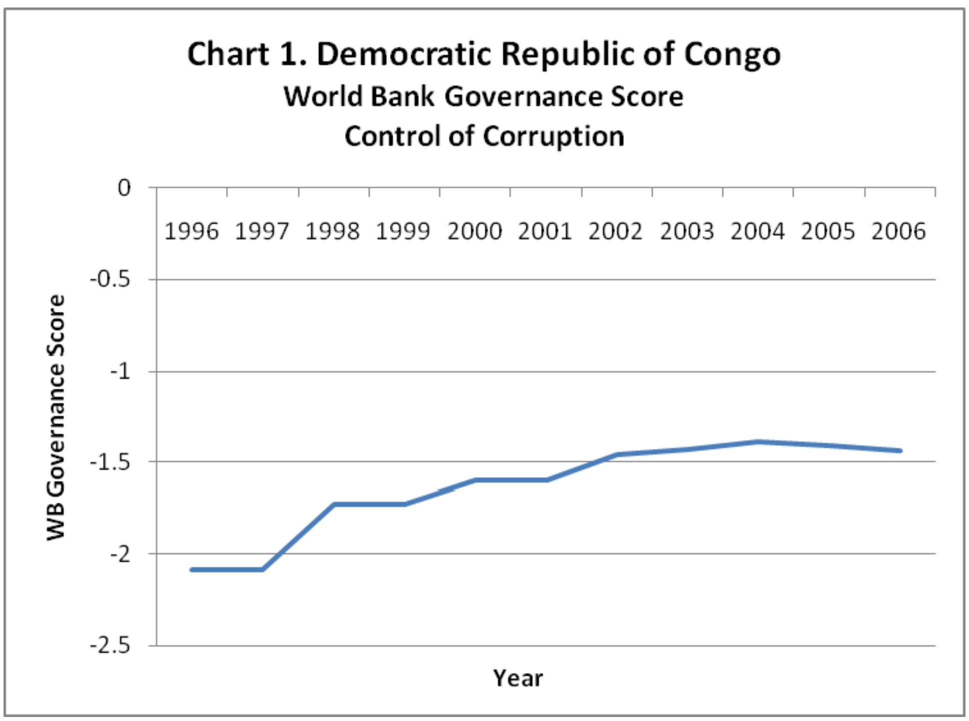
Apart from the EITI, many other measures need to be taken to improve governance. Progress is expected to be slow as the agenda is large and the institutions weak. A law on combating money laundering and the financing of terrorism and a law on anti-corruption were passed. A new forestry code consistent with long-term sustainability was adopted in 2002, and a large number of concessions were annulled. The code rationalizes taxation in the sector and introduces transparent market-based mechanisms to encourage high-value industrialization. A new mining code consistent with international best practices was adopted in 2002. The operations of the new Mining Registry (*cadastre minier*) were partly brought in line with the mining code. However, corruption remains a major issue in the management of public resources, especially natural resources.

The government, in consultation with the IMF, is presently seeking to review the scope for reducing nuisance taxes (the DRC has currently more than 800 taxes, duties and fees), limiting tax exemptions; and assessing preparations for introducing a value–added tax (VAT). The Fund has urged the authorities to submit the draft VAT law to Parliament as soon as possible and provide sufficient budgetary resources for necessary investments in tax administration.

Increasing the tax take from mining—including by fighting corruption—is paramount for both mobilizing revenue. In the 1980s, the mining sector contributed 25% of total tax receipts, 75% of total exports and 25% of GDP. In 2005, the Congolese government reported that US$ 27 million was collected as tax receipts from the mining sector (2.4% of total fiscal receipts). Furthermore the sector contributed 0.24% of GDP. Ten million Congolese or 16% of the population depend directly or indirectly on small scale mining for their livelihood.

Prospects for new mining projects suggest considerable potential for increasing mining revenue. The current fragmented tax administration and responsibility for collecting mining revenue could jeopardize collections. In particular, because the customs administration has no incentive to monitor exports, the agency in charge of collecting royalties is poorly placed to assess whether mining company self-assessments of export values are appropriate. Customs do not have sufficient trained staff to assess the fair value of mining exports. Quite apart from a weak customs riddled with corruption, a recent country report on the DRC published by the Economist Intelligence Unit (EIU) noted that the prospects for the country's diamond exports in 2008-09 have worsened following the readmission in November 2007 of the DRC to the Kimberley Process. The readmission is likely to lead to increased smuggling from the DRC, thereby reducing recorded exports.

The IMF has proposed the reinforcement of tax administration in the mining sector by improving communication between collection agencies and creating a specialized unit within the large taxpayers' unit (LTU) to collect mining royalties, licenses fees, and other nontax revenue currently collected by the Directorate-General of Administrative and Government Property Revenue **(**DGRAD) which is a weak institution with limited trained manpower. The authorities felt that they need more time to assess the way forward.



Direction and Composition of External Trade

The DRC is a poor reporter of statistics, particularly those related to the balance of payments. In fact, the DRC is one of only a handful of countries that do not report detailed balance of payments data to the IMF. Hence, the Direction of Trade Statistics (DOTS) data are also weak so that estimates of capital flight using the trade mispricing models are highly tenuous and subject to a wide margin of error. That said it should be recognized that the DOTS is the only source of comprehensive partner country trade data that is compiled on a global and regional basis. Hence, it is used extensively by research organizations, academia, and government agencies around the world in spite of specific country data limitations.

In light of the limitations of DOTS related to the DRC, this paper uses an alternative model to estimate trade mispricing in goods and services transactions between the DRC and the world. This alternative model, called the International Trade Alert (ITA) system, tracks individual trade transactions of a country with the United States. A particular strength of the ITA system is that calculations of unit value (based on export and import values and quantities declared in customs invoices) are transaction-specific which allows the system to avoid the thorny problem of aggregating prices of groups of commodities, a problem which becomes acute in the case of commodities with differing characteristics that are grouped together.

Thus, under the ITA system, capital flight from the DRC would take place whenever its export to the United States are undervalued or import overvalued relative to some world "norm" prices which are established within the system. Deviations of more than 25 percent at the low end and 75 percent at the high end (called filters) from transaction-specific world norm prices are flagged and aggregated as money moved into the United States (which is equivalent to money moved out of the DRC and hence construed as capital flight out of that country).

The DRC-US trade mispricing in merchandise exports and imports are then used as factors to estimate trade mispricing by DRC exporters and importers with respect to the world (Table 4). As world trade in services amount to roughly 20 percent of trade in goods according to the UNCTAD, DRC mispricing in goods trade are used as a scale to estimate those involving services. Capital flight estimates based on the World Bank Residual approach (using change in external debt, rather than net flow of new debt, as a source of funds for the DRC) are then adjusted for total trade mispricing in goods and services to derive estimates for the total volume of capital flight from the DRC. Using this method, Table 4 shows that over the period 1980 to 2006, total cumulative capital flight from the DRC is estimated around US$ 15.5 billion. If the DRC would have been successful in stemming this capital flight through prudent macroeconomic policies and better governance, not only would the DRC have paid off its entire external debt at end 2006 (US$ 11.2 billion), another US$4.3 billion would have been left to add to the country's foreign exchange reserves or used to invest in infrastructure and human capital. Instead, the irony and tragedy of capital flight from a resource-rich country like the DRC is that it has robbed the country of that opportunity to be debt free and to raise its long-term productive capacity.

The message of hope is that it is never too late for civil society to come together in demanding of their government better governance, stronger institutions, and more forceful implementation of prudent macroeconomic policies. These improvements in policies would not only stem capital flight, there would be a marked improvement in the DRC's investment climate leading to much higher levels of foreign direct investments as well as bilateral aid that can be used more productively to lift millions of people in the DRC from abject poverty.

Data Tables and Charts

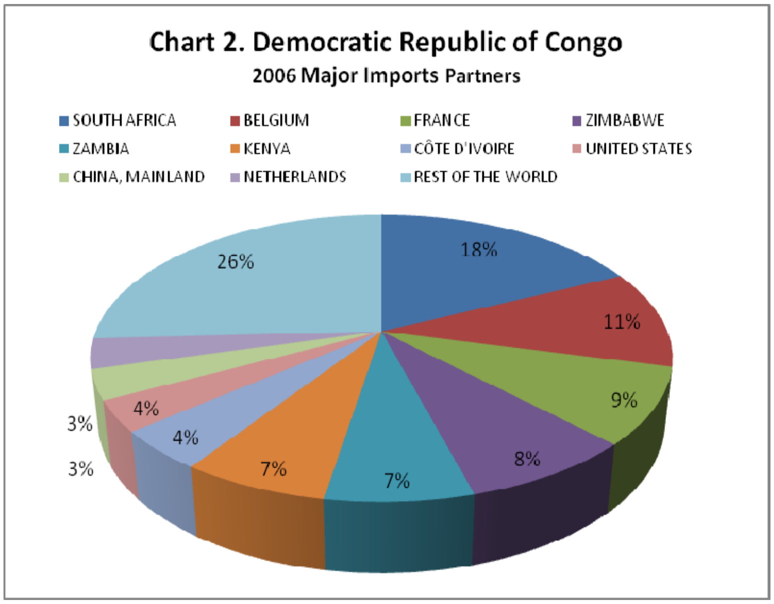


Table 2. Major Import Partners 2006

COUNTRY	USD Millions
SOUTH AFRICA	364
BELGIUM	224
FRANCE	175
ZIMBABWE	166
ZAMBIA	141
KENYA	140
CÔTE D'IVOIRE	91
UNITED STATES	71
CHINA, MAINLAND	69
NETHERLANDS	68
REST OF THE WORLD	524
TOTAL	2,032

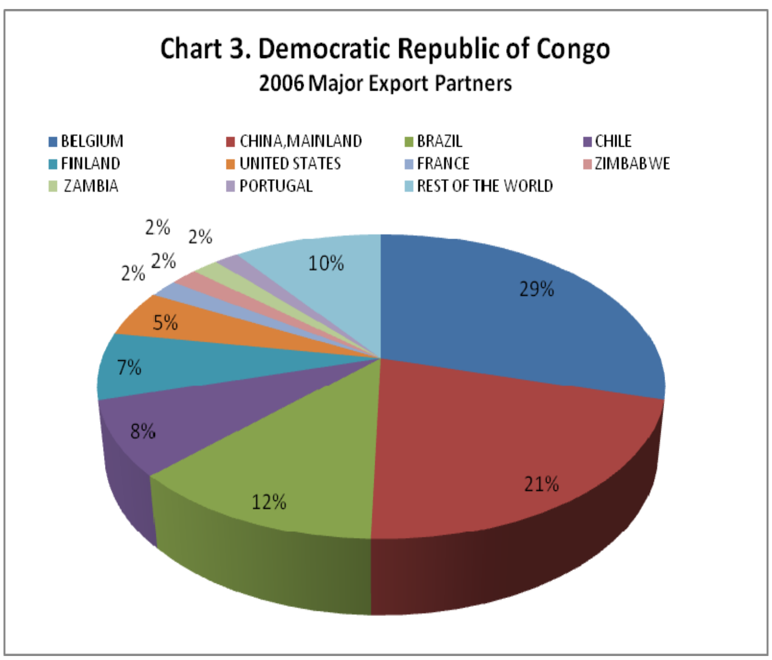


Table 3. Major Export Partners 2006

COUNTRY	USD Millions
BELGIUM	466
CHINA,MAINLAND	335
BRAZIL	195
CHILE	124
FINLAND	114
UNITED STATES	78
FRANCE	30
ZIMBABWE	30
ZAMBIA	29
PORTUGAL	25
REST OF THE WORLD	161
TOTAL	1,588

Table 4. Capital Flight Estimation

Democratic Republic of Congo: Estimated Trade Mispricing with the United States and World, 2002-2006
(in millions of US dollars)

DRC Trade Flows & Trade Mispricing Estimates	2002	2003	2004	2005	2006		
DRC Exports to US	190.0	167.0	120.0	245.0	78.0		
Est. Export Undervaluation	16.1	13.8	36.5	2.0	16.6		
DRC Imports from US	31.0	34.0	73.0	71.0	78.0		
Est. Import Overvaluation	0.5	0.9	2.7	2.8	2.3		
Total DRC/US Mispricing	16.6	14.7	39.2	4.8	18.9		
Total DRC-US Goods Trade	221.0	201.0	193.0	316.0	156.0		
DRC Exp. To World	1,333.0	989.0	1,123.0	1,433.0	1,592.0		
DRC Imp. From World	840.0	954.0	1,262.0	1,491.0	2,057.0		
Total DRC-World Goods Trade	2,173.0	1,943.0	2,385.0	2,924.0	3,649.0		
DRC World/DRC US Factor	9.8	9.7	12.4	9.3	23.4		
Total Mispricing in Goods	163.2	142.1	484.4	44.4	442.1		
Services: World Trade @ 20%	434.6	388.6	477.0	584.8	729.8		
Total Mispricing in Services	32.6	28.4	96.9	8.9	88.4		
Total Mispricing of G & S	195.9	170.5	581.3	53.3	530.5		
Capital Flight: WB Residual	-1,379.5	1,664.9	595.5	-1,434.9	685.7	Cumulative	Average
Total Capital Flight	195.9	1,835.4	1,176.8	53.3	1,216.2	4,477.5	895.5

1/ ITA estimates are lagged by one year to provide estimates for the 5-year period shown; thus, ITA's estimates for 2003 relate to those for 2002, etc. Estimates are based on the 25th and 75th percentiles of deviations of transaction prices from world norm prices.

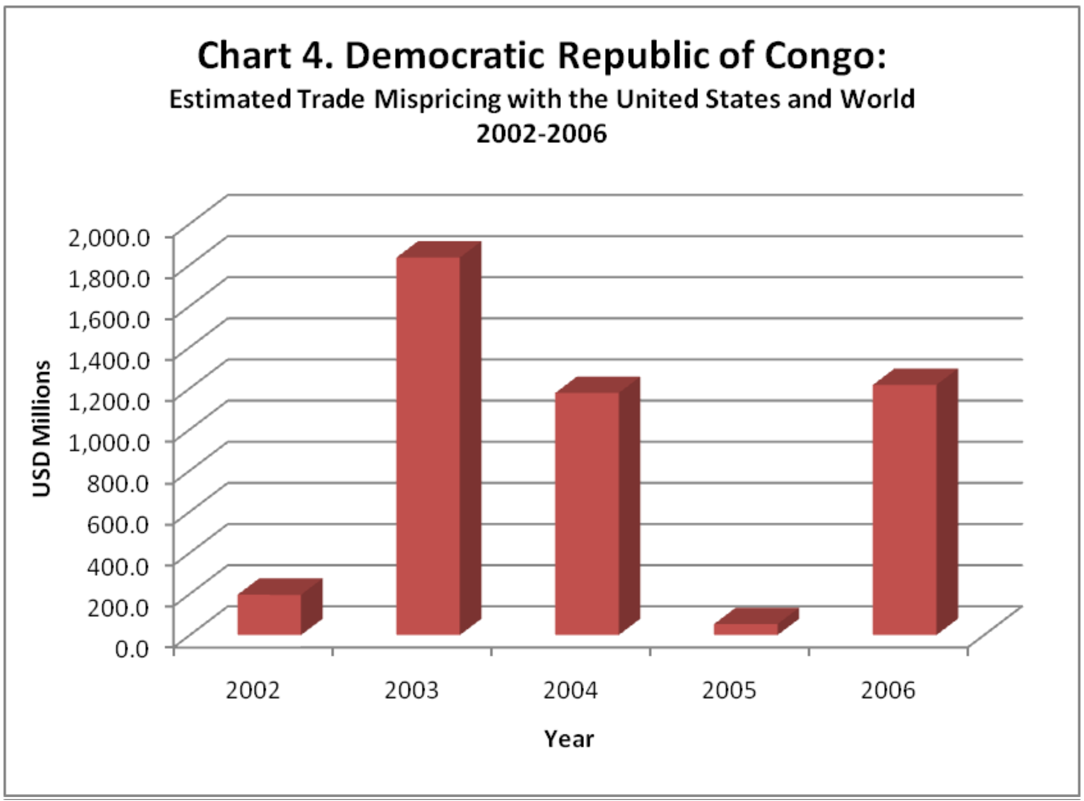


Table 5. Annual Capital Flight Estimation

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Export understatement	833	1,205	877	246	673	648	502	669	730	240	484
Import overstatement	-391	-490	-552	-548	-447	-358	-592	-1,178	-1,583	-337	-629
WB Residual (CED)	79	65	-192	-6	24	890	595	853	-789	86	357
Annual capital flight	***912***	***1,270***	***877***	***246***	***697***	***1,538***	***1,097***	***1,523***	***730***	***326***	***841***

	1991	1992	1993	1994	1995	1996	1997	1998	1999
Export understatement	7	-212	0	-1	-1	-1	-10	-3	-4
Import overstatement	23	1	-6	-8	-6	-13	-8	-3	4
WB Residual (CED)	-320	-613	-124	850	963	-501	-709	475	-1,240
Annual capital flight	***30***	***1***	***0***	***850***	***963***	***0***	***0***	***475***	***4***

	2000	2001	2002	2003	2004	2005	2006	Cumulative	Average
Export understatement	-3	-3	16	14	37	2	17		
Import overstatement	3	3	0.5	0.9	2.7	2.8	2.3		
WB Residual (CED)	-469	-326	-1,379	1,664	596	-1,435	686		
Annual capital flight	***3***	***3***	***17***	***1,679***	***635***	***5***	***705***	15,429	***593***

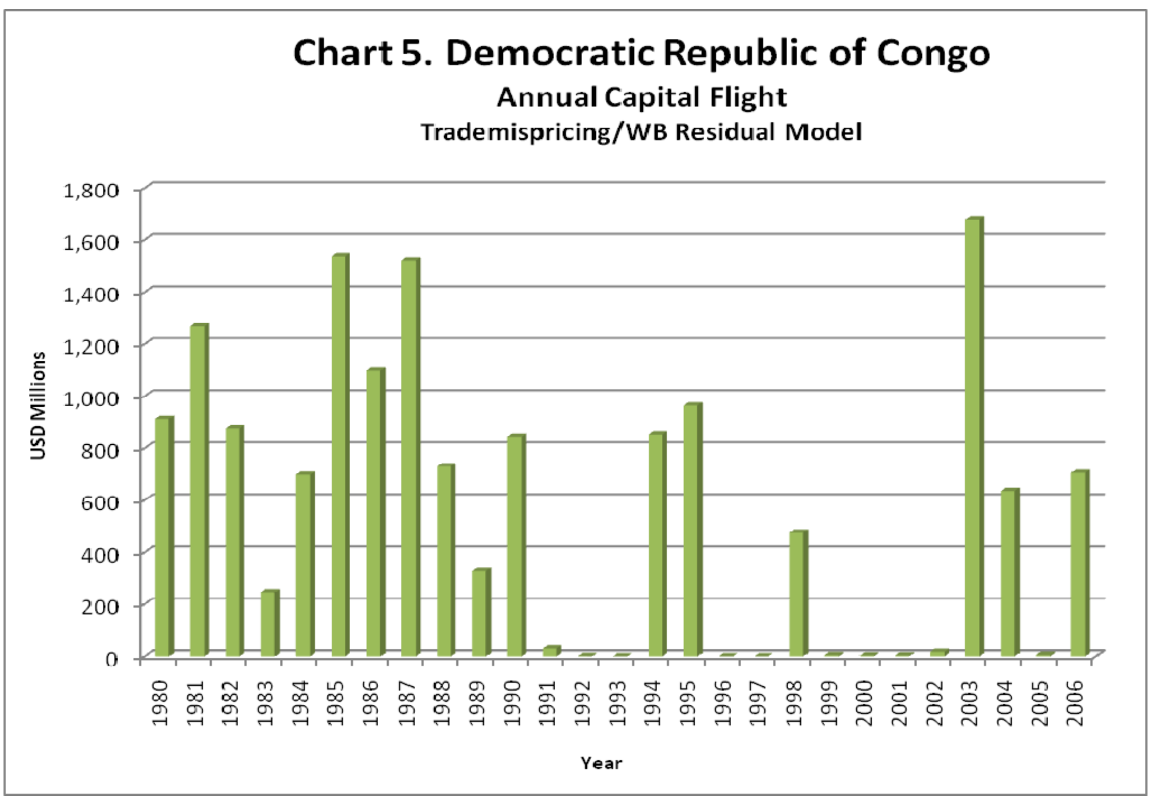


Table 6.

Congo, Dem. Rep. of : Capital Flight Estimation Using World Bank Residual Model, 2002-2006

Year	External Debt (World Bank)	Change in External Debt	Net Flow of Debt	Net FDI (line 4500)	Current Account Surplus (EIU and WEO)	Change in Reserves (BOP) (Source: EIU ands IMF reports)	Capital Flight using Chg. In External Debt	Capital Flight using Net Flow of Debt
1980	4,773	243	278	0	-148	-16	79	114
1981	5,091	318	436	0	-418	165	65	183
1982	5,078	-13	123	0	-369	190	-192	-56
1983	5,336	258	204	0	-289	25	-6	-60
1984	5,290	-46	196	0	36	34	24	266
1985	6,183	893	149	0	-92	89	890	146
1986	7,191	1,008	140	0	-400	-13	595	-273
1987	8,776	1,585	421	0	-644	-88	853	-311
1988	8,562	-214	231	0	-581	6	-789	-344
1989	9,251	689	228	0	-611	8	86	-375
1990	10,259	1,008	88	0	-643	-8	357	-563
1991	10,840	581	125	39	-944	4	-320	-776
1992	10,972	132	-27	39	-757	-26	-613	-772
1993	11,273	301	0	58	-373	-111	-124	-425
1994	12,322	1,049	-140	5	-278	74	850	-339
1995	13,239	917	61	5	15	26	963	107
1996	12,830	-409	-91	9	-37	-64	-501	-183
1997	12,337	-493	242	9	-200	-25	-709	26
1998	13,203	866	-13	22	-426	13	475	-404
1999	12,048	-1,155	13	23	-113	6	-1,240	-72
2000	11,692	-356	20	74	-173	-14	-469	-93
2001	11,519	-173	2	82	-205	-30	-326	-151
2002	10,060	-1,459	244	117	-90	53	-1,379	324
2003	11,254	1,194	-67	391	56	23	1,664	403
2004	11,434	180	315	435	-157	138	596	731
2005	10,600	-834	95	257	-753	-105	-1,435	-506
2006	11,201	601	79	263	-212	34	686	164
			Avg Capital Flight per year: WB Residual Method:				585	246
			Avg Capital Flight per year: over all 20 years				409	81
			Cumulative capital flight: WB Residual Method				8184.663	2464.528

Table 7. Democratic Republic of Congo:
Selected Macroeconomic Indicators, 1980-2006
(in millions of US dollars, percent, or index)

	CPI change	***Real GDP Growth***	***Fiscal deficit***	***WB governance index***	***Debt***	***Capital flight***
1980	47	2.40	-417.6	-2.09	4,773	912
1981	35	0.90	-417.6	-2.09	5,091	1,270
1982	37	-0.05	-761.6	-2.09	5,078	877
1983	77	1.40	-425.3	-2.09	5,336	246
1984	52	4.80	-339.0	-2.09	5,290	697
1985	24	0.50	-245.0	-2.09	6,183	1,538
1986	47	4.70	-549.7	-2.09	7,191	1,097
1987	90	2.70	-788.3	-2.09	8,776	1,523
1988	83	0.50	-1,303.4	-2.09	8,562	730
1989	104	-1.30	-613.6	-2.09	9,251	326
1990	81	-6.60	-1,019.0	-2.09	10,259	841
1991	2,154	-8.40	-1,615.9	-2.09	10,840	30
1992	4,129	-10.50	-1,884.9	-2.09	10,972	1
1993	1,893	-13.50	-2,193.9	-2.09	11,273	0
1994	23,773	-3.90	-621.3	-2.09	12,322	850
1995	542	0.72	-524.8	-2.09	13,239	963
1996	617	-1.10	-304.1	-2.09	12,830	0
1997	199	-5.60	-390.2	-2.09	12,337	0
1998	107	-1.60	-304.4	-1.73	13,203	475
1999	270	-4.30	-216.0	-1.73	12,048	4
2000	554	-6.20	-258.2	-1.6	11,692	3
2001	357	-2.00	-54.6	-1.6	11,519	3
2002	38	3.50	110.8	-1.46	10,060	4
2003	13	5.60	-175.5	-1.43	11,254	1,668
2004	4	6.60	-58.9	-1.39	11,434	600
2005	21	6.50	-28.6	-1.41	10,600	5
2006	13	5.10	43.4	-1.44	11,201	691

Source: International Monetary Fund, World Bank, and Economist Intelligence Unit databases.