



Violent Kleptocracies

How they're destroying parts of Africa and how they can be dismantled

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First report in the Enough Project's series, *Violent Kleptocracy: Corruption and Conflict in East and Central Africa*

Part One

The Problem: Mass Atrocities and Hijacked States

Millions of people have suffered and perished in the ongoing wars in East and Central Africa, including Sudan, South Sudan, Somalia, the Democratic Republic of the Congo, Burundi, Rwanda, Uganda, and the Central African Republic. The big prize in these deadly conflicts is the control of a hijacked state and the natural resource wealth of the country. This enables mass looting of state resources and diverting state budgets into military and security spending to perpetrate wars and to maintain power by any means necessary.

Corrupt networks are at the root of terrorism, nuclear proliferation, and organized crime. Corruption also drives and influences war and mass atrocities, but much less is known about this nexus. Research by the Enough Project and The Sentry in East and Central Africa confirms how kleptocratic networks¹ have captured the state, at times using extreme violence to achieve their objectives. Wars are begun, extended, or deepened as a result. International facilitators enable those who steal and commit atrocities. At every level, there are incentives for corruption, secrecy, state capture, illicit movement of money, and deadly violence.

African collaborators in the kleptocracy

- Armed leaders and family members with large stakes in lucrative businesses
- Government officials and family members with large stakes in lucrative businesses
- Government bookkeepers, paymasters, and other financial administrators
- Businesspeople who make large profits—often from government contracts—and who provide minimal goods and services

¹ Enough defines violent kleptocracy as a system of state capture in which ruling networks and commercial partners hijack governing institutions for the purpose of resource extraction and for the security of the regime. Ruling networks utilize varying levels of violence to maintain power and repress dissenting voices. Terrorist organizations, militias, and rebel groups can also control territory in a similar manner.

- State companies/parastatals
- Regional traffickers and transporters of illicit natural resources

International collaborators in the kleptocracy (whether inadvertent or not)

- Banks
- Oil, mining, and construction companies
- Transnational traffickers and transporters of illicit natural resources
- Arms dealers
- Law and accounting firms
- Money transfer service providers
- Foreign investors who are willing to pay bribes
- Sympathetic outside governments and armed forces with vested interests

Enabling environment

- War and instability
- Mass atrocities
- Lack of accountability
- Undermining and manipulation of the rule of law
- Military repression, intimidation of independent voices and reformers
- New or weak institutions
- Authoritarian governance
- Severe poverty and extreme economic inequality
- Unregulated and compromised extractive resource sector
- Opportunistic alliances and rivalries of competing political and military actors

Methods of corruption

- Contract fraud and contract inflation
- Bribery
- Theft from the treasury
- Offshoring the profits of natural resource extraction
- Use of shell companies
- Tax evasion
- Use of hidden bank accounts

With the help of international enablers in these unstable and authoritarian settings, state institutions are captured and state resources are siphoned into private bank accounts, while remaining resources go primarily to fund security networks to maintain power and expand extraction.

Part Two

The Solution: A New Approach to Stopping Mass Atrocities

Because existing approaches to stopping mass atrocities and ending war in Africa have not succeeded, a major change in policy is needed. The Enough Project's recommendations are threefold, with a focus on dismantling the kleptocratic networks that have hijacked states in conflict, reforming incentive

2 [The Enough Project](#) • [Policy brief](#) • [enoughproject.org](#)

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structures away from war and toward peace, and helping to build functional and transparent state institutions.

To more effectively counter war and associated mass atrocities in Africa, those orchestrating the wars and their international collaborators need to be influenced and leveraged. Where are they actually vulnerable? Our research has demonstrated that major vulnerabilities exist as a result of their illicit money flows, corrupt dealings, money laundering, and fixed assets abroad. The tools of financial pressure that have been used for countering terrorism, nuclear proliferation, and organized crime should be used to prevent and counter mass atrocities in Africa.

A more successful approach would apply relevant policy tools as part of a larger strategy of financial pressure, focused on the biggest vulnerabilities of the African and international leaders of the violent kleptocratic networks. These vulnerabilities and pressure points are almost exclusively financial in nature.

Key tools of financial pressure, most successful when applied together

- Highly targeted and aggressively enforced sanctions aimed at leading government and private officials and entities, along with their corresponding networks, which can include family members complicit in hiding funds or in acting as shareholders in companies controlled by the officials. These sanctions would include both asset freezes and travel bans.
- Anti-money laundering tools that focus on supporting efforts by banks to freeze offenders out of the international financial system.
- Asset recovery mechanisms including civil actions and prosecutions that lead to the freezing, seizing, and returning of assets stolen by war leaders and their international collaborators.
- Aggressive Foreign Corrupt Practices Act enforcement.

The last three tools—anti-money laundering tools, asset recovery measures, and aggressive Foreign Corrupt Practices Act enforcement—have not yet been used in the service of peace and human rights in Africa, but they could and should be. The first tool—targeted sanctions—has been mostly ineffective in Africa because of a complete lack of enforcement, often due to the fact that there is no information generated on the assets of targeted officials in order to be acted upon. (This is being addressed by our Sentry initiative, which is turning over dossiers of information to regulatory and law enforcement authorities in multiple governments.) As a result of non-enforcement and lack of policy creativity, the incentive structures of kleptocratic network members are hardly influenced. To be effective, sanctions must target top decision-makers and politically exposed persons—and they should be robustly enforced. Broadly and strictly enforced targeted sanctions for top leaders, combined with anti-money laundering measures, can shift the calculations and limit the deadly impact of those designated.

Targeted sanctions and enforcement authorities have become increasingly sophisticated in the last 20 years where the political will exists to make them effective. Digital data and a more integrated international financial system make it possible to sharpen the focus and more effectively freeze the resources of specific individuals, entities, and sectors that are most directly involved in committing and enabling criminal activity. Targeted sanctions can also create consequences for those who attack the journalists and civil society actors who expose crime and advocate for accountability. Better outreach and information-sharing with banks and regulators can limit the fallout to the public and other parts of the economy that can be negatively affected when banks de-risk, or pull out of challenging markets because of high risk.

The recent innovations in sanctions design, targeting, and enforcement create new opportunities to dismantle violent kleptocracies. These tools position the international community and the U.S. government in particular to use the international financial system and the primacy of the U.S. economy as the linchpin in bringing real leverage against those who hijack states and public resources and divert these public goods to war and self-enrichment. This intervention by international actors can constrain leaders in ways that allow domestic constituencies and domestic initiatives to gain strength and lead reform efforts. When violent kleptocracy and impunity are checked, local peace and governance mechanisms can regain relevance, which in turn can balance power, promote equitable distribution of resources, enable voices of opposition to be heard, expose abuses, provide accountability, and facilitate inclusive and participatory discussion about shared resources.

Part Three

The Endgame: A Functional State that Prioritizes Peace and Human Rights

In the long term, peace and human rights in East and Central Africa—as anywhere—require transparent governance marked by effective checks and balances and concerted efforts at addressing root causes of conflict and corruption. Thus, good governance and anti-corruption tools are fundamental to enabling long-term peace and human security.

Longer-term tools and approaches

- Peace processes that address systemic causes rather than just symptoms
- Greater support for civil society organizations working for peace, human rights, and good governance
- Real accountability measures for financial and human rights crimes
- Equitable management of natural resource wealth in the public interest
- Responsible management of public finances
- Governance reforms
- Budget and contracting transparency
- Security sector reform
- Effective demobilization and reintegration programs

Ultimately, local reform organizations, networks, parties, and movements will lead the transition to a peaceful East and Central Africa. International efforts can support these local actors by addressing the incentive structures that currently favor corruption and conflict in the form of violent kleptocracies that control most of the nation-states in the region. With a new cost-benefit calculus that prioritizes peace, human rights, and good governance, the playing field will become more level and those with the biggest guns willing to commit the more heinous atrocities may no longer have the upper hand. Change will take considerable time, but networks of courageous and dedicated activists, journalists, businesspeople, and politicians are growing throughout East and Central Africa. The right kind of external policies and support could make all the difference.