

## IDENTITY POLITICS IN THE CENTRAL AFRICAN REPUBLIC

By Dr. Stephanie M. Burchard

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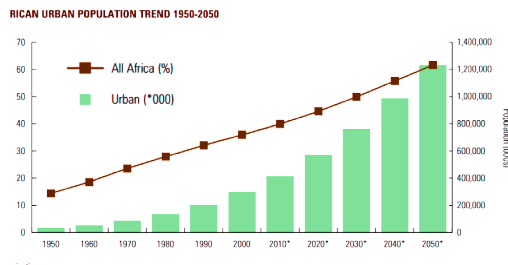
Catherine Samba-Panza stands in front of the Central African Republic flag as she is selected as interim president. (Source: AP Photo/Herve Sereffo.)

Dr. Stephanie M. Burchard is a Research Staff Member in the Africa Program at the Institute for Defense Analyses.

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Source: <http://www.unhabitat.org/documents/soac10/soac-pr1-en.pdf>.

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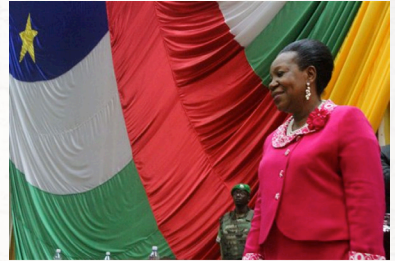
IDA's three federally-funded research and development centers provide objective analyses of national security issues and related national challenges, particularly those requiring scientific and technical expertise.

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For the past several months, the [United Nations](#), [France](#), and other [international groups](#) have been warning that the Central African Republic (CAR) is facing widespread communal violence, religious in nature, that could take on genocidal proportions. It is unclear, however, from where the enmity originates. Although the country has been notoriously unstable since independence from France in 1960, communal violence of this specific nature and severity is unprecedented. Furthermore, the politicization of any form of identity is only a comparatively recent phenomenon, believed to have begun in the 1980s as a result of the political machinations of former president André Kolingba.<sup>1</sup> Because there is little or no history of religious conflict in CAR, it is important to understand the context of the situation that is unfolding, to help ensure that remedies undertaken by the international community do not end up doing more harm than good.



Catherine Samba-Panza stands in front of the Central African Republic flag as she is selected as interim president. (Source: AP Photo/Herve Serefi.)

In March 2013, then-president Francois Bozizé was ousted by Séléka rebels, a loose coalition of groups from the north of the country. Michel Djotodia, their self-appointed leader, took over as transitional president of CAR. Amid a rapidly deteriorating security situation in which hundreds of thousands were displaced and thousands (perhaps tens of thousands) murdered, Djotodia was [forced to resign](#) by regional leaders at a summit in N'Djamena, Chad, in January 2014. [Catherine Samba-Panza](#), formerly interim mayor of the capital Bangui, was selected as new transitional president on January 20, 2014.

Djotodia was the first Muslim leader of the mostly Christian CAR. [Muslims comprise](#) approximately 15 percent of the population, Protestants comprise about 25 percent, Roman Catholics comprise about 25 percent, and the remaining roughly 35 percent hold some form of indigenous belief. The Séléka rebels are believed to be mostly Muslims from the north, although there have been several reports that some of the rebels are [Chadian and Sudanese mercenaries](#).

During Djotodia's brief rule, Séléka rebels engaged in looting, rape, and murder of civilians. As a means of protection, various community-based groups formed to prevent aggression against civilians. This is not the first time that [local protection militias](#) have been formed in the CAR to address the lack of security provided by the central government. These current groups, known as anti-balaka, are believed to be mostly Christian, but their origins and leadership are largely [unknown](#). Some have speculated that former president [Bozizé controls more than half the anti-balaka forces](#). These forces have recently been accused of attacking Muslims and former Séléka rebels, seeking revenge for the many atrocities committed during Séléka's brief rule. Some of the anti-balaka militias have been particularly [brazen](#) in their attacks; in one instance, they kicked a suspected ex-Séléka rebel to death in front of a several journalists directly after a press conference held by Samba-Panza.

Because of the way the fault lines have formed over the past year or so, with Muslims and Christians seemingly on opposite sides of an escalating conflict, [many](#) have depicted this conflict as sectarian in nature. But there is no significant history of sectarian conflict and no deep-seated religious enmity between Christians and Muslims in CAR. Central African [political](#) and [religious leaders](#) have repeatedly asserted that it is insecurity and the fight for power that is driving the conflict, not religious divisions. Furthermore, the trend over the past 30 years has been to politicize ethnicity in CAR, not religion. Former president André Kolingba (1981–93) was the first to explicitly reward his ethnic group, the Yakoma from southern CAR, with patronage and support.<sup>2</sup> His successor, Ange-Félix Patassé (1993–2003), who came to power as the

<sup>1</sup> Andres Mehler, "The Shaky Foundations, Adverse Circumstances, and Limited Achievements of Democratic

<sup>2</sup> Mehler, "The Shaky Foundations."

result of a coup, in turn dismissed Yakoma and rewarded his supporters from the Northwest, mostly Sara-Kaba, with government positions and patronage. Patassé was the first president to come from the North. Bozizé, who deposed Patassé, also came from the North and continued some of the same patronage-based practices as his predecessor, including the preferential treatment of members of his ethnic group, the Gbaya. Kolingba, Patassé, and Bozizé were all Christian.

In 2012, the [U.S. State Department](#) analyzed the nature of social conflict in CAR and concluded that while some repression of Muslims was taking place, it was not organized or sustained at a mass level. The violence currently taking place is new, unprecedented, and spreading. According to a local report from [Berbérati](#), located in southwest CAR, there was never a problem between Christians and Muslims, who make up approximately one-third of the city's population, until the past few months. Now, Muslims are fleeing CAR's third largest city in droves.

Further complicating the matter, sizable deposits of country's [gem-quality](#) diamonds are located in the northeast of the country. Gold and iron deposits are also found all throughout the east of the country. Because the CAR's mineral deposits are dispersed, much of the mining sector has been dominated by artisanal miners. And because of the state's inability to enforce laws, diamond smuggling is a lucrative operation undertaken by a number of domestic and foreign actors.

Although a handful of incidents between Muslims and Christians have occurred over the past decade, significantly more conflict has resulted from the interference of CAR's neighbors to the north, most notably Chad. Throughout the 2000s, and especially after Bozizé came to power in 2003, the Central African government was routinely unable to secure the northern part of the country. It faced repeated challenges from rebels supporting former president Patassé and incursions by Chadians, Libyans, Congolese, and Sudanese rebels and bandits. The frequent interference of CAR's neighbors has caused the ethnic cleavage between the Yakoma and an amorphous "North" to take on an added dimension, with northerners in general being described as foreigners. This pattern of government weakness, ethnic favoritism, domestic neglect, and foreign intervention may have created a perfect storm for a conflict that is being depicted as religious but in reality encompasses many more factors.

Why is it hazardous to [mischaracterize](#) this conflict? To address the worsening situation, the CAR needs security, development, and governance. [Misunderstanding](#) the true drivers of conflict will lead to inappropriate and inadequate attempts to resolve it. For example, if the focus is on religious mediation and nothing is done to address the underlying causes, there will be no durable resolution. Mislabeling conflicts can also exacerbate and inflame tensions, creating a self-fulfilling prophecy. Events in [Berbérati](#) may reflect this dynamic.

Finally, describing the conflict as sectarian, or based on ideological divisions between non-state actors, obscures who benefits from a chaotic and ungoverned CAR. Potential beneficiaries include: previously marginalized political actors who can insert themselves into the conflict as peacemakers, rebel groups who can use chaos to continue to operate in the North with impunity, and illegal miners who profit from the lack of government control over natural resources.

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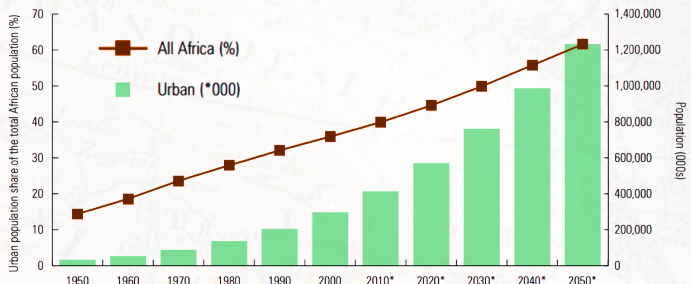
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Africa's [rapid urbanization](#) is drawing millions of people to its largest cities, necessitating massive new residential and commercial construction projects. Given the growth of transnational crime across the continent, the real estate sector offers an ideal vehicle for organized crime groups, terrorist organizations, and corrupt public officials to disguise the illegal origins of their gains and to integrate that money into the formal economy.

AFRICAN URBAN POPULATION TREND 1950-2050



\* Projections

Source: <http://www.unhabitat.org/documents/soac10/soac-pr1-en.pdf>.

## Why is the real estate sector ideal for money laundering?

The nexus between criminal activity and money laundering through real estate has been often associated with construction booms in the developed world, such as [Miami in the 1980s](#) or [Japan in the late 1980s](#). In Africa, the complex confluence of migration, urbanization, growing foreign direct investment, and increasing remittance inflows from diaspora communities abroad have facilitated [construction booms](#) in cities such as Lagos, Nigeria; Kinshasa, Democratic Republic of the Congo; and Luanda, Angola. For many, this trend symbolizes economic development and an enhanced status on the international stage. For criminals, this environment offers an ideal mechanism through which they can launder their gains.

The act of [purchasing property](#) can lend itself to money laundering. In many West African countries, for example, the wide variation in property prices makes purchasing conducive to the laundering process. That is, prices vary drastically by location or by the identities of the buyer and seller (e.g., family members or individuals of the same ethnic group will often be offered lower prices). The absence of published average market prices for property means that under- or over-valuation does not draw attention. Moreover, purchasing property with cash does not raise suspicion in cash-based economies and leaves no audit trail.

The absence of a legal or regulatory framework or any public institutions to oversee the real estate sector allows money laundering to thrive in many African markets. The Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) has assessed that certain West African countries, most notably [Nigeria and Senegal](#), have attempted to establish control mechanisms to regulate the real estate sector, but most countries have not yet established sound anti-money-laundering laws or guidelines for real estate agents. The effectiveness of the controls that have been instituted is disappointing. Nigeria's Money Laundering Prohibition Act provides that any cash transactions beyond the threshold of Naira 500,000 (about \$3,000) should be reported. Yet since the law came into effect in 1993, there have not been any reported cases of cash transactions.

The real estate profession itself is often inadequately regulated in African countries. Whereas many developed countries require that real estate agents be professionally trained, be registered, and adhere to basic ethics rules, [real estate agents in many African countries](#) are untrained, unregistered, and willing to turn a blind eye to nefarious activity. For example, they may oversee the sale of property to third parties, front men, or fictitious individuals, thus protecting the actual owner who is using the transaction to launder criminal proceeds.

## How can they do it?

The real estate sector can be used to facilitate money laundering in a number of ways. According to GIABA, undervaluation of property is one common technique. A deliberately low price is negotiated in a contract to allow buyers to obtain a loan for the property, supplementing this official price with cash, which may be from criminal sources, to complete the sale. When the property is resold at the fair market price, the seller effectively converts illegal income into seemingly legitimate profits. Alternatively, criminals may obtain loans to legally fund mortgages on properties and then pay off the mortgages before term with dirty money. In this way, illicit funds are injected into the formal financial system.

Shell companies are another vehicle commonly used by criminals to deposit illegal gains. To give the appearance of a profitable business, money launderers typically purchase property and run operations that may or may not be legitimate. In the case of legitimate businesses, because the criminally run operation has enough disposable income to undercut its competitors, it eventually crowds them out of the market.

Because data on money laundering are difficult to obtain, analysts must often rely on anecdotal evidence or anomalous trends that may be associated with criminal transactions. A frequently cited piece of evidence is that the rise in real estate purchases in several major West African cities in recent years does not seem to be correlated to similar ratios of [banking mortgages](#), leading many to believe that these purchases are the result of money laundering.

## Conclusion

The amount of money illegally in the economy has social consequences for African citizens. In [Kenya](#), for example, there are reports that the inflow of Somali pirate funds has contributed to the rapid increase in urban property prices, which has made it difficult for middle-income families to afford homes. In the mid-2000s, South Africa experienced a sharp rise in housing prices, which the President of the Financial Action Task Force [attributed](#) to money laundering. The [UN estimates](#) that the population of some African cities will grow by up to 85 percent in the next 15 years. If governments continue to fail to regulate the real estate sector or to enforce anti-money-laundering laws, the effect of illegal money on the real estate market will persist and likely grow.

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