PROSPECTS AND CHALLENGES OF THE SOUTH AFRICA-DEMOCRATIC REPUBLIC OF CONGO TRADE AND INVESTMENT RELATIONS (2000-2014)

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ABSTRACT

When South Africa was re-admitted into the community of nations in 1994, it committed itself to forging economic, social and political partnerships with other nations and international organisations. South Africa forged economic partnerships through bilateral and multilateral trade and investment agreements both within the continent and outside the continent (DIRCO, 2010). However, the problem is that, African states do not trade much with each other; they trade more with other countries outside the African continent, particularly European countries and the United States of America (US). It is for this reason that the level of trade and investment among African countries is very low. This raises a question of why African states trade less with each other. To answer this important question, this study examines the prospects and challenges, specifically the South Africa-DRC trade and investment relations. Many scholars, political commentators and journalists who studied the South Africa-DRC relations focused their attention on the political nature of that relationship. Not much has been written about trade and investment between these two nations, meaning that the trade and investment relations between these two African nations are under researched. This research adopted the qualitative research design. The research instruments that were used for data collection comprised unstructured face to face interviews and telephone interviews. This study targeted governmental departments that deal with trade, investment and foreign relation issues. Furthermore, the study also targeted research institutions that deal with international issues. Findings of this study suggest that some of the challenges of the South Africa-DRC trade and investment relations include inadequate infrastructure and political instability in the DRC. This, therefore, provides an opportunity for these two nations to collaborate, in particular in improving infrastructure and achieving peace in the DRC.

Key words: Democratic Republic of Congo, Foreign Direct Investor, Foreign Direct Investment, International Trade, Investment and South Africa.