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## **Dedollarization of the Congolese economy: challenges, look and prospects**

### INTRODUCTION

In the Democratic Republic of Congo, the economy remained vigorous in 2013 with growth of 8.1% (against 7.2% in 2012), thanks to extractive industries, but also to trade, especially construction and agriculture. The growth benefited from improved elements of the business climate, infrastructure rebuilding and sustained demand. Mining was the main driver of growth. Several mining companies have shifted from exploration to actual operations since 2013. In our view, the rationalization of macroeconomic policies and the stability of commodity prices have kept inflation under control at 1.1%, compared with 2.7% in 2012 and a target of 4% in 2013. The exchange rate weakened slightly and this is simply 0.3%. The good coordination of fiscal and monetary policies and the rebound in export earnings have also increased the foreign exchange reserves of the Central Bank of Congo (CBC). These increased from 1,213.7 to 1,766.45 million CDF (Congolese francs) from 2012 to 2013, covering 9.4 weeks of imports. The growth is expected to continue at 8.5% in 2014 and 8.6% in 2015. It will be driven by the mining sector (copper, cobalt, gold and diamonds), reconstruction of roads and energy infrastructure, and rural spin-offs agricultural sector launched in 2012. Under the pressure of aggregate demand, inflation is expected to increase, while remaining below the 4% target. These prospects depend on the possible resurgence of conflicts in the east of the country with their possible impact on the sustainability of public finances and the business climate. Falling growth in emerging countries could lead to a decline in foreign direct investment and demand for minerals. The Democratic Republic of Congo launched in 2012 the process of dedollarization the national economy. And this process is one of

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the best measures of the government which consists of its strategies to gradually reduce to the strict minimum the three traditional roles played by the American dollar against the Congolese franc (which is the national currency of the Democratic Republic of Congo ) and above all as money having a legal tender in the country, namely as: – exchange instrument, – unit of account, – and reserve of values. This unfair competition of the US dollar against the Congolese franc has always been a bottleneck for successive governments, especially since these governments do not have all the required measure of control to regulate emissions properly, or better still entries. And it is this motto on the national territory; which has resulted in the depreciation of the Congolese franc and the rise in the prices of goods and services, sometimes in dollar terms and from time to time considered as a stable currency.

As far as dollarization favors hoarding, it also secures the shady traders who maintain speculation in the economy, torpedoing the government's actions aimed at stabilizing prices (in the broad sense) and promoting GDP growth.

### PROBLEMATIC

The subject we have treated is a delicate problem both for its form and its meaning and content. In this case, we have to clarify a concern that we call “problematic”. We can define the word “problematic” as an issue around which the theme of the chosen work must be analyzed and written. Before we talk about dedollarization, it is important to ask the following questions:

- What are the causes of the dollarization of the Congolese economy?
- In your opinion, have the reasons that led to this phenomenon ceased to exist?
- And finally, how can we take appropriate precautions to prevent any possible failure that would stop the growth that has been going on for more than a decade in favor of our economy?

If there is no concern or doubt as to the answer to all of these questions, then only we can continue our mission, but giving all the benefit of time to the time factor.

### RESEARCH ASSUMPTIONS

In order to achieve lasting results for such a staggering economy like that of the Democratic Republic of Congo, a good and coherent dedollarization policy requires the monetary authorities (the BCC and its government) to go there gradually with well-studied and ordered strategies so as not to provoke difficult situations that could not be solved. On the other hand, economic operators, especially those in the mining sector, and oil producers, who account for the bulk of foreign trade in the country, manage to ensure the bulk of foreign exchange earnings, are

invited to cooperate with the State whilst respecting the laws and regulations governing economic activities in the country. They must cease to continue to behave as some see it as victors on conquered land, which snatch and carry away their minerals, fauna, flora and men, without giving any account to anyone like the time of colonization.

## RESEARCH METHODS

The method is the set of intellectual operations for analyzing, processing data relating to a scientific reality studied according to a specific objective. The method is the set of intellectual operations for analyzing, processing data relating to a scientific reality studied according to a specific objective. In other words, the method is a line to follow to achieve a goal pursued, given the nature of this work, we have found it useful to use the analytical and descriptive methods to better verify our assumptions. Thus, to arrive at a correct result, all scientific work must use appropriate research methods to certify the answers to the conclusions which it makes available to science and so the choice of methods is therefore important for the demonstration, research, analysis and verification of the truths pursued and depends on the researcher himself, the nature and the importance of the problem he wants to solve. That's why we had to use some methods to get the job done to a good conclusion.

### ANALYTICAL METOD

The analytical method is defined as a systemic analysis of all the information as well as the data collected. In our study, this method allowed us to analyze the many data that were collected thanks to the interviews we had with some agents of the banks, the Central Bank of Congo and the population.

### DESCRIPTIVE METHOD

Before applying the analytical method, it seemed imperative to us to resort to the descriptive method which is defined as a method which consists of analyzing a phenomenon and to present suitably all the elements which compose it composes. This method allowed us to describe the phenomenon studied as a whole and in its particular aspects. We have therefore conducted qualitative studies on dedollarisation based on the look, issues and perspectives of the Congolese economic landscape, demonstrating through classification or typology. We therefore had more to appeal to our judgment and the finesse of observation in understanding the phenomenon.

## RESEARCH TECHNIQUES

By research techniques, we mean “the means by which the researcher passes to collect the data essential to the development of his scientific work”. Thus for our study, we resorted to the interview technique and the documentary technique.

### THE DOCUMENTARY TECHNIQUE

The documentary technique is a systematic search of all that is written having a connection with the field of research. We can say that the documentary technique consists of a consultative analysis of written documents such as economic and monetary literature as well as banking, reports, articles, journals, official journals, webography, unpublished documents such as courses, end-of-cycle work. For this study, this technique referred us to reading documents related to our subject. From where, thanks to this last one we enriched our work while being based on the ideas of the other thinkers. This technique is useful because it allows to base the study on reliable data bases.

### THE INTERVIEW TECHNIQUE

The interview technique is a technique that aims to organize a verbal communication report between two people, the interviewer and the respondent concerning a specific objective. The use of free interview in this study is justified by the fact that the exploratory talks we had with some agents and executives of Congolese banks, the Central Bank of Congo and the population, allowed us to collect information from them in order to extract more information on the effects of de-dollarisation of the Congolese economy.

Indeed, the interview has removed the shadows on our own observations.

### CHOICE AND INTEREST OF THE SUBJECT

In any scientific work, the choice and the interest of the subject reveals to a large extent deep motivations which push the researchers on a specific problem and the attempt of solution which constitutes one of the main ambitions of the latter by presenting the motive which animates it or that arouses his scientific curiosity on any aspect of life. In other words, any work of a proven researcher must have a scientific character to be verified, accepted and justified, within the reach of everyone.

### CHOICE OF THE SUBJECT

The choice of the present subject is not a fact of chance, some reasons have prompted us to treat this subject.

#### INTEREST OF THE SUBJECT

Our choice for this study is focused on: “dedollarization of the congolese economy: look, challenges and outlook”: aims to arouse great interest among a large number of actors, mainly:

- Monetary and banking authorities, this study has the advantage of providing them with a tool that can guide them in supporting and accompanying the process of dedollarisation of the Congolese economy;
- The Congolese population, this study will allow them to better understand the advantages and the possibilities of the dedollarisation;
- Since our work is a research work oriented in the field of Economic Sciences more precisely in Monetary and Banking Economics, it constitutes a document that highlights real, qualitative and verifiable data that can be used for further research.

#### SPATIO-TEMPORAL DELIMITATION

All scientific work must always have limits (spatial and temporal), which is why we have taken care to circumscribe our own in time and space.

##### DELIMITATION IN TIME

Given the importance and necessity of the temporal aspect, this study covers the time span from 1998 to 2013.

##### DELIMITATION IN SPACE

In the spatial aspect, it is a scientific work carried on the national territory of the Democratic Republic of Congo.

#### DIVISION OF THE WORK

Apart from the introduction and conclusion, and also for reasons of efficiency in research, we have divided our work into two parts:

- The first part deals with the dedollarisation of the Congolese economy;
- And the second and last part gives suggestions and recommendations.

#### PART I: ANALYSIS OF THE CONGOLESE DEDOLLARIZATION

##### A LOOK AT THE DEDOLLARIZATION OF THE CONGOLESE ECONOMY

The dollar (US currency) is the currency most used in international trade. Thus for all its possible imports, the Democratic Republic of Congo uses more the Amer-

ican currency. This situation directly affects the resale price of imported goods. In a country that imports almost everything, and price behavior depends very closely on the condition i.e. the stability of the US currency (the dollar). For the Congolese population, the US dollar is a fiduciary currency (a currency whose value is based on public confidence) of widespread use in the world. Compared to this view, the Democratic Republic of Congo, whose economy depends more on imports, finds itself hostage of this American currency, especially since the national currency is not of international value and is used only at the level of national level. The Democratic Republic of Congo (DRC) does not produce enough and shows a huge weakness in exports [Aglietta et Orlean, 1998, pp. 34–36].

This is what weakens all the monetary reforms of this country. For several years, dollarization has been one of the main characteristics of the Congolese economy. This phenomenon was born during the 1990s. This period marks an economic crisis due to the facts found on the ground: - looting in 1991 and 1993, - monetary and budgetary policies, - civil wars, etc. All these factors contributed to the deep financial disintermediation. The fiscal policy of the past consisted in financing the state budget deficits. This uncontrolled monetary creation has led to a slippage in the exchange rate and a very pronounced inflation. At the monetary level, the fixed rate of high reserve requirements and the ceiling on loans by the Central Bank of Congo have led to the marginalization of banks in their role of financial intermediation [Herrera et Nakatani, 2003, pp. 47–48 ].

However, the latter blocks the banking system and then reduces the room for maneuver in monetary policy. Thus, this very declared inflation has hurt economic growth. The following data illustrate the evolution of the rate of inflation and that of economic growth from 1990 to 2000 (in%). This evolution of the inflation rate recorded from 1990 to 2000 shows a crisis of confidence of the economic agents vis-à-vis the leaders. This has been at the root of conflicts between agents and leaders. The hopes of the agents in the face of the policy carried out by the public authorities have been limited in this way. Thus, a strong dollar preference is displayed at all social levels of the country. From 13.7% in 1997, this low rate can be explained by the refusal to issue notes with the Mobutu effigy; without variation in the money supply [Luhonge et. al. 2003, pp. 17–18]. The peak of hyperinflation was reached in 1994 with a rate of 9796.9%. As a result, economic growth has been offset by inflationary runaway in the above-mentioned year. Recall that during the period of hyperinflation, the premium on the parallel exchange market remained constantly above 50%. For the Congolese economy, consider the period of May 2006 or the fixed exchange rate was 52 FC the dollar against 313.85 FC on the parallel exchange market. Hence, a premium on the parallel exchange market is 503.5% before the application of the floating exchange rate regime. The different lessons can be drawn from the Congolese experience of hyperinflation appears rarely overnight.

The stabilization process can take years and years if the fiscal policy of this country is not properly adjusted. Even when fiscal reforms are implemented, the return to low inflation takes time, especially when the currency is used as a nomi-

nal anchor [Benny Leba, 2014, pp. 42–44]. We know that a sharp reduction in the fiscal deficit is still an essential component of a stabilization program, regardless of the monetary anchor. However, the unification of the foreign exchange markets is often an essential stabilizing factor, whatever the main nominal anchor. The other observation is that production collapsed during this period and sometimes even before hyperinflation. The stabilization measures certainly manage to contain the implosion of economic activity but do not seem capable of boosting economic activity vigorously. It is not enough simply to reduce the demand for domestic currency and domestic monetary assets to the level of pre-hyperinflation. However, a reaction time is essential to reduce the dollarization rate. Brazil and Argentina have taken more than 10 years to combat dollarization, while Lebanon, for its part, took more than 20 years [Kazadi Lubatshi et Epolo Yagundu, 2003, p. 42].

But in the Congo, dollarization has taken the form of a pure substitution of currencies, the substitution of assets is marginal. Congolese financial markets are in fact rudimentary. They do not offer enough placement alternatives. There is no market for government securities. Private equity and bond markets do not exist [MISHKIN F., 2007, p. 28]. The dollarisation of the value-store function has therefore taken the most rudimentary form. Moreover, while everywhere else the dollarisation of deposits is often accompanied by dollarization of credits [Cartas, 2010, pp. 21–26]. As regards the dollarisation of unit-and-exchange-agent functions for a long time, the local currency has become less competitive with the dollar or the euro (which has replaced the Congolese franc). With the exception of the period when foreign exchange transactions were banned (from January 1999 to January 2001), the US dollar was widely used in all domestic transactions, even those involving very small amounts. The dollarization of domestic transactions has reached a level where even the state accepts payment of taxes, fees, and customs duties in foreign currency. Failing this, taxes were payable in local currency, but at the exchange rate prevailing on the day. This illustrates an exceptional practice compared to other dollarized economies where the state does not encourage residents to pay foreign exchange taxes [Annual reports of the Central Bank of Congo, 2012, pp. 146–147].

The Congolese state has at one time attained to neglect its own privilege of coinage, thus partly renouncing the seigniorage. As a means of payment, the local currency has thus seen its role in domestic transactions reduced significantly. The Central Bank of the Congo managed to contain hyperinflation in 2001 under the Reinforced Interim Program (PIR) implemented between May 2001 and March 2002. By combining a series of monetary policy instruments, the Central Bank of Congo managed to smooth exchange rate fluctuations from 2001 to 2003. From 313.85 CFA / USD in 2001, exchange rates reached 388.89 CFD / USD and 372.76 FC / USD respectively in 2002 and 2003. It dropped from 135.1 per cent in 2001 to below 10 per cent, or 4 per cent in 2003, to 15.8 per cent in 2002. In theory, the strict dollarization rate is the foreign exchange money supply. At the end of December 2007, the rate of dollarization reached 58.1% as against 51% in 2008. Its intensification at 65.8% at the end of September 2009 is explained by

monetary depreciation and price instability [Katshungu, 2004, pp. 63–64]. Conjointly, the stabilization of the macroeconomic framework by monetary and fiscal policies will enable the national currency to recover its purchasing power. Structurally, production and its diversification through industrialization constitute a key element to constitute a currency support in order to combat monetary depreciation and with a view to price stability [Mukamba Bitalengwa, 2011, p. 31].

#### FAILURE REPORT

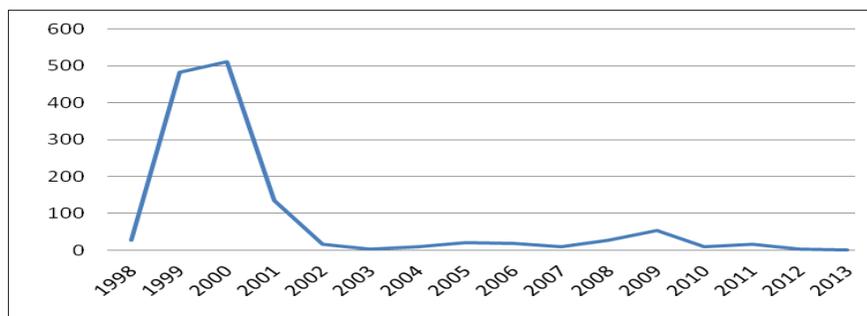
Money is the most visible sign of a country's economic performance. However, the Democratic Republic of Congo has experienced an unprecedented inflationary experience for several decades: the average annual inflation rate (see Chart 1) has been 84,1018%... for the past 15 years, value and credibility. Introduced in 1998 at the parity of 1.3 Congolese francs for a US Dollar, the Congolese currency depreciated to 940 FC against the greenback in January 2012<sup>2</sup>. The assessment of these fifteen years before the announcement of the dedollarization by the government in 2012 leads to a finding of failure because the franc today is no longer worth anything compared to the one that the country had introduced in June 1998. To fully grasp this failure, the equivalent in francs Congolese one hundred thousand dollars of 1998 represented in January 2012 only barely fifty-three cents of one American dollar [Ponsot, 2003, pp. 57–59]. Such a monetary depreciation substantially aggravated the impoverishment of the population during the same period due to the stagnation of wages in nominal national currency. All the government's efforts to improve the social conditions of the Congolese are therefore doomed to failure as long as the national currency depreciates in such proportions (more than 100,000 per cent over fifteen years), while wages denominated in national currency (only about 5 per cent per year).

**Table 1. Inflation rate from 1998 to 2013**

Year	Inflation rate	Year	Inflation rate
1998	26.9	2006	18.2
1999	483.7	2007	9.9
2000	511.2	2008	27.6
2001	135.1	2009	53.4
2002	15.8	2010	9.8
2003	4.4	2011	15.4
2004	9.0	2012	2.7
2005	21.5	2013	1.03

Source: Elaborate by us on the basis of Condensed Statistics data of the Central Bank of Congo, April 2014.

<sup>2</sup> <http://www.financialafrik.com/2013/07/06/pour-une-monnaie-nationale-credible-au-congo-dossier/> Accessed on August 18, 2014 at 18 H 02 '.



**Chart 1. Annual Inflation Rate Assessment from 1998 to 2013 (Percentages)**

Source: Developed by us based on the table above.

A CURRENCY THAT HAS BECOME WORTHLESS

By freeing the practice of expressing the exchange rate in terms of the amount of Congolese francs needed to buy or sell a US dollar, we prefer to formulate the exchange rate in terms of the amount of dollars needed to the acquisition or disposal of a Congolese franc. It is following this logic that the interpretation of Table 2 below reveals troubling truths: The Congolese currency, introduced in June 1998, had already lost its value three years later, rising from 1.3 FC francs June 1998 to 940 FC for 1 dollar in April 2013. For two decades it has never recovered, explaining the rapid development of dollarization that has now reached 95 to 98 percent of the economy<sup>3</sup>.

**Table 2. Congolese franc exchange rate /U.S. dollar exchange rate between 1998 and 2013**

Dated	Exchange rate FC / US \$	Exchange rate US \$ / FC
<i>1</i>	<i>2</i>	<i>3</i>
June 98	1,38	0,724637681
December 98	4,160299778	0,240367294
December 99	4,493100166	0,222563478
December 00	47,26250076	0,021158423
December 01	304,4700012	0,003284396
December 02	333,3251038	0,003000074
December 03	375,0	0,002666667
December 04	440,5000916	0,002270147
December 05	440,0000916	0,002272727
December 06	540,0001221	0,001851851
December 07	549,7501221	0,001819008
December 08	640,2894897	0,001561794

<sup>3</sup> <http://www.financialafrik.com/2013/07/06/pour-une-monnaie-nationale-credible-au-congo-dossier/> Accessed on 19 August 2014 at 16 h 37.

<i>1</i>	<i>2</i>	<i>3</i>
December 09	907,1853027	0,001102311
December 10	915,1295776	0,001092741
December 11	910,8209839	0,001097911
August 12	920,8209839	0,001085987
December 13	930,0282	0,00109684687

Source: *The Economist Intelligence Unit Limited 2013.*

Under such conditions, multiplying efforts to stabilize a currency whose intrinsic value is zero is wholly illusory and does not necessarily favor the improvement of the purchasing power of the population. It confirms that the stability of the macroeconomic framework does not necessarily mean improving the living conditions of the population [Minda, 2004, pp. 53–54]. It is surprising that the Central Bank seeks to ensure the continuity of policies and management over the last fifteen years in view of such a performance of money, which is the primary convenience it carries out in the framework of its constitutional missions. What is the use of continuity in mediocrity? Logic would have us want to break with the past to embark the central bank on the path of a different vision and management of the past.

## PART II. SUGGESTIONS AND RECOMMENDATIONS

The dedollarization of the Congolese economy that is spoken of in this work is a problem that we expose in such a way that if we cannot come up with adequate resolutions to realize it, then everything we would have said, commented and made, we would have spoken in vain. It is therefore following a meticulous examination and an in-depth analysis that we succeeded in proposing certain strategies in the form of suggestions and recommendations on Congolese dedollarization.

Our suggestions and recommendations relate to:

- dedollarization of the Congolese economy;
- timing of a new monetary reform;
- need for a different view of financial sector development.

### DEDOLLARIZATION OF THE CONGOLESE ECONOMY

If we can accept the assertion that the dollarization of the economy is a rational response of economic agents to the political and economic uncertainties of the Democratic Republic of the Congo, then we are forced to accept that its adverse effects should now prompt the authorities of the country to adopt a clear plan of dedollarisation over a precise time horizon [Leconte, 2003, pp. 21–23]. A successful dedollarization program must make the local currency more attractive to the population. It must therefore integrate an appropriate mix of macro and

microeconomic policies to promote the use of the national currency in current transactions and to raise public awareness of the additional costs that the exchange risks associated with dollarization cause it to bear. In addition, a successful dedollarization program must ultimately, among other things: – encourage the population to voluntarily abandon (the case of the Democratic Republic of Congo) the use of the American dollar, – encourage the population to use temporarily if this is to happen, the need for regulations forcing the transition to the national currency, – encouraging the population to adapt appropriate macroeconomic stabilization policies [Desquilbet, 2014, p. 64].

In short, the sustainable dedollarization of the Democratic Republic of Congo's economy requires a number of preconditions: – a stable political climate, – a credible and visionary leadership of the monetary and political authorities, and – a stable environment solid and sustainable macroeconomic variables, – with appropriate microeconomic and regulatory provisions. In addition to the necessary macroeconomic stability, exchange rate volatility in both directions and low-level inflation are essential to create a favorable environment. It will also be important that a restructuring of the Central Bank of Congo is carried out, aiming to make it a more functional, independent and responsible institution. Moreover, it will be important for the financial system to be completely restructured and reconfigured in order to increase its geographical coverage of the territory and its accessibility by the general public.

And finally, it will be important to benefit from an extensive financial education program. Legislative Decree 004/2001 of 31 January 2001 on the exchange rate regime applicable in the Democratic Republic of Congo (DRC), which authorizes the free movement of the dollar and other currencies in the Congo, will have to be amended in order to comply with the constitutional provisions stipulating the exclusivity and supremacy of the Congolese franc. The extensive dedollarization program must, however, be accompanied by a complete restructuring of the Central Bank, reforms of the Congolese currency and the financial system as a whole, and without forgetting the development of local sources of finance and financial markets. It will be necessary to systematically ban and revise all statutory regulations and practices that may be more favorable to the use of foreign currency [Katshungu, 2004, pp. 52–54]. In addition, it will be up to the country's authorities to institute, in parallel with appropriate stabilizing macroeconomic policies, rules requiring the population to use the national currency.

A successful de-subsidization program will require the synchronized implementation of: – measures to restructure the national currency, - the central bank, - the financial system, – the domestic financial market and the economy, which will require close and fruitful collaboration between: – the Central Bank of the Congo, – the relevant government bodies, – the National Assembly and the Senate, – the financial sector and the private sector, – civil society and the general public.

## CONCLUSION

Taking into account the issues related to the problem of this work, that of being able to give the causes of the dollarization of the economy of the country, to ensure that the reasons which led to this phenomenon have ceased to exist and finally to take appropriate precautions in order to prevent any possible failure that would stop the growth we have observed for more than a decade in favor of the entire national economy. To do this, it is worth mentioning that we have tried through this work to evaluate the dedollarization of the Congolese economy while using analytical and descriptive methods as well as to collect data, we used documentary techniques and the interview. Our investigations have resulted in the observation that for several years dollarization is one of the main characteristics of the Congolese economy. This phenomenon was born during the 1990s. This period was marked by an economic crisis due to the facts observed on the ground, namely: – looting in 1991 and 1993, – monetary and budgetary policies, perpetual civil wars etc... All these factors contributed to the deep financial disintermediation. The fiscal policy of the past consisted in financing the state budget deficits. This uncontrolled monetary creation has led to a slippage in the exchange rate and a very pronounced inflation. At the monetary level, the fixed reserve ratio and the ceiling on loans by the Central Bank of Congo (CBC) have led to the marginalization of banks in their role as financial intermediaries. But we have also found that most or almost all of the causes of dollarization have disappeared. However, the Congolese economy remains highly dollarized.

For this reason, we have suggested and recommended that a policy of progressive economic opening in compliance with laws and institutions be established. In our view, it would have tremendous effectiveness in generating conditions conducive to the development and improvement of the social conditions of the population. If the Central Bank of the Congo has a competent and credible governance to modernize and become professional, if confidence in the future of the franc is restored and strengthened, if the public understands that dollarization is detrimental to the economy of the if the Congolese believe in their restructured currency and monetary sovereignty, if the Government accepts sustained and systematic fiscal discipline, if domestic production is stable, particularly by creating an environment conducive to the development of the private sector, and if a genuine rule of law is put in place in the country, then we do not see how the Congo would not be provided with an attractive national currency. The monetary sovereignty lost for several years would be found.

The Congolese franc will be the currency of 80 million citizens who must believe it and of a country whose gross domestic product has the potential to increase from 15 to 70 billion dollars in ten years, with good resource management and good economic and political governance of the country. The monetary and political authorities must give the Congolese people reason to believe in their currency and their economy. The Congolese must be proud to be citizens of this vast country rich in mineral resources. An attractive national currency, it is quite

accessible to the Congo. And it is quite possible to put an end to the dollarization of the economy so that the Congolese franc becomes the legal currency in the Democratic Republic of Congo. Congo is a sovereign country that must have its own vision of economic, financial and monetary development.

To conclude, we limit ourselves to these few aspects treated in this non-limiting subject and we leave the opening to the other researchers to continue the exploitation.

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### *Summary*

In the case of dollarization, the supply of money is not entirely exogenous, because the central bank only partially controls and determines it, that is to say, part of it is in national currency and another part in foreign currency. Dollarization is thus a hindrance to the achievement of monetary policy objectives. Dollarization is a partial or total decrease in a country's use of the currency of another country. An economy is dedollarized when it partially or wholly ends up in dollarization. In this case, the national currency gradually resumes its traditional functions which it lost in dollarization. It is noted by the gradual decline in the dollarization rate. It is a very crucial and complex issue, which recommends that a lot of resources and reforms be undertaken beforehand. It should be noted that dedollarization cannot be decreed, otherwise it is accompanied by instability in the economy, it is acquired at the end of efforts to regain the sovereignty of the national currency. The monetary policy in the Democratic Republic of Congo does not enjoy its full independence, a large part of the money supply comes from foreign central banks and its effectiveness results from the effect of chance. The instruments are becoming less operational.

*Keywords:* dollarization, dedollarization, inflation rate, financial development.

## **Dedolaryzacja: wyzwania, przegląd i perspektywy**

### *Streszczenie*

W przypadku dolaryzacji podaż pieniądza nie jest całkowicie egzogeniczna, ponieważ bank centralny kontroluje i częściowo ją określa, to jest część w walucie krajowej, a druga jest w walucie obcej. Dolaryzacja jest więc utrudnieniem dla osiągnięcia celów polityki pieniężnej. Dedolaryzacja jest częściowym lub całkowitym spadkiem wykorzystania waluty innego państwa. Gospodarka jest subsydiowana, gdy w części lub w całości kończy się dolarowaniem. W tym przypadku waluta krajowa stopniowo powraca do tradycyjnych funkcji, które straciła w dolaryzacji. Zauważa się stopniowy spadek kursu dolarowego. Jest to bardzo istotna i złożona kwestia, która zaleca przedsięwzięcie wielu zasobów i reform. Należy zauważyć, że nie można ustalić subsydiowania, w przeciwnym razie towarzyszyć mu będzie niestabilność w gospodarce, nabyta pod koniec działań zmierzających do odzyskania suwerenności w walucie krajowej. Polityka pieniężna w Demokratycznej Republice Konga nie cieszy się pełną niezależnością. Duża część podaży pieniądza pochodzi z zagranicznych banków centralnych, a jej skuteczność wynika z efektu losowego. Instrumenty stają się coraz mniej operacyjne.

*Słowa kluczowe:* dolaryzacja, dedolaryzacja, stopa inflacji, wzrost finansowy.

JEL: C01, D24, E51, G21, E42, F31