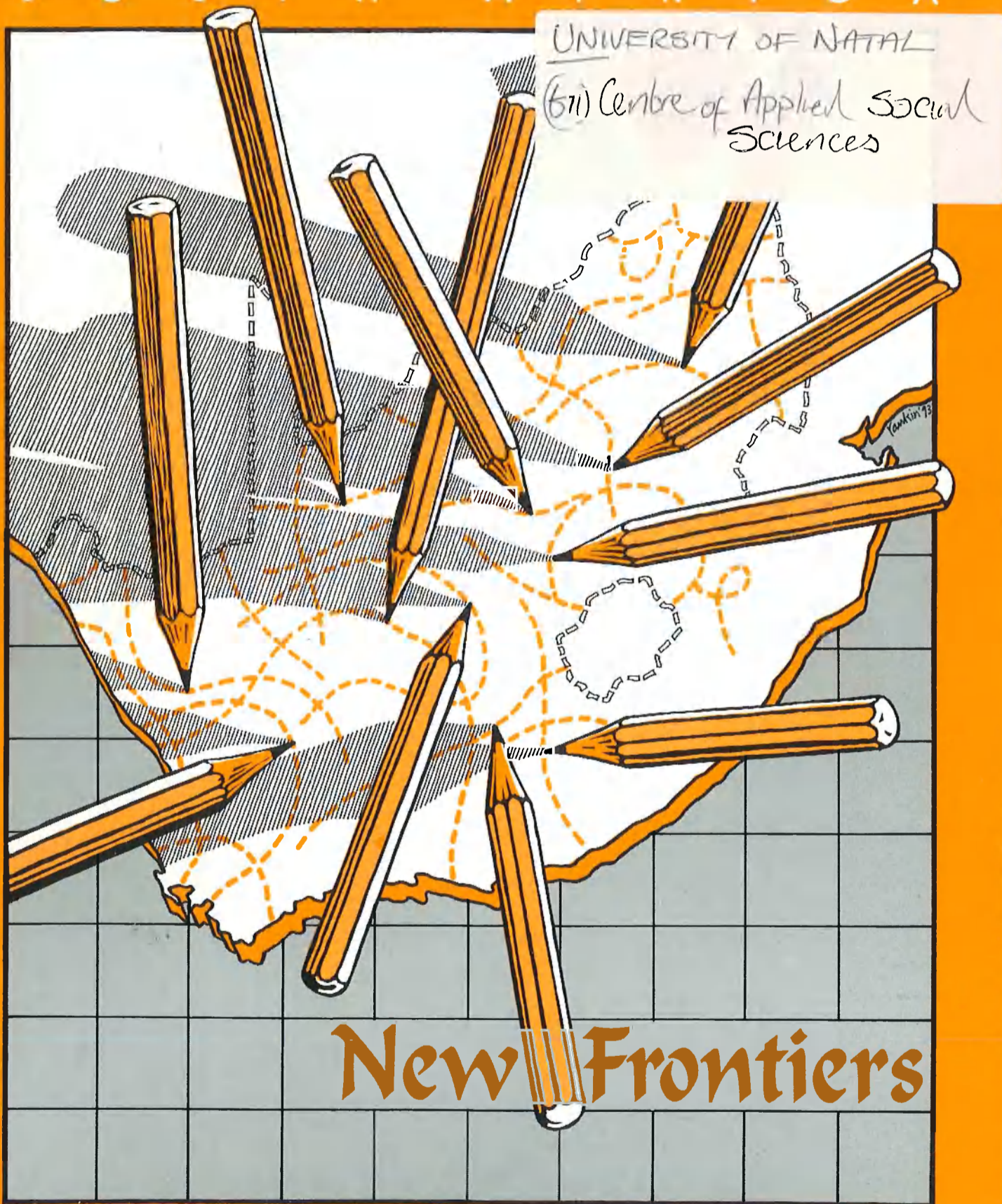


VOLUME TEN NUMBER FOUR

SPRING 1993 ⁽⁸⁶⁾

INDICATOR

S O U T H A F R I C A



New Frontiers

THE BAROMETER OF SOCIAL TRENDS

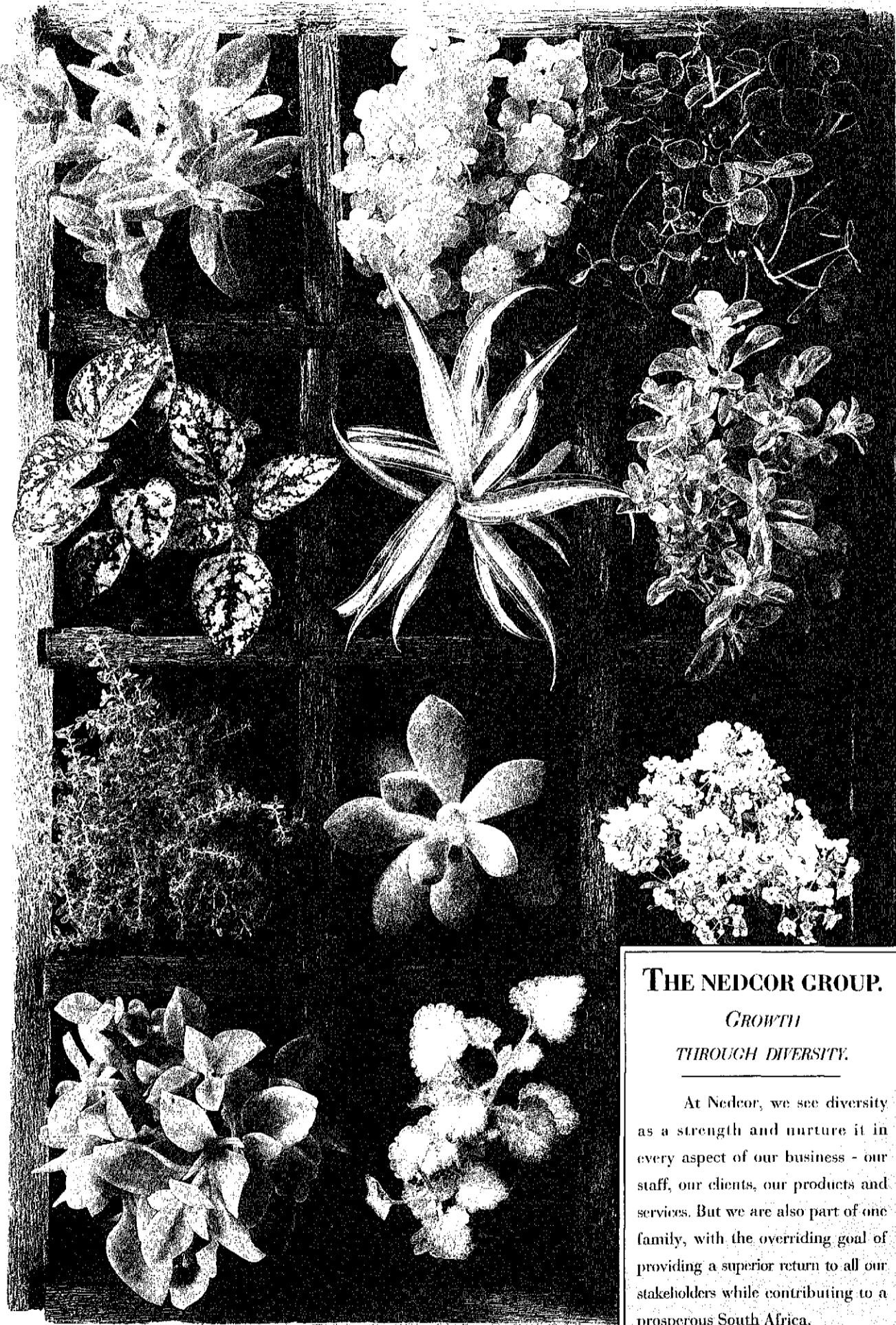
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INDICATOR SOUTH AFRICA

QUARTERLY REPORT

VOL. 10 No 4

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New Frontiers

The multiparty talks at the World Trade Centre reached "sufficient consensus" on key transitional mechanisms in the crucial third quarter of 1993. Although some actors, notably Inkatha and the white right, chose not to be signatories to this historic compromise, the principal actors, notably the National Party and the African National Congress, finally agreed on the general formulation of a transitional framework. Bilateral negotiations may yet make South Africa's new deal more inclusive.

It has been a long and hard road. It now remains for parliament to approve the transitional statutes which will guide the formal constitutional negotiations of what essentially will be an elected constituent assembly. A complex structure of regional legislatures, a national senate and a national assembly (both with regional representatives) and a multiparty cabinet will operate within the parameters of the draft interim constitution released in July 1993. A new leviathan will be born after the country's first democratic elections on 27 April 1994.

It has been an uphill struggle of progress and reversal. Indeed, in a volatile climate marked by overwhelming political violence the new frontiers of South Africa remain elusively beyond reach at present. At the eleventh hour, a series of technical committees within the ambit of the multiparty talks are investigating those critical stumbling-blocks which can be constitutionally resolved, such as security arrangements and regional powers.

This edition of *Indicator SA* focuses *inter alia* on the thorny questions of regionalism, pre-election violence and comparative constitutional lessons:

- David Welsh ponders on the prospects for South Africa's transition to a stable and democratic polity. He doubts that our politicians sense a shared fate that transcends political boundaries.
- Mark Shaw wonders whether a new national peacekeeping force can march in step with adversarial election foes. The paradox is that even a war for peace may require a resort to violence.
- Charles Simkins calculates the economic costs of political compromises on fiscal federalism. He

debunks the idea that there are technical financial reasons for allocating powers and functions one way rather than another.

- David Simon shows how Namibia's regional councils provide a national voice for regions redrawn after apartheid. He warns that South Africa's regional power blocs should not be entrenched before elections.
- Other prominent contributors look at negotiations in the new regional economic forums, Inkatha's proposed regional constitution for KwaZulu/Natal, and regional drought relief strategies.

In two provocative essays in this edition, Joe Manyoni and Alison Jones show why a new constitution is no panacea for the malaise in the national body politic. The constitution which negotiators will put on the shelf is a dry legal document, a principled framework of state. Practical solutions to burning issues such as civil violence, racism and political feuds are in the hands of "the real people". These two contributors to *Indicator SA* caution that the analysis of politics and society should not overlook the values, hopes and fears of everyman.

No constitution can enforce the virtues for society of a democratic culture, inter-racial reconciliation, responsible citizenship and *peace*. These are our daily tasks. The national peace day on 2 September was a concerted attempt by ordinary South Africans to break the old cycles of conflict. It was a tragically brief respite. If we are to extend the new frontiers of civil society, if we are to realise the intentions of the new constitution, we will need to work towards 365 days of peace every year.

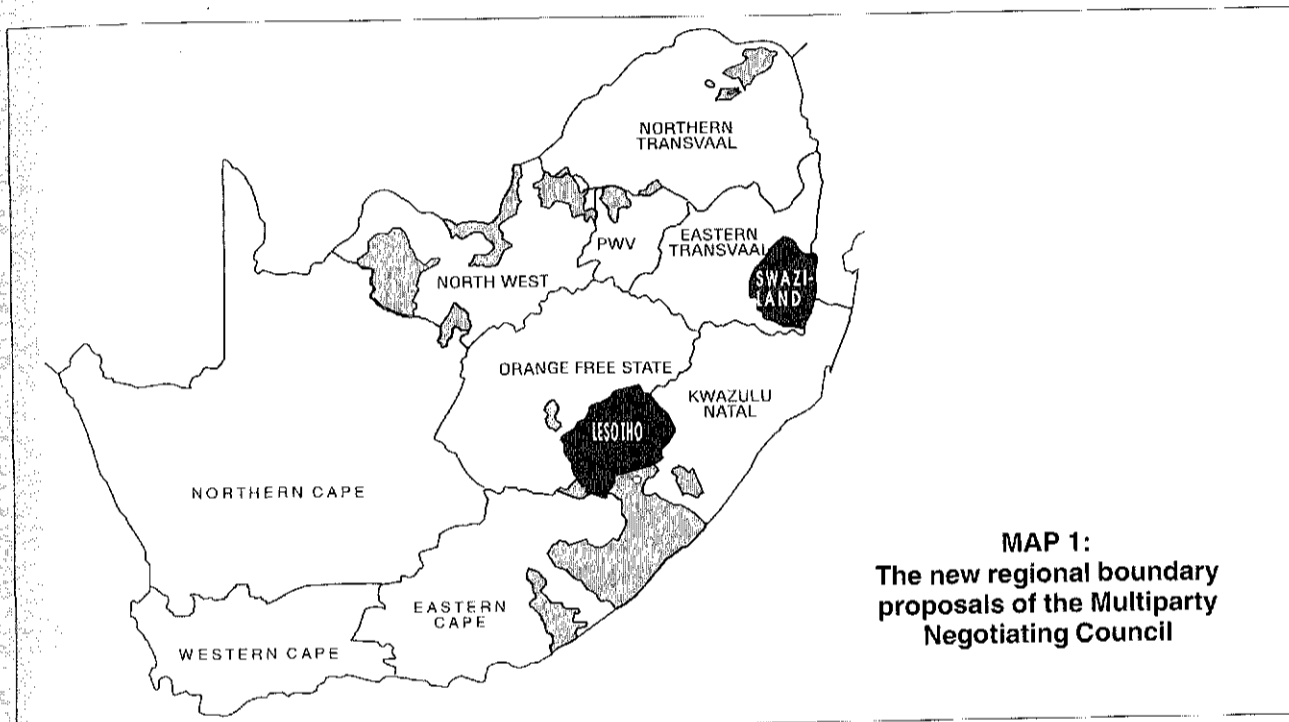
We would like to thank our readers who took the trouble to complete and return the readership survey distributed with the previous edition of *Indicator SA*. Interestingly, 46% of respondents indicate they would like a letters page. So how about a few in-depth letters on the themes in the current edition or other relevant issues, to enable us to introduce this new feature? In the meantime, an overview of the survey findings will be published in our next edition due out in the fourth quarter.

Graham Howe, Editor
September 1993

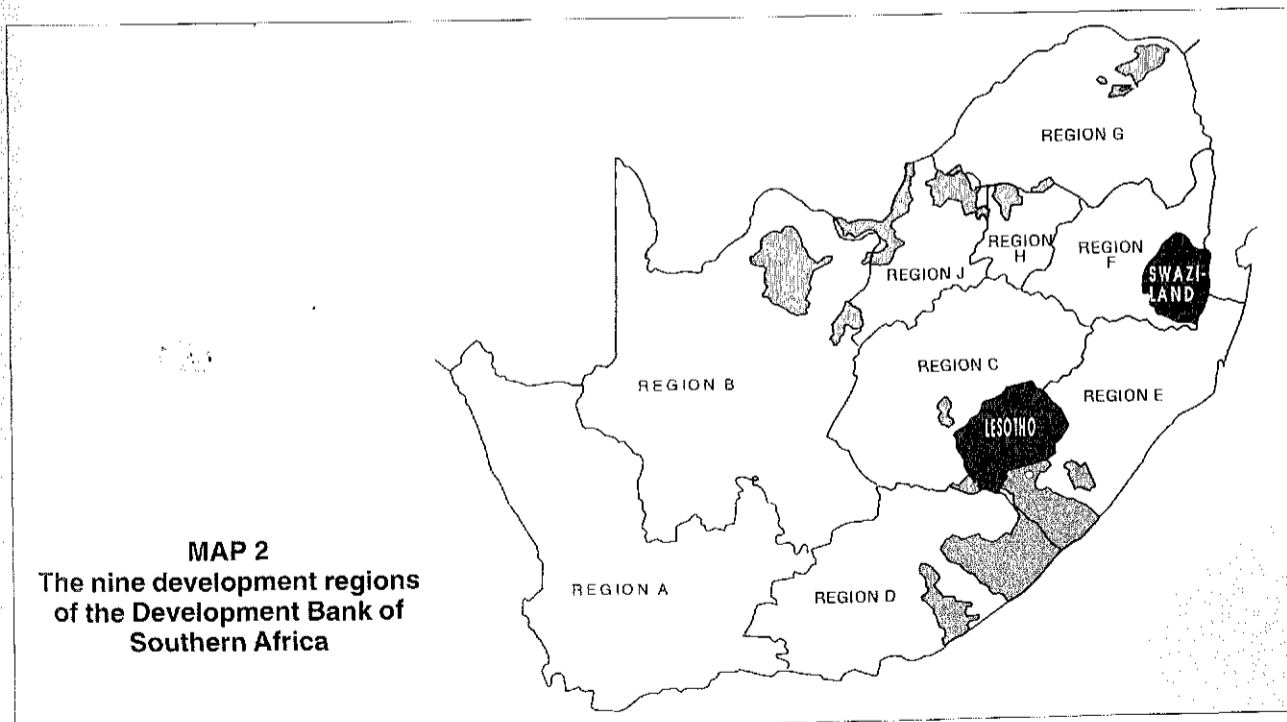
POLITICAL

M O N I T O R

REGIONAL MODELS FOR SOUTH AFRICA



■ TBVC Homelands



Source: Urban Foundation. *Development and Democracy* No5, 1993; *Southern Africa Report*, Vol11/No32, 1993.
Note: See ANC and NP regional proposals, maps 3 & 4 on Comparative Monitor cover.

**”We are committed
to democratic principles,
individual freedom
and a socially
responsible
free enterprise economy.“**

An extract from
AECI "TOWARDS 2002"

Sustained growth through diversification



It is a misfortune, inseparable from human affairs, that public measures are rarely investigated with that spirit of moderation which is essential to a just estimate of their real tendency to advance or obstruct the public good; and that this spirit is more apt to be diminished than promoted by those occasions which require an unusual exercise of it. James Madison, The Federalist, No37.

Transition Two-Step



The Only Game in Town

David Welsh,
Department of Political Studies,
University of Cape Town

This article critically examines aspects of South Africa's transition to what will hopefully be a democratic political system. It looks in particular at the efficacy of the institutions and instruments that have been employed in the negotiating process. These issues, however, cannot be evaluated in isolation from the context in which the transition is taking place; the strategies and aims of the participants (and whether these are likely to be compatible); and the substantive items on which at least some agreement has been reached.

Ultimately, the test of the efficacy of any institution is whether it delivers what it was created to achieve: in the present case, democratic governance.

South Africa formally entered a negotiating phase in the aftermath of undertakings made by State President FW de Klerk on 2 February 1990. De Klerk's speech was public acknowledgement that South Africa was in danger of entering what he would later term 'an absolute impasse' if the discredited policies and institutions of apartheid were not abandoned. He had perceived that the balance of political forces was stalemated: the state had power, but limited legitimacy; the African National Congress and the Mass Democratic Movement had legitimacy and a massive capacity to make large areas 'ungovernable', but lacked the power to overthrow the state.

For its part, the ANC was conscious of its internal support and external legitimacy, but only its romantic revolutionaries supposed that the government could be dislodged by force. In a letter of remarkable force and dignity, written in July 1989 while he was still in prison, Nelson Mandela had reached conclusions congruent with de Klerk's. He urged a negotiated political settlement, warning of 'the civil strife and ruin into which the country was now sliding'.

In short what had happened was one of those processes in the evolution of conflicts, in which the conflicting parties come mutually to recognise that they are deadlocked, that the conflict can be perpetuated only at horrendous costs to both sides, and that a negotiated accommodation in which neither 'won' nor 'lost' was the most hopeful possibility. Thus was the stage set for a transition that conforms to Samuel Huntington's concept of transplacement, in which 'democratization resulted largely from joint action by government and opposition groups' (1991:114).

No doubt de Klerk had initially hoped that he could steer the process, in conformity with Huntington's conception of transformation, in which 'the elites in power took the lead in bringing about democracy' (*ibid*). As with Gorbachev's attempts at transformation of the Soviet Union, however, events overtook him. Whereas at the inception of the process de Klerk held the initiative, subsequently the press of circumstance has forced him increasingly to play a role that has become largely reactive.

The rough balance of political forces - or stalemate - that created the impetus to the negotiating process has substantially continued

Negative consequences have flowed from the failure to hold an election earlier rather than later in the process

Transition Models

The mode of transition shapes in important ways the kind of institutions and instruments that are created as vehicles for the process. All along the government has insisted on the process being orderly, avoiding sudden ruptures with existing institutions, preventing constitutional vacuums from arising, and, above all, hoping to ensure that the political and property rights of its constituency were protected. 'Capitulation' or a simple handover of power, which was broadly the fate of Ian Smith's UDI regime in the former Rhodesia, has never been on the agenda. 'Power sharing', or the abridgement of simple majority rule, is a response of a quite different character.

For the ANC and other unbanned organisations, part of the problem with de Klerk's conception of how the transition should proceed was their visceral detestation of all the institutions of the apartheid order. Who could want 'continuity' when the baseline was the Tricameral Parliament? Why parley with homeland leaders who represented the essential sham of apartheid? The ANC would have liked a radical rupture with the past, and a transformation that was as much a ritual purification process as the creation of democratic institutions.

The rough balance of political forces - or stalemate - that created the impetus to the negotiating process has substantially continued, thereby providing some underpinning for the process itself. The major contracting parties realise that while they may apply pressures outside of the formal negotiating forum ultimately they have little option but to return to it. This underlying factor has accorded some stability to the process, keeping it on track, even if it has been liable to wobble, but it has also meant that each institution created and each principle adopted has required hard bargaining; the further result has been awkward compromises, clumsy structures and ambiguous (sometimes vacuous) principles.

Democratising a society like South Africa was never going to be easy, in view of the intensity of the conflict and the deeply impacted nature of inequality. Democracy in deeply divided societies has never been easy to attain, let alone sustain, and South Africa is unlikely to prove an exception. Exacerbating these inherent difficulties and sharpening the cutting edge of conflict has been the devastating contraction of the

economy, which has been negative or zero for each of the three years, beginning in 1990, of the period of the transition.

With approximately 13 000 fatalities, attributable to political violence since 1984, further severe pressures have been placed upon the negotiating institutions. Bodies such as the National Peace Accord have seemed powerless to halt the violence. No single-factor explanation of the violence will suffice, but it is common cause that political rivalry is one major source. This, in turn, raises a major question about the wisdom of the agreed-upon mode of transition.

Since 1990 two basic proposed models (and variation on both) have emerged as vehicles for the transition. First, the ANC's proposal that an elected constituent assembly, vested with sovereign power, should draft the constitution. Secondly, the NP government's initial proposal was that a multiparty conference representing all parties 'with a proven basis of support' (the key phrase) should deliberate upon two critical issues: the composition, functioning and decision-making process of the actual constitutional negotiating conference, and the broad principles to be contained in a new constitution.

The government refused to accede to the demand for a constituent assembly, arguing that this sequence would be putting the political cart before the constitutional horse. The fear was the possibility that a single party, or alliance of parties, would emerge from the election with so commanding a majority that it could, in effect, write its own constitution - in other words, that the constitutional issues to be negotiated would effectively be prejudged by the election. There could be no persuasive answer, however, to the ANC's retort that if 'proven basis of support' was to be the criterion, what better way of proving support than determining it by means of an election?

Legitimacy Issues

Two negative consequences have flowed from the failure to hold an election earlier rather than later in the process: first, the representativeness of many of the parties at Codesa (Convention for a Democratic South Africa) or the MPNP (Multiparty Negotiating Process) has been in question. Obscure homeland parties and tricameral parliamentary parties with minuscule support bases have not only enjoyed

representation but also formally equal representation with major players like the ANC and the NP. Secondly, and more seriously, the absence of reliable evidence as to support, as an election could provide, has indirectly fanned the flames of violence. Parties with questionable and perhaps shrinking support bases have resorted to violence and other strong-arm tactics as a means of demonstrating their political clout.

The task of all political institutions, whether transitional or final, is to provide a mechanism for the peaceful arbitration and management of conflict. William Porter, the liberal Attorney-General of the Cape, said in 1853, in relation to the issue of the Cape's non-racial, qualified franchise: 'Now, for myself, I do not hesitate to say that I would rather meet the Hottentot at the hustings, voting for his representative, than meet the Hottentot in the wilds with his gun upon his shoulder' (H & R Simons, 1969).

Porter's comment illustrates a crucial argument for representative institutions. The same point is made by Adam Przeworski (1991:26): *Democracy is consolidated when under given political and economic conditions a particular system of institutions becomes the only game in town, when no one can imagine acting outside the democratic institutions, when all the losers want to do is to try again within the same institutions under which they have just lost. Democracy is consolidated when it becomes self-enforcing, that is, when all the relevant political forces find it best to continue to submit their interests and values to the uncertain interplay of the institutions.*

With only slight modification, Przeworski's comments apply also to fora that are negotiating democratic institutions. The question that arises in relation to Codesa and the MPNP is whether all or the great majority of political organisations believed it was 'the only game in town', even if, in the ANC's case, it was to be construed only as a prelude to a constituent assembly?

Codesa's representativeness was diminished by the absence of the PAC, Azapo and the rightwing parties; the MPNP, however, has covered virtually the entire spectrum, although the (temporary?) withdrawal of the CP and the IFP obviously reduces this. That Codesa was not thought to be 'the only game in town' was illustrated by the ANC's withdrawal in May 1992 after the failure of Working Group Two to reach agreement.

In one aspect politics is about the mobilising of resources, and the ANC's major resource was its capacity to initiate mass action as a means of exerting pressure on what it considered to be the recalcitrance of the government. Bellicose utterances by rightwing leaders and threats of withdrawal by Inkatha are variations on the same underlying point: that the legitimacy of the negotiating forum is in question; it is not the only game in town, and if you are not winning in the Codesa/MPNP game you can start up your own outside the negotiating venue (or, alternatively, physically invade the venue, as the AWB did).

Would the ANC's preferred mode of transition have undercut the violence and substantially eliminated the need for fora like Codesa/MPNP, which were compromises between the government's and the ANC's proposals? Even the exact science of historical hindsight is of little assistance in this context.

An earlier election could hypothetically have had some winnowing effect in eliminating small parties and cutting down the pretensions of other, but it would have been a traumatic, convulsive affair. Given the severity of conflict and the absence of traditions of tolerance and accommodation, the principal parties would have (as they still do) regarded one another as enemies rather than as opponents. Inevitably the election would have assumed the proportions of an epic battle for control of the state, with the winner perhaps assuming a right of uncontested possession.

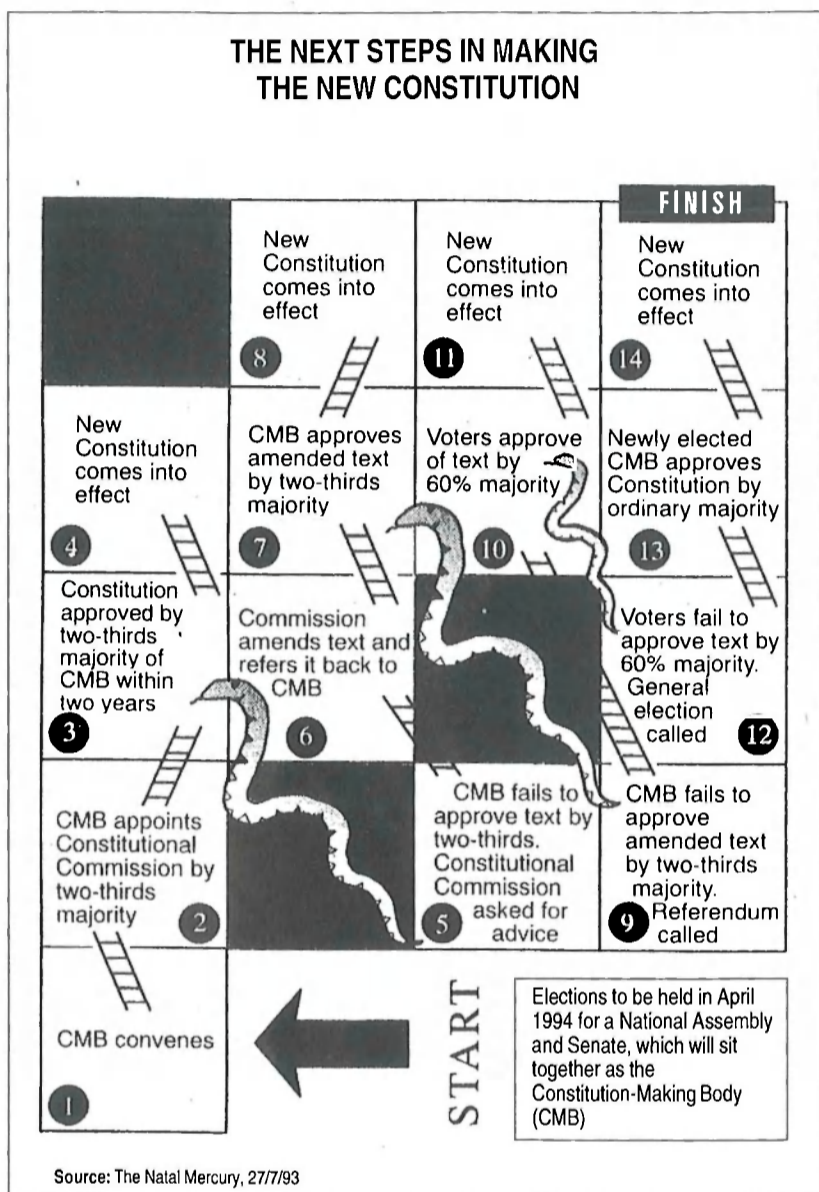
Przeworski writes (*ibid*:36): *Constitutions that are observed and last for a long time are those that reduce the stakes of political battles. Pretenders to office can expect to reach it; losers can expect to come back. Such constitutions ... define the scope of government and establish rules of competition, leaving substantive outcomes open to the political interplay. Constitutions adopted to fortify transitory political advantage, constitutions that are nothing but pacts of domination among the most recent victors are only as durable as the conditions that generated the last political victory. [Emphasis added]*

Again, Przeworski's comments do not refer to transitional institutions, but the point remains valid in respect of them as well. South Africa is too tense and conflict-ridden a society to be able to withstand an election in which the prize could have been perceived (even if

The task of all political institutions, whether transitional or final, is to provide a mechanism for the management of conflict

Democracy is consolidated when, under given political and economic conditions, a particular system of institutions becomes the only game in town

THE NEXT STEPS IN MAKING THE NEW CONSTITUTION



incorrectly) as supreme, hegemonic power. At the same time it has to be acknowledged, even if paradoxically, that the longer an election is delayed, the more convulsive it is likely to be.

Awkward Compromise

In the circumstances the awkward compromise between the ANC's and the government's model of transition is perhaps the only mode with chance of success. Briefly, the compromise is that the MPNP agrees upon certain constitutional principles (listed in Schedule 1 of the draft outline interim constitution) that will subsequently bind the constitution-making body/ constituent assembly that is to be elected, in terms of the yet-to-be-agreed-upon interim constitution that is being negotiated by the MPNP.

Assuming that this sequence goes according to plan (which, alas, is an assumption that can seldom be made in South Africa), the stakes could be lowered by the existence of agreed upon constitutional principles. Two questions arise here: since these principles will be incorporated in the interim constitution as well as the final constitution, is there any compelling reason why the latter should differ in any significant respect from the former, apart, perhaps, from filling in some details and rectifying omissions?

In short, what will be left over for the constitution-making body or constituent assembly to do? Secondly, if the answer to the foregoing question is very little, why then the continued insistence on the constituent assembly? Is it for symbolic purposes, in the interests of fulfilling commitments undertaken in the Harare Declaration? Or is the hidden agenda (as the IFP believes) a power play in which, in the event of a thumping electoral victory by the pro-constituent assembly forces, the constitutional principles that are supposed to bind the constituent assembly will be either watered down or jettisoned altogether? Conclusive answers to these speculative questions are obviously not forthcoming.

As I have noted, the constituent assembly mode of constitution drafting will almost certainly have a severe winnowing effect on small parties, unless, like the SACP, for example, they are allied to a more powerful one. The survivors, who may be as few as four or as many as seven, will be the bigger parties and it is quite likely that there will be wide disparities of size in electoral terms among them.

It could even be that the pro-constituent assembly forces could achieve a two-thirds majority, especially, as seems likely, the election will be of an 'uhuru' variety, that is to say, a huge, cathartic affair - perhaps resembling Zimbabwe's constituent election in 1980 in which Zanu won an overwhelming majority. (Note that this is not a prediction: I am merely drawing attention to a possibility, even if an improbable one. An outcome resembling that in Namibia in 1989, in which Swapo won less than a two-thirds majority, is, in this writer's view, more likely.)

The smaller parties may have a point in arguing that now is the time to insist upon checks and balances and other safeguards against the abuse of power. It is far more likely that an institution such as the MPNP,

in which small (and frankly unrepresentative), regional parties are numerically dominant, will accommodate restraining powers than would a constituent assembly, in which the dominant party, having satisfactorily flexed its muscles, is likely to be far more resistant to limitations that will curb its powers. This should not necessarily be construed as being inspired by an undemocratic sentiment: it is an article of faith in democratic theory that minority parties should be able to become majority parties. Constitutions, accordingly, should not be written with only the interests of majority parties in mind.

One of the most contentious issues in the negotiating process has been the notion of 'sufficient consensus'. It was conceived at Codesa, although it was never really tested. The MPNP has tried to define it more tightly, but it remains inherently problematic, especially when, repeatedly, the parties who fall outside what the chairman deems to be 'sufficient consensus' are the members of the Concerned South African Groups (Cosag). It would be an acceptable formula if there was a regular turnover among the dissentients, but this has not been the case.

Given the nature of the MPNP I doubt if there is any institutional formula that can overcome the problem. It would be little short of miraculous if so wide an ideological spread of organisations, with widely contrasting views on what democracy is, could ever reach consensus on the fundamental issues, like the form of state or the implications of 'self-determination'. It would be realistic to acquiesce in this, and accept that agreements with the habitual dissentients, if they are to be reached at all, will not be reached through the formal mechanisms of MPNP.

Bilateral and multilateral negotiations that feed back into the MPNP are probably the best hope.

Now for Elections

One of the serious, and no doubt unavoidable, problems of South Africa's transition has been the simultaneous effort to draft a constitution and to fight the first election. (In significant respects a third simultaneous activity has been the quest for a ceasefire.)

It is no doubt a utopian hope that constitution-makers might abjure

themselves of narrow partisan advantage, adopting instead a long view in which 'the national interest' is uppermost in their minds. James Madison's ironic comment at the head of this article is all too apposite, as is the acute observation by Adam and Moodley that 'Constitutions reflect rather than alter power relationships' (1986:214). Probably the best that can be hoped for is a rough balance in which the hegemonic aspirations of bigger parties are tempered by the fears of smaller ones.

A significant criticism levelled at Codesa was its alleged 'elitism'. Critics maintained that it had become a cosy club whose members, wined and dined quite lavishly at the state's expense, cocooned themselves from the 'real world' out there in the townships.

It is no doubt true that all parties to negotiations run the risk of cutting deals that alienate them from their constituencies. It was quite clear that the ANC encountered this danger at Codesa, and it may well have been the real reason for its decision to break off negotiations in May 1992 and embark on a campaign of mass action. Similarly, the NP has hit the same problem, as its support-base shears off in doves. Clearly the perception among many whites is (however unwarranted this may be in reality) that the NP government negotiators, with Mr de Klerk's backing, have 'capitulated' to ANC demands, watering down or entirely abandoning the 'guarantees' that were advanced during the referendum campaign in 1992.

I am unaware of any institutional mechanisms that could serve to shore up a party's dwindling support: none exists and politics, after all, is about winning and losing support. The criticisms about Codesa's cosy, cocooned ambience, however, had merit, as was acknowledged in the decision by the MPNP to become more 'open' and 'transparent' in its deliberations. Certainly press reports have been fuller and more accurate than they were at the time of Codesa, when reporters were forced to nobble participants and extract (often incorrect or partisan) information.

It remains the case, however, that the information flow to the public, or that section of the public which is keenly interested in these issues, is inadequate. South Africa lacks a newspaper of record (like *the New York Times*), and however much improved the reportage is it is no substitute for the outsider's having access

Bilateral and multilateral negotiations that feed back into the Multiparty Process are probably the best hope

All parties to negotiations run the risk of cutting deals that alienate them from their constituencies

Only occasionally does one see a glimmer of a sense of shared fate that transcends political boundaries

As the election campaign heats up so will the political temperature, with disturbing implications for hopes of attaining a stable and democratic polity

to transcripts of debates, resolutions adopted, technical committee reports, etc.

At present it is difficult to gain access to these unless one has contact with a delegate, who will be reluctant to part with them since they are needed as working documents. By contrast one can, from any Government Printer, acquire, at a nominal cost, the Debates of the House of Delegates, superbly transcribed by Parliament's excellent *Hansard* service. I make no invidious comparisons about the relevance of the MPNP's proceedings contrasted with those of the House of Delegates, but I do enter a strong plea that a means be found to distribute, through regional outlets, all of the salient documents, including a *Hansard* of the debates.

Shared Fates

The old adage 'By their fruits shall ye know them' applies to the institutions of the transition process: will they produce political institutions that will afford good governance under democratic auspices? Will they promote national unity rather than greater fragmentation and polarisation? In short, will they become 'the only game in town'? Clearly it is premature to answer these questions since the formalisation of principles, to which the technical committees have contributed, remains at a preliminary stage.

The draft outline interim constitution is an incomplete, flawed document, but provides nevertheless a working document. The more abstract constitutional principles have been yanked down and anchored, partially at any rate, in the more clinical language of constitutional law. The innovation of technical committees is an advance on the cumbersome procedures of Codesa. To some extent they have depoliticised issues by spelling out the options for negotiators and indicating the parameters within which choices will have to be made; but, ultimately, depoliticisation has its obvious limits, since a wide range of critical issues is unamenable to it.

A sensitive and contentious issue concerns the level of competence of the individuals who have constituted the Technical and other Committees. Disturbing reports have emerged (invariably from Committee members themselves) about the lack of expertise of many of the committee members.

Another frequent criticism has been the numerical domination of a number of the committees by lawyers, not all of whom have had direct experience of the issues that the committees have been dealing with. It would be invidious to cite examples, but it is worth noting that the crucially important Constitutional Issues Technical Committee contains not a single political scientist. Indeed, overall, only one political scientist serves as a member of a technical committee. There is, consequently, plenty of evidence to suggest a disturbing lack of awareness in the reports of the implications for the political process of the different institutional proposals advanced.

It is worth asking how many members of the Constitutional Issues Technical Committee have read the extensive literature on the politics of divided societies, or how many members of the Technical Committee investigating the electoral system are *au fait* with the literature dealing with the political consequences of different types of electoral system? To what extent have the numerous foreign experts, who have been visiting South Africa in droves, been formally consulted, or has the curious chauvinism or jingoism, initially aimed at an Inkatha advisor, precluded this?

One would have hoped that Codesa and the MPNP would have generated more of a 'personal chemistry' that might expedite the transition from perceiving rivals as 'opponents', rather than as 'enemies'. When major leaders can describe rivals as 'irrelevant' or a 'skelm', it bodes ill for the knitting together of a deeply riven society. It is sad to relate that only occasionally does one see a glimmer of a sense of shared fate that transcends political boundaries. As the election campaign heats up so will the political temperature, with disturbing implications for hopes of attaining a stable and democratic polity. **IPWA**

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THE FINAL COUNTDOWN

PEACEKEEPING & THE ELECTION

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Conventional South African political wisdom holds that violence will increase as the elections set for 27 April 1994 draw near. This perception may not be a bad thing. It may force political parties, private institutions, overseas interests and the security apparatus to overreact in an attempt to ensure peace. At the moment, however, South Africa is woefully unprepared for large-scale electoral violence. Indeed, the adversarial nature of election politics suggests that conflict will increase as the day draws nearer.

Whenever violence in South Africa seems to have been brought under control, South Africans are faced by yet another outbreak. Since 1984, over 13 000 people are believed to have died in politically related incidents of conflict (*Cape Times*, 3/07/93). The nature of violence in South Africa since 1989 has remained unpredictable; shifting from Natal to the PWV, and then within each of these regions themselves, confounding any attempt at prediction.

From the beginning of June until the end of August this year, over 650 people were reported to have died in renewed outbreaks of violence on the East Rand (*Citizen*, 29/07/93). The Human Rights Commission reported that the figures for July 1993 made it the most violent month in South Africa since the carnage of 1990 (*Sowetan*, 29/07/93). It was suggested by the ANC at the time that violence was initiated by 'vigilante' elements in reaction to the decision of the Negotiating Forum on 2 July 1993 to set an election date for a constituent assembly during April 1994 (*The Star*, 12/07/93). While the reasons for the East Rand violence are much more complex than this - related to local rivalries, grievances and conditions - the spectre of a violence-torn electoral period is beginning to loom. In a shock announcement, President FW de Klerk warned that an election would not

take place unless the current levels of violence had been reduced (*The Star*, 12/08/93). More ominous, is the rumour that the National Party may take a decision to suspend the electoral proceedings if a certain number of people are killed in a fixed period before the election date. If true, this would encourage those whose interests lie in halting the election to bring about high levels of violent confrontation.

Once the election campaign has begun, it is imperative that people go to the ballot boxes on the designated day. A continually postponed election will only result in more conflict. Once committed to an election date of 27 April 1994 - as we seem to be now - every effort must be made to ensure that it passes as peacefully as possible. But is this probable? Will elections bring a scale of conflict never before encountered? If this is so, can election-related violence be controlled or at least isolated to certain areas?

Electioneering is essentially an adversarial process. In contrast, peacebuilding relies on the breaking down of mutual suspicions and the exposure of weak points. The two forms of activity are incompatible. This in itself spells danger for a violence-free electoral process.

Electoral politics may be abused in such a manner that old conflicts are sharpened and new ones are created (Rupesinghe, 1988). Thus, the intention of the formally 'white' parties to campaign in the townships may herald a shift in the conflict to new locations, forms and actors. It must be remembered that the nature and form that various peacekeeping and monitoring interventions may take, may themselves spawn further violence. Elections will involve the introduction of new players, who, far from immediately bringing peace, may broaden the spread and scope of possible conflict.

Realistic predictions point, at best, to a consistent level of violence in the run-up to elections. But even the current 'ten deaths a day' scenario may damage the electoral process. It provides an opportunity for political parties to establish the ground from which cyclical conflicts can be fostered. Each individual death may become an election point-scoring mechanism with the danger that this will lead to further deaths. In other words, since one incident of violence feeds off another, not only must a predicted increase in electoral violence be countered, but current levels of conflict must also be substantially reduced.

Will elections bring a scale of conflict never before encountered?

Can election violence be controlled or at least isolated to certain areas?

Electioneering is essentially an adversarial process, whereas peacebuilding relies on the breaking down of mutual suspicions

Peacekeeping and monitoring interventions may themselves spawn further violence

The Peace Accord

The National Peace Accord (NPA), signed by a cross-section of political leaders in September 1991, was an attempt to bring and maintain peace during the transitional period. Chapter seven of the Accord lays down the principles for the establishment of Regional (RPCs) and Local Peace Committees (LPCs). Regional committees have since been established in eleven regions across the country while approximately 90 LPCs operate with varying degrees of success country wide.

The structures of the NPA, have, during the latest bout of violence, come under heavy criticism. The South African Council of Churches recently released a strongly worded critique of the Accord. The resolution adopted at the 25th National Conference pointed to the fact that through its funding connections (the Department of Home Affairs) the Accord remained closely tied to government structures and interests. At the same time, it was suggested that 'white technocrats' and business interests had hijacked the functioning of the Accord, denying peace structures grassroots accountability and legitimacy.

Similarly, a recent conference, organised by the National Association of Democratic Lawyers, concluded that the NPA had failed to halt violence because of a number of factors, including the preponderance of whites and business interests in its leadership. The South African National Civic Association has also labelled the Accord as 'toothless', lacking mechanisms to discipline offenders.

But has the Accord been totally unsuccessful given the structural constraints under which it operates? It is doubtful that these criticisms can be laid simply at the door of business or whites active in Peace Accord structures. Instead, a more plausible explanation is that *certain forms of violence cannot be solved using the mechanisms of the peace process.*

It is perhaps the monitoring and facilitation of agreements with relation to mass gatherings and marches, which has been the most successful and visible LPC activity. There is a certain irony in this for actual peace monitoring was not envisaged in the Accord. In most cases, the roles and functions of monitors have evolved and are now being bolstered by formal training. A National Peace Secretariat (NPS) committee appointed to examine monitoring concluded in October 1992 that,

since the *modus operandi* differed in each region, monitoring by NPS should be planned and organised at a regional level within broad national guidelines.

The growth and development of monitoring activities, in particular the establishment of Joint Operations Centres (JOCs) on the East Rand and later in Natal, have made a substantial contribution to the reduction of levels of violence. JOCs enable closer cooperation between various parties involved on the ground and have proved to be useful in a number of instances.

International monitors have in certain areas borne the brunt of monitoring, but this has changed as regional and local structures recruit voluntary and permanent personnel. Effective monitoring is now carried out at most mass gatherings and has undoubtedly reduced levels of violence.

Regional and local peace structures have also been effective in brokering agreements *prior* to marches and rallies so that the possibility of conflict occurring between opposing groups is reduced to a minimum. Agreements reached between the police and opposing parties during the Hani funeral week, Sharpeville and Soweto Day 1993, proved to be successful in eliminating possible larger occurrences of violence.

Mediating agreements around marches and gatherings and the subsequent monitoring of these events has been within the reach of NPA bodies. This is largely because parties to the agreements are *clearly defined* with *legitimate leadership structures*. In addition, the events themselves, by their very nature, have clear parameters; that is, clearly definable routes, marshalling structures, times and participants.

Ironically, some of the current violence may testify to the effectiveness of these efforts, but also to their limits. Conflict now seldom involves large groups of people or entire communities. Instead, perpetrators of violence have been forced underground. Hit and run attacks and isolated revenge killings have now become common.

In short, the ability of the structures of the NPA to end violence, lies in *preemptive* actions before major events. This will be particularly useful during the electoral period when there will be a large number of meetings, gatherings and marches. If proper arrangements can be agreed upon *before* marches and mass gatherings take place, violence stemming from these events will

be prevented. The brokering of agreements and the subsequent monitoring of events, will be the most crucial activity that peace structures can undertake during the run-up to elections.

Peace monitoring of events, however, has clear limitations. The mere presence of monitors in townships being torn apart by violence has done nothing in the past to reduce instances of conflict. Monitors are neither armed nor have the ability to intervene in conflicts where live ammunition is being used. Clearly, this is not a reflection on the efforts of those involved in peace structures, but rather on the nature of the conflict itself. This is the primary reason why the presence of peace monitors and a JOC failed to end internecine conflict during June, July and August on the East Rand.

Peace structures then are fulfilling a useful, albeit limited role, in preventing violence. It is thus important that they are not disbanded now as they will serve a crucial role during elections in *mediating* and *resolving* disputes between clearly organised and identifiable groupings.

However, what forms of violence can the structures of the Peace Accord *not* end? Clearly, they do not have the capacity to predict where random attacks and assassinations are going to take place, nor the manpower to monitor all areas 24 hours a day. It is crucial to recognise that the function of the National Peace Accord is neither to *prohibit* nor to *police* violence.

A Peacekeeping Force

Because the National Peace Accord is perceived to have failed to end violence, other solutions have been sought. Since the greatest failure of the Accord has been perceived as its so-called 'lack of teeth', its seeming inability to prosecute and act against those who break its provisions, the question of a National Peacekeeping Force (NPF) has been brought to the fore.

The idea of such a force is not a new one. It was first mooted by Bishop Stanley Mogoba, the head of the Methodist Church in Southern Africa, in May 1993. Mogoba made his plea in the wake of the killing of Chris Hani: 'Now is the crucial time for such a unit to be established, so that peace may be separated from power. Peace is a national problem and no party must be allowed to find an excuse for not being involved' (*Dimension*, April/May 1993).

When the technical committee on violence released its report to the Negotiation Forum on 2 June 1993, section 5.5 contained a proposal for the establishment of an independent multi-party peacekeeping force. The aim of the force would be to provide a peacekeeping mechanism during elections and thereafter. The unit's envisaged functions would be determined by the elected government in consultation with other parties. It was also proposed that the force fall under either the Independent Electoral Commission or multi-party executive control.

Subsequently, the ANC adopted the concept of a peacekeeping force as part of its official negotiation position. In late July, ANC Secretary General Cyril Ramaphosa, made a plea for a joint peacekeeping force to prevent 'democracy being drowned in blood'. He suggested that the force should be made up of all armed formations currently operational in the country; the SA Defence Force (SADF), Umkhonto we Sizwe (MK), Azanian Peoples' Liberation Army (APLA) as well as the KwaZulu Police and the Bophuthatswana Defence Force. An elite group drawn from all of these forces should be picked and retrained for deployment in trouble spots, where they would take over from the army and SAP who had no legitimacy in the townships.

The government gave mixed signals to the concept at the time. While the ANC's call was initially supported by government negotiator, Leon Wessels, State President de Klerk poured cold water on the idea the next day. De Klerk stated that while he supported the establishment of such a force in principle, the unit could have no combatant status and would not replace the role of current security forces in the run up to an election (*Sowetan*, 4/08/93).

The call for a multi-party peacekeeping force was again reinforced on the same day by the Goldstone Commission's panel of international experts appointed to investigate the curbing of violence during forthcoming elections. Central to the finding of the panel is the inability of the SAP to serve all South Africans legitimately in an accountable way during the electoral period. Moreover, the panel concluded that any skills that the SAP may have developed 'are not readily transferable to the special demands of policing in the context of the country's first democratic election'.

Given these factors, the panel concluded that the 'values inherent in a multiparty

Peace structures will serve a crucial role during elections in mediating and resolving disputes

An independent peacekeeping force would fall under either the Independent Electoral Commission or multi-party executive control

The new force would be responsible for election day security and to counter violence in the period before the election

peacekeeping structure outweigh the very real difficulties that would be encountered in attempting to create it'. This was for the following reasons:

- The inclusion of all parties in the process would lend an element of credibility to it.
- The peacekeeping force may assist in defusing tension in pre-electoral period.
- The force would pave the way for a fully integrated police force in the post-election period.

The panel of experts conceded that the NPF could not replace the day to day policing functions of the SAP, which was regarded as being impractical in the short term. In any event, NPF recruits would in all likelihood have no training in carrying out basic policing functions. As a result, 'the extraordinary commitment of time, money and energy necessary to bring about any significant change in the policing structure in the short term should be focused on those parts of the system that pose the greatest concerns during the election period'. Therefore, the force, it was proposed, would be responsible for election day security, including the countering of violence in the period before the election.

The force is seen by both the SADF and MK commanders as the first step towards direct integration of the two major armed forces

The panel was adamant about the role of the Internal Stability Division (ISD); a semi-autonomous division within the SAP formed in January 1992 'with the combating of riots as its primary task' (SAP Annual Report, 1992). Members of the ISD are dressed in camouflage uniforms to distinguish them from the ordinary blue clad Visible Policing Division of the SAP. The functions of the ISD should not, the panel argued, merely be transferred to the NPF: 'If that were all that could be accomplished', the report states, 'it would not be worth the effort'. Nevertheless, the panel suggested that all ISD personnel as well as SAP officers with community relations and operational experience, be incorporated into the new force. Finally, party-affiliated recruits would also join the force.

The Goldstone panel suggested a two-stage programme through which the force would be established. The first phase would entail the Transitional Executive Council appointing members of the force's command structure. In turn, those appointed would be given authority to develop policies and procedures for the operations of the NPF and the ISD and SAP officers who would be subsequently transferred to it. In the second phase, the panel proposed, new recruits outside of the

current SAP would be selected, trained and integrated into the new force. Such a process would be necessary as 'a bridge between the old order and the new is needed, and we believe that the most efficient way to do this is immediately to bring the *existing ISD resources* under the control of a new arm of government and a new command structure'.

Political Experiment

By August, the issue of the peacekeeping force had been debated at the Negotiating Council. By the middle of the month draft legislation was under discussion.

The eleventh working draft of the Transitional Executive Council (TEC) Bill provides for the establishment of a National Peacekeeping Force (NPF) falling under the proposed Subcouncil for Defence. The NPF would consist of 'all military forces, as far as practicable in equal numbers, except in so far as any force prefers to contribute fewer members, [as well as] all policing agencies'. The Subcouncil would establish a NPF Command Council representative of all military and policing agencies who wish to participate in the NPF as well as any other parties who wish to be represented.

The Subcouncil, in consultation with the Command Council would, *inter alia*:

- establish training procedures for a unit of NPF instructors;
- formulate the 'philosophy, doctrine, syllabi and training policy for the NPF';
- establish criteria for recruitment;
- provide for the jurisdiction and deployment of the force;
- formulate a disciplinary code which will be made binding on the NPF; and
- make regulations regarding the powers and duties of the NPF.

While the SADF would be made responsible for uniforms, transport, accommodation, equipment and logistical support, the idea is clearly that the NPF would have its own uniforms, vehicles and insignia visibly distinct from any other operational unit.

While the concept of the peacekeeping force appears to have been accepted in principle by the Negotiating Council, this may be more for reasons of political expediency than a desire to end violence. The East Rand conflict merely served as a window of opportunity in this regard. In reality, the force has been seen by both the

SADF and MK commanders - who have been locked in discussions for a number of months - as the first (and possibly experimental step) towards the direct integration of the two major armed forces. For its part, the ANC may be hoping to reincorporate presently unused and unemployed MK cadres who are beginning to make an effort to have their plight heard.

Already, it seems clear that the force will be dominated by the SADF and MK, which are both *military* as opposed to *policing* formations; MK commander Joe Modise has stated that if any of the other armed formations could not meet the required quotas both the SADF and MK would undertake more than their share (*The Star*, 7/08/93). Indeed, General George Meiring, chief designate of the SADF, has stated recently that the SADF and SAP would provide the 'major component' of the force with additional manpower being drawn from all other parties at the talks (*The Star*, 17/08/93). The creation of the NPF is also a compromise between the government and the ANC. A joint force would obviate the need for full multi-party control of the security forces by the Transitional Executive Council (Cilliers, 1993).

The process of the NPF's implementation may in itself exacerbate the conflict. While the Inkatha Freedom Party has accepted the concept of the Force in principle, strong opposition has been voiced to the fact that the NPF will include large components of MK cadres. Indeed, a peacekeeping force made up *only* of MK, the SADF and the SAP has become a prospect; APLA too has refused to participate in any force where the SAP are also included. The danger then lies in a scenario where former MK cadres would be required to police Inkatha-aligned hostel dwellers.

Thus, from the beginning, the NPF may be seen as an illegitimate instrument of force in hostels on the Rand as well as in certain parts of Natal. Since, due to manpower constraints, it appears that these will be the only places where the force will be deployed, the danger may be magnified.

Inkatha opposition, of course, may not simply be the result of a fear of being policed by former MK members. The movement itself simply does not have the manpower nor instruments to contribute to the NPF. The KwaZulu Police (KZP) are already hard pressed and underfunded, while the KwaZulu government and local leaders would be loath to withdraw large elements of the KZP.

Areas of Jurisdiction

The question of Internal Stability Division (ISD) participation in the NPF may also provide points of conflict during the process of implementation. As has been suggested, the Goldstone panel has argued for the incorporation of the ISD and SAP into the NPF *first*, and then the subsequent inclusion of other armed elements. This may allow the ISD to place their stamp of authority on the process before the inclusion of other members. Or worse, the legitimacy of the force may be undermined *before* any members of outside units are admitted.

Moreover, if the entire ISD are drafted into the NPF, as proposed, and are retrained at the same time, who will maintain the public order policing role in their absence? Despite their lack of legitimacy, they do serve a useful role in certain instances in keeping opposing groups apart.

While the SAP has argued in its submission to the Goldstone panel that the ISD forms 'a natural recruiting pool' due to levels of training, expertise and experience in the division, individual MK members have declared that it would be 'impossible' for the ISD and MK to work together (*Sunday Star*, 8/08/93; *Sunday Times*, 8/08/93). SAP personnel have also expressed their opposition to the force with some declaring they would only serve as long as they could remain members of the SAP.

It seems at the moment however, given the agreement between the SADF and MK, that the entire ISD will not be automatically incorporated into the NPF. This means that they, in all likelihood, will continue to operate as a separate unit in the run up to elections. As it is, one-third of all SAP officers are engaged in public order policing. This spells danger if SAP/ISD and NPF physical jurisdictions are not clearly defined from the beginning. The potential for NPF and ISD clashes should not be discounted. With both bodies heavily armed and trained to fight, the consequence of such an event are not difficult to contemplate.

With or without the presence of the ISD, the procedure whereby the NPF would be deployed is crucial. The Goldstone panel recommended that local officials (a SAP District Commissioner or the town clerk) would notify the NPF of the time, place and circumstances of any proposed march or gathering. The NPF would then determine who would have command responsibility at

A joint force would obviate the need for full multi-party control of the security forces by the Transitional Executive Council

The force may be seen as an illegitimate instrument in hostels on the Rand as well as in certain parts of Natal

The peace force will be the very antithesis of peace; it will, in reality have to make war

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the scene. If it is felt that there is no need for NPF involvement, the demonstration/march/funeral would remain in the hands of the local SAP.

Despite these provisions, little work has been done on assessing how the structures of the NPF would relate to Peace Accord structures already in place. If for example, peacekeeping units are to wield coercive powers, should they be represented on LPCs, as the SAP are, so that they are responsible to the parties? This could compromise their freedom of action. But if they are totally independent of LPCs, their activities would run counter to LPC decisions and this could weaken the peace committees.

The procedure suggested by the Goldstone panel undermines many of the principles that the Peace Accord has attempted to instil at local level. Local Peace Committees should be closely involved in making the determination whether or not outside assistance is required. In addition, NPF units should rather than establish new rules of procedure, fit in with existing channels for the organisation of marches established through Local Peace Committees. As SAP units have begun to act in consultation with LPCs, so too should the NPF as LPC representatives may have a far better knowledge of local conditions. In short, the NPF should not determine *alone* how it will act, but be sure to deploy itself in conjunction with local peace structures.

Fighting for Peace

The establishment of a National Peacekeeping Force (NPF) to end violence, is of course, a contradiction in terms. Those who staff this institution will be military men, trained to shoot, fight and die. The peace force then will be the very antithesis of peace; it will, in reality have to make war. And even a war for peace requires violence. While, of course, the end may defy the means, the means used may shift the outcome achieved. In short, the use of violence to bring peace may bring more violence before any peace is achieved.

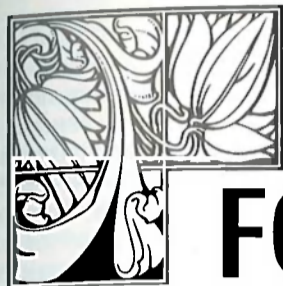
While the idea may be good, the NPF will have to master the trick of getting the balance right: in Bosnia, UN forces are accused of doing too little; in Somalia of doing too much. As it is, the experience of international peacekeeping is usually based on the prior cessation of hostilities. As peace-enforcers the NPF will, as opposed

to peacekeepers, be obliged to sort out wrongs from rights, confronting the side that is perceived to be in the wrong. Within the South African context there is thus the danger of peace-enforcers themselves being sucked into the conflict. This danger may be greater in South Africa where peace officials will be drawn from the communities which they are meant to police.

A major drawback is that media coverage of the NPF at the height of the East Rand violence has created unrealistic expectations about its capacity to succeed. Will the formation of the NPF proceed in a similar manner to the National Peace Accord; greeted with great fanfare at its establishment, then gradually coming in for greater criticism as the body fails to achieve peace? Media coverage then may be a double-edged sword; on one side the favourable impression will be given that national decision makers are reacting to local problems, on the other, expectations will be created which cannot be met. Thus, like the NPA, the NPF will be experimental, but with no room to experiment.

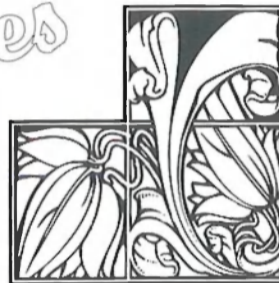
The NPF would be in a unique position to assist in the monitoring of marches and gatherings, an area where it has already been suggested that Local and Regional Peace Committees have had some success. Moreover, the force may also be useful in keeping large warring groups apart. However, what will the capability of the NPF be in relation to internecine urban or rural warfare? The answer is 'limited at best'; the unit will not have the intelligence capacity to 'predict' where violence will occur next. It will be extremely difficult to end attacks or massacres in isolated areas or at night, although it may be easier to control the more predictable cycle of protests that follow.

What may be needed during the electoral period is some form of joint intelligence capacity whereby parties to the Negotiation Forum would provide information through their political networks on the possibility of attacks. This will require a high degree of political maturity and commitment and will be far more difficult to establish than a peacekeeping force. Lastly, it is crucial that the criminal justice system be seen by the public to operate effectively; setting stringent bail conditions, charging and prosecuting offenders as soon as possible. Unless such capabilities are established, violence in the run-up to an election will be contained, but not ended. **IPDA**



REGIONAL FORUMS

*New Frontiers,
New Creatures*



*Simon Bekker, Centre for Social and Development Studies,
and Richard Humphries, Centre for Policy Studies*

What impact will the legacy of apartheid's regional development paradigm have on the activities of the regional forums emerging at all levels of South African society? What role will the new forums (or the new regions) be able to play in shaping regional economic thinking in the short term? Some of these issues are canvassed in this article.

One of the features of the South African transition is the development and growth of a variety of regional forums. Established mainly during the last 18 months, the forums share many aspects in common.

They aim at the inclusivity of representation of interests on the forums, though sometimes differing on the role of political parties and movements in the forum. This stress on inclusivity is largely, but not only, a response to the way apartheid policies imposed effective and severe limits on the representation of essentially black interests on a wide range of structures during the apartheid period.

In this process new actors are being involved for the first time in policy debates. The proliferating Non-Governmental Organisation (NGO) sector and the labour movement are two important examples.

These new regional forums tend to view themselves more as a policy-making structure debating issues, in contradistinction to being a structure which will implement any decision reached within the forum.

Another common thread is the strong commitment to the empowerment of historically disadvantaged groups. Capacity-building is a variation on this. Forums are seen as instruments by which such groups can gain access to information and derive skills in policy-making. It also implies that the results of forum deliberations will generally be to the advantage of hitherto marginalised groups or communities.

Multiple Levels

Forums operate at national, regional or local levels and cover a variety of themes and issues.

Some, like the National Economic Forum, the National Housing Forum or the more newly established Tourism Forum, deal with a specific sectoral issue, mostly at a national level.

Others, like the Metropolitan Chamber in the Central Witwatersrand, have crystallised around more localised political or urban established forums. Their roots can be traced back to initiatives during and after



The majority of regional forums are however concerned with economic or development issues

1990 to negotiate restructured municipal institutions.

Regional forums have formed around one of the two themes or issues. Some, like the Northern Transvaal Political Discussion Forum, bring together most major political parties and actors in the region to debate essentially political or constitutional issues.

The majority of regional forums are however concerned with economic or development issues. The more established regional development forums include the PWV Economic and Development Forum, the Border/Kei Development Forum and the Western Cape Development Forum. They date largely from 1992.

More recent examples are the newly established Eastern Transvaal Regional Economic and Development Forum and the Natal/KwaZulu Regional Economic Forum (launched in August 1993).

The establishment and popularity of these regional economic and development forums raises a number of crucial issues. This is all the more so since it is commonly agreed that regional development and planning will be one of the powers that the new regional governments will enjoy under a new constitution.

The Legacy

In the past, regional development was directed and informed by central government ideology and its apartheid policies. Separate nations would develop their own territories, in the form of the homelands; their own economies, cultures and governments in separate nation-states. In the common area, members of these homelands would remain sojourners, selling their labour as foreigners. The core nation-state was to be Afrikaner-led.

This regional development policy failed for two primary reasons. Firstly, it ignored the growing importance and location of South African cities to which more and more rural South Africans from the homelands migrated in search of employment. Secondly, the philosophy and its implementation disallowed participation by most South Africans in deciding their own economic and also political futures.

The first changes in government thinking on regional development came in the early 1980s. The Good Hope Plan, unveiled by the PW Botha government in 1982, was an attempt to deal with some of these issues, but arguably more important in its attempt to involve big business interests in regional planning and development.

These changes produced the eight (later nine) development regions. The homelands, whether self-governing or independent, were included in these areas defined largely on economic and technical criteria rather than for political, separate development criteria. However state subsidisation for decentralisation programmes continued until last year.

The programme of decentralisation benefits was highly expensive and open to abuse. These incentives also had been shown to have little effect on shaping the spatial patterns of industrial or economic development in South Africa.

In essence this paradigm of regional economic development had three aspects to it:

- * Firstly, regional development was state-directed, particularly by the central state; as a result a strong element of uniformity pervaded the programme.
- * Secondly, there was little participation by important interest groups, especially community and labour groupings. Business interests were only incorporated relatively recently into the

process. The result was that much of the regional development planning programmes had little credibility in the various regions.

- Thirdly, regional development programmes were built around state subsidies and not on any intrinsic comparative advantages which different regions might enjoy over others.

The Present

The establishment of new regional economic and development forums calls into question almost all of these past policies. This is reflected in their structure, representation and the ambitious wide-ranging policy frameworks they seem determined to confront. More difficult perhaps will be their ability to shape new policies which overcome this legacy.

Some tentative generalisations about the establishment and functioning of the forums include the following aspects:

- They were not formed as a result of the dictates of central state policies.

The new forums are rather region-grown, developing out of initiatives within the various regions. Facilitators, such as the Consultative Business Movement and Idasa, have sometimes played important roles in the process leading to their establishment. They accordingly see themselves as uniquely placed structures allowing key stakeholders in each region to debate, analyse and reach agreement on key socio-economic issues and development priorities.

This does not necessarily mean that in pursuing a new regional development strategy each Forum's deliberations will of necessity be narrowly, inward looking within each region. One element of a

regional development strategy will have to focus on the diverse ways in which individual regions relate to others or to the PWV, as the economic centre of South Africa.

Already various political and development actors in some of the regions are raising questions about this relationship. For example the policy framework and development proposals accepted at the launch of the Eastern Transvaal Regional Economic and Development Forum include many reference to the ways in which the region suffers from income leakages to other regions. It proposes that a 'concerted effort should be made to reduce the direct and indirect effects of leakages of gross operating surpluses from the region by establishing a re-investment code for the region'.

Clearly, many of these issues will be raised in debate around the workings of a system of inter-governmental transfers and grants to each region.

- The forums share neither the same structures, nor the same constituent membership.

Since the new forums are region-grown each has followed its own path to establishment and made their own decisions about the nature of representation on the forum.

One of the major differences seems to be in the nature of representation of political parties. Political parties seem to be represented on each forum but in differing ways. In some forums each party is represented in its own right (as in the Eastern Transvaal) while in others the parties are grouped together as one sectoral block on the forum (as in the PWV forum). In the latter case business, trade unions and governmental structures form other sectoral blocks.

All however aim at the greatest possible degree of inclusivity of representation. In contrast to previous regional development structures this inclusivity extends most importantly to the inclusion of a host of NGOs and labour bodies.

NGO involvement in the forums represents a potential positive influence on regional development. NGOs are, or should be, non-profit making, people-centred and development oriented-organisations. Development impacts are maximised where

The forums allow key stakeholders in each region to debate, analyse and reach agreement on development priorities

NGO involvement in the forums represents a potential positive influence on regional development



A key issue will be the relationship between the forums and the new regional governments due to be elected next year

a partnership develops involving the public (state), private and NGOs sectors.

Interestingly, in the Eastern Transvaal Forum, the secretariat of the new forum has developed out of the secretariat which used to serve the Regional Development Advisory Committee (RDAC) for Region F. Additional secretariat members are to be drawn from the ranks of organisations or communities never unrepresented on the RDAC. This route does not seem to have been considered in any other region.

- *Each forum intends to address urban and rural challenges and the linkages between these challenges.*

The Eastern Transvaal Forum has committed itself to 'specifically acknowledge that development is concerned with both urban and rural areas'. Facilitating the creation of employment in each region is a high priority.

- *Each forum tends not to see itself as an implementing body; rather they see themselves as a policy making structure.*

The launching documents for the Eastern Transvaal Forum capture the above differences in the following way: *The Forum itself is not an implementing body. It comprises a broad range of resourced groupings, of recipients of development and other strategic role players. It is therefore well positioned to reach consensus on key socio-economic issues and development priorities in the region and to facilitate appropriate action to address these issues.*

Implementation would instead be left to some of the constituent members of the forum.

- *The purpose of each forum is wider and broader than simply industrial development or formal business development.*

This aspect is partially reflected by the composition of each forum but also by the

comprehensive concept of the nature of development which seems to underpin their activities.

The Eastern Transvaal Forum, for example, has adopted a definition of development which argues that: *Socio-economic development is a long term and self-sustaining process of change in the economic, political, social and cultural spheres of a society, which leads to the improvement of the quality of life of its members, as expressed through their needs and legitimate desires.*

Prospects

It is too early to gauge the chances of these new regional forums in being more successful at shaping development in their regions than their predecessors were. For one, they are still reasonably far from being at a stage when they can intervene in policy debates. The longer-standing forums are still busy with sectoral policy and information reviews; these are vitally necessary if consensus amongst the various key stake holders is to be achieved.

Yet the one positive factor which holds out hope that they will be more effective is their more inclusive nature.

A key issue will turn out to be the nature of their relationship to the new regional governments due to be elected next year. Since these governments will have some powers over regional development and planning the potential for overlapping interests and conflict with the regional development forums is there.

It does not seem as if this issue has surfaced in any of the forums but it would be surprising if they would be prepared to surrender the impetus behind their establishment to new regional authorities. Whether they would also be prepared to view themselves as advisory bodies to either the central or regional governments is also doubtful. **IPDA**

REFERENCE

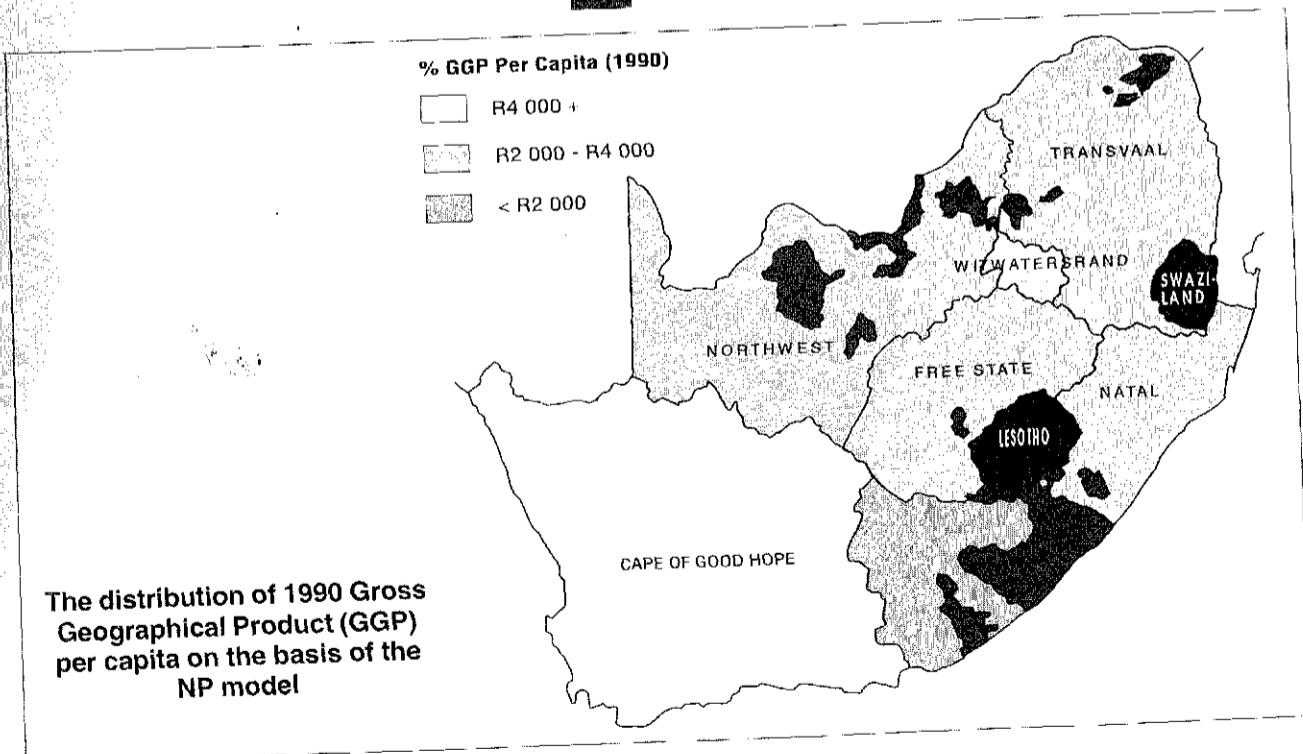
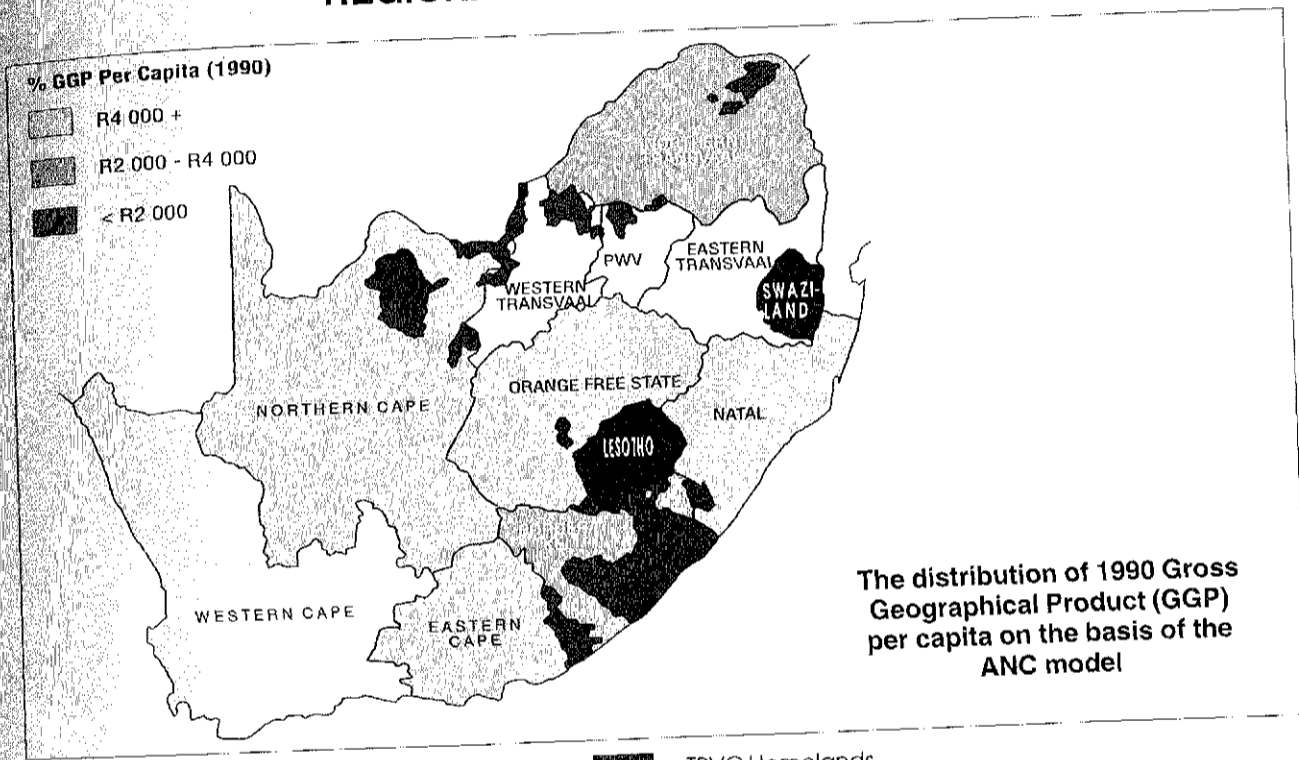
Eastern Transvaal Regional, Economic and Development Forum. Launching documents, August 1993.

Whether they would be prepared to view themselves simply as advisory bodies to either the central or regional governments is also doubtful

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Source: Urban Foundation. *Development and Democracy* No5, July 1993

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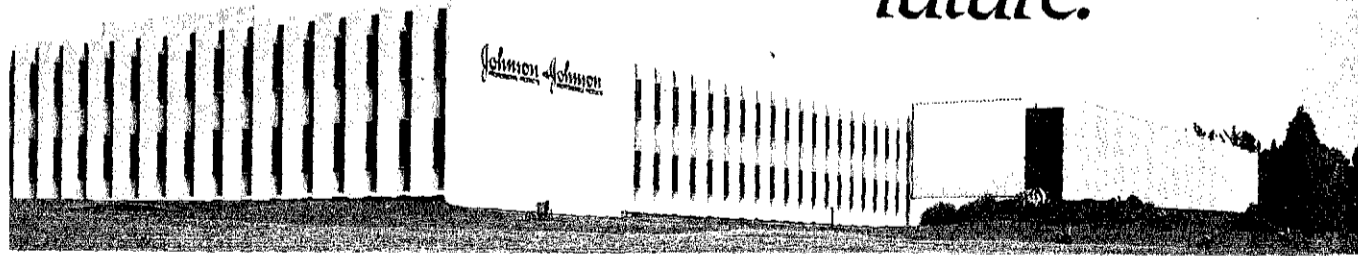
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Helping the hands that heal.

Charles Simkins,
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The public finance system within a multi-tier state should be congruent with the constitutional allocation of powers and functions. Accordingly, there are limits on what one can say about a new public finance system until agreements about powers and functions have been reached.

Given the variety of possible fiscal arrangements, it would be a mistake to suggest that there are technical public financial reasons for allocating powers and functions in one way rather than another. Those constitutional decisions are properly the province of politicians representing constituencies, and they should embody the basis on which South Africans are willing to live with one another.

That said, there are a number of issues central to the debate which can be identified now. On some of them, clear political decisions have yet to emerge. This article deals with the following:

- equality of treatment by the state and the role of the state in bringing about more equality in the country as a whole;
- ensuring optimality of taxation;
- expenditure control;
- allowing for mobility of goods and factors of production;
- revenue collection and assignment;
- regional discretion, especially in the field of development strategy;
- third tier government finance; and
- complications arising from possible political compromises.

□ *equality*

The debate about federalism has often been conducted as though decentralised arrangements both permit inequality in entitlements to benefits from state expenditure and diminish the capacity of the state to promote egalitarian conditions in the society as a whole. This is a dubious contention; where tendencies to inequality in a federal system exist, one usually finds compensating mechanisms (controlled by the constitution or the central government) such as the *finanzausgleich* in Germany or special federal educational programmes in the United States.

The proposition should rather be put the other way round: if one wants a stably evolving division of powers and functions

PUBLIC FINANCE IN A MULTI- TIER STATE

in a multi-tier system, fiscal arrangements should be such as to ensure that:

- there is equal treatment of citizens as far as entitlement to the benefits of social and infrastructural services are concerned; and
- there is nothing in fiscal arrangements to stand in the way of the implementation of electorally-approved policies to diminish poverty and improve income distribution. It should of course be recognised that the appropriate roles of state and market in doing this are contested and that policies will vary over time as they do in any democratic system.

Additionally, in a multi-tier system it is quite possible that different electorates and their representative authorities will take different views at any point in time. How far these different views can find expression in a way compatible with the equality of treatment requirement is a central issue.

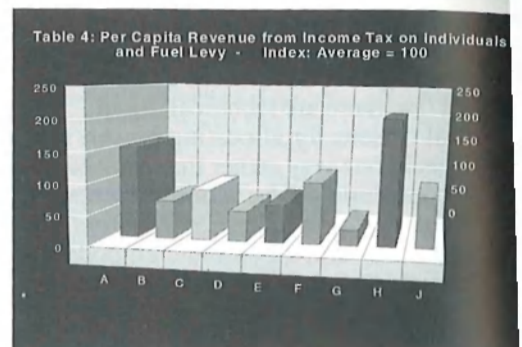
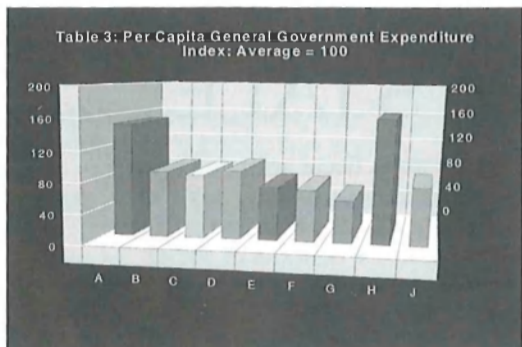
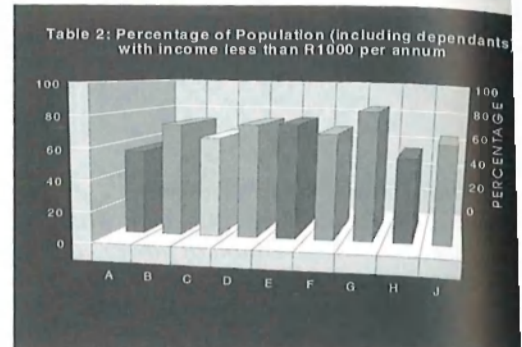
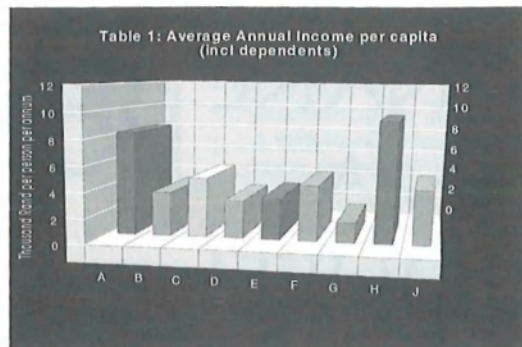
□ *optimal taxation*

The optimal taxation problem is usually cast in a form which requires the analyst to find the set of taxes which will raise a given revenue for the government at the lowest cost in terms of social welfare. The outcome will depend on the form of social welfare function assumed, the structure of the economy and a range of elasticities. This formulation leaves aside the questions of the determination of the government's revenue target and the allocation of public expenditure between the provision of public goods and redistributive activities. It also assumes a centre of economic decision making which decides on a social welfare function and uses knowledge of the economy to optimise the set of taxes imposed.

It would be a mistake to suggest that there are technical public financial reasons for allocating powers and functions in one way rather than another

DATABASE

Economic Data by Development Region

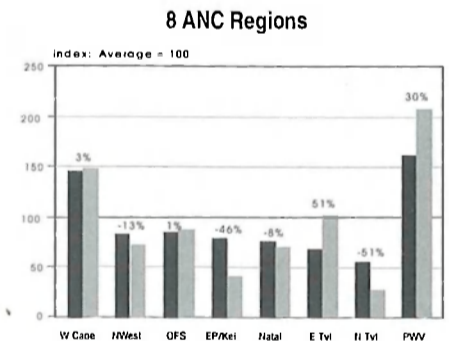
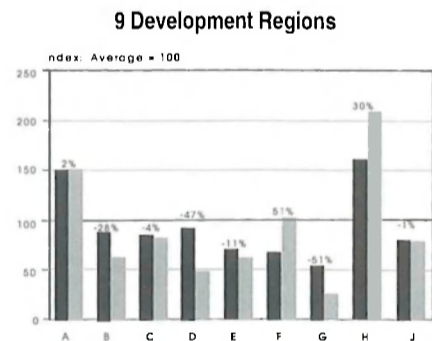


Key: A - Western Cape; B - North-Western Cape; C - Orange Free State; D - Eastern Cape/ South & Central Transkei; E - KwaZulu/Natal/Northern Transkei; F - Eastern Transvaal; G - Northern Transvaal; H - Pretoria-Witwatersrand-Vereeniging; J - Western Transvaal

Source: Croeser H. *Funding the Future: Financing Regional Functions*. CPS Transition Series Vol6/No3, 1993.

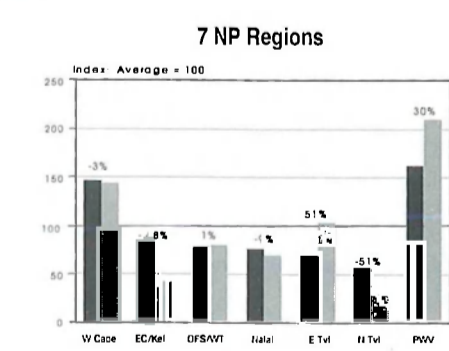
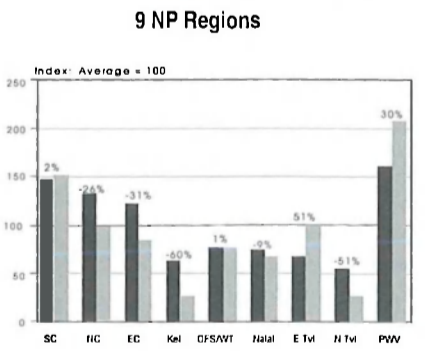
DATABASE

Per Capita general government expenditure and tax revenue



per capita general government expenditure (based on gross geographic product at factor cost)

per capita tax revenue: surcharges on tax on individuals and fuel levy



The % difference between per capita revenue and expenditure is indicated above each pair of bars

Source: CSS - 1988 GGP data and Inland Revenue - 1990/91

More realistic models of public choice assume that political decisions are made with a view to re-election and that policies are decided upon on the basis of their popularity. In general, decisions made about the level and financing of expenditure on public goods under these conditions will not be optimal, unless there are a great many competing jurisdictions offering competing tax/expenditure packages and people are perfectly mobile between them. In principle, redistribution in such a system could be effected by lump-sum transfers between rich and poor communities.

The key practical points are:

- The taxation system should be transparent, so that it can be evaluated by analysts both in the public and private sectors, with a view to improvements. The taxation system should be seen as national, with degrees of discretion at regional and local levels.
- Given temptations for accretion of taxes which may not make sense nationally, consideration should be given to centrally imposed caps on regional and local taxation. Regional authorities could be permitted to depart from national averages (subject to the cap constraints) provided they (and not the central government) bore the revenue consequences of doing so.

□ **expenditure control**

One highly undesirable innovation of the late apartheid era has been poor control over public expenditure. This is in evidence everywhere; in particular, some homeland authorities and most black local authorities fail to keep to their budgets or even present accounts to the Auditor General.

Uncooperative 'hold-up' strategies have been employed to force transfer of resources from one level of government to another. Quite apart from undermining the authority of legislatures and working against equity in allocations, this can have the consequence of destabilising macroeconomic policy. A new system will require the introduction of a more effective accounting and efficiency audit system, with reporting determined by the constitutional allocation of functions and powers.

□ **mobility**

Inefficiencies result from impediments to the flow of goods and factors of production across boundaries and so these should be minimised. The two apartheid practices which created such impediments were controls on movement and settlement and

physical planning impediments to the establishment of industrial and commercial enterprises in regions.

Competitive variations in taxation and public expenditure across regions in order to stimulate economic activity within regional boundaries are not in themselves impediments to mobility, unless they become so complicated as to impose substantial compliance costs or to permit evasion (as opposed to legal minimisation of tax burden).

□ **revenue collection and assignment**

The principle governing revenue collection is straightforward - it should be collected by the tier of government which can do it at lowest direct and indirect cost. Taxes can readily be assigned to tiers other than the tier of collection, in which case the assigned tier should have a say in determination of the rate as well as taking responsibility for effective utilisation of the revenue source.

□ **regional discretion**

Government proposals are generally based on a hierarchical notion of regional discretion: the central government determines broad policy, within which regional authorities implement the programmes for which they are responsible.

At one extreme, regional expenditure budgets could be determined by participation in nationally defined programmes. This could happen whether or not regions have their own revenue sources; central government could maintain control by setting the size of centre-region transfers to cover the gap between regional income and expenditure. Under such arrangements, central government would determine norms and standards for regional government services.

The alternative arrangement would be for the central government to allocate block grants to region, based on some general formula. (This formula would have to embody the requirements of equality.) Added to this would be regional revenues. Regions would then allocate funds to various regionally defined programmes, provided these were compatible with policies determined in the exercise of central government powers and functions. This arrangement allows regional governments greater freedom to formulate and implement regional development strategies. Norms and standards would be less uniform across the country, but (if regional authorities were doing their job properly), the variations would be rationally

The taxation system should be seen as national, with degrees of discretion at regional and local levels

Regional authorities could be permitted to depart from national averages provided they bore the revenue consequences

Political decisions about the level of expenditure on public goods and its financing are not usually efficient

It will require both luck and determination if a transparent, honest and development-oriented public finance system is to emerge

related to differences in regional development strategies (which themselves should be based on regional comparative advantage).

These are ideal types; they can be mixed by central government constraining some areas of regional expenditure more tightly than others. The exercise of concurrent powers in any field would require dual subordination of regional departments - to the regional authority, on the one hand, and to central government departments on the other. This requires rationalisation of existing links in the direction of equality of status of second tier authorities (at present, the provinces, self-governing and 'independent' homelands are all treated differently).

In all of this, it should be remembered that regional discretion may extend further than intended by administrative arrangements. In theory, a block grant to a region is equivalent to an increase in regional personal income of the same size. Categorical grants, too, may embody non-binding constraints and lead to adjustments in the system. In practice, there may be a number of constraints on this sort of flexibility.

□ *third tier government finance*

Third tier government is financed from the following sources:

- property rates
- user charges
- levies on business payrolls and turnover
- intergovernmental grants
- the capital market, the Local Authority Loan Fund and the Development Bank (for capital expenditure).

Industrial and commercial rates revenue net of expenditure on industrial and commercial areas will be spread more equitably across cities and towns in the coming dispensation. Intergovernmental grants need rationalisation. On the one hand, functions are delegated by higher tiers of government to local government without being fully financed from these tiers. On the other, unplanned transfers to bankrupt local authorities are constantly taking place. These represent subsidisation of metropolitan and urban areas, with relatively high average incomes; from an equity point of view, they are regressive.

At the level of financing capital expenditure, greater use could be made of both the capital market and Development Bank of Southern Africa funds. Often the

problems are those of effective absorption by local authorities coupled with inadequate agreements and mechanisms in respect of cost recovery.

Complications

Two, possibly related, complications can be identified. The first would arise from a constitution which ascribes asymmetrical powers and functions to regional authorities. This would make embodiment of the principle of equality in public finance arrangements more difficult to achieve, since different functions would be exercised by different regional authorities.

The second is the incomplete or drawn out rationalisation of the second (and possibly the third) tier of the system. Particularities in the power bases of the various parties negotiating constitutional change are going to demand expression and these may lead to messy compromises, creating difficulties for the rationalisation of the public finance system. Indeed, it is possible that particularistic financial arrangements will be part of some compromises.

The point has already been made that political decisions about the level of expenditure on public goods and its financing are not usually efficient even in well established constitutional democracies. At the level of vertical equity, too, there are problems. In so far as the preferences of the median voter determines outcomes, there will be a tendency to redistribute from both the top and the bottom to the middle (Director's Law).

What emerges from a not very orderly process of constitutional change may well be more problematic. A recent development is the disarticulation of change at local government level from change at the national and regional level. Metropolitan authorities appear to be constituting themselves rather than being constituted by legitimate regional authorities and in turn reconstituting local authorities.

Depending on the course of negotiations over the regional question, dynamics may arise which lead to subregional tussles over power and resources. In the process, precedents may emerge which stand in the way of later rationalisation. It will require both luck and determination if a transparent, honest and developmentally-oriented public finance system is ultimately to emerge. **IPRA**

Economic Outlook

Professor Mike McGrath and Professor Merle Holden
 Department of Economics, University of Natal, Pietermaritzburg and Durban

RETROSPECT

The Annual Economic Report of the South African Reserve Bank (August 1993) shows that the decline in Gross Domestic Product of the past three years has levelled out, with the attainment of real growth of GDP of 1,5% in the first, and 5% in the second quarter of 1993. However, the leading and coincident business cycle indicators of the Reserve Bank are not showing any clear signs of an imminent upturn in economic activity; as the reversal of the downturn is still largely attributable to a return to more normal weather in the agricultural sector, and as yet there has not been any sign of a general upward movement in the non-agricultural sector.

The severity of the contraction in the South African economy over the business cycle is shown by the decline of 4,8% in total formal non-agricultural employment since 1989, amounting to nearly 286 000 jobs. The trend of employment over the past five business cycles is shown in Figure 1. Employment in the agricultural sector decreased over the same period by 3%. The ratio of people unemployed or involved in the informal sector to the total economically active population has thus risen from 39% in 1988 to approximately 46% in 1992.

The recession from 1989/93 has been characterised by a 1,5% annual decrease in real gross domestic expenditure, which is small when compared with the average annual rate of decline of 11,5% and 5,5% respectively in the downturn of 1981/83 and 1984/86. However, the private sector components of domestic expenditure are extremely fragile because of economic and political uncertainty.

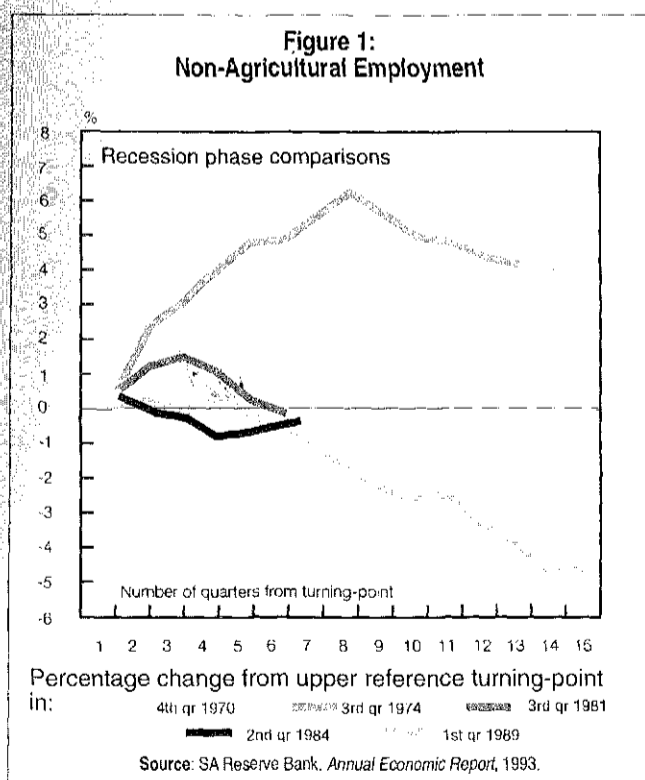
In the initial stages of the current business cycle, consumption expenditure by households had remained relatively firm but by 1992 total annual household expenditure was falling in real terms by 2,5%. The decline in consumer expenditure has been halted in 1993 but consumer demand at the present time remains depressed owing to the political and economic uncertainty, falling real disposable incomes since 1990, high positive real interest rates and rising levels of unemployment.

Real gross domestic fixed investment has been much more severely depressed by the cyclical downturn and by the waning state of political confidence. It has contracted by 23,5% over the period from the fourth quarter of 1989 to the first quarter of 1993. The trend of total real gross fixed investment reveals an erratic decline during the 1980s, and the low level of gross fixed investment presently being attained is now only sufficient to replace the existing capital stock of the economy. Inventory investment has also followed a declining trend since the 1980s, but in this area the changes in inventory holdings brought about by positive real interest rates have forced increased efficiency.

Capital Outflows

At present the immediate constraint to economic recovery lies in the balance of payments and the foreign reserves. From 1989 to 1992 South Africa's gold and foreign reserves had increased by R6,2 billion, but by March 1993 they had declined again by R7 billion thereby wiping out most of the foreign exchange gains of the painful period of downward adjustment. The decline was due to three sets of factors:

- ⊗ a reduced surplus on the current account mainly as a result of the drought;
- ⊗ outflows of capital of R9,8 billion related to the repayment of long and short term maturing debt; and
- ⊗ the effect on short-term capital movements of





adverse leads and lags in foreign payments and receipts, arising from an ongoing expectation of a depreciation in the exchange rate.

Notwithstanding the improvement in the current account aided by the improved gold price, gross gold and foreign exchange reserves stood at a low level of R7,4 billion at mid-1993. Some relief to the relatively low level of the foreign reserves will come when a final agreement has been reached on rescheduling South Africa's foreign debt and when South Africa's relationship with the International Monetary Fund has been normalised.

During the 12 month period to July 1993, the depressed levels of economic activity (and an associated fall in demand for bank credit) and the outflows of foreign capital resulted in the money supply (M3) growing by only 3,5%, which was below

the lower level of the monetary guidelines of 5% announced by the Reserve Bank for 1993. The result was that liquidity conditions in the money market tightened, and further reductions in interest rates were prevented after March 1993, although the Bank rate had been reduced from 18% to 13% between March 1991 and February 1993.

On the positive side for the South African economy, there has been a marked reduction in the inflation rate in the last year. After the oil price shock of the 1970s, inflationary expectations of around 15% per year had become entrenched. As the recession deepened and the monetary authorities maintained a restrictive stance and supported the nominal exchange rate, inflationary expectations have weakened, and when the effect of the increases in Value Added Tax are excluded the inflation rate had fallen to below 8% per annum by July 1993.



SHORT-TERM PROSPECTS

Although Gross Domestic Product growth in the June quarter of this year registered an annualised 5,1%, this growth was from the March quarter to the June quarter annualised. Furthermore, this growth was largely confined to the agricultural sector of the economy which has been so severely buffeted by drought that this growth was from a low base.

It is also clear that the South African Reserve Bank intends to maintain a reasonably restrictive stance regarding monetary policy in the interests of containing and hopefully reducing the rate of inflation. In addition, despite the surge in the price of gold to above US\$ 400 this year the price appears to have settled down to US\$ 370.

Meantime the degree of political uncertainty in South Africa remains high as does the level of violence. It has been shown internationally that higher political volatility has tended to reduce aggregate economic growth through actual or potential changes in property rights, laws and regulations. It must also be said that income inequality in other countries has also been found to impinge negatively on growth. In recent years the South African growth experience has

been no exception.

Hence growth predictions for 1993 remain pessimistically low with some forecasters predicting negative growth of 0,5%. Some private sector forecasters have been more optimistic with a growth rate of 2% for the year. A median forecast is one of 0,5% for 1993. One of the most important variables in this process of forecasting is, of course, the price of gold, which is anticipated to average out at US\$ 360 an ounce.

It is also anticipated that the current account surplus will average R6 billion. Depending on the degree of capital outflows reserves, it may or may not decline as the Reserve Bank continues to defend the nominal value of the Rand.

All forecasters anticipate the year ending with a rate of inflation around 10% or marginally below. At the present time of writing, the estimated revenue collections on the part of government appear to be on budget and if the line is held on expenditure the budget deficit should be as budgeted for in 1993/94.

POLICY DEBATES

Economic reconstruction in the post-apartheid economy will require as a necessary condition the attainment of relatively high rates of economic growth. The major preconditions for sustaining economic growth will be:

- ❑ **Excessive money creation and inflation will both have to be constrained.**

The stop-go economic policies experienced in the 1970s and 1980s have conclusively discredited the perception that higher rates of economic growth can be sustained if society is prepared to tolerate an increase in the inflation rate. The painful economic experiences of the past twenty years have shown that as long as inflationary expectations are nurtured by a laxity of monetary policy the economic growth potential of the country will be eroded.

The budget deficit cannot thus be financed by borrowing measures which increase the money supply, as this will permit inflationary price rises and feed inflationary expectations. The battle to contain inflationary expectations now appears to be swinging in favour of the Reserve Bank, and monetary discipline must be maintained by the post-apartheid monetary authorities.

- ❑ **The budget deficit must be reduced as a percentage of GDP.**

The deficit has now risen to 9,5% of GDP, and a deficit of this magnitude will begin to make significant demands on private sector savings. Pressure to reduce the deficit in the 1994/95 budget will come from the IMF which will require a reduction in the ratio of the deficit/GDP as a condition for granting loans to the new government.

A return to positive rates of economic growth will lower the deficit if government expenditure is not increased at a commensurate rate. The deficit will, however, have to be held down in the future for fiscal policy to be sustainable. Thus there are very severe constraints on the extent to which government expenditure can be allowed to grow to redress the historical inequalities of the apartheid years. On the tax side many authorities have drawn attention to the already high levels of personal and corporate taxation in South Africa, and pointed out that there is little scope for raising additional revenue from income taxation.

The Wealth Tax

As a short-term measure to generate additional revenue the ANC economist Mr Tito Mboweni has recently proposed a once-off tax on wealth at a rate of 5%, and it appears that the tax should be paid in a single year. Further details have not been provided

about the proposal, but it has already caused far-reaching concern in financial circles.

- ❑ **The wealth tax raises a host of problems:**

First, the tax which is being proposed is a capital levy of the type which has sometimes been used by countries in emergency situations such as war-time or post-war adjustment. In theory, if the tax was to be truly in the nature of a once-and-for-all tax, which was neither anticipated nor expected to be repeated, it would have no disincentive effects. However, the announcement effects of Mr Mboweni's proposal will contribute to capital flight, and will lead to a rearrangement of the portfolios of assets of the wealthy. There are fears that the tax once instituted would be retained.

Second, the payment of the tax would cause severe cash flow problems for all groups with wealth. If the 5% tax is truly to be levied on all wealth and paid in one year, the effect on the prices of financial assets, residential properties and farms would be calamitous. Many wealth-holders would have to sell assets in order to pay the tax because the total tax liability (including income tax) would exceed the annual income of many households.

The rate of 5% which is mentioned far exceeds the rates which are levied in the countries which at present tax wealth, with the exception of Libya where a 7,5% tax is levied on the net value of property. In the European economies that impose wealth taxes, upper thresholds to total annual taxes which can be paid are usually set, eg. in Finland total taxes cannot exceed 90% of income, and Norway and Sweden both have graduated upper limits to total taxes. On the other hand if the collection of the tax is spread over a number of years, and the proposed rate is anything more than nominal, capital flight will undermine the revenue which will be generated.

Third, the collection of a wealth tax requires a well-developed system for valuing assets and a capacity to audit tax returns. In the South African case the receiver of revenue struggles to cope with the demands of the present tax system, and does not have any capacity to cope with the massive demands of administering a wealth tax.

Fourth, in theory the tax should be levied on all assets, which should also include claims to future income but in practice many assets will be exempted. The valuation of residential property, privately owned motor vehicles, valuable household and personal effects, and shares in private companies and closed corporations will pose major difficulties. The only categories of wealth which have values which are readily determined and easy to audit are the net assets of quoted companies, quoted shares on the Johannesburg Stock Exchange (JSE), and the assets

of the pension funds and insurance companies. If assets in these categories are all taxed, there will clearly be multiple taxation.

Nevertheless, we believe that the valuation problems will be sufficiently severe to cause the base of the tax to be very narrow and in practice that it may be practical to levy it only on the assets of pension funds, insurance companies and quoted shares. The equity of such an outcome could be debated at length.

Very few economists would not concur with the sentiment that a substantial economic gesture towards remedying the past injustices of apartheid would be desirable. However, we feel that the proposal for a levy on wealth is not appropriate in an economy where there is already great uncertainty and depressed investor expectations. In practice, any substantial economic gesture to redress past injustices will conflict with the more fundamental goal for the economy of moving to a path of sustained economic growth. Taxing past accumulation will not generate new wealth and income.

A wealth levy cannot redress the injustices of almost fifty years of apartheid oppression. If we assume that all racial groups could have contributed equally to the economy in the absence of apartheid, then a possible

way of estimating the income loss to black people from apartheid is given by the difference between their actual share of income and their expected share, i.e. their share of population. On this basis it was estimated that between 1948 and 1987 apartheid had caused a shortfall in black incomes of some R2 500 billion (when expressed in 1989 prices) - which was more than eleven times the 1989 level of the GDP (McGrath, 1991).

This estimate is provided here simply to stress the need to focus future economic policy on creative and workable solutions directed towards improving economic welfare, rather than dwelling on past injustices which cannot be rectified. Economic reality now requires a strong commitment by the African National Congress to sustainable macroeconomic policies. Strong restraint needs to be exercised on making policy proposals which although they may win black voter support may have irreversibly damaging effects on economic confidence. **IPIA**

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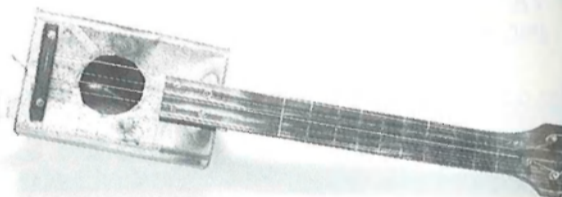
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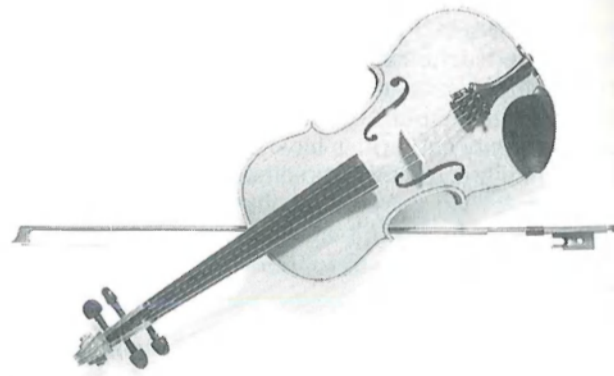
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IONSSONS



THE MAIZE INDUSTRY BUSINESS AS USUAL?

Henry Bernstein,
Institute for Development Policy and Management, University of Manchester

The impact of the 1991/92 drought has not brought South Africa's maize industry much closer to the market liberalisation that many advocate. This article suggests that, in any case, the current system of national regulation would survive abolition of the statutory controls of the Maize Board, in important respects. It indicates elements of an alternative approach to restructuring that confronts the relations of property and power bequeathed by apartheid, with important implications for livelihoods and food security.

The drought of 1991/92 was the worst in the summer rainfall grain producing areas of South Africa since the early 1930s, and required maize imports of 4.2 million tons to meet domestic needs.

The drought served to dramatise, even if it did not create, issues addressed by various official reports published towards the end of 1992: on food prices (BTT, 1992), the operation of the agricultural control boards (Department of Agriculture, 1992b), and national and household food security (Department of Agriculture, 1992a). Among drought stories featured by the mass media during 1992 were its effects on already heavily indebted commercial maize farmers; one estimate, for example, was that 25% of maize growers in the Orange Free State would be forced out of farming.

However, a larger area has been planted to maize in 1992/93 than in 1991/92, with an estimated harvest of around 8 million tons (see Table). Moreover, disputes and complaints concerning the buying and selling prices set by the Maize Board for the current marketing season (1 May 1993 to 30 April 1994) are familiar from this annual round in most years since the early 1980s.

So, has business as usual been resumed in the maize industry in the aftermath of a devastating drought? What is the likely further course of policy reforms towards deregulation that have affected the maize industry in recent years? And what are the implications for transition from apartheid, and for livelihoods and food security in a 'new' South Africa?

The Maize Industry

The maize industry consists of functions and activities pursued by (groups of) key actors in a number of markets shaped by

particular institutions, forms of organisation and regulation (see endnote), and degrees of economic power and political leverage.

Upstream of farming is the supply of production inputs, credit, and labour. The main production inputs are maize seed, fertilisers and other agricultural chemicals, diesel and other petroleum products, and farm machinery. Each is dominated by between three and six major suppliers, both private companies and cooperatives, engaged in manufacturing, importing, and distribution. The fertiliser and machinery/equipment branches have been through severe difficulties and corporate changes due to a combination of domestic agricultural, macroeconomic, and international market factors (Nampo, 1993: 15-24).

Production credit is supplied by the Land Bank and commercial banks, often through the grain cooperatives which are a key channel of credit (and of inputs) to many maize farmers. The organisation of the supply of farm labour was, of course, one of the bases on which grand apartheid was constituted, the legacies of which still pervade on-farm labour relations and practices.

Maize farmers' interests are represented by the National Maize Producers Organisation (Nampo), affiliated to the South African Agricultural Union (SAAU). Nampo has been a very effective producer organisation with a distinctive history and political style, combining a capacity for strategic thinking otherwise rare in organised agriculture with a combative stance towards the government. Nampo also dominates the Maize Board (MB), of which it has a majority of members.

The MB operates the most important single-channel marketing scheme in South African agriculture, which includes setting

Acknowledgements

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TABLE

Maize production, area planted, and domestic consumption
1987/88 - 1993/94

Marketing season	Production (mt)			Area planted (m ha)	Commercial consumption (mt)		
	White	Yellow	Total*		White	Yellow	Total*
1987/88	3,6	3,5	7,1	4,0	2,6	2,2	4,8
1988/89	3,8	3,0	6,7	3,7	2,8	2,3	5,1
1989/90	6,6	5,0	11,5	3,8	2,8	2,5	5,4
1990/91	4,4	4,0	8,3	3,5	2,8	2,9	5,7
1991/92	3,8	4,0	7,8	3,0	2,8	3,3	6,1
1992/93	1,3	1,8	3,0	3,5			
1993/94			8,0	3,6			

Sources: Maize Board 1992, 1993, with estimated production for 1993/94 as reported in *Farmer's Weekly* 2 April 1993.

* Some totals differ from sum of white and yellow maize due to rounding to nearest 100 000 tons.

A note on 'commercial consumption'

These data refer to all sales conducted or approved by the Maize Board for final consumption in South Africa

- * They exclude retention of maize by commercial (ie white) farmers for livestock and provisioning/payment of farm workers, and also maize 'exports' to TVBC (as well as BLSN countries). This is one form of apartheid statistical distortion with implications for assessing regional food needs and supplies, namely when TVBC and BLSN 'exports' are lumped together with world market exports.
- * A second apartheid-derived problem is the lack of any reliable data on maize production by black farmers in South Africa (including TVBC) for self-consumption and local sales.
- * A third difficulty, of a different and lesser kind, is ignorance of the extent and destinations of illegal sales by commercial maize farmers.

Key

TBVC: Transkei, Bophuthatswana, Venda, Ciskei
BLSN: Botswana, Lesotho, Swaziland, Namibia

mt million tons
m ha million hectares

The cooperatives constitute a key 'interlinkage' in the markets and forms of regulation that make up the maize industry

(subject to government approval) the buying and selling prices for maize each marketing season. The MB itself does not handle maize. This is done by its appointed agents, above all the summer grain cooperatives which account for over 90% of maize deliveries, and among which two 'giants' stand out: SWK (Central West Transvaal) in Klerksdorp and OTK (Eastern Transvaal) in Bethel.

These cooperatives constitute a key 'interlinkage' in the markets and forms of regulation that make up the maize industry. In addition to channelling inputs and credit to farmers (as noted), and acting as the principal marketing agents (with the physical infrastructure this entails, including ownership of some 14 million tons silo capacity), they are also active in maize milling and feed manufacture, thereby competing with corporate capital in these branches of activity.

The main customers of the MB are milling and processing firms, producing maize meal (from white maize) for human consumption, and animal feeds (from yellow maize) especially for the poultry and pig industries. Milling and animal feed, like poultry production itself, are dominated by highly concentrated corporate capitals (eg, Tiger and Premier in milling and processing; Rainbow Chickens alone uses some 460 000 tons of yellow maize a year).

Last - and certainly least in lacking any voice and influence in the operations of the maize industry - are (poorer) black consumers of maize meal as a staple food. The prices these consumers pay contain not only the effects of price formation along the chain outlined, but also the profits of wholesale and retail trade.

A Scissors Crisis

Since the record 14,4 million ton harvest of 1981, maize farming has been subject to endemic and accumulating pressure. Policy reforms reducing levels of support to commercial farming, as well as adverse macroeconomic conditions and policies, have contributed to this pressure, which is also accentuated by years of drought (notably in the 1982/83, 1983/84, and 1991/92 growing seasons). Maize farming is caught in a kind of 'scissors crisis'.

One blade of the scissors is deteriorating terms of trade with production inputs, and the erosion of government financial support. The former is manifested in input cost inflation, leading to lower input use (probably a good thing in the case of fertiliser application), and failure to maintain and replace farm machinery which Nampo (1993:25) regards as *possibly the single most serious threat to commercial food production* in the 1990s. The latter reflects a general movement from concessionary to commercial financing of agricultural production, and the phasing out of subsidies and various tax incentives to investment, including subsidies to the MB from which farmers had benefited.

The other blade of the scissors is changes in the marketing and especially pricing system. Before 1981 producer prices were set more or less on a cost plus basis, assuring profits to maize farmers. Together with concessionary finance, this had stimulated the capitalisation and expansion of the maize boom of the 1960s and 1970s. The losses in exports at prevailing world market prices following the bumper harvest of 1981, concentrated the attention of the government on reforming the pricing system operated by the MB. Prices were set in an ad hoc way during a transitional period marked by continuous confrontation between Nampo and the government, culminating in the resignation of Nampo members of the MB in 1985. Realignment in Nampo after this made possible the negotiation of a new set of price arrangements introduced in the 1987/88 marketing season.

The central feature of the current system is that producer prices are determined on the basis of projected market realisation. The MB provides a first price scenario before planting, and announces a delivery price at the start of the marketing season, with the possibility of an additional payment at the end of the marketing year.

The MB likens its price determination to a single pool channel scheme . . . where the maximum income in the long term is realised from each market segment (price x volume) . . . The market realisations from each market segment are then "pooled". The pooled market realisation less marketing costs determines the net income of the pool which is available to pay the producer (MB, 1993:7). This procedure incorporates a sliding scale of producer prices in relation to 'surplus' production. That is, the producer price is adjusted downwards in relation to (i) the size of the harvest expected above domestic needs (of 6,5 million tons), and (ii) the extent to which world market prices fall below domestic prices.

The discipline of this price-setting mechanism is enforced by rules that the MB can not borrow money to support producer prices, that it can no longer obtain government subsidies or loans (eg. to finance export losses), and that it must balance its books each year. Since the new system was introduced, and apart from a slight upturn in the exceptional circumstances of 1992, it is likely that both the MB's buying and selling prices have declined in real terms (Nampo, 1993:39). Buying prices have declined more than selling prices, reflecting a growing gap arising from the new operating rules. Averaged over the past five years, about 40% of this gap is accounted for by export costs and losses, 31% by financing domestic stocks, and 25% by domestic storage.

Thus, in brief, the scissors: production costs rising, producer prices declining, in real terms. One response of farmers, apart from reducing input purchases, accumulating debt, and retrenching farm workers, has been to diversify, helped by a land conversion scheme (from October 1987 to May 1993) negotiated by Nampo, which provided government assistance to convert maize land to pasture. The scheme (initiated against the protests of the powerful livestock/red meat lobby) is an example of Nampo's strategic vision and tactical skill in sustaining maize farming in its recent and current period of pressure.

Market Deregulation?

Whether sustaining maize production in South Africa on its present basis, however modified, is worthwhile, is a question to come back to, but sustained it has been even with the impact of last year's drought. The sword of Damocles did not fall on many heads in the highveld, and the reason is straightforward: massive assistance of over R3 billion given to commercial agriculture in the name of drought relief, including R640 million paid to cooperatives against the carry-over of farmers' debts (LAPC, 1993). One may speculate why a fiscally hard-pressed government intervened on this scale, after a decade or so of gradually reducing concessionary finance to farming.

At this stage of the transition game as played by the National Party and Conservative Party, winning back white votes to the NP in the farming areas and small towns of the Transvaal and Orange Free State (OFS) can not have been a strong argument, even if it was a hope. The principal reason surely was as part of a strategic concern to preserve the existing structure of *property relations* under a new political dispensation. Granting over R3 billion to prevent extensive foreclosures of white farmers, and to maintain prices in the land market, can be related to other measures like transfers of state land to bantustan 'administration', another potential minefield that any democratic government serious about land reform would have to negotiate.

Meanwhile, debate in the drought year about (further) reform of the agricultural sector mainly focused on deregulation of the control schemes established under the Marketing Act, highlighted in the recommendations of the Kassier Committee Report of December 1992, and of various reactions to it.

Concerning maize, the Report concluded: *The marketing scheme is not serving the best interests of a large number of maize and other producers, millers, processors, feed manufacturers and feedlotters, nor has it been beneficial to the consumers, especially the lower-income groups who regard white maize as a staple . . . Change is therefore necessary.* (Department of Agriculture, 1992b:46-7)

The Maize Board's response was that market liberalisation can only be considered on the conditions of (i) protection against dumping and subsidised imports,

One blade of the scissors is deteriorating terms of trade with production inputs, and the erosion of government financial support

The other blade is changes in the marketing and especially pricing system

The Kassier Report is right to point to the negative effects of the current marketing system for consumers of maize meal

- (ii) liberalising input markets,
- (iii) deconcentrating the market.

The first condition may be resolved by eventual agreement on farm and export subsidies, and import tariffs, in the Uruguay Round of GATT; in any case, the MB is probably being pushed by the government towards tariffication of maize imports (as against 'physical controls', the euphemism for current practice which means a ban on imports except in deficit years). The second condition has been a demand of Nampo ever since it was established in 1980. The third condition I come back to below.

Certainly, the Kassier Report is right to point to the negative effects of the current marketing system for consumers of maize meal (even if they are appended to a list of agribusiness interests). In fact, the 'lower-income groups' (i.e. rural and urban blacks) who buy maize meal as a staple food subsidise maize industry interests in a number of ways.

First, domestic consumers pay for exports: this was shown above by the 40% of the gap between the MB's buying and selling prices accounted for by export costs and losses. Second, a further 25% of this price gap expended on domestic storage includes payments to the grain cooperatives for silo capacity, irrespective of whether they hold any grain or not. Buyers of maize meal thus help support the shakiest of the grain cooperatives, and thereby the 'white presence' in the countryside, above all in the northern and some far western areas of the Transvaal.

A third form of subsidy by maize meal purchasers is of the profits of feed manufacturers, and poultry and livestock producers, as an effect of the MB's 'pool' price system. Generally, the MB's buying and selling prices for white and yellow maize are similar; the limited range of variation in recent years has given producers more for white than yellow maize, and charged buyers a lower list price for yellow than for white maize. However, most yellow maize is sold to contract buyers at discounts. In the 1991/92 marketing season, over 90% of yellow maize was sold to contract buyers (feed manufacturers) at R383 a ton, that is 8,6% below its list price of R419 a ton, and 17,5% below the list price of white maize of R464 a ton, on which no discounts are given (calculated from the *Financial Mail*, 7 May 1993: 'Revolt of the poultry men').

What are the prospects of deregulation and liberalisation of maize marketing? One major push is coming from feed manufacturers and poultry producers, longtime critics of the marketing system (unlike manufacturers of maize meal). By 1992 the poultry industry claimed to be the largest agricultural industry in South Africa (overtaking maize and beef), with a growth rate over the previous decade twice that of agriculture as a whole. The drought provided it with an opportunity it had long desired: to supply its coastal plants and markets with imported maize, avoiding the costs of railage from the highveld (about R130 a ton to the western Cape).

When the new season's maize prices were announced on 1 May 1993, the appetite for imported maize was no doubt further stimulated by the poorest returns in the poultry industry since its boom began. Feed manufacturers in the western Cape asked the government to sanction imports of 500 000 tons of American yellow maize, for which they are prepared to pay the full MB list price (*Financial Mail*, 7 May 1993), followed by an application to the Cape Supreme Court that the MB issue them with a temporary permit to import maize during the 1993/94 season (*Finance Week*, 3-9 June 1993). This unprecedented challenge to the MB's monopoly controls comes in the wake of other recent challenges to the (now defunct) Banana Board, and the Dairy and Meat Boards.

Any prompt action on dismantling the Marketing Act following the recommendations of the Kassier Report is unlikely. Opposition to the Committee of Inquiry was mobilised by sections of organised agriculture (led by the red meat industry) as soon as Kassier's appointment was announced. Kassier's recommendations are now to be considered by a Policy Evaluation Committee appointed by the Ministry of Agriculture, that includes a number of veterans of the South African Agricultural Union-cooperatives-marketing boards bloc, suggesting a process of stone-walling long practised by organised agriculture.

Beyond Deregulation

Liberalising maize marketing entails market vs administrative price formation, and (formally) 'free access' to the market for sellers and buyers vs the licensing and registration of producers and (industrial) consumers operated by the MB.

The lower-income groups who buy maize meal as a staple food subsidise maize industry interests in a number of ways

No market in the real world is simply an innocent and neutral instrument of efficiency, let alone 'equity'. Real markets are embedded in wider relations of property and power that shape their particular forms of organisation and regulation, one manifestation of which is patterns of concentration. As noted earlier, the third condition for market liberalisation put forward by the MB to the Kassier Committee is market deconcentration. Ironically, an argument sometimes advanced for liberalisation is that the single-channel maize marketing system itself encourages concentration downstream in the milling and processing sectors.

By this token, then, some advocates of maize market liberalisation are concerned about its effectiveness without deconcentration of the food industry, and cite the rise in bread prices since their decontrol in 1991 due to *the so-called power base in the baking industry* (van Zyl and Kirsten, 1992:177-9). Such concern should be extended to corporate capital in food distribution as well as processing.

Significantly, it was the giant milling and supermarket companies that joined forces in 1992 to establish the Food Logistics Forum, to defend themselves against charges about their role in rampant food price inflation; they were also awarded their certificate of market hygiene, so to speak, by the 1992 BTT report on price formation in the food chain. Nonetheless, many remain suspicious about the strategies and tactics deployed by processing and distribution capitals from the base of their market concentration; last year's government report on food security noted the lack of cooperation of food distribution companies with its investigations (Department of Agriculture, 1992a: v, 2, 14, 87).

In contrast with this widespread suspicion, concern with, and analysis of, the role of the grain cooperatives as a site of concentration (as well as interlinkage) in the maize chain is conspicuously absent. Cooperatives handle the bulk of maize marketed, and are undergoing their own process of amalgamation and further concentration. If the MB's statutory powers were abolished tomorrow, à la Kassier, maize marketing would be dominated by SWK, OTK, and the OFS cooperative. They are no doubt gearing themselves up for this possibility, especially SWK which may have the Northwest and Southwest Transvaal cooperatives (in Lichtenburg and Leeudoringstad respectively) in its sights (and the chief executive of SWK is the

previous general manager of the MB).

The importance of the cooperatives should not be overlooked: they and the SAAU are the twin pillars of the white agricultural bloc that generated, and was reproduced by, apartheid. Moreover, the central position they occupy in the maize chain due to their interlinkages, and the control this gives them over farmers, make the cooperatives a key problem for any more strategic vision of agricultural restructuring and food security in the transition from apartheid, that transcends the narrow limits and distorting lens of market liberalisation.

Moving to this wider terrain, we first return to the question posed earlier of whether it is worth sustaining maize production in South Africa on its present basis, however modified (for example, by measures of market liberalisation, by 'deracialising' large-scale commercial maize farming which Nampo now proclaims).

Although there are highly efficient (and innovative) commercial maize farmers in South Africa, it is widely recognised that:

- maize production as a whole is overcapitalised and excessively mechanised;
- it is characterised in some areas by monocropping on fragile and unsuitable soils;
- it is internationally uncompetitive;
- it has been sustained on its current scale only by a massive rescue package by the country's last apartheid government.

Even if an eventual GATT agreement levels the playing field of the international maize market, it should not be forgotten that average commercial maize yields in South Africa are about one-third of those in the USA, that long distance haulage of agricultural commodities in South Africa is three times more costly than in the USA, and so on.

What about domestic food production and supply as it bears on national food security (one of the longstanding battle cries of organised agriculture)?

There is a very strong case, under any future production system, for encouraging the cultivation of white maize which people eat, and at the expense of yellow maize if necessary (the two being easily substitutable crops). Also, there is virtually no world supply and trade of white maize outside of southern, central and east Africa. Emphasising white maize production would enable strategic reserves to be established,

Maize production as a whole is overcapitalised and excessively mechanised in South Africa

It has been sustained on its current scale only by a massive rescue package by the country's last apartheid government

A further step is to locate issues of food production and security in the context of more fundamental agricultural restructuring, including land reform

which could be regulated as appropriate by exports to other countries in the regions noted when they experience deficits, and by drawing off excess white maize stocks for processing into animal feeds (white and yellow maize having the same nutritional value).

Land Reform

A further step is to locate issues of food production and security in the context of more fundamental agricultural restructuring, including land reform. Here there may be trade-offs (at least during a transitional period) between establishing the conditions of household food security in the rural areas and ensuring food supply to urban markets.

Philip Raikes (1993:15) suggests an emphasis on the former:
If land reform is to contribute as much as it can to food security in South Africa, it needs firstly to involve as much (and as good) land as possible, secondly to distribute this as widely as possible to as many as possible, not neglecting the special needs of women for secure access to land. Thirdly it is most important not to start the process by saddling the new users of land with debts which can force them into inappropriate patterns of production . . . (and) not to rush into farm modernisation policies which could have the same effect.

The thrust of these prescriptions, and the dangers to national food security that some may read into them, can be tempered by re-situating some of the other issues in a framework of transition that goes beyond the attenuated discourse of 'efficiency and equity', that aims for at least some basic changes in the relations of property and power bequeathed by apartheid.

The South African maize industry has a strong structure of national regulation. Contrary to advocates of market liberalisation, this is not just a matter of Maize Board controls and procedures, including pan-territorial pricing (another 'source of cross-subsidisation'), but of particular patterns of spatial, as well as economic, distribution and concentration of commercial maize farming, of marketing infrastructure (cooperatives, silos, bulk handling facilities), of mills and processing plants, and of the communication routes (especially rail) that connect them.

In short, the maize industry presents a particular example of 'apartheid

geography', characterised by various locations and forms of concentration that would survive any simple market liberalisation. More important and challenging is to consider how this might be broken down into more decentralised food circuits and markets (including the potential advantages and disadvantages of supplying the yellow maize needs of coastal areas from the world market).

The emphasis on white maize production recommended above together with a wide ranging land reform and the support measures it requires, could be the spur to a deconcentration and redistribution not only of maize farming but also of maize trading, milling and distribution. There are no grounds, either deductive or from 'experience' elsewhere (see Raikes, 1993), to suppose that more widely distributed, small scale farming could not supply local or urban markets with white maize, as well as meeting the food security needs of rural households through self-provisioning.

This scenario includes an important role for a very different kind of Maize Board than that currently presiding over (but not essential to) national regulation, namely a Maize Board that establishes conditions in which small-scale farmers, following land reform, are able to compete in maize cultivation with large scale producers. Such conditions, subject to Raikes' warning (above) against over-financed and hasty 'modernisation' programmes, include structures to provide credit, inputs, technical, marketing and other services alternative to those of the giant grain cooperatives, to which black farmers would otherwise be appendaged, at best.

Likewise, and extending an approach recently argued for the deconcentration of milling in Zimbabwe (Jayne and Rubey, 1993), more decentralised food circuits and markets, with easier conditions of entry, create economic spaces for smaller scale food trading, processing and distribution that are able to exploit cost and locational advantages against corporate capital, and to generate employment and opportunities for 'accumulation from below'. **IPDA**

Note:

'Regulation' is employed in this article in a political economy sense, common in French usage, to denote forms of power and control that structure specific markets and shape their dynamics. These forms are both economic and political (and political in the broad sense). This contrasts with the customary English language sense of 'regulation' as legislative, policy and administrative measures affecting markets. Not only is this usage narrower but it contains an assumption that regulation is 'external' to markets (or how markets should be), which is registered in the vocabulary of 'intervention' in, 'interference' with, 'distortion' of, markets etc. The French usage, on the other hand, incorporates a recognition that regulation is an intrinsic and indeed constitutive element of real markets and how they function.

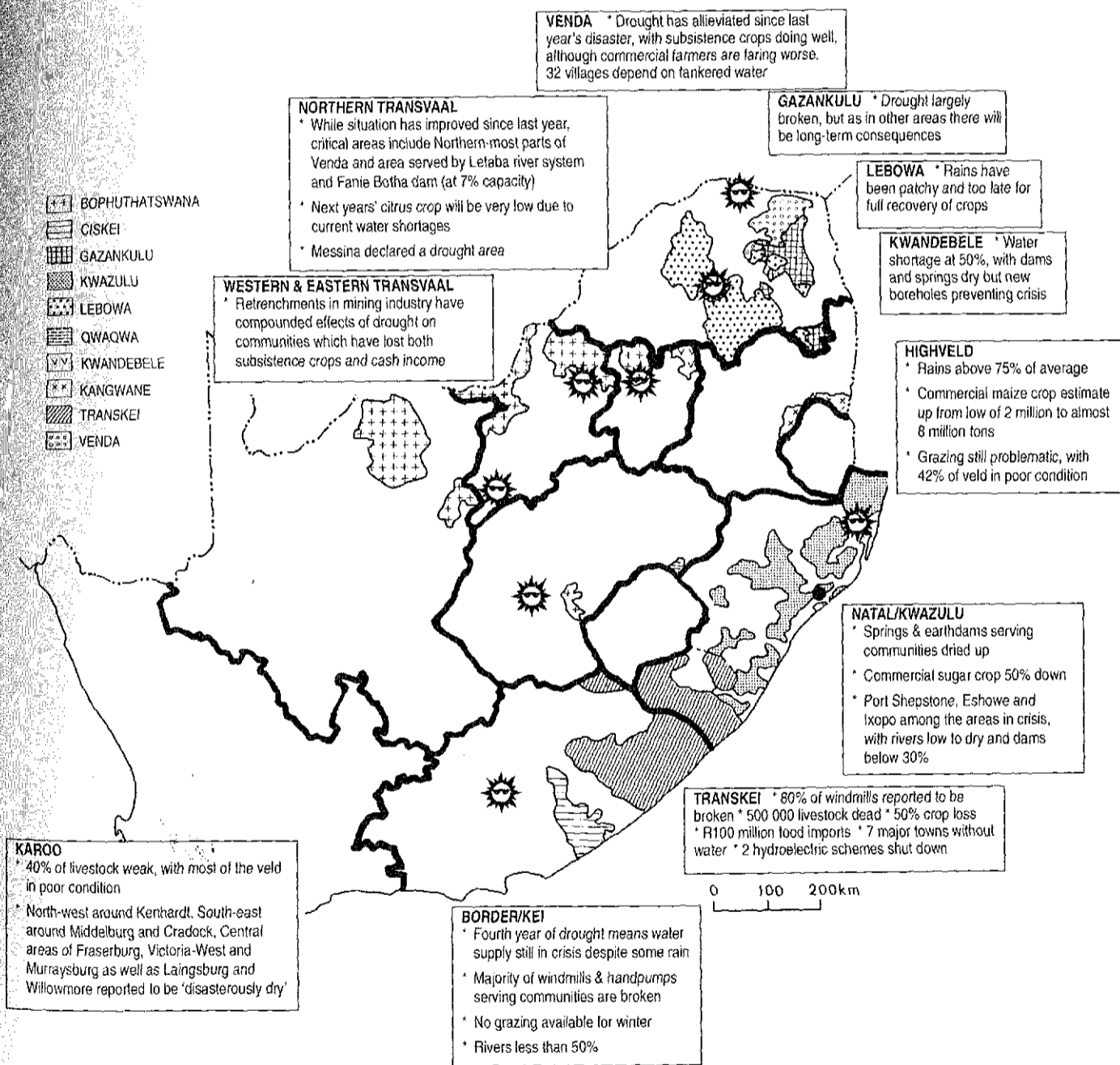
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Source: Consultative Forum on Drought & Rural Development, 1993.

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A Rural Voice

Strategies for Drought Relief



Laurie Adams, Information Officer
Consultative Forum on Drought and Rural Development

Since late rains in 1992 saved the commercial maize crop, drought has no longer made headline news in South Africa. Yet throughout rural areas, particularly in Natal/KwaZulu, the Transkei, and Ciskei, rural communities have virtually no access to water for human consumption or fodder or grazing for their livestock. For these rural black communities, estimated at ten million people, the drought is at its worst in South Africa's history.

Up until the end of 1992, South African newspapers ran weekly stories on the drought, calling it the worst in 100 years. Rains in late December and January 1993 led to more headlines, this time claiming that the drought was over and hailing the 'miracle' of the maize crop recovery.

While it is true that rain fell over the highveld, saving much of the maize crop, this in no way signalled the end of the drought. The effects of the drought are actually worse in many places in 1993 than compared to this time last year:

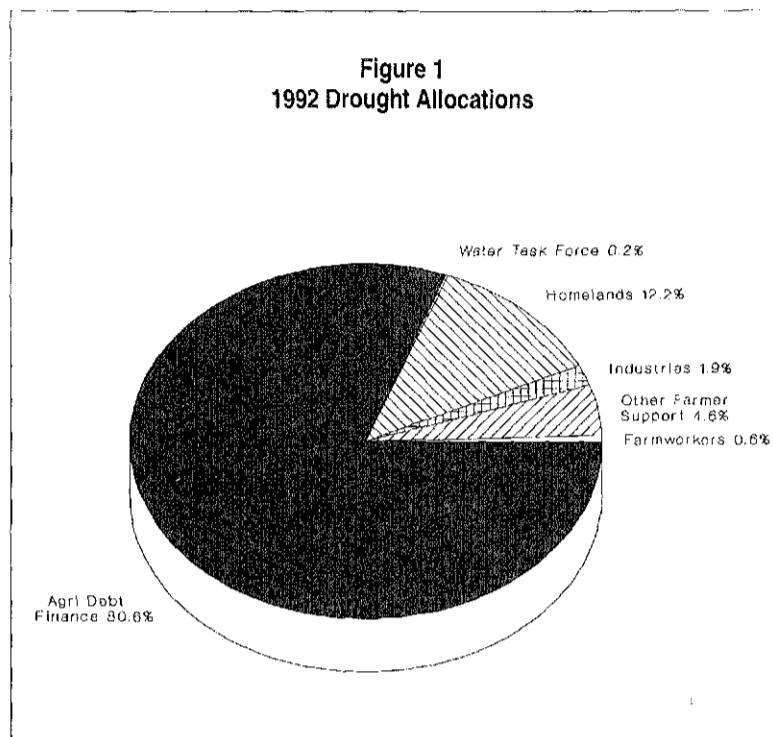
- Overall rainfall for July 1992 to June 1993 for most of South Africa has been less than 75% of normal.
- The overall water storage level of dams is at less than 40% of full capacity.
- Smaller stock and village dams which service rural communities but are not monitored in official statistics are even lower.
- There was a 50% crop failure in Transkei.
- There are virtually no subsistence crops in Natal/KwaZulu, on which the population counts for 25% of their income.

The rural villages, for which the government keeps few statistics, are the worst hit. In KwaZulu, according to the Independent Development Trust, 150

boreholes dried up in one week in Msinga alone due to the falling water table, and virtually all the rivers south of Durban are dry. Women in Northern KwaZulu are walking from their mountain villages to major rivers to get water, travelling up to 20 kilometres a day. There were almost no subsistence crops harvested in most rural villages and cattle which survived last year's winter are already weak although the winter dry season has just begun.

In real terms, cattle prices are 40-50% less than before the drought. An estimated 500 000 cattle have died in the Transkei since the beginning of the year.

The impact of this drought on rural communities goes beyond obvious effects such as less food and water. The amount of time women must devote to collecting water from far-off places diminishes their ability to care for children or devote time to income-generation. Loss of cattle not only deprives a family of a source of meat and milk, but means loss of capital. Without cattle to sell, families often cannot generate the needed income for school fees, health care, or invest in possible income-generating projects. The loss of employment on farms leads to overcrowded squatter camps around towns, exacerbating tensions around scarce resources and jobs.



Apartheid has deprived the majority of rural people of the infrastructure, resources and employment necessary to survive drought periods

Causes of Drought

Drought is endemic to Southern Africa, occurring in a cycle of about every five to seven years. Furthermore, South Africa is in general a dry country. Only 12% of the land is arable. South Africa receives only 475 mm rain annually, compared to a worldwide average of 860 mm.

But the drought is not merely a question of inadequate rains and an arid country. These difficulties have been compounded by a history of policies which has deprived the majority of rural people of the infrastructure, resources and employment necessary to survive drought periods.

Drought is not a cause of poverty; it is an exacerbating factor which pushes people from bare survival into starvation. The policy of creating homelands, where 87% of South Africa's population was meant to live on the least productive 13% of the land, has created an unviable rural economy. Already poor land has been stretched far beyond its capacity by the large numbers of people forced to live on it.

The drought requires a holistic development strategy which provides a rural water strategy, credit and support for small-scale farming and farm workers, employment opportunities and a primary health-care system.

Little Relief

Rather than addressing the development needs of rural communities and thereby preparing communities for the next drought, the government's drought relief programme has focused almost exclusively on supporting white commercial farmers.

This is both because rural communities have historically not mattered to the current government and because the current government sees drought in purely agricultural and meteorological terms. Seeing drought only in terms of its affect on national crop production implies that thousands of rural dwellers could be starving or millions without sources of water, but as long as the commercial crop is viable, there is no officially recognised drought crisis (subsistence crops are not monitored).

The lack of concern for rural communities can be seen clearly in the government's allocation of drought relief. The government responded to the 1991/92 drought with a massive drought scheme of over R3,4 billion. Figure 1 shows that:

- R2,4 billion was spent on paying off debts of white farmers, in addition to the normal, ongoing agricultural subsidy scheme, of R355 million.
- Another R100 million was distributed to subsidise approximately 10 000 stock farmers.
- In contrast, only R543 million was made available for drought relief in homeland areas; and
- only R6 million was allocated to support the more than 1,4 million farmworkers and their 5 million dependents.

The government justifies this bias toward commercial agriculture by arguing: *The maintenance of a viable commercial agricultural sector is absolutely essential to the economy of South Africa and the long-term welfare of all rural inhabitants in those areas, the greater majority of whom are black. (Drought Center Relief Report)*

No-one denies that the agricultural sector is important and needs support in order to survive drought periods. Criticisms of the government's programme are rather focused on the clear bias of the programme toward the current government's white support base, the failure of the programme to address unemployment or poverty in any significant way, and the lack of rural water or a development strategy that would reduce vulnerability to drought in a more systematic fashion.

Firstly, *debt relief* for commercial farmers supported an important political constituency for the government, but did little to reduce vulnerability to drought. The Land and Agricultural Policy Center's report released in June, points out that only 22% of the increase in agricultural debt was due to drought.

According to a report by Boland Bank, the drought was actually good for commercial agriculture because the relief package allowed the sector to reduce its total debt by R900 million, despite a 25% reduction in real agricultural production during 1992. While this may be good for individual farmers, subsidising debt does little to promote sustainable and efficient farming. Neither white farmers nor rural communities are any better prepared for the next drought after the 1992/93 drought relief programme.

Secondly, *drought relief* is heavily biased toward white farmers. For example, a married farmer who is sequestered can receive up to R2 000 a month, while a dismissed farmworker can receive only R150 a month.

Furthermore, farmworkers can not apply for relief in their own right, but rather have to rely on their employers to apply for and distribute this minimal amount. Many white farmers dismissed their workers rather than apply for wage subsidies, both because of the paperwork and because in order to qualify they would have to declare their farm officially 'drought stricken', thereby lessening its worth on the market. In some areas farmers also used the drought as an excuse to evict labour tenants whom they feared might try to claim land on their farm under a new government.

Thirdly, *delivery of drought relief* was not integrated, but rather dispersed through a plethora of bureaucracies created as a result of the homeland system. There are over 52 homeland departments dealing with drought relief, as well as numerous Regional Service Councils, Joint Service Boards, Joint Co-ordinating Committees, Development Corporations, and Drought Co-ordinating Committees.

This array of bureaucracies, coupled in some areas with patronage and corruption, has made effective delivery very difficult. Co-operation between NGOs, the South African and homeland governments has proven difficult. Many of the homelands are wary of 'outside interference' and threats to their sovereignty.

Fourthly, almost no resources have been allocated toward assuring *water supply* to rural communities. Multi-billion rand schemes such as the Tugela-Vaal and Lesotho Highlands schemes ensure water security to the major metropolitan and industrial areas: at the end of the 1992 dry season, it was estimated that the PWV could survive for another 18 months without water restrictions in the event of no rain.

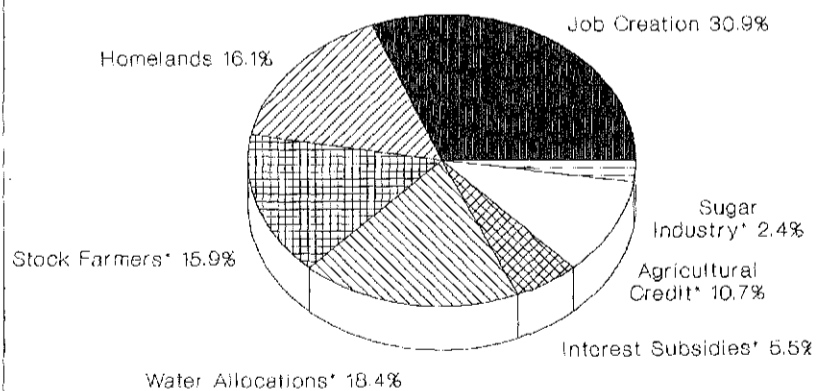
In contrast, there is no strategy for ensuring rural water supply. Most rural communities depend on surface water (rivers and streams), which dry up during drought, or on emergency water installations built during drought periods, such as boreholes with pumps and windmills. These installations more often than not have fallen into disrepair due to lack of maintenance. Furthermore, they are not appropriate water sources in the long term because they deplete the important underground water table, thereby reducing the quality of soil and the viability of farming.

Debt relief for commercial farmers supported an important political constituency for the government

1992/93 Drought Relief

At the beginning of August 1993, the government announced a further R700 million in drought relief and job creation funds. The allocation was much needed and very welcome, particularly the R255 million given to the National Economic

Figure 2
1993 Drought Allocations



Note: * over 95% of this amount will go to commercial white farms

Comment: If job creation funds of R255 million are included as part of drought relief, the government's 1993 drought allocation can be seen as benefiting rural communities much more than the previous year, although the bulk of funds allocated to water and agriculture will reach large white farms.

Over 70% of drought relief will end up supporting commercial white farms, while the greatest need remains in rural black communities

Increasing malnutrition is one of the effects of the drought, so a drought strategy requires a nutrition strategy

Forum for job creation. Importantly, the funds are to be given to a central fund to which communities and NGOs can apply, rather than channelling the money solely to government departments.

Unfortunately, despite great strides in the government's understanding of the needs of rural areas over the last year, the R469 million drought relief allocation for 1993 (see figure 2) reflected many of the same problems and biases of the previous year's much larger sum. We estimate that over 70% of the drought relief allocation will end up supporting commercial white farms once again, while the greatest need remains in rural black communities.

The R152 million allocation to water is a good example. Whereas R10,5 million will go to the Joint Service Boards and R3 million to the Water Supply Task Force (which is a collaboration between the Department of Water Affairs, NGOs and communities), the entire remainder (R138,5 million) is going to the Department of Agriculture to service the water needs of commercial farms. We believe that given the government's understanding that rural water is a key need, more money should have gone to the Department of Water Affairs' efforts to supply water to those areas.

Nutrition & Drought

Increasing malnutrition is one of the effects of the drought, so a drought strategy requires a nutrition strategy. The NNSDP (National Nutrition and Social Development Programme) was founded as a poverty relief programme after the introduction of VAT (Value Added Tax), rather than as a drought specific programme. Nevertheless, its budget of R440 million in 1991/92, and R400 million in 1992/93 has meant that the NNSDP is the major funder of nutrition relief in drought stricken areas. As with the Agricultural relief, the NNSDP has suffered from several problems:

□ *lack of community involvement*

While in some areas, such as the Northern Transvaal, representative committees involving community structures were formed to allocate relief, in others, such as the Ciskei, the money was allocated with no NGO or community involvement. This led to accusations of political patronage. In one area, it was reported that food parcels were distributed with National Party propaganda. In the Ciskei, civics complain

that only communities with government-aligned headmen receive relief.

□ *lack of targeting*

Because the government has no accurate statistics on poverty and because there is no Nutrition Surveillance System, it is impossible to determine the greatest areas of need. Furthermore, the NNSDP allocates relief through existing welfare and NGO organisations, most often concentrated in urban areas.

An evaluation of the NNSDP revealed that despite its own surveys showing that the bulk of Natal's poor are in rural areas, most of their funds have gone to urban areas. For example, according to malnutrition and poverty levels (based on 1985 statistics), Port Natal-Ebhodwe should be allocated 28,6% of nutrition relief; yet they received 50,4%. Zululand has approximately 38% of Natal/KwaZulu's malnourished, yet received only 13,2% of NNSDP funding. (Final NNWG Report, April 1993).

□ *focus on food parcels*

Despite the words 'Social Development' in its title, the NNSDP gave almost no support to developmental programmes such as employment projects. Rather, the vast percentage of their R440 million budget was allocated to food relief.

Food parcels are problematic because:

- ① they do not allow recipients a choice - people may need fuel, soap or clothing as much as they need food.
- ② they entrench dependency - nothing is done to assure long-term sources of food. As soon as the parcel stops coming, the family is in the same situation.
- ③ they undermine the local economy - having to compete with free hand-outs undermines the ability of local traders to survive. Cash or work programmes would allow people to buy food from these traders.
- ④ there are problems in distribution and targeting - eg., in many areas food parcels targeted for children are handed out at schools. The child, however, often brings the food home where the parcel, meant for one person, is distributed among many, who all need food.

Fortunately, the National Department of Health and Population Development has finally responded to repeated criticisms of the NNSDP programme. They have launched a complete re-evaluation and have solicited the input of our Nutrition Task Force and our regional fora.

The Consultative Forum

The need to address all these problems with the government's drought relief programme and to respond to the deepening drought crisis in rural communities led to the formation of the Consultative Forum on Drought and Rural Development in July 1992. Sixty-eight groups participated in the national launch, which was convened by Kagiso Trust and the Independent Development Trust (IDT). Participants include the government, ANC, Cosatu, the Development Bank of Southern Africa, the South African National Civic Organisation (Sanco), IDT, and many Non-Governmental Organisations (NGOs) involved in relief and development work. The mandate given to the Drought Forum was to specifically focus on ensuring drought relief reached and met the needs of the rural poor.

The formation of this type of inclusive structure is unique in the history of drought response in South Africa. Important gains were made in bringing civil society together with government, particularly in policy intervention. A proposal for a Public Works Programme was developed, the establishment of an Early Warning System assured, and avenues for contributing to government policy were developed. For example, the government's new Drought Management Strategy is being reviewed by the Consultative Forum, and the Forum was invited to participate in the Task Team appointed by the national government to review homeland government's applications for drought relief.

The Forum's work has included:

Agreement was reached with government that a National Early Warning System for Food Security (NEWS) must be established. Currently, the only statistics gathered by government relate to crops, stocking, and dams in South Africa, excluding the homelands and TBVC (Transkei, Bophuthatswana, Venda and Ciskei) homelands. There is very little information on poverty levels or any other indicator of who is most vulnerable to drought. NEWS, once established, will monitor a variety of factors, allowing more effective targeting of relief.

The Employment Task Force (ETF) developed a comprehensive proposal for a community-based, labour-intensive Public Works Programme. Such a programme would provide thousands of jobs while creating much-needed public infrastructure

DATA BASE

DROUGHT RELIEF		Allocation for 1992/93 R-million
Programme		
Continued employment of full-time farm labourers		5,0
Phasing out and re-establishing of farmers		3,6
Staying of sequestrations		15,0
Co-ordinated restructuring of unmanageable debt		50,0
Carry-over debt:		
	• Co-operatives	426,0
	• Commercial banks	50,0
Production credit:		
	• Cooperatives	165,0
	• (new) - Commercial banks	60,0
	• Land Bank (Section 34)	4,0
	• Agricultural Credit Board	50,0
Rebate on the transport of stockfeed		30,0
Int. subsidy on long-term loans at finance institutions (Land Bank excluded)		10,0
Identified Cooperatives: - financial survival amalgamation, etc		45,0
Training of farm labourers (Boskop and other centres)		1,0
Support measures:		
	• storage compensation	173,0
	• drilling action	6,0
Assistance to industries:		
	• sugar	0,0
	• wool	15,0
	• mohair	2,5
	• meat	2,5
Dept Water Affairs (Water Task Force Contribution)		2,0
National Nutrition and Social Development Programme (NNSDP)		440,0 ¹
Assistance to self-governing territories		130,0
Not allocated (for unforeseen expenses)		16,4
	Total	1 702,0
Less: Grant under programme 6 for		
	• subsidising of interest	160,0
	• crop-production loans	100,0
	Total	1 402,00

Note: ¹ The NNSDP was started at the introduction of VAT - it cannot be taken as indicative of the state's commitment to Drought Relief. Although it is having an impact on the drought, a very small proportion is making its way to the rural areas.

such as roads, schools, and clinics. They have also promoted the concepts of labour-intensity and community control in existing job creation schemes.

Another initiative, the Nutrition Task Force (NTF), focused on trying to improve the government's major nutrition relief scheme, the NNSDP. The government agreed to an evaluation and restructuring of the NNSDP; NTF is involved with the task force

The 'rural voice' needs to be strengthened in order to continue to lobby for more appropriate and effective relief and development programmes

The Fora provide an opportunity for rural communities to promote their needs and to participate in debates around drought and rural development

established by the government for this process. The NTF also initiated debate around the viability and appropriateness of food relief, including organising a Food Security Conference which brought together international and local experts and relief agencies. The NTF also secured agreement for the establishment of a National Nutrition Surveillance System that will monitor malnutrition in children throughout the country.

The Water Supply Task Force (WSTF) is a unique collaboration between the Department of Water Affairs, Non-Governmental Organisations (NGOs), and communities. This collaboration has allowed WSTF to utilise government expertise and resources to supply emergency water installations in over 400 rural communities in Lebowa, Gazankulu, Venda, Border/Kei, and KwaZulu. The Task Force operated on a system of employing community liaison officers along with field engineers, in order to ensure community involvement and ownership of the water installations. This is to forestall the problem experienced with water sources installed during the 1983 drought, which fell into disrepair, worsening water shortages during the current drought.

This cooperation is an example of one of the best aspects of the Consultative Forum: successful partnerships and positive exchanges between government and non-governmental forces. The Department of Water Affairs, originally with no mandate to work in homeland areas, ended up devoting time, equipment and resources to these historically neglected areas.

Lastly, a capacity-building programme was established to promote and strengthen regional formations. To date, seven regional drought and development fora have been established. They are in the Northern Eastern, and Western Transvaal, Orange Free State, Northern Cape, Border/Kei, and Natal/KwaZulu.

These fora bring together regional government structures, NGO service providers, and community-based organisations. The Fora provide an opportunity for rural communities to promote their needs and to participate in debates around drought and rural development. They also provide a venue where relief agencies and NGOs can share information with each other and communities.

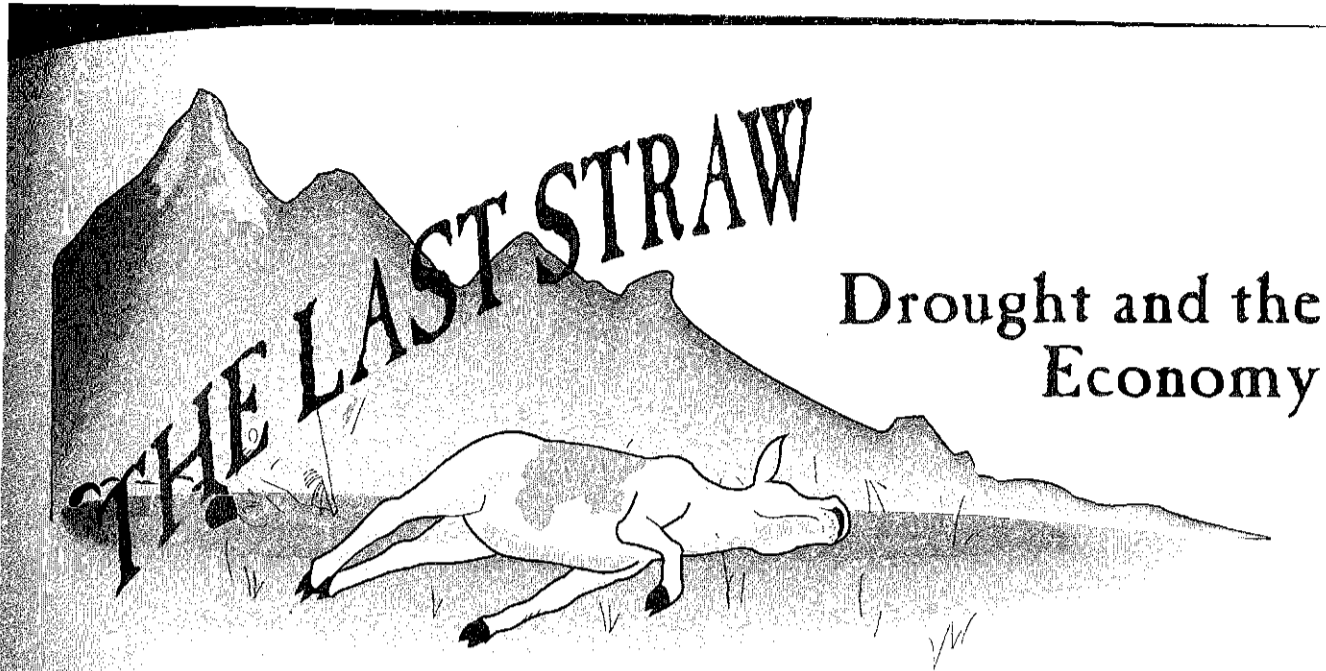
New Strategies

The work of the Consultative Forum on Drought and Rural Development over the last year has laid the basic building blocks for an effective drought management strategy based on development and community involvement. Given the endemic nature of drought in the region, a permanent structure monitoring drought is necessary. This needs to be taken up within government, but cooperation between government, NGOs, relief agencies, community structures and policy institutions must continue. The 'rural voice' needs to be strengthened in order to continue to lobby for more appropriate and effective relief and development programmes.

It is for these reasons that the Consultative Forum, at its most recent plenary meeting on 27 May, resolved to become a more permanent structure focused on longer-term development issues as well as drought. Building the strength of the regional fora was outlined as the major task for the coming year, as well as continuing to monitor the drought, respond to emergency situations, and promote policy that meets the needs of the rural poor.

The necessary work for establishing an effective drought management strategy is not as formidable as it may seem. Already, much has been accomplished. The government has agreed to establish a National Early Warning System for Food Security, and a National Nutrition Surveillance System, two information mechanisms that will greatly enhance government's ability to respond to drought and plan for development. A framework has already been developed for a viable Public Works Programme that would provide employment while creating much-needed public infrastructure.

Furthermore, a precedent has been set, through the work of the Water Supply Task Force, for cooperation between government, NGOs, and community structures. The government is currently looking at restructuring the NNSDP with the aim of making it more developmental and community-oriented in nature. Furthermore, the regional drought and development fora operating in each of South Africa's drought-prone areas provide a valuable and unique mechanism for government, NGOs, and communities to come together to develop and implement long-term strategies. IDPA



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The third in this series of Indicator SA articles (see Bernstein, Adams here) focuses on the effects of the drought on commercial agriculture, rural communities, subsistence farmers and the economy as a whole, as well as specific impacts on growth, income, expenditure and employment. It also briefly evaluates the effects of rural restructuring on the impact of future droughts. The article is based on several reports on the drought, including two recent studies by the South African Reserve Bank and the Development Bank of Southern Africa.

South Africa has recently experienced (and in some areas is still experiencing) one of the severest droughts of the past century. Agricultural production in the summer rainfall regions has been markedly lower than expected in a normal rainfall year. Although the relative contribution of the agricultural sector to Gross Domestic Product (GDP) has declined sharply since the 1960s, agriculture still plays a prominent role in the economy. The drought thus not only influences the economy via its direct effect on the agricultural sector, but also through the linkages of agriculture with the rest of the economy.

The drought affects different communities in different ways. Farmers, for instance, are particularly vulnerable. It takes only a month or two of low rainfall to destroy dryland crops in farmers' fields. This is a risk that South African farmers face on a regular basis every season; it is one for which they (should) plan either by ensuring that they have sufficient savings or by taking out some form of insurance.

Commercial farmers, however, have one important resource - their effective political lobbies. For this reason, concern should be focused upon the plight of the poor communities who, in many cases, have no organised voice, nor structures in place to ensure that their needs are recognised and met.

The impact of drought has also to be assessed against the current extent of poverty in South Africa. An estimated 42% of the population live below the poverty line; 40% of working age people have no formal job; and less than 10% of new entrants to the job market can find a formal job. This means that even if drought is not in itself a major problem, it may be the last straw for many communities which are already at the limits of survival.

The prospects for improvement over the short-term are not good with negative per capita 'growth' in the South African economy. We need to look to the welfare of the poor beyond the immediate period of drought. Much of the grinding poverty that lies behind these figures is hidden in the homelands.

Limits of Survival

The impact of the drought on poor rural communities and subsistence farmers has been very different to that of the commercial agricultural sector. The issue is not really one of production losses, but one of the human impact. For poor people, this translates into decreased levels of employment, income, food, nutrition and health.

While the aggregate production losses in terms of crops, livestock, portable water

What about the plight of the poor communities who have no organised voice, nor structures in place to ensure that their needs are recognised and met?

Drought may be the last straw for many communities which are already at the limits of survival

The impact of the drought on employment is compounded by the national employment crisis

supplies, etc., are not as large as those of the commercial sector, they form a vital part of the rural household's entitlement or ability to obtain food. The impact of this loss in terms of survival is therefore crucial.

It is often mistakenly assumed that the self-provision of food can be equated with security of food supply. People in the so-called 'rural areas' cannot support themselves by subsistence farming alone. Research indicates that a high percentage of rural households are in fact net consumers of food, even though many of them are engaged in food-crop agriculture. Sales of food are also highly skewed with a small minority of households accounting for more than 80 per cent of the sales. Certain areas are now totally reliant on outside assistance. Livestock losses in these rural areas are particularly severe (up to 60 per cent in certain areas), due to the poor condition of rangelands and overstocking.

It is important also to dispel the myth that people in these so-called 'rural areas' (many of them are better described as 'displaced urban areas') support themselves by subsistence farming. In only a few areas are there natural resources to allow the majority of families to live off the land. The main sources of income for South Africa's rural poor are remittances from the cities, pensions and, for a small minority, homeland salaries. Because they have no access to productive resources - or to jobs in the productive economy - they are desperately dependent on the fortunes and misfortunes of others. Informal security systems are important, but are insufficient if the entire community is affected.

The impact of the drought on employment is compounded by the national employment crisis and the decreasing potential for self-employment. The consequence of economic crisis and drought may be measured in terms of unemployment and income statistics; the real measure of its impact is in terms of food, nutrition and what it does to the ability of people to feed themselves. One reality we face is that millions of South Africans face hunger. The other is that we do not know how many are threatened.

What drought has done is to make some people more vulnerable to hunger; it is not clear that, in itself, it is the major cause of hunger, simply a contributing factor and, for many families, the last straw. Drought-related health problems, apart from nutrition, include diseases caused by lack of cleanliness (many kinds of

diarrhoea, for instance) as well as more serious diseases transmitted in the absence of safe water - such as typhoid and cholera. While there are reports of sporadic cases of cholera, what is clear is that the general health of the population - and of children in particular - has deteriorated in areas where people are hungry and have inadequate water supplies.

Most affected by these problems are communities in the homelands; commercial farmers usually have resources to ensure that domestic supplies at least are maintained. There are unfortunately no soundly based estimates at national level of the scale of the problem. What makes the poor particularly vulnerable is not just that they lack resources. They neither have the political lobbying power nor the structures to ensure that their needs are recognised and met.

Poverty in Perspective

There is a distinct difference between famine (as a result of, for example, drought or floods), and the quieter and more persistent phenomenon of regular under-nutrition and deprivation, both from the view of diagnosis and action. It is, therefore, instructive to view the consequences of the drought on agriculture, the environment, and rural people in a national context of endemic under-nutrition and poverty.

The drought certainly has had a negative impact on the other, already struggling, sectors of the economy. This is in terms of agriculture's decreased contribution to the national economy as well as a further influx of rural people into the urban areas. However, the ongoing national economic problem, while further exacerbating the impact of the drought (lack of markets for agricultural produce, etc.), is in itself a far greater cause of poverty than the drought.

Employment losses in the agricultural sector should be compared with the job losses in other sectors such as mining and manufacturing. Official unemployment is in the region of 20 per cent, but 42 per cent or five million people cannot find employment in the formal sector. Ninety per cent of the 300 000 annual new entrants into the formal job market cannot be absorbed each year. This far exceeds labour displacement as a result of the drought.

In previous droughts, the majority of rural families had access to migrant remittances.

This source of income is much less reliable. The number of people requiring assistance can be estimated according to two norms. According to income norms, about 17 million people (42 per cent) have an income lower than the minimum subsistence level in 1990. The current drought has therefore exacerbated the existing and persistent structural problems in the national economy.

Macro-Economic Impact

Agriculture's direct contribution to GDP has varied between 5 per cent and 7,3 per cent over the previous ten years. Although the agricultural sector's relative contribution to GDP is small and still declining, it nevertheless plays an important role in the creation of wealth in South Africa, specifically in the rural areas.

The share of agricultural production in total output has been severely affected at times by poor weather conditions and droughts. In 1992 the drought and the expected poor harvest of summer crops not only led to a further decline in the contribution of agriculture to GDP, but it also causes a lower-than-expected economic growth rate. It is well known that the agricultural sector has very important linkage and multiplier effects on the rest of the economy.

The *forward* linkages originate from the agricultural sector's delivery of a wide range of raw materials to the secondary sectors. A report by the Economic Advisory Council of the State President indicates that according to the input-output table of the national economy, approximately 58 per cent of the value of agricultural production was delivered to secondary industries for further processing, whereas the delivery of agricultural production to processing industries amounted to 8,2 per cent of the total value of manufacturing production.

The *backward* linkages with other sectors arise from the fact that the agricultural sector is an important purchaser of the products and services of other sectors. The manufacturers of livestock feed, fertilisers, insecticides, agricultural machinery and implements can be singled out as fairly exclusively dependent on sales to farmers. If production in the agricultural sector should decline because of drought conditions, this will inevitably influence activity in these industries.

The total impact of changes in the production of one sector on the other

DATA BASE

The Drought and Commercial Agriculture

The 1991/92 drought has had a severe impact on commercial agriculture in South Africa through reduced rain-fed crop yields, reduced availability of water for irrigation, the reduced capacity of rangelands to support grazing, and the lack of drinking water for livestock. The statistical indicators show that:

- South Africa needs 6,5 million tons of maize per annum whereas the crop estimate for 1992 is 2,4 million tons, with only 1,4 million tons delivered to the Maize Board - import costs amount to approximately R2,2 billion.
- The wheat crop was 1,2 million tons which necessitated imports of 1 million tons at a cost of R550 million.
- The production of grain sorghum in 1991/92 was 95 000 tons whereas domestic consumption during 1990/91 totalled 283 000 tons.
- The production of sunflower seeds for 1991/92 is 173 000 tons as against 589 000 tons in 1990/91 and 559 000 tons in 1989/90.
- The wool-clip decreased from 101,7 million kg in 1990/91 to 77,75 million kg in 1991/92.
- The sugar crop dropped to 1,7 million tons from 2,3 million tons.

Impact on Livestock

The impact of the drought on livestock numbers is partially hidden by the long-term herd cycle:

- Since reaching a low of 7,8 million in 1986, the cattle herd is expected to increase to 8,85 million this year as part of a trend likely to peak at 10 million in 1996.
- The 28,6 million sheep herd (1991) is expected to decrease to 28,5 million this year, and peak at 31 million in 1996.
- These averages, however, exclude the TBVC areas (Transkei, Bophuthatswana, Venda and Ciskei) and disguise the fact that certain areas experienced severe losses.
- Losses in certain of the rural areas was as high as 60%. This had a devastating effect on rural households that depend on their livestock for survival.
- Livestock are furthermore not only held as capital to generate economic growth in these areas, but also to satisfy a complex set of socio-cultural needs.

sectors of the economy can be calculated by means of sectoral multipliers. The agricultural multiplier has been calculated as 1,6, which means that for every R1 million of agricultural production, additional output amounting to R600 000 will be generated in all the other sectors together. This multiplier is calculated as an average for the country as a whole, but it may differ considerably for different regions, depending on the importance of agriculture in a particular region. It is thus possible that the multiplier could be larger

For every R1 million of agricultural production, additional output amounting to R600 000 will be generated in all the other sectors together

The economic growth rate might have been 1,8 percentage points lower in 1992 as a result of the drought

in rural areas that are mainly dependent on agriculture.

In order to determine the effect of the drought on the main economic aggregates, a baseline simulation based on the assumption of a normal agricultural year is compared with an alternative simulation taking drought conditions into consideration. In the baseline simulation the gross value added by the agricultural sector is presumed to be determined by the long-term growth trend of 2,5 per cent per annum. Under normal conditions agricultural production meets most domestic requirements, which means that there is little need to import agricultural products.

The South African Reserve Bank gave a statistical account on the macro-economic effects of the drought (June 1992), through the simulation of a 14 per cent decrease in agricultural output on their macro-economic model.

The possible effects of the drought in 1992 included:

- the economic growth rate might have been 1,8 percentage points lower as a result of the drought;
- as many as 69 000 job opportunities might have become redundant;
- the inflation rate (measured by the consumer price index) could have been approximately 0,8 percentage points higher than it would have been during a normal rainfall year;
- the surplus on the current account of the balance of payments might have been R1,2 billion lower due to a rise in food imports and a decline in food exports; and
- the drought would have tightened the overall financial position of farmers, business enterprises associated with the farming industry and government.

Individual impacts

These macro-economic indicators give an indication of the impact of the drought on the whole economy. It does not, however, give an indication of how it actually affects individuals or communities. Some communities are more vulnerable to the impact of drought than others. The fact is that we are all influenced by the drought, in one way or another.

For instance, a decline in production in the agricultural sector does not only have a

direct impact on economic growth. Because it requires inputs, such as machinery and implements and chemicals, from other sectors and, in turn, provides inputs to other sectors, e.g. food processing, it also affects the economy in indirect ways. The estimated decline in farm income and associated decline in the profits of related industries would have had a negative effect on personal disposable income per capita in South Africa of approximately R70 (see multiplier effect above).

The lower personal disposable income per capita would inevitably lead to lower private consumption expenditure. Furthermore, the higher inflation rate as a result of the drought, especially increased food prices, would also have an adverse effect on private consumption expenditure. Between January and October 1992, the price of vegetables increased by an average of 31,5% and milk and fresh eggs by 17,5% compared to the figures for the same period in 1991.

It is thus clear that drought affects household food security very directly. On the supply side, South Africa was able to supplement its food supplies by imports, thus ensuring the availability of food. However, on the demand side, many households' food security, in both rural and urban areas, were threatened because of their decreased incomes and/or higher prices of food.

About 49 000 job opportunities would have been lost in the agricultural sector during 1992, apart from the 20 000 job losses in other sectors associated with agriculture. If the dependents of people losing their jobs in the agricultural sector are also taken into account, about 245 000 people would have been forced to find another livelihood or become dependent on the state for transfer payments.

Lastly, although it is difficult to determine the number of people who migrated to urban areas on account of the drought, it could have contributed to an increase in the rate of urbanisation over the short term. This would have exerted even more pressure on the already short supply of housing and urban infrastructure.

Apart from the Nutritional Development Programme for which R440 million was budgeted in 1992/93, the central government has also allocated an amount of about R4 billion to farmers for financial assistance. The opportunity cost of the latter amount is huge. In the absence of the

drought, the R4 billion could have been spent alternatively. Rough calculations indicate that for this amount 170 000 classrooms could have been built or about 533 000 serviced sites (at a cost of R7 500 per unit) could have been provided. This does not take into account the thousands of jobs that could have been generated by the provision of such infrastructure.

Restructuring Agriculture

The commercial agricultural sector is undergoing a restructuring phase which is linked to the unsustainability of the current system in terms of economic, political, financial and ecological principles. It is clear that comparative advantages and market principles are playing an increasingly important role in the South African economy and specifically agriculture. This has already impacted heavily on the structure of agriculture and will continue to do so in the near future. These trends of rural restructuring will receive new impetus once a political settlement has been reached.

Deregulation and market liberalisation have had major effects on commercial agriculture: crop production has shifted eastwards to the higher rainfall areas; livestock production is taking place on marginal crop land; agriculture has intensified considerably in especially higher potential areas; and farm sizes seem to have decreased. Where commercial agriculture was extremely rigid at the beginning of the 1980s, this movement towards free market principles in agriculture has drastically increased the responsiveness of agriculture, especially in the grain sectors. This is adequately illustrated by the increase in elasticities of substitution between the major inputs such as labour, land, machinery and energy from 1980 to 1990.

The increased responsiveness and flexibility of agriculture to changes in prices of inputs and outputs will also impact positively on the sector's ability to both counter the negative effects of drought and revive itself after severe drought. This will decrease the adverse impact of drought on the economy and agriculture in particular.

It is clear that the drought has influenced all South Africans, not only those in the

agricultural sector. Its influence is felt in terms of *inter alia* job losses and lower incomes, higher prices, particularly for food, and foregone economic opportunities due to state expenditure that has to be allocated to ensure national and individual food security.

The impact of the 1992 drought is obviously severe and especially harmful to the producers of summer crops. Although the agricultural sector's contribution to the Gross Domestic Product has declined continually since the 1960s, it nevertheless still plays a very important role in South Africa's national economy, especially because of its interdependence with the other sectors.

The results obtained with the macro-econometric model of the Reserve Bank indicate that the average inflation rate could be approximately 0,8 percentage points higher as a result of lower agricultural production. Although most food prices probably increased at a faster rate because of the restricted supply of agricultural products, meat prices usually tend to rise at a slower rate and may even decline during periods of drought. Meat prices may, however, start affecting consumer prices at a later stage when grazing conditions improve again.

The direct negative effect of R2,1 billion on the current account balance as a result of the lower maize crop could be partly neutralised by a decline in imports because of the lower level of economic activity. This, together with the lower exports of agricultural products, could result in a net negative effect of approximately R1 200 million on the current account, which could be further affected by the adverse effect of the drought on agricultural products other than maize.

The drought will not only tighten the overall financial position of farmers, but also that of the government and other business enterprises associated with the farming industry. The Minister of Agriculture has already granted additional financial aid to farmers for the next three years. This demonstrates the fact that the drought not only has a once-off impact on the economy, but that its effect will still be felt in forthcoming years. IDA

Comparative advantages and market principles are playing an increasingly important role in the South African economy and specifically agriculture

These trends of rural restructuring will receive new impetus once a political settlement has been reached



A Prayer for Rain

in Bophuthatswana

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The drought has revealed the parlous state of agriculture and government management in several of the black rural areas and the 'homelands'. This case study of drought relief initiatives in Bophuthatswana highlights the tensions that can develop between official and community perceptions of appropriate coping strategies.

The droughts of the 1980s and 1990s have resulted in the reduction of water levels in dams and a much reduced national maize yield. Descriptions of the physical characteristics of droughts very often, however, mask the social and human faces of such events. The impact of the drought is usually aggravated in poorer, rural households. Another dimension of the drought, until recently often overlooked, has been the revelation of poor management, including national drought and local farm management.

Rainfall in Bophuthatswana is erratic, often occurring in short thundershowers in the summer months. Drought years, often prolonged, are a frequent phenomenon and have occurred regularly in the past, most notable being the droughts of the 1930s, 1960s, 1980s and that of the 1990s.

The prevalence of drought usually accentuates the problem of poor water supply in many of the rural areas of Bophuthatswana. Problems, although not unique to this region, include the long distances that have to be traversed to obtain water, the drying up of boreholes (often ascribable to poor maintenance) and the problem of varying prices that can be paid for water which can lend itself to exploitation of rural poor (IDRR, 1986).

The loss of a household's livelihood, such as livestock and maize, is also a well-known factor during drought periods, although precise estimates of the magnitude of the problem are difficult to ascertain. While the efforts of the Department of Health and other social workers appeared to be reaching those in need of assistance during the drought the position was much worse with cattle, a valuable resource to rural households:

Large numbers of cattle are being fed at own cost by villagers. Alongside the road, the desert look of the veld and the carcasses bear evidence of the impact on the rural economy (Prinsloo, 1992).

The loss of livestock is, however, predicated on the condition of the veld. Reports from all but one district (Ganyesa) reported that grazing conditions were fair to poor, deteriorating or in a bad condition during the height of the 1992 drought. It has been estimated, moreover, that the region is some 55% over-grazed - with a theoretical long-term carrying capacity of 450 000, livestock numbers currently approach 700 000. Although figures for subsistence farmers are difficult to obtain, recent estimates indicate that the subsistence sector holds about 470 000 livestock (Bophuthatswana Planning Division, 1992).

Drought impacts in Bophuthatswana, as in other areas where several households are engaged in subsistence production, often merely draws attention to the endemic problems of the region. The lack of rainfall therefore is only a facet of the overall picture. Although much has been made of the impacts of the recent drought, it is the evaluation and analysis of the response to drought that very often receives little attention. Yet it is precisely this issue that will assist in better drought management in the future.

Relief Initiatives

Ad-hoc drought committees were initiated in Bophuthatswana to try and relieve problems encountered during the droughts of the 1980s and 1990s. It involved the expansion of the state initiative into Thusano, a parastatal body controlled by the Bophuthatswana administration, which included a multi-faceted drought relief initiative including food relief to over 12 500 families, water relief, labour-based relief programmes and agricultural assistance.

These initiatives were commendable but several problems arose, partly as a result of crisis management schemes and the lack of a detailed understanding of the drought phenomena.

Firstly, the management of drought as seen by several governments, not least that in Bophuthatswana, is seen as a temporary affair that is usually countered with crisis management (Vogel and Drummond, 1993). The formation of 'ad-hoc' committees in times of drought are fraught with problems, such as bureaucratic matters, that often delay relief intervention:

It should be recognised that employment through selection in districts took a very long time to take off. It was at the peak of the feeding scheme that selection for employment had to be embarked upon. Understandably social workers were busy with feeding and could not pause to complete the employment survey.
(National Disaster Drought Committee, 1992:4)

Intervention moreover, though well-intentioned is often haphazard and lacks focus. Firstly, it can also often create feelings of dependency amongst the recipients of drought relief, by delivering food aid

and then removing it when good rains return. Large amounts of drought aid are also usually required but these assistance measures are frequently written off when the crisis has passed.

The second, but most important, problem in understanding the enigma of drought in several southern African countries is that there is official confusion as to what constitutes drought relief and what constitutes development. A socio-economic survey of destitute households (Drought Relief Office, 1987), for example, noted that some of the problems of the rural destitute in Bophuthatswana included job opportunities, improved water supplies, arable land, access to education and better health facilities. These problems remain and precede droughts and are not caused by them but are merely exacerbated by such phenomena.

As a result of this dilemma, the Thusano operation, although a very valuable initiative, encountered bureaucratic difficulties. In fact, after a lengthy court case, several of Thusano's activities were discontinued:

State officials having special knowledge of the company were firmly of the view that other departments of State were carrying out the company's objectives and projects such as "Drought Relief" and that because of lack of resources its future existence was no longer necessary; they were of the opinion that the company should be placed under final liquidation in that the very reason for its existence had fallen away (SA Law Reports, 1992:553).

Table 1
Drought Coping Strategies of householders in Disaneng (Molopo) and Kunana (Ditsobotla) during 1992 drought

YEAR	VILLAGE	COPING STRATEGY			
		No Strategy	Pray	Sell stock	Govt aid
1990s	Disaneng	78%	72%	22%	26%
	Kunana	30%	78%	68%	54%

Note: These coping strategies were ranked in order of first choice and so on. The notion of a linear, organised series of coping options in the face of harsh droughts, as mentioned in literature for elsewhere in Africa, does not occur in this case. Rather strategies are location/regionally specific. The choice of coping mechanism is influenced by variables peculiar to these areas while the role of violence as a deterrent in migration options cannot be underestimated.

Source: Vogel CH. Consequences of droughts in southern Africa (1960-1992), unpublished PhD thesis in preparation, University of the Witwatersrand, 1993.

Thirdly, investigations of local, community coping mechanisms indicate that greater knowledge and understanding of these is required to ensure adequate drought relief. Many rural African communities have lived with the legacy of drought and related impacts for millennia. Those living in drought prone areas, moreover, have developed coping mechanisms but it is argued that failure to access and understand these may explain the ineffectiveness of relief and development aid:

To resolve the problem of coping mechanisms endangering long-term survival, we need to know much more about "traditional" coping strategies ... Indigenous systems of knowledge for maintaining

Table 2
Drought Impacts in Molopo and Ditsobotla during 1992/1993 drought

	Cattle loss	Numbers of people on feeding schemes ¹	Numbers of people in employment scheme ¹
Ditsobotla	2 366	21 581	67
Molopo	2 280	18 305	1 056
Total	20 901 ²	104 582	9 165

Source: Drought Relief Report, Mmshato
Note: ¹ Figures for Jan/Feb 1993
² Figures for June 1992 - Feb 1993

income and survival in the face of increasingly severe external stress need to be explored (Cekan, 1990:5/6).

Furthermore, the role of several socio-political factors have served to change these coping strategies through time, while gender differences in coping strategies also occur. The issues influencing drought coping strategies are poorly understood and require further analysis and investigation.

Coping Strategies

In order to illustrate the need for a greater understanding of local drought coping strategies in Bophuthatswana the case of two village communities, Disaneng (Molopo district) and Kunana (Ditsobotla) are briefly examined here (see tables). A longitudinal survey of these two villages was undertaken, embracing the droughts of the 1980s (Freeman, MA Wits, 1988) and 1990s (Vogel, PhD Wits, 1993).

These villages are characterised by a semi-arid climate. Dryland and livestock farming are the main agricultural activities practised. Although several households engage in these activities, with livestock ownership being common (previous estimates indicating that at least half of survey sample owned livestock, whereas less than 20% engaged in crop cultivation) variations do occur. The presence of the Mooifontien Co-op near Kunana, for example, has had an influence on the number of crop farmers in the area.

Some of the results indicate that, firstly, notwithstanding the drought intervention of the 1980s and the 1990s by the government, the communities indicated that they lacked the ability to collectively mobilise themselves around drought. This is not to say that they have no coping mechanisms but that these tend to be unorganised. Apathetic and often pathetic responses revealed that the local community either do not know what to do during a crisis situation such as drought or resort to prayer as their first option (see table one). More than 70% of the respondents, during both the 1980s and the 1990s drought, indicated that they have no drought coping strategy and that their first option is to pray.

These findings were borne out in other community responses to drought such as in the north-eastern Transvaal. Cattle farmers in the Western region of Bophuthatswana also indicated similar coping responses, particularly the primary option of prayer. Factors mitigating against the sale of cattle during 1992 included the optimism of sellers that conditions would improve:

The realisation of impending disaster as so strongly expressed at Head Office, has not fully dawned on the cattle owners. Even as they withdraw animals from sale, their sentiments seemed to express two kinds of sentiments. Hope that things would change for the better. A number of sellers held the view that through prayers they would make it rain and that they were prepared for the worst ... if it so happens that there is no grazing left he could still eat the animal. (Tube, 1992:6).

Over time, notwithstanding the efforts from the government, it would appear that the villagers interviewed have not been able to become more 'drought proof'. The results were in fact surprisingly similar for both surveys, both that undertaken in 1982 and 1992, although it would appear as if the presence of a cooperative, access to credit and other support has enabled some of the households of Kunana to begin to better equip themselves against drought.

Secondly, the poor economy and violence detracted from the often cited migration option. This mechanism was not high on the list of coping strategies, with several of the respondents preferring to 'sit out' the drought. Such tendencies are not unique to these communities. Research elsewhere in the country and in neighbouring countries such as Zimbabwe report similar patterns. Indications from surveys undertaken in squatter settlements in the PWV, for example, also seem to indicate that the influx of migrants from rural areas occurred prior to the drought periods of the 1980s and not as a direct consequence of the dry period.

Evaluation

Droughts are regular features of the South African landscape. Severe drought periods, including devastating 'back-on-back' droughts have occurred in the 1980s and 1990s. While several of the impacts of the most recent drought have not become visible and may be delayed, research into local communities indicates that the impacts have been marked.

Some of the impacts of the drought for two villages have been identified in this case study. While the surveys were small, covering only approximately 100 households in both villages, the results indicate that the removal of valuable subsistence back-ups such as cattle and food have occurred as a result of the drought (see table two). These impacts have, however, been predicated on a poor supply of water in the area.

The indications of drought coping strategies during periods of crisis have been a more valuable product of the research. While much is known of such strategies in the rest of Africa, including areas to the north of South Africa, little local detailed knowledge is available. Communities in rural areas, even where well-intentioned drought relief has been devised, appear to lack any ability to actively mobilise themselves around droughts.

Traditional coping strategies have been eroded through time. Even though recourse can be made to official relief measures, the overwhelming responses to drought appear to be that communities do not know what to do in a crisis situation and that several resort to prayer as a first option. While individual households exhibit coping mechanisms such as seeking alternative local work, digging wells for water, selling cattle and seeking help from official sources, the majority indicated that they remain essentially powerless during droughts.

Food security is an important issue in South Africa, particularly for rural households. Issues such as effective targeting of households, efficient and reliable methods of identifying those in need and gender differences remain high on research agendas. Through all this, however, one needs to be extremely sensitive to the local community responses.

The need to look *within*, at how local communities have responded and are responding to times of crisis, such as drought, rather than how outside agencies can deliver, must always be borne in mind. Community-based strategies need to be understood and enhanced and/or developed. Initiatives underway to survey rural communities to establish indicators of poverty, although useful, may therefore miss a great deal if drought coping mechanisms, both those used in the past and those of the present are overlooked.

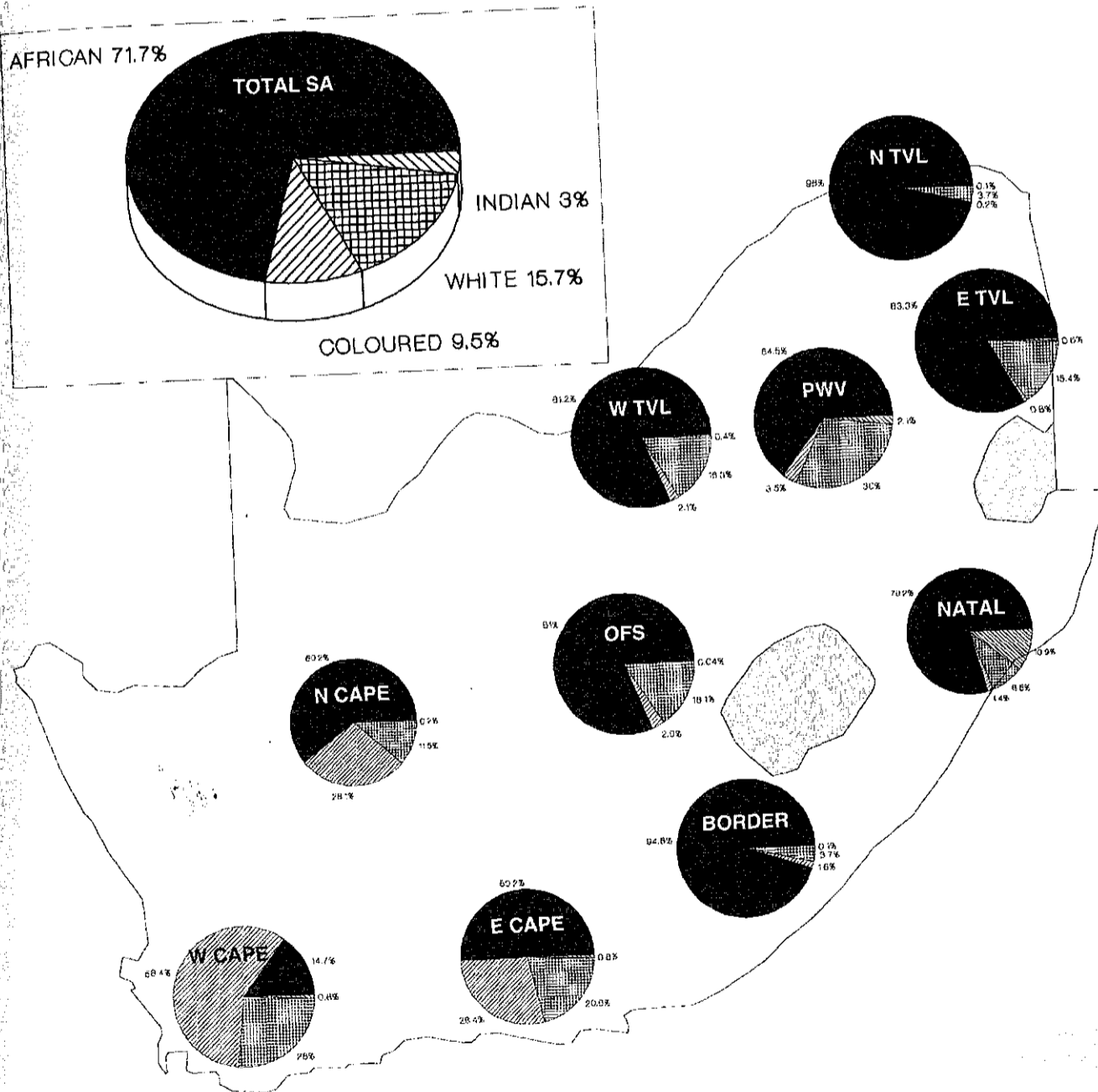
The research findings in this case study suggest that even though official relief mechanisms have been in place during periods of crisis, these could have been improved if a greater understanding of local community coping mechanisms had been more constantly and effectively monitored and evaluated. IDPA

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Source: Figures extracted from *Fast Facts*, SAIRR, July 1993.
 Note: Figures for each region include population from the proximate homeland(s).

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PHANTOMS in THE MIRROR

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The "new South Africa" is a mythical nation in as much as it exists in people's minds but not, as yet, in reality. When it does exist in reality, to what extent will it be the product of planning and of policy, and to what extent the creation of "mentalities", combining past and present modes of thought and ways of life to shape the future? Alison Jones philosophises on the role of value systems in changing government and society in Africa.

The American philosopher Robert Nozick once remarked that the trouble with frameworks of reference and method is that they define and therefore limit the scope of ideas. Hence one is sometimes reduced to squeezing and prodding ideas in an energetic attempt to get them to fit within the confines of one's framework, and a certain amount of distortion is regrettably inevitable.

The beauty of *mentalité* as a method of assisting or even enhancing understanding of what one might call 'the African situation' or 'African systems', is its conceptual fluidity which enables it to defy distortion. *Mentalité* has been variously described as a set of attitudes; as ideas - or feelings - or beliefs; as spiritual values; as conceptual apparatus - as mental equipment; as a mode of thought - a cognitive map. It can also be described as a way of life based on any or all of these items.

Mentalité is a concept pioneered and developed by the Annales school of historians (1929 onwards) as part of a new approach to history - an approach which was formulated as a reaction against analyses of history which focus on great leaders/great events/great civilisations/great historical and economic laws and so forth. It is a search for real people and their function in history through an examination of their daily lives, their habits, their belief systems, and the way in which they adapt to (accept/reject/modify) their economic and political environments.

This approach to history inevitably involves the Annales in a variety of other social sciences. Wherever the words 'mentality' or 'mentalities' are found, wherever there is an emphasis on the importance of value systems and mental perceptions, the influence of the Annales school may be discerned.

The philosophical stance of the Annales is, in essence, as follows:

- ⊗ economic factors do not dominate society to the extent postulated by the Marxists (or indeed by any school of thought which focuses on economics);
- ⊗ conflict between groups is not merely economic but a conflict of thoughts and feelings as well;
- ⊗ spiritual attitudes and values should not be reduced to mere manifestations of economic change.

As Le Goff (1974:79) remarks:
In the mirror which the study of economics

Africa, a continent which refuses to be kicked into shape, whether the boot is Marxist or Liberal, capitalist or socialist

The 'new South Africa' stands as an apt concrete metaphor for Africa - more fiction than fact and trading in hope and promises

Territorial boundaries were arbitrarily imposed by the colonial powers, and national unity is undermined by ethnic differences and cleavages

offered society, one was only able to see a faint reflection of abstract schemes rather than well defined outlines of real people.

The task of analysis is not to explain human phenomena in terms of this or that developmental stage, this or that mode of production, but to understand societies and epochs in an imaginative and empathetic way. The Crusades, for instance, would be perceived as a collective religious mentality, focused on the image of Jerusalem ... the Medieval mentality/the idea of service would be emphasised as intrinsic to an understanding of the Feudal system ... Capitalism would be made explicable (as Max Weber demonstrated) in terms of the Protestant ethic.

In this way, history is seen as a set of unique contributions of the human mind, on different levels, at different times, interacting (whether by consensus or conflict) to produce a result (that is, a different society at a different time) which is greater than the sum of its parts. Such an analysis is holistic as opposed to mechanistic.

Collective Choices

The co-founders of the Annales school, Lucien Febvre and Marc Bloch, provided illustrations of the impact of *mentalité* on history. A river - one of Febvre's favourite examples - might be treated by one society as a barrier, but as a route by another. In the final analysis it was not the physical environment that determined the collective choice but people - their ways of life and their attitudes (Burke:1990:15).

Bloch's best known book, *The Royal Touch*, examined the medieval belief that the king's touch gave healing, and came to the conclusion that the mentality of a 'great man' is precisely that which he has in common with the people. Closer to home, to take an African example of *mentalite* in action, Cetshwayo is quoted as having said to the Lutheran missionaries (on the matter of redemption):

We do not resemble you in living, so why should we resemble you in dying? (Oschadleus:1993:97).

The Zulus had no concept of heaven and hell. To them, death was the inevitable punishment for sins (equally inevitable) committed during life. The way in which the Christian religion has developed in Africa and taken unique form can best be understood in terms of the interplay

between different modes of thought. At the funeral of Chris Hani, the Archbishop of the Anglican Church behaved in a way which shocked some (conservative) Anglicans; nevertheless he is the head of the Church and as such he symbolises a blend of mentalities which has created a unique form of Anglicanism. One could see Archbishop Tutu as a living image of the 'new South Africa'.

Mentalité, in its imprecision and fluidity, its resistance to the imposition of structure and method, is an apt conceptual metaphor for Africa, a continent which refuses to be kicked into shape, whether the boot is Marxist or Liberal, capitalist or socialist - and it seems to me that Nozick would appreciate the irony of the term 'structural adjustment'.

Sub-saharan Africa is neither definitively European nor definitively African. Colonial systems were by definition separate from the systems in Europe which spawned them - and the post-colonial systems are not African in the true or traditional sense. African states define themselves in terms of one political ideology or another, one economic system or another, yet the concept 'African state' is itself an interesting blend of fact and fiction. Territorial boundaries were arbitrarily imposed by the colonial powers and national unity is correspondingly undermined by ethnic differences and cleavages.

A system in a condition of precarious balance, as many African systems are, tends to define itself not in terms of what it is, but in terms of what it would like to be - and here the 'new South Africa' stands as an apt concrete metaphor for Africa. More fiction than fact and trading in hope and promises. Yet the power of the idea transfixes us all.

What is Civilised?

The phenomenon of colonialism has been explicitly analysed in terms of mentalities in opposition: the mode of thought and way of life of the coloniser vs. that of the colonised. Perceptions of 'otherness' have been imposed on colonised people, reflecting not the reality of the other but the reality of self. As JN Pieterse (1992:232) remarks:

An ideology of alter involves an ideology of ego. Representations of otherness are therefore also indirectly representations of self.

Pieterse suggests that the origin of the image or concept of civilisation arose as a process of opposition to that which was defined as not civilised. Terms which have been used to denigrate the colonised peoples and justify the imposition of alien rule are to be found in the history of Europe and in the way that Europeans defined themselves and distinguished 'the other'.

The first recorded distinction was made by the Greeks as a way of separating themselves from other peoples in general and the Persians in particular. A similar distinction was later made between people who were part of the Roman Empire and people who were not - and later between the Saxon mainstream in Europe and the Celtic fringe: the 'wild Irish', the 'barbaric Scots' and so on. A distinction which, in its original form, referred to the frontier between cultivated and uncultivated land (the forests and the mountains, inhabited by mythical beasts and half-human creatures) was translated into a distinction between cultures.

These attitudes and relations between societies, pioneered and developed in Europe, were subsequently used to define relations between the European and the non-European world. *Terra nullius*, usually interpreted as meaning uncultivated land, became, as it had in European territory, a mental image which justified invasion, conquest and the subjection of one people by another. Pieterse quotes Beloc: 'Whatever happens, we have got the Maxim gun, and they have not'.

The colonisation of Africa would not have been achieved without the invention of the machine gun. The definition of 'civilisation', it seems, rests in the final analysis on military technology. I am civilised because I can kill ten people at one time (or millions, as the case may be); you are not civilised because you can only kill one person at one time. This, at any rate, is Pieterse's argument. Whether or not one agrees with him, it is true, I think, that colonial wars in Africa have been fought as much on the battleground of *mentalité* as on the military battleground.

The European perception of the 'other' was imposed on the African as his or her perception of self. The psychological or mental component of colonialism was as important as any other component, if not more so - as testified by the schools of thought in Africa which have arisen in reaction to the European perception of what it is to be African. Negritude in the former

French colonies; African Socialism in Tanzania which, in its philosophical underpinning, depicts a 'golden age' Africa; the Black Consciousness Movement in South Africa ... these are all illustrative of the African perception of a mental war waged against them by the European colonisers.

The Colonised Mind

Liberation wars are fought on two fronts; and the *mentalities* front, freeing the mind from a condition of inferiority, is at its most explicit in the writing of Frantz Fanon.

Fanon worked for a time as a psychiatrist in an Algerian hospital. In the condition of the mentally ill he diagnosed a deep seated psychological neurosis implanted, as it were, by colonialism. In his letter of resignation to the colonial government he noted that there existed a massive degree of alienation among the indigenous population; he wrote of a mental state of absolute depersonalisation.

Fanon's books were based on the case histories of his patients and the notes he made during consultation and treatment. Among the conclusions he drew, one is vital to my thesis: ultimately, colonial power does not depend on military and administrative structures; it depends upon the creation of a certain attitude in the minds of the colonised people, that is, an attitude of subjection. (Fanon:1969). His solution - 'purification through violence' - is challenged by Gandhi's opposite solution to the same problem.

If violence starts in the mind and is perpetuated through mental exchange, then using the same methods as the coloniser merely serves to recreate a cycle of violence in which different people use force at a different time but otherwise nothing much has changed. Any rejection of colonialism must of necessity include a rejection of violent attitudes because it is our attitudes which construct our behaviour. *Liberation without freedom from violence is colonialism by another name* - and this point is not disputed by Fanon in as much as he believed that colonialism in its wider context is the exploitation of man by man.

To elaborate: if we take the point of view that race is a social construction and all human behaviour is cultural in character, then the racial component to colonialism was never a reality, it was no more than a justification. In which case it follows that

The colonisation of Africa would not have been achieved without the invention of the machine gun

Colonial wars in Africa have been fought as much on the battleground of mentalité as on the military battleground

The end of colonial rule enabled African elites to exploit the people with all the ruthless arrogance of the colonisers

other justifications will do just as well. I am entitled to dominate and rule over you by virtue of my age/gender/nationality/ethnic group, or by virtue of my education/socio-economic status etc.

In a continuum of inequality and exploitation, racism is one of the more objectionable manifestations but it is hardly unique. Any analysis of post-colonial African states should not give so much weight to the elimination of racism that other factors are, if not discounted, at least overshadowed and pushed into the background. It should be acknowledged that discrimination of various sorts has hidden behind the euphoria attendant on the end of colonial (racist) rule, enabling African elites to exploit the people with all the ruthless arrogance of the colonisers.

The attitude of subjection described by Fanon has been perpetuated to serve the interests of Black elites, and the two opposing modes of thought which characterised the colonial era, namely modes of domination and modes of defiance, have also been perpetuated in the post-colonial era, along with the violence of repression and resistance.

The models which have been deployed to explain the fragile nature of the African state, the precarious relationship between state and society, the crisis of legitimation and the resort to force as an habitual solution, have placed their emphasis on structure and system, political or economic. States of mind are ignored or lightly passed over. Yet if the *mentalities* which characterised the behaviour of rulers and ruled were seen (by theorists of repute) as being of supreme importance in the analyses of the colonial era - why is this no longer the case?

The elimination of racism has not alchemised Africa. Surely an analysis of opposing modes of thought is as important now as it was then?

Resistance to Rule

The new missionaries are sent by the International Monetary Fund and the World Bank and they preach capitalism. Hymns of praise are sung to liberal democracy. Expatriates proselytise on behalf of United Nations agencies and multinational companies. Where is African reality in all this? As Cetshwayo might have said (bearing in mind that redemption has lost its association with the afterlife) ...

We do not resemble you in living; why should we resemble you in living?

Africa is par excellence the continent of conflicting realities. Where once there was conflict between the realities of coloniser and colonised, now there is conflict between the realities of rulers and ruled - elite and masses - government and people. Army coups, assassinations and so forth are perhaps no more than the dressing on top of a profound resistance to forms of rule which have not taken root in the minds of the ruled.

Mentalite has been widely used by historians of the Annales school and by theorists who lean towards the Annalistes, to explain the phenomenon of collective resistance in its various forms: religious; ritualistic or symbolic; active (revolts and uprisings); passive (the withdrawal of cooperation).

Le Roy Ladurie (1981) describes the clash between the ideology of Catholicism and the *mentalite* of heresy in 14th century France. He notes that when Catharism began to spread, the dominating ideology could no longer tolerate it and the suppression of heresy achieved that refinement of cruelty which is the speciality of the elite which believes itself to be seriously threatened.

Burke (1992:87) describes the reminiscences of the poet Illyes who grew up on a Hungarian farm at the beginning of the century:

Work for the farm servants was unremitting ... their reaction was to perform every action in slow motion ... this style of behaviour may be seen as a form of reaction to excessive demands.

This paradigm - the excessive demands of an ideology and the resistance, in various forms, of *mentalite* - may be usefully applied to post-colonial African states, particularly when considering the phenomenon of disengagement.

Disengagement is the tendency to withdraw from the state and keep at a distance from its channels as a hedge against its instability and dwindling resource base. As scepticism rises concerning the effectiveness and legitimacy of state actions, they are undermined by subtle means of popular evasion and dissimulation.

(Azarya in Rothchild and Chazan:1988:7).

Azarya goes on to distinguish between disengagement on the one hand and active

The new missionaries are sent by the International Monetary Fund and the World Bank and they preach capitalism

attempts to replace one form of rule with another on the other hand. These are attempts to capture the centre of the state, not to disengage from it. However, secession, civil war and regional separatism may also be seen as manifestations of disengagement in that the objective is detachment from the state. This mode of defiance - which manifests itself in a need to escape the state and its representatives, is most commonly acted out in the form of satire, ridicule, disinterest, passivity, apathy - recalls to mind Fanon's diagnosis of the ills of the colonial system: a massive degree of alienation.

Amilcar Cabral once remarked that there are no wars between the peoples of Africa, only wars between their elites. In the light of this remark, military *coups d'etat* may be seen as a would-be elite trying to capture the state from the elite in possession. The non-elite, that vast, politically silent majority, is too alienated to act. Instead it turns in on itself in the ways described by the Annalists and by Azarya and, as a way of denying the legitimacy of the justifying ideology, it undermines and sabotages the effectiveness of the state.

For the purposes of this paradigm, how is ideology most appropriately defined? It can best be understood, I think, as the hegemony of the ruling group which depends on a certain degree of acceptance by the subordinate groups. Gramsci contrasted the functions of 'domination' (direct physical coercion) with those of 'hegemony' or 'direction' (consent, ideological control) (Boggs: 1976:39).

When the latter fails, a ruling elite resorts to the former. If an ideology does not mesh, at least in crucial areas, with the mentalité or cognitive map of the people, it is likely to fail and physical coercion is likely to result, driving the people further into an alienated condition and lending further impetus to the process of disengagement.

The "Real" People

The absolute 'truth' of a belief in the eyes of the ruling elite (and Africa has produced its fair share of fanatics) in the long run makes no difference to the phenomenon of collective resistance. The point being that what is true or right or appropriate in one setting is not necessarily right in another setting.

In Africa, with the sole exception of African Socialism, ideological systems

have been European in derivation and have not adapted particularly well to the African environment. Can it be honestly said that a country which is being held to ransom by the World Bank is making a voluntary and enthusiastic change from socialism to capitalism? (two cheers for democracy). Or . . . will South Africa become, with supreme irony, the last bastion of Stalinism, the sole surviving outpost of a defunct communist empire?

Such is the paradoxical, sometimes farcical, too often tragic nature of African reality.

The failure of African Socialism is another story - but it does represent the only autochthonous ideology to date; the only sustained and conscious attempt to mesh a political and economic system with the *mentalité* of the people.

The study of mentalities involves, among other things, what might be described as an imaginative leap into the realm of the 'other' - a creative and challenging leap in as much as it involves the attempt to free oneself from the constraints of one's own time and place. The study of mentalities can, in fact, help us to avoid the use of rhetoric in which people in the collective become, to use Le Goff's phrase, 'grimacing phantoms'. It is a perspective which gives us real people instead of the cardboard cutouts of Marxist determinism, or the huddled masses behind the spotlight figures of Hitler/Stalin/Thatcher/de Klerk/Mandela/the Statue of Liberty et al.

The Annalists explore what they call 'history from below'; their conceptual journey takes them 'from the cellar to the attic'. More specifically, their method has been described as: *The history of those who have suffered, worked, declined and died without being able to describe their sufferings* (Burke, 1990:8). With many of the inhabitants of this vast sub-continent in this unenviable condition, what Le Goff called 'the profound song of mentalities' is supremely appropriate in an African setting. **IPWA**

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Secession, civil war and regional separatism may also be seen as manifestations of detachment from the state

Amilcar Cabral once remarked that there are no wars between the peoples of Africa, only wars between their elites

Black Hopes, White Fears, Racial Myths ...

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Is there a South African political mythology? How are our myths related to the task of building a "new South Africa"? After a four-month research trip to South Africa, a visiting research fellow reflects on the dilemmas faced by white South Africans in making political choices in response to imminent changes. He contrasts black hopes for the future with white fears about the new order.

South Africa has never developed a democratic culture in the true meaning of the political ideal

When on 2 February 1990, President FW de Klerk pulled the rug from under the feet of white South Africa by announcing the prospect of a non-racial political order, he exposed the myth that Apartheid was only a corpus of legal prescriptions that could be removed by the stroke of a pen.

Three years later, one is struck by the concrete manifestations of apartheid in terms of the geographic and physical distribution of ethnic groups as a permanent feature of the social landscape. Two cases in point are the sprawling, often decrepit (black) townships which are satellites of every major city, and the various (black) 'homelands' that epitomise apartheid social engineering.

It would take the combined wisdom of a Solomon and a Solon, as well as the technical skills of an Archimedes and a Leonardo da Vinci to unscramble this whole mess. It is beyond the capacity of mere politicians to reverse apartheid in practical terms. Then there is the attitudinal dimension of apartheid which affects all ethnic groups in South Africa. Like a deeply-rooted cancer, apartheid is exceedingly recalcitrant to rational therapy.

De Klerk's change of heart, more than any other event in South African history, fueled black hopes, and correspondingly, raised dark forebodings and fears among the majority of whites. It is not without significance that de Klerk has become one of the most vilified politicians among many of his former supporters. A recent Markinor survey on leadership popularity revealed a dramatic decline in the State President's popularity among white voters, from 84% white support in March 1992 to 69% in March 1993 (*The Daily News*, 27/4/93).

De Klerk's efforts to cooperate with the black anti-apartheid alliance are not viewed by many white respondents as nation-building but as a 'sell-out to the blacks ... to please the international community'. Any obituary for the demise of Apartheid would be quite premature at this stage.

□ myth of democracy

South Africa has never developed a democratic culture in the true meaning of the political ideal. If there were already such a political culture of democracy, it would be a contradiction in terms to speak of a 'new (democratic) South Africa' as many people are trumpeting at present.

South Africa has always been a mono-racial oligarchy whose sense of nationalism was defined by both skinship affinity and the collective mortal fear of whites of their black counterparts. From the first post-imperial government in 1910, every South African government elected up to the present has been installed precisely to maintain minority hegemony, the direct antithesis of democratic nationalism.

Democracy is about political rights (not dispensations); it is about human rights (not prescribed freedoms to 'develop along own lines'). Democracy is about universal franchise, the right of every eligible citizen to vote for a national government and to stand for free election. One may be tempted to ask: if South Africa were already a democracy, why have de Klerk's proposals for reforms aroused such considerable apprehension and opposition from those accustomed to seeing democracy as a privilege of the few?

The massive 'Yes' vote to the March 1992 Referendum on constitutional reform itself was an exercise in ethnic politics. One might even suggest that the 'Yes' vote was in itself inspired by the fear of black anger in the streets. In other words, the response was less a principled one than enlightened

self-interest. It could be argued that 'a plural society [like South Africa at present] is not a conducive environment to the practice of democratic competitive politics' (Rubishka, 1978:180).

□ *myth of elections*

Election fever appears to have captured the collective imagination and affected the national psyche like an endemic virus.

Let us debunk the myth that equates elections with democracy. Elections are essentially about choosing candidates for political positions and to install governments to office. They are about mobilising constituency support for one's own party against all others. *Elections are a democratic exercise, but not democracy in, and of themselves.* (South Africa has had some sort of election since the eighteenth century, but the country has never been a democracy as such.)

Elections are democratic only within a democratic culture nurtured on universal principles of equity; otherwise they merely amount to five-yearly rituals to change or to re-affirm governments. It may be recalled that it was a duly elected government that abolished a common voters roll and passed the Separate Representation Registration Act in South Africa in 1952 (to disenfranchise 'coloured' voters).

The current turmoil in Angola following Savimbi's renunciation of the recent democratic elections should have laid this myth to rest. Without a national democratic culture, i.e. democratic norms of political behaviour commonly shared among citizens of a nation, only an act of faith can sustain the belief that an election can cure the current malaise in the national body politic.

□ *myth of the nation*

Another popular myth assumes that South Africa is a nation. It overlooks the fact that it is not, and has never been a nation. It would be more correct to speak of South Africa as a *country* since it physically exists with distinct boundaries or as a *State* since it is a territorial juridical unit with a recognised formal governmental structure and a population. It certainly is not a *nation*.

South Africa has no over-arching ideology of nationalism; no common notion of citizenship; no national institutional culture; no common basis for dialogue; and no common sentiment of peoplehood. In fact, the state ideology of apartheid has always insisted that South Africa consists of 'plural nations' with separate freedoms and

destinies. Ironically, these myths are embedded in the plethora of apartheid legislation.

The (now repealed) legal repertoire of apartheid is itself a renunciation of the idea of a South African nation: *The Group Areas Act; The Separate Amenities Act; The Prohibition of Mixed Marriages Act*; as well as the various Departments of 'Own Affairs'; and separate educational systems. By the government's own admission, the over three hundred apartheid laws on the statute book pose a monumental task in the creation of 'a New South Africa'. All the legislation related to the creation of the so-called homelands is a political negation of the notion of a common South African citizenship.

Racial Stereotypes

South Africa today reflects a political culture in which violence has been rationalised as an instrument for the attainment of rights, claims and perceived entitlements, regardless of the legitimacy or morality of such claims. However, the violent confrontation in the contest for political space is not new. The whole political superstructure of South African society has, historically, always been underpinned by state-controlled violence and coercion.

The contemporary predicament can be traced back to the historical struggles between African aspirations for political and civic rights and the government's refusal to acquiesce in defence of white claims to exclusive hegemony. During a century or more of confrontation and state intransigence, the hopes of black South Africans had gradually deteriorated to the point of despair while the sense of security among the whites appeared unassailable. However, after the mid-1980s when the state appeared unable to contain the escalating violence, black hopes began to rise while white security gave way to fear.

Both white and black expectations have been given further credence by the series of events since President de Klerk's historic pronouncement of 2 February 1990, which heralded the imminent demise of official apartheid and exclusive white political dominance.

An objective analysis would suggest that both sides are realistic in their assessment of their respective positions. Black hopes are buoyed by the recognition that,

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South Africa today reflects a political culture in which violence has been rationalised as an instrument for the attainment of rights

Whites fear for their physical safety and group survival, they fear the loss of minority privilege and they fear that past injustices will be turned against them

What black people may term the levelling of the playing field may be viewed as relative status deprivation by many white people

historically, a minority oligarchy cannot permanently hold on to power in the face of an overwhelming and persistent onslaught, given the numerical superiority and increasing political sophistication of the challengers.

For their part, whites fear for their physical safety and group survival. They fear the loss of minority privilege; they also fear that the injustices heaped upon the black population by white-dominated governments, particularly under apartheid, will be turned against them. Regrettably, their fears are now being given impetus by the random but sporadic slaughter of whites by elusive terror gangs in both rural and urban areas.

Despite prolonged co-existence with blacks, most whites do not really know their fellow citizens as people or as individuals. White knowledge of their black countrymen is filled with negative imagery, reified in the persistent depiction of blacks by the state as the 'black danger' (*swart gevaar*), terrorists, agitators, communists, savages, etc. These images, fueled by the media penchant for reporting in vivid and minute detail the endemic acts of violence, murder, robbery, and rape by the criminal elements in the black population, are further etched in the collective psyche of the white population.

For many whites, these images have become metonyms for black people. Most significantly, the blacks whom most whites feel they do know are those closest to them in their service, particularly domestic servants. They are the 'good Natives', the ones to whom you could entrust your family and household possessions. Beyond that, blacks are remote shadowy diurnal figures who disappear at nightfall to those equally unknown places called locations, townships and homelands, from where most of the shocking incidents are reported.

Terms of Endearment

In systems of dominance, those in subjugation cannot afford not to be fully cognisant of those who occupy powerful positions of dominance over their lives. In practical terms a survival strategy is manifested by many black workers in the deliberate obsequiousness, the feigned puerile behaviour and the studied appearance of being less intelligent, appearances which they often display in their day-to-day interaction with whites. Deviant behaviour from this expected norm

of interaction on the part of some educated and self-respecting black individuals often earns them the opprobrium of 'cheeky Native' or 'uppity Black', i.e., one who does not know his place.

The entrenchment of such attitudes was clearly manifested in the reaction of many whites of a company town called Kragbron in the Orange Free State, which was purportedly being 'put up for sale'. The possibility that the town may be purchased by the ANC and then flooded by blacks aroused considerable apprehension. There was talk of an armed struggle and a call to the AWB for help. In the words of one local resident, 'All we want is well-mannered black people like James Shembe. He knows his place and how to behave'. But they still call him 'kaffir', which James Shembe explained as 'merely a term of endearment' (*Sunday Times*, 14/2/93).

Because white/black relations in South Africa are normatively modelled on white interactions with the semi-literate, rural servant or labouring classes, most less-educated whites often display a derisive attitude, bordering on hostility, towards educated black people. These attitudes are reinforced by the kind of policies which subject blacks to inferior education, or relegate them to low status jobs for which they are often over-qualified and traditionally underpaid.

While this situation is rapidly changing in response to political developments, the perceived status enhancement for blacks, contingent upon these changes, is likely to engender further feelings of resentment. What black people may term the levelling of the playing field may be viewed as relative status deprivation by many white people.

It requires no great sociological imagination to recognise that white fears and uncertainty about the future are real and have a profound bearing on the current constitutional negotiations. The cardinal question, however, is: How are black people reacting to 'the new dispensation'?

Many blacks, especially those who are informed, educated and politically astute, feel it should not be their responsibility to take on the burden to allay the self-generated fears of whites. These fears, after all, are the consequence of the very fear-mongering policies propagated by successive all-white governments over the years.

Black Man's Burden

Blacks feel, and justifiably so, that given that the present white fears about the future were generated by the very political system they supported, it should be the responsibility of the governing party to assuage such feelings of apprehension. Nevertheless, political prudence impels the black leadership to publicly declare their commitments to the 'safety of all citizens', and they have adopted a policy of handing over apprehended culprits to the police, partially to propitiate white anxieties.

The concerted outcry from the white community that black political parties should publicly assure whites that their current political privileges, way of life, and personal safety will not be jeopardised or attenuated under majority government, is viewed by many blacks as an effort to maintain the *status quo*. Quite conceivably, just as the fears of the past were imaginary, the fears of the future may be equally spurious since they are all predicated upon presumptions of the supposed innate violent nature of blacks.

Sometimes it seems to matter little that by far the greatest incidents of violence are directed against blacks, regardless of who the real perpetrators are.

In contrast, black political history in South Africa reveals a remarkably consistent opposition to the race politics that emphasised irreconcilable destinies between black and white. Yet from even a casual perusal of editorials, feature articles, and readers' letters in South African newspapers, one cannot fail to be struck by the historically myopic flurry of pleas to, and demands from black political leaders and their organisations for assurances for white safety and the protection of 'group rights'.

Considerable moral pressure is being exerted directly or indirectly upon the major political players during this period of transition to commit themselves with assurances for the protection of the white community. One may postulate that the increasing gravitational pull among whites towards Buthelezi's Inkatha Freedom Party (IFP) indicates a frantic search for a safe port against anticipated political storms of change.

The irony of this development is not lost on any perceptive student of South African social history in that the traditional object of white fears, the black population, is

continually being re-defined into *decreasing* categories of threat! Hence a recent national survey showed that the South African Communist Party (SACP) was the most hated party among whites, with 80% rejecting it out of hand; next the Pan Africanist Congress (PAC), which was rejected by 67% of whites and the African National Congress (ANC) by 43%' (*The Daily News*, 27/4/93).

These statistics suggest a polarisation of divergent interests, which is not conducive to nation-building.

In the current scale of risk calculation, the ANC is perceived as threatening to white security largely due to its traditional alliance with the fearsome SACP, and in part to the realistic possibility that the ANC is the potential successor to the present governing party. Correspondingly, the two so-called 'radical' parties, the PAC and the SACP, are equally feared, but such fears are tempered by the belief that neither group is likely to form the majority government in the new political order.

The recent assassination of SACP chief, Chris Hanu, on Easter Saturday, 10 April 1993, was a practical affirmation of the endemic fear that pervades the white community about the possible shape of the new political order in South Africa. As the most touted leader of the 'young lions' within the movements, Hanu's enormous influence was perceived to be a significant threat to white security.

Following the assassination, many right-wing whites openly voiced their relief that Hanu was out of the way. As one prominent Conservative Party member put it: 'We shall raise monies to defend Mr Walus [the alleged assassin]; mind you I am not sorry he did it'. A spate of letters to newspapers from relieved whites left no doubt about their feelings on the removal of their perceived nemesis. They evoked many of the so-called terror incidents allegedly linked to Hanu; they pointed to his failure to condemn these acts. The blatant harassment, intimidation and shootings of black participants at the funeral ceremonies of the slain Hanu, provides strong evidence of white intolerance of Hanu's politics.

All this leaves the Inkatha Freedom Party (IFP) as the most risk-free and propitious organisation for apprehensive whites to align themselves in this period of uncertainty. However, in the scramble to secure a political home, it is often forgotten that the IFP is not, by its own definition, a

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Black political history reveals a consistent opposition to the race politics that emphasise irreconcilable destinies between black and white

The ruling National Party and the IFP are constrained by their past and present ideologies which promote exclusive ethnic interests

The task of nation-building will be the more difficult precisely because South Africa lacks a political culture of nationalism

truly national party, nor an avowedly heterogeneous organisation, but a regional movement whose mandate is primarily the promotion of Zulu culture and traditions.

Thus the concept of 'White Zulus' appears incongruous even by the South African penchant for syllogism. Significantly, the party (IFP), rejected by most blacks (71% in urban areas), is the one whites would most likely support after the two main white parties, the governing National Party, and the principal opposition, the Conservative Party.

Strange Bedfellows

Fear, it seems, can create strange bedfellows. One might carry the point further. Since the whites' mortal fear of the ANC is predicated principally upon its massive numerical power, then the perceived relative numerical strength of the IFP can be deemed the only possible counter-force to neutralise that power. It would thus make political sense for the whites to seek shelter in a corresponding strong black movement, albeit of regional strength.

Due to South Africa's traditional race politics such a choice is not as simple as it may appear. The political culture under which all political movements and parties have been nurtured militates against cross-ethnic affiliation (other than individual high profile members of other parties who defect to the IFP). It is a moot point as to what extent the rank and file members of the white electorate would feel politically comfortable in such an ethnically chauvinistic black African political party, given the historic relations and differing agendas which have hitherto informed black and white politics in South Africa.

For the white electorate, finding a political home in accordance with the changing realities in the country is more difficult than it would appear. Parties in South Africa are not merely divided by political ideology as in most multi-party systems; they are primarily organised along racial/ethnic lines with conflicting interests. In consequence, for the traditionally opposed groups to join each other's party is indeed a quantum leap into ideological affinity and sentiment that does not derive from a natural commonality of interest.

The 'white dilemma' is aptly summed up by one of the former Democratic Party defectors to the IFP, Mr Rob Haswell:

More and more white people are beginning to think of the IFP. They don't particularly like it, but they have been blinded by the anti-ANC propaganda and they will clutch at any straw.
(Sunday Tribune, 7/2/93).

It is plausible to suggest that while affiliation to Inkatha may help to allay white fears and assuage the collective guilt, it is doubtful whether it would result in the kind of affinity of interest expected by the white community. Furthermore, white members of the IFP may be dogged by a haunting dilemma in that, having been aligned with a party which may not command a majority in the legislative arena, they could find themselves in a minority situation. This dilemma is not unlike that of the decision faced by both the Coloured and Indian communities in their search for a safe political home.

Constituent communities in the South African political landscape are a consequence of the erstwhile policy of spatial segregation. This patchwork of electoral constituencies which corresponds to ethnic distribution, renders any appeals to transcendent political interests highly improbable to a sceptical electorate. Both the ruling National Party and the Inkatha Freedom Party are constrained by their past and present ideologies which promote exclusive ethnic interests.

Inkatha's political ideology of ethnic nationalism is, by definition, exclusionary of other groupings. How could such a party accommodate white South Africans, a constituency whose political interests are equally predicated upon the self-preservation of their own racially exclusive group?

The task of nation-building will be the more difficult precisely because South Africa lacks a political culture of nationalism. In the apartheid years the government by its own volition opted for a negation of an over-arching South African nationalism by creating multiple citizenships within the state. The constitutional negotiations involving over twenty-six participating groups are a signal demonstration of the degree of pluralistic thinking in South Africa in transition. **IPJA**

Research Note

This analysis is based on random but intensive interviews conducted between February to May 1993 by the author with white, black and Indian South Africans, as well as a careful examination of public statements made by their representatives. The respondents are fairly representative of a cross-section of the Durban metropolitan area. The research project was undertaken as part of a visiting research fellowship at the Centre for Social & Development Studies at the University of Natal in the first semester of 1993.

EAST RAND TOWNSHIPS UNDER SIEGE

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At the time of the release of the hostels report of the HSRC/Goldstone Commission in March 1993 there were evident signs of lessening conflict between the residents of hostels and townships, especially on the East Rand. There were exceptions, however, notably the burning and looting of the hostels at Bruntville near Mooiriver during January 1993 just a week before the hostel residents were to return from the Christmas recess (*Sunday Times*, 10/02/93).

On the Reef there had been encouraging signs, like the homegrown peace initiative started by the leadership in the Jeppe Hostel (central Johannesburg) who decided they had had enough. In August 1992 a peace letter was written and delivered (at considerable risk to his own safety) by Jacob Dlomo, a Johannesburg bank messenger and Zulu-speaking resident of the Jeppe Hostel, to the Xhosa-speaking residents of the nearby Selby Hostel. This was the start of a peace process further facilitated by the Reverend Mvume Dandala of the Central Methodist Mission.

In November 1992 delegations from both hostels met at a neutral venue, with Reverend Dandala as chairman. These initiatives involved the residents themselves who expressly excluded any involvement by political parties. Their peace effort led to a certain amount of socialising between the residents of the two hostels, who even played a soccer match. By March 1993 the leaders in 32 Reef hostels had signed a peace pledge and there were plans afoot for communities around many of these hostels to re-establish direct contact between hostel committees and civic associations (*Sunday Times*, 21/03/93).

Unfortunately, the relative peace was shattered in the aftermath of the assassination of SACP Chief Chris Hani in April 1993. The subsequent course of events aptly demonstrated that not much had changed. In the renewed spiral of violence on the Reef, hostel residents once again found themselves caught up in events not always of their own making. They were

accused of being the aggressors, of fomenting the violence and of undertaking pre-emptive strikes against township residents. But by the same token they were also victims. Hostel residents found themselves lumped together, subjected to approbation and vilification as the alleged cause of the renewed violence.

Events during April to August 1993 aptly demonstrated that the dynamics found to be previously operating in the Reef townships were still in place, viz. the atmosphere of threat, the social divide between hostels and townships, political competition and the cycle of revenge and retaliatory attacks.

Rumours of War

Rumours remained rife. A case in point was a protest march on 22 May 1993 from the Thokoza Stadium to the Alberton Police Station organised by the ANC to hand over a petition. However, when it became known that the march would pass close to the Thokoza Hostel, the hostel residents expressed the fear that the march would be used as a cover for an attack on them. They accordingly prepared for this eventuality by arming themselves. Another rumour then circulated that the hostel residents would launch an attack on the marchers as they passed the hostel. This, in turn, led some of the marchers to arm themselves for protection.

The rumour of an impending attack under cover of the march was strengthened when the organisers rejected a local peace committee proposal to change the route of the march. Their refusal was seen by the hostel residents as a confirmation of the marchers' covert intentions. On the day of the march the hostel residents massed in the hostel grounds, ready for anything. Such a volatile situation was bound to explode.

When some of the marchers tried to force a small group of Zulu protestors back through the hostel gates the police fired teargas, rubber bullets and birdshot to disperse the two groups. However, a group of ten persons, ostensibly having broken away from the march, fired into one of the hostel buildings from behind the complex, out of sight of the marchers. This resulted in return fire from both within the hostel and within the group of marchers. In the ensuing crossfire, 13 people were killed and

By March 1993 the leaders in 32 Reef hostels had signed a peace pledge

There were plans afoot for communities around many of the hostels to re-establish direct contact between hostel committees and civic associations

Hostel residents continued to feel under threat, with rumours abounding that township inhabitants wanted to physically demolish all hostels on the Reef

A renewed round of violence erupted at the beginning of July after 27 April 1994 was set by the Negotiating Council as the date for national elections

at least 61 injured (Goldstone Commission, 1993). The open antagonism between hostels and townships was once again resurgent.

In the recriminations following, the government was blamed for not having 'secured the problem hostels' by fencing them as agreed to by the Record of Understanding signed between the government and the ANC in September 1992 (*Sunday Times*, 23/05/93). The fencing of hostels was anathema to hostel residents who vehemently opposed this measure, firstly on the grounds that they were never consulted on the desirability of this step, secondly because it would isolate them further from the surrounding communities, and thirdly because it would restrict them in 'cages like animals', inhuman treatment denying them recognition as ordinary people.

Hostel residents continued to feel under threat, with rumours abounding that township inhabitants wanted to physically demolish all hostels on the Reef. The rumours became so strong that at the end of June 1993 Mr Chilly Magagula, the spokesperson for the Tembisa ANC branch, had to publicly go on record that the aim of a march from the Jan Lubbe Stadium to the Rabasotho Centre was not 'to go and destroy the Vusimuzi Hostel'. However, he had reiterated the demand that the local council evict those hostel residents living in this hostel illegally (*Sowetan*, 23/06/93).

The particular problem with the Vusimuzi Hostel in Tembisa stemmed from the presence of a criminal gang called 'the Toasters'. In the early 1990s the Toasters, after being driven out of certain areas of Tembisa by local comrades during an anti-crime drive, sought refuge in the Vusimuzi Hostel, becoming nominal members of the Inkatha Freedom Party. While using the hostel as a base and for protection they continued their criminal activities, attacking critics including local ANC leaders and comrades.

So long as they confined their activities to the township, the hostel residents tolerated the presence of the Toasters (*City Press*, 04/10/92). Even though some hostel residents met with the local civic to resolve the problem, the hostel residents conceded that they could not evict members of the Toasters since they had the protection of certain high-up leaders (*Sunday Times*, 08/08/93). Further, the Toasters were heavily armed and would resist any such move.

In retaliation the inhabitants of Tembisa instituted a blockade of the hostel, denying its residents access to local shops and services. The children of those who had sought refuge in the hostel (IFP supporters forced from their homes) were also not allowed to attend local schools. In short, the hostel residents were shunned and totally isolated.

New Spiral

The situation on the Reef continued to worsen in mid-1993. A renewed round of violence erupted at the beginning of July after 27 April 1994 was set by the Negotiating Council as the date for national elections.

The immediate catalyst of the new cycle of township conflict was not clear. The new spiral of violence apparently began with the alleged ambush of a funeral march in Katlehong by gunmen in a passing car which then reportedly sped off in the direction of the Mazibuko Hostel. In revenge comrades burnt down nearby shacks and looted the belongings of some IFP supporters who, forced to seek refuge, fled to the hostel.

The streets of Katlehong were soon crisscrossed with barricades and deep trenches. Neighbourhoods were patrolled by members of local Self-Defence Units (SDUs). Gunfire echoed constantly throughout the night. In the ensuing violence, Zulu-speaking residents in the townships of the East Rand became the targets of attack by armed youth while hostel residents launched a number of pre-emptive and retaliatory attacks on the communities surrounding the hostels. The worst-hit areas seemed to be those neighbourhoods close to hostels (Ramokonupi, Mavimbela, Kwesine and Hlahatsi in Katlehong and Khumalo Street in Thokoza) (*Sunday Times*, 11/07/93).

The spiral of violence resulted in a high death toll - 343 deaths for the PWV Region (580 for the whole of South Africa) for the month of July (the second highest since 1990 when a high of 709 was reached in August of that year) (HRC, 1993).

Public transport came to a complete standstill with taxis refusing to enter any area near a hostel, while the railways discontinued some services to the East Rand after train drivers were threatened. Services to the hostels were also stopped with no delivery vans being allowed

through. Residents also blamed the police, accusing them of leaving the area in the evening and only returning the following morning to pick up the bodies of victims of the violence.

Complaints were also voiced by apolitical residents who claimed that enforced political recruitment was occurring on a large scale to achieve territorial control and establish 'no-go' areas for members of any opposing party. Residents despaired of peace ever being possible in such an atmosphere of intolerance and hatred between the township inhabitants and the hostel residents. It was openly stated that all you needed to start a war in the East Rand townships of Katlehong and Thokoza was 'two bullets' - one fired at a hostel and the other at the residents' houses (*Sunday Times*, 11/07/93).

The violence spread to other parts of the Reef. At the end of July members of the Toasters gang raided a party in Tembisa but one of them was caught and killed. In retaliation, other gang members called a meeting of hostel residents and mobilised them. On the night of 1 August hostel residents launched a retaliatory attack on Tembisa which resulted in numerous deaths. Many local residents felt that the tensions between the hostel residents and the township inhabitants had been manipulated and exploited, in particular by the Toasters (*Sunday Times*, 08/08/93).

The hatred of township inhabitants towards hostel residents was much in evidence at the funeral in Tembisa on 12 August 1993 of victims of this attack. During the funeral orations, when a PAC spokesperson reminded the crowd that the 'hostel dwellers are also people', the audience erupted in jeers and catcalls, their mood palpably changing to one of menace. The ANC Youth League Chairman, Peter Mokaba, called on this funeral crowd 'to help me demolish that [Vusimuzi] hostel ... brick by brick'. By association all local hostel residents were blamed for the actions of the Toasters gang.

Ethnic Politics

One of the fears of the latest round of Reef violence has been that the 'ethnic' factor might become central to the ongoing conflict.

Township residents point to an ambush of a taxi near the Scaw Metals Hostel in Germiston on 19 July 1993 as proof of

sinister forces wanting to fan the violence and deliberately turn it into an ethnic conflict. Gunmen with AK-47s flagged down a minibus taxi, ordered all the passengers out, pulled aside members of the ANC and PAC, then marched the remaining Zulu-speaking passengers (all men) into the veld and executed them. This appeared to be a deliberate attempt to target Inkatha supporters (*Pretoria News*, 19/07/93).

On 22 August, in an apparent retaliation attack for this ambush, 13 people were killed and 16 injured when three gunmen with AK-47s opened fire on a meeting of a burial society in the grounds of the Scaw Metals Hostel. All the victims were Xhosa-speaking. Prior to the attack rumours had been rife in the hostel itself that a revenge attack on Xhosa-speakers was imminent (*Sunday Times*, 29/08/93; *City Press*, 29/08/93).

What made these two incidents more significant was the fact that prior to the attacks the Scaw Metals Hostel (home to some 2 000 company employees) was regarded as a model of community relations where both Zulu and Xhosa-speaking hostel residents lived together in apparent harmony. It was felt that someone from the outside was responsible for the attempt to polarise the hostel residents. Tensions within the hostels had started when the company allowed sanctuary to refugees in June 1993 - mostly genuine refugees but according to one union official 'there were also some suspicious characters among them'.

Soon after the arrival of the refugees a spate of violent incidents occurred. First, four people (two of whom were union members) were shot at the nearby railway station. Then the taxi ambush occurred, followed by the injury of two hostel residents fired on by unknown gunmen. There was also the theft of workers' licensed firearms from the company's safe. On 15 August a trade union activist and hostel resident, Zolile Mxhasa (Mnconshoza), was killed. It was at a burial society meeting to collect money to transport his body back to the Transkei that the massacre of 13 people occurred (*Sunday Nation*, 29/08/93).

During the July/August violence on the East Rand many hostel residents found themselves under siege. The blockade of the hostels by local Self-Defence Units was extended to the delivery of food and enforced a work stayaway. The worst-hit

Enforced political recruitment was occurring on a large scale to achieve territorial control and establish 'no-go' areas

All you needed to start a war in the East Rand townships was 'two bullets' - one fired at a hostel and the other at the residents' houses

One of the fears of the latest round of Reef violence has been that the 'ethnic' factor might become central to the ongoing conflict

hostels were the Buyafuthi, Kwesine and Mazibuko hostels - all Inkatha strongholds. Close on 7 000 people in these hostels were ordered by the Inkatha leadership not to set foot in the surrounding townships.

The hostel residents talk about 'the war' in Katlehong and like the comrades of the local SDUs, they take turns to guard their hostels round the clock against 'the enemy'. The hostel residents dismiss talk of a 'third force', rather fearing an organised 'campaign to clean out Zulus from townships'. Food and other supplies only reach these hostels when the delivery trucks are escorted by the SADF right to the hostel gates. This informal siege was still in place at the end of August (*City Press*, 29/08/93; *Weekly Mail*, 13-19/08/93).

The Township Divide

The basic anomaly of hostels stems from their role as cheap accommodation for migrant workers in single sex quarters. Until those residing in hostels decide upon more permanent urban links, i.e. bringing their wives to the cities, the social divide between hostel residents and township inhabitants is likely to remain.

The social tensions have been exacerbated by the political violence whereby IFP supporters in particular and Zulu-speakers in general (who may not necessarily be IFP supporters) are targeted in the townships for attack. Numbers of them have sought refuge in the hostels. These so-called 'refugee' hostels (KwaMadala Hostel in Alexandra and Nguni Hostel in Vosloorus being two examples) now house not only migrant worker men but also whole families who have sought refuge and protection through necessity in the hostels. The hostels have become almost self-contained communities with their own spaza shops, churches, schools and even creches.

The problem of 'illegals' living in the hostels is also a complicating factor. Because of the ongoing violence the planned closure of the KwaMadala Hostel was delayed. In an agreement reached in September 1992 between Iscor (the owners), the National Union of Metalworkers (Numsa) and the Vaal Civic Association (VCA) it had been planned that the KwaMadala Hostel near Sebokeng would be closed down and that meetings would be held in order to reconcile the hostel residents with the township inhabitants. But these meetings were never

held because of the continued tensions in the surrounding Vaal townships (*New Nation*, 11-17/09/92).

The KwaMadala Hostel was still occupied by many who are not Iscor workers, at the end of August 1993. A plan to resettle many of these hostel residents on serviced plots in Orange Farm has broken down in the face of strong community opposition. The refusal of the local community to accommodate the hostel residents highlights the problems of trying to close down any hostel (regardless of poor physical conditions) and resettle residents on a permanent basis on the Reef. However, the suspicions of township residents are perhaps understandable after the Boipatong massacre of June 1992 by attackers from the selfsame KwaMadala Hostel.

Township inhabitants fear hostel residents and point to the numerous attacks emanating from hostel compounds. They also feel that the hostel residents are being used, armed and manipulated by unknown forces to ensure that the violence will continue. Most township inhabitants perceive hostel residents as being part of the violence and would therefore like to see them removed permanently from their midst. For their part, the hostel residents in turn interpret this objective as a direct political attack on them.

During all this violence there were again allegations of the presence of *agent provocateurs* and 'third force' activity in the East Rand townships aggravating the situation. The ANC paraded a suspected IFP supporter and police informer caught by the Self-Defence Unit from the Phola Park squatter settlement who first publicly stated that the police had supplied Inkatha-supporting hostel residents with arms during the most recent round of violence. He was handed over to the Goldstone Commission but subsequently retracted his accusations, claiming to have been coerced and intimidated by certain members of the SDU.

The alleged involvement of the security forces in the current wave of township violence merely reinforces existing negative perceptions and further entrenches the cycle of conflict. On the Reef the challenge for peace is to break the spiral of retaliatory violence and to get opposing groups to meet and talk to each other, to move towards healing the deep community rifts and antagonisms. **IPA**

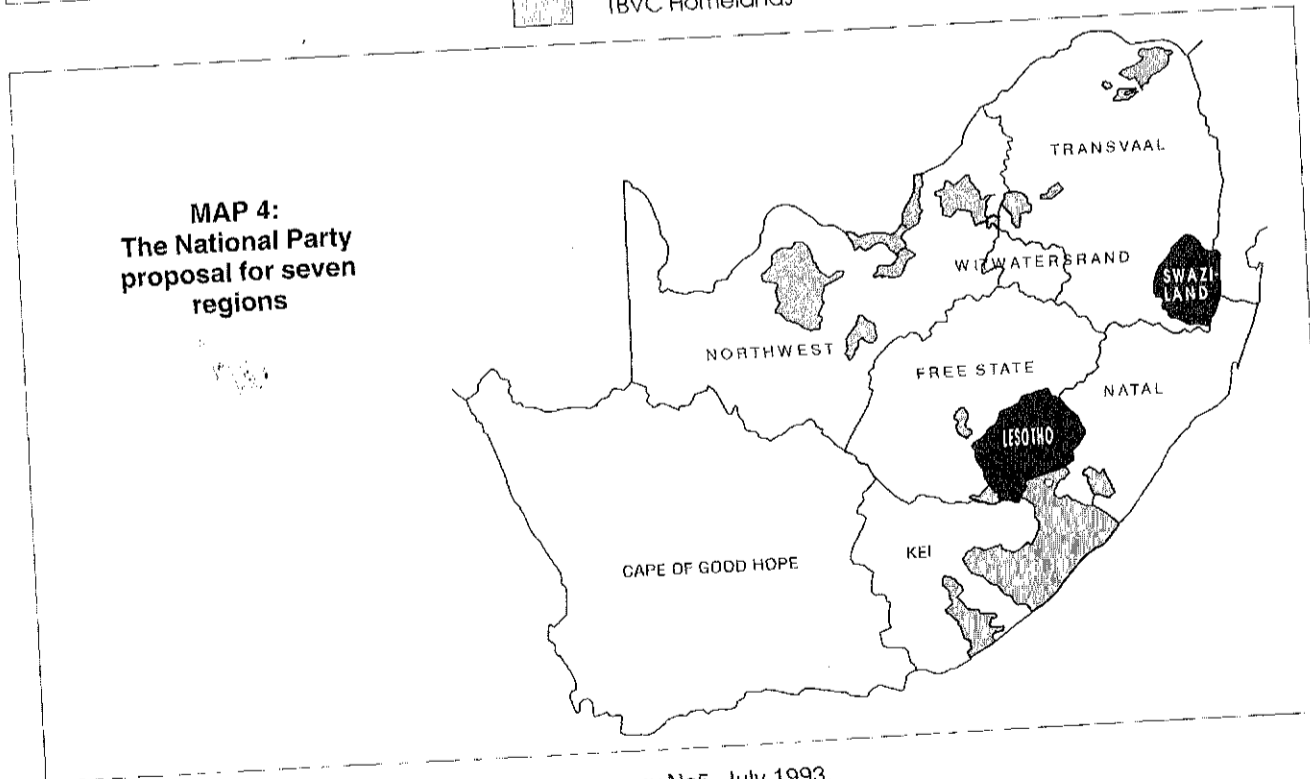
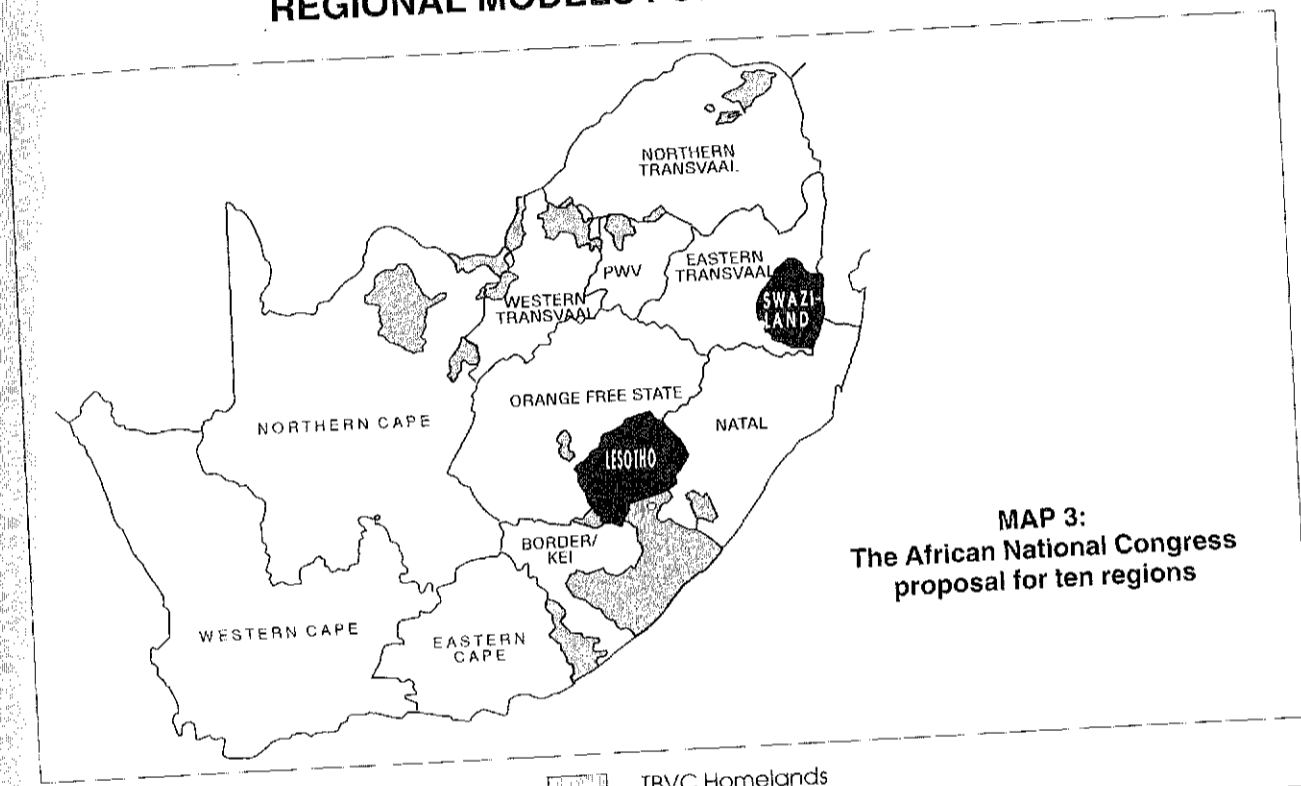
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COMPARATIVE

M O N I T O R

REGIONAL MODELS FOR SOUTH AFRICA



Source: Urban Foundation. *Development and Democracy* No5, July 1993.
 Note: See MPNC & Development Region Maps 1 & 2 on Political Monitor cover.



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NAMIBIA'S NEW GEOPOLITICS

Lessons for South Africa

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The bitterly contested and drawn out political wrangle over the future and nature of regions in post-apartheid South Africa has at times generated more heat than light. It is thus timely to examine how neighbouring Namibia has addressed this vexed question.

Although there are some major differences between Namibia and South Africa, Namibia's experience in seeking to overcome the twin legacies of colonialism and apartheid has many useful lessons.

Key characteristics of both countries include wide disparities in population distribution, composition and density, income and wealth distribution, social and physical infrastructure, economic development, agro-ecological potential, drought proneness and resource endowment across large territories. Moreover, racial, ethnic, socio-cultural, linguistic and associated political differences have been greatly exacerbated and institutionalised through more than a century of segregation and apartheid policies and their attendant conflicts.

Townships and 'homelands' represent the very geographical impress of such structural discrimination and symbolise the legacy to be overcome by any new system. Nevertheless the seismic break with the past being experienced by both Namibia and South Africa represents a unique opportunity in this respect.

There are also important differences between Namibia and South Africa. At 1.5 million, Namibia's population is dwarfed by South Africa's which is estimated at more than 35 million. As the regional superpower, South Africa's formal economic sector is infinitely larger and more sophisticated than that of any of its neighbours; Namibia's Gross Domestic Product (GDP) is only 2-3% of South Africa's.

For these and related historical reasons, Namibia is still greatly affected by South African actions and policies. Namibia attained statehood only in 1990 whereas South Africa has had sovereign status since

Union in 1910, albeit increasingly as an international pariah. However, the substantive changes now required in instituting the post-apartheid order are structurally akin to the process of decolonisation. Hence in this respect, the similarity between the two countries arguably outweighs the formal difference.

Finally, whereas the armed conflict in Namibia was a guerrilla war between the military wing (PLAN) of the South West African People's Organisation (SWAPO) and the South African Defence Force (SADF) waged almost exclusively in the far north, internal violence in South Africa has now become virtually endemic, much of it politically inspired and approaching a low intensity civil war in places.

Regional Powers

Namibia's constitution was hammered out prior to formal independence by the Constituent Assembly elected in the UN-supervised poll of November 1989. This was no mean achievement, although the compromises reached will inevitably limit the extent of future socio-political change, as André du Pisani (1993) pointed out in the previous issue of *Indicator SA* (Vol 10/No 1:29-31; see also Simon, 1991; Tapscott, 1993).

Constitutionally, Namibia is a unitary state with a bicameral parliament, comprising the National Assembly (superseding the Constituent Assembly) and National Council. Provision was made for the creation of subnational territorial units called regions and local authorities, although the task of determining their respective numbers, boundaries and precise powers was deliberately left till after independence. Mechanisms for achieving this were, however, set out in the Constitution and the regional councils were

The substantive changes now required in instituting the post-apartheid order are structurally akin to the process of decolonisation

Reforms aimed to ensure that boundary delimitation reflected dispassionate analysis and local opinion rather than central political priorities

The Constitution also accorded Namibia's regions an important national role in addition to the exercise of designated powers

to be established within two years of independence.

Whereas National Assembly elections take place on a proportional representation basis on national lists, regional councils comprise six to twelve single-member constituencies. The electoral system thus blends national will with local responsiveness and accountability.

The independence constitution also repealed all existing legislation constituting 'homelands' and their aspatial but ethnically defined neo-apartheid successors, the second-tier Representative Authorities, created by South Africa in 1980. Since, under a constitutional guarantee, no incumbent civil servants could be sacked, all personnel of the abolished administrations were transferred onto the central government payroll at independence and designated to the most appropriate ministry pending the necessary reorganisation and redesignation.

These procedures and mechanisms formed an important strategy, designed to hasten the process of reaching a constitutional agreement, to reduce the potential for conflict and to ensure that subsequent boundary delimitation reflected dispassionate analysis and local opinion rather than merely central political priorities. South Africa would do well to consider aspects of this strategy carefully, although obviously the retention of all civil servants is a two-edged sword (du Pisani, 1993; Simon, 1991).

The Constitution also accorded Namibia's regions an important national role in addition to the exercise of designated powers within their boundaries, in that two representatives from each regional council would constitute the National Council, the second chamber of parliament. This body has power to review, refer and under certain circumstances effectively to veto, proposed legislation.

In terms of the constitution, President Nujoma appointed the First Delimitation Commission in September 1990 with the brief to determine the number of regions, regional constituencies and local authorities, and their respective boundaries. The only limitations placed on the Commission were:

- that regional and local authority boundaries should, 'in accordance with Article 102(2) of the Constitution, be geographical only, without any reference to the race, colour or ethnic

- origin of the inhabitants of such areas' (Republic of Namibia 1990b: 2); and, that each constituency within a given region had to have as nearly equal a number of eligible voters as practicable.

New Delimitation

Chaired by Justice Johan Strijdom and comprising also Professor Gerhard Totemeyer (Political Science, University of Namibia) and Mr Martin Shipanga (Ministry of Education), the Delimitation Commission was served by three specialist advisers (including this author) and had to report by June 1991. Following rigorous research, the consideration of both written and oral submissions from interested parties and individuals, a comprehensive national fact-finding and consultation tour, a total of thirteen regions was ultimately recommended (Figure 1).

Although initially conceived of by the politicians as essentially electoral regions, the Commission became convinced of the need for them to be appropriate for administrative and development purposes too, in view of the cost and infrastructure involved and the great regional diversity across Namibia. This clearly meant that additional variables had to be evaluated, thus rendering the task more complicated. However, the price of failure would be extremely high.

Apart from the statutory requirement regarding population distribution the Commission sought wherever possible to combine both communal and commercial lands within the same region. This would facilitate the breaking of a key foundation of apartheid and the fostering of integrated and more sustainable land, agricultural and general development policies. Already there have been some significant acts of cooperation between the respective groups of farmers, quite apart from the effects of more enlightened and unified government agricultural policy.

Other criteria taken into account by the Commission included various measures of local senses of community, patterns of interaction, communications infrastructure and accessibility, water resources, physiographic conditions, agro-ecological potential, availability and potential of non-agricultural employment and income, social and economic infrastructure and services, urban functions and services, and location of appropriate regional headquarters.

The redrawing of Namibia's internal political geography aimed to establish a uniform national system of regions

It is likely to result either in tame councils or in central-local conflicts of the sort experienced in other independent African states. This is one aspect which South Africa would do well not to emulate.

Nevertheless, regional councils enjoy considerable powers and responsibilities under Section 28 of the Regional Councils Act. Moreover, they are fully consistent with the intentions behind the Delimitation Commission's boundary recommendations. The principal responsibilities are:

- development planning, with regard to physical, social and economic characteristics, demographic conditions (including urbanisation), resource and developmental potential, infrastructural provision, land use patterns and environmental sensitivity;
- the establishment, management and control of settlement areas (i.e. agglomerations of dwellings which do not yet possess any form of local authority as defined in the Local Authorities Act); and
- assistance to local authorities (Government of Namibia 1992).

While many problems and obstacles to redressing past inequities remain, the regional question is being tackled far more fundamentally than in several other decolonised countries with hitherto more radical governments (Sidaway and Simon, 1993). The redrawing of Namibia's internal political geography to establish a uniform national system of regions, the allocation of appropriate development oriented powers and responsibilities, and the successful holding of the necessary elections represent important steps forward.

Prior to the elections a major study was underway to formulate an outline sustainable regional development strategy that would be environmentally sustainable for the north of Namibia. Based on extensive research and discussion with local officials and community representatives, the requirement of environmental and social sustainability was fundamental. This is the most populous and politically important part of the country, comprising the four new regions of Oshikoto, Oshana, Ohangwena and Omusati (Figure 1), which correspond very closely to the former Owambo bantustan and the adjacent commercial lands of Tsumeb magisterial district. Parts of the area, one of the most underdeveloped in the country, are subject to unsustainable human and livestock pressures under current conditions and tenure arrangements.

This project is now complete and is designed to provide the new regional councils as well as government officials in the various ministries with an appropriate set of principles and guidelines for their new roles. It is envisaged that similar studies will be undertaken for all regions in due course. The fact that regional councils now exist should facilitate this task.

Real progress does appear to be emerging from South Africa's constitutional negotiations despite innumerable problems and the murderous backcloth against which they are being conducted. Throughout 1993, the regional question has proved highly contentious. The balance of powers between the centre and the regions is seen as vital by those seeking a strong central government as well as the protagonists of greater regional autonomy.

Although the principle of a unitary state has seemingly now been agreed, much pressure remains for regional powers, and even the number and boundaries of regions, to be resolved ahead of non-racial elections and the establishment of the Constituent Assembly. The prospect of entrenched regional power blocs seems increasingly likely under this scenario.

If this is really the will of the majority, so be it. But their voice should be heard before it is too late. The Namibian experience provides evidence that such an approach can work in a fractured and war-riven country moving away from all the problems of apartheid. Moreover, as the primary subnational territorial units, South Africa's regions should serve as the principal focus for development policies. These issues are too important to be relegated to mere afterthoughts, yet to date the debate has failed to break out of its political straitjacket. **IPDA**

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As the primary subnational territorial units, South Africa's regions should serve as the principal focus for development policies

MOZAMBIQUE



Rising from the Ruins

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With an estimated per capita income of US\$ 80 in 1990, Mozambique is among the poorest countries in the world.

In the late 1970s, the country had managed to recover part of the losses of the immediate post-independence period, with a GDP yearly growth between 1977 and 1981 nearly matching the average annual population growth rate during the same years (2,6%). By striking contrast, the Mozambican economy underwent a dramatic decline particularly in the period 1981-1986, when GDP and per capita GDP dropped by a yearly growth rate of more than 10% and almost 13% in real terms, respectively (See Tables 1 & 2).

In spite of the increasing flows of foreign grants in the 1980s, the continuous economic disarray - created by warfare activities all over the country, adverse weather conditions and foreign exchange shortage - severely affected Mozambique's import and investment levels, and hence its domestic production capacity and exports.

Due to the more favourable performance of the late 1980s, which largely coincided with the implementation of the first economic rehabilitation programme (1987-1990), the average yearly growth rate for the past decade was not as negative as a simple continuation of past trends would have led to: the average yearly decrease for 1980-1990 is estimated to lie at nearly 0,7%. Actually, the economic recovery was initially even more successful than government expectations, with the economy achieving an average rate of 5,4% in 1987-1989. However, this recovery has been followed by a modest growth of 0,8% per annum in the period 1990-1992.

The reasons for the renewed decline of economic activity in Mozambique in the 1990s are again identified with climatic conditions and continuation of internal insecurity, though the latter is of lesser relevance since the signing of a peace agreement in October 1992. Beyond these similarities, a fundamental difference also exists: whereas in the early 1980s misconceived government policies contributed to the negative performance of the economy, the early 1990s have been characterised both by an enduring commitment of the government to operate effective reforms and by a substantial reduction of aid flows.

Donor Fatigue?

Sustained economic development for the near future will depend to a great extent on the achievement of effective internal political stability, the solution of regional tensions - with particular regard to the situation in South Africa - and the maintenance of high levels of external assistance.

In reality, foreign aid has decreased with the curtailment of assistance from Eastern Europe, including the former Soviet Union, and reduced import support funds from some western donors (Consultative Group Meeting, 1992). Moreover, according to a World Bank study (WB, February 1993), the level of aid is likely to decrease to more 'normal' levels, closer to those of other low-income countries: in 1990 net receipts of per capita ODA (overseas development aid) amounted to US\$ 60, as opposed to only US\$ 24 for low-income countries as a whole (excluding China and India).

Sustained economic development for the near future will depend on internal political stability, the solution of regional tensions and external assistance

DATABASE

Table 1: Gross Domestic Product by Region

	1985 MTbn	% of total	1990* MTbn	% of total
Agriculture	70,7	54,8	637,0	37,3
Industry & fisheries	19,4	15,0	390,0	22,9
Construction	6,2	4,8	225,0	13,2
Transport & communications	8,8	6,8	162,4	9,5
Commerce & others	23,8	18,4	292,2	17,1
Total	129,0	100,0	1 706,7	100,0

Note: * Provisional
Source: The Economist Intelligence Unit. Mozambique: EIU Country Profile 1991-92. London, 1993.

Table 2: Expenditure on Gross Domestic Product at Market Prices

	1984 MTbn	%	1989 [†] MTbn	%
Private consumption	86,38	80,2	902,60	94,5
Government consumption	28,00	26,0	238,00	24,9
Gross domestic investment	11,43	10,6	318,60	33,4
Exports of goods & non-factor services	6,65	6,2	149,60	15,7
Imports of goods & non-factor services	- 24,76	- 23,0	- 653,90	-68,4
GDP at market prices	107,70	100,0	954,90	100,0

Note: [†] Estimates
Source: The Economist Intelligence Unit. Mozambique: EIU Country Profile 1991-92. London, 1993.

A kind of 'donor fatigue' was prompted by the meagre return of aid during the years of internal hostilities

Within Southern Africa, only Lesotho appears to overtake Mozambique, with an ODA per capita of US\$ 78. The corresponding figures in US\$ for other major countries of the region were (though most of them are lower middle-income countries): Angola 21; Botswana 118; Malawi 56; Namibia 32; Zambia 54; and Zimbabwe 35 (World Bank, 1992).

Even more than other sub-Saharan African countries, the role and magnitude of *external assistance* is a controversial issue for Mozambique.

On the one hand, the recent registered decline of this assistance should not continue to the extent of impinging upon the process of rehabilitation of the domestic trading system and the rural economy, thus turning into a new external shock for the economy. Budgetary constraints in donor countries and a kind of 'donor fatigue', prompted by the meagre return of aid during the years of internal hostilities, may lead to a premature real shrinking of aid, which would be deleterious for the achievements of medium and long term development objectives.

On the other hand, emergency assistance, which has actually increased in recent years in Mozambique, has been criticised for its disincentive effects on local crop producers and rural traders. Even recognising its relevant function as a relief measure during times of heavy warfare or drought, as in 1992, with the return of peace and normal climate conditions, food aid and the free distribution of seeds and tools can disrupt local production and marketing of basic food products. This is especially so if it is carried out in an insufficiently selective way and with strong delays in delivery.

Another factor which is likely to affect negatively the official trade market is the widespread presence of the parallel market, largely connected with illegal imports circumventing trade and income taxation.

The combined effect of droughts, enduring internal hostilities and reduction of external aid in the period 1990-1992 (excluding therefore the effects of the last oil crisis, which is considered by far a less important factor) is estimated to have been equivalent to an 11% decrease in GDP in those years. Had these negative factors not been present, the same estimates would suggest an alternative scenario of a 5-6% growth per year (Consultative Group Meeting, 1992).

These negative factors have been only partly offset by increased export earnings, deriving especially from non-traditional manufacturing sectors. In view of the decreasing relevance of foreign assistance inflows, as opposed to the increasing needs of post-war development, particular attention will have to be paid to the potential role of *exports* and *domestic and foreign investment*, as complementary factors vis-a-vis external aid.

In this respect, the two preconditions of an equal and stable political set-up both in Mozambique and in the Southern African region as a whole assume a particular importance. However, the role of external assistance, even if bound to diminish, should not be downgraded too much.

The increase in export earnings in 1992 has not been sufficient to counterbalance the growing import needs, so that after accounting for special donors' support the *current account deficit* as a percentage of GDP does not register a substantial increase relative to the preceding year, stabilising at nearly one-fifth of GDP (see Table 3). Similar results come out in the latest tendencies of the *fiscal deficit*, with a increase of the budget deficit before grants

coupled with a shift in the opposite direction for the after-grants deficit (the incorporation into the budget of previously unregistered military expenditures, largely financed by USSR aid, has also contributed to this result).

Reconstruction

The ongoing *Economic and Social Rehabilitation Programme* sets a strong emphasis on investment mobilisation and removal of present internal and external macroeconomic imbalances. Government objectives for 1992-1994 include an average yearly GDP growth of 3%, a gradual reduction of inflation, up to 18% by end-1994, and containment of the negative trends in the budget and the current account deficits. This policy programme, which started in 1987, has in the meantime received the support of international lending institutions (an ESAF from the IMF since June 1992 and a fourth adjustment credit from IDA-World Bank since August 1992).

Besides the stated objectives, particular attention, both in the short and long term, is being devoted to the alleviation of poverty, a problem exacerbated by the prolonged war and droughts. To this end, a *National Reconstruction Plan* has been implemented since February 1991, following the signature of a partial peace accord between the contending parties in Rome in December 1990.

Since its first phase, covering a two year period, the reconstruction plan has been specifically targeted to the reactivation of economic and social life in areas affected by war. A second phase, envisaged for the following three years (1993-1995), would be concerned with resettlement and reintegration of displaced (including refugees in nearby countries) and demobilised military. In a partly overlapping and partly subsequent phase, planned to start within the next two-three years for those districts where war damage is relatively more limited, the range of priorities would be enlarged, within a more integrated local development strategy.

Two-thirds of the Mozambican population are estimated to live in *extreme poverty* and more than 50% of urban and rural households are believed to suffer from food insecurity (GRM, October 1992). Generation of employment and incomes for the poor is pursued by supporting family-based agriculture and

labour-intensive industries and services, both aspects being generally overlooked by previous policies.

For urban areas, the government is committed to improve the efficacy of poverty targeting, by phasing out existing price subsidies (with the exclusion of commodities clearly targeted to the poor, like yellow maize and millet) and by eliminating the rationing system. For rural areas, the participation of NGOs is encouraged both in the free distribution of food in case of droughts and other emergencies, and in food or cash for work schemes. In view of war disruptions, low-cost traditional building is being promoted, especially in rural areas.

Over the last few years, parallel to the improvement of internal security, the government has tried to address more resources to rural areas, where the vast majority of the population live in poverty but may have the greatest potential for growth in the short-medium term. Links between rural and urban economies are strengthened through revitalising the trading network.

In this respect, the state of infrastructure in rural areas is particularly weak (GRM, December 1992):

- Less than half of the secondary roads are in good condition, and 70% of tertiary roads are accessible only in the dry season.
- On the base of 1983 infrastructure figures, 68% of rural primary schools, affecting 1,2 million pupils, and two-third of rural health units have been destroyed during the war.
- As a consequence of these disruptions, only slightly more than half of the school age population had access to primary education in 1992.

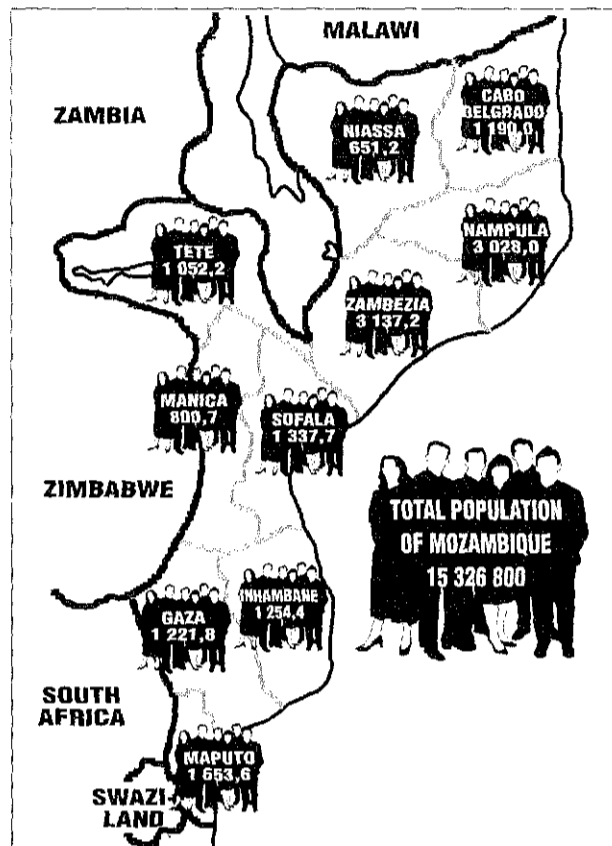
The reconstruction plan has been specifically targeted to the reactivation of economic and social life in areas affected by war

Table 3: Fiscal accounts, trade and debt: the role of external support

	1990	1991	1992	
			incl drought	excl drought
fiscal account (% GDP)				
• deficit before grants	29,5	26,8	33,7	30,3
• deficit after grants	12,6	6,0	7,3	4,7
current account (% GDP)				
• deficit before grant	54,7	58,9	70,0	60,8
• deficit after grant	23,6	21,2	21,3	21,3
debt service ratio (debt service/exports of goods and services)				
• before debt relief	169,8	146,5	133,1	-
• after debt relief	28,4	28,2	32,8	-

Source: Consultative Group Meeting, 1992

Figure 1
Distribution of Mozambican Population, 1989 ('000)



Source: Population figures from The Economic Intelligence Unit. Mozambique: EIU Country Profile 1991-92. London, 1993.

A second phase would be concerned with resettlement and reintegration of displaced refugees and demobilised military

- In terms of number of people per unit of health facility, whereas in 1985 this figure amounted to less than 10 000, in 1992 it almost reached 13 000.
- Infant mortality in rural areas is estimated to be as high as 180 per thousand.
- The 1995 government target for provision of safe water supply is a 45% coverage, with a protected water source for every 500 persons within half a km of each village: by contrast, the present supply covers only 22%.

The pressing problem of population resettlements poses the need not only to rehabilitate existing infrastructure, but also to expand it. Government estimates point to between 4.6 and 5.5 million people as directly affected by the war (the affected population includes both 'displaced' and those who, even if not displaced from their homes, have suffered serious capability losses in agricultural production) (Consultative Group Meeting, 1992; GRM, October 1992; GRM, December 1992). Among them, possibly from 2.5 up to 3.5 million are internally displaced and another 1.5 million are refugees in neighbouring countries.

These massive migrations have simultaneously been the consequence of insecurity and droughts in rural areas and a major factor contributing to further disruptions in the agricultural sector. Furthermore, within the above figures, one estimates that half a million are children under fifteen years of age living in extremely difficult conditions (orphans, unaccompanied, or traumatised). The population expected to resettle during 1993 amounts to more than three million, of which one million are from neighbouring countries: the majority is expected to resettle without waiting for specific programmes of assistance, but the government is facing difficulties in predicting the directions and timing of these population movements.

A specific problem for the absorption capacity of the Mozambican economy is represented by the demobilisation of between 70 000 and 100 000 armed forces, including former government and Renamo soldiers. This process was supposed to be completed by April 1993, but in reality it is still far from completion. Excluding the additional costs of employment reintegration programmes, this operation is estimated to cost between US\$ 53 and 73 million. This puts new strains on government efforts to foster employment creation, adding to the already existing need for job absorption for other groups (returnees from former centrally planned economies, and retrenched mine workers from South Africa).

Furthermore, with the security situation improving, the demographic pressure can be expected to increase above its already high growth rate: World Bank projections point to a 3% average annual population growth over the present decade (WB, 1992). These demographic trends would also further press the government to provide more employment opportunities and improve social services.

Policy Dilemmas

Along with efforts to direct more resources to social sectors of high priority, tight fiscal and monetary policies have been applied, so as to control inflation, which decreased from 85% on average over the period 1987-1989 to 33% in 1991. However, a new price upsurge has been recorded in 1992, as a consequence of a looser credit policy and the drought-related supply shortage. The price system has been liberalised, except for a limited number of

basic necessities, such as staples, fuels and utilities, which are periodically adjusted and gradually brought to their respective import parities. Only food subsidies for the poorest population groups are envisaged to remain.

Fiscal revenues are expected to increase to at least 25% of GDP by 1994: given the small base, the present fiscal revenue ratio to GDP (24%) is already very high, thus demanding a broadening of the coverage of tax collection. This certainly looks a difficult goal, in a country with negative private savings (equivalent to 20% of GDP) and increasing budget finance requirements. *Public spending* constitutes already more than 50% of GDP, an alarming proportion in view of the hitherto restricted use of public finances, limited to safe geographical areas. However, the reduced need for military expenditures is expected to allow the redirection of more resources to development.

The *exchange rate* is now freely determined by market forces and the gap with the parallel rate has therefore substantially been reduced: in contrast with a disparity of more than 100% between the two rates at the end of 1990, the premium of the parallel market over the official one amounted to 20% by the beginning of 1992. In order to encourage firms to use tied aid, which is more costly to importers than untied funds due to different import and procurement procedures, a more favourable exchange rate is still applied by the Bank of Mozambique in this specific case.

In broader terms, a more efficient system of foreign exchange allocation has been promoted, aimed at providing special incentives to *service and non-traditional exports*. Despite these changes, several enterprises operating in internationally traded goods can be expected to incur losses during the transition to a more market-oriented economy. Therefore, the need for selective and provisional support from government will have to be met.

As far as service receipts are concerned, the present situation is fraught with uncertain achievements: while migrant receipts from Mozambican miners in South Africa are bound to be not so relevant as in the past, a strong potential for development is believed to exist in the energy supply to neighbouring countries, such as the case of the hitherto under-utilised Cahora Bassa dam, transport and tourism. However, for these favourable expectations to be able to materialise, confidence in the security and competitiveness of Mozambican routes and

connected services should be restored, as an alternative to the networks established during the war.

Several reforms undertaken so far, such as those applied to the exchange rate, the price system and the domestic trade, have given more value to land, hence providing an incentive to *agricultural production* and reversing the previous discrimination against this sector. However, the nature of this sector remains to a large extent dual, with a relatively wealthy commercial sector as opposed to a poor and populous family sector.

In this respect, many state farms have been privatised: while possibly removing market inefficiencies, this might perpetuate the imbalance within the agricultural sector. In spite of present attempts to redress this imbalance, and the emphasis of the economic rehabilitation programme on the recovery of this sector, problems have been aggravated by war-related resettlements, as witnessed by conflicts on former state farm land in the South.

Given these various constraints, the recovery prospected by the government for 1992-1994 seems ambitious. This recovery would imply reaching a 6% yearly growth in 1994. Still, this figure lies far below the hypothetical growth which will be needed in the 1990s in order to achieve by the end of the century the same level of per capita income in real terms as in 1980 (Mainardi, 1988). Therefore, a stable solution of tensions in the country and in the Southern African region and an effective and lasting contribution of foreign aid, trade and investment is needed. South Africa could definitely play an essential role in this regard. **UPWA**

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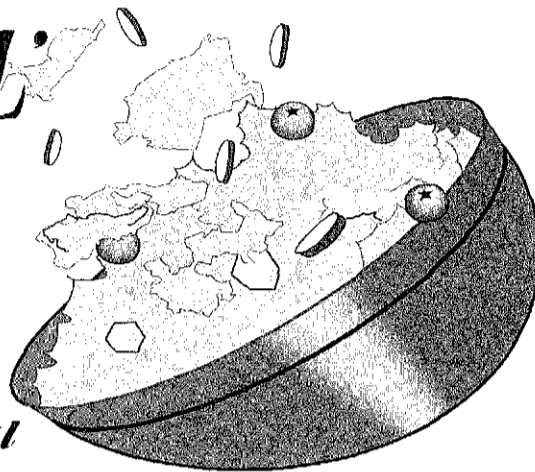
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A 6% yearly growth lies far below what will be needed in order to achieve by the end of the century the same level of per capita income in real terms as in 1980

A stable solution of internal and regional tensions and an effective and lasting contribution of foreign aid, trade and investment is needed

THE 'SALAD BOWL' SOCIETY

*A Constitution
for KwaZulu/Natal*



*A rejoinder to
de Haas and Zulu*

By Dr Mario Oriani-Ambrosini, Constitutional Advisor to the KwaZulu Government

The form and extent of regional powers has emerged as a major stumbling-block in the present stage of negotiations at the World Trade Centre. The Inkatha Freedom Party requested the right of reply to a critique of the KwaZulu/Natal Constitution published in Vol10/No3 of Indicator South Africa (Development Monitor:47-52), under the title 'Ethnic Mobilisation: KwaZulu's Politics of Secession' by Mary de Haas and Paulus Zulu. In this rejoinder, Dr Oriani-Ambrosini takes up the cudgels on behalf of the IFP.

The constitutional thinking developed at the World Trade Centre indicates that regions will have their own constitutions, even if at present it is not conceded that such constitutions should be finalised through the establishment of federalism rather than regionalism, and that therefore they should be autonomously adopted. During his visit to Durban in early August 1993, State President FW de Klerk also promised that KwaZulu/Natal could be organised under a regional constitution.

The adoption by the KwaZulu Legislative Assembly of the Constitution of the State of KwaZulu/Natal on 1 December 1992 had the purpose of erecting the region of KwaZulu/Natal into statchood within the unifying parameters of a constitution for a Federal Republic of South Africa, to be drafted through the process of negotiation at national level. The action taken by the KwaZulu Legislative Assembly raised considerable debate which has often degenerated into political controversy without focusing on the objective meaning and purposes of *the Constitution*.

It is regrettable that this debate has often fallen into partisan and distorted propaganda overshadowing the constitutional meaning of the contribution

of the KwaZulu government to the process of transformation in South Africa. Unfortunately, the article by de Haas and Zulu seems to contribute more to political polemics than to academic and intellectual debate around *the Constitution*. In fact, that contribution contains significant errors and is highly inaccurate as a matter of constitutional law.

The purpose of this rejoinder is not to continue or exacerbate polemics but rather to reestablish a level of scientific and objective debate which could be conducive to a more in-depth analysis of *the Constitution* and of the policies of the KwaZulu government.

Ethnic Diversity

The Constitution of the State of KwaZulu/Natal comes at the culmination of a long process of conceptual and political development. This process began in 1972 when Mangosuthu Buthelezi first made a fervid appeal for the establishment of a federation in South Africa, and for the racial harmonisation among all the people living in KwaZulu/Natal in a climate of pluralism and mutual respect for cultural diversity.

The Buthelezi Commission of 1980 and the subsequent KwaZulu/Natal Indaba had the distinctive purpose of bringing together all the social, cultural and economic formations of the region to work in the common interest and across racial divisions. From this experience both the KwaZulu Government and the Inkatha Freedom Party developed a clear understanding of the conditions for future nation-building in South Africa. It was firmly understood that South Africa can finally become a nation only to the extent that it succeeded in accommodating and capitalising on cultural diversity rather than ignoring, and destroying it.

From this point of view, the KwaZulu Government and the Inkatha Freedom Party developed federalistic proposals, not only for the sake of KwaZulu/Natal but as a plan to ensure long-lasting peace and prosperity in South Africa. The adoption of *the Constitution* must be read against this background.

Ms de Haas and Dr Zulu appear to contend that ethnicity is a creation of the regime of apartheid and should be disregarded in the future nation-building. Now more than ever world experience proves this statement wrong, for *ethnos* exists in the social reality beyond political motivation. It is true that ethnicity is often instrumentalised for political purposes of different connotations, but it is surely not created by parties' political agendas.

The fact of the matter is that the most essential part of the human condition emanates from the way we perceive ourselves as member of social and cultural formations and from our respective religious, cultural and ethnic identity. There is no need to stress the fact that in no other country in the world might this be as true as it is in South Africa.

The international community has long recognised ethnicity as an emerging aspect of human rights protection. The Charter of UNESCO recognises the right to be different and to be perceived and considered different on the basis of one's own culture and ethnicity.

The second International Covenant on Social and Cultural Rights set the foundation for the development of the so-called fourth generation human rights to protect cultural diversity and ethnic identity. The UN Human Rights Commission has recently been instructed by the UN General Assembly to draft the third

International Covenant on Indigenous and Minority Rights. In the African continent these concepts have long been entrenched in Africa's Banjul Charter on Human and Peoples' Rights.

Throughout the world, modern constitutions recognise and protect social and cultural formations in a sharp departure from the French revolution tradition which extended recognition and protection from the State only to individuals. In many constitutions specific mention is made to the right of the people 'as individuals and as members of the social and cultural formations to which they belong'. This language has carried itself into the Constitution of the State of KwaZulu/Natal.

It is true that ethnicity has been used in South Africa upon which to base racial discrimination, but this should be no reason to ignore ethnicity as it relates to freedom and human rights protection. In the South African context, the demand for the protection of cultural diversity cut across the political spectrum.

No Melting Pot

From a technical point of view the best methods employed to protect cultural diversity rely on the recognition of autonomy viz. the right of self-regulation, on all matters which relate to the essential part of one's own culture and ethnicity, subject to the democratic parameters and principle set forth in the constitution. The concept of autonomy can either have a territorial or a personal/collective connotation. It implies limitation on the powers of the government to regulate or control matters which are best left to territorial, personal or collective autonomy.

The notion of recognition of cultural identities and of a related area of autonomy are crucial to the protection of freedom in its most advanced development. It needs to be stressed that these developments in the frontiers of freedom are not the by-product of academic speculation but immediately arise out of the demands of people on the ground from all over the world.

Even countries such as the United States of America, which for centuries has embraced the ideology of the melting pot has had to come to terms with the recognition and protection of cultural diversity. It has had to adjust to communities such as the Latinos and Asiatic communities which have clearly indicate their unwillingness to

In many constitutions specific mention is made to the right of the people 'as individuals and as members of the social and cultural formations'

The best methods employed to protect cultural diversity rely on the recognition of autonomy viz. the right of self-regulation

The Constitution is by no stretch of the imagination a Zulu constitution for the Zulus only

merge, stating the demand to protect in autonomy their cultural diversity and ethnic identity. Not surprisingly American scholars no longer refer to the United States as a 'melting pot' but rather as 'salad bowl'.

It takes no great academic analysis to support the conclusion that it would be absolutely preposterous to believe that the people of South Africa could only be considered as individuals on the basis of French revolution-type models which the rest of the world has long abandoned and which seems to be nurtured only by the African National Congress/South African Communist Party (ANC/SACP) alliance.

This is the sociological and factual background against which we need to assess the solutions and the techniques adopted in the Constitution of the State of KwaZulu/Natal.

Politics of Pluralism

At the outset it needs to be stressed that *the Constitution* is by no stretch of the imagination a Zulu constitution for the Zulus only. It is a democratic constitution which meets the highest standards of modern constitutionalism and recognises broad areas of personal and collective freedom and autonomy. Within such freedom of autonomy falls the recognition of the right of the people to express and maintain their cultural diversity.

This includes, amongst many other things, the right of the people to live by rules of customary law if they so choose and desire. It is very significant that customary law is recognised and protected only to the extent that it is consistent with the very extensive and democratic parameters set forth in *the Constitution*, and it can be enforced only in relation to those individuals who voluntarily choose to identify themselves with the specific system of traditional and customary rule.

Therefore, also the recognition and protection of traditional and customary law falls within the greater parameters of protection of personal and collective autonomy for matters which are best left to the autonomy of the people rather than to the regulation of government. There is clearly tension between other applicable constitutional principles and mandates and personal and collective autonomy. This tension will need to be resolved through the process of constitutional adjudication centred around the jurisdiction of the

Constitutional Court, as is the case for all other human rights.

It is obvious that this regulation of interests does not only apply to Zulus but also to all the other social and cultural formations of the newly-created state of KwaZulu/Natal. Such formations are not only established on an ethnic basis but refer also to professional, religious, recreational, scientific, academic and civic formations and other institutions of civil society.

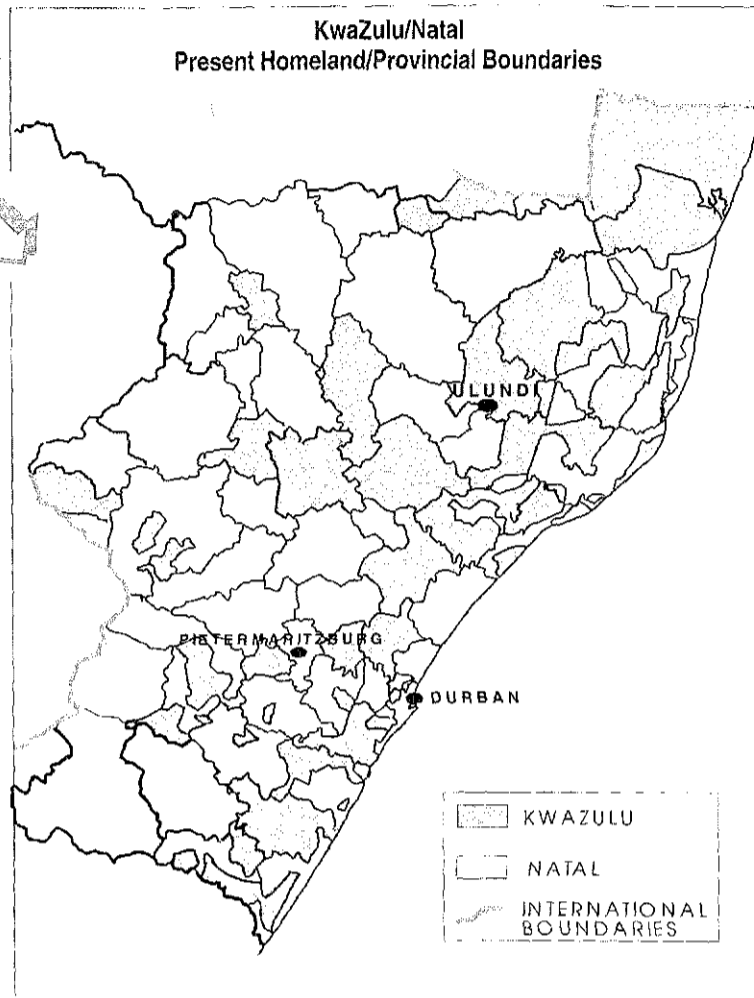
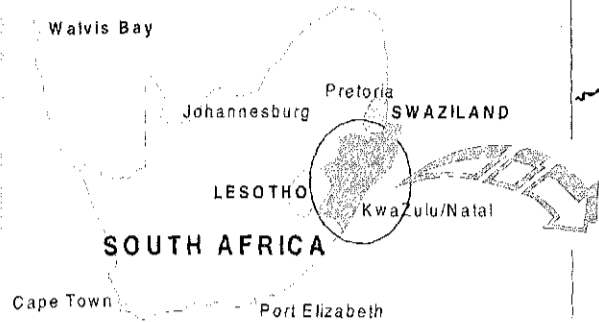
The Constitution carries a strong commitment to preserve the integrity of civil society, through powerfully limiting the role and extent of government in all situations in which there is no need for government action. The limitations of the role of government are in tension with the constitutional imperative of redressing the social imbalance of the State and bringing about social justice. The actual resolution of this tension is left to the process of constitutional adjudication which is likely to follow a path very well-experienced in many other countries which faced similar problems.

The Constitution is fully inspired by the notion of pluralism, intended as social, cultural, economic and political pluralism:

- *Political pluralism* is protected and promoted over and above the mere recognition of the co-existence of political parties. Special protection for political minorities accompanies a structure of the State where different political parties could be in power at the same time in the various regions into which the state is subdivided.
- *Social and cultural pluralism* is protected through the recognition of areas of personal and collective autonomy and through the limitation of the role of the State.
- *Economic pluralism* is brought about by intense programmes of privatisation and the full protection of an economic system based on free market competition and limited government intervention.

Pluralism is framed within a set of unifying parameters at state and federal level. In this respect, it is essential to read *the Constitution* against the draft constitution for a federal Republic of South Africa submitted by the IFP to the multi-party negotiation process. This exercise will reveal how the concept of federalism endorsed by the IFP closely resembles the system adopted in the United States of America.

It is a democratic constitution which recognises broad areas of personal and collective freedom and autonomy



Federal Model

Federation should be established, leaving with the member states all the residual powers and allocating to the federal government only those powers which can not be adequately or properly exercised at state levels, on the basis of the notion of residuality. The relation between protection of cultural diversity and residual powers is self-evident once we consider that residual powers are what really shape society in its everyday operations, as they include the adoption and administration of criminal, family, contract, commercial and other laws.

The combined reading of the *Constitution* with the IFP's draft constitution for a federal South Africa shows clearly that the statements contained in de Haas and Zulu's article are utterly wrong as a matter of constitutional law. There is no foundation to support the proposition that the *Constitution* (of the State of KwaZulu/Natal) is designed to facilitate secession and that it grants the national government 'minimal powers'. On the contrary, the powers granted to the federal government are in excess of the powers reserved by the Constitution of the United States to the US federal government.

Moreover, constitutional theory reserves to the federal government, in addition to the listed powers, those unlisted powers which are known as 'necessary and implied powers'. Similarly, a reading of the two above constitutional documents, and the extensive analysis of any piece of literature ever produced by the KwaZulu Government or the IFP, clearly indicates that no one has ever proposed secession for KwaZulu/Natal, nor has anyone ever advanced the statement that KwaZulu/Natal could cut itself off from the rest of South Africa from a financial or a political point of view.

Anyone would be very hard pressed to find in any of the constitutional documents

produced by the KwaZulu Government or the IFP elements which could characterise the *Constitution* or the constitutional policies of the KwaZulu Government or the IFP as 'reactionary and retrogressive' as stated by de Haas and Zulu. On the contrary, the *Constitution* throughout its provisions shows a very libertarian and socially orientated nature which remains unparalleled by any proposal ever advanced by the ANC/SACP alliance or any other political party. This libertarian philosophy runs through all the various chapters of the *Constitution*, including the Bill of Rights, the recognition of social and economic rights, the entrenchment of personal and collective autonomy, the institutions of democratic participation and the control of the people over their government and the political representatives.

Furthermore, the article by de Haas and Zulu fundamentally misunderstands the role of independent commissions. Each of these commissions should be analysed in detail. However, as a general statement it can be said that their function is to limit the extent of all branches of government and control their functions. A 13-person Civil Service Commission, as provided for in the

The Constitution of the State of KwaZulu/Natal is not designed to facilitate secession nor grant the national government 'minimal powers'

There is nothing in the Constitution which could suggest that government is not based on the principle of full transparency

Constitution, combined with a 13-person Regulatory Relief Commission, should have the capability of cutting off billions of rands worth of government waste, corruption and unnecessary government functions.

What is more important is that the Commissions are tools of direct empowerment of civil society to control and regulate governmental functions in addition to the often ineffective mechanism of political representation.

Empowering People

Empowerment of the people is what the IFP and the KwaZulu Government stand for. This objective is fully reflected by the provisions of *the Constitution* which allow the affected interests to have a say in the concerned government functions. This vision of democracy clashes with autocratic and totalitarian tendencies expressed by the ANC/SACP alliance which would want all the power of the people to be delegated to the state and administered by the government in its discretion.

Similarly, the Judicial Service Commission has been modelled after, and capitalises on the most advanced experience of international constitutionalism to guarantee the efficiency and the impartiality of the administration of justice. In this respect, it must also be noted the erroneousness of the idea that breaking down the South African administration of justice into nine state and one federal judiciaries would create more bureaucracy, for this process does not increase the required number of courtrooms, judges and paralegals, nor does it have any bearing on the number of cases pending before the court.

The remarks of de Haas and Zulu related to the need to report all cases in which the public prosecution failed to prosecute also show a fundamental misunderstanding of the institutional alternative between the mandatory or discriminatory nature of criminal prosecution. *The Constitution* does not make a choice in this respect but indicates that should the discretionary option be chosen by the legislature, correctives should be put in place to redress some of the problems which arise from that type of policy. This type of provision ties in with the independent role of public prosecution set forth in *the Constitution* to de-politicise and make more efficient the administration on criminal justice.

Contrary to what the two authors indicate, there is nothing in *the Constitution* which could suggest that government is not based on the principle of full transparency. On the contrary, the people are empowered with full access of all government information which can not be withheld without court approval, and many government actions are subject to the control of the commissions and to other reporting requirements.

Moreover, and contrary to de Haas and Zulu's understanding, rule of law and abidance to the provisions of *the Constitution* controls to the fullest extent possible the action of all political representatives and makes them accountable to their electorate. *The Constitution* even contains provisions which makes civil servants similarly accountable for their gross negligence and malice. As the two authors provided no corroboration nor legal basis for their conclusions, their sweeping statement in this and in other respects can only be countered by indicating that they are erroneous.

South Africa should not fear freedom and empowerment. Pluralism and diversity is what brings people together and creates strength. Throughout the world all political philosophies which tried to acculturate and level diversity have led to unspeakable misery and destruction. I would truly invite any concerned scientist and intellectual to analyse on a chapter by chapter basis the various provisions of the Constitution of the State of KwaZulu/Natal against the background of available constitutional knowledge and experience in the world.

No constitution is either perfect or above criticism, and the Constitution of the State of KwaZulu/Natal is no exception. However, the 'Buthelezi Constitution of 1992' could be remembered as one of the best constitutions ever adopted in the continent, and whether it remains a dream or becomes a reality will depend on our capability to explain it to the people of KwaZulu/Natal.

It is essential that in the constitutional development of South Africa we seek solutions which work outside preconceived ideas and political rhetoric, starting from the true demands of the people of this country and inspired only by the goal of meeting their true needs, wants and aspirations. This is the test which should direct any constitutional critique. **IPDA**

The Constitution controls to the fullest extent possible the action of all political representatives and makes them accountable to their electorate



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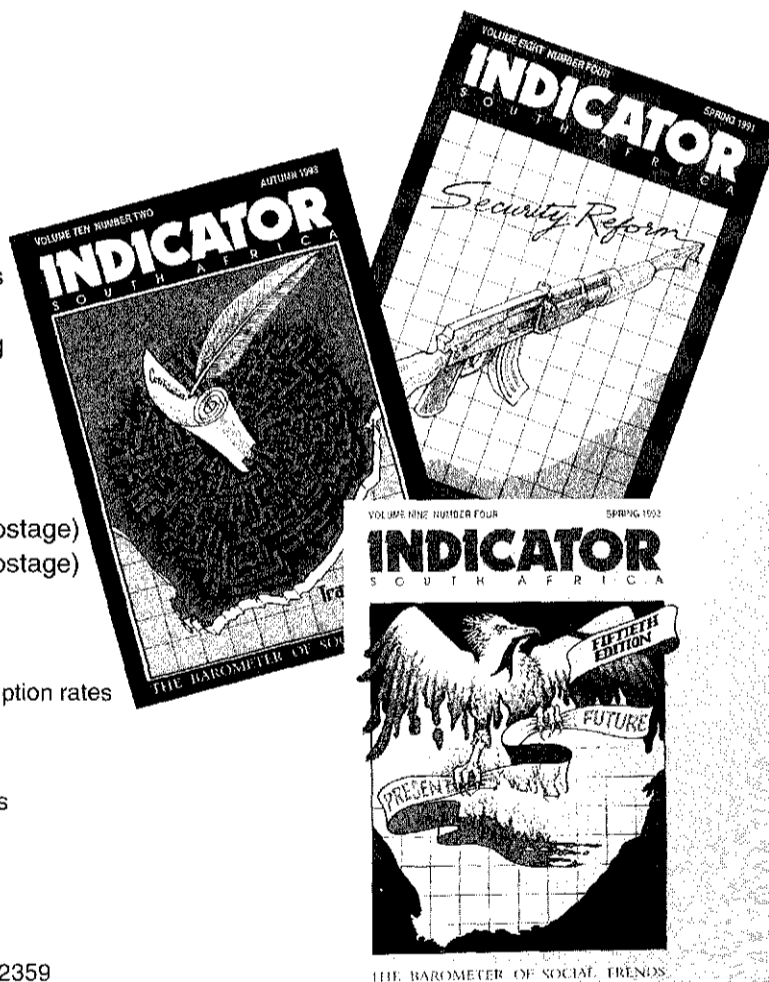
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