

SADCC vs SOUTH AFRICA: Turning of the Tide?

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The struggle continues.

The dream lives.

- Mozambican Mobilising Slogans

Ten Years On

Serious thinking, data collection and analysis toward what was in 1980 to become the Southern African Development Coordination Conference began in 1977-78. The process leading to formal Front Line State endorsement of exploring the concept (in February 1979) and the Arusha pre-founding SADCC (in July 1979) began in late 1978. Thus while the formal tenth anniversary of founding will be in April 1990 - after the April 1, 1980 adoption of SADCC's prospectus and de facto constitution, the Lusaka Declaration - 1988 is in a real sense the tenth year of SADCC's existence as a process.

That makes it an appropriate time for a broad retrospective review. SADCC after all was born at the peak of African hopes in the twilight of the 1976-79 SSA economic boom (average annual growth of about 6% never achieved before or since) and at the dawn of the Southern African dream of peaceful evolution to economic independence and progressive delinking from South Africa. The hopes, dreams and initiatives of those days are largely dead or tottering shadows of themselves. The UN Programme for African Economic Recovery and Development of 1986 is not the child of the 1980 Lagos Plan of Action. It is a desperate plea for a contract with African states to alter policies and the global community to provide the working capital. The Secretary General's mid-term report is clear and stark - Africa by and large reformed, the global community's contribution is largely not UNPAERD but UNPAID. The Common Fund is, at best, virtually stillborn; the New International Economic Order a wistful memory or a macabre joke. The real prices of most African exports are at their lowest levels in 50 years - and of the largest, oil, back to 1940s

real levels. RSA has made clear it has no intention of allowing peaceful erosion of its hegemony over the Southern African region. On UNICEF estimates over 1980-88 over 1,500,000 Southern Africans (about 1,600,000 including SADCC's occupied tenth member Namibia) died who in the absence of the total aggression regional aspect of RSA's "total strategy" would be alive today.

SADCC on that record should be decently interred or at most 'enjoy' the death in life paper survival of many of the 150 odd multi-country economic groupings that litter SSA. But, at least on the face of it, that is not the case. The Annual SADCC Conference with external cooperating partners remains a high profile event attracting ministers and senior officials from three score countries and development institutions from outside the region. The talk is of over \$6 billion of articulated, agreed priority projects; \$3 billion either firmly or tentatively pledged to their implementation and over \$1 billion spent. Despite RSA's direct and proxy aggression the Indian Ocean port corridors seem - after 1982-84 setbacks - to be moving ahead again. Is this an illusion? Is SADCC really the exception - an African initiative (and a multi-state one at that) which, launched on the eve of a wave of disasters, has not merely survived but actually made significant forward progress? If so, how and why? And, if so why are its sharpest critics RSA (by deed) and the radical African intellectual left (by word) - on the face of it a most unlikely partnership.

The Dream: 1978-80

SADCC was founded on three goals: reduction of dependence on South Africa rapidly; building up regional interdependence to increase the pace of development speedily and to reduce non-RSA external dependence gradually; to do this by identifying and acting on areas of perceived common political economic interests among its member States. Within that frame it placed restoration of regional transport interdependent self-reliance (broken in RSA's favour during UDI) at the top of the list because it saw it as the key to RSA's general economic hegemony and its non-military leverage over the independent states.

While SADCC always assumed external cooperation (it has tended to eschew the use of "donor" on the basis that it is inaccurate even in describing the

totality of relationships in which financial transfers are dominantly grants) it believed - on the 1976-79 record - that substantial domestic resources and purely commercial external loans/investments could be mobilised. It also believed RSA while uncooperative would not risk its crucial regional exports by massive economic destabilisation nor engage in military adventurism against economic delinking.

SADCC did not see health, education (except for high and middle level specialised personpower development) as common interests better pursued regionally. However, it did believe basic economic needs had a high priority and that a key one (on both production income and assured supply fronts) was food security. Its early emphasis on drought resistant, small farmer friendly agricultural research development illustrates the genuineness of these priorities.

SADCC then did represent the Southern African dream - of economic development, of self-determination, of mass welfare and of winning free of South African domination. Its unusual structural features were not academic experiments (although it did have some advisers who were ex-government practitioners and current academics) so much as thoughtful politicians attempts to learn from their own and their neighbours experience. The avoidance of a dominant regional bureaucracy, the concentration on mutually identified common interests, the placing of production before trade - and of laissez faire free trade off the agenda, the involvement of governments working together (or with domestic enterprises albeit that was and to some extent remains less well thought out) at all stages from concept through implementation; the high priority to rehabilitation (disguised up to 1984 as in 1980 that approach was internationally unsaleable); the determination that SADCC cooperation would be on a SADCC designed agenda focussed around a SADCC run conference were among the main unusual (or unique) elements. All were Southern African chosen - SADCC has intellectually been the most self-reliant and self-confident regional (or sub-regional) economic group in the continent and in that sense the truest to the spirit of the Lagos Plan of Action even if it rejected its neo-classical/neo-EEC free trade driven means to growing interdependence and reduced dependence.

By the first formal Annual Conference at Maputo in late 1980 the dream seemed to be a viable operating blueprint. Governmental enthusiasm in the region, a

genuine cooperation among officials, a seriously articulated set of priority projects in several sectors, an external response and several hundred million dollars pledged. In 1981 at Blantyre concrete implementation had begun and articulation of a fuller set of priority project components was proceeding. But two small clouds warned of the nightmare to come. First South Africa had left a greeting card blowing up the navigation guides to Beira harbour (then Malawi's key port) and three cooperating partners challenged the Communique reference to RSA destabilisation and sabotage and the need for the international community to act to deter it. Still, the first looked handleable and on the second point the SADCC states (and to be fair a majority of the cooperating partners) preserved the substance of the disputed wording. Similarly the economic crises already afflicting Zambia and Tanzania were seen as short term. By the early 1983 Conference in Maseru the picture had begun to change radically, and for the worse.

The Nightmare Years: 1981-86

Over 1981-86 SADCC had a curiously two aspect appearance. On the one hand the Conferences; the pledges; the project articulation; the development of policy coordination; the habit of working together; the creation of a clear regional and international image and some project areas, e.g. telecommunications, agricultural research moved ahead steadily. Among the most noteworthy - except on the last count - was transport spearheaded by the Southern African Transport Coordination Commission (SATCC) and coordinated by Mozambique.

But there was another side. Reduction in local resource availability and lack of ability to attract (or afford) commercial loans greatly raised the dependence on external finance; without distortion of priority proposals but with a distinct patchiness in ability to move on implementation. Further drought - endemic over 1980-1985 and recurring (together with locusts) in some states in 1987-88 made a mockery of food security efforts until 1985/86. Worst, RSA's response had been totally misprojected (or RSA changed its tactics). South Africa used proxy forces and (massively in Angola, less overtly in Mozambique) its regular armed forces to smash the regions transport corridors to Lobito Bay, Maputo, Beira and Nacala, and to lay waste rural Mozambique and Angola. This kept the transport stranglehold in place (created it for the first time for Malawi) and increased market opportunities in and

economic leverage over Botswana, Zimbabwe, Swaziland, Zambia and Malawi against whom non-military destabilisation was limited and military incursions apparently more brutal warnings than anything else. As a result by 1986 trade and transport dependence on RSA had increased; doubtless less than it would without SADCC but still movement in the wrong direction.

The gloomiest position came late in 1986 after Samora's plane had followed a false beacon into the hills behind Nkomati. South Africa's proxy Renamo seemed about to cut Mozambique in two, break the defence perimeter around the Beira Corridor and reduce the operational capacity of the Mozambican state to the vanishing point. Angola seemed unable to make progress against South Africa's UNITA proxy because whenever it began RSA regular forces swarmed in to take the pressure off their proteges. And with the collapse of oil prices Angola's fiscal ability to keep the rest of its economy - and its people - going and fight the war seemed in danger of being seriously undermined.

SADCC in one sense kept plugging the 1980 line - it did not alter goals and, if anything, raised the priority given to transport. But it did in fact add two more features. One was systematic presentation of the damage RSA was doing linked to demands for effective pressure on RSA (by economic sanctions or otherwise) to deter it. The other was the institution of a process of regular critical assessments of what was being done and how and what the obstacles to doing more, faster were. Nonetheless in the last months of 1986 while SADCC, like Mozambique, could surely assert that "the struggle continues" the claim the "the dream lives" was more a desperate assertion of faith than a candid description of the course or state of event. But as in 1981 reality was somewhat different - in this case better - than it appeared and the next twenty-four months were to see dramatic changes.

The Turning of the Tide: 1987 - ??

The initial clawback from late 1986 was presented in the 1986-87 ACR Southern African economic cooperation chapter. Briefly, the armed bandits of Renamo were broken as a serious military threat albeit their power to kill and to destabilise rural life remained high and as became clearer in 1988 their military breaking released a torrent of ex-slave labourers into Malawi nearly swamping its economy and food supplies as they rapidly passed the 500,000

mark. The progress on the Beira, to a lesser extent the Nacala and - potentially then - the Maputo-Zimbabwe corridors began to look more promising and the key transport vice-breaking momentum to be moving in the right direction again along with the economic and human viability of Mozambique. Up to that point no dramatic changes were apparent on the Angola front and Namibian independence seemed to have retreated into the very hazy future.

In 1988 developments took place:

1. The 1987 Mozambique emergencia appeal proved to have been successful and was followed by a larger 1988 set of pledges while the economy turned up markedly;
2. The armed bandits were systematically broken up over ever growing swathes of country and prospects for renewed peasant livelihoods and domestic food supplies began to look realistic in many districts for the 1988/89 crop year;
3. Beira Corridor upgrading continued and although repair (even more than security) problems continued to keep the Nacala rail route closed some lorry traffic began to move. More dramatic, the Limpopo Valley (Maputo-Zimbabwe) line reopened and was being steadily upgraded so that 1989 could well be the last year in which RSA transport facilities were vital;
4. Angola defeated South Africa's expeditionary force in front of Cuito Canavale and drove its airforce from Angolan skies. With its forces half trapped and its vital artillery park kept in being only by the stinger missiles it deployed around it, RSA had to negotiate a truce to pull out of Angola while Angola launched a major offensive against the proxy forces designed to cut their northern (Kamina supplied) penetration zone from the previously South African guarded Jamba redoubt as well as to begin clearing the Lobito Bay rail line;
5. As a result South Africa began - at the least - serious consideration of and continued (if slightly desultary) negotiation toward allowing a UN supervised independence process in Namibia in 1989 or 1990.

Clearly not all of this is SADCC's doing any more than was the increased food security following good 1986 harvests. But its contribution - except on the strictly military front where the Front Line States and peripherally Malawi were key - has not been negligible.

Mozambique's emergence from being cold shouldered to one of the West's 'favourite' African states has multiple causes. One is Mozambique's skillful diplomacy and presentation of its own case year after year. Another is the almost incredible beastliness of RSA's proxy Renamo combined with the absence of any non-African operational forces on the Mozambican side. A third is the work of other external friends in putting Mozambique's case, e.g. in UNICEF's 1987 Children On The Front Line. But SADCC's dogged presentation of regional priorities and projects many of which were in Mozambique as well as Mozambique's performance in SADCC especially in its transport and communication sector coordination role played a part.

Certainly SADCC kept the transport rehabilitation programme going when it appeared a Sisyphean labour with RSA destruction outpacing SADCC construction. Without that the security improvement of 1987-88 would have had no ongoing rehabilitation process to further. And the firm scheduling of a Lobito Corridor technical/financial meeting for 1989 clearly demonstrates what is intended next.

Not merely the successes - partial and at risk as they are and as SADCC and its member States know them to be - but the manner of winning them has gone far to raise morale. South Africa and its proxies have been defeated militarily, the myth of unvincibility is dead. In Mozambique the armed bandits were smashed wholly by FLS forces albeit in parallel cooperating partners have begun to move toward providing "project security" and "non-lethal military" support. The South African economy is growing about 1% a year since 1980 - far worse than SADCC - and is increasingly constrained by economic sanctions even if not necessarily those expected or sought by SADCC. The dogged plugging away on transport is beginning to pay off and to allow valuing progress in communications, agriculture research, animal disease control, energy, airline schedule coordination, etc., more highly now the central area they are to complement is itself forging ahead. Both the critics who said SADCC was wrong to "confront" South Africa even peaceable and those who argued it had no intent to do so nor to save Mozambique begin to look like

false prophets.

Just as SADCC did not succumb to despair in 1982-86 so it appears to be prudently avoiding euphoria today. It knows South Africa can strike again and may well be reorganising itself to do just that. Equally it knows that security is far from restored and that massive financing and technical barriers remain before the Maputo, Nacala and Beira - let alone the Lobito Bay - corridors are fully, sustainably operational. Its second regional economic survey will almost certainly show progress since the first (presented in early 1986) but also underline continuing sluggish performance, structural obstacles to restoring rapid development and a grim international economic context now with few signs of basic improvement. But it may well also cite 5% as an attainable average regional growth path - something it could not realistically have done (and did not) in 1986.

The 1988 Annual Conference and After

In 1988 SADCC's Annual Conference returned to Arusha where the 1979 pre-founding 'test' conference had been held. No longer an experiment the Conference in one sense was featured by continuity not change. Sober sectoral studies; new and revised project proposals; frank regional presentations of progress and problems, needs and achievements; a good deal of give and take on ways, means and details; generally supportive cooperating partner statements - all were there as they have been from Maputo in 1980. True the 1987 emphasis on directly productive sectors and enterprise involvement was high profile but even that was for the second year and had been preceded by lower key (and in some cases in separate sectoral fora) precursors from 1984 onward.

But is that necessarily a criticism? SADCC Annual Conferences have their limitations but they do work. Cooperating partners have put them in their calendar and do come prepared to discuss and to make at least tentative commitments. The sectoral papers provide a target date and a showcase for new projects and the lead paper and Chairman's speeches play a similar role for main policy priorities and regional political economic perceptions. SADCC's image is publicised internationally and regionally. At the latter level followup is now increasing, especially in Zimbabwe, Mozambique and Zambia articles on some aspect of SADCC's work often appear two to five times a week

year round and "SADCC" and "the SADCC region" are ubiquitous terms. Funds are mobilised, routes to concrete negotiation identified (or pursued outside the main meeting), support is consolidated and SADCC's ability to take the lead on regional development issues regionally and with cooperating partners reaffirmed. Doubtless improvements can be made - one or two are tried out each year and retained or dropped on the basis of results. But basically the Conference is and remains a success and needs, for the time being, safeguarding and steady marginal improvement and novelty features not massive structural reform.

But in one way 1988 was different. About \$1,000 million in new money was pledged. That is a record and when negotiated into bankable commitments to agreed projects will raise these by almost 50% over 1980-87 firm commitments. SADCC does not set vast stock in pledges until they become commitments but their marked rise in 1988 does have its own meaning. It is - however implicit - a collective statement by cooperating partners that they both accept that SADCC is focussing in practicable ways on real issues and viable projects and that they see concrete results flowing from the funds it has deployed to date. The international community too sees a sharp change for the better in the region since 1986 and apparently is willing to raise its support to keep that change moving on the economic front.

By mid-1987 SADCC agreed projects had reached 493 (out of perhaps 1,000 submitted) with estimated total financial requirements of \$6,400 million (65% for Transport and Communication). Of that total just under 35% - \$2,165 million - was secured (72½% for Transport and Communications) and another 5% - \$322.5 million - was under negotiation. About \$1,000 million had already been invested and indeed a significant number of capital projects as well as studies were complete and in operation.

As of the end of 1988 the total sought is likely to be approaching \$7,500 million; that secured and under negotiation to have reached \$3,000 million and disbursement/implementation to be closing on \$1,500 million. Too little and with too long a lag is fair comment but it is easy to forget that at Maputo in 1980 SADCC envisaged \$2,000 million over up to 10 years as the highest reasonably projectable level of commitments a level already reached in nominal terms by mid-1987 and probably to be surpassed in real as well before the end of 1990. In that respect at least SADCC "optimism" (as most viewed it at the

time) was well based. Compared to national projects SADCC's commitment pipeline is high but it has an abnormally high proportion of long lead time large projects and, equally to the point, of South African aggression barriers to prompt action in much of the dominant transport sector. On the whole funding sources do find SADCC context negotiations and procedures at least as practical, efficient and expeditious as all but the best national ones and also see improvement in disbursement rates over time. Hardly a cause for three cheers but also not one for believing that the process is bogging down or headed in the wrong direction - two cheers on fund mobilisation and a fraction over one on use rates perhaps.

Pragmatic Is As Pragmatic Does

SADCC has both benefitted and suffered from being both praised and damned as "pragmatic". The term appears to be used not so much loosely as both unthinkingly and contradictorily.

To argue that SADCC is pragmatic and that massive reduction of dependence on South Africa especially in transport is undesirable and/or impossible is to contradict oneself. If SADCC has adhered firmly to any goal - and it has - it is breaking the post 1965 creation of transport dependence as the keystone in its arc of regional hegemony. South Africa's transport barons and its intellectuals in waiting (notably Kissinger manque Deon Geldenhuys) and SADCC's spokesmen do see the future of the South and Southern African regions as turning on that struggle. Year after year, project after project, destroyed line after destroyed line SADCC has grimly, doggedly persisted. Today it sees more trains rolling and more donor funds rolling in. It has continued the struggle - the dream lives and is taking on palpable reality. That is just as much a comment on left maximalist critics who decry lack of a uniform political line, of clear commitment to socialism, of rapid progress to free trade (an odd left goal that) and the presence of donor finance and of financial supporters who will not back sanctions against apartheid or whose Mozambique and Angola stances are contradictory.

To them SADCC's "pragmatism" is a curse, a barrier to the New Jerusalem, a sell-out to imperialism.

In terms of basic goals SADCC has held fast to its founding Lusaka Declaration and its main programmatic priorities even when the going has been hard or regional agreement on a highest common denominator hard to come by. Doubtless specific project lists have changed albeit the key project clusters of 1980 are still there in 1988 and often (e.g. all the port corridors except Lobito Bay) moved well on the way to completion or even (e.g. earth satellite stations) over 100% of initial goals. Policy coordination (e.g. integrated regional air flight scheduling, common transit documentation) have moved upward in priority but within the initial and gradually articulated/adopted frame of overall goals and sectoral priorities.

Where SADCC is pragmatic is not about ends but about means and especially verbal means and choices of partners. The changing sequencing of transport corridors (in the face of changing military contexts) illustrates the former point. The resolute use of a businesslike tone tied to careful analysis and potentially practicable propositions is the core of the second. SADCC does not deal in standard international conference mumbling - its documents are readable and have a style - but it is not a platform for ringing declamations and blazing rhetoric. And - because without funds facts cannot be built on the ground - SADCC does accept support so long as (and only so long as) it is for a priority project, carries no strings inconsistent with the project's purposes and is not packaged in such a way as to threaten regional working unity.

The test case for critics and admirers has been the USA. SADCC has clearly taken the view that subject to the conditions noted the USA was an acceptable partner despite "constructive engagement" with South Africa and "destructive engagement" with RSA's UNITA proxy. The results are not intangible: major funding for agricultural research and for the Mozambican, Tanzanian and Zambian segments of the transport sector and potentially for trade sector revolving funds. But USA attempts to negative tie aid in 1984-85 (ironically then against Mozambique and Tanzania as well as Angola) were met by a clear warning to change at least to specifying positively or to have the funds rejected. The revised approach was made (and Mozambique and Tanzania soon thereafter added to the recipients list). Pragmatic, yes, but hardly absent minded or unprincipled.

Where Is The Trade?

SADCC's trade sector has progressed slowly for four reasons:

1. SADCC's top priorities have been transport and communications, food security and energy in that order both on paper and in time devoted, actions taken and resources mobilised;
2. SADCC genuinely believes trade expansion is a result of production coordination and expansion not a central means to achieving it, i.e. it takes production as basic and exchange as consequential (which is not to say trivial);
3. Because the neo-classical, neo-EEC road to common market models have a uniform record of limited to non-success (except at raising discord among economic group member states) in Africa, SADCC has sought more diversified, more information and access based and more enterprise grounded approaches and has faced problems in identifying and articulating them;
4. As there is already one broader, looser coverage trade oriented body - the Preferential Trade Area for Eastern and Southern African States - SADCC has no desire to duplicate or conflict in the tariff and hard currency clearing house areas but has problems in achieving a consensus beyond that because traditionally the PTA and its godfather, the Economic Commission for Africa have been overtly anti-SADCC and at least one SADCC Member State is in principle opposed to joining PTA (while two others are not yet members).

SADCC recognises that trade expansion is crucial and hopes that the steady series of studies and talks will lead to a substantive programme - as they have led to the formal creation (in 1985) of a Trade Sector with Tanzania as coordinating country. Member State interest is growing because at least four states - Zimbabwe, Botswana, Malawi and Tanzania see regional export expansion as crucial to the rehabilitation (or continuity) of capacity utilisation levels and broadening of the base of their manufacturing sectors as well as a significant route to expanding import capacity.

Industrial harmonisation (at the least avoiding massive regional overcapacity creation), better regional information flows on availabilities - sources - prices, better supporting transport and communications, revolving funds to cover the pre-export import costs of export production, frame trade target agreements with clearing and adjustment mechanisms other than hard currency settlement all have had serious attention, some degree of articulation and - in most cases - at least some progress. That progress - like the intra SADCC dialogue on which it is built - appears to be cumulative without the dangers of imbalances leading to self-destruct mechanisms which have characterised previous trade areas involving SADCC Member States. But it is painfully slow to date and has damped rather than halted aberrational nationalist outbursts notably the Zimbabwe trade authorities' imposition of restrictions on imports from Botswana and Malawi both of which are key markets and with both of which Zimbabwe enjoys a trade surplus (abstracting from Botswana metal matte exported to Zimbabwe, refined and exported from Zimbabwe as metal).

Trade is a problematic area especially because there does not yet seem to be a working understanding of two points:

1. no country will sign a blank cheque in forex, thus some degree of balance (or agreed imbalance) must be a target with means other than hard currency transfers to redress overshoots of imbalance;
2. the purpose of exports is basically to finance imports so that states and enterprises should seek regional sources as diligently as regional markets.

Multi Not Supranational

SADCC is avowedly multinational not supranational. While the word conference in its title is an historic anachronism it is true that SADCC as such and SADCC area independent groups (of trade unions, bankers, chambers of commerce, etc) confer to coordinate. The reasons for this approach may not be heroic but they are hard-headed and oriented toward achieving actual coordinated action in the existing context:

1. effective supranationalism would be acceptable to no SADCC member State;

so that a formally supranational body would have powers in name only or be confined to areas of no real concern to the members;

2. without direct government leadership and involvement at all stages and levels of decision taking, 'decisions' do not get implemented nor do states develop a habit of working together;
3. all SADCC states do perceive themselves as having common interests more effectively pursued in common (albeit the lists of the nine states are overlapping not identical) and are willing to seek to articulate, decide and mobilise resources to act in pursuance of them.

This approach does delay progress when states disagree on what the common interest is or how to proceed on it. That is one reason for slow progress in the trade sector. But at least when action is agreed upon it does tend to be taken, because it has been negotiated out [???] and agreed by all concerned member States. Concerned is the operative word - SADCC can (and does) proceed if a sector or a project concerns several (for a sector) or two (for a project) states so long as there is no substantive objection.

A potential danger is "buggins turn", i.e. forced equalisation of projects and posts such as the EEC practices on technical assistance contracts to ACP states with results which can be laughable, so long as one does not consider the damage to the 'beneficiary' ACP state landed with buggins. To date SADCC has avoided this. True every member State has had an Annual Conference and a Ministerial Meeting and most have had a Summit. Equally each has a (self-chosen) programme area to coordinate and promote. But that sharing adds little to cost and much to feeling of involvement. In the selection of projects artificial 'balancing' has been avoided. Unsound projects have been rejected (about half of submissions taking all sectors together) and no totting up of total projects per country either sectorally or overall has ever been part of SADCC's operating process. This is a potential future problem but not a present drag on efficiency (as it very much was in the old East African community).

Light Superstructure: Cost Minimisation or Expertise Limitation?

SADCC is regularly praised (and damned) for having lean (limited) community institutions. The praise sees this as avoiding bureaucracy and ensuring that decisions are taken by states which understand and intend to act on them not pre-empted out of them by bureaucrats with no power to implement and no real state commitment to draw upon. The condemnation sees SADCC as unable to transcend a least common denominator or to act decisively partly because technical expertise and leadership is lacking at the centre. The reality is more complex than either simplification recognises.

First, this an area in which SADCC thinking and practice has evolved, pragmatically if one likes. The Secretariat remains small but is approaching ten professionals and does offer suggestions for action, handle certain initiatives well beyond initial draft stage, play an international diplomatic role and both by regular reports and special studies assess results, strengths and weaknesses. This is a broader role than formally envisaged in 1979-80 but one endorsed as it evolved by the SADCC official and ministerial bodies.

Second, SADCC is closer to acting on a highest common denominator (i.e. a position no member State will choose to dissent from when set out by SADCC) than on a lowest common denominator. Its spokespersons at all levels do speak on SADCC's behalf in ways which are more regional than and at least subtly different from what they would choose to say in their national capacities. SADCC positions, stands and priorities do exist and - in some cases - are more than the sum of the national components.

Third, SADCC never objected to technical support bodies for agreed Sectoral Programme Areas. These now total nearly 100 professionals. Here the problem as most SADCC member States perceive is that some are too small, too weak and/or too passive. (Tanzania on manufacturing and trade has been especially sharply criticised within the region on these counts.) In no case has a coordinating state or its secretariat really been accused of being dictatorial, of pursuing national not regional interests or of having too large a staff too detached from the coordination of national projects and policies process.

The strength of coordinated national involvement has been married to achieving a highest common denominator and a distinctive regional voice. The central secretariat has achieved a substantive, influential role while remaining small. But the technical secretariats vary very much in strength and the under-staffing and financing of some is increasingly seen as a real and, in certain key sectors, potentially very damaging brake on progress.

External Dependence and Self Determination

External dependence reduction - "especially but not only on the Republic of South Africa" - is a basic SADCC goal. Overdependence not only as to funding but also as to concept, programme content and procedure is the commonest - usually but not always radical - criticism of SADCC. The criticism has several facets:

1. 86% of project finance sought as of mid-1987 was identified as foreign and a significant share of technical secretariat expenses is also foreign financed;
2. SADCC purportedly was teleguided into being by the EEC (albeit some right wing critics have nominated the USSR) to serve imperialist interests and block genuine sub-regional economic cooperation (presumably the PTA);
3. programmes - or at least the items implemented - are set out by funding sources;
4. SADCC has no political or military project, includes South African satellites and operates on a least common denominator approach which in practice allows external emasculation and its use as an alternative to sanction's against South Africa;
5. SADCC refuses to accept free trade as the core of economic integration thereby proving it is the plaything of external experimenters or forces wishing to ensure it has no serious dependence reducing impact.

It should be made clear that not all - or even a majority - of African radicals and especially not among those in the SADCC region would or do take

an anti-SADCC position and that the weight to be given to the foregoing charges is distinctly uneven. A preliminary point is that SADCC views overall dependence reduction as necessarily a long process and dependence shifting and diversification away from South Africa as a first step. Similarly it views more global exports (to reduce aid dependence) as complementary to not competitive with regional interdependence and intertrade development. SADCC may of course be wrong but critics rarely address these positions at all.

That 86% of investible funds from abroad is too high a proportion is contested by nobody - surely not by SADCC. (In fact the true proportion is probably not over 80%, presentation in a format designed to mobilise external resources tends to overlook related domestic funding but 80% is still very high.) Nor is it what SADCC expected in 1980. The reason is short if not sweet; economic recession and South African aggression have so eroded SADCC member State import and investment capacity as to make the real choice not between 80% and 40% foreign funding but between a substantial, basically foreign funded programme and a basically domestically funded programme too small to have any impact before member States gave up on SADCC as a good idea thwarted by recession and South Africa. On technical secretariats and related projects SADCC has adopted formulae and time tables for phasing in domestic finance and personnel.

SADCC was not founded by anybody except the Front Line States Heads of State slightly later joined by their Lesotho, Swaziland and Malawi counterparts. It represents in large part a reaction against externally (including Addis Ababa) designed sub-regional structures and a deliberate identification of areas which the states perceived as embodying common interests best pursued jointly. SADCC's good relations with most external sources of finance (Japan and the CMEA countries are to date fairly obvious exceptions) relate both to a need to collect funds (not debating points) and a commitment to the approach once aphorised by then President Nyerere as "argue don't shout".

The danger of those who finance determining priorities is one of which SADCC is deeply conscious. To date it has not happened on project selection and not centrally or systematically on projects financed and implemented as compared to those proposed. The least well financed area is national food security projects with a regional aspect because not only external funders but SADCC doubt how integrally these have been built into a set of regional priorities;

per contra the transport sector has a higher proportion of commitments than of total funds sought and its least financed project cluster - Lobito Bay - is clearly held back by physical inability to proceed to date more than any external bias in principle.

For SADCC to seek a joint political programme (whether to neo-laissez faire capitalism or to socialism) would be a recipe for its own dissolution. That may be an inconvenient fact but it is a fact. SADCC is an economic body - in many ways the economic arm of the Front Line States. Security cooperation is assigned to the FLS not to SADCC. As already argued SADCC seeks - with some success - to operate on a highest common denominator approach and to help the more cautious of its members evolve away from their present degree of closeness to RSA; not it should be said with no results even if the pace is slow and the gains to date limited. SADCC can hardly be said to have offered itself as a soft alternative to sanctions - it has in fact urged their adoption. Granted some funders do seem to see funding SADCC projects (and to a degree SADCC State self-defence against RSA and its proxies) as an alternative to sanctions. SADCC does not condone or agree with this but no SADCC country to date has suggested refusing the funds would hurt South Africa or bring sanctions nearer. As to membership it needs to be recalled SADCC has named its tenth member - Namibia on independence - and rejected an alternative (Zaire) at least partly on the grounds its commitment to reducing dependence on RSA was less than apparent. The Liberation Movements (ANC, SWAPO, PAC) do not seem to agree that SADCC is wishy-washy or worse on South Africa and since 1986 have spoken at the Annual Conference.

SADCC's non-allegiance to a neo-EEC road to economic integration is an odd reason for asserting it is foreign guided especially as repeated speeches by SADCC member State Ministers make abundantly clear that this is a Southern African decision based on experience that free trade divides partners and causes communities based on it to stall or implode. Historically and empirically that judgement is correct. Logically so is the perception that trade follows and validates production coordination rather than leading or causing it - very much a practising politician's not an academic or bureaucrat's insight. That SADCC has been slow on developing a substantial trade programme is clear but - as discussed above - this weakness (which SADCC describes it as being) does not relate to external influence but to real

problems of identifying substantial, relevant, financeable measures and achieving a working regional consensus on them.

In short, SADCC would be the first to say it has fallen short of its own targets in speed of dependence reduction (especially on RSA) and in raising finance. It would view claims of foreign manipulation either as identifying dangers of which it was well aware or as unfounded (and often self-serving) allegations barely deserving attention. On the issue of how much, how fast it is evident that some critics hoped (or hope) SADCC could be the highroad to a New Jerusalem (usually but not always seen by the critics as some variant of socialism) validating their views of what ought to be. SADCC views itself as engaged in achieving actual results and building up momentum toward priority targets not conducting utopian experiments for those far from decision taking experience (and often far from Southern Africa). This is not an area of tension in SADCC. One might suppose Angola and Mozambique are no less eager for speed and for a greater degree of non-capitalist development in some of their partners than the idealist critics but believe attempting to force the pace or to export national political economic projects would be counterproductive. They may, of course, be misjudging the limits of the possible but ultra caution and ultra conservatism and risk avoidance are rarely argued to be typical of these states in other contexts.

The Price of Pretoria

The dominant economic fact of life for the SADCC region as a whole - and especially for Mozambique and Angola - is South African economic destabilisation/military aggression. The decision makers of South Africa decided - after initial hesitation, perhaps to see whether SADCC was for real - SADCC was a major obstacle to ensuring that Southern Africa was to be kept dependent so as to be a safe shield and a vital export market for apartheid. Reversing the 1965-1980 buildup of transport dependence was viewed as particularly threatening and when the 1979-81 lull in RSA's active destabilisation/aggression total regional strategy ended transport projects were key targets for RSA kommandos and for the Renamo and UNITA proxy forces.

SADCC, as noted, had foreseen hostility but not major destabilisation (economic sanctions against SADCC) let alone massive military aggression.

Perhaps it should have, but it did not. After its initial shock it began to develop responses. One was to call attention to the economic damage South Africa was doing. Over time this presentation became more systematic and detailed and in 1984 SADCC produced the first overall reasoned, broken down economic loss calculations - \$10,120 million over 1980-84 or more than total gross external finance to the countries of the region over the period, almost half of 1984 gross regional product and more than 1984 regional exports.

Through 1986 the SADCC figure - with amendments and projections - remained the base for estimating the economic price Pretoria's practicians imposed on the region in order to protect apartheid and its export markets. They were overtaken in 1987 by calculations done for UNICEF'S Children On The Front Line which showed 1980-86 GDP losses as of the order of \$25,000 million or the equivalent of 1986 achieved GDP's for the region. SADCC, having brought the issue to prominence, has chosen to let other bodies do the subsequent calculations. As 1988 drew to a close the Economic Commission for Africa had a detailed economic and human cost study nearing completion and UNICEF was editing an updated, expanded and extended (to Namibia) edition of Children On The Front Line.

There is reason to believe that the two estimates are relatively similar and that UNICEF'S are of the order of \$60,000 million over 1980-88 in lost GDP valued at 1988 prices with the annual loss over \$10,000 million (well over a third of achieved GDP) and rising. Apparently post 1986 changes and more thorough calculations indicate that while perhaps half the loss is Angolan and a quarter Mozambican the total for the other seven states is very substantial and in the cases of Zimbabwe, Malawi, Zambia and Tanzania seriously depresses their achieved growth rates.

That SADCC - and the most severely hit two of its member States in particular - have survived this burden (although UNICEF estimates suggest 1,500,000 of their citizens have died in consequence of South Africa's "destructive engagement" with Southern Africa) is testimony to a very high level of determination. That from 1986 progress has been renewed is to say the least surprising as are the 1985-88 regional growth rates of 2.5 to 3.5% a year either absolutely or in contrast to RSA's 1% or less and the overall 2% of SSA.

PTA: Competitor or Complement?

To discuss PTA in the context of a ten year review of SADCC runs the risk of appearing to be dismissive or hostile. This is especially the case because PTA advocates have in the past, although much less so today, been overtly hostile to SADCC leaving a legacy of caution or even distrust on the part of many involved in the SADCC process. However, such an interpretation is less than fair to which is indeed different but in potentially complementary rather than competitive ways. Several points are relevant:

1. PTA - despite a gestation period going back to 1966 - is younger than SADCC and became operational only in 1984;
2. PTA's membership from Mauritius to (potentially) Angola and Lesotho to Ethiopia (and potentially Sudan) is much further flung, with less pre-existing links or habits of cooperation than is SADCC which in one sense emerged from FLS cooperation dating to 1965;
3. The driving, high profile political economic imperative driving SADCC - to break South African economic hegemony and transport vice together or be broken by them singly - has no equally dramatic counterpart in PTA;
4. PTA's neo-EEC model Treaty is not in practice either adequately prioritised or adequately flexible;
5. PTA's members have not in practice given it the priority attention and support or sought to involve themselves as fully in its processes as have SADCC's;
6. trade liberalism and conventional clearing arrangements, without prior transport and communications development or production coordination, are not the strongest of central instruments with which to achieve rapid, high profile results;
7. PTA has reversed three initial contentious stands now seeing external funding properly used as a vital component not a barrier to regional integration, RSA's aggression and means to counter it as priority topics

for PTA and a variety of forms of trade promotion and balancing (not merely the neo-classical ones) as potentially useful within or parallel to the PTA framework;

8. the potential problem of SADCC Member PTA states discriminating against fellow SADCC Member Non PTA states (a clear break of the Lusaka Declaration which is prior to the PTA Treaty) could be averted were all SADCC member States to join PTA (as 6 have done, 2 are actively considering and the last is beginning to contemplate).

That said PTA's results to date are more formal than fully operational. Tariffs have been preferentially reduced and rules of origin agreed but while intra PTA trade is 6% of all members' trade (vs a 4% African average and a PTA starting point of 4 to 5%) it is very peripheral to most members because the bulk is accounted for by Zimbabwe-Botswana, Zimbabwe-Malawi, Kenya-Uganda and Kenya-Tanzania flows. There is a process of buildup and diversification exemplified by Mauritius's recent imports of light bulbs from Zambia but it is painfully slow.

PTA has created a standard Clearing House for intra-member trade. However it still handles only about 15% of visible trade transactions within PTA (perhaps 10% of visibles and invisibles) and by automatic hard currency settlement within 90 days does little to encourage exporters to view higher sourcing from their partners as the key to sustained regional trade expansion. Further, its interaction with export retentions on foreign currency earning exports has been anomalous - in a number of cases these are not or only partially given on PTA bound exports thus making it an unpreferred market for enterprises seeking to export. These problems are exacerbated (and the cross cancelling gains of clearing reduced) because PTA exports are dominated by two states (Kenya and Zimbabwe) and in very few cases does cross cancelling result in serious hard currency use savings.

The conflict between PTA's overly optimistic adoption of a variant of the Andean Pact's limits on eligibility of firms with majority external ownership, management or control and the realities of how fast its members can domesticate key firms has been defused by extending interim waivers and providing a graduated scale of preferences to replace the initial all or nothing division. But how to reconcile diversification (likely to involve

high initial foreign finance and personnel inputs) and a viable set of incentives to domesticate still appears to be a question with no articulated answer.

PTA has set up committees in sectoral areas roughly comparable to those of SADCC. But it is hard to identify any operational results to date. Trade documentation coordination has been spearheaded by an UNCTAD unit based in Malawi and transit corridor development from the Indian Ocean to Zaire, Burundi, Rwanda and Uganda by ad hoc groupings of the user states much more than by PTA.

Similarly PTA's trade finance bank remains de facto unfunded and with few signs it will attract substantial external soft money injections. The idea is sound but PTA members cannot mobilise adequate domestic funds (let alone forex) and the PTA is not (or not yet) on external governments list of institutions with priority in resource allocations.

Finally, PTA's 1988 moves to identify how trade could increase regional self-reliance, reduce the impact of RSA's present sanctions against PTA member enterprises and increase ability to cope with potential restrictions on RSA-PTA member trade assumes the transport problem is solved. This may be taken as a compliment to SADCC but it remains a premature one.

And yet - the tariff preferences exist and are being built up; there is trade growth; the clearing house operates; there is room for sectoral coordination especially among the Northern (non-SADCC) PTA members and in areas in which SADCC is not active, e.g. regional water transport; the PTA has survived and has maintained a dogged optimism that in time its work to date will bear much more fruit.

That is not self-evidently an unreasonable view. Four years is a very short time to get a massive trade buildup in the face of import capacity crises, ingrained sourcing habits, poor transport and communication and little enterprise knowledge of regional sources or markets (albeit PTA's regional trade fair programme may be beginning to contribute to overcoming the last barrier).

Further detailed, multiple sector integration and clearing/barrier reduction focussed trade development bodies probably have different optimal memberships. The former needs a limited number of states with many perceived common interests. The latter needs as broad a market area as practicable. On that basis PTA and SADCC each has about the right actual or potential membership base.

Four actions might strengthen the PTA and PTA-SADCC complementarity to the benefit of both and, more to the point, their member States;

1. all SADCC members joining PTA to end the potentially explosive situation of SADCC state's imposing discriminatory trade barriers against each other in a few years time;
2. SADCC and PTA agreeing a division of labour especially in trade but also in transport and manufacturing;
3. the two bodies coordinating their main initiatives both at Secretariat and Ministerial levels;
4. PTA's domesticating its Treaty toward clearer priorities, less far flung but non-operational ambitions, greater flexibility and more integral state involvement in initiating and formulating action proposals and programmes.

The PTA is right to say it needs and deserves more time. But - especially in the absence of the foregoing actions - it may not have the time. It is a brutal fact that organisations with major long term goals but very small concrete short term results do not hold on to their constituencies for very long. African governments demand quick, substantial, concrete results (or at least steadily growing tangible foretastes of them) and if they do not get them put the institution they see as having failed to deliver on the periphery of their priorities and attention neither dissolving it nor giving it the resources to achieve a breakthrough. In that context the PTA is running a race against time and its success remains problematic.

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