FROM DEPENDENCE AND POVERTY TOWARD ECONOMIC LIBERATION: The Course of the Struggle for Southern African Development Co-operation

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SADCC is a free association of sovereign states the work of which is implemented on a basis of concensus and with emphasis on the national efforts ... it is due to this practical approach that we have been able to see so much concrete progress since the Maputo conference.

- Finnish Delegate, SADCC Blantyre

It would be impossible for us to pass over in silence South Africa's aggressive actions in pursuance of a policy of economic destabilisation directed against SADCC member states and against SADCC's programme to increase regional self-reliance in transport and communications. The most recent acts of terrorist destabilisation are ... only the most recent and blatant of a series ...

- SADCC Council of Ministers, Blantyre Meeting, November 1981

There can be little doubt that SADCC is shaping up to be a much more formidable organisation than South Africa's rival confederation of Black-ruled states. That said, dependence on South Africa will continue for the foreseeable future.

- Financial Mail, Johannesburg, 1981

From Maputo to Blantyre, and Maseru

As 1982 opened SADCC (Southern African Development Co-ordination Conference) was an established reality recognised, not merely as an institution, but as a positive force toward economic change in Southern Africa. That view was not merely its own - as expressed in the overview paper to the Blantyre SADCC "Southern African Development Co-ordination: From Dependence and Poverty Toward Economic Liberation". It was also held by external co-operating states, by the press, and - significantly - by SADCC's enemies in South Africa.
For this view there was and is considerable justification. From the first ideas toward SADCC in 1978 to the Arusha SADCC in 1979, the formal founding declaration at the Lusaka Summit in 1980 to the Maputo and Blantyre SADCC's of 1980 and 1981 has been only four years. In that time SADCC has acquired nine member states, an agreed statement of purpose, a programme of action based on an evolving body of analysis and experience, an institutional structure long on programme and consultation and short on bureaucracy, a number of projects in hand and substantial external support - as well as implacable South African hostility. Very few regional co-ordination groupings have moved as fast, with so few internal strains, and with a similar degree of cautious confidence and determination in respect to the future.

SADCC itself has published three volumes covering its history: *Southern Africa Toward Economic Liberation*, *SADCC 2 - Maputo* and *SADCC - Blantyre*. A listing of its meetings and programmes and of bilateral ones associated or among its member states in SADEX in mid-1981 already ran to 18 pages.

South Africa - whose constellation strategy lies in ruins regionally and has been turned against domestically in the Buthelezi Report - views SADCC with growing concern. That concern is evidenced by a series of economic destabilisation efforts largely keyed to damaging or hampering national and regional transport and food security strengthening. These have been damaging - particularly to Mozambique and Zimbabwe - but do not seem to have achieved their purpose whether of blocking regional transport co-ordination, causing SADCC to seek a truce or splitting the grouping. The damage has been made good, SADCC's statements (backed by most of the invited guests of Blantyre) while measured are firm in calling for
safeguarding dependence reduction (not negotiating a dependent modus vivendi with the Republic), all SADCC states stood firm behind the two condemnations of South Africa at Blantyre.26

The progress of SADCC is in several respects surprising. As commentators regularly note,27 its economies are diverse structurally, weak individually, fragmented internally and from each other while their political economic strategies cover a range from faute de mieux dependent capitalism through self-consciously nationalist interventionist capitalism to several approaches toward transition to socialism. SADCC, therefore, has been built around common interests (transport and communications, increasingly food security and potentially industrialisation and mineral development) and a common concern to reduce dependence on a large, hostile South Africa - not on any standard free trade area doctrine nor common market model.28 The economies of at least several member states face crises of varying - but increasing - severity and even Botswana and Zimbabwe's economies are now coming under severe strains linked to foreign exchange shortages and resultant domestic budgetary imbalances/price rises which look distressingly familiar to analysts of their neighbours.29

SADCC is well aware of these problems. However, it tends to perceive of them as opportunities as well as constraints. The common market approaches to developing country economic integration has a very poor track record; therefore the indentification of a series of common interests and a network of co-ordinated national and regional initiatives to achieve them has a stranger analytical and practical justification than the absence of feasibility of a customs union. The depth of commitment to loosening the ties binding member states (including the occupied tenth member to be - Namibia30) to South
Africa is far more politically, emotionally and economically security compelling than a regional trade focus would be. The weakness of national economies does make resources hard to provide for new initiatives but it also underlines the need to reshape economic development strategy in ways (e.g., industrialisation, food security, transport improvement, specialised knowledge development) which require common or co-ordinated action.31

Competitive and Parallel Initiatives in 1981

The ECA backed East and Southern African Preferential Trade area32 moved forward to the signing of its Treaty by nine of eighteen posited (or twenty-one potential33) members at the December Lusaka Conference. However, with seven of the nine SADCC members (plus Madagascar and Seychelles) absent or present but deferring signing, this was more a setback than a success. Problems of articulating PTA frameworks and approaches to meet the needs of diverse polities and economies, and to complement SADCC for its members, appear to be less than fully resolved.

However, if the PTA's advance was limited, the constellation's decline was not. Two years after its 1980 floating at Prime Minister Botha's Carleton Centre speech it had declined (ironically in a speech of the venue) to a constellation of Bantustans. While bilateral attempts to use economic carrots34 as well as sticks continued, the constellation itself as a rival to SADCC had vanished like a disintegrated comet.

Attempts to move toward sanctions against South Africa had an uneven year.35 Pressures were kept up by African states and action groups in the North. However, the triple veto (presumably potentially down to a double veto since the installation of the new French government...
continued to protect South Africa from mandatory Security Council action. The 1981/82 emergence of an oil glut - at least for the next few months and perhaps for two years or more - made the prospects for "do it yourself" oil sanctions engineered by OAU and OPEC member states less promising. However, South Africa's increasing need to borrow abroad (declining gold, platinum, diamonds export earnings and rising defence and related costs) has made her more dependent on external borrowing - an area in which pressure on some lenders (notably in North America and the Netherlands) has had the effect of reducing South Africa's access to funds.

Programme Development 1981 and 1982

In 1981 the major operational programme area was transport and communications. Over the 1980-81 year over $338 million was committed to projects presented at Maputo ($273 million external and $65 million domestic finance. Over half the hundred odd initial projects were in some stage of implementation by early 1982.

Animal disease - co-ordinated by Botswana - control also moved a number of projects into implementation in vaccine production and cross-border control schemes. Another group were moving at least to feasibility study stage in early 1982.

Food security - co-ordinated by Zimbabwe - appeared to lag in 1981, because its initial programme articulation required a series of data collection and evaluation exercises. However, by the Blantyre SADCC, technical assistance for all had been secured and most had begun with completion scheduled for May 1982.

Manpower development - co-ordinated by Swaziland - progressed toward completing an inventory of existing programmes and identifying priority areas for joint action including exchange of students. Funding for several tech
studies and one institutional expansion project was tentatively committed at Blantyre.

**Industrial co-ordination** - assigned to Tanzania - progressed to a second partly complementary and partly more detailed approach to programme articulation. 1982 is expected to see several concrete project proposals as well as a number of sectoral, in depth study terms of reference emerge.

**Energy** - co-ordinated by Angola - produced a joint ministerial position statement to the UN Energy Conference in Nairobi during 1981 as well as inaugurating data and national energy plan collection. A first subcommittee meeting was held in February 1982.

**Crop research** - initially handled by Botswana - seems likely to be merged with food security. The rather limited initial International Crops Research Institute for the Semi-Arid Tropics report is to be discussed in this context and new proposals put to ICRISAT.

**Soil Conservation and Land Utilisation** was delegated to Lesotho for co-ordination at Blantyre and Fisheries, Wildlife and Forestry to Malawi at Mbababe (Forestry at Blantyre) with an initial meeting of officials held in February 1982.

Following a detailed study by Zimbabwe it was agreed at Blantyre that Zambia should undertake co-ordination in respect to Mining. A similar exercise to evaluate the possibility of adding human health as a programme area is being handled by Swaziland.

The international and SADCC programme context led to the tabling of Zambia's report on a Southern African Development Fund. Zambia is
to conduct further explorations if it believes conditions to have become more favourable for its establishment. Security printing - based on the Zimbabwe security printing plant now under construction - will be the subject of an official level consultation on completion of the facility in 1982.

In 1982 continued progress can be expected in transport, hopefully including a start on the key Beira and Neala links in Mozambique. Priority is being given to moving into project design and operation in Industrial Co-ordination (following an April Subcommittee meeting in Arusha) and Food Security (following completion of initial feasibility studies in May).

The major 1982 SADCC meetings will be Ministerial in Luanda in May, Ministerial and Summit in Gaborone in July (marking the opening of the secretariat) and Ministerial and Annual Conference in Maseru in November. By the end of 1982 each SADCC state will have hosted a major conference.

Formal SADCC programmes do not exhaust co-operation among members. A number of other bilateral projects exist ranging from smelting Botswana copper-nickel metal in Zimbabwe, through the ongoing Mozambique-Tanzania economic commission to the proposed Trans-Kalahari Railway which Botswana now sees as critical to developing its coal reserves, albeit necessarily deferred to Namibian independence.

Towards an Institutional Skeleton

SADCC has been a remarkably anti-bureaucratic organisation. Its member states have insisted that programme decisions and action had to come first, and shape subsequent institution and staffing and not
institution creation leading to vested programme interests only loosely linked to state control or concerns. In 1980 the Southern African Transport and Communications Commission was established because the volume of work clearly called for a full-time professional staff. However, at that point the control secretariat was continued as two part-time senior Botswana (the central SADCC Chairing country) officials plus a supporting London Liaison Committee or SADCC member diplomats and co-opted personnel while other programme areas were delegated to co-ordinating states, in some cases with sub-committees of member state technical officers to meet regularly to monitor and further programme developments.

The 1981 Salisbury Summit adopted a "Memorandum of Understanding on the Institutions of the Southern African Development Co-ordination Conference". This reaffirmed and articulated the themes on institutions set out in the Lusaka Declaration. The policy side comprises a Summit of Heads of State or Government (annual), a Council of Ministers of Member States (in practice meeting three times a year) and a supporting Standing Committee of Officials (meeting prior to Council). Both the Council and Standing Committee can (and do) appoint sub-committees in respect to particular functional programme areas.

Programme institutions include Sectoral Commissions (to date only SATCC) and programmes co-ordinated by individual states (now ten or eleven with Zambia and Zimbabwe having two each). New programme areas can be approved by the Council - as Mining was at Blantyre with Zambia becoming the Co-ordinating State following a detailed case for the sector's addition to the Lusaka Programme of Action made by Zimbabwe.
The Summit also created - effective July 1, 1982 - a small central Secretariat to be located in Gaborone. In April 1982 the appointment of Ambassador Blumeris of Zimbabwe as the first Executive Secretary was made. From Arusha through Blantyre, Lebang Mpotokwane of Botswana had served as Secretary General while Secretary for Foreign Affairs of Botswana.

The co-ordinating state approach has certain drawbacks. Some states find it difficult to staff their units adequately and to develop close information links with their counterparts. While the increasing use of technical assistance supporting personnel and specialised official sub-committees has begun to alleviate these constraints, they do remain. However, there are clear advantages. No programme area can be launched unless the Council so decides - and therefore, in practice, several states must be keenly interested. Nor can a programme be developed unless both the co-ordinating and other states give it high enough priority to devote personnel and time to preparing for and attending meetings. The caution in creating permanent Commissions means that considerable flexibility in programme expansion (and in some cases potentially deletion) has been possible at limited cost, including limited controversy among members.

The Blantyre SADCC - Stocktaking and Previews

Blantyre was the third SADCC Annual Conference with invited guests. It was in SADCC's tradition of an annual meeting with outsiders to discuss and to invite comment and dialogue, but not necessarily to make major appeals for additional funding. Indeed Blantyre, unlike Maputo, was not perceived primarily as a resource mobilisation exercise but as the Conference Chairman (Botswana Finance Minister Peter Mmusi) said in his closing statement "SADCC's first review
The tone of the Communique of the Chairman's and Invited Guests Speeches and of the group reports on Transport and Communication, Industry, Food and Agriculture and Manpower Development indicate that fairly intensive review did take place. They indicate that some weaknesses - both in terms of SADCC's speed in bringing programmes from design to operational stage and in co-operating states in delivering pledged personnel and financial resources - were identified. On the whole, however, they suggest that the general view was that progress had been, and would continue to be, made.

In two areas dialogue appears to have been fairly intense, albeit while SADCC held to a joint position some commentators have suggested there were differences among the co-operating states and agencies perceptions. The first was on economic organisation in respect to which some guests were apparently perceived to favour rather simplified free market/private enterprise approaches. Here the Chairman commented that all SADCC states "are committed to development for the benefit of our peoples" but that different situations meant that "the particular means that we use including the balance of state, public enterprise, joint venture, co-operative, private enterprise and peasant contribution varies." While welcoming exchange of experience and suggestions as to how SADCC states might enhance the pace of development he stressed "obviously the final decision on approaches, policies and institutions rests with our people."

SADCC's condemnation of South African terrorism and destabilisation as well as of the invasion of Angola and continued occupation of Namibia was supported by "representatives of several invited
governments and agencies. SADCC states viewed it as self-evident that a development co-ordination grouping must be concerned if its non-member neighbours blow up its joint projects and invaded or occupied its members. This appeared to them to be a necessary part of concern with the ways and means of development. Some press reports suggest that not all invited guests shared that view as does the use of the word "several" in the Communique.

The group reports indicated that the Maseru SADCC in 1982 is likely to lay more emphasis on pledging especially in respect to Food and Agriculture and Industry, as well as to a second round of Transport and Communications projects on which feasibility studies will have been completed in 1982.

Destablisment - South Africa's Answer to SADCC

South Africa's moves to destablise SADCC member state economies and SADCC's efforts to develop food security and transport self-reliance have been diversified and sustained. They overlap with broader strategic destablisation and invasion approaches to Angola and - at a lower degree of intensity - Mozambique and apparent involvement in some type of coup plot in Zimbabwe.

There appear to be three focuses: Zimbabwe in general, petroleum and agricultural input supplies and transport links from Beira to Zimbabwe, Malawi and Botswana. In the case of Zimbabwe, contracts for workers in the Republic will not be renewed, railway locomotives were withdrawn (since restored) and notice of withdrawal from the preferential trade agreement (now re-opened for negotiation). The apparent purposes include deterring Zimbabwe from selective loosening of links with RSA and hampering the emergence of a successful, non-racial economy on the border of the Transvaal.
Mysterious problems resulting in delayed delivery of petroleum products and/or fertiliser have been experienced by at least five SADCC states - Botswana, Lesotho, Malawi, Swaziland and Zimbabwe. Apart from reminding them of South Africa's ability to cripple their economies, these actions may be intended to hamper food production and thus reinforce South Africa's "food power" vis a vis her neighbours - a power eroded by Zimbabwe's large 1981 maize surplus.

The most clearcut attacks have been on road, rail and pipeline facilities leading from Beira and on Beira Harbour markers. These are critical to the routing of Zimbabwean, Zambian and Malawian - plus potentially Botswana's - external trade. The pipeline - which is now ready for use despite South Africa's efforts - is key to ending Botswana's and Zimbabwe's dependence on South African or South African routed petroleum products. Once in operation it can be the cornerstone of completely extricating the region (except for Lesotho) from its oil supply bondage on South Africa.

SADCC's conclusion on what is happening is crisp and curt:

It would be impossible for us to pass in silence over South Africa's aggressive actions in pursuance of a policy of economic destabilisation directed against SADCC member states ... We can only see these acts as a direct response to the growing success of regional transport rehabilitation.

Constellation in Disintegration

In one sense P.W. Botha's Constellation proposals were a defensive reaction to the pre-SADCC initiatives leading to the 1979 Arusha SADCC. In a second they represented a new form of South Africa's recurrent drive for export lebensraum in Africa. In a third they were an attempt to broaden unity at home by wooing businessmen and increase security abroad by building a broader, firmer network of economic dependence at least as far north as Bangui with Salisbury
The formal launching of the concept at the Carleton Centre in Nairobi in 1979 also marked its high noon. Always critically dependent on a "Smithorewa solution" in Zimbabwe, it was gravely weakened by the ZANU(PF) triumph. The success of SADCC - and RSA's own lashing out to destabilise its neighbours - now appear to have weakened it past the point of no return. By the 1981 Carleton Centre conference the concept of a Development Bank was still central to what was still called a constellation but now collapsed back to a set of planetary Bantustans orbiting the South African sun.

Indeed, by 1980 South African opinion was turning to looking for signs of splits in SADCC and to African trade without flag waving. Despite occasional efforts to revive international interest in the constellation, 1981 saw it drop out of sight.

Certainly a defensive South African economic link strategy remains for both strategic and more narrowly economic reasons. Dependence on RSA is significant for all but two SADCC members, and is profitable to South Africa. But it is now a defensive strategy to slow down erosion of links, to limit SADCC's success, to preserve profits and leverage points - not the forward surge of the united volk-business alliance P.W. Botha and Harry Oppenheimer thought they saw marching forth from the Carleton Centre in 1979.

Indeed, Anglo American - trusting in its own record of ability to give up enough to keep open possibilities for profitable business in Angola, Botswana, Tanzania, Zambia and Zimbabwe (which it proposes to extend to Namibia) was seeking to launch its own "middle of the road" proposal accepting SADCC and seeking a loose SADCC - South
African big business development co-ordination alliance to further independent state development and to allow acceleration of political and economic racial change in South Africa. Like the Buthelezi Report this is very much not what the Botha constellation was intended to achieve, even if Anglo's survival, growth and profit logic led it to support the one, support the second (Buthelezi) and float the third.

The Republic's Economic Problems

South Africa's own economic position weakened markedly in 1981 and early 1982 in ways which made holding on to regional economic links more important. Further, even to its external friends - eg, the Reagan Administration - appear to have been pressing for more carrot and less stick in respect to its neighbours as well as to its block majority at home. These pressures have led to some initiatives to build or rebuild economic links - especially with Zimbabwe and Swaziland.

South Africa benefitted from global economic turmoil so long as it pushed up the prices of gold, platinum and diamonds. With high interest rates, 1981 saw precipitate falls in all three prices. The 1982 RSA balance of payments deficit is likely to be a record, despite fairly sharp domestic fiscal and monetary restraint precipitating a return to 1975-76's recession conditions domestically.

This context renders it critical to RSA to hold on to - and if possible expand - existing markets for goods and services in SADCC states. The turn around on the Zimbabwe preferential trade agreement - which RSA first gave notice of interest to terminate and later of desire to renegotiate - probably owes more to the calculation that if Zimbabwe loses exports to it it will cut imports from the Republic than to asserted USA pressures.
Similarly, the - still somewhat tentative - plans for a railway link from the northern Transvaal through Swaziland to link up with the existing line to Richards Bay and Durban seem to relate largely to facilitating exports, lowering fuel bills and general transport streamlining. They might marginally reduce use of Maputo, but that may well not be an immediate objective although in a crisis over access to Maputo the alternative link would be an insurance policy. The renewed interest in the Oxbow project in Lesotho turns on South Africa's rapidly approaching water crisis as the main thrust is now diverting part of the headwaters of the Orange River to the Transvaal, not on electric power - indeed one of the main power using sectors would be coal mining/thermal power generation/SASOL to economise on petroleum and Cabora Basa power imports.

Whether these approaches will help RSA maintain dominance is unclear. For Zimbabwe a more gradual reduction of trade with the Republic with time to manoeuvre is arguably of more value than harm to successful, phased disengagement. Oxbow would be the first Lesotho-RSA link in which Lesotho had any real hold over the Republic after completion (probably one of the reasons for the delay). The railway project with Swaziland would - at least if Swaziland was firmly liable for debt service on its portion of the line - reduce the growing Swazi/Mozambique rail transport co-ordination and sharply boost Swaziland's export dependence (including services) on RSA, but even it is fairly marginal in terms of reinforcing existing linkages.
Sanctions: Probabilities and Imponderables
The Southern African states would bear relatively heavy costs were sanctions imposed on South Africa. However, a majority support sanctions on the dual basis of solidarity with Namibians and South Africans and the increasing cost of South African destabilisation, subversion and military attacks on them.

The prospects for mandatory sanctions in 1982 are poor. In 1981 the familiar triple veto in the Security Council barred their imposition in respect to Namibia. An emergency special session of the General Assembly passed a resolution calling for sanctions but in slightly ambiguous wording, probably not meeting the test of the "uniting for peace procedure" for bypassing the Security Council. In any event, how binding such a resolution is - even on states which vote for it - is open to substantial argument which the ineffectiveness of implementation of general sanctions opposed and ignored by both the United States and the United Kingdom (and on the record to date Federal Germany, France and perhaps Japan as well) is open to no doubt.

Ironically, the potential effectiveness of mandatory sanctions as a means to causing changes in RSA policy was demonstrated late in 1981 in the Seychelles "rugby team coup attempt" case by South African based mercenaries and serving members of the South African Defense Forces. When the Republic sought to avoid trying the defeated coupsters for air piracy after their return in a hijacked Air India plane, the major Western powers threatened sanctions in respect to air services to and from South Africa. Arrests and a trial - to date highly embarrassing to South Africa given the defense case of official pre-knowledge (almost certainly true) and connivance
(looking more than plausible despite the absence of any evident rational motive on the South African government side) - which South Africa clearly wanted very much to avoid have ensued.72

"Do it yourself" petroleum sanctions based on cooperation among the OAU and major petroleum exporters plus - if possible the Netherlands and Norway on the shipping and transhipping side - looked plausible when mooted by the OAU in April 1981.73 With the late 1981-1982 petroleum glut they no longer seem practicable - more exporting states will be happy to follow Brunei in making open sales and even more to emulating Oman in seeing and hearing no evil about where their oil is going.

However, South Africa's increased external account deficit problems have focused attention on another area - international borrowing. In 1977 such loans totalled under $300 million; by 1980 they had risen to over $850 million74 and in 1981 to perhaps £1,500 million including Reserve Bank balance of payments support lending, while short term bank external liabilities rose by $2,000 million.75

1982 medium term external borrowing requirements appear to be of the order of $2,000 million76 plus short term commercial bank borrowing of the same order. Reserve Bank borrowing against gold reserves is also likely to be high and in February 1982 $300 million of IMF stand by facilities were activated.

External borrowing is an area in which opponents of South Africa - usually church and trade union based - have had significant success. Only the major Swiss and German commercial banks, central banks and the IMF are relatively unperturbed about the domestic implications of lending to the Republic and its parastatals, while the major
US banks have largely avoided new loans for some years. British clearing banks while still lending have become more concerned about the domestic public relations and potential lost deposit cost while the vicious attacks on the World Council of Churches following its withdrawal of accounts from the Dresdare Bank, Union Bank of Switzerland and Swiss Bank Corporation suggests that even in Federal Germany and Switzerland sensitivity to the issue may be rising.

PTA - Stalemate or Slow Reformulation

1981 should have seen the conclusion of the over 15 year old quest to create a broad proto economic zone from the Sudan through Lesotho and Mauritius through Angola. Negotiations had speeded up in 1980 and by mid-1981 the draft provisions which had appeared inconsistent with managed trade regionally and state economic intervention nationally had largely been moulded into forms acceptable to the more radical potential members.

While the artificial exclusion of Rwanda and Burundi still posed problems - not least for Kenya, Uganda and Tanzania who had close economic links with them, Uganda and Tanzania within an economic co-ordination grouping (Kagera Basin Authority) this seemed to be an issue soluble after formal launching. The articles of the East African Development Bank had been amended to allow new members and facilitate its transformation into a PTA Bank while regional central banks had agreed on clearing arrangements.

Therefore, the meagre results of the December 1981 launching meeting came as a surprise. Nine states - Ethiopia, Samoli, Djibouti, Sudan, Kenya, Uganda, Mauritius, Malawi and Zambia did sign. Five - Botswana, Lesotho, Swaziland, Angola and Zimbabwe
participated but withheld signature pending further study. Four - Madagascar, Mozambique, Tanzania and Seychelles stayed away. As a result the signatories do not constitute a coherent area (except perhaps for the northern six plus Mauritius but the PTA is unnecessary to strengthen trade where it exists - eg. Kenya/Uganda, Kenya/Mauritius - or promote it where it does not in that sub-region). Ratification even by the signatories may, therefore, be delayed until a broader range of signatories can be achieved.

In retrospect, four causes can be identified: First, the attempt to juggle to accommodate both PTA and Southern African Customs Union (SACUA) membership for Botswana, Lesotho and Swaziland in the end proved unconvincing to these states. Second, the absence of a waiver clause made Tanzanian accession prior to resolution of its East African Community asset/liability division negotiations with Kenya (a precondition for opening the land border albeit trade with Kenya by sea or air is acceptable to Tanzania) very difficult. Third, despite a long initial transitional period and softening of "free market" wording, even the revised draft looked doubtfully compatible with socialist to the absentee states and perhaps also to Angola and Zimbabwe. Fourth, and probably most important, real doubts remained (despite ECA assurances) whether the proposed PTA provisions were compatible with the commitments entered into in the Lusaka Declaration founding SACC or with existing bilateral arrangements. President Nyerere put this point most clearly when he said "Tanzania will not be signing the preferential trade agreement because the implications of the treaty for Tanzania's existing commitments for intra-African co-operation have not been adequately studied" - a view Zimbabwe also stated in a more cautious way.
Future progress now depends on ensuring that the PTA Treaty (if necessary by amendment) is seen as consistent with existing co-operation endeavours - eg. SADCC, Kagera Basin, Mozambique-Tanzania - which are viewed as critical by their members and as compatible with managed or socialist as well as market economies. In principle these are attainable goals - in practice achieving them in 1982 may prove difficult.

SADCC's External Relations

SADCC is unique in having as its only mandated general meeting an annual conference with invited external guests to discuss SADCC's programmes, goals, achievements and problems with the intention of arriving at greater mutual understanding and ways - not limited to funding - of improving its performance. It has laid considerable emphasis on full and frank presentations to the SADCC's.

External relations have become quite variegated - reflecting in part SADCC's commitment to positive non-alignment and in part the diversity of its member states external links. In general they have ranged from correct through productive to enthusiastic.

The Nordic states - probably predictably - have been very firm SADCC supporters in word, provision of supporting personnel and commitments of finance. EEC - in advance of some of its members - has also been an early and sustained supporter. While initial response by Federal Germany and the UK was rather reserved both in fact committed more funds over 1981 than they had pledged at Maputo - a distinction they shared with Kuwait. France has become more supportive since the 1981 election while the Netherlands has been a consistent supporter as has Italy.
The Commonwealth Secretariat, like the EEC, has backed SADCC from before the Arusha meeting which was addressed by Secretary General Ramphul. Partly consequentially, Australia as well as Canada have maintained an interest and made commitments of personnel and funds. United Nations organisational family support has been fairly high in terms of presentations and attendance but perhaps less evenly so in provision of operational technical assistance while the World Bank, despite its affirmation of the need for regionalism has not been prominent among SADCC project sources of finance. Per contra, China which has not attended a SADCC has contributed to projects related to TAZARA rehabilitation following natural and Smith made disasters.

The degree and purpose of US support has varied. Some proponents want substantial increases but the present official position is for moderate, sustained support for projects in selected member states.

SADCC has found it difficult to develop working relations with industrialized socialist economies even in respect to projects in states - eg. Angola and Mozambique - in which they have substantial bilateral programmes. Their attendance at the Maputo SADCC was weak, their subsequent financial support very small and their representation at Blantyre negligible.

In three fields SADCC-Co-operating State relations have been marked by disagreements. The first is the limitations imposed on support for projects in Mozambique and Angola by several potential funders. These partly turn on US perceptions (more accurately US government as US corporations do not share them, notably so in the case of Angola) of Angola and Mozambique and partly on the two states' choice to date to join neither the Lome Convention
nor the World Bank/IMF axis. How serious a barrier to funding projects critical to SADCC this is remains somewhat unclear - a number of bilateral and package commitments to key transport links in both states have been made. However, continued challenging of the Angolan and Mozambican choices is a source of invitation to them and to several of their partners even though the latter have made the opposite choices for themselves.

While financial pledges to SADCC projects have been substantial (probably over $800 million by the end of 1981), firm commitments to specified uses still were below $300 million by early 1982 and disbursements well below that. The sharpest criticisms of this record seem to have come, not from SADCC members but, from observers and commentators.

Certainly SADCC has made no secret of its need for support - probably nearly $2,000 over the coming decade in respect to transport and communications projects, (a less daunting sum when expressed as $22 million per country per year including domestic finance). But while criticizing some specific problems of delay and gaps in funding, SADCC members to date have viewed co-operation as developing reasonably well and most problems in it as subject to and soluble through fairly amiable discourse.

One area in which SADCC's stance has led to tensions with some co-operating states is South African oppression and hostility. In "From dependence and poverty toward economic liberation" an uncharacteristically harsh passage states:

"In this situation there are some who are unwilling to choose between apartheid and liberation, aggressor and victim, South Africa and the majority rule states of Southern Africa. The explicit adoption of such a stance is not helpful. A choice has to be made."
Or, more colloquially, as a former Liaison Committee Chairman put it in a paraphrase of a US union organising song "They say in Southern Africa, there are no neutrals there. You either are a SADCC man or a scab for Brother Boer." ⁹⁸

Problems, Potentials, Prospects
SADCC perceives itself as facing five groups of problems: historic inheritance, South African destabilisation, the impact of the international economic crisis on member economies, and problems of building up what it terms "the habit of effective regional co-ordination." While other analysts might group them differently the only really additional problem cited frequently is lack of an overall economic strategy.

The inheritance of economic fragmentation, dependence in general and dependence on South Africa in particular limits freedom of manoeuvre for SADCC members in the short run. At the same time it is one of the basic reasons SADCC was created and - particularly in respect to SATCC - the evidence to date is that regional co-ordination can help overcome that inheritance and, indeed, is needed to do so.

South African destabilisation certainly raises costs and slows progress. On the other hand it both underlines the need to reduce links with the Republic and hardens resolution to do so. This is especially true because the strings appended to South African carrots are so evident and South Africa's determination that - at least with the larger states and arguably with all of them - the overall pattern of benefits be heavily weighted in its favour and patterned in such a way as to make selective opting out subject to heavy penalties. ¹⁰¹
The global economic crises of the 1970's - especially the 1979 to date combination of the second oil price explosion and the joint achievement of stagnation and inflation by industrial economies - have hit Sub-Saharan Africa especially hard. There is disagreement as to causes and cures, but little as to the overall record. However, this can be seen as increasing the urgency and the priority of transport, food security, industry, mining and energy restructuring on a more efficient basis. Here the critical challenge to SADCC is to move ahead to concrete programmes and visible gains in respect to at least one area beyond transport and communications in 1982-83.

National resource mobilisation and management are both hampered by the present crises - thus SADCC's persistence in seeking international co-operation. In some areas the costs of joint action (and its chances of attracting external resources) are demonstrably higher than "go it alone" approaches. However, SADCC like other priorities of its members is limited and endangered by their extreme shortage of resources - especially foreign exchange - and, potentially even more, by the immediate urgent need/crisis management style of resource allocation it sometimes imposes.

The "habit of effective co-operation" requires selecting issues and interests which unite (and avoiding or setting aside those which divide) and being alert to identify regional possibilities when engaged in national planning as well as in ongoing regional endeavours. To date SADCC has been remarkably skillful on the first point (to assign it all to luck would be naive) but has an uneven - if promising - record on the second. The greatest immediate barriers to consolidation and further advance seem to
lie in the still sketchy flows of information among members and the limited capacity to design, articulate, discuss and act on potential programmes which has to date limited the work in several programme areas. SADCC is in fact often its own severest critic on these points\textsuperscript{103} which gives some reason to suppose that progress can be made.

The lack of an overall strategy criticism is rather different. It appears to assume that any integration scheme must be either a free market oriented one like EEC or a centrally planned economy co-ordinating model like CMEA. SADCC's members - who may of course be wrong - have consistently rejected both as inappropriate to its contextual situation and needs.

SADCC does have two central strategic themes: reduction of external dependence especially in South Africa (a goal not seen in terms of autarchy); building up their economies along lines which meet the basic human needs of their citizens more fully. The strategic operational principle applied to relating these goals to SADCC's work has been that of critical common interests, ie. areas in which all participating (which can be less than all SADCC member) states see a clear benefit to acting jointly rather than severally. The most obvious sector is that of transport given that six states are landlocked and three actual or potential beneficiaries of transit revenues, but the Lusaka Programme of Action, as extended, clearly embodies a belief that more exist.

This is, in fact, the only way SADCC can proceed - the fate of the PTA countries against a common market approach and CMEA's operative pattern requires both planning capacity and centralisation beyond what any SADCC state possesses or appears to seek and a
dominant partner (as divisive a concept as can be imagined in this context). However, there is more to the approach than making a virtue of necessity — it starts from production (whether of infrastructure, knowledge, personnel or bargaining power) and sees how (whether) that can be done more effectively regionally. If so, exchange (whether in the form of trade or not) follows — a direct reversal of the trade centered traditional common market approach.

SADCC's own perception can be seen in the opening and closing quotations of "Southern African Development Coordination: From dependence and poverty toward economic liberation". The first from the late President Agostino Neto of Angola declares "So comes the moment, To Advance Resolutely, To build the world, which belongs — To all human beings", while the latter from SADCC's founder, the late President Seretse Khama is reaffirmed:

'The Lusaka Declaration and Programme of Action do not represent a final achievement. Rather, they constitute a beginning. The independent states of Southern Africa have chosen to go forward in solidarity and to co-ordinate their efforts toward economic liberation. This is a momentous decision with consequences which stretch far into our future. A movement has begun which, if sustained, could in time fundamentally change the economic direction of our continent.'
NOTES


2. "Statement of Condemnation on South Africa's Policy of Economic Destabilisation and Invasion of Angola".

3. "SADCC in Salisbury", 24-VII-81 - see also 17-VII-81 "Southern Africa Beyond Rhetoric".

4. Indeed least, SADCC has been remarkably anti-bureaucratic so that its only substantial institution is the Southern African Transport and Communications Commission.

5. SADCC-Blantyre, op. cit., reprinted in SADEX, 3-6, November/December 1981.


13. See SADCC-Blantyre, op. cit; AED 2-47, op. cit.

14. See section below on destabilisation and recurrent sabotage, contrived shortage, incursion reports in Facts and Reports - Press Cuttings on Southern Africa, Holland Committee on Southern Africa.

15. These have been largely on relative priorities and phasing rather than substance of programmes or conflicts of interest. The February 1982 African Business article identifies two correctly but overstates since on a Regional Development Fund the issue is whether the present is an appropriate time and on what scale to begin, while on the FAO (not SADCC) veterinary proposal the need to re-evaluate by SADCC's veterinary and manpower sub-committees crises because FAO excluded four
SADCC members from its purportedly regional study - the four (Tanzania, Zimbabwe, Mozambique, Angola) with some present institutional capacity at certificate/degree level.

16. CF. "From Dependence and Poverty Toward Economic Liberation", op. cit.

17. op. cit.


20. A journal of the African Bibliographic Center, Washington, DC, which is virtually solely a review of SADCC area economic co-operation with emphasis on SADCC itself.

21. 3-4, July/August, 1981.


23. Promoted by Chief Buthelezi as an alternative to apartheid and armed conflict. Backed by his own Inkatha, Anglo America's Harry Openheimer and the Progressive Federal Party, its seven volumes propose a unified KwaZulu/Natal with balanced political power-sharing and rapid economic advancement (including an end to trade union, job and residence restrictions as well as inequality and segregation in education and wealth) and do so based on diluted empirical and theoretical analysis. A new constellation proposal indeed, but hardly what Botha had (or has) in mind.

24. These are, of course, dwarfed in terms of violence by the recurrent - now continous - invasions of Angola. However, the rationale there of reducing pressure on the occupation forces in Namibia, and of creating a puppet buffer zone for UNITA in South Angola modelled on Israel's "Haddedland" in South Lebanon does not turn primarily on economic destablisation nor of securing renewal of RSA/Angola economic links.

25. "Communique" op. cit. According to the Guardian's correspondent (24-XI-81) the only dissenters were the United Kingdom, the United States, the World Bank and - less clearly - Federal Germany. The EEC was among the firmer supporters as were the Nordic States, Holland and Brazil.

26. These two occasions were said to be the first on which Malawi had joined in statements specifically condemning the Republic.


28. Cf. ACR, op. cit; Thompson, op. cit. "From Dependence and Poverty toward Economic Liberation, op. cit."
29. Botswana's problems relate largely to falls in diamond and metal export revenue; Zimbabwe's turn both on limits to export and output growth following the post-independence takeup of stock and to the demand surge resulting from seeking to accelerate growth to allow Africans to benefit from independence without cutting European income so much as to drive them out.

30. See Blantyre Ministerial and SADCC "Communique's", op cit.


32. See reports in Financial Times 21 and 22-XII-81.

33. Counting Rwanda and Burundi, which have been observers at PTA talks, and Zaire. These three have no other national region and have been omitted only because ECA historically lumped them with the UDEAC states (Cameroon, CAR, Chad, Congo, Gabon) in a theoretical Central African Sub-Region which has little economic or political logic and no internal dynamic behind it.

34. eg. in respect to Swaziland (railway links, territorial concessions - See Financial Times, 6-I-82, Guardian 19-XII-81, and Zimbabwe restoration of railway locomotives and trade arrangements - See the Times, 13-I-82.


37. Based on "Progress Report In Lusaka Programme of Action" and subsequent programme reports to Blantyre SADCC.

38. Financial Times, 16-II-82.


41. See ACR 1979-80, 80-81, op cit.

42. Saving personnel and finance were other concerns but not the dominant ones.

43. Summit Record, op cit.
44. The Lusaka Declaration has in fact become SADCC's Constitution. However, because this was not envisaged at the time of its drafting and adoption its style and form made amendment somewhat impracticable. Therefore, the adoption of the "Memorandum" and the Lusaka Programme of Action (as amendable and amended) are parallel basic documents.

45. In these respects SADCC is very different from the East African Community which had a "heavy" bureaucratic structure with a life of its own and in which adoption of new programme areas gave rise to endless controversy (but rather limited numbers of new programmes).

46. In Blantyre SADCC, op cit.

47. eg. J.Hanlon in Guardian 27-XI-81.


50. "Communique" of Blantyre, SADCC.

51. See Hanlon, op cit who is openly critical of Britain, the United States, the World Bank and West Germany in this respect. See also "SADCC balances aspirations with realities", AED, 2-47, 27-XI/3-XIII-1981 which quotes the US Head of Delegation as regretting politicalisation and warning "If SADCC becomes more political, our interest in it would have to be re-evaluated."


53. Somewhat disingenuously extolled as "Maize: the stuff of Peace - The new diplomacy...food" in the Rand Daily Mail 2-XII-79.

54. Financial Times, 6-I-82.


56. See ACR 1979-80, 80-81, op cit.

57. Ibid. It was also the high noon for international applied academic advice to back it eg. K.L.Adelman and J.Seile Alternative Futures in South Africa, Arlington, Virginia, SRI International, Strategic Studies Centre, 1979 (for US Department of Defence).


67. The opposite side is South Africa's attempt to force an unsatisfactory water agreement on Swaziland sharply reducing transborder flows. This has led to a Swazi national water use survey and the enlistment of the US Army Corps of Engineers as consultants, both potentially useful to Swaziland but not so to the Republic.

68. See ACR, 80-81, op cit.


71. Part of the difficulty lies in the Soviet Union's objection not to sanctions (which it supports in the Security Council) but to the unifying for peace procedure". First, if accepted it could erode its veto (eg. on Afghanistan) and second, it was first devised and used in respect to the Korean War by the USA against the USSR.

72. See articles in early December in Guardian and Financial Times especially "US studies possibility of sanctions on S.Africa", FT 4-XII-81 and mid March 1982 in Guardian and Observer especially 13 and 14-III-82.
73. See ACR, 80-81, op cit.
74. Sjollema Isolating Apartheid, op cit, p.38.
76. ibid.
77. eg. Sjollema, op cit.
78. "Churches to cut bank links over apartheid", Times 16-IX-81.
80. See Financial Times, op cit.
81. Kenya opposed such a protocol, perhaps unwisely, but it was by no means the only reason for Tanzania's withdrawal as ratification could have been delayed pending EAC "inheritance" agreement.
83. This is all the more true because the drive for PTA has been primarily associated with ECA and a handful of the potential members rather than having clear, broadly based notion of backing. Further, ECA—whether accurately or no —has been perceived by some SADCC members as sceptical and even hostile to their organisation because it (ECA) had not been SADCCs architect and because SADCC neither fitted into ECAs geographic format for sub-regions nor its pattern for a common market centred integration strategy.
84. Indeed the food security area was added to the SADCC programme as a result of USA aid and other potential cooperating body suggestions at Arusha.
85. The somewhat confusing use of SADCC for both the annual conference and the organisation is a by product of SADCCs unwillingness to create institutional structures (including titles) before a proven need has been proved.
86. See speeches in Maputo and Blantyre volumes, op cit.
87. ibid, especially Commissioner Cheysson's speech at Maputo.
89. See Acting Assistant Secretary of State Walker's 1981 presentation to the House Foreign Affairs Subcommittee in ibid.
This is quite the reverse of an astounding claim in African Intelligence Digest, Denver I-IX-81, that the Lusaka Declaration was drafted in Moscow - a claim apparently made in complete ignorance of the 1971 Gaborone and Arusha drafts even though the latter was circulated to all participating states and agencies.

91. See CIIR, op cit.


93. See ACR 1980-81, op cit.

94. AED 2-47, op cit.

95. ibid; Holman in Guardian 24-XI-81, op cit: CIIR, op cit.

96. SATCC report to Blantyre SADCC.

97. op cit.

98. Fairly evidently the policies causing the most disquiet are those of the Reagan Administration including the forms articulated by Assistant Secretary Chester Crocker (eg. "South Africa: Strategy For Change", Foreign Affairs, Winter 1980 and, his summer 1981 Honolulu address whose language on not choosing between South Africa and her neighbours seems to be echoed in the quotation).

99. "From dependence and poverty toward economic liberation" op cit.

100. Excluding the revenue transfer formula South Africa gains heavily in its economic relations with Botswana and Swaziland. While the formula appears to contain a 40% grant uplift, several factors including a ceiling rate and a de facto two year lag in payment while inflation and import increases proceed makes it doubtful that the Customs Union has produced net revenue gains for Botswana and Swaziland over the seven years.

101. This has been very noticeable in South Africa's hostile actions in respect to jobs, trade arrangements and railway locomotive loans to Zimbabwe. Zimbabwe had not sought total, or even very rapid disengagement nor had it allowed any physical attacks on the Republic from its territory. All it had sought was a selective reduction of concentrated dependence and a more diversified set of international economic relations.

102. The World Bank's Accelerated Development For Sub-Saharan Africa: An Agenda For Action, 1981 is highly controversial in its prescriptions for less emphasis on food, industry and basic services. One annoyed African official remarked "We asked for bread and they threw a stone at us". But it does record the decade long emergence of sustained stagnation for most African economists.
103. If "From dependence...." op cit. Internal discussions and memos while preserving a fairly high standard of civility are said by some participants to be even more frank and self-searching.

104. op cit.

105. From his introduction to Southern Africa: Towards Economic Liberation, op cit.