

Editorial preface

South Africa as Big Brother?

The first three articles in this issue of *PULA* are concerned with relations and contrasts between South Africa and the other member states of the Southern African Development Community (SADC). The first article is concerned with the possibly detrimental effects of South Africa on the two smallest members of the South African Customs Union (SACU)—Lesotho and Swaziland. The second article takes a much broader view of the whole of SADC, including its newest members the Democratic Republic of Congo (former Zaïre) and the Seychelles, in the context of world trade reform dominated by the West. The third article suggests ways in which one country, Botswana, can learn from the more enlightened labour practices of South Africa towards its civil servants.

SADC was originally SADCC (the Southern African Development Coordination Conference) and had its origins in the cooperation of the Front-Line States (Angola, Botswana, Mozambique, Tanzania, and Zambia) in the late 1970s. It began as an exercise in coordinating cross-border foreign aid projects, and grew into coordination of development programmes in the five Front-Line States. Each state might pursue a different ideology, but it should coordinate its development planning and maximise its trade with the others. Meanwhile the states must, as a matter of priority, reduce economic dependency on minority-ruled South Africa.

SADCC was planned to be very different to the Preferential Trade Area (PTA) for Eastern Africa that was being pushed by the United Nations Economic Commission for Africa (ECA) in Addis Ababa. SADCC would be a network of bi-lateral agreements and relations between Front-Line States, rather than demanding multi-lateral uniformity and the full integration of national economies. It would be based upon regular consultations between ministries and existing institutions in the states, rather than having its own large central secretariat. It was in the interests of all to avoid a 'common market' with a cumbersome and expensive central bureaucracy, where the interests of the bigger national economies swamped out and drained the smaller national economies—as Southern Rhodesia had done in the old Central African Federation. There would be no Big Brother.

SADCC became a practicality in 1980 with the independence of Zimbabwe in 1980, as the node of a railway network that linked the land-locked states of Botswana and Zambia with the ports of Mozambique. Malawi, Lesotho, and Swaziland also joined: the intention was to persuade them to reduce their excessive political and economic dependence on South Africa. But SADCC essentially stood or fell on the four-way relationship between Zimbabwe, Botswana, Mozambique, and Zambia. Hence from 1980 until 1990 minority-ruled South Africa did everything to destabilize them by playing on their internal weaknesses and external rivalries.

Enter the African National Congress of South Africa in the early 1990s, as a partner in South African governance, and as the main governing party after 1994. The ANC looked at SACU, SADCC, and the PTA, for the achievement of regional coordination and development in South Africa's best interests—and concluded that SACU was the model, SADCC was the mechanism, and the PTA area and concept was the ultimate aim.

SACU is the model which South Africa wants to extend northwards. SACU is a "common market" which gives South African manufactured goods and foodstuffs a well-protected market place. From 1910 until 1969 SACU was treated as an inconvenience by South Africa, which believed that neighbouring economies had to be suppressed as potential rivals rather than encouraged. Zimbabwe (Southern Rhodesia) abandoned SACU in disgust in 1935, and it continued to hold back economic development in

Botswana (Bechuanaland), Lesotho (Basutoland) and Swaziland. But the more equitable re-negotiation of the customs agreement in 1969 opened the way for economic growth in SACU that unexpectedly benefited South Africa. Between 1969 and 1990 the Botswana economy grew from one-third the size of the South African economy to one-thirtieth, and became South Africa's largest single trading partner in Africa. This showed South Africa that a more cooperative "common market" model could bring dividends. SACU is the biggest market in the world for South African manufactured exports. South African imports into Botswana and Namibia sop up their mineral and beef export earnings, and render unto South Africa much-needed foreign currency.

But SACU is only the model arrangement; it is not the mechanism by which the "common market" or inner circle of South African economic dominance can be spread northwards. The mechanism is SADC. (Hence we are told that SACU will wither away as SADC takes over.) South Africa is using the mechanism of SADC to pull Zimbabwe and Mozambique into the "common market"—with Zambia and Malawi next on the list.

SADC is also the mechanism by which South Africa is tying to extend its "preferential trade area" or outer circle of economic dominance. A geographical area that is much the same as that of the ineffective PTA, but dominated instead from the south like SADC rather than from the north like the PTA. Hence South Africa, in its role as chairman of SADC—in succession to Botswana whose chairmanship had become increasingly ineffective—has bulldozed other SADC members into accepting the Congo Democratic Republic and Seychelles as new members. New members who cannot possibly at present be effective participants in SADC development coordination.

The original vision of SADC as a network of working, equitable bi-lateral relations between different national economies, really only survives as a temporary arrangement for the economic relations of South Africa in the immediate circle beyond SACU of Zimbabwe, Zambia, Mozambique, and Malawi.

This is why the first article in this issue of the journal is important. It lays out problems in SACU today which may be the problems of SADC tomorrow. But it should not be thought that "Big Brother" can have it all his own way. Some of the alternatives can be seen in Namibia and Botswana, the two stronger (and more or less equal-sized) economies of SACU outside South Africa. Beer-thirsty Namibia is resisting the incoming of monopolistic South African Breweries. Botswana lost that particular battle long ago, and is now concentrating on the annual export to South Africa of Gaborone-manufactured vehicles that are cutting in half its massive trade deficit with South Africa.