

SOUTH AFRICAN INSTITUTE OF INTERNATIONAL AFFAIRS



International
Affairs **Bulletin**

Vol 7/No. 3/1983

National Office-Bearers/Nasionale Ampsdraers

Chairman/Voorsitter

H. F. Oppenheimer

Deputy Chairman/Adjunk-Voorsitter

Gideon Roos

Vice-Chairmen/Vise-Voorsitters

Dr C. B. Strauss (Chairman of National Administrative Committee) and all Chairmen of the Institute's Branches *ex officio*/en alle Voorsitters van die Instituut se Takke ampshalwe (Cape Town/Kaapstad, Witwatersrand, Natal, Eastern Province/Ooselike Provinsie, Pretoria, Stellenbosch, Border/Grens, Transkei, SWA/Namibia/Namibië and/en Pietermaritzburg)

Hon. Treasurer/Ere-Tesourier

J. C. Williams

Hon. Legal Adviser/Ere-Regsadviseur

A.L. Bostock

Director-General/Direkteur-Generaal

John Barratt

International Affairs Bulletin

Published by the South African Institute of International Affairs and supplied free of charge to members. Three issues per year. Subscription rate for non-members R8 per annum (surface mail); R12 per annum airmail Africa and Europe; R13 US and elsewhere. Price per copy R3 (plus postage overseas airmail).

Uitgegee deur die Suid-Afrikaanse Instituut van Internasionale Aangeleenthede en gratis aan lede verskaf. Drie uitgawes per jaar. Intekengeld vir nie-lede R8 per jaar (landpos); R12 per jaar lugpos Afrika en Europa; R13 VSA en elders. Prys per eksemplaar R3 (plus posgeld).

Editor/Redakteur

Michael Spicer

Assistant Editor/Assistent-Redakteur

Sonja Begg

Book Review Editor

Peter C.J. Vale

Review copies of books, monographs and pamphlets, as well as all correspondence on editorial matters should be addressed to the Editor, *International Affairs Bulletin*, South African Institute of International Affairs, Jan Smuts House, P.O. Box 31596, Braamfontein 2017, Johannesburg, South Africa.

Resensie-eksemplare van boeke, monografieë en pamflette, sowel as alle korrespondensie oor redaksionele sake moet gerig word aan die Redakteur, *International Affairs Bulletin*, Suid-Afrikaanse Instituut van Internasionale Aangeleenthede, Jan Smuts-Huis, Posbus 31596, Braamfontein 2017, Johannesburg, Suid-Afrika.

International Affairs Bulletin

Volume 7, No. 3, 1983

Contents

Smuts House Notes	<i>page 3</i>
The anguish of Africa Geoffrey Wheatcroft	<i>page 6</i>
South Africa in world trade J.C. van Zyl	<i>page 18</i>
The food weapon in Southern Africa Robert D'A Henderson	<i>page 38</i>
South Africa's regional options: policy-making and conceptual environment M. Tamarkin	<i>page 53</i>
Book Review The Soviet Communist Party By Ronald J. Hill and Peter Frank	<i>page 77</i>

The South African Institute of International Affairs is precluded by its Constitution from expressing an opinion on any aspect of international affairs. It is not, therefore, responsible for any views reflected in this publication.

Die Suid-Afrikaanse Instituut van Internasionale Aangeleenthede word deur sy Konstitusie daarvan weerhou om 'n mening oor enige aspek van internasionale aangeleenthede uit te spreek. Dit is daarom nie verantwoordelik vir enige sienswyse wat in hierdie publikasie weergegee word nie.

Editor's Note

As members of the Institute and readers of this journal know, the South African Institute of International Affairs celebrates its Golden Jubilee in 1984. A very full programme of Jubilee activities, including two major conferences before mid-March has put Institute staff under some strain and entailed regrettable delays in some of the Institute's normal programmes and publications. We apologise for these delays and hope readers will find this an interesting edition of *International Affairs Bulletin*.

Smuts House Notes

As the year turned, the nuclear weapons issue cast a long shadow over the international community. Although the most crucial question facing the community of nations, it has been under-exposed in South Africa for a number of understandable reasons: distance from the debate and pre-occupation with local questions are only two possible explanations for this neglect.

It is timely that the nuclear issue and its broader ramifications should be aired in South Africa, if only because the future destiny of all mankind is caught up in the attempts by the Superpowers to manage the use of nuclear weapons.

From the day the US Air Force atom-bombed Hiroshima in August 1945, mankind has had to cope with the knowledge that he probably has the means to destroy the planet. Given this probability, it is small wonder that no single other issue has so concentrated the international mind since that fateful day.

By why the present concern and is it alarmist?

The centre of the present concern is Europe in the aftermath of the phased deployment of the Pershing and cruise missiles, although the growing international tension — a feature of the past decade — forms the essential backdrop to the current worry.

A chain of events beginning, arguably, with Angola — through the Soviet invasion of Afghanistan, Poland, and among other tensions, Central America, the Caribbean and the perennial Middle Eastern question — have produced an international atmosphere more in common with the Cold War than with the period of détente (and optimism) which marked international relations a decade ago.

As these events have unfolded, so the relationship between the United States and the Soviet Union has been transformed. There is a declining enthusiasm, on both sides of the divide, to explore immediate mechanisms which could ensure global stability and peace.

The relationship has also been affected by leadership changes, which occurred simultaneously in both countries — the ailing Andropov for Brezhnev and, then, Chernenko for Andropov. In the White House, there was the Car-

ter Presidency which, particularly in its last year, had abandoned even the pretense of trying to reach an understanding with the Soviets. Today, there is the Reagan Presidency, convinced that the Soviets are bent on world domination, and determined that the United States should not lower its guard.

This hostile atmosphere has come to have a profound impact on European populations. In Europe, both by accident and design, the probability of a nuclear exchange occurring is much greater than in any other part of the globe. Given this, the decision to deploy the new weapons has resulted in the resurrection of militant peace movements in most European countries.

From the perspective of individual European governments, this factor is perhaps the most important domestic political development of this decade. The movements enjoy fairly wide public support across a broad political spectrum. For many Europeans, particularly the youth, the idea that Europe would be a theatre of nuclear conflict for the advantage of the Superpowers is irrational.

The decision to deploy Pershing and cruise in both continental Europe and in Britain arose from a belief that, assessed on various criteria, the Soviet Union and its Warsaw Pact partners had overtaken the West in the field of tactical nuclear weapons: the so-called Theater Nuclear Force (TNF), confusingly also known as the Intermediate-range Nuclear Force (INF).

By walking out of the TNF talks in December, the Soviets signalled a victory for the West's policy — called the Dual Track — of talking and at the same time pressing ahead with the deployment of the Pershing and cruise missiles over a five-year period. The Kremlin's nervous response was to threaten further deployments of their own, and thus also the future of arms control talks with the Americans. This can only have added to the fears of the anti-nuclear lobby and so increased the problems of European governments.

The Soviets also suffered reversals in their effort to influence the European peace movements; they had hoped that the peace movements might, as a result of their protestations, halt the developments.

On the TNF level, in particular, the ball is clearly in the Soviet court. The deployment of Pershing and cruise is sure to continue, until such time as a satisfactory Soviet proposal is forthcoming, or the missiles are all in place.

These Soviet reversals should not, however, be seen as a victory for the West, because the determination and drive of their own peace movements will not dissipate until firm guarantees are given to allay their fears. Such guarantees will, of necessity, have to be addressed within a political context. This will be a long haul for some European governments and may well bring one or two of them to their knees. Indeed, it seems unlikely that any lasting coalition could be forged in the Netherlands in the face of imminent deployment of missiles on Dutch soil.

The later Soviet decision to walk out of START — the Strategic Arms Reduction Talks (also held in Geneva) — posed a more serious threat to the

deteriorating Superpower relationship. These talks were aimed at finding means of reducing Soviet and American arsenals of long-range missiles and were more substantial than the TNF talks. The former are the latest in a long series of arms control efforts between the Superpowers, whereas the latter were a stopgap measure — dealing with the TNF issue — only.

Since Hiroshima, arms control efforts have met with both success and failure, and their outcome has, more often than not, been the measure of the temperature in the relationship between the White House and the Kremlin. Hence, the collapse of the START and TNF negotiations should be considered serious developments in any book.

The resurrection of arms control talks will, however, not be an easy task, because of the hostile international atmosphere; as Peter Jenkins noted in *The Guardian*, the mood is more dangerous than the missiles.

PETER VALE
Director of Research
Jan Smuts House

Geoffrey Wheatcroft

The Anguish of Africa

When Africa was first severed from Europe in the name of independence a quarter of a century ago, few could foresee the speed with which this massive political experiment would fail, or the anguish that failure would bring. Africa's appalling troubles today are sometimes blamed on malice and exploitation. The truth is that they are more the result of false hopes and exaggerated expectations. Above all, they are the consequence of a great irony. African nationalism was to be a rejection of empire and of all things European. But the whole experiment of de-colonization was conducted on terms just as Eurocentric as those the imperialists used. When Africa tried to shed Europe, it found that there was no way of doing so but the European way. It clung to the latest European fashions, the ideologies of socialism and nationalism. And now, like a divorced couple who keep getting back together, Europe and Africa cannot stay away from each other.

Only quite recently has it become possible to talk openly of the failure of independent Africa. The old excuses — of European indifference or “neo-colonialism” — are less frequently trotted out. It is even possible to discuss in respectable, liberal publications, as it was not a few years back, whether this failure might not say something about Africa itself. Could it not be true that a final, cruel trick was played on the Africans by asking them to perform an impossible feat? Anyone who knows Africa will recognize the sense of humiliation, of impotent rage, expressed by Africans who, as they watch things fall apart, realize that they cannot control the destinies of their countries. Might not this have been in the end the biggest humiliation of all?

A point of nomenclature: by Africa I mean tropical Africa. That term is preferable to the commonly used “black Africa”, which is a coarse phrase —

Geoffrey Wheatcroft has reported from Africa for several British papers. His new book, *The Randlords: A History of the South African Mining Magnates*, will be published later this year.

The article reproduced here, copyright 1984 by Geoffrey Wheatcroft, first appeared in *The New Republic*, 9 and 16 January 1983. It is reprinted by kind permission of Wallace and Sheil Agency Inc., New York.

we don't call China "yellow Asia" — and geographically inexact. North of the Tropic of Cancer are the countries of the Mediterranean littoral, Arab politically and Islamic culturally. South of the Tropic of Capricorn is white supremacist South Africa, part of the northern Atlantic world politically, and European in culture. What comes between the two tropics forms a kind of political and cultural entity.

The European empire in tropical Africa was extraordinary in the suddenness of both its coming and its going. A hundred years ago the "Scramble for Africa" had scarcely begun. Partition didn't come until the 1880s, when the German Kaiser Wilhelm II and the Belgian King Leopold seized vast unclaimed territories in central and southern Africa. Great chunks of the continent were arbitrarily designated as colonies by the European powers and capriciously named. The Ivory Coast had been named by slave traders in the eighteenth century; Nigeria was named after the river Niger on the whim of an English journalist.

Until the Scramble began, as far as Europeans were concerned, Africa was the "dark continent." Explorers had mapped the interior, missionaries had proselytized its inhabitants, and traders had bartered with them — but the territory was owned and run by Africans. In the African interior a century ago there were still powerful kingdoms: Samory and Dagomba in the west; Lunda and Matabele in central Africa. Exactly why the Scramble took place is still a puzzle. Simple materialist explanations will not do. In the words of a later historian, "The enormous areas of tropical Africa appear impressive on the map, but of most of them the plain truth is that they had remained so long ownerless because they were not worth owning."

From whatever impulse — rivalries in Europe, pressure from the few Europeans already in Africa — the continent was carved up. Ancient kingdoms were overthrown, cultures were destroyed. When the Africans didn't resist, this conquest was comparatively harmless. When they did, it was atrocious. In the southwest, now Namibia, German mercenaries (whose commander was called Goering, father of a more famous son) reduced the number of the Herero people by four-fifths in the space of a short "campaign." In Zambia, later Rhodesia, Cecil Rhodes civilized the Matabele and Mashona with the Maxim gun and noose. In the Congo Basin, Leopold's Belgian agents were responsible for hundreds of thousands of deaths. That episode inspired a lapidary and lasting phrase in Conrad's *Heart of Darkness*: what the white man did in Africa is "not a pretty picture when you look into it too closely."

The colonizing nations went about their tasks in different ways. The Belgians and the Germans made little pretense about their mission. They were there to rule and enjoy. The Portuguese had been there longest. They didn't so much remake their colonies in a new image as get absorbed by them — as the large mulatto populations of Angola and Mozambique testify. The French spoke passionately of their *mission civilisatrice*, but were more prag-

matic and less high-minded than the British, and thus freer from racial caste attitudes. Quite early on they accepted that anyone sufficiently educated, emancipated from Africa ways, and "evolved" — *evolué* — could achieve the highest dignity of all and become a black Frenchman. This contrasts favourably with the virtuous, icy aloofness of the Oxford-educated English, who believed they were fulfilling a duty engendered by privilege. But whatever the differences in nuance, all were agreed on the superiority of European culture, morals, and manners.

Racist as it may have been, this attitude was not confined to paternalistic colonial administrators or grasping traders. It was shared by all Westerners — Americans as much as British and French — and was just as characteristic of self-consciously liberal or enlightened thought as of conservative opinion. In the early nineteenth century, Thomas Macaulay wrote a famous paper on Indian education in which he asserted that colonial education should be in English. The Dutch pastor and politician Baron van Hoëvall argued that in the East Indian colonies, the Javanese should be brought to, not cut off from, the benefits of Dutch culture and Calvinism. Progressives all of them, they helped set the tone for Africa: the day would come when Africans would be treated as equals, but emancipation would come on European terms. The whole world, in the words of one writer, would wear a necktie, drive an automobile, pay income tax, and practise birth control.

Emancipation would also come on a European time-table. Africans might one day be fit to rule themselves, but that day was far off — perhaps centuries away. In the wake of World War I, movements for colonial freedom got under way, but they were apparently insignificant affairs, led by Africans educated in Europe, or at least in the European image. Such people were a tiny minority, but as it happened they were destined to inherit their particular corner of the earth.

After World War II the age of empire came to a sudden end. The European powers had exhausted themselves. Their empires in Asia had been undermined by independence movements much more powerful and plausible than those in Africa. Chief, of course, was Gandhi's Congress Movement in India. If India received its freedom, might not freedom for Africa be close at hand? And so, in the 1950s, the idea began to take root that the African colonies might be given their independence.

In 1957 the British Crown Colony of the Gold Coast became the sovereign state of Ghana. After that the freeing of Africa took place at bewildering speed. Shortly after de Gaulle came to power in 1958, he offered a new status to France's African colonies. In 1960, Nigeria — the greatest of all British colonies in size, population, and natural resources — received its freedom, along with the Congo and all of a dozen former French colonies which became the French African Community (CFA). These forerunners were followed by many others. At the beginning of 1957 there had been only two

independent states in tropical Africa: Ethiopia and Liberia. By the 1970s the Organization of African Unity was to number fifty member states.

On top of this rapid chain of events, further disorientation came in the shape of the psychological preparation for *uhuru*, the Swahili word for freedom. Europe had to be made ready to grant, and Africa to receive, independence. This campaign of acclimatization was fought on two fronts. The official front held that the African colonies were countries like any other, which really meant like European countries. As a final benefaction they would be granted written constitutions, with bicameral legislatures, an independent judiciary—the lot. Each new country would step out of the egg fully fledged, ready to operate like any European nation-state, and to take its place in the community of nations.

To put it like that is not a travesty, but looking back we see just how fantastic the pretense was. Even to call them African “countries” is begging the question. They were not countries at all, most of them. They were artificial units, drawn up two generations before in European chancelleries and ministries, quite often by men with fairly accurate physical maps and no other knowledge of Africa whatsoever. Heterogeneous peoples were yoked together for the sake of administrative convenience. These units had no history of nationhood before the whites arrived, and had been given almost no preparation for independence.

The other front advocated a different, and more interesting, kind of propaganda. It was represented by a group of writers, journalists, and historians who might be called the Friends of Africa. I am thinking of the British ones, though they had their counterparts in other countries. A good example is Basil Davidson, a lifelong revolutionary enthusiast. He celebrated the Tito regime in Yugoslavia first, and went on to the Mao regime in China. Then he turned to Africa. His numerous books, both historical and contemporary, are well written and knowledgeable.

In *African Awakening*, Davidson had several didactic purposes, as did the others who thought and wrote like him. One theme was white guilt. Europe had been the aggressor, Africa the victim. In large measure this is unassailably true, though it is arguable that the worst aggression took place in the age of slavery and before the heyday of empire properly speaking. The next theme was African pride, a celebration of the African heritage. This also was worth doing. Of all the parts of the world that had suffered from being judged on Eurocentric terms, Africa had suffered most. Much as Europeans might dislike and fear India, China, or Arabia, and much as they continued, in large part, to consider them inferior, they could not claim that they had no existence beyond the most primitive. But that was what was continually said of Africa.

It had no culture, no civilization, no tradition of political community, no history. Little more than twenty years ago Hugh Trevor-Roper, the Regius

Professor of Modern History at Oxford, could deplore undergraduates who wanted to learn African history, to him a nonexistent subject: "Perhaps in the future there will be some African history to teach, but at present there is none or little. There is only the history of Europe in Africa."

Against this, the Africanists argued that Africa indeed had a history, and it had nations, and cultures. "Isn't it mere mystification," Davidson wrote, "to describe a typical European people, with all their xenophobia, group ambition, and sense of exclusive pride, as a *nation*, while reserving the word *tribe* ('primitive' or 'barbarous' being understood) for a people like the Yorubu?" Warming to his theme, he wrote that in the thirteenth century, "The scholarship of Timbuktu and Djenne could probably have given points to that of Oxford and Cambridge." It is easy to smile at this rhetoric. More significant, note that for all his desire to free himself of European patronization, he still used Eurocentric terms of reference. Universities and learning are admirable; so also are states.

Similarly the leaders of African nationalism themselves were caught in a trap—unacknowledged and unrecognized—between using and not using Eurocentric concepts. These leaders were a curious group. All emerging nations have self-appointed leaders, usually lawyers and journalists who become professional politicians, and one of whose first tasks is the rewriting of history. The African nationalists may have been extreme examples of this type because they had to strive harder, and because they comprised such a small minority among their people. The number of educated Africans at the turn of the century was far smaller than, say, of educated Slovaks, Croats, or Rumanians in the Hapsburg Empire fifty years before.

What formal education they had received was by definition European—and yet they did not only wish to lead their people toward European goals. They wanted industrialism and development, but they conjured up a vivid African past. They sometimes reverted from European to African clothes, like Ghanaian leader Kwame Nkrumah, the alumnus of Lincoln University in Pennsylvania who was later to appear before his parliament in Accra wearing brilliant Kente robes from Akan weavers. They rediscovered historic African names for their new countries: Ghana, Benin, Malawi. They defended African traditions, albeit in the language of European learning. Jomo Kenyatta, an anthropologist and graduate of the London School of Economics who was to become president of independent Kenya, wrote a famous and rapturous passage celebrating the practice of female circumcision among the Kikuyu.

Both African nationalists and the Friends of Africa were in a quandary about tribes (or nations). They recognized—indeed emphasized—that Africa was made up of nations (or tribes), but at the same time the political units that the nationalists were about to inherit were the colonial constructs whose borders paid no heed to which tribe or nation lived where. The new

leaders who took charge of those constructs naturally wanted to make the best of what they had. More than that, many or even most of the professional commentators on Africa wrote from a Marxist or Marxisant perspective. They were thus caught in the trap of sometimes having to acknowledge the strength of national sentiment when it served the cause of progress, and at other times pretending that national sentiment didn't exist, in the name of proletarian internationalism or its African equivalent.

Thus the leader of the nationalist struggle in Portuguese Guinea, Amílcar Cabral, once claimed that "there are no conflicts between the peoples of Africa. There are only conflicts between the elites. When the peoples take power into their own hands, as they will do with the march of events, there will remain no great obstacle to effective African solidarity." To see how farfetched this was, one need not think of African experience, but of centuries of European history, which is largely the record of violent mutual hostility between peoples (or tribes, or nations).

So it was that the African age of independence began with two *fables convenus*: that the peoples of Africa were united by their common Africanism; and that the artificial constructs left behind by the colonial empires were potentially viable nation-states. This last hope might be expressed nervously, as Davidson did: "Pre-colonial Africa had many hundreds of independent states. Colonialism brought these together into some fifty colonies. These are now engaged in trying to transform themselves into as many nations. Can it possibly work? He would have liked the answer to be yes. But the truthful answer was, very likely not. Realism was in short supply twenty-five years ago.

In fact, the newly independent "nations" of Africa soon showed themselves all too capable of imitating the worst vices of European nation-states. They almost seemed to parody the newest and least stable countries of Europe, "independent atheist police states full of fatuous nationalism and power hunger," as Evelyn Waugh once said of the Balkans. Just when realism and a modest approach to the problems of countries with a rudimentary economic—especially agricultural—base was needed, wild dreams were dreamed. What these countries needed were policies to encourage peasant farming, development of artisan trade, and bicycle factories. What they got were big new concrete buildings in the capital cities, grandiose hydro-electric schemes, heavy industry, and state-owned airlines. All this in the name of national greatness and often of "socialism."

The Congo gave the first warning that all was not well with the new Africa. It was easy enough, and to some extent true enough, to blame the Congo's early troubles on its former masters. Belgium had certainly granted independence negligently and with bad grace to a country that, with only a small educated African class, was notably ill prepared for it. The giant Belgian mining company, Union Minière, plotted to split off the copper-rich

province of Katanga as a kind of company state. But for all that, what happened to the Congo could not solely be laid at the door of European hostility. The Congo showed that it was not enough to celebrate independence with eloquence and enthusiasm. Independence presupposed disinterested ruling classes, which, in the event, proved not to be there. And for all the cynical manoeuvrings behind the secession of Katanga, that episode showed also how strong were Africa's fissiparous tribal passions. It did not require a European financial plot to make different peoples within many African nations dislike each other. It only needed the removal of the discipline of colonial rule for ancient sentiments to erupt.

Ghana had seemed the best equipped of all British colonies for independence. Conor Cruise O'Brien, who went to live in Ghana in his early years, ruefully looked back twenty-five years after independence and wrote that the country once had "a tradition of sophisticated intertribal relations, and a sense of community embracing the coastal and forest peoples. It had the most developed educational system in Africa and the best civil service, headed by Ghanaians of high capacity and strict integrity." But within a few years of independence, things were going terribly wrong. Nkrumah was encouraging panegyrics to himself that might have made Stalin blush. One official biography described him as "our father, teacher, brother, our friend, indeed our life, for without him we would no doubt have existed but we would not have lived." The once efficient administration went corrupt. The temptations were too strong and the Protestant ethic left behind by the English too fragile. Not for the first time self-rule proved to be far from honest rule: it did not need Africa to show that. In the parliament, Nkrumah delivered homilies on the need for political honesty, and for citizens — especially legislators — to repatriate funds held on illegal deposit abroad. The parliamentarians laughed and laughed. Nkrumah himself smiled. In one country after another *uhuru* has manifested itself as an opportunity for a ruling elite to stuff its pockets. The official "philosophy" of Kenya is called "self-help." As a wry Kenyan joke goes, a better translation from Swahili to English is "help yourself."

On the other side of the continent was Tanzania, for long one of the most admired of African countries among European intellectuals. Its ruler for more than twenty years has been Julius Nyerere, a special darling of the Friends of Africa. His rule has not collapsed completely into autocracy and the personality cult. He is an intelligent and modest man who translated Shakespeare into Swahili in his prison cell and who draws a presidential salary of \$6 000 a year. And yet judged objectively, he is a disastrous failure. He has come close to admitting this himself, saying that Tanzania is no nearer its goals of self-reliance and socialism than it was when he set those goals sixteen years ago. He also confesses — uniquely among African leaders — that the Africans themselves are largely to blame for the failures of their new countries.

The Tanzanian case is an important one precisely because it was the country for which so many hopes had been held out. It was comparatively prosperous under British rule, and it was meant to build something new on that prosperity—socialism and self-reliance, the twin goals of the “*ujamaa*,” or the familyhood system proclaimed by Nyerere in 1967. *Ujamaa* called for the regrouping of dispersed peasant farmers into villages where the land would be owned communally and farmed collectively. This would achieve the economic goal of increased prosperity and production. Within six years, 2 million people, or 15 per cent of the population, had been relocated in villages. Within the next three years another 13 million had.

Nyerere originally had said that “viable socialist communities can only be established with willing members.” That precept was soon forgotten, and peasants were forcibly driven to the new villages, their old houses and crops sometimes destroyed to drive them away. Some *ujamaa* villages work fitfully. However, relocation all but destroyed large parts of the rural economy.

Agriculture is now in rapid decline, and industry runs at 20 to 30 per cent of capacity. The output of export crops has dropped drastically. Production of cashew nuts is down by 70 per cent. Once self-sufficient in agriculture, the country relies heavily on food imports and is the largest per capita recipient of aid in Africa, taking more than \$600 million a year from outside donors. Inflation runs at more than 70 per cent annually. The simplest goods are unavailable on the shelves of stores in Dar es Salaam. When a Tanzanian aircraft was hijacked not long ago, there was a bitter joke in East Africa that the hijacker had wanted to fly to London to buy toothpaste.

Tanzania survives, but the duns are closing in. Like several other African countries, it has been regularly bailed out by Western banks and governments. The International Monetary Fund has permitted another loan of \$350 million a year for the next three years, but is making tougher conditions than ever before. The dream has turned horribly sour.

In one African country after another, the general economic tendency is for the cities to lord it over the country. Africa is still an overwhelmingly agrarian continent. Rationally, it should be run in the interests of the rural masses, with higher prices paid for food to encourage agriculture. The opposite has happened. Food prices have been kept artificially low so that the urban minority or minorities on which each government depends—the elite, the army, the mob—can eat cheaply.

Millions have been driven off the land and have migrated to the cities. In 1960 only three tropical African cities had populations of more than a million. Today twenty-eight have. They are not even “real” cities, as were those thrown up by industrial revolutions—in Lancashire, in Pennsylvania, or in the Ruhr—where although conditions might be grim, there were at least natural resources and developing industries. The great sprawling cities of Africa—and the shantytowns or *bidonvilles* on their outskirts—are repos-

itories of people who have flocked there in the hope of living inexpensively when there is no future on the land.

The vicious circle is given another turn by currency policies. Many African countries — the members of the French African Community importantly excepted — have artificial and absurd exchange rates, the product of national pride, the selfishness of the ruling elite, and an unwillingness to admit failure. The absurdity is measured by the discrepancy between official and black-market rates. The record was probably held by Ghana before its last coup, when the street rate for the dollar was eighty times higher than the listed rate. Even now a dollar officially buys about 6,15 Ghanaian cedis, but can buy up to 180 on the streets of Accra. Those with cash to spend, and who can buy foreign currency at the official rate — the urban elite once more — find shopping abroad agreeably cheap. Meanwhile the farmer has even less hope of exporting cash crops.

Governments can struggle against the consequences of their own misdeeds. The official food price and the official exchange rate can be enforced with severity as extreme as firing squads. Governments can try to reverse the drift of country to town by force. Nigeria expelled 2 million illegal immigrants last year. "Marxist" Mozambique drives out shantytown squatters on pain of death. The junta in Ethiopia follows Pol Pot's example by expelling the masses from the cities, and famine results. But nothing works. Nothing can hold back the human tide. The Ethiopian government can be savage, but not strong; it lacks the means, not the will, to be fully Stalinist. Ironically, the one state in Africa that really does have a Stalinist political economy is South Africa, so reviled by the Russians and so favoured by President Reagan — and, one suspects, secretly envied by other African politicians for its success in controlling the migration of labour.

And so, what is to be done with Africa? For one thing, although this seems to be a chronicle of gloom, all is not hopeless. Commonsense economic policies would point the road to recovery. A free market in food prices would encourage farmers to grow again. To begin with, there might even be government subsidies to farmers. Europe has left Africa so many bad legacies: why couldn't it export the European Economic Community's Common Agricultural Policy, with its bribes to farmers to produce? But there is no need for complicated agricultural policies in the long run; just a fair deal for farmers.

What is *not* needed, certainly not in the long term, is "aid," once so precious a liberal principle. Africa already receives more aid than any other part of the third world — \$9 per head in Asia in 1981 as compared with \$20 in Africa. Guilt-inspired aid from Western governments and incautious loans from Western banks have subverted the development of indigenous agriculture. Private investment, not long ago universally denounced as neo-colonialism, may well do more good.

A few countries — Kenya, Malawi, Togo, the Ivory Coast, and Cameroon — have greatly boosted the production of both food crops and of export cash crops since independence. They have all put behind them the same spendthrift mistakes they made along with other countries in the early years of independence. Significantly, none of those countries is a favourite of the Euro-American intelligentsia, of the Friends of Africa. None has an aggressively nationalist or self-consciously left-wing regime. Even more significantly, the last three named are former French colonies and enthusiastic members of the French African Community. Togo's per capita GNP increased by 129 per cent from 1960 to 1980, the Ivory Coast's by 73 per cent, Cameroon's by 91 per cent, a contrast indeed to the rest of Africa. Most of the CFA colonies have solid economic records; those that don't, such as Chad and Mali, are the countries of the sub-Sahara desert, the Sahel. They are destitute, beyond redemption except by outside help, and cannot be reproached.

One reason for the CFA's success, to be brutal, is that the French never left. There are now nearly half a million French citizens in West Africa, ten times as many as two decades ago (twelve thousand of them soldiers). The CFA has two central banks, one based in Senegal, one in Cameroon, each with a French treasury official as its chairman. There is real money in circulation, not the Mickey Mouse kind: the CFA franc is tied to the French franc. Two-thirds of each CFA member's hard-currency earnings is deposited with the treasury in Paris, the rest with the two banks. It is pure "neo-colonialism" — but it works. Not only is their gross national product increasing faster than elsewhere in Africa, inflation is lower and savings higher. Above all, deprived of the means to "pay" for cheap food with worthless money, governments leave farmers to set their own food prices.

The last and hardest question is what will happen to the states of Africa. The Africans are landed with the boundaries of colonial days, but they are not necessarily stuck with them for good. All African rulers are terrified of the tribal (or national) passions that might tear their countries apart. They will remain terrified, until — with or, one hopes, without violence — the boundaries are reshaped to something corresponding to ethnic divisions. This is considered a great heresy in Africa, and also among professional Africanists. It was significant that the Friends of Africa like Davidson were to a man hostile to the secession of Biafra from Nigeria in 1967.

There is one very understandable reason why Africans resist the return to tribal divisions: the South African policy of "homelands." These homelands, or Bantustans, are fragmented and economically hopeless units, run by corrupt stooges. The "independence" celebrations of Ciskei, a Xhosa-speaking homeland in South Africa, were preceded by police beatings and imprisonments. The new chief of state Chief L.L. Sebe declared on Christmas, "We are free, we are independent. Acknowledge that or be damned." The next speaker was Dr Piet Koornhof of the South African Ministry for Co-opera-

tion and Development. Sebe's chief of police is his brother. The neighbouring homeland of Transkei is also run by siblings, the brothers Mantanzima. (These two families are sometimes called the Xhosa Nostra). No wonder Africans pause at the thought of tribal states.

But in time the Africans will come to accept the realities of language and nation. They will understand that Biafra was a portent of policial units based on those realities. They will see the absurdity of present borders. After all, how would Europeans feel if Europe had been arbitrarily partitioned by African statesmen at the Congress of Dar es Salaam a century ago, carving out a unit, say, called Rhenia, which included northeastern France, northwestern Germany, Belgium, and the Netherlands? And what would one's reaction be to a national revolt of the Netherlands, and the attempt to suppress it by force and starvation? There is simply nothing to be said for huge, entirely artificial units like Zaire, Nigeria, or Tanzania.

It is unlikely and undesirable that Africa should break up into the hundreds of kingdoms of pre-colonial days, but that is not the only answer. A few large, loose confederations would make sense — perhaps one with English as its lingua franca stretching down the east coast from the Horn to, one day, the Cape. Another running down the west coast, south and west of the Gulf of Guinea, would have French as the common language. Within each confederation, numerous different peoples could follow their own paths.

Europe has indeed imposed a succession of alien concepts on Africa, which never asked for them: mercantile trade, Christianity, liberalism, democracy, and, as a final bad joke, revolutionary Marxist socialism. Some African rulers lucubrate about socialism as though it had relevance to their countries. But it is an utterly European concept. President Nyerere calls himself a socialist, but doesn't see how "socialism" as he understands it is a product of the industrial revolution in sophisticated nation-states. He has an adviser-confidant, or guru, Joan Wicker, an old-fashioned progressive Englishwoman, who writes his speeches and manifestos. Neither she nor Nyerere can see that when she exhorts him "to build socialism", she is the last imperialist.

But to some extent we are all still cultural imperialists. The final form this cultural imperialism has taken is very odd indeed, for it appears on surface to be anti-colonial and anti-racist. So terrified are whites, Europeans, the north, of being thought racist (one might cynically say frightened of their own unconscious racism) that they project their European identity onto the Africans, and hence do them a terrible disservice. At the back of our minds is a half-recognized fear that if Africans fail by the measures we apply, then they are inferior beings.

Progressive opinion has swung wildly, from the days when progressives above all thought that European ways were a great gift to Africa, to more recently when European ways are resolutely condemned. And yet, all the time, European concepts are employed. A debate continues as to whether the

multi-party liberal state or the one-party state is better suited to Africa. But why either? The Africanists assume without thinking that the state is both a natural progression and a great benefaction to Africa. It is in fact a quite alien concept there. And in the century of Hitler and Stalin, the state is not in any case a very obviously admirable institution even in Europe; in Africa it would not be hard to demonstrate that it has done more harm than good.

To express heterodox views on Africa even now is to run the risk of being misrepresented. Certainly "racism" in the sense of contempt for other peoples and cultures is odious, but it is not more silly and damaging than to lie about other peoples and cultures. There is no need to lie about Africa. There is no need even to be too gloomy. De Tocqueville once pointed out to a racist friend who sneered at primitive peoples that the people of Britain were once the most barbarous and primitive in Europe, and two thousand years later they were running the world. Africa will survive, and its relations with the rest of the world will change. Who knows? Africa may yet have something to teach us all.

South Africa in world trade

The main focus of this paper is on commodity flows rather than on movements in monetary magnitudes, on longer term structural matters rather than on shorter term stabilization issues. Its aim is to investigate some major world trends in trade and production and resultant adjustment issues that South Africa is likely to encounter in the 'eighties and even the 'nineties, if it wishes to remain competitive in the international environment. Economists have long realized that no country can be an island unto itself; South Africa with its very substantial involvement in and dependence upon the rest of the world can ill afford not to heed this fundamental truth.

The paper comprises three sections. In the first, some important recent developments in international trade are assessed from a South African perspective. The impact of these developments on the domestic production and trading scene is the subject of the next section, followed by a few thoughts on some trade and industrial policy implications of the trends and tendencies considered.

The theme of enhancing the international competitiveness of the South African economy and of its various sectors and sub-sectors is emphasized throughout. This issue more than any other is likely to become a major focal point of economic policy in the years ahead.

1 Some developments in world trade: A South African perspective

It is now widely accepted that the main thrust behind the movement towards liberalizing world trade in the post-war period came from the United States. In many ways the US was well placed to assume a leadership role in this area. It had the most efficient economy in the world and in dynamic mar-

*Dr J.C. van Zyl is Executive Director of the South African Federated Chamber of Industries, Pretoria. This article is the revised version of a paper presented at the Conference of the Economic Society of South Africa, 19-20 September 1983, and was first published in *The South African Journal of Economics*, Vol. 52, No. 1, March 1984. It is reprinted here with the kind permission of the editor.*

keting terms was at the top of the "product cycles" relevant to the world economy at the time. In this sense US trade policy was essentially shaped by America's dominant industries, viz steel, chemicals, motor vehicles, rubber and electrical machinery. Economies resulting from international scale production promised to ensure US leadership in these industries. Hence a multi-lateral free trade regime substantially suited America's own economic interests.

During the 'fifties and 'sixties the US economy (and that of Western Europe) grew largely by expanding the scale of operations of their dominant basic industries. Comparatively few breakthroughs in new products or processes occurred but world demand kept expanding rapidly and gave little cause for concern about the relative paucity of innovation in the growth process. Under these conditions of basically slow, evolutionary change in comparative advantages emanating from a process of gradual capital accumulation and support by mass consumption of standardized products, the free trade philosophy enabled the rest of the world to share in America's prosperity while allowing the United States to maintain its industrial lead.

The broad approach came to be incorporated in the Articles of the General Agreement on Trade and Tariffs (GATT) and in subsequent rounds of tariff negotiations. The principles of non-discrimination, of less government interference in international trade, and of the settlement of trade disputes by formal notification and negotiation became the cornerstones of the world trade regime.

The results in terms of growth were certainly impressive. During the three decades or so before the GATT, world production had increased by about 2 per cent per year on the average, while a comparable figure for world trade expansion was some 2½ per cent. Between 1948 and 1973 average annual world production shot up to 5 per cent while world trade flourished to attain an unprecedented 7 per cent growth rate per annum.

International trade today

At the present time the international trading environment looks very different. There is in fact substantial agreement that the system is in a state of disarray if not in crisis. Events during the last few years suggest that conflicting perceptions, priority differences and little sense of overall direction have led to both a policy and an intellectual vacuum in international economic cooperation. While many countries are still proclaiming free trade principles, they are in practice following highly protectionist policies. Matters have now reached the stage where the survival of the GATT itself (of which South Africa is a founder member) is in question. It is being suggested that the age of free trade, as an organizing principle, may well be over.

During the last two decades the world changed very rapidly — much more so than in earlier decades. The 'sixties still saw high rates of growth but even

during the lower growth decade of the 'seventies, the level of inter-dependence among countries accelerated further and the world economy is now much more integrated than it has ever been before.

On the industrial front Japan and Europe have caught up with America in a large number of sectors. At present Japan is at the top of many product cycles rather like the US was in the post war period. What we have witnessed is a fundamental realignment in the industrial hierarchies of the world. In essence, it is no longer possible to say as clearly as before that what is good for America is good for the whole economy. While further trade liberalization will probably on balance still favour the US, the picture there is now substantially blurred. In consequence its policy actions in international trade have in practice become ambiguous.

The pace of structural change has indeed been dramatic. During the mid-sixties Newly Industrialized Nations (NICs) like Taiwan, Hong Kong, Korea, Brazil and Spain specialized in relatively simple products requiring large amounts of unskilled labour and low capital investment or technology. These products include clothing, footwear, toys and basic electronic assemblies. The reaction of Japan was to move out of this pattern and into the production of products requiring much more capital (and raw materials) but still utilizing mostly unskilled and semi-skilled labour against a backdrop of relatively mature technologies not subject to rapid innovation. Prime examples are basic steel and synthetic fibres.

By the mid-seventies the NICs had started following Japan into basic capital intensive processing industries. In turn, Japan had transformed its industrial base into more complex products requiring both considerable capital investment and technological sophistication. Motor cars, colour television, consumer electronics (microwave ovens, tape recorders, small computers) and shipbuilding come to mind.

By the early 'eighties the pattern had again shifted. Some NICs like Korea, Singapore and Taiwan had themselves become significant producers of complex products. Korea now has the world's largest shipyard and a very modern steel mill.

In the meantime less developed countries like Malaysia, the Philippines and India are moving into the production of the "simple" products like clothing, footwear, toys and basic electronic assemblies.

What is essentially involved here are rapid shifts in comparative advantage among countries at various stages of economic development, all chasing the lead in high-volume standardized production given by Japan. The basic response of Japan and to a lesser extent of France and West Germany has been a policy of improving labour skills, i.e. to move progressively towards products and processes requiring higher skills from the work force. Precision castings, the design and manufacture of fibre-optic cable, lasers, large scale integrated circuits and advanced aircraft engines are typical examples.

The increasingly important role of Japan not only as an exporter of manufactured goods but in particular as industrial pacesetter highlights the real challenge that Japan is presenting to the world. Few countries have been able to emulate Japan in its readiness to move out of sectors where competition from lower cost producers threatens to take over. The Japanese have certainly made mistakes but their willingness to adapt to and plan for change is indeed remarkable. Hence the much vaunted "Japanese threat" is not so much a trade problem as an industrial problem: a problem of rapid industrial adjustment and technological change rather than of traditional protection policy.

From the above it is clear that a dominant feature of the world economy at present is much more rapid structural change than ever before in history. Countries like Japan, France and Germany as well as many of the NICs have grasped the inevitability and indeed the urgency of accelerated structural adjustment and are actively assisting the processes of transition.

Institutional pressures

At the institutional level the drastic changes of the international industrial environment outlined above have found the GATT badly wanting. In practice the so-called "new protectionism" is rife. In recent years there has been a conspicuous lack of consistent "rules of the game" to command widespread respect and support. The system is approaching ad hoc decision-making of the worst kind where unilateral trade discriminatory actions are taken by the relatively stronger economic powers against their weaker trading partners. More and more, important business agreements are being negotiated outside the GATT framework leaving the organization basically weak and vulnerable. Indeed, its very existence is under threat. The parallels with the final years of the Bretton Woods system and the role of the IMF therein are only too painfully obvious.

It is now well known that the GATT ministerial meeting of November 1982 could not agree on anything of substance. The inability of governments to come to grips with the new protectionism, has, if anything, probably rendered the "protectionist disease" even more contagious.

The facts are that by 1982 those sub-sectors of manufacturing industry overtly protected by non-tariff barriers (weighted by each sub-sector's share in the consumption of manufactures) came to the following percentages of the domestic market¹:

USA	34
Canada	10
West Germany	20
France	32
Japan	7

Despite the GATT, or perhaps because of it, protection in the world has in practice advanced along two tracks. The *first* involves the suspension of

whole sectors of industry from GATT rules and procedures. This tends to happen when competition from abroad reaches the threshold above which social and political factors come into play. Generally, those conditions that make an industry "sensitive" in one Western country are usually present in most other Western countries, which explains the relative ease with which all or most Western economies can be enticed into extra-GATT protectionist regimes. Examples of sectors where trade is currently controlled by means other than the tariff are consumer electronics, footwear, steel, textiles, clothing, motor vehicles and shipbuilding. In all these areas of "managed trade" South Africa has a domestic production facility which varies from small to quite substantial.

The *second* track along which protectionism has advanced involves new instruments of controlling trade. In terms of trade diversion non-tariff barriers (rather than tariffs) probably dominate the trading scene in the world today. Many of these take the form of open subsidies listed as such in public accounts. More important however appears to be the covert subsidization involved in VER's (voluntary export restraint agreements), government procurement policies, the inconsistent administration of anti-dumping duties, and health and safety regulations.

A feature of both branches of the new protectionism of particular importance to South Africa is the increased risk and uncertainty resulting from a trade regime in which the rules of the game have become the subject of continuous political and administrative adjustment and re-adjustment. Not only do the various protectionist devices restrict trade by themselves but the clear possibility of continued changes in such measures through abrupt unilateral action by the government of the importing country must surely restrict trade even further. The much greater measure of uncertainty likely to prevail in the international trading system in the years ahead does not augur well for South Africa's export-led growth strategy, in particular for exports from the non-mineral sector.

Greater insecurity as a general world phenomenon

While much emphasis has recently been given to the "new protectionism" in international trade, it seems fair to say that protectionism is itself only one form of a general search for greater security in the face of much higher levels of risk and uncertainty which have developed during the 'seventies. Most nations have found the costs of adjusting to highly volatile international price signals extremely high. Major variables such as high rates of inflation, unpredictable levels of real interest rates, and large swings in the relative price of energy have all produced severe distortions in market signals and in economic activities.

In consequence, as the last GATT Annual Report emphasizes, a decline in the potential growth rate of most economies has taken place. This is ascribed,

in large part, to the reduced time horizons and increased risk and uncertainty under which economic agents now have to operate world wide. In the view of the GATT, greater aversion to industrial risk-taking is widespread, as evidenced by (a) a rise in international bank loans as against equity and direct investment, (b) a rapid increase in short term debt and (c) the rise/expansion of financial conglomerates rather than of production orientated industrial empires.

A summary statement

The most important recent developments in world trade of direct relevance to South Africa can perhaps be stated briefly as follows:

1. The erosion of GATT rules during the past decade has been substantial. It is usually argued that the main reason for this is that the issues involved are complex. There can be little doubt that such a statement is analytically correct. Nevertheless, it would seem that the fundamental reason why the post-war ideal of free trade is disintegrating is a lack of political will to make it work in practice. In today's world the principles of a liberal trading system appear to offer little practical or politically compelling counterweight to protectionism. The plain fact is that political realities now dominate rational economic argument in this arena, at least in the Western democracies.
2. The GATT ministerial meeting of November 1982 regrettably failed to avert the protectionist dangers facing the world trading system. The outcome was no more than a call for study groups to examine a series of issues and for "understandings" to be drafted for future consideration. It is surely unnecessary to convene an important meeting of the Trade Ministers of the world merely to form study groups. No commitment or decision emerged on any issues of central importance to international trade to justify the assembly of such a group. The meeting has probably exacerbated the perception that the GATT has become largely irrelevant in the international trading world of the 'eighties.
3. The fundamental source of this erosion of the free trade ideal lies much deeper than in the current world-wide recession. It is largely to be found in the profound and rapid structural changes occurring everywhere in the world economy today. Most of the industrialized countries in the West are finding it increasingly difficult to adjust to accelerated shifts in comparative advantages emanating from Japan and the NICs. The free trade principle and the codes and institutions which developed to support it clearly paid insufficient attention to the now very pertinent real world issues of rapid structural adjustment. Hence the traditional choice between free trade and protection has become almost irrelevant in the world of today. "The central issues of international trade policies now concern the relative speed at which national economies are evolving to higher value-added production."²
4. These rapid changes have put governments under severe pressure, es-

pecially in the older industrialized nations. The dilemma of politicians in the democratic countries is clear. When industries or sub-sectors of industry under threat from foreign competition are compelled to reduce capacity at such a rate that workers are laid off in large numbers, there is a genuine problem. Under such circumstances many politicians will turn to protection almost by reflex as a seemingly appropriate remedy for the situation. The (erroneous) belief that such action somehow means that the home country is gaining at the expense of foreigners is deep-seated not only among politicians but among many in the private sector. Indeed many people who have to foot the bill for such assistance would often regard it as appropriate policy. In consequence the real danger of not devising a consistent government programme to assist modernization and other forms of dynamic structural adjustment lies in the possibility and perhaps even the likelihood that politicians, hard pressed by their constituents suffering from competitive pressures from abroad, would assume a dominant role. The result could be a largely *ad hoc* and unco-ordinated set of measures aimed largely at preserving the *status quo*, rather than at orderly adjustment. In short, the practical choice in the real world is likely to be between (a) government interference aimed at positive adjustment and (b) government interference aimed at restricting trade. While this is no doubt an uncomfortable example of Hobson's choice, the former option is surely preferable.

2 Some recent trends in competitiveness in the South African economy

The turbulent and increasingly hostile international environment sketched above is the background against which South Africa will have to shape its own economy in the years ahead. Since the country has a very open economy³ it is not surprising that many of these fierce cross-currents forced their way into domestic activities and policy decisions. Yet in some significant areas the full impact of the rapidly changing international environment has not yet worked through to the domestic economy.

As noted earlier, world production and trade grew rapidly until the early 'seventies (by 5 and 7 per cent per annum respectively). The performance of South Africa was very much in line with average growth rates of 5,1 per cent per year for GDP and 6,8 per cent per year for exports. Since 1973 the picture has changed dramatically with international trade and production growing much more slowly.

In South Africa GDP growth declined to an average rate of 3,2 per cent between 1973 and 1982, much the same as in the rest of the world. But here the similarity ends. While world trade still achieved positive growth of some 4 per cent per year during this period, South African import volume actually declined in absolute terms.⁴

Against the background of the new protectionism outlined above, this

must be regarded as remarkable. In the US, for example, the share of the local market captured by imports rose from 5,7 per cent in 1965 to 15,9 per cent in 1982 in the case of durable consumer goods and from 3,9 per cent to 16,2 per cent for capital goods during the same period.⁵ More detailed information (see Table I in the Appendix) shows that in South Africa imports as a percentage of total sales gradually declined over the last decade in nearly all 26 sub-sectors of manufacturing industry. Only rubber and transport equipment show rising tendencies.

These trends could indicate either that the manufacturing sector had been very well protected from the cold winds of change blowing in the rest of the world, or that the sector had by and large been able to modernize and adapt adequately to changing conditions. Some combination of the two propositions is likely to be closer to the truth, but the issue clearly requires further investigation.

The extent to which industrial products and processes have in fact managed to remain competitive can best be checked directly by appropriate cost and price comparisons. The Board of Trade and Industries (BTI) has such data covering a wide spectrum of South African industry. This information is however treated as confidential and therefore not accessible to the researcher. Since in-depth studies of individual industries such as those that abound in many overseas countries are still sadly lacking in South Africa,⁶ other less direct indicators of competitiveness have to be devised.

One such approach is to investigate the trend in the use of formula duties⁷ in the South African Customs Tariff, and the frequency of revision of such duties by the BTI. Any emerging pattern should be interpreted with some care, both because BTI policy towards formula duties changed gradually over time and because some sectors of industry (for example, textiles and clothing) are traditionally subject to a higher degree of genuinely disruptive, below-full-cost competition than others. Nevertheless the results obtained are likely to be suggestive.

If a 6-digit Customs Co-operation Council Nomenclature tariff sub-division is used as yardstick, the BTI granted formula duties in 93 such categories and reviewed six during the years 1970 to 1975. After that, until 1982, this figure increased to 177, of which 20 represented revisions of formula duties. (See Table II in the Appendix). A general trend towards increasing use of formula duties against disruptive competition is clearly discernible. In practice such duties appear predominantly in three areas, viz textiles, clothing and basic industrial chemicals. However the escalation between the two periods above was much more pronounced in other areas.

It should be remembered that South Africa has the freedom to employ formula duties in respect of just under half of its imports (by value). The rest are bound in the GATT, which rules out the use of a formula duty.

It is nevertheless true that South Africa is just about the only country in the

world that has made extensive and increasing use of such duties. In most other countries anti-dumping and countervailing duties and more recently a variety of non-tariff barriers are the main instruments employed against disruptive competition. Hence it is true to say that while our methods have been different, in many cases the overall effect has been the same, viz to protect industry increasingly against "disruptive competition" from abroad.

It remains to determine to what extent the protection offered via formula duties has indeed been against genuinely below-full-cost competition. The key lies in the setting of the "reference" or "normal" price in the formula. The most recent pronouncement on this issue comes from the Steenkamp Committee⁸ in the area of textiles and clothing:

There is reason to believe that . . . since the early sixties when formula duties made their appearance, sectors of the industries under consideration have become overprotected. (A) reason for this (is) that in determining the level of formula duties the BTI has looked to the Western developed economies for normal prices. South Africa must move away from the idea that Eastern competition is always abnormal and that normal competition can emanate only from the West.

The implication is that where the formula duty approach was adopted, there had indeed been some bias in sheltering South African industry from competition from the Far East.

In other "sensitive" areas where extra-GATT managed regimes currently prevail—for example, in steel, motor cars, and clothing—domestic activities have enjoyed fairly substantial protection via moderate duties augmented by quantitative controls.

From the above the conclusion can be drawn that South African industry, like that in Western countries, has been sheltered to a fairly substantial degree from the rapid and potentially disruptive changes emanating from the East. Although there may well have been differences of degree between South Africa and Western protection levels, the basic reaction to Eastern competition has been the same. To what extent this has led to a loss of international competitiveness is difficult to determine. An examination of export performance may throw some light on this important issue.

Export performance

The acid test of international competitiveness in any industrial sector is its performance in the export market. In line with the rest of the world South Africa has also experienced shifts in comparative advantage during the 1970s as Table I suggests.

Major advances occurred in the export of ores, minerals and metals, especially iron ore and coal. These developments raised the contribution of exports of mining origin (excluding gold) from a share of about 40 per cent in the early 1970s to nearly 50 per cent in the early 1980s. If gold should be added

TABLE I

South African commodity export shares by origin and stage of production, 1970-1982*

Year	Raw Materials and Semi-Manufactures:		Fully Manufactured Commodities**
	Agricultural Origin	Mining Origin	
1970	37,1	41,5	21,3
1971	37,6	40,5	21,9
1972	39,4	39,6	21,1
1973	36,0	40,9	23,1
1974	35,0	39,7	25,3
1975	36,0	38,2	25,8
1976	28,2	45,5	26,6
1977	24,3	49,5	26,3
1978	20,8	54,3	24,8
1979	19,4	54,0	26,6
1980	22,4	51,6	26,1
1981	23,6	49,8	26,6
1982	24,2	48,4	27,5

* Gold in all forms as well as re-exports are excluded from these statistics. Basic source of data is the South African Reserve Bank. (The figures add up to 100 per cent horizontally.)

** These are defined as commodities in which raw materials constitute less than 25 per cent of the input/output ratio.

to these figures, the increasing importance of exports based on South Africa's mineral resources becomes even more pronounced.

Fully manufactured products also performed well, increasing their share in the total from 21 to 27 per cent during the same period. The absolute amount of R1,9 billion in 1982 nevertheless remains comparatively small, constituting about 10 per cent of total exports (including gold).

The area in which traditional comparative advantage has slipped back substantially is the agricultural sector. The changes have indeed been dramatic. The share of raw materials and semi-processed goods of agricultural origin (such as maize, oranges, sugar and canned fruit) declined from 37 per cent in 1970 to 24 per cent in 1982. At one stage during the late 1970s it even dipped below 20 per cent. As a result the manufacturing sector (as defined for this purpose) surpassed the export performance of agriculture in the late 1970s for the first time in our history. The recently much publicized difficulties of the maize industry, traditionally the largest exporter in the agricultural sector, bears ample testimony to the serious deterioration in the international competitiveness of agriculture over the last decade.

These shifts in relative export shares are confirmed when growth performance is analysed. Average annual growth rates for the three sectors during this period were respectively 13,7, 21,9 and 22,1.⁹ If increase in the average Production Price Index for industrial output of 12,6 per cent per annum is taken as an approximate reference point, it becomes clear that in terms of volume, the minerals and manufactures sectors showed substantial advances

with agriculture barely holding its own.

In view of the frequent reference to the importance of export-led growth in the South African economy, further analysis of the export performance of fully manufactured products should prove instructive. Table III in the Appendix focuses attention on the above-average performers and their relative shares in the total picture. Those sub-sectors that improved their relative status as exporters fairly substantially were footwear, clothing, furniture, miscellaneous petroleum and coal products, pulp and paperboard, basic industrial chemicals and fertilizers, basic iron and steel products, and rail-road equipment.

It is notable that in this list five out of the eight sub-sectors contributed only 2 per cent or less to the total. Exports of manufactures are dominated by basic iron and steel products (30 per cent) and basic industrial chemicals and fertilizers (19 per cent).

From this picture it is clear that exports from the non-mineral, manufacturing sector are still at the stage where most of the potential lies in areas that could be called "non-traditional exporters". Clearly much work remains to be done if "genuine" manufacturing is to make a really substantial contribution towards export-led growth in the country. This is borne out by the fact that in 1970 exports of fully manufactured goods (as defined) constituted a mere 3,1 per cent of the gross value of manufacturing output. By 1982 this percentage had increased to only 3,3 per cent.

Exchange rate policy

No discussion of international competitiveness can afford to leave out the crucial issue of exchange rate policy. From a recent study undertaken by the Chamber of Industries¹⁰ to determine movements in the so-called real effective exchange rate of the Rand since 1975, the following findings emerged:

(a) Between 1976 and 1978 the overall competitive situation (as determined by the offsetting movements in the effective exchange rate of the Rand and the positive inflation differential between South Africa and her major trading partners) remained substantially unchanged.

(b) During 1979 and 1980 competitiveness deteriorated owing to an appreciation of the effective Rand exchange rate, largely as a result of sharp increases in the price of gold.

(c) In 1981 and 1982 competitiveness improved again along with a depreciating Rand substantially under the influence of a weakening gold price.

(d) The general level reached by the second half of 1982 was still some way below that which pertained during the 1976-78 period. Thus even though the Rand had at that stage depreciated very substantially against most other currencies, the process had not restored competitiveness to the optimistic levels suggested by popular opinion at the time.

(e) Since then the Rand has generally appreciated along with a rapidly im-

proving balance of payments situation and a steady price of gold despite relative inflationary trends still markedly favouring South Africa's major trading partners.

(f) The longer term drift in the effective exchange rate of the Rand has been substantially in line with purchasing power parity expectations.

These findings clearly indicate the dominant role of gold in short term fluctuations of spot exchange rates in reaction to very volatile gold price movements, even before the introduction of the "managed float" of the Rand early in 1979. But especially since that time it is hard to avoid the impression that in their intervention in the foreign exchange market, the authorities were guided too heavily by the current account of the balance of payments and too little by the capital account.¹¹ Such an approach implies a relatively heavy burden on commodity imports and exports in the adjustment process.

On the export side, the effect has been to weaken the basic resolve of many exporters to heed the oft-repeated call for improved export performance from manufacturing. As indicated above, the sector as a whole is still comparatively low on the learning curve. If the effective exchange rate does not reflect inflation differentials vis-à-vis major trading partners fairly rapidly and, in addition, fluctuates very substantially in the interim, risks and uncertainties escalate with a resultant loss of profitability and a weakening of interests on the part of the manufacturing export community. The sudden withdrawal of some export incentives as occurred early in 1983¹² aggravates the situation and undermines the confidence of industry in the basic commitment of Government to support exports from the manufacturing sector.

On the import side the substantial instability in the external value of the Rand has led to considerable pressure on the BTI to compensate domestic industries for the erosion of tariff protection which any sharp appreciation of the Rand causes. While the BTI is resisting this pressure, an inherently unsatisfactory situation remains. There is always the danger that more concerted political pressure can lead to *ad hoc* non-tariff measures being introduced, whatever recommendations the BTI might have made.

The basic responsibility to manage the exchange rate certainly rests with the monetary authorities. Nevertheless, a much higher degree of co-operation and consultation with the body responsible for protection policy in South Africa, the Board of Trade and Industries, is clearly indicated. At present too little appears to be done in this direction.

In view of the above difficulties, the recent abolition of exchange control over non-residents must be welcomed in so far as it introduces a greater degree of freedom to stabilize the exchange rate via capital movements. Remaining exchange control over residents, especially over local investment houses, however, still constrains the possible contribution of the capital account towards stabilization. These issues urgently require further investigation.

3 Industrial strategy and trade policy in South Africa in the 'eighties

Given South Africa's high rate of population growth it is widely accepted that if large scale unemployment, especially in the urban areas, is to be avoided the economy will have to sustain an average rate of GDP growth of about 5 per cent per annum for the rest of this century.¹³ This is a formidable challenge by any standards. Recent Economic Development Programmes, as well as the Kleu Committee Report on industrial strategy published early in 1983,¹⁴ have emphasized the important role of exports in attaining the ambitious growth and employment targets mentioned above. Maintaining international competitiveness is therefore crucial both in order to improve export performance and to prevent imports from making large inroads into the domestic employment situation.

The virtue of posing the problem in this way is that it focuses attention once again on the international environment within which our growth targets will have to be achieved. As indicated above, recent trends in the international economy do not augur well for the kind of dynamic, outward-looking strategy that South Africa needs to develop in the 1980s.

Some pertinent issues for South African policymakers arise in this connection:

(a) To what extent has the substantial use of formula duties and quantitative controls against "disruptive competition", especially from the Far East, distorted the basic message from abroad, namely that the real challenge to South African management in the 1980s is not just to manage change but to manage much more rapid change than ever before? What are the implications for protection policy and how would this relate to the "new protectionism"?

(b) If competitive pressures from both the developed and the newly industrializing countries are likely to escalate further, what role if any should Government play to assist management to bring about the possibly even to accelerate adaptation and change and to ease transitional social and political problems? This issue is likely to be especially pertinent in the industrial and the agricultural sectors.

(c) If trade policy in the rest of the world is increasingly protectionist and characterized by double standards together with moves towards greater de facto bilateralism, is this tactically an appropriate time to liberalize our own trade policies through unilateral action? What basic framework should shape South Africa's relations with the GATT and with its trading partners?

These are complex questions, the more so since they involve both the world of economic analysis and of political reality. In view of the stiff employment targets to be met, South Africa cannot solve its problems by developing the metals and minerals industries only. Manufacturing and agriculture have to make a much more important contribution than they were able to do in the 1970s. If we want both full employment and rising living stan-

dards in South Africa, international competitiveness in an increasingly hostile environment should become the major challenge to policy-making in this country.

Industrial strategy

On the industrial front the recent report of the Kleu Committee has gone a long way towards formulating an appropriate industrial strategy for South Africa as part of an overall economic policy programme. By and large there would appear to be little in this strategy with which mainstream economic thinking in South Africa would not agree. The report can perhaps be criticized for being too orthodox and paying insufficient attention to the implications of the increasingly hostile international trading environment outlined above, as well as the possible need for positive sectoral adjustment assistance in South Africa. But in broad terms the Kleu Committee is surely correct in stating that "in its industrial development South Africa now stands at crossroads where the choices of directions and methods have become more important than ever before".¹⁵ This statement applies with even greater force to agricultural development.

Two conditions will have to be met for a coherent and effective industrial strategy to work in South Africa:

- (a) Real concern over industrial competitiveness culminating in a set of objectives which can be broadly agreed upon as important; and
- (b) much improved analytical capability available to Government to assist in the evaluation of various policy options.

The Kleu Committee and the Economic Advisory Council have given attention to the first element. How deep Government concern really goes in this area is still uncertain, perhaps even debatable. Its reaction to the work of these bodies is still being awaited.

As regards the second condition, it should be borne in mind that judgments about competitiveness and economic efficiency are complex and difficult. In South Africa we lack a practical working knowledge of every sub-sector of industry, including its technology, domestic competitive structure, sensitivity to overseas competition, adaptability, etc. The occasional industry-wide investigation by the BTI undertaken in the normal course of many duties is about all that is available. A thorough and continuous monitoring exercise simply does not exist. Industry-focused, applied micro-economics is still a seriously neglected study area in South Africa.

This may well be the case because there has never been much demand for such information in South Africa. Whether there will be such a demand in future will depend on the extent to which genuine concern over international competitiveness becomes a part of political reality in South Africa. In the past it has never been a major policy goal of Government.

On the supply side the skills required to do a proper professional analysis

are likely to be scarce and dear. Hence in practice one is inclined to be sceptical about the feasibility of setting up such a unit within the Civil Service structure. Other solutions in turn raise their own problems. However if the issue is to be resolved, a truly professional research capability remains an essential requirement.

Analyses of competitiveness must begin by investigating and monitoring individual sectors. This does not mean that the essential characteristic of industrial strategy is necessarily sectoral in nature; that it must be aimed at targeting certain "sunrise" industries for promotion or at subsidizing certain sub-sectors that happen to be in decline. By and large it should be remembered that industry in a developing country such as South Africa is still in an expansionist phase of development, unlike the mature industrialized countries in the West. Nevertheless, specific measures should not be ruled out of court for ideological reasons but always be regarded as possible options or alternatives to be investigated with an open mind.

The perspective or framework envisaged for industrial strategy in South Africa should contain the following elements:

(a) It should be based on sector-wise analysis of international competitiveness over the whole spectrum of industry. In the process strengths and weaknesses can be identified and an early warning system developed aimed at responding to undesirable trends before they reach crisis proportions.

(b) Despite the starting point of sectoral analysis the broad policy approach should rely on aggregate rather than sectoral measures.

(c) The first choice among such aggregate measures would be orthodox macro-economic policies. In practice sectoral remedies are unlikely to work well in the longer term if the aggregate economy does not show healthy growth. In essence, successful macro-economic policy serves to make sectoral competitive problems easier to handle.

(d) The analysis of industrial structure is likely to indicate weaknesses in the working of the market system. These impediments should be addressed in their own right and eliminated wherever possible. Relevant here are a number of policies with aggregate objectives such as export promotion policies aimed at encouraging competitive firms to export; policies to stimulate innovation, and research and development aimed at commercial products and processes; support for education and training of the work force; tax policies to encourage investment in new technologies, and so on.

(e) If structural analysis should indicate that the above policies are not likely to resolve basic problems of low competitiveness, policies specific to the industry concerned should be developed. This is where, for example, adjustment assistance aimed at smoothing the movement of capital and labour from industries or firms with low competitiveness to those showing strong prospects becomes relevant. Always, however, the market should be utilized to identify products and/or processes of growth and decline.

The above perspectives come very close to the approach set out in the Kleu Committee Report. It seems more than likely, however, that point (e) will become rather more significant in future than envisaged by the Committee. The real test of industrial policy in Japan and other Eastern countries is its remarkable ability to move resources out of industries subjected to increasing competitive pressure. If industry in South Africa is to become more exposed in the 1980s to the cold winds of change, as both the Kleu and Steenkamp reports suggest, we could be facing a very different future. The preservationist forces trying to pressurize Government into employing any of the wide range of non-tariff barriers so prevalent in the world today will inevitably become much stronger.

It should not be forgotten that in the process of political reform in South Africa the support of the business community is becoming more important to Government. Of course, special pleas for preserving the status quo can simply be disregarded. Given, however, that they are likely to become much more problematic politically in the future, it seems wise to reorganize the process so as to facilitate positive adjustment rather than its opposite. If Government could begin to bargain with businesses that are in trouble, in order to obtain explicit agreement to modernize, adapt and/or retrain in exchange for protection or other government aid, the process is likely to become more positive and manageable.

Trade and protection policy

A further difference from the recommendations of the Kleu Report could arise from the issue raised previously in connection with South Africa's relations with the GATT and with its trading partners in a protectionist world, strongly characterized by double standards. The international trade perspective discussed above appears to lead to the following major implications for South Africa:

(a) South Africa's trading partners are providing incentives for particular industries to give these an edge both in import-competing and in export markets as part of their own industrial policies. This tends to blur the traditional distinction between normal and disruptive competition at least in so far as a much heavier burden is placed on the tariff-making authorities to disentangle the many and complex differences involved.

(b) South Africa cannot expect that it will continue to enjoy relatively easy access to the markets of its major trading partners, especially for its exports of industrial products. In the past exporters of manufactures have by and large been too small to matter much internationally. However, if the future should bring greater success, it could also bring more problems, as the recent experiences of the South African steel industry in the US and EEC markets have indicated. It seems at least prudent to stand ready to utilize ministerial "understandings" with trading partners and instruments such as anti-dump-

ing and countervailing duties as important negotiating tools in this process. (c) In order to maintain export penetration (as part of its strategy of export-led growth) South Africa may be hard pressed to maintain its present transparent export incentive system in view of its declaration of intent given at the GATT ministerial meeting in November 1982 to sign the Code on Subsidies and Countervailing Duties. Yet as emphasized in the Kleu Committee Report, a country like South Africa needs special export incentives.

(d) South Africa does not have many trade agreements with its trading partners. In a world in which bilaterally negotiated trading arrangements are becoming more prevalent, this is a distinct disadvantage. It implies that South Africa may well have to rely more than in the past on recourse to the GATT and its reconciliation and negotiating procedures, however impaired these may have become in the new protectionist international environment. In turn this may mean that South Africa will have to make a more positive stand in the GATT in support of its own broad trade strategy.

The above considerations imply that South Africa needs to reassess its trade policy and relationships with its trading partners as part of its overall industrial strategy, given that the competitiveness of domestic industries both in the local and the export market is likely to be undermined by discretionary and unpredictable policy actions overseas that are inconsistent with an open multilateral trading approach.

To proceed in the 1980s as if the severely protectionist international environment did not exist, invites increased politicizing of the basic issues involved, as clearly demonstrated by the recent experience of many Western nations. In practice there is a difference between rational government and actual government. It would seem at least prudent for the South African authorities to evaluate carefully the realities involved and to act accordingly.

To summarize, during the last decade in particular the world economy has been characterized by much more rapid structural transformations than ever before. The accelerating pace of change, together with the high degree of international economic integration which now prevails, can be regarded as largely responsible for the "new protectionism" becoming as wide-spread as it is today. In its turn, the GATT is under severe pressure to remain relevant in a trading environment increasingly dominated by double standards.

Against this turbulent background there are difficult times ahead for the South African economy. It is imperative that top management in the private sector accepts the challenge not just to manage change but to manage much more rapid change than ever before. Remaining internationally competitive is the key to rapid growth and creation of employment in the 1980s and 1990s.

With higher risks and uncertainties likely to prevail over a broad front, the forces aimed at politicians to slow down painful adjustments, even to maintain the status quo, could increase sharply in South Africa. There is indeed a

need for careful reassessment by Government of its policies, especially in the crucial areas of industrial and agricultural strategy and in international trade.

APPENDIX

TABLE I

Percentage Share of imports in Total Local Supply according to the main manufacturing sectors, 1973-1982

Sector	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Food	6,1	7,1	5,5	5,3	4,5	4,4	4,2	4,1	5,5	4,5
Beverages	2,1	3,2	3,7	2,3	2,1	2,5	2,2	2,7	3,0	2,8
Tobacco	3,3	3,3	3,7	3,1	2,1	2,4	1,8	2,1	2,5	2,5
Textiles	27,1	31,3	23,4	24,2	18,4	18,3	17,8	18,2	22,4	22,3
Clothing	6,4	7,2	5,6	5,3	4,0	3,5	3,4	3,9	6,1	5,5
Leather	19,7	21,8	17,1	17,9	12,6	12,8	12,0	16,0	20,1	19,7
Footwear	10,0	11,3	11,6	10,2	8,6	2,8	2,9	4,9	6,8	7,0
Wood and wood products	20,4	19,6	14,8	12,7	8,3	9,1	9,5	10,3	10,3	9,4
Furniture	2,7	3,5	4,8	3,9	2,5	0,2	0,1	0,2	0,4	0,3
Paper and paper products	18,2	23,5	15,7	15,1	13,2	12,2	12,2	14,6	14,5	13,8
Printing	12,7	11,0	9,8	8,4	6,9	7,1	7,2	7,3	8,0	8,6
Industrial chemicals	37,9	47,9	37,4	34,1	28,1	27,4	27,7	27,8	28,9	29,1
Other chemicals	7,4	8,6	9,5	8,5	7,3	9,4	8,8	7,8	7,2	6,8
Rubber	10,0	11,9	13,4	11,6	11,3	13,4	13,9	14,3	17,1	17,9
Plastics						5,9	5,8	7,0	8,6	8,3
Glass and glass products	21,6	23,2	18,9	19,6	15,6	18,2	18,6	21,2	23,0	23,2
Other non-metallic minerals	4,3	5,0	5,5	4,4	5,1	4,6	4,5	3,6	4,9	4,4
Iron and steel basic ind.	15,2	28,0	19,4	8,2	4,8	5,2	5,2	6,8	6,9	6,7
Non-ferrous metals	9,4	13,9	10,5	8,9	8,6	8,1	6,0	9,3	10,3	8,9
Fabricated metal products	8,8	10,1	10,9	6,7	6,0	7,8	6,8	10,2	11,0	10,1
Machinery	52,6	55,9	56,5	52,0	46,0	49,1	46,3	50,1	53,9	50,6
Electrical machinery	31,0	33,6	84,9	35,5	31,9	32,1	30,1	32,9	36,7	35,7
Motor vehicles	34,7	38,4	37,0	37,2	31,6	34,1	33,1	30,3	30,9	30,0
Transport	36,1	22,4	25,0	32,0	44,3	47,2	43,1	48,4	50,5	49,3
Professional and scientific equipment	71,4	76,5	76,4	80,6	77,5	77,3	78,5	89,7	88,1	81,3
Other industries	22,2	26,3	25,8	21,9	14,2	8,8	8,4	14,0	18,1	17,9

Sources: 1. *Bulletin of Statistics*, June 1983, pages 617-19 (1980-1982)

2. *Statistical News Release*, P. 10.9, 23 Sept. 1982, Manufacturing sales and unfilled orders, January 1975-December 1981

3. *South African Statistics*, 1976, pp. 1256 and 1257 (1973, 1974)

4. Commissioner for Customs and Excise, unpublished data

TABLE II
Formula duties granted by the Board of Trade and Industries, 1970-1982 (in
6-digit CCCN Tariff subdivisions)

Sector	Frequency		Revisions	
	1970-1975	1976-1982	1970-1975	1976-1982
Textiles	17	43	1	5
Clothing	31	2	1	
Basic Industrial Chemicals	26	32	4	5
Other	19	100	0	10
Total	93	177	6	20

TABLE III
Average Percentage Contribution of Manufacturing Subsectors to Exports
of Manufacturers, 1970-1972 compared with 1980-1982¹

Subsector	Average Contribution to exports of manufacturers		Average annual growth rates
	1970-72	1980-82	1970/2-1980/2
Sugar confectionary and chocolate	0,3	0,2	13,7
Coffee substitutes and extracts	4,4	1,5	7,8
Distilling, rectifying and blending of spirits	0,8	0,6	14,8
Spinning, weaving and finishing textiles	8,8	6,5	16,1
Knitting mills	0,4	0,4	20,9
Textiles n.e.c.	0,3	0,3	19,4
Footwear	0,2	0,4	27,6
Wearing apparel	0,4	2,0	40,6
Furniture and fixtures	0,1	1,1	58,2
Pulp, paper and paperboard	2,8	4,3	25,0
Pulp and paper articles	0,7	0,5	15,6
Printing, publishing etc.	0,3	0,2	17,7
Rubber products	1,3	0,8	13,7
Basic industrial chemicals, fertilizers	15,8	19,2	22,1
Miscellaneous chemical products	4,5	3,2	15,8
Products of petroleum and coal	0,4	1,2	34,1
Glass and glass products	1,1	1,2	20,6
Non-metallic mineral products n.e.c.	0,7	0,4	13,9
Iron and steel basic industries	15,0	30,4	28,4
Non-ferrous metal basic industries	7,1	2,2	6,4
Metal products	5,1	4,6	18,5
Machinery	15,9	7,9	11,6
Electrical machinery, apparatus, appliances and supplies	4,9	2,3	11,0
Railroad equipment	0,7	1,4	27,9
Motor vehicles and parts	2,4	2,9	22,0
Professional, scientific, measuring and controlling equipment	0,8	0,6	15,9
Jewellery and related articles	2,2	1,9	18,0
Other	1,1	0,8	16,0
TOTAL	100,0	100,0	19,7

1. Manufactures are defined as products of which the raw material content is less than 25 per cent of the input-output ratio.

Notes

1. Estimates by W. Cline, *Exports of Manufactures from Developing Countries: Performance and Prospects for Market Access*, Brookings Institute, Washington, 1982. It should be noted that these figures merely reflect quantitatively the commodity flows affected and do not indicate the intensity of protection.
2. R. B. Reich, "Beyond Free Trade", *Foreign Affairs*, 61 (4), Spring 1983, p. 788.
3. In 1970 South Africa was ranked 16th in world trade. By the early 'eighties the situation had changed little, with South Africa in the 19th position on the international scale.
4. South African export performance was more in line with world trends.
5. Statistics by Wharton Econometric Forecasting Associates, Inc., quoted in "Industrial Policy: Is it the Answer?", *Business Week*, July 4, 1983.
6. The local university teacher has a wide selection of first rate American and British textbooks on "Industrial Structure" to choose from but as yet no South African text on the subject is available.
7. Formula duties usually come into force as an alternative to an ad valorem duty (of say x %) whenever the import good falls below a "reference price" (say R_y per physical unit) in the formula duty. The applicable duty structure would thus usually read x % ad valorem or R_y per unit — $(100-x\%)$ import value. The effect is to increase the applicable duty sharply the further import values fall below the reference price: A formula duty is thus a powerful instrument to use against any form of low price, disruptive competition.
8. *Report of the Committee of Inquiry into the Textile and Clothing Industries*, Government Printer, Pretoria, p. 105.
9. Calculated by using as the beginning and end points an average of the first and last 3 years in the series.
10. J.C. van Zyl and J.L. de Jager, *Exchange Rate Movements and the Competitiveness of the South African Economy*. Unpublished paper prepared for internal use by the SA Federated Chamber of Industries, 1983.
11. See, for example, "Combating Inflation", *Focus on Key Economic Issues*, No. 32, May 1983, published by Mercabank, Figures 13 and 14.
12. Special Export Rail Rates and financial assistance for exporters (the so-called Finance Charges Aid Scheme) were withdrawn at short notice, due to a cut back in funds allocated to the Department of Industries, Commerce and Tourism.
13. It should be noted that most of the workers from whom employment opportunities will have to be created up to the year 2000 have already been born. Any reduction in the rate of population growth will therefore only begin to affect the employment situation around the turn of the century.
14. *Verslag van die Studiegroep oor Strategie vir Nywerheidsontwikkeling*, 1983, Staatsdrukker, Pretoria.
15. *Summary Report of the Study Group on Industrial Development Strategy*, p. 9, Government Printer, Pretoria, 1983.

The food weapon in Southern Africa

At the end of 1979, President Jimmy Carter implemented a grain embargo against the Soviet Union. This was an attempt to influence Soviet behaviour into reversing its intervention into Afghanistan. This American action was widely interpreted as an attempt to use food as a political or diplomatic weapon.¹ Less than two years later, Carter's successor, Ronald Reagan, authorized renewed export sales of grain to the Soviet Union though Soviet troops still remained in Afghanistan. This halt to the grain embargo was primarily in response to domestic demands from American farmers for export sales in view of increased stockpiling of grain harvest surpluses which tended to depress the world market price. Moreover, a recent study by the U.S. Congressional Office of Technology Assessment concluded that the grain embargo may have hurt the American economy more than the Soviet Union.²

The use of food (i.e. denial of food imports) as a weapon that in and of itself can change the behaviour of our present-day nation-state actors has generally been discounted. It has been described as a "singularly ineffective" instrument of foreign policy³, though it may have a certain utility in a wartime situation. Rather food exports and food aid (i.e. "food power") have been and will continue (perhaps even more so in view of the current global food crisis) to be used as a source of influence and pressure in inter-state relations. Then what is the difference between food as a weapon and as a source of influence and pressure? And why discuss the possibility of a "food weapon" being used in Southern Africa and the implications of such use or non-use (i.e. deterrence value)?

In regard to the first question, a food embargo is an act of economic warfare against a foreign country, which also has financial and social costs for the exporting country in terms of lost foreign exchange earnings from its exported products for both its agricultural producers and the economy as a

Dr Robert Henderson is a lecturer in Political and Administrative Studies at Roma University, in Lesotho.

whole. Next, since no country is one hundred per cent dependent on imported food (or for that matter, from a single food-exporting country), no denial of food imports would have an immediate impact necessitating a change in state behaviour or policy, in order to end the embargo (i.e. an interstate *quid pro quo*). Third, other food exporting countries may be only too willing to supply the required food imports for national reasons of additional foreign exchange earnings, a larger share of the world market, additional global influence, increased international image and prestige, etc. Further, food production and storage are more subject to natural conditions and world economy forces, than in the case of the petroleum industry (i.e. the oil weapon). And finally, is it morally fair to withhold food supplies from a foreign population who may not necessarily influence or even endorse their government's policies? As such it may be regarded as anti-humanitarian.⁴

As to why the prospects of a "food weapon" in Southern Africa should be considered, the white-minority South African Government is currently pursuing a regional policy of political destabilization by economic and military means against its neighbouring black African countries. This is the result of these countries' support for the struggle of the black population in South Africa and Namibia for majority rule. With this destabilization policy, South Africa has launched land and/or air military attacks against Angola, Mozambique and Lesotho, as well as supplying material support and training for dissident groups in those same countries. Similarly, South Africa has utilized economic pressures against neighbouring countries, such as delaying the re-signing of the preferential trade agreement with Zimbabwe when it expired in March 1982, refusing to renew the work permits of Zimbabwean workers in South Africa, and recalling twenty South African Railways locomotives on loan to the Zimbabwean Railways.

According to the then South African Minister of Agriculture, Hendrik Schoeman, in 1980, "full grain silos will mean that we (the South African Government) can talk and negotiate from a position of strength. With rising populations all around us, more and more black states will depend to some extent on this country (South Africa) for basic foods. It is strongly in our interests that we should be able to meet the demand."⁵ Similarly a recent study of the strategic implications of regional economic relations noted that one way South Africa could exercise its economic power was by "placing curbs on the imports of goods from black states. . . . (or) regulating the export of goods to black states. The most crucial items are undoubtedly food and oil."⁶ While South Africa is implementing a policy of destabilization against its neighbouring black African countries, the use of food as a political weapon, in the view of this writer, is not adequate to overthrow the governments of these countries by itself. Rather, South Africa will continue to use food exports, primarily maize, as a foreign policy instrument to influence and pressure its neighbouring countries into maintaining the *status quo* in regional

inter-state relations. In other words, regional political opposition (but not military opposition) to the white South African *apartheid* system of institutionalized racial discrimination would be acceptable to the Pretoria regime, provided that pragmatic trading relations and the regional *status quo* is maintained. Such pragmatic relations act as an external support for the South African economy and, by implication, the South African internal political *status quo*.

In view of the ongoing crisis in African food production⁷ and the supposed existence of a "food weapon" in Southern Africa⁸, it would be useful to consider the view that South Africa's food exports to the neighbouring SADCC countries⁹ can be a major instrument for destabilizing their governments or for forcing them to stop supporting the liberation struggle in South Africa and Namibia. To analyze this view, it is necessary to consider a number of factors including the level of food production in South Africa and the SADCC countries, the level of South African maize exports to the SADCC countries, the internal and external limitations on South Africa's use of a "food weapon", SADCC's regional effort towards food security. And finally the future prospects of the SADCC countries continuing to have to rely on South African grain exports will be assessed.

Food production in Southern Africa

According to an official South African publication, South Africa's physical volume of agricultural production (including non-food production) doubled in the past twenty years; in the past ten years, the average rate of increase was 3,42 per cent compared with a population growth of 2,3 per cent (though this figure excludes a number of the homelands areas). Agricultural exports are reported to be worth about R1,500 million per year, approximately one-fifth of the total South African exports excluding gold.¹⁰ Using FAO indexes on food production and per capita food production (see Tables 1 and 2), South Africa has consistently increased its food production and generally ahead of its domestic population increase; in both of these categories, it is above the average for all African countries. Since at least 1970, South Africa has produced maize crops above the six million tons needed for internal consumption¹¹; thus generating grain surpluses for export.

By comparison using the same FAO indexes on food production and per capita food production, the SADCC countries have been unable to increase their food production ahead of, or even parallel with, their population increases. Only Malawi and Swaziland have consistently increase their food production, and only Swaziland has kept food production increase ahead of domestic population increases. Further, according to the US Agency for International Development (USAID) indexes for 1976-1978 (see Table 3), only Zimbabwe (which was then Rhodesia under UDI) had an average daily per capita calorie intake of the full daily requirement. Lesotho, Malawi, Swazi-

land and Zambia had an average daily per capita calorie intake of more than 90 per cent of the daily requirement. But neither the FAO nor the USAID indexes show the degree to which the SADCC countries' agricultural production has been in turmoil as a result of poor weather conditions, colonial liberation struggles, and recent South African economic and military destabilization.

South African maize exports to African countries

With the exception of Botswana, Lesotho, Swaziland (the BLS countries), and Namibia, maize export figures for sales to black African countries from 1977 on have been treated as a strategic secret by the South African Government (see Table 4). As such, all other maize exports to Africa are listed in the "destinations unknown" category of the South African monthly trade statistics. In the 1981-1982 period, South Africa reported an export of 4.9 million metric tons of coarse grain, including maize, the majority of which went to Japan. The "destination unknown" category was second and accounted for about 30 per cent of the total.¹² The South African Foreign Trade Organization has claimed that 47 of Africa's 53 countries in 1981 bought maize and wheat from South Africa, though no statistics were produced to substantiate the claim.

According to the London *Economist*¹³, some of South Africa's statistics "may be a bit fishy, since it has an obvious interest in exaggerating black Africa's keenness to trade with it." Those published statistics show that South Africa's total exports to black Africa jumped 52 per cent to US\$1.4 billion in 1980 after a 74 per cent rise in 1979. This would tend to indicate that 10 per cent of South Africa's non-gold exports were shipped to black Africa in comparison to only 3 per cent in 1976. South Africa imports from black Africa in 1980 were only US\$350 million, though Zimbabwe alone currently accounts for nearly all of South Africa's imports from Africa.¹⁴ Thus South Africa enjoys a very favourable trade balance with black Africa.

This favourable trade balance raised the question of South Africa's market price for selling its surplus grain and whether it offers credit facilities for such sales. According to the general manager of the South African Maize Board, Hendrik Nel, "We (the Maize Board) do not disclose our prices. Not because we are ashamed of them but from tactical considerations. The countries concerned would not like it. But I deny categorically that we have sold at a discount."¹⁵ Up until 1977, South Africa maintained an internal maize subsidy to keep consumer prices down. The subsidy also reduced the price of imported maize and maize products in to the BLS countries and Namibia since they are included, with South Africa, in the Southern African Customs Union.¹⁶ But the abolition of the subsidy sharply increased the price of maize to these countries. There have been unconfirmed reports that South Africa has sold maize at below world market prices to neighbouring black African

countries in order to exert additional economic pressure over these countries. (At the present time, South African domestic maize prices, as a result of the government-set Maize Board prices, are higher than the world market price; this government-imposed constraint on the South African economy is discussed below.)

One of the main boosts for South Africa's favourable trade balance with black Africa came in 1978 when Prime Minister P. W. Botha authorized the government Credit Guarantee Insurance Corporation to give full insurance cover for all South African exports to black Africa. Export credit insurance was, until then, normally only offered for exports of South African capital goods. But payment for these exports was usually prompt since the neighbouring black African countries, though generally lacking in adequate foreign exchange, often have had a surplus of South African rands which have been remitted by their migrant workers in South Africa. Even so, the lack of foreign exchange or the surplus rand acts as an economic constraint, rather than as a political one, on increased maize imports from South Africa.

Limitations on South Africa's use of the "Food Weapon"

There are three general types of limitations in relation to South Africa's use of the "food weapon": the effect of South African Government policy, natural processes (e.g. weather conditions, population growth, etc.), and external factors (e.g. actions and policies taken by external factors).¹⁷ In the first category is the South African Government's decision to create a national maize marketing board with the responsibility for establishing the local producer's selling price for maize. This government-established price has consistently ensured that the South African maize producers (almost all white farmers with large agricultural units, who form a strong constituency for P. W. Botha's National Party Government) are guaranteed a good profit on their grain production. This consistent level of profit has encouraged the farmers to produce even more grain, resulting in an even larger surplus of grain for export. This was one of the major contributing factors in the rise of the net income of South African farmers to R3,150 million in 1981, an increase of more than 25 per cent over the 1980 level.¹⁸

The current domestic selling price within South Africa is considered to be the highest of all the major maize-exporting countries in the world (e.g. the United States, Canada, the European Economic Community, Argentina, Australia, and Thailand). Even so, given the present abundance of maize on the world market, South Africa is forced to sell exported maize at a price considerably below what the local maize farmers are guaranteed by the Maize Board. In fact, locally produced maize is only cheaper in South Africa than imported maize due to transportation costs. The South African Government, in effect, is covering the substantial losses which result from the difference between the guaranteed high local selling price and the comparatively lower

foreign buying price. Thus at present, South African maize cannot be sold at a profit on the world market. The *Financial Mail* estimated in 1981 that the Maize Board would lose up to R40 on every ton it marketed abroad.¹⁹

Part of the reason for the government-determined high price for the farmer's maize is that the farmers, in turn, are required to pay high government-determined prices for many of their locally-manufactured inputs, e.g. fertilizers, weed-killers, insecticides, diesel fuel, tractors and farm machinery, bags, etc.²⁰ The farmers are thus obliged to pay inflated prices for these items produced by local manufacturing concerns (many of which are subsidiaries of overseas multinational corporations), since they have been designated as "protected strategic industries" with government-determined prices for their products. These higher prices act as a consumer subsidy for government-designated strategic industries as well as to boost the domestic inflation by decreasing the purchasing power of down-stream industrial and public consumers. This government policy of guaranteeing the economic viability (i.e. guaranteed high sale prices) of specific strategic industries to ensure national self-sufficiency for those manufactured goods prevents the operation of competitive market forces. Rather, it encourages less efficient production by preventing a free-market competition against possibly cheaper imported foreign products.

Recently the South African Government proposed a new quota scheme for maize farmers. Under the scheme, the Maize Board would determine a production quota for a maize farmer under which he would get the government-set higher home market price. Any maize which he grew in excess to his quota would be sold by the Maize Board on the world market and the farmer would receive the average price realized on the export market. The National Maize Producers' Organisation (Nampo) has strongly pointed out to the Government that this scheme would lead to a reduction in any maize surpluses for export or even for increased domestic consumption, though it would reduce the government subvention to maintaining the higher home market price.

There are a number of other key limitations on any possible use of the "food weapon" by South Africa. First is the uncertainty of the weather. This is particularly important in the case of adequate rainfall. At the present time, all of Southern Africa is experiencing its worst drought in at least ten years and in many parts for over fifty years.²¹ As a result of the current drought, the Maize Board imported 1,5 million tons of yellow maize, primarily for feeding stock animals; this was the first time since the early 1960s that South Africa had had to import maize.²² Due to the continuing poor rainfall, it has been estimated that South Africa will have to import four million tons of maize to satisfy the 6,8 million tons needed for 1984 domestic consumption.²³

Another factor is the growth of South Africa's population, especially in relation to overall increase in total agricultural production. According to

1980 South African Government figures (though excluding the homeland areas of Transkei, Bophuthatswana, and Venda), the country's population is increasing at the rate of 2,3 per cent annually. Further a recent South African research study has pointed out that "conservative estimates show that 2,9 million children under the age of 15, mostly black and coloured, suffer from or show signs of malnutrition in South Africa."²⁴ As the population increases and with it the need for more staple food supplies especially in the lower-income groups, less maize is likely to be available for export.

A third limitation is the current trend for the Maize Board to enter into barter-trade agreement to exchange bulk consignments of maize for necessary goods for the "protected strategic industries". Such barter arrangements help to offset the decreasing purchasing power of the rand in the world market, as well to counter worldwide inflationary pressures. One such barter agreement was an exchange of as much as 1 million tons of South African maize, through a European intermediary, for 208,000 tons of dry-bagged urea fertilizer from Eastern Europe. Both the South African Foreign Trade Organization and the Johannesburg Chamber of Commerce have backed the call for South African exporting industries to make greater use of barter-trade arrangements, as well as to make further efforts to develop trading relations with Eastern Europe using middlemen.²⁵

And fourthly are the national and/or joint efforts of grain-importing countries to achieve food self-sufficiency. While relevant to available foreign markets for South Africa's grain exports, this is especially true for the importing countries of Southern Africa. SADCC is currently co-ordinating the implementation of a regional food security programme to ensure adequate regional food supplies for SADCC member-states, while encouraging the reduction of their dependency upon the South African economy; the SADCC regional food security programme will be discussed in greater detail below.

But despite these internal and external limitations, there would appear to be some short-term benefits in terms of inter-state pressure which South Africa might still obtain. The strategic value of food is increasingly being recognized in South Africa.²⁶ According to a high government source, the prevailing view in Pretoria is not to use food "aggressively as a weapon" to extract immediate or short-term political concessions from black African countries, if that were possible. Rather, "the real potential is more long term. If you have an ongoing programme like this, it tends to undermine efforts to fragment the subcontinent (efforts of SADCC countries to reduce their economic dependence on South Africa)."²⁷

But this reported government position does not appear to be supported by all those groups which have access to key government decision-makers. Within the South African business community, there has been public support for more use of South Africa's agricultural exports in inter-state relations to influence the behaviour of grain-importing African countries. According to

the chief executive of the giant Premier Group of grain milling companies, Tony Bloom, South Africa's political and economic reserves, particularly within Africa, are powerfully based for production against a worldwide food shortage. He went on to state that "I am a very firm believer that South Africa should produce agricultural surpluses because it gives a lot of political leverage" and because "agricultural supplies are more important than oil" in the coming decades.²⁸

SADCC's regional programme towards food security

At the Blantyre SADCC summit in November 1981, Zimbabwe was delegated responsibility for developing regional programmes for food security for the SADCC member-states. An initial, detailed programme comprising nine projects covering early warning systems, crop storage, strategic reserves, processing and exchange of information was prepared and contact was made with potential funding bodies. Within the Zimbabwean Ministry of Agriculture, a small administrative unit was created to co-ordinate the programme with its various national projects.

Nationally, greater efforts are being made to improve transportation infrastructure to assist in emergency grain distribution during times of disaster or drought, to create more grain storage facilities against poor harvests and price increases, and to pursue programmes of national food self-sufficiency. But, in the short-run, the less-developed countries of Southern Africa, like other countries in the Third World, lack the foreign exchange to purchase the necessary food stuffs to make up their short-fall in national production despite the current surplus on the world grain market. This has become especially true for Southern Africa in terms of the poor harvests due to the past two years of drought.

Zimbabwe has often been cited as a regional alternative grain supplier for the SADCC countries due to its substantial grain (i.e. maize and wheat) harvests. But Zimbabwe's grain production is also susceptible to varying climatic conditions, such as the current drought in Southern Africa. And, for the first time, it had to request food aid (approximately 15 000 tons of vegetable oil and 150 000 of wheat) from Western donor countries last year.²⁹ In 1981, Zimbabwe produced a bumper harvest of 1,8 million tons, which enabled it to build up a 1,75 million ton food reserve by 1983. In fact, the UN/FAO World Food Programme, acting as an agent for bilateral donor-countries, began the purchase of over 300 000 tons of maize from Zimbabwe, destined for 17 countries in the SADCC region and elsewhere in Africa.³⁰ But present estimates place the 1984 harvest at only 500 000 tons with the accumulated food reserve depleted by April of this year.³¹ Malawi, which has had good rains, is likely to be the only maize exporter in the region this year. And in regard to credit facilities for financing export grain sales, South Africa is financially better able to offer such facilities than Zimbabwe can.

A number of SADCC member-states are increasingly relying on foreign food aid to make up for their deficit between national food consumption. According to a senior World Food Programme official, "food aid should be a temporary form of assistance and should not become a continuing form or hand-out to the detriment of national agricultural production."³² The majority of this food aid has come from the United States, the European Economic Community, and some individual European countries, though significant food aid is made through multilateral organizations, such as the World Food Council. Two SADCC member-states, Botswana and Tanzania, were elected to the World Food Council for 1982 and attended the 8th WFC Ministerial Session in Mexico in June of that year. Under its regional programme for Africa for the 1982-1986 period, the UN Development Programme has allocated US\$33,08 million (approximately 17,2 per cent of the total funding for the programme) for various food self-sufficiency projects in Africa as a whole, but a significant portion of this allocation will be used in the SADCC countries.

In addition to direct food aid through bilateral relations and indirect food aid through multilateral organizations, the United States and Australia have entered into a "swap" agreement with Zimbabwe whereby they ship consignments of wheat to Zimbabwe in exchange for Zimbabwe distributing part of its maize reserves to neighbouring countries. Zimbabwe has also agreed to provide direct food aid itself in the form of making a gift of 25 000 tons of maize to both Mozambique and Tanzania.³³

International factors affecting regional food security

Perhaps the most crucial factor affecting regional food security is the constant fluctuations in the world market prices for grain over the last two years. In early 1983, the US Department of Agriculture projected that there would be a marginal fall in world supplies of wheat and maize, despite an estimated 1,7 billion bushels in American farmer-owned maize reserves and 1,22 billion bushels in the US federal Commodity Credit Corporation. But the 1983 heat wave over the Midwest grain-growing area of the United States damaged a significant portion of this year's crop and the world market price went up to a contract high of US\$3,2375 a bushel. Current reports suggest that the price will continue to fluctuate, but it is unlikely to rise further partly due to American grain surpluses (along with the increased production by other grain-exporting countries) and to a weakening ability of a number of grain-importing countries to pay.³⁴

Another major international factor which must be considered is the impact on regional food security of the implementation of economic sanctions against South Africa as a result of its *apartheid* system. According to a 1981 study³⁵, both the short-term and the long-term effects of trade sanctions on the South African agricultural sector would be substantial "even if only ap-

plied by the industrialised countries of the world". Due to the heavy degree of economic dependence, including food imports, of most of the SADCC member-states upon South Africa, any implementation of economic sanctions would have immediate and adverse effects upon their own economies. At the International Conference on Sanctions against South Africa held in Paris in May 1981, it was agreed to call for a programme of assistance to those countries in the Southern African region which would be seriously affected by the imposition of sanctions against South Africa. Such assistance was to include the provision of supplies of food, oil and other essential commodities, and the establishment of facilities for their stockpiling (i.e. strategic reserves) as well as necessary financial assistance.³⁶ Donor countries are currently being approached through SADCC for financial assistance for the construction of storage facilities for national strategic grain reserves in Lesotho and Mozambique, and a regional strategic grain reserve in Zimbabwe.

Prospects for the Southern African region

Basically, this paper has argued that there are few grounds for predicting any utilization of a "food weapon" as such in Southern Africa. Rather, what is perceived by this writer is that South Africa has attempted and will continue to attempt to utilize food exports as a foreign policy instrument for influencing the inter-state behaviour of its neighbouring black African countries toward it. But it is an imprecise economic instrument which takes time to have an impact and which is seen by the international community as an anti-humanitarian instrument in inter-state relations.

As a food-exporting country in a region composed of countries which are basically not self-sufficient in food production, South Africa will be able to influence to an extent, whether positively or negatively, its grain-importing neighbours. In times of a grain harvest which is surplus to South Africa's domestic consumption needs, it can export grain to its neighbouring countries though possibly at a loss in view of its farmer's high input and production costs. This would boost its self-projected image of it maintaining cooperative economic relations with its neighbours. Even while exporting grain shipments, South Africa could subtly exert pressure by increasing or decreasing the amount of grain available for an individual, importing African country. Similarly, it could attempt to speed up or slow down the transport time, especially if the grain shipment is sent by rail within the region. But such action by themselves are unlikely to destabilize any of the SADCC economies or to result in a major change in their governments' policies.

In times of a grain harvest which is below the level of South Africa's domestic consumption (i.e. the current drought-devastated crops), South Africa may not have any grain to sell to its neighbouring countries. And if South Africa has to import grain as it is currently doing, it may or may not have any imported grain to re-export, or may choose simply not to import

grain in excess of its own domestic needs. Further, if the new South African Government proposals for fixing quotas on what its farmers will be permitted to sell at the higher Maize Board price are implemented, this could result in less grain being grown; thus making less or even no grain available for export within the region. Either of these possibilities would reduce the level of dependence of the importing SADCC countries upon South Africa while decreasing South Africa's favourable trade balance with its neighbouring countries and its foreign exchange earnings. Despite the possibility of decreasing their dependence on South Africa for grain imports, this could result in simply transferring their dependency for imported grain shipments to another supplier-country overseas at possibly a higher price (i.e. longer transportation distance) or result in a higher level of requested food aid.

Further, as has been stressed recently in official South African statements, despite that country's own current maize shortage, the South African Transport Services will be handling the shipment of one and a third million tons of imported maize to "five countries as far north as Zaire", thus shifting the emphasis from supply to transportation in the dependency equation. The South African Broadcasting Corporation recently commented in this regard:

The six nation programme, extending almost to the equator, to ensure food supplies in the present drought . . . is only made possible by the existence of the most comprehensive network of railways in Africa, and the presence in the subcontinent of a country — South Africa — with both the technological means and the political will to undertake at short notice the complex task of organising port facilities and sufficient rolling stock.³⁷

The lack of self-sufficiency in food production among the SADCC countries as well as their dependency upon South Africa for a large percentage of their grain imports means that they lend themselves to being targets of South African economic pressure. And thus South African attempts to influence their inter-state relations. In this way, it is possible to say that South African regional destabilization "begins at home". The SADCC countries provide a ready situation for South Africa to attempt to economically pressure their governments and their economies in support of the Pretoria regime's determination to maintain the political *status quo* within South Africa and the inter-state *status quo* within the Southern African region.³⁸ Thus providing more reason for the SADCC countries to pursue self-reliant programmes to achieve regional food security (i.e. self-sufficient production of basic food-stuffs) and reduce their economic dependency on South Africa. But the increasing level of food aid from overseas, in so far as the SADCC countries are unable to pay for grain imports, may only reduce their dependency upon South Africa at the price of acquiring a new dependency on Western food donor-countries, which might be even more detrimental to their national food production programmes in the long-run.

TABLE I
Food production index for Southern African countries, 1976-1981
 (1969-71 = 100)

	1976	1977	1978	1979	1980	1981
World	116	119	124	125	125	129
Africa	112	111	115	117	121	125
Angola	102	100	101	101	102	102
Botswana	114	106	90	105	92	117
Lesotho	91	112	119	107	103	116
Malawi	118	122	133	127	128	147
Mozambique	96	94	92	93	94	92
Swaziland	127	117	136	130	154	167
Tanzania	116	118	121	122	121	124
Zambia	135	130	130	117	123	135
Zimbabwe	132	138	134	112	116	161
South Africa	116	126	131	128	130	144
Namibia	108	100	105	104	106	105

Source: FAO Production Yearbook 1981 (Rome: Food and Agriculture Organization, Vol. 35, 1982), p. 75.

TABLE II
Per capita food production for Southern African countries, 1976-1981
 (1969-71 = 100)

	1976	1977	1978	1979	1980	1981
World	104	104	107	106	105	106
Africa	95	92	92	91	91	92
Angola	89	85	84	82	81	79
Botswana	99	90	74	83	71	88
Lesotho	79	95	99	86	82	90
Malawi	99	98	104	96	94	105
Mozambique	83	79	76	74	73	70
Swaziland	110	99	112	103	119	126
Tanzania	97	96	95	93	90	89
Zambia	113	106	102	89	91	96
Zimbabwe	109	110	103	83	84	111
South Africa	99	104	106	100	99	107
Namibia	92	83	84	82	81	77

Source: FAO Production Yearbook 1981 (Rome: Food and Agriculture Organization, Vol. 35, 1982), p. 79.

TABLE III
Food supplies of Southern African countries, 1976-1978

	Average daily per capita calorie intake as percentage of daily requirement, 1976-78	Index of per capita food production, annual average, 1976-78 (1961-65 = 100)	Per cent of self-sufficiency, annual average, 1976-78
Angola	69	59	NA
Botswana	73	111	71a
Lesotho	95	100	78a
Malawi	93	101	100
Mozambique	73	82	89
Namibia	95	NA	NA
Swaziland	94	103	89a
Tanzania	81	106	93
Zambia	95	141	NA
Zimbabwe	109	NA	NA

Source: Subcommittee on African Affairs, Committee on Foreign Affairs, *Food Production in Africa: The International Challenge* — Hearings, 6th August 1982, The Senate, 97th Congress (Second Session) (Washington, D.C.: Government Printing Office, 1982), p. 20.

a — 1976-77 average

NA — Not Available

TABLE IV
South African maize exports to African countries, 1969/70-1980/81 (in tons)

Year	BLS and Namibia ¹	Other Africa ²
1969/70	103,675	37,185
1970/71	201,797	166,098
1971/72	69,604	65,286
1972/73	82,984	34,643
1973/74	139,274	18,844
1974/75	60,000	106,109
1975/76	73,000	53,851
1976/77	131,000	55,943
1977/78	171,000	NA ³
1978/79	248,000	NA ³
1979/80	250,000	NA ³
1980/81	347,000	NA ³

Source: *South African Maize Board Annual Reports, 1969/70-1980/81*; reprinted in *Africa Insight* (Pretoria), Vol. 13 (No. 1), 1983, p.77.

¹ Maize and maize products

² Whole maize

³ Not available

Notes

1. For example, see Iain Guest, "On Using Food as a Political Weapon", *International Herald Tribune* (Paris), 15 February 1980.
2. Stuart Auerbach, "Sanctions Boomerang", *The Guardian Weekly* (London), 15 May 1983. Also see Nick Butler, "The US Grain Weapon: could it boomerang?", *The World Today* (London), Vol. 39 (No. 2), February 1983, pp. 52-59.
3. F.H. Sanderson, "The Uses and Limitations of Food Power", *The Brookings Review* (Washington, D.C.), Vol. 1 (No. 4), Summer 1983, pp. 4-5.
4. Charles J. Stevens, *Confronting the World Food Crisis* (Muscatine, Iowa: The Stanley Foundation, Occasional Paper No. 27, December 1981), pp. 9-10.
5. Quoted in Arnold Raphael, "Africa's Food Fiasco", *African Business* (London), November 1980, p. 12.
6. Deon Geldenhuys, "Some Strategic Implications of Regional Economic Relationships for the Republic of South Africa", *ISSUP Strategic Review* (Pretoria), January 1981, p.17.
7. See Carl K. Eicher, "Africa's Food Crisis", *Foreign Affairs* (New York), Vol. 61 (No. 1), Fall 1982, pp. 151-174. For examples of "crisis" stories carried in the South African media, see "Hunger Horror", *The Star* (Johannesburg), 21 April 1983.
8. See Lowell Ponte, "Food: The New Secret Weapon", *The Reader's Digest* (South African Edition), Vol. 121 (No. 75), September 1982, pp. 49-53.
9. Southern African Development Co-ordination Conference which includes Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe. SADCC recently established a small secretariat in Gaborone, Botswana.
10. South African Department of Foreign Affairs and Information. *South Africa A-Z* (Pretoria: Government Printer, August 1982), p. 9.
11. *Financial Mail* (Johannesburg), 10 April 1981, p. 149.
12. Paul Van Slambrouck, "South Africa keeps maize exports secret, but feeds biggest critics", *Christian Science Monitor* (Boston), 12 July 1982.
13. *The Economist* (London), 16 May 1981, p. 93.
14. *Financial Mail*, 14 January 1983, p. 134.
15. Quoted in the *African Research Bulletin: Economic, Financial and Technical* (Exeter), 15 July-14 August 1980, p. 5601.
16. See Robert D'A Henderson, "Southern African Customs Union: Politics of Dependence", in Ralph Onwuka and Amadu Sesay (ed), *The Future of Regional Economic Institutions in Africa* (London: Macmillan Press, 1984), forthcoming.
17. By way of comparison, see the in-depth analysis of the limitations on American use of "food power" by Robert L. Paarlberg, "Food as an Instrument of Foreign Policy", *Proceedings of the Academy of Political Science* (New York), Vol. 34 (No. 3), 1982, p. 25-39.
18. South African Department of Foreign Affairs and Information, *South Africa A-Z* (Pretoria: Government Printer, August, 1982), p. 9.
19. *Financial Mail*, 6 March 1981, p. 975.
20. *Ibid.*, 4 February 1983, p. 423. and "Agriculture and Cost Increases", *Economic Spotlight* (Volkscas Ltd., Pretoria), February 1983, pp. 1-2.
21. "Rain: The Haves and Have Nots", *The Star* (Johannesburg), 8 April 1983.
22. "South Africa to import maize", *South African Digest* (Pretoria), 13 May 1983, p. 8.
23. *Rand Daily Mail* (Johannesburg), 7 March 1984.
24. Pamela Kleinot, "Malnutrition crippling South African youngsters", *The Star Weekly* (Johannesburg), 14 May 1983.
25. "Maize Swap", *Finance Week* (Johannesburg), 20-26 May 1982, p. 339 and "Barter

- 'could improve South African export trade'", *Rand Daily Mail* (Johannesburg), 4 May 1983.
26. See Footnote No. 5.
 27. *Christain Science Monitor*, 12 July 1982.
 28. Doug Gordon, "Food", *Sunday Times* (Johannesburg), 24 October 1982.
 29. See Jay Ross, "Southern Africa imports food", *Washington Post*, 29 June 1983.
 30. Statement by R. M. Cashin, World Food Programme, at the *SADCC: Maseru Summit*, 18 January 1983, mimeo.
 31. "Southern Africa's Drought", *The Economist*, 11 February 1984, p. 74.
 32. R. M. Cashin, World Food Programme, *loc. cit.*
 33. *African Business* (London), No. 55, March 1983, p. 8.
 34. Laurent Belsie, "US wheat sales continue to lag", *Christain Science Monitor*, 20 January 1984.
 35. Roger Riddell, *Economic Sanctions and the South African Agricultural Sector* London: Africa Bureau, 1981), p. 32.
 36. *The Paris Declaration on Sanctions against South Africa (27 May 1981)* (New York: United Nations Centre against Apartheid, 1981), p. 25.
 37. See, for example, South African Broadcasting Corporation, comment; *Stability and co-operation in Southern Africa*, 13.4.84.
 38. With regard to the latter, the primary reason behind the Frelimo Government in Mozambique signing the recent non-aggression pact with South Africa was the destruction done to its agricultural production by the anti-government MNR guerrillas, reportedly backed by South Africa.

M. Tamarkin

South Africa's regional options: Policy-making and conceptual environment

(This article was submitted in late 1983. Dr Tamarkin has kindly added a postscript to cover the major developments in Southern Africa that occurred in early 1984)

South Africa is the focus of an intensifying regional conflict, and at the root of this conflict lies the struggle of the white minorities in Southern Africa for domination, privileges and survival, and that of the Blacks for majority rule. This Southern African regional conflict operates on four interlinked levels — internal, regional, inter-state and international.

The most crucial level is, of course, the internal as the root cause of the regional conflict has always been the white-black confrontation in each of the states/colonies in the Southern African sub-system.

In Angola and Mozambique the internal, white-black conflict, which had a distinctly metropolitan flavour, was resolved in 1975 with the dissolution of the Portuguese colonial empire. In Zimbabwe the domestic conflict came to its conclusion in 1980 in an unexpected accommodation under the auspices of the colonial power. These emerging African states became regional actors as the regional conflict has been gravitating towards South Africa.

South Africa, has, in fact, always been the hard core of the conflict, being the bastion of white supremacy in Southern Africa and having evolved the most elaborate and effective system of domestic racial domination. It is not my intention to deal with South Africa's domestic conflict, though the topic is far from being exhausted. Neither will I elucidate the important international angle of the conflict. I wish to concentrate here on the currently very active regional level of the conflict.

I approach the regional level of the conflict from a South African Government vantage point, although not because of a bias towards it. Rather, it reflects my assessment that at this historical juncture white South Africa holds the key to regional relations.

Dr M. Tamarkin was head of the Department of Middle Eastern and African Studies, at the University of Tel-Aviv, from 1974-1979. He is now an Associate Researcher at the Shiloah Institute for Middle Eastern and African Studies, at the same University.

White South African policy-makers tend to present the alternative facing Southern Africa in polar terms. In his famous "cross-roads" speech on October 23, 1975, Prime Minister Vorster said that Southern Africa had come to a crossroad and must choose between peace and escalation of violence, the price of which would be enormous.¹ In August, 1981, Foreign Minister R.F. Botha addressed himself similarly to these alternatives; "What is badly needed now is a decision by the leaders of Southern Africa to . . . swing it back towards constructive co-operation . . . I also believe that unless this decision is taken soon, the drift towards confrontation will become irreversible, with disastrous consequences for all of us."² These may very well be the two extreme alternatives in relation to the racial conflict within South Africa. It is there that the alternative to accommodation is a full-scale racial confrontation. However, these are not necessarily the realistic alternatives at the regional, inter-state level of the conflict. It is, indeed, possible to separate the regional dimension of the conflict from the domestic one for analytical as well as for policy-making purposes. This is, of course, not to deny that there is a significant and close interaction between the two levels.

At the regional level, an accommodation involving the acceptance by the African states of South Africa's legitimacy is hardly a viable alternative as long as the African majority does not legitimize a domestic accommodation. Equally, a full-scale military confrontation whose consequences are "too ghastly to contemplate" is not a likely alternative to full accommodation, at the regional inter-state level. South African policy-makers externalize what might very well be the domestic scenario unless accommodation is effected.

I would like to propose two broad realistic options at the regional inter-state level of the Southern African conflict which South African policy-makers should consider:

- (1) Regional stability and a manageable degree of political hostility.
- (2) Regional instability and an escalating military confrontation.

Regional stability and a manageable degree of political stability

This option rests on several premises. (a) The leaders of South Africa's black neighbouring states have an ideological commitment to the struggle of black South African liberation movements for majority rule. From this premise stem two major conclusions: (i) South Africa cannot expect a full regional accommodation on the basis of its domestic *status quo*. (ii) South Africa cannot expect the leaders of its independent African neighbours to adopt a hostile attitude towards the South African liberation movements and to deny them any kind of assistance. The next premise (b) is that the leaders of these states are at the same time first and foremost committed to the goals of their respective regimes which are domestically oriented. They are primarily concerned with the survival and stability of their regimes and with the economic well-being of their countries. This commitment considerably reduces

the price they would be prepared to pay for supporting the South African guerrilla movements. (c) South Africa's regional position, both economically and militarily, is paramount and unchallengeable. Economically, South Africa holds the keys to the survival of the Southern African countries. Militarily, the balance of power places all African states in the region at the mercy of South Africa. (African leaders have a vivid memory of the severe punishment inflicted on Mozambique and Zambia by the minority regime in Rhodesia, for their support to the Zimbabwean liberation movements). South Africa's even greater punishing capacity has been demonstrated in Angola. No sane and responsible African leader would voluntarily precipitate such an eventuality. (d) South Africa's military capability enables it to cope with the effects of a low level of assistance by the bordering African states to the guerrilla movements.

This option can be implemented in the form of an informal *modus vivendi* between South Africa and its black neighbouring states, which could transcend the unbridgeable ideological chasm between them and give expression to their mutual interest in stability and prosperity. Stability and prosperity in South Africa's neighbouring states are, in fact, essential components in a stable regional *modus vivendi*. Regional stability can hardly be constructed on the foundation of instability in the component states of the Southern African sub-system. Domestic instability often spills over the national borders. It is thus in the interest of South African policy-makers, who view regional stability as a desirable goal, not only to refrain from a policy of destabilization but also positively to encourage and promote stability among its neighbours. Similarly, economic prosperity resting on dependence on South Africa, the regional economic giant, while not sufficient to induce the black neighbours to legitimize South Africa's racial policy, certainly favours some kind of regional *modus vivendi*.

Thus, the prosperity of the black states of the region becomes the concern of those in South Africa who favour regional stability. An important element in the *modus vivendi* should include an understanding between South Africa and its neighbours regarding the level of their support to the South African guerrilla movements. This understanding could include military red lines which would define the geographical and functional parameters of this support which would be tolerated by the South African Government. While a formal definition of red lines would hardly be acceptable to African leaders, they might agree to such an understanding if it were discreetly negotiated and tacitly agreed upon. The South African Government would, however, have to be aware that such red lines could not provide South Africa with a fool-proof guarantee against guerrilla infiltration. The length of the borders, the terrain, the size and effectiveness of the African armies and the sympathy which local Africans may have towards the guerrillas, make it impossible to seal South Africa's borders hermetically. The South African army is strong

enough to cope with such violations without having to precipitate a regional military escalation.

The option of regional stability is not a theoretical exercise. In fact, the two options outlined above are derived from two diverse South African responses to the collapse of the Portuguese colonial empire and the disappearance of the two flanks of the buffer zone separating the Republic from black Africa. Regional stability in terms of the above-mentioned option resulted from South Africa's policy towards independent Mozambique. This was part of the overall détente strategy pursued by the South African Government in the aftermath of the Portuguese coup. In fact, from an African perspective the stabilization of the Frelimo regime and its relations with its powerful neighbour were at least as important as the liberation of Zimbabwe. South Africa responded positively to African overtures concerning Mozambique. In September, 1974, Vorster declared that "a black government in Mozambique holds no fear for us whatever."³ He was even more positive in his reaction to the actual transfer of power to Frelimo in June 1975. He promised to assist the emerging state financially and in other ways, adding: "We wish the new leaders well."⁴ South Africa's magnanimity rested on sound regional economic realities. In November, 1974, the South African Foreign Minister spoke candidly on Mozambique's dependence on the Republic: "I need only to mention the harbour of Lorenzo Marques . . . the tourist trade . . . the job opportunities provided in South African mines and industries . . . the Cabora Bassa hydroelectric scheme, which will not be remotely viable without the sale of power to the Republic."⁵ Prime Minister Vorster spoke from a position of equal military strength when he warned the Frelimo Government that South Africa would hit hard at Mozambique if it served as a springboard for guerrilla attacks against it. Although general threats are not a substitute for agreed red lines, Vorster made his point clearly.

Frelimo's leadership responded positively to South Africa's overtures. Although Machel promised in September, 1975, in general terms that Mozambique would become a "revolutionary base against imperialism and colonialism in Africa," his Foreign Minister, Chissano, said the following in the same months: "We will not be the saviours or the reformers of South Africa. That belongs to the people of South Africa." He subsequently explained that Mozambique would play the role of a revolutionary base in ideas only.⁶ Machel himself said as late as May 1979: "South Africa and Mozambique are neighbouring countries with a long common border. This is a reality that can neither be ignored nor altered . . . neither Mozambique nor Africa can, through their economic policies, threaten South Africa's existence."⁷ Machel seemed to have become resigned to the reality of Mozambique's heavy economic dependence on South Africa which had increased as a result of Mozambique's involvement in the struggle for the liberation of Zimbabwe.⁸ While recognizing the stark regional economic realities, the Frelimo regime did not

forego its ideological commitment to the South African liberation movements; but although the ANC was allowed to set up its headquarters in Maputo,⁹ the Frelimo Government did not allow the South African guerrillas to use Mozambique's territory as a launching pad for attacks across the borders, a facility they had allowed to the Zimbabwe guerrillas liberally and at great cost.

South Africa's relations with Botswana, Lesotho and Swaziland until 1980, at least, and despite recriminations and tensions, especially with regards to Lesotho, could very well fit in with the option of regional stability. Thus, on the eve of Zimbabwe's independence, in 1980, South Africa was mostly surrounded by African countries well disposed to peaceful co-existence. Towards these countries the South African Government pursued a policy which sought not to upset regional stability.

Regional instability and escalating military confrontation

A noticeable exception to this pattern was the Angola-Namibia strategic zone which forms the basis of this second regional option. The origin of the situation prevailing in that zone was in the civil war which accompanied Angola on its way to statehood. However, South Africa's direct military intervention in that war, on the side of the pro-Western Angolan movements, greatly contributed to the regionalization and internationalization of the domestic conflict. Continued South African assistance to Unita in its struggle against MPLA Government encouraged the latter to give SWAPO (the Namibian liberation movement) assistance and, in particular, training and operational facilities. South Africa, in turn, reacted by occupying parts of southern Angola and by launching retaliatory attacks on SWAPO and Government military targets inside Angola. From a South African perspective, the main features of this strategic zone are: (a) a protracted low intensity guerrilla war with elements of border warfare, which is very expensive in human and financial resources. (b) A radicalizing and destabilizing influence on the region as a whole. (c) Large-scale and threatening Soviet-Cuban intervention in support of the MPLA Government. This intervention enhances the position of the Soviets and their allies throughout the region. (d) The Angolan issue, which is closely linked to the Namibian question, is a source of international dispute involving the Western powers as well as the Soviets.

Thus South Africa itself, through its unequal responses to the challenges of Portuguese decolonization, laid the foundations for the two major regional options outlined above. There is little doubt which of the two options most South African policy-makers would prefer. Pik Botha, the South African Foreign Minister, gave expression to this preference in his speech in Parliament, in September 1981: "There are therefore ominous signs of a perceptible drift towards confrontation, which, in my opinion, would be disastrous for Southern Africa. The potential consequences should be a deterrent for all of

us because there can be no winner."¹⁰ Vorster's détente policy and P. W. Botha's constellation concept, though much more presumptuous than the stability option presented above, also give a clear indication as to South Africa's inclinations.

Stability in itself is seen by South African policy-makers as a most valuable asset. In September, 1981, Foreign Minister Botha spoke in this vein: "Of importance will be the role that South Africa can play in promoting political stability in the region which will minimize the causes of potential disruption by outside military engagements."¹¹ In his address to the Good Hope Conference on November 12, 1981, Prime Minister Botha said that "an extremely important aim in South Africa's economic strategy . . . is to promote stability through regional economic co-operation in Southern Africa."¹² South African policy-makers are also aware of the importance of the internal stability of their black neighbouring states. In September, 1981, Pik Botha complained: "We find it difficult to co-operate with certain African countries because of their inherent and basic instability."¹³ Indeed, internal stability is very often an exportable commodity. Already in 1975, in relation to Mozambique, Vorster gave priority to the internal stability of his new neighbour. He accepted the nature of Mozambique's regime with equanimity, declaring that South Africa's only concern was that it should be stable.¹⁴

South Africa, because of its dominant regional economic position and its overwhelming military superiority, enjoys the unique opportunity of shaping its regional environment, for better or for worse. In 1980, South Africa faced the challenge of Zimbabwe's independence. The last remnant of the old buffer zone having disappeared, South Africa was finally facing black Africa on all its borders. Mugabe, the "Marxist devil", who was conciliatory towards the Zimbabwe Whites, was also forthcoming in his attitude towards his powerful neighbour across the Limpopo. His country had just emerged from a long, devastating guerrilla war, and was facing an immense task of social and economic reconstruction. Mugabe was well aware of the vital nature of his country's economic relations with South Africa, for Zimbabwe's prosperity and even for its very economic survival. Having witnessed the disastrous effects of the Zimbabwean liberation war on Mozambique, he had ample opportunity of calculating the price of incurring South Africa's wrath.

Soon after his electoral victory, Mugabe spelled out his views for achieving a *modus vivendi* with South Africa: "We will assist, if we can, at international forums . . . where we hope to play an active part in obtaining the objectives of liberation in those countries [South Africa and Namibia]. But apart from a political and diplomatic role, I cannot see us organizing war against South Africa. It is not our responsibility to do so . . . We will not be able to assist militarily, however . . . we have just emerged from seven years of armed conflict and we do not want to fight another war against South

Africa. That aside, there is also the fact that South Africa is our neighbour and we have to co-exist with it. The economic ties between Zimbabwe and South Africa are a reality we have to recognize for a long time to come."¹⁵

Thus, the emergence of Mugabe's Zimbabwe, which was abhorred by the South African Government, offered South Africa an exceptional opportunity to extend the zone of stable, peaceful co-existence along its northern border. This co-existence which had worked so well and for the mutual benefit of South Africa and Mozambique could also be applied to South Africa's new neighbour which was destined to play a dominant role in the regional politics of Southern Africa.

The prospect of fostering stability in the northern zone could have been expected to precipitate a re-evaluation of South Africa's policy in the war-torn Angola/Namibia zone where the option of regional stability can be implemented with relative ease. This South Africa can do by facilitating an internationally recognized settlement to the Namibian problem. A Zimbabwe-type solution in Namibia is most likely to produce a similar regional consequence.

Namibia's position *vis-à-vis* South Africa is vastly different from that of Angola. From a South African perspective, the militarization and destabilization of the Angola/Namibia zone resulted, at least partly, from the fact that Angola was outside South Africa's economic orbit. Under such circumstances, the economic level could not be used in that zone as it was in the case of Mozambique. Namibia, on the other hand, is very much an economic satellite of South Africa. In reply to those who wanted South Africa to withdraw from South West Africa/Namibia, Prime Minister P. W. Botha posed the following question: "Who will carry the annual R70-million loss of SWA railways . . . ? Who will provide the vast sums of money being made available annually by us to SWA? . . . Who will provide the millions, like the R60-million last year, needed for drought relief?" In 1982, according to the Prime Minister, South Africa spent more than R800-million of the South African taxpayer's money in Namibia.¹⁶

There is little reason to expect that a SWAPO Government which came to power through the ballot would be more committed to a Marxist transformation than the ZANU Government in Zimbabwe, or would turn Namibia into a Soviet base. It can also be expected that Nujoma, as President, would take at least as much cognizance of the regional economic and military realities as does Mugabe; and a SWAPO Government with Nujoma in power presents the most drastic possible scenario. It is doubtful that a SWAPO Government would espouse the cause of South African liberation and offer South African guerrillas the same facilities that their movement enjoys in Angola. On the Orange River, its internationally recognized border with Namibia, South Africa could set up a stable and effective defence line. The vast area on both sides of the river is inhospitable and very sparsely populated; at best, it

could hardly be a haven for guerrillas. Whereas in northern Namibia SWAPO is operating in the friendly Ovambo territory which straddles the Namibia-Angola border, South African black guerrillas, even if they managed to reach the Orange River on the Namibian side, would have to cover very long distances before reaching a sanctuary.

There is little doubt in this observer's mind that from a SWAPO point of view a Namibian solution, which would safeguard South Africa's security interests within the framework of a realistic regional stability strategy, is possible. SWAPO, facing the full weight of South Africa's military might, would surely welcome a political solution which would give it a fair chance to come to power through the ballot. On 30 July, 1983, following a meeting with the external wing, SWAPO's internal wing called for direct talks with South Africa which would lead to immediate implementation of United Nations Security Council Resolution 435.¹⁷

The MPLA Government in Angola, facing the devastating consequences of a South African-UNITA military onslaught, would definitely welcome a political solution to the Namibian problem which would distance their country from the long arm of South Africa. The discussions between Angola and South Africa in Cape Verde, in February 1983, broke down, but not through the fault of Angola.¹⁸ In an interview granted to a South African journalist, Pedro de Castro van Dunen, a senior Angolan minister, displayed a most forthcoming and peaceful attitude: "We think that the moment has arrived for us to negotiate, to talk and show respect for the interests of all the people that make up the southern part of our continent because there is no way that the wish of one country can be imposed on all the other nations of the region."¹⁹

After recovering from the shock of Mugabe's electoral victory, South Africa gave some indications that she might adopt a realistic, pragmatic attitude towards her new neighbour as she had done in the case of Mozambique. Thus, in April 1980, the SABC reflected the official outlook: "South Africa is prepared to co-operate with any government in its neighbouring states provided they are stable and adhere to the same principle that South Africa does, of non-interference in each other's internal affairs."²⁰ Since then, however, it has become increasingly evident that South Africa was pursuing policies which exacerbated regional tension and instability. While South African policy-makers continued to praise the virtues of stability, the South African Government exposed itself to allegations that it espoused the politics of regional destabilization.

Until 1980, such policies had been almost exclusively restricted to the Namibia-Angola zone where, after the failure of the South African military intervention during the Angolan civil war in 1975-1976, South Africa continued to exert its military power across the Angolan border as part of its anti-SWAPO campaign. Since the early 1980's, however, there has been a consid-

erable increase in South Africa's direct and indirect military involvement in Angola. Its direct military intervention reached a climax in August–September 1981, with Operation Protea, during which a South African force of up to 5 000 troops occupied most of Cunene province in southern Angola.²¹ Indirectly, South Africa has stepped up its support for UNITA which has become a formidable force. By 1983, this South African proxy, which has a substantial indigenous support, had become a definite threat to the MPLA regime. On 1st August 1983, UNITA launched a major offensive which culminated in the capture of the town of Cangamba in the province of Moxico some 500 km north of the Namibian border, following a fierce battle in which large forces on both sides were involved.²² In October 1983, Dr Savimbi, UNITA's president, announced a new offensive aimed at further expanding the areas under his movement's control. UNITA's military performance and achievements were so impressive that a South African newspaper titled a report on the war in Angola: "UNITA may be gaining upper hand."²³ The Angolan Government charged that the South African Air Force took part in the battle for Cangamba, and called for international pressure on South Africa. This was, of course, denied by South Africa.²⁴

In the early 1980's, South Africa began to employ similar tactics in its relations with some of its other neighbours. This was related to the increased guerrilla actions inside South Africa by ANC members. South Africa began to hold neighbouring African states, which allowed the ANC refuge and facilities, responsible for these terrorist attacks. In 1980, Prime Minister P. W. Botha reacted to the opening of ANC and PAC offices in Zimbabwe; by saying: "Offices are to my mind the beginning of action against neighbouring countries and should that happen we will deal with it in a way we find proper."²⁵ Being more specific, the Chief of the South African Defence Forces, General Constand Viljoen, said in January 1981; "It is the task of the SADF to destroy the enemy wherever he might be found before the people of South Africa have to suffer their deeds of terror. This we will do fearlessly."²⁶ South Africa, in fact, announced the shifting of its Angolan aggressive retaliation and pre-emption strategy to new zones. In commando attacks against "ANC bases" in Maputo and Maseru, in January 1981 and December 1982, respectively, and in an air attack on targets in Maputo, in May 1983, in the aftermath of the car bomb explosion in Pretoria,²⁷ South Africa demonstrated what it meant by pre-emption and retaliation.

These selective actions ostensibly directed against ANC targets represent, however, only the thin edge of the new assertive and aggressive policy. The main thrust of this strategy has been aimed at the host countries on South African borders. In August 1981, General Viljoen said that some neighbouring states had been warned that South Africa's security requirements might soon outweigh its desire to co-operate with them.²⁸ In November 1982, a South African spokesman was more explicit: "If neighbouring states con-

tinue to harbour anti-South African forces, they should not be surprised if South Africa considers doing the same for them." In February 1983, Defence Minister, General Magnus Malan, was even more blunt about the possible South African course of action, "... even if it means we will have to support anti-communist movements . . . and allow them to act from our country."²⁹

By then, South Africa had, in fact, been doing exactly that. The "Angolization" of South Africa's policy towards Mozambique, with which country it had maintained, until 1980, a mutually beneficial peaceful co-existence, is the ultimate expression of the strategic shift. It seems almost beyond doubt that since 1980 South Africa has been involved, directly and indirectly, in an extensive campaign of subversion and destabilization in Mozambique.

In 1980, in the wake of Mugabe's victory in the Zimbabwe independence elections, South Africa took over the patronage of the Mozambique National Resistance Movement (MNR), which had been sponsored and supported by the pre-independence Smith and Muzorewa regimes in Rhodesia. There is no other possible explanation for the transformation of this anti-Frelimo movement from a small, ineffectual organization in the late 1970's into a major force of some 10 000 fighters operating in at least six provinces in Mozambique. The MNR attacks against the communications system and other infrastructural and economic targets have had a devastating effect on the Frelimo regime.³⁰ In August 1983, the same month in which UNITA launched its big push in Angola, the Voice of Mozambique National Resistance announced that, "the Mozambique National Resistance has launched a large-scale offensive throughout Mozambique. The resistance codenames this massive campaign Red August."³¹ Is it merely a coincidence? Furthermore, under the beneficial and inspiring South African tutelage the MNR has developed (after the model of UNITA?) from a politically inconsequential movement, into a veritable political and ideologically anti-communist alternative to the Frelimo regime.³²

Lesotho, the small country which is encircled by South Africa and its homelands QwaQwa and Transkei, thus being a virtual economic prisoner of South Africa, was also not spared the consequences of the changes in the regional policy of its giant neighbour. It seems that since the early 1980's, South Africa has resorted to a policy of subversion and destabilization in its relations with Lesotho. This is a response to Lesotho's harbouring of ANC personnel, cultivating relations with the Soviet bloc and verbally attacking South Africa's racial policies. South Africa seems to be using the Lesotho Liberation Army (LLA), an indigenous resistance movement against Leabua Jonathan's regime, for this purpose. As recently as the beginning of 1980, Ntsu Mokhele, the LLA leader, reported that fifteen of his best-trained men who had been caught by the South African police, were handed over to the Lesotho police.³³ In 1980, having run into difficulties with his host countries, Zambia and Botswana, which objected to the use of their territories as bases

for a subversive campaign against Lesotho,³⁴ Mokhele seems to have moved his base to South Africa. The Lesotho Government has repeatedly charged South Africa with harbouring and supporting the LLA's campaign of violence, while South Africa, as could be expected has denied the allegations.³⁵ There is enough circumstantial evidence to suggest a South African connection. It is hard to believe that the LLA could sustain an intensified guerrilla campaign against a country surrounded by South Africa without the co-operation or at least the acquiescence of the South African authorities.

In addition to direct aggression and the use of a proxy, South Africa has applied its powerful economic lever on Lesotho. There is no need to elaborate here on the total dependence of landlocked Lesotho on South Africa for its very survival. Thus, in May and then in July–August, 1983, the South African authorities imposed stricter border controls which drastically curtailed the traffic from Lesotho to South Africa. These restrictions which were regarded by the Lesotho Government as a virtual blockade, prevented work-seekers from reaching the labour markets across the border. The livelihood of many Lesotho citizens and the foreign currency earnings of the government depend heavily on the export of labour. The hard-pressed Lesotho Government had to appeal to the United Kingdom, the United States and the United Nations to come to their rescue.³⁶

Economic pressure seems to be the weapon South Africa has preferred to use in its relations with Zimbabwe, which is particularly dependent on South Africa for the maintenance of its transport links with the outside world. Thus, in February 1981, South Africa announced a rail embargo against Zimbabwe which was maintained for two weeks. In April 1981, South Africa announced the withdrawal of 25 diesel locomotives on loan to Zimbabwe.³⁷ In August 1981, South Africa failed to provide Zimbabwe with more than 25 per cent of the 500 railway wagons needed to transport that year's abundant maize crop. South Africa also withdrew 26 locomotives on loan to Zimbabwe at the height of the maize exporting season.³⁸ South Africa has also made use of its control of the supply of oil to Zimbabwe. Thus, in August 1981, it cut by 20 per cent the supply of fuel to Zimbabwe and around Christmas 1982, it applied such an oil squeeze on its northern neighbour as to leave Zimbabwe with only a few days reserve, bringing the Zimbabwe Government to its knees.³⁹

The MNR has actively participated in the economic campaign against Zimbabwe by sabotaging the railway and the oil pipeline linking Zimbabwe to the Mozambique coast.⁴⁰ The Zimbabwe Government has repeatedly charged that South Africa was involved also in training Zimbabwe dissidents and employing them in subversion missions aimed at destabilizing their country.⁴¹

One cannot expect the South African Government but to reject these charges. There was, however, at least one incident which strongly suggested

a South African connection. At the end of August 1983, three white ex-Rhodesian members of the South African Defence Force were killed by the Zimbabwe security forces. They were accompanied by fourteen black ex-Rhodesians who were also serving in the South African army. The claim of the South African army commander that they were on an unauthorized mission was hardly convincing.⁴²

In fairness it must be stressed that these aggressive tactics against its neighbours do not represent the full range of South Africa's relations with them. South Africa concurrently pursues a policy of "business as usual" and of cooperation towards Mozambique, Zimbabwe and Lesotho, mainly in the economic sphere. However, one can hardly blame the leaders of these states, having been on the receiving end of the harsher side of South Africa's regional policy, for regarding destabilization as the main policy thrust directed against their fragile regimes.

From a South African perspective, there is a definite discrepancy between the promotion of regional stability in policy statements and elements in regional behaviour which obviously breed instability. It is arguable that the verbal preference for stability is sheer propaganda and that in the early 1980s South Africa launched a determined full-scale destabilization campaign in Southern Africa.⁴³ This is an over-simplification which does not account for all the facets, thrusts and complexities of South Africa's regional policy. Clearly, even in the early 1980s the South African Government was vacillating between the two opposing regional options, operating on the continuum between the two poles of stabilization and destabilization. These contradictory tendencies reflect different views within the South African policy-making establishment. However, South Africa's complex and contradictory regional behaviour is perhaps more a reflection of the conceptual environment within which South Africans think and operate. It is in this latter context that I wish to discuss the conceptual constraints which affect decision-making in regional matters in South Africa.

(i) The art of the impossible

South African policy-makers have a tendency to float unrealistic grand designs. For them, policy-making is not merely the art of the possible; it is rather an exercise in political engineering. This tendency rests on the belief that political realities can be shaped on the basis of a pre-conceived grand design. Since theoretical grand designs are more easily manipulated than the rigid realities, South African policy-makers tend to come out with comprehensive, simplistic and presumptuous plans and solutions to the most complex problems facing them. Domestically, separate development is the ultimate example of a grand design which completely ignores the reality of the situation and the wishes of the people concerned. The South African version of détente in the mid 1970s is an example of that tendency in the sphere of

regional politics. Whereas the African view of that diplomatic exercise was pragmatic and modest, Vorster's vision was far-reaching and unrealistic: "I also believe it is not inappropriate that Southern Africa can create its own, not UNO, but PPD which will stand for peace, progress and development. Towards that end I believe that South Africa is keen to co-operate and to that objective I commit myself and my government."⁴⁴

P. W. Botha's concept of a Constellation of Southern African States, in 1979/80, was equally fanciful. It is indeed difficult to understand how South African policy-makers could have conceived the idea of a regional association of seven to ten independent states which would co-operate not only in economic but also in political and military matters.⁴⁵ Presently one hears of new ideas of employing aggressive policies to reshape the whole region in a way which would make it more favourably disposed to South Africa.

Thus, such grand designs are aimed at the grossly unrealistic goal of totally and optimally solving a deeply rooted and complex regional conflict which involves bitter domestic and regional racial antagonism and suspicions, ideological differences and super power involvement. Such problems do not lend themselves to instant, simplistic solutions. South African policy-makers apparently have not yet come to the realization that in such circumstances perhaps the only possible solution is the gradual, pragmatic and partial, and that the choices facing them are very often not between good and bad, but rather between bad and worse.

Such a disposition among policy-makers necessarily breeds frustration, if not despair. This may at least partly account for the shift in certain sections of the South African policy-making establishment in the early 1980s from economic, diplomatic and peaceful strategies, like *détente* and constellation, to more aggressive militaristic ones. Instead of changing the goals they have changed the strategy.

(ii) The rejected lover syndrome

White South Africa is a rejected country, a member of the "pariah states club" whose very legitimacy is being challenged by a large section of the international community. Its suspension from the UN General Assembly serves as a constant reminder to South Africans of their rejection and isolation in a hostile world. While South African policy-makers have learnt to live with their isolation at the practical level of policy-making, they are certainly influenced by it at the level of national psychology. In this way, it has become a part of the conceptual, emotional environment in which policy-making in South Africa is performed. It creates among South African policy-makers a strong urge to secure recognition and to acquire legitimacy.

From this perspective Southern Africa is of vital importance for South African policy-makers. The achievement of recognition and legitimacy by independent African states at the regional level may go a long way towards

breaking the politico-ideological blockade which South Africa faces in the world at large. Thus, South African policy-makers are not satisfied with tacit, informal arrangements, with lover-mistress type of relations. They rather strive for open, formal arrangements, for regional solutions involving the recognition of South Africa's legitimacy by its black neighbours.

This motive reinforced the tendency towards grand design in producing the far reaching South African policies of détente and the Constellation of Southern African States. In its relations with its African neighbours, the South African Government seeks official and open government to government contacts. Foreign Minister Botha spoke in this vein in Parliament: "I believe there rests a historical responsibility on all the leaders of Southern Africa to get together somehow and objectively and constructively review the whole situation in Southern Africa."⁴⁶ Similarly, the South African Government suggested to the Zimbabwe Government that officials of both governments would meet in the transit lounge of Jan Smuts airport to discuss the renewal of the preferential trade agreements between them.⁴⁷ On another occasion the South African Government declared that these agreements would not be renewed unless a Zimbabwean Government minister came to ask for it.⁴⁸ In the same vein, South African policy-makers offer to conclude non-aggression pacts with their African neighbours.⁴⁹ South African policy-makers are also very sensitive to verbal attacks against their country by neighbouring African leaders. It is said that P. W. Botha unleashed the "big squeeze" against Zimbabwe around Christmas 1982, after listening to a radio broadcast in which Mugabe labelled him "racist."⁵⁰

The achievement of recognition and legitimacy by independent African neighbours who bitterly oppose the South African regime on deep emotional and ideological grounds is virtually an impossibility. The resultant frustration among South African leaders may at least partly account for their aggressive inclinations. South Africa's regional aggression and increasing pressure on its neighbouring states can also be more rationally construed as a means to attain recognition. However, as the case of Lesotho, South Africa's most vulnerable neighbour, amply demonstrates, such pressures have failed to produce a change of heart.

South Africa's failure to achieve these goals may also explain its tendency to promote and support puppet-alternatives which would, hopefully, be more responsive to its courting. Thus, in Zimbabwe the South African Government supported the internal settlement and in the 1980 elections it supported Muzorewa and pinned many hopes on him. In Namibia, they propped up the DTA, and more recently a multi-party alliance, as an alternative to SWAPO. In Angola, at least recently, South Africa has seemed to regard UNITA not merely as an anti-SWAPO and a destabilizing proxy, but as a veritable moderate pro-South African alternative. The recent transformation of the MNR in Mozambique may suggest that South Africa envisages

a similar role for that movement.

In their eagerness South African policy-makers seem to address themselves somewhat naively to the puppet option. Almost invariably puppet regimes are very costly to maintain. Indeed, the price of supporting a dissident movement is minute compared to the cost of propping it up when it seizes power. The benefits of such regimes, which are normally weak and unstable, are doubtful. They can promise their patrons heaven and earth, but are rarely capable of delivering the goods. In some cases, puppets change their political taste after having been helped to power by their patrons. South African policy-makers could have learnt that from their own experience with Lesotho. Although he was not brought to power by South Africa, the South African Government applauded Chief Jonathan when he clung to power in 1970, after having lost the election to the Basotho Congress Party which was sympathetic to the South African liberation movements. Very soon, Chief Jonathan joined the anti-South Africa choir, and South Africa now supports the LLA which is an offspring of the Basotho Congress Party.

(iii) The communist paranoia

Fear of a communist threat is not new among Whites in South Africa. However, since the Portuguese coup and the Cuban-Soviet intervention in Angola, it has developed into a paranoia which provides a major input to policy-thinking in South Africa. This paranoia was the main source of the concept of a communist-inspired and directed "total onslaught" against South Africa, which in its turn produced the equally all-embracing "Total National Strategy."⁵¹

The concept of "total onslaught", whose origin is mainly from the military establishment, has gained prominence since 1978 with the ascendance of P. W. Botha, the former Defence Minister, to the premiership. Relating to the "total onslaught" P. W. Botha said in September 1982; "Yes, total war, and the communists apply these principles in the conditions of today as well . . . and now they are being directed against us."⁵² In February 1983, Minister Pik Botha elaborated on the same theme: "There is no question that we in South Africa are the ultimate Soviet target. I do not believe that anyone with minimal knowledge of international affairs can doubt it. We have the direct categorical statements of the Soviet leadership to the effect that they mean to control the fossil fuel resources of the Middle East and the mineral resources of Southern Africa. They have stated it openly. This is what makes it so difficult for us in South Africa to understand certain elements in the United States who accuse us of exaggerating the Soviet threat."⁵³

The Soviet threat, as perceived by South African policy-makers, is neither vague nor static. It is a definite threat possessing dynamic qualities. In his 1980 New Year message General Malan, the Defence Minister, said that in 1979 "the total revolutionary onslaught against our entire population has es-

calated alarmingly" predicting that "in the coming year, the communist enemy will attempt to create confusion, unrest, discontent and disloyalty."⁵⁴ In February 1981, counting the Soviet-made tanks, armoured cars and combat aircraft, General Malan spoke of a definite conventional military threat against South Africa.⁵⁵

Thus South African policy-makers believe that South Africa is placed high on the list of Soviet global priorities. This and the perception of the magnitude and imminence of the communist threat seem to the uninvolved observer grossly and unduly exaggerated. This is, of course, not to say that the Soviets are South Africa's well wishers; far from it. However, the Soviets' hands are more than full with closer and more vital problems. Certainly, in a relatively peripheral area like Southern Africa, the Soviets do not act on the basis of a grand design translated into an operational plan with a definite and rigid time table. They more often respond to arising opportunities and threats than act positively on a basis of a carefully worked out global master plan. This was certainly the case of the Cuban-Soviet intervention in Angola. The fear that South Africa is facing an imminent communist march on Namibia rather than on the Republic itself, is groundless. Their experience in Southern Africa will certainly not encourage the Soviets and the Cubans to initiate another similar intervention.

In Angola, the Cubans are not poised for an offensive against Namibia and South Africa. Rather, they are bogged down in an escalating civil war, desperately trying to prop up a bankrupt and ineffective "Marxist" regime. The similarly bankrupt and ineffective Frelimo regime in Mozambique is hardly a springboard for anything. The Soviets must know that a military intervention in South Africa would have to involve a military and logistic effort on a scale they are unlikely to contemplate under the present or foreseeable circumstances.

Reality notwithstanding, the South African perception of the Soviet communist "onslaught" has a significant influence on policy-making in relation to Southern Africa. Thus the idea of a political solution in Namibia which would enable SWAPO to assume power is anathema to South African policy-makers because, as R.F. Botha warned, this would certainly mean that the Russians would "sit in Windhoek."⁵⁶ The only acceptable alternative is a military defeat of SWAPO which would enable South Africa to transfer power to the Namibian moderates. Similarly, the policy of destabilization and military aggression through proxies, which assumed new proportions in the early 1980's, can be construed as an offensive aimed at undermining the bases for the external "total onslaught."

It should be mentioned that the propagation of the concept of the "total onslaught" is partly motivated by domestic, white-oriented consideration. Addressing the Transvaal Congress of the Nationalist Party in September 1983, P. W. Botha spelled it out in the clearest terms: "I will continue to repeat

my warnings about the total onslaught, for the people of this country must be convinced of their truth. I believe that once every patriotic South African is convinced of the validity of these warnings, from that moment we shall all work together as one team to solve the problems of our country."³⁷

(iv) Lack of understanding of African nationalism and African politics

Despite the very long association of the Afrikaners with the African continent and its peoples, their leaders exhibit an amazing ignorance of the dynamics of African nationalism and politics. Social and political segregation over a very long period seems to have resulted in mental and intellectual segregation which negatively affect communication between racial groups. Their perception of African nationalism and politics is largely based on myths, misconceptions, prejudices, fears, anxieties and sheer ignorance. While these are domestically produced they have a definite effect on policy-making in regional matters as well.

Thus the unrealistic concepts of détente and constellation stemmed, at least partly, from a lack of understanding of the limit of the price African regional leaders were prepared to pay for a *modus vivendi* with South Africa. South African policy-makers did not appreciate the extent of the commitment of the African leaders to the cause of majority rule in South Africa. In the case of détente they failed to understand that for the African leaders a limited accommodation with South Africa was only a price they were reluctantly prepared to pay for the consolidation of the Frelimo regime and the achievement of majority rule in Zimbabwe, and that full accommodation was not on their agenda at all.

In Zimbabwe, the South African Government put all their money on Bishop Muzorewa. For them Mugabe the Marxist was anathema and his ascendancy to power the worst that could happen in the transition to full independence in Zimbabwe. While their preference for the moderate Muzorewa may be understandable and excusable, their belief, to the very end, that the Bishop would emerge victorious betrayed total ignorance of the political dynamic in Zimbabwe on the eve of independence. Mugabe did not live up to the expectations of his radical followers as the expected socio-economic transformation failed to materialize. His radical verbiage notwithstanding, Mugabe adopted pragmatic and accommodating policies which could qualify Zimbabwe for membership in the "neo-colonialist club". He was even, as we have seen, accommodating towards South Africa, as well. But for South African policy-makers he remained a feared and detested devil.

It is hardly surprising that South African policy-makers have been repeating the same mistakes in Namibia, in relation to SWAPO and Nujoma. Nujoma is hardly a committed Marxist. He is basically a nationalist leader who fights for freedom and power. Once he achieves these goals there is

every likelihood that he would be even more accommodating than Mugabe. Yet in Namibia, the South African Government pins its hopes on an assortment of some twenty ineffectual parties when it is clear that SWAPO is overwhelmingly the dominant political force in that territory.

The vocal South African response to Mugabe's declared intention to institute a one-party system in Zimbabwe is also a case in point. There is nothing inherently communist or sinister in the political system which is almost universal in Africa. Moderate and pro-Western Kenya and Ivory Coast possess such a system and so does Malawi, the only African state which has diplomatic relations with South Africa. The lack of a realistic appreciation and understanding of its regional partners adversely affects the policy-making process in South Africa.

(v) The white backlash

Foreign policy is rarely divorced from domestic considerations. This is particularly so in democracies where public support is an important consideration in policy-making. In South Africa, the Whites, and the Afrikaners in particular, form the domestic constituency of regional policy-making. The interaction between regional policy and domestic consideration is particularly intensive because in the region as well as in the domestic scene black-white relations are the dominant theme. Thus a Nujoma solution in Namibia raises a crucial domestic question: why not pursue a Mandela solution in South Africa? The linkage between regional policy and domestic considerations has been further complicated by the fact that South Africa's regional policy involves, at times, the fate of white minorities.

In the case of Rhodesia, Vorster had to take into account the reaction of his domestic constituency to a policy aimed at majority rule in that country. Vorster, in particular, who was obsessed by the need to preserve the unity of Afrikanerdom, did not apply pressure on the Smith regime until September 1976, at least partly for fear of a white backlash which would widen the split within the ranks of his people.

In Namibia, this constraint is much more problematic than in the case of Rhodesia. Whereas Rhodesia had a majority of English-speaking Whites and was associated with British imperialism, Namibia, which has a large Afrikaner population, has been run since after the First World War as the fifth South African province. Thus Vorster, who accepted majority rule in Rhodesia, worked for a totally different solution in Namibia. Under P. W. Botha and particularly after the formation of the Conservative Party the "white backlash" consideration has become even more dominant. A "sell-out" solution in Namibia would give Dr Treurnicht a powerful political weapon which could result in the loss of power by the Nationalist Party. The ability of P. W. Botha to manoeuvre on the Namibian question has been further reduced by his programme for domestic reforms. The government does not

possess enough political resources to pursue concurrently "weak" policies domestically and regionally. This could cost the government the support of many conservative Afrikaners who are still within the Nationalist Party fold. Since the government gave priority to the domestic reforms, at least until the November 1983 referendum, it could not afford to be accommodating with regards to Namibia. In fact, pursuing an aggressive, militaristic policy in the region could be seen as supporting the government efforts to win the crucial test of the referendum.

(vi) The whipping boy — externalization of domestic frustrations

Even officially placed South Africans would admit that South Africa's problems are primarily and foremostly domestic. Indeed, the "total national strategy," the South African answer to the "total onslaught", is to a large extent domestically oriented. However, South Africa's domestic problems are of such magnitude and complexity that they deny easy, instant solutions. The process of resolving the domestic racial conflict would be, at best long, arduous and frustrating, with no dramatic achievements and successes.

In recent years, South Africa has been facing a mounting wave of popular protest and an intensifying urban guerrilla campaign. Especially with regard to the latter it is impossible to use South Africa's military force in retaliation or pre-emption inside the country because the enemy is elusive. Acting aggressively in the region, directly or through proxies, South Africa is using its neighbours as whipping boys. Failure to respond militarily to the guerrilla challenge may be interpreted, domestically and externally, as a show of weakness and a lack of resolve. By reacting forcefully in the region the South African Government relays two messages to its domestic African constituency: (a) that South Africa's military power and punishing capacity are very considerable; (b) that the price of confronting white South Africa is destruction, instability and poverty.

(vii) The Midas touch of power

One cannot fail to sense that in the last few years and particularly among members of the military establishment there has been a marked increase in the confidence in South Africa's military power. South Africa has been arming itself to the teeth, becoming almost self-sufficient in military supply. In African terms, it has become a super power. This new sense of power has been enhanced by the perception of South African policy-makers with regard to the African continent. They see around them a declining impoverished African continent, suffering also from instability and political disintegration. At the same time, they feel relatively free of international pressure. The policy of the Reagan Administration towards South Africa certainly enhances their sense of confidence. Thus, South Africa has been operating in the region in a vacuum of power. One cannot help sensing that the South African military

establishment, whose input in the policy-making process has increased considerably in recent years, is suffering from intoxication of power. In such circumstances the distance to a belief in the omnipotence of power, particularly military power, is not far. Indeed, it seems that the view is prevalent among the military that South Africa can and must use its immense power in order to shape its environment and its future. They believe that in this way they can shape or reshape South Africa and Southern Africa, while the wilder spirits among them believe that they can shape an Africa favourable to South Africa. Needless to say, the first condition for the sane use of power is the appreciation of its limitations.

The policy-making field being infested with these conceptual "mines", it is hardly surprising that South Africa vacillates between conflicting and contradictory courses of action. I will address myself to two such sets of contradictions:

(a) Positive versus negative economic incentive

From the outward policy of the late 1960s, through détente and constellation, a major theme in South Africa's official thinking in relation to the region and the continent was the belief that South Africa could use its immense economic power as a positive incentive. South Africa would assist the developing African nations financially and technically and would get political acceptance and recognition in exchange. The response of black Africa has been very disappointing. Only Banda's Malawi chose to barter political recognition for economic benefits. While continuing to offer economic assistance and conducting normal economic relations with its neighbours, South Africa has increasingly resorted to the use of negative incentive. The destruction of economic infrastructure in Angola and Mozambique by South Africa's proxies is a case in point. More especially, the sabotage of the Benguela railway in Angola and the Beira railway in Mozambique can be construed as a means to force the land-locked regional countries to rely on South Africa's railway system and ports for their very survival. This obviously exposed them to political blackmail.

(b) Diplomacy versus military aggression

While making extensive use of its economic lever, the South African Government has long seen politics as an alternative field for regional action. Since the Portuguese coup, two contradictory courses of political action have been pursued by South Africa in the region. These reflected differences in outlook within the South African political and bureaucratic establishment regarding the response to changing circumstances in Southern Africa in the aftermath of the Portuguese coup. The diplomatic approach was favoured by the Department of Foreign Affairs, and the controversial Department of Information and the Bureau of State Security (BOSS), headed by General Hendrik van

den Bergh. The latter was a prime mover in the diplomatic offensive known as détente. Vorster himself was committed to détente and shared the responsibility for its failure.

The controversy between the two schools of thought focused in the mid-1970's on the question of South Africa's response to the civil war in Angola. In this case, the military establishment, represented in the government by the Defence Minister, P.W. Botha, prevailed on the then Prime Minister, Vorster, who approved the South African military intervention in Angola against the better judgement of the other school of thought.

From the point of view of the balance between the two approaches, the political demise of J.B. Vorster in 1978, caused by the Muldergate affair, and the emergence of P.W. Botha as Prime Minister, were of great importance. Hendrik van den Bergh, a staunch supporter of peaceful diplomacy and the most powerful man in the realm behind Vorster, had resigned before Vorster's own resignation. With P.W. Botha as Prime Minister, BOSS lost much of its power and influence and the military intelligence and the military establishment in general became a dominant factor in shaping South Africa's regional policy. Their role was institutionalized with the formation of the State Security Council.⁵⁸ The escalation in South Africa's military aggression in the early 1980s reflects the response of the military establishment to the emergence of Mugabe in Zimbabwe and the perceived failure of the diplomatic efforts of the second half of the 1970s.

However, in conclusion I would like to stress that in my opinion it is not since the early 1980s that there has been a definite and outright shift of policy towards military aggression and regional destabilization, although this is certainly the position in the Angola/Namibia zone, but the origin of this policy was in 1975. The changes in this zone in the early 1980s are of a quantitative rather than qualitative nature. In the other areas, South Africa's policy is more complex and varied. Although in these zones there are undeniably new aggressive elements in South Africa's behaviour, there are also many elements of "business as usual" and of *modus vivendi*. The inconsistencies and vacillations of South Africa's policy-makers with regard to the formulation of a regional policy stem primarily from the diverse influences of the conceptual environment in which South African policy-makers live and operate.

Postscript

The Lusaka agreement, reached on 16 February 1984, between South Africa, Angola and the United States, regarding the withdrawal of the South African forces from southern Angola; and even more so the non-aggression pact (The Accord of Nkomati) signed on 16 March 1984, between South Africa and Mozambique; introduce new and dramatic elements to the complexity of South Africa's regional policy. These developments certainly demolish the argument that South Africa, dominated by military super-hawks,

had unleashed an unmitigated destabilization offensive. In fact, South Africa has been acting well within the parameters of the stability option outlined above.

In trying to account for this obvious shift in South Africa's regional policy it may be useful to point to a possible linkage between Southern Africa and the Middle East. It is no secret that South African military men and policy-makers look to Israel for inspiration. The spate of South African regional aggression in 1982-1983 coincided with the height of the military intervention in Lebanon. It seemed then that Israel would be in a position to translate its military effort into definite and lasting security and political gains. It is quite possible that South African generals and policy-makers sought to emulate the Israeli example and to reshape their regional environment through direct and/or indirect military aggression. More recently, however, it has become increasingly clear that the lesson to be learnt from the Lebanon episode was that the use of military power in regional politics had definite limitations. Possibly, South African generals and policy-makers, watching Israel bogged down in the Lebanese mud, were inspired to take a harder look at their own record of regional militarism. They may have found out that their own cost-benefit equation had been rather negative.

South Africa found her black neighbours, who in normal times had a clear preference for stability, particularly responsive to her new diplomatic offensive. The Angolan Government had an urgent interest in relieving the increasing military pressure by South Africa and its local proxy. Giving preference to its own interests, Angola was prepared to curb SWAPO's activity along the Namibian border while not deviating from its traditional position with regard to the solution of the Namibian problem. Mozambique was prepared to pay a higher price, signing a formal treaty which, at least by implication, recognized the South African regime because it had found itself in a more pressing situation. The combined effect of a devastating drought and MNR subversion brought Machel to his knees. To save his country from total economic collapse and starvation he needed not only cessation of hostility but also positive South African assistance. To secure it he had no choice but to pay the humiliating price demanded by his powerful neighbour.

The future will tell whether South Africa has finally opted for regional stability or whether its regional policy will continue to swing between the two poles of stabilization and destabilization.

Notes

1. *African Research Bulletin*, 1974, p. 3387.
2. Republic of South Africa, *House of Assembly Debates*, 14 to 18 September 1981, p. 4085.
3. T. Hodges, "Mozambique: The Politics of Liberation" in G.C. Carter and P. O'Meara (eds.) *Southern Africa: The Continuing Crisis*, London, 1974, p. 79.
4. *Africa Research Bulletin*, June 1975, p. 3656.

5. T. Hodges, *op. cit.* p. 80.
6. *Op. Cit.* pp. 79-80.
7. *Africa Contemporary Record*, 1979-1980, p. B735.
8. *Op. Cit.* 1977-1978, pp. B341-342; 1978-1979 pp. 339-340; 1979-1980 pp. 735-736.
9. *Op. Cit.* 1978-1979, p. B339.
10. Republic of South Africa, *House of Assembly Debates*, 14 to 18 September 1981, p. 4084.
11. *South African Digest*, Pretoria, supplement 9.10.1981.
12. Jacque de Villiers (ed.) *The Good Hope Plan for Southern Africa*. South African Department of Foreign Affairs and Information, November 1981, p. 20.
13. Republic of South Africa, *House of Assembly Debates*, 14 to 18 September 1981, p. 4084.
14. *African Research Bulletin*, June 1975, p. 3656.
15. *Africa* (London) April 1981, p. 17.
16. *South African Digest*, supplement 17.9.1982.
17. *Sunday Times* (Johannesburg) 31.7.1983.
18. *Rand Daily Mail* (Johannesburg) 1.8.1983.
19. *Ibid.*
20. *African Research Bulletin*, April 1980, p. 5641.
21. *Africa Contemporary Record*, 1981-1982, p. B581.
22. *Sunday Times* (Johannesburg) 7.8.1983; 21.8.1983.
Foreign Broadcast Information Service, Daily Report, Middle East and Africa, 15.8.1983 p. U3; 16.8.1983 p. U1; 17.8.1983 p. U1.
23. *Sunday Times* (Johannesburg) 21.8.1983.
24. *The Citizen* (Johannesburg) 19.8.1983.
25. *Africa Contemporary Records*, 1980-1981, p. B845.
26. *Op. Cit.* 1980-1981, p. A18.
27. *The Economist*, 16.7.1983 p. 19. *Africa Research Bulletin*, December 1982, p. 6673.
28. *African Contemporary Record*, 1981-1982, p. 732.
29. *The Economist*, 16.7.1983, p. 19.
30. A.E. Thomashausen, "The National Resistance of Mozambique", *African Insight*, Pretoria: The Africa Institute of South Africa, 13.2.1983, pp. 126-127; *The Economist*, 16.7.1983, pp. 19-20; *Africa Research Bulletin*, December 1982, p. 6674.
31. *Foreign Broadcast Information Service*, Daily Report, Middle East and Africa 26.8.1983, p. U4-6.
32. A.E. Thomashausen, *op. cit.*, pp. 127-128.
33. *Africa Contemporary Record*, 1979-1980, p. B702.
34. *Op. Cit.*, 1980-1981, p. B687.
35. *Op. Cit.*, 1979-1980, p. B701; 1980-1981, p. B687; 1981-1982, pp. B628-B629.
36. *Rand Daily Mail* (Johannesburg) 19.7.1983; 22.7.1983; 25.7.1983; *The Citizen* (Johannesburg) 24.8.1983.
37. *Africa Contemporary Record*, 1980-1981, p. B935.
38. *Op. Cit.*, 1981-1982, pp. B885, B894.
39. *Op. Cit.*, 1981-1982, p. B884; *The Economist*, 16.7.1983, pp. 23-24.
40. *Africa Research Bulletin*, December 1982, p. 6676.
41. *Africa Contemporary Record*, 1980-1981, pp. B845, B934; 1981-1982, pp. B881, B885; *Rand Daily Mail* (Johannesburg) 2.8.1983; *The Citizen* (Johannesburg) 19.8.1983, 1.9.1983; *Foreign Broadcast Information Service*, Daily Report, Middle East and Africa, 14.9.1983, p. U10.
42. *South African Digest*, 3.9.1982, p. 4; *The Economist*, 16.7.1983.

43. *Ibid.*
44. *Southern Africa Record*, No. 1, March 1975.
45. D. Geldenhuys, *Some Foreign Policy Implications of South Africa's Total National Strategy*, Johannesburg. The South African Institute of International Affairs, March 1981, pp. 18-19; *Africa Contemporary Record*, 1979-1980, p. B773, 1980-1981, p. B808.
46. Republic of South Africa, *House of Assembly Debates*, 14 to 18 September 1981, p. 4083.
47. *South African Digest*, 15.1.1982, p. 4.
48. *The Economist*, 16.7.1983, p. 23.
49. *South African Digest*, 27.5.1983, p. 3; *African Contemporary Record*, 1980-1981, p. B808.
50. *The Economist*, 16.7.1983, p. 23.
51. D. Geldenhuys, *op. cit.*
52. *South African Digest*, 17.9.1982.
53. *Op. Cit.*, 11.2.1983.
54. *African Contemporary Record*, 1979-1980, p. B767.
55. *Op. Cit.*, 1980-1981, p. B741.
56. *South African Digest*, 5.3.1982.
57. *Op. Cit.*, supplement, 13.9.1983.
58. K.W. Grundy, *The Rise of South African Security Establishment*, Johannesburg: The South African Institute of International Affairs, August 1983.

Book Review

THE SOVIET COMMUNIST PARTY

Ronald J. Hill and Peter Frank

London: George Allen and Unwin, 1981, 167 pp.

R14,65 paperback.

This book is very likely to become a standard textbook on the Communist Party of the Soviet Union (CPSU). The authors of the textbook have approached their subject with confidence based on substantial research (and publications) on Soviet politics. In their first chapter, they point out a number of the CPSU's key characteristics which defines its controlling position in Soviet society. These include the party's uniqueness (being the only party in the Soviet state), the party and the ideology (commitment to Marxism-Leninism), the party and the revolutionary heritage (the cult of Lenin and party leadership legitimacy), the party and class (the pre-determined role of the industrial proletariat), the party and social interests (the party's role of mobilizing the population for ideologically-identified goals), and the party in developed socialist society (its elaboration of new concepts for Soviet socialist analysis).

In the next five chapters though acknowledging the limitations on documented knowledge on the party's internal workings (especially decision-making and personnel selection — p. 64), the authors examine in some detail the roles, personnel, structures and functioning of the CPSU in the Soviet political system. The sections on "Central Party Organs" (pp. 63–68) and the "Principle of Democratic Centralism" (pp. 70–73) are one of the clearest yet brief discussions of these important aspects of Soviet political activities this reviewer has read. Similarly, the chapter on party-state relations (Chapter 5) is very useful in pointing out the difficulties involved in attempting to separate the structures and functions of the Party from those of the State in a communist country.

In the last chapter on "Some Questions" (Chapter 7), the authors proceed to outline and give their own interpretations of a large number of currently-argued interpretations of the CPSU and its role in Soviet society. These include such perennial questions as: is the CPSU a political party? Is the CPSU an elite? Is the party a class? And the future of the party? In this reviewer's opinion, Chapter 1 and 7 should be made essential reading for students of Soviet politics whether as a national case study or as part of comparative political studies.

There are two additional benefits for students from this textbook. First, the authors have done a thorough consideration of the CPSU's own "self-

image" as established by numerous quotations from Soviet analysts' writings in Russian. And second, they provide a very competent critique of the major Western political scientists' analyses of the Soviet system in each relevant section of the text. These two benefits should ensure that the textbook will be recommended year after year by university lecturers, especially if it is periodically up-dated and revised.

The textbook has a readable yet informative writing style. While quite detailed, the footnotes (author, date, pages) are placed inside the text with full reference information in an end-of-book bibliography. This footnoting style reduces time lost from reading to look to the end of a chapter or even the end of the book itself. With a useful but brief index and a number of clearly laid-out diagrammes, the text would have been improved by a glossary of Soviet and Russian terms for the beginner reader on Soviet affairs.

One question which this book does not answer and acknowledges the fact is how are senior CPSU personnel selected and appointed, or elected? How are Politburo members or the CPSU General-Secretary elected? How was Leonid Brezhnev's successor, Yuri Andropov (previously the KGB chief though also a full member of the Politburo), elected? By intra-party power struggle or by a democratic electoral process? If current press reports of Andropov's on-going illness prove to be accurate, this textbook will not, unfortunately, help the reader to pinpoint the next CPSU General-Secretary.

ROBERT D'A HENDERSON

Department of Political and Administrative Studies,
National University of Lesotho.

Publications of The South African Institute of International Affairs

Occasional Papers/Geleentheidspublikasies

Issued on an irregular basis, approximately ten a year, and containing the texts of addresses at Institute meetings or original articles. Subscription rate per annum R18 surface mail; R25 airmail Africa and Europe; R30 US and elsewhere. Price per issue R2 (plus postage for overseas airmail).

Latest titles are:

E. W. Anderson and G. H. Blake. *The Republic of South Africa as a Supplier of Strategic Minerals: an assessment.*

Richard Steyn. *Interview with Donald F. McHenry at Hilton on 19 January 1984.*

Jerome Heldring. *Changes in Dutch Society and their implications for Netherlands-South African relations.*

Symposium Proceedings

as available.

Golden Jubilee publication. A. L. Bostock. *A Short History of the South African Institute of International Affairs, 1934-1984.* R5.

Southern Africa Record

Four issues per year. Subscription rate surface mail R8; R14 airmail Africa and Europe; R15 US and elsewhere. Price per copy R2,50 (plus postage overseas airmail).

Latest issues, Nos. 34 and 35, include statements on:

United Kingdom and Southern Africa

Zimbabwe

South African/Angolan relations

South Africa's State Security Council

Namibia: (incl. the establishment of a State Council for South West Africa/Namibia)

"Kadoma Declaration" on a strategy of information for Southern Africa

Mozambique and South Africa

Lesotho and South Africa

South African Prime Minister's New Year Message, 1984

"The United States and Africa in the 1980s"; (US Secretary of State George Shultz to the Boston World Affairs Council on 15th February 1984).

Bibliographical Series/Bibliografieserees

No. 10. *Portuguese-Speaking Africa 1900-1979. A select bibliography. Vol. 2 Mozambique.* Compiled by Susan Jean Gowan. R25,00.

No. 11. *Portuguese-Speaking Africa 1900-1979. A select bibliography. Vols 3 and 4 (in one issue).*

Published for the SAIIA by Macmillan South Africa (Pty) Ltd.
Deon Geldenhuys. The diplomacy of isolation: South African foreign policy making. April 1984. 283 pp. hardcover. R19,95 (excl. G. S. T.) R22,50 (inclusive mailorder price within South Africa). ISBN 0 86954 188 9.

(Publications lists and further details available from: The Publications Department, SAIIA, P.O. Box 31596, Braamfontein 2017, Transvaal, South Africa.)