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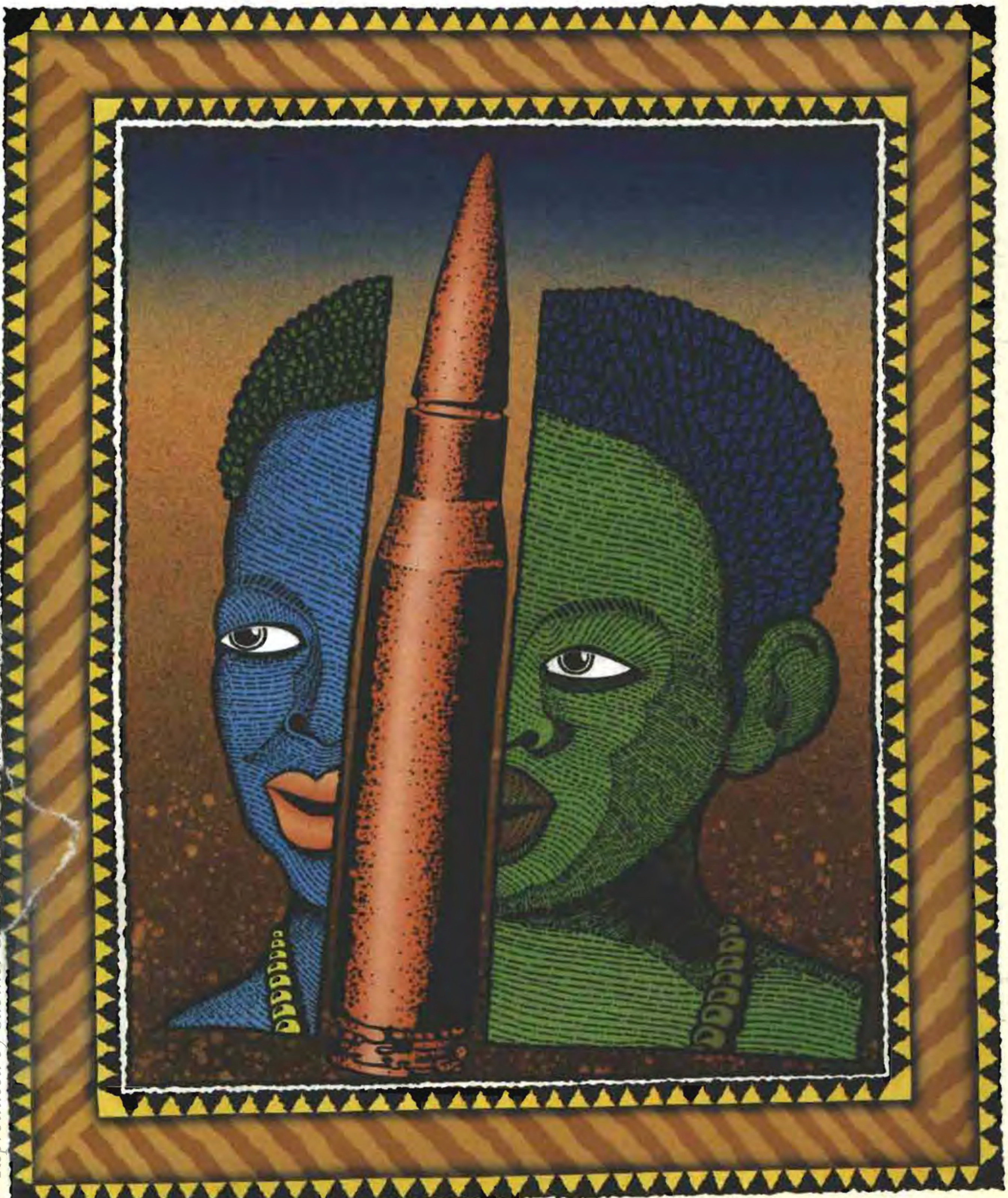

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Keeping faith

Richard Cornwell, Africa Institute of South Africa

The embattled military rulers of Nigeria and their apologists have made every effort to provide their powerful Western critics with excuses for doing nothing useful following the judicial murder of Ken Saro-Wiwa and his eight colleagues. Effective sanctions, we are warned, could collapse the Nigerian state and precipitate a regional catastrophe of unparalleled magnitude. Many European and US statesmen will seize upon this reasoning both to camouflage their reluctance to do anything that might damage their considerable material interests in Nigeria and to distract their own electorates' attention from the shallowness of their commitment to democracy.

In South Africa, however, the Nigerian debacle is prompting a profound reconsideration of the tenets of our foreign policy. Some aspects of the current debate have to do with rivalries within the government and the ANC itself, as idealists and realists clash. More profoundly, there is a strong argument that if the miracle of South Africa's democratic transition is to mean anything, and if its message is to be kept alive domestically, there must be an intimate connection between our moral position on democracy, and our conduct of foreign relations.

This line of thought has been thrown into starker relief by the evident failure of the "realists" to understand the nature of the Nigerian regime, so that as the Saro-Wiwa tragedy unfolded during the Commonwealth summit, South Africa was made to look naive, at best.

George Nene, South Africa's High Commissioner to Nigeria, who served there from 1989 to 1994 as the ANC's chief representative, seems to have been one of the proponents of "constructive engagement" with Abuja. On 19 November *The Sunday Independent* published an interview with him which showed why the Nigerian regime may have misread Pretoria's diplomatic approach. He registered disappointment in the length of democratic transition announced on 1 October by General Abacha – three years – but found its sentiment encouraging. In short, he was implying that he took the general at his word, perhaps forgetting that Abacha's predecessor, Ibrahim Babangida, had likewise promised a three-year transition, which had been extended piecemeal to eight years, and then been suddenly aborted in mid-election in June 1993.

More significantly from the perspective of the current argument, Nene also expressed fears that Nigeria could dissolve into chaos, with a collapsing society and economy devastating the entire region. He was obviously imagining a Liberian-type scenario, in which millions of refugees would flee into neighbouring states, spreading destruction and bringing about further state collapse. Perhaps Mr Nene has been too long in Nigeria and has listened too well to the arguments of his hosts. How many dictators ward off foreign intervention by using the warning *après moi le déluge* to provide foreign diplomats with an often sought excuse for inactivity? And how real is this risk of collapse?

It seems to me that in the Nigerian case, the only real threat of a Liberian or Rwandan situation developing would be if one section of the army turned on the rest, much as happened at the time of Biafra's secession in the 1960s. This appears unlikely, not least because the civil war remains a traumatic memory, but also because of the way the armed forces are structured. Nor does it seem likely that civil disobedience will winkle Abacha out of his bunker at Aso Rock. The oil workers tried this, and Abacha crushed their resistance ruthlessly. The imprisonment of so many prospective opponents and eminent Nigerians on probably spurious coup charges, and the killing of Ken Saro-Wiwa and his colleagues also serve as a warning to potential opponents that Abacha is made of even sterner stuff than the other soldiers who have ruled Nigeria for most of its independent history.

As Abacha well knows, the only immediate threat to his regime comes from within the Nigerian military, from officers alarmed by the isolation in which the country now finds itself, or whose livelihoods were threatened by international reaction to these latest horrors. Still, the military, and the oil interests who provide the necessary sustenance for the regime, will continue to emphasize the importance of preserving Nigeria's stability at all costs, without asking stability for whom, and in whose interests? (Where would the ANC be today had such an argument been accepted by the international anti-apartheid movement?)

A coup, of course, is very different from state collapse. But, as William Zartman has recently pointed out, state collapse itself is seldom a cataclysmic event. It tends rather to be a protracted process in which the state progressively ceases to perform the functions associated with it. It is not to be equated with the collapse of society or civilization, though tyrannical rule may do such damage to the institutions of civil society that the remnants and fragments of state power are picked up by warlords and bandits, so that political regeneration is delayed or prevented.

Indeed it could be argued in Nigeria's case that the state is already in an advanced condition of collapse. Health and educational services have all but disintegrated, violent crime is rampant, and the state's primary role is an extractive or parasitic one. In Nigeria today, the federal state, and its component parts at state level serve as little more than a conduit through which the spoils of the country's oil wealth are distributed among the soldiers and their civilian allies and clients. It was for threatening this flow of wealth through their internationally publicized campaign of mass action that the leaders of the

Movement for the Survival of the Ogoni People (Mosop) died. Nigeria's rulers feared that the example of Ogoni resistance would be copied throughout the onshore oil regions, for, by all accounts, the Ogoni are by no means the worst exploited of the local communities, and there are other organizations that seek to emulate Mosop.

Royal-Dutch Shell has made a valiant effort to deflect criticism of its role, representing itself as the wronged victim of a campaign by ill-informed and vindictive environmentalists. It has also deployed the old device of disguising its nature as a giant multinational by emphasizing the autonomy of its local operating arm. It has made great play of the money it has put into local environmental programmes and of the role its new liquified natural gas plant will perform in the country's development, to the benefit of all Nigerians. This, however, also implies an acceptance of Abacha's promise that there will be a genuine transition to democratic rule in 1998, and that the Nigerian authorities are really interested in national development, as opposed to self-enrichment.

Democratization is arguably a necessary condition for any form of economic development to take place where extractive as opposed to commercial enterprises are the driving force in the economy. Yet it may be that multinationals operating in the extractive rather than commercial fields find stability such as that provided minimally by the Nigerian dictatorship to be preferable to the uncertainty and risks of democratization, even though this is to deny Nigerians any chance of development, and to collaborate in the continued looting of the nation's finite natural resources by a coterie of armed businessmen. Remember, democratization, apart from being an inherently unstable process, places unwelcome demands on some economic sectors, particularly those vulnerable to the dislocations of trades union activity.

If Nigeria is to play the role required of it in the African renaissance touted so optimistically at the Tunis summit of the OAU, then it will be as a democracy, not as a military kleptocracy. President Mandela is understandably disappointed in his failure to galvanize those countries with real economic clout to agree to significant sanctions against the Abacha regime. This should not mark the end of the campaign. Even if all he achieves is to point out to the citizens of Europe and America that real power is currently wielded by commercial rather than elected interests, and that it is this that stands in the way of a new, equitable, world order, it will have been a message worth the conveying.

War and Africa's children

Denis Fair, Fellow of the Africa Institute of South Africa, outlines recent efforts by the international community to deal with the problem of children affected by war and violence in sub-Saharan Africa. The physical and psychological impact of war on children is briefly described as are attempts to aid and rehabilitate these children.

IN the face of social and economic deterioration and war and violence in many countries of sub-Saharan Africa in the 1980s, the fate of the children has not escaped attention. African governments, the Organisation of African Unity (OAU), the United Nations Children's Fund (Unicef) and a number of its other agencies as well as non-governmental organizations (NGOs) such as Save the Children Fund (SCF), World Vision, the Red Cross and Oxfam have all been involved in the problem.

In 1987 a Dakar symposium, sponsored by Unicef, formulated "a plan of action for the preservation and development of the African child".[1] A committee was established to promote the plan aimed at reducing the unjustifiable and preventable high infant mortality rate and to involve Africa's artists, writers and intellectuals in the process. A follow-up conference sponsored by the Zimbabwe Committee for Child Survival and Unicef was held in Harare in 1988.[2] Meanwhile, Unicef had produced two reports, "Within human reach – a future for African children" and "Children on the frontline", the latter concerned with destabilization and warfare in Southern Africa.[3]

In 1990 a World Summit for Children was held in New York, 71 heads of state signing a declaration and plan of action aimed at child survival, development and protection in the 1990s.[4] As a result some 40 African countries prepared national programmes of action (NPAs) to give effect to the declaration. In that year the OAU then sponsored an international conference for African governments and donor countries on the NPAs out of which came the Consensus of Dakar aimed at improving both the levels of health and education of children and their protection in especially difficult circumstances.

The Geneva convention had previously stipulated that no child under the age of 15 should bear arms. A new Convention on the Rights of the Child reiterated that stipulation, adding among other matters that no child may be subjected to torture, degrading treatment, arbitrary arrest, life imprisonment or capital punishment.[5] In 1994 the UN Commission on Human Rights (UNCHR) met to again discuss ways of deterring the involvement of children in conflict and war. Both the UN Population and Development Conference in Cairo in 1994 and the UN Fourth World Conference on Women in Beijing in 1995 had important implications for the rights of children, the latter conference, among other issues, being concerned with such matters as forced child marriages and child labour. All these conferences, conventions and declarations stress that governments must recognize that children have separate needs which must be addressed strategically and comprehensively if their problems are to be solved.[6]

The impact of war

In those countries where relative peace has prevailed, progress, even if limited, in improving the health and welfare of children can be recorded. But in those racked by war and violence the efforts of the African and the international community have been and still are all the more urgent. The appalling effects of drought in West, Eastern and Southern Africa in the 1980s and early 1990s have been compounded by civil unrest and "brutal internecine wars" in Liberia, Sierra Leone, Sudan, Ethiopia, Somalia, Rwanda, Burundi, Uganda, Mozambique and Angola.[7] The result has been a "cynical degradation of children's lives" in war zones where food and medicines are in short supply but Kalashnikov rifles are in abundance.

In these conflicts it is the children who "are special targets to the combatants who realize that an effective way to destroy a community's resolve in opposing a government, a party or a movement is by attacking the most vulnerable part – the children". Statistics tell part of the story. In 1992 in a peaceful Botswana the mortality rate of children under 5 years of age was 80 per 1 000; in Mozambique after 15 years of war it was 240 per 1 000. In Botswana 89% of the population has access to health services as against 39% in Mozambique.[8]

By 1989 in Mozambique and Angola, respectively, 494 000 and 331 000 children under the age of five had died as a result of war before peace came to the former in 1992 and to the latter only in 1995.[9] In southern Sudan 6 000 children starved to death or died of disease caused by malnutrition in 1988. By 1992 1,7 million had been displaced from their rural homes to urban centres.[10] In Uganda hundreds of thousands of children were killed or orphaned in the years 1971–1986 during and following the despotic regimes of Amin and Obote.[11] Rwanda's tragedy is still fresh in the mind while six years of war in Liberia may hopefully now be at an end. In South Africa the dramatic change from apartheid to democracy has not everywhere been accompanied by a new and peaceful environment. Inter-party strife and violence in the province of KwaZulu Natal has been going on for a decade and is still not over.

In all the countries where war and violence have been witnessed in recent years the impact on children, particularly in the rural areas, has been devastating. Apart from death from bullets and hand grenades, the destruction of crops and livestock and the disruption of food supply lines has resulted in malnutrition and starvation. Disease has followed the elimination of health posts, the killing of health workers, the halting of vaccination programmes and the distribution of medicines. Schools have been destroyed, communities dislocated, the extended family system broken up, children orphaned and many lost in bleak refugee camps or forced into lives as urban "street children" to face an uncertain future.[12]

The psychological impact of war is incalculable. Children have been witnesses to brutal and disturbing scenes including the murder of their parents, and the loss of and separation from these loved ones is traumatic.[13] A whole generation, "mutilated physically, mentally and emotionally" and their traditional values lost is growing up knowing no other way of life.[14] Others have been dragooned into joining liberation or rebel movements as "boy soldiers" since "it is easy to turn children – immature, impressionable, easily manipulated – into killers".[15] President Museveni in his liberation struggle in Uganda, for instance, ignored the Geneva convention and its prohibition on the recruitment of children. Many joined his army voluntarily.[16]

"Why do we Africans sacrifice our children and millions of ordinary people in pointless ideological struggles? Why does not the OAU put a stop to the killing?", asks Baffour Ankomah.[17] The OAU is now old enough to tell the superpowers and others "to leave Africa alone". Winter supports this view and claims that foreign intervention on the part of the United States, the former Soviet Union, Cuba, South Africa and France in support of one group or another variously in Ethiopia, Somalia, Sudan, Angola, Mozambique, Chad and Rwanda fuelled rather than dampened down the conflicts.[18]

Aid and rehabilitation

Fortunately violence has subsided in some countries but continues and threatens to break out in others. Where war is ongoing what can be offered to children caught up in the conflict, asks the SCF. If access can be made to the war zones and to refugee camps, food and medicines can be supplied but the journeys are difficult and dangerous and government forces or rebel groups generally place restrictions on the movements of NGOs and UN agencies such as the World Food Programme.[19] SCF reports that in certain circumstances its "staff in an area of conflict can sometimes reduce the level of violence".[20] They can be seen as witnessing illegal acts, as in Uganda, or they can play a diplomatic role, as in Somalia, in advocating the protection of children being victimized by governments or combatants. In this respect the UN Convention on the Rights of the Child builds on existing statutes to ensure the protection of children involved in armed conflict.

Where peace has returned to a country the problems are challenging enough. The OAU, with some exceptions, discourages resettlement of refugees in countries outside Africa while "integration within the countries of asylum has also proven to be a limited solution". The only solution for most refugees in Africa, states Winter, is "informed voluntary repatriation when security permits it".[21] The resettlement of internally displaced people can be difficult since it is left to the efforts of NGOs rather than the UN's High Commissioner for Refugees (UNHCR).

Tracing the families of children lost in refugee camps or elsewhere and reuniting them is fraught with difficulty and frustration.[22] Not only is physical access to these children difficult but extracting information about themselves and their families, traumatized as they are, is often a long, painstaking and painful process. But where successful the rewards are great.

Rehabilitation necessitates a broad-based approach "using the existing institutions rooted in national life: the family, the community and the school system".[23] There is a consensus that regeneration of the family and community life is necessary if the psychological problems of children are to be overcome and a secure social milieu established. There is no alternative, the SCF emphasizes, than "the love and security of the family and friends which provide reassurance" to children burdened

with fear and insecurity.[24] It has been shown that the family is a safer refuge than the institution – an orphanage or children's home – and that "children evacuated and cared for separately from their families and communities recover much more slowly from their war experiences".[25]

The parents and the children, however, still have to break the dependence that they as refugees enjoyed on outside side. They need to regain their capacity to fend for themselves and become self-sufficient once more. In Somalia a special support unit of UNHCR promoted farming as one viable route towards this goal, as did Mozambique's National Emergency Executive Commission in the late 1980s.[26]

Reintegration into the school system calls for special adaptations to meet the needs of children suffering from learning and concentration problems and to eradicate the desire for revenge in some who have seen parents and friends killed.[27] Teachers, health workers and others have to be trained in specific approaches and techniques required to address these problems.[28] In Mozambique this is being done at central, provincial and local levels with the aid of humanitarian and religious organizations aimed at helping war-affected children regain their rightful place in society. The University of Cape Town's Centre for Intergroup Studies has paid attention to techniques such as play therapy and counselling skills among other aspects in its investigation into the influence of violence on children.[29] Graca Machel, wife of the late President Samora Machel of Mozambique, is leading a UN study on war-affected children, including case studies and the need for therapeutic responses.[30]

How can we contribute to the cause of Africa's children, asked Ali Mazrui of his colleagues at the international symposium of artists, writers and intellectuals on child survival and development sponsored by Unicef in Harare.[31] "Intellectuals are not necessarily morally committed. We have to arouse their ethical concern. We have to turn them into moral activists on behalf of Africa's children. .... The problems of the African child need to be promoted upwards in our scale of priorities". Others go further. The SCF believes that a much greater effort is needed by governments, UN agencies and the Red Cross to protect the rights of children instead of leaving much of the work in frontline situations to small voluntary organizations.[32] Unicef itself admits that "more effort should be made to focus national and international attention on the problems of children in especially difficult circumstances, in particular those affected by armed conflict".[33]

Still others criticize the huge slice that defence budgets take of the gross national product of many countries which leaves little for social development and only increases a dependence on external aid for such purposes.[34] Jolly, too, points to the recommendation of the Consensus of Dakar that debt relief and conversion schemes be formulated in such ways as to make possible increased budget allocations "with at least part of the benefits being used to advance programmes for children".[35] Instead, he notes, "the scandalous inadequacy" so far of actions to tackle indebtedness in sub-Saharan Africa, described by the UN Secretary General as "a millstone around the neck of Africa". A priority for the international community, Jolly maintains, is to reduce this burden.

It may be salutary to conclude with the efforts of one organization aimed at relieving the plight of children in a war-torn African country, Liberia.[36] The Children's Assistance Programme (CAP) was established in 1992 and operates on the outskirts of Monrovia. Armies can turn boys into men; we turn them into boys again, says CAP. Traumatized, mistrustful and often hostile and undisciplined, the children are given a month-long training and involvement in literacy, vocational study, music, chores and sports. Private and group therapy sessions are held and good behaviour is rewarded. But maintaining the centres has been difficult; some have had to close because of continued unrest. Reuniting ex-soldiers with their families has been almost impossible and a few of the boys have in fact returned to the battlefield. But to its credit CAP has reintegrated several hundred adolescent warriors into what remains of Liberian society.

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Urban conflict, crime and policing in South African cities

Mark Shaw, Senior Researcher at the Institute of Defence Policy in Johannesburg, examines the growing levels of crime against the background of the political and social transformation presently taking place in South Africa.

Introduction

POLITICAL and social transformation have had a profound effect on South African cities. New and non-racial forms of democratic local government are being established and reconstruction and development has begun. The process, however, has been far from painless: while political violence is generally on the decline – although parts of KwaZulu-Natal remain the exception – rising levels of crime have characterized the transition to democracy in South African cities.

Maintaining order in the cities during the period of reconstruction and democratization is critical to the health of the new society. The failure of the police to actively counter levels of crime has lead to disillusionment with the new government on law and order issues and potentially a greater propensity for citizens to take the law into their own hands. An increase in levels of disorder have occurred at the same time as the policing agencies of the state have been undergoing fundamental changes. Also, new institutions of private and local authority policing in the society are beginning to solidify.

This article is an attempt to analyse these processes. It traces the decline in political violence which marked the end of South Africa's transition to democracy and attempts to explain growing levels of crime and their relationship – if any – to the political and social transformation in the society. The study focuses in particular on attempts to control crime since the Government of National Unity (GNU) took office in May 1994. This includes an overview of changes in the South African Police Services and new initiatives in city policing. Finally, changing forms of private and self-policing are examined and the implications for the future of policing the city in South Africa are considered.

From violence to crime?

The transition to a fledgling democracy in South Africa saw intense conflict: about 16 000 people died between 1990 and 1994 in internecine violence.[1] The majority of this conflict was concentrated in the country's urban complexes.[2] Since the 1994 election, political violence has dissipated (although it has not ended), but crime has continued to increase, as it did during the first four years of the 1990s.

Violence began before 1990, but increased from June 1990 in KwaZulu-Natal and on the Reef. Deaths in KwaZulu-Natal rose from an estimated 800 in 1989 to more than 1 500 in 1990, dropping slightly in 1991 and 1992 but climbing to a high of 2 009 in 1993.[3] Violence rose in the year negotiations began, and peaked in the year that they ended.

Better policing and monitoring curbed some violence – but this changed its pattern, not its extent. By 1993, pitched battles between antagonists had waned, only to be replaced by drive-by shootings and hit-and-run attacks.[4] The visible parties to the conflict were replaced by invisible ones. The result was a conflict which was even more lethal: by 1993 more people were being killed than wounded.[5] The resumption of all-party talks in March – after a dispute about state involvement in the conflict – coincided with a sharp rise in violence, which had decreased for the first part of 1993: monthly deaths for the first two months of the year were little more than half 1992's monthly average.[6]

Explanations for the violence varied. Some claimed a conspiracy on the part of the apartheid regime. Violence, they tried to show, peaked when there was a breakthrough in negotiations; either its architects were those who did not want a settlement or it was a strategy by the National Party (NP) to weaken its bargaining partners.[7] There was some evidence of state involvement: senior police officers had been implicated in weapons smuggling and support of the Inkatha Freedom Party (IFP) while ongoing violence had shown the police to be biased against the African National Congress (ANC) and its allies.[8] But there was no evidence of a link to the highest levels of the NP. Nor could this theory explain why, later, the conspiracy did not try to disrupt an election which was likely to (and did) end the NP's reign. As it was, the complexity of the conflict denied simple conspiracy theories which showed all perpetrators of conflict to be simple puppets of Pretoria's intentions. While there were conspirators, they encouraged and worsened conflict – they alone did not create it out of nothing.

A second view blamed political rivalry. Here there was ample evidence: by the beginning of 1993 the political dimensions of the conflict were almost beyond dispute as participants clearly labelled themselves as coming from either the ANC or IFP. Violence in KwaZulu-Natal assumed war-like proportions as opposing political groups battled for territorial control on the urban periphery while around Johannesburg internecine conflict simmered as streets, blocks, houses and hostels were labelled to be the territory of one or other political party.[9]

But to view the violence purely as a political clash obscured the underlying causes for conflict. There was evidence, for instance, that violence often began for a variety of other reasons – many related to local disputes or grievances – which then acquired political labels over time. Monitoring evidence also showed that the political nature of the conflict was not always clear: one survey showing in 1991 that only about 7% of acts of violence were reported as an ANC-IFP clash.[10] And, only about one quarter of those involved in conflict in certain areas of KwaZulu-Natal in 1990 could identify political leaders and explain the ideologies of the parties they were meant to be fighting for.[11] In turn, some violence took place not only between opposing political groups but also within them.[12]

Conflict was also most common in areas on the Reef and in KwaZulu-Natal characterized by desperate poverty. Violence often seemed to take the form of a battle to ensure access to meagre resources on the urban periphery: a fight between the "haves" and the "have nots" – albeit labelled as belonging to different political parties. This suggested at least that structural and material factors were significant causes for the violence: these would not necessarily alter after the transition to democracy had been completed.[13]

The election though did lead to a drop in conflict – or at least in the short term. The participation of the IFP in the poll meant that all parties – bar part of the white right – participated and that Inkatha's late entry ensured that there was little campaigning by it and its rivals in each other's territories.[14] Conflict fatalities dropped from over 500 in the month before the poll to under 100 in the post-election months.[15] But the election did not end violence altogether. By mid-1995 KwaZulu-Natal was once again simmering: in August nearly 100 people were killed in the province in continuing violence and more than 200 houses burnt down with monitors describing the province as being in a "situation of near anarchy".[16]

The election also gave rise to new (but interconnected fears) that the country was sliding into criminal anarchy. South Africa's crime problem is not a recent phenomenon: the society has been what one commentator has termed "crime generic" in the past.[17] The decade in which the apartheid state came under the greatest challenge – the period from 1980 to 1990 – showed significant increases in crime. Police figures recorded that serious offences rose by 22%, and less serious ones by 17%: murders increased by 32%, rape by 24% and burglary by 31%.[18]

The growth in levels of crime across the decade peaked in 1990 – the year the political transition began: recorded levels of almost all crime showed absolute increases for the period 1990 to 1994. While the murder rate declined by 7% (from 16 042 fatalities in 1990 to 14 920 in 1994) in parallel with declining levels of political violence, other crimes increased markedly over the transition: assault increased by 18%, rape by 42%, robbery by 40%, vehicle theft by 34% and housebreaking by 20%.[19] There was also an increase in the crimes of the affluent: white collar crime increased over the period although no accurate figures are available.[20] Increases across the country were not uniform: the greatest upswings occurring in the urban complexes around Johannesburg, Durban, Port Elizabeth and Cape Town.[21]

The rise in criminality in South Africa is not a unique phenomenon. Comparative evidence suggests that crime increases markedly in periods of political transition coupled with instability and violence. This was the case in Eastern Europe during the transition to democracy, and in the final days of the Soviet Union and the first days of the Soviet Republics. The Russian case contains added complexities, economic and political collapse have created a vacuum into which organized crime has expanded and in which current and former members of the security forces are active.[22] In Northern Ireland it is feared that the promise of political compromise and the concomitant loosening of tight (and opposing) community bonds, the greater number of (armed) ex-fighters on the streets, and less vigilant policing may herald an increase in crime.[23] African evidence on the subject is thin: a substantial increase in crime was said to have been experienced in Namibia in the run-up to and just after the election.[24] The bonds holding society together are loosened in a period of instability making crime more likely.

In South Africa while political violence has declined in some areas, it may have left a legacy with important consequences for crime trends. Campaigns to retrieve illegal arms have been largely unsuccessful: slightly more than 1 000 firearms were surrendered in two amnesties during 1994.[25] The relatively wide availability of legal gun ownership – a consequence of permissive gun ownership laws – increases the stock of weapons available to criminals, who may acquire them legally or steal them from legal gun owners.

Violence also weakened social control producing marginalized groups reliant on conflict for a livelihood.[26] The result is increasing levels of crime as disaffected individuals (often township youth) become engaged in it. This is suggestive of just two ways in which the violence-torn transition may have consequences for crime rates for some time to come.

Perhaps most importantly, rising crime – as was increased levels of violence from 1990 – is almost certainly related to political, social and economic trends which began before the formal transition but were accentuated by it. The evidence suggests that crime rates in townships have been high for many years,[27] but that racial segregation largely insulated more affluent (white) areas from its effects. It seems likely, given the gulf between township residents and the police, that much crime remained unrecorded.

The erosion and then collapse of apartheid boundaries allowed crime to move out of the townships and into the suburbs, where it was more likely to be recorded. Greater affluence in these areas – and in parts of black townships as barriers to black economic empowerment dropped – increased the rewards available to criminals and the incentive to engage in more organized, sophisticated forms of crime.

Policing the transformation

The apartheid order generated crime rather than controlling it: the police were agents of a state which created crimes in its concern to erect moral, economic and political boundaries between the races. The South African Police's (SAP) official historian concedes that during the apartheid era, only one in ten members of the force were engaged in crime detection and investigation:[28] combating crime was subservient to the policing of apartheid and the maintenance of internal security.

Because the police were politicized during the apartheid era, political transition also demanded a transition in the force. But, unlike the South African National Defence Force, the South African Police Service (SAPS) cannot turn inward for a period of reform and then return to the public eye to perform its task. Transition impedes the capacity of the police to combat crime, while crime places pressure on police transition. This warns against most current analyses of police change in which "restructuring of the police is treated in virtual isolation from the societal conditions within which the institution is embedded".[29]

Public concern at the growth in crime then coincides with a period in which the transition has subjected the police to severe stress. Inevitably, the police transition has not been smooth. Visible conflicts within the force, revelations of past police brutality and continuing corruption, and ebbing police morale – there were 142 police suicides in 1994[30] – are further undermining prospects for the maintenance of order. Reform within the SAPS is progressing slowly against a backdrop of increased restiveness among officers of all ranks and the departure of significant numbers – since June 1994, half the general staff has resigned.[31] Police unrest has been crushed by the army in Transkei, KwaZulu Police recruits were rejected by the national government because they were allegedly unfit to protect the public, and claims of internal racism and poor working conditions are on the increase.

It is hardly surprising then, that the latest figures show that the police solved on average only half of all recorded violent crimes.[32] Crime by police officers has also undermined public confidence in the force: one in four officers in the Johannesburg area were investigated for criminal activity in 1994.[33] Much still needs to be done before a national policy on crime prevention and control becomes a reality.

The process of transforming the police force has been underway for some time now; initially the old SAP sought to control change by pre-emptively restructuring the force before the new political authorities took office. Changes have concentrated on civilianizing the police agency and making it more service orientated. Central to this has been a focus on "community policing" encouraging greater cooperation between police and public in the fighting of crime.

The process has not been uncontroversial and many commentators argue that it has only been partly successful. Community police forums are often seen to be controlled by the police and community policing is frequently seen by both the public and the police themselves as a "softly softly" approach to the problem of crime. But there is not necessarily a contradiction between greater police accountability to the citizenry and effective crime control; on the contrary, given the brutal history of policing in South Africa, a police force more responsive to community needs is not only an appropriate strategy to fight crime it is a necessary one, ensuring a police agency with which the public can work.

There are obstacles to this transformation though. Continued violence on the urban periphery in KwaZulu-Natal suggests that community policing strategies will be hard to implement when in the short term paramilitary methods are needed to police the conflict.[34] More generally, if police do respond to demands to tailor their operation to democratic norms, immediate gains in crime control are not guaranteed; any benefits are likely to become evident only in the longer term. This imperils attempts at police reform since it will, for a while yet, yield limited – if any – reductions in crime; and as long as this is the case, pressures for a return to the authoritarian style of the past may grow. Or, it may divert resources badly needed elsewhere to policing when current comparative evidence suggests that increases in expenditure on policing do not automatically translate into reductions in crime.[35]

As it is, there is a longstanding assumption that South Africa is underpoliced compared with other societies. Contrary to popular perceptions, the SAPS is not much smaller proportionately than police agencies in other countries. Combined police strength is 3,1 active force members for every 1 000 people – not much less than the European average of 3,5. But policing resources are concentrated almost exclusively in white areas: recent estimates suggest that 80% of policing resources are concentrated in suburbs and city centres, while formerly black, "coloured" and Indian areas are policed by the remaining 20%; African townships receive an 8% share.[36] This implies not that South Africa is underpoliced but that it is policed unevenly.

At a national level, some senior police officers have conceded that the SAPS will have to relook at its distribution, providing more comprehensive service in townships while leaving the suburbs to private security companies. "Normal" models of policing have largely been confined to whites; suburbs have traditionally been well stocked with police services, while townships were policed more for control than crime prevention. Now, as the focus begins to shift, it is becoming clear that the SAPS is not only ill-prepared for policing crime in the townships, given the past instruments of political control (such as informer networks), but does not have the required resources.

Adequate reform of the police will entail a fundamental shift of resources into townships, implying that the suburbs will receive less policing. And it is possible that some SAPS resources will be concentrated on areas of focus policing – such as drug trafficking – allowing "visible policing" to be undertaken by other agencies. The implication is obvious: further spaces for local authority and private policing. As an SAPS document candidly admits: "It is general knowledge that the different socio-economic classes of a national population will have different security needs. It is also assumed that safest measures are available to those who can afford it, because it is expensive. This can lead to public policing for the needy and private policing for the affluent. If this is the case what is the future of a national police service?"[37]

Policing the cities: The future of safety and security?

Sections of the citizenry are, inevitably, unwilling to wait for the uncertain benefits of police transition, and have made their own arrangements to protect themselves and their possessions. The result is a substantial growth in private security services, demands for the establishing of local authority policing agencies and possible new forms of self-policing, all of which could have an important impact on how South Africans are policed in future.

Surprisingly the political transition seems to have weakened citizens' anti-crime initiatives in some areas – Neighbourhood Watch organizations, and self-defence and self-protection units.[38] To the extent that these responses are not necessarily subject to democratic rules this seems to be a gain for democratic order – and this is reinforced by more recent initiatives in which civil society groupings have united to fight crime but without necessarily resorting to armed force.[39] However, community policing initiatives, together with declining confidence in public institutions' ability to maintain order, could prompt a resurgence in self-policing. While this will require careful management, these initiatives could work with, rather than against, police, and in a context which strengthens democracy – provided that where they emerge, they are regulated and encouraged to cooperate with police rather than ignored or simply suppressed.

In addition, the debate has begun as to the appropriateness of forms of local authority policing – provision is made in the interim constitution for local police although they are confined to "crime prevention".[40] Here, given the proposed relationship between local police and local government, accountability may be easier. And comparative and domestic examples also suggest that local policing could help to counter crime in the city centre while performing a useful public service role. But opportunities for corruption and abuse of power do exist. Municipal policing could strengthen democratic order provided that it is subject to regulation which ensures that diverse local forces will obey common democratic norms. There remains one danger: if national government is too prescriptive of the standards that local authority policing has to achieve – these are determined by the National Police Commissioner and the Minister of Safety and Security – then local forms of policing could be privatized and lines of democratic accountability blurred.

Indeed, private security has been a clear beneficiary, at least in some areas, of reduced reliance on self-policing. The industry is a growing reality – expanding initially at about 30% a year and now far outnumbering the public police[41] – seeking to assert itself as a source of effective protection against crime. The industry though is not a homogenous sector given that different components provide varying services and consolidating and regulating private policing has been difficult given internal competition. And the relationship between private and public policing may be more complex than the state simply withdrawing from some areas of control to be replaced by private means; the instruments of public policing have not contracted during the period when private policing institutions have grown.[42] Rather private security has expanded as a result of the growth of private property[43] and perceptions that the society is unsafe.[44] In turn, societies emerging from periods of authoritarian rule, like South Africa, have personnel to staff the growing private security sector as a result of the numbers of former combatants – who have few other skills – looking for employment.

The South African industry was itself partially spawned by apartheid policies given that the security apparatus encouraged its growth so that state resources could concentrate on policing political dissent. Indeed, the industry continues to have a close relationship with the state: private security puts in place mechanisms – guards, alarms and detection devices – to gather information which can be fed to the police: rather than decreasing demands on the police, private security may overburden it in some areas.[45] But, in addition, the market for the industry is expanding into areas previously the exclusive domain of the public police. "Panic buttons" in some areas will no longer be attached to police stations, which say they are inundated with calls – it is estimated that there are 400 000 panic alarms in Johannesburg alone – but will almost be the exclusive realm of private reaction units.[46]

In some instances private policing has directly replaced the public police. A small number of municipalities now charge private security to local authority rates and taxes and award contracts to firms to "police" individual suburbs. Nor have the city centres been excluded: in Johannesburg a private consortium polices a number of blocks in the city centre. The growth of private security is also not exclusively confined to the wealthy parts of the urban environment: ex-ANC guerrillas have established security firms in township areas to protect delivery vehicles as well as selling their services to blocks of township residents.[47]

This may create dangers to democracy – in particular the prospect that security companies, mainly staffed by officers with a background in the SAP or similar apartheid agencies, will protect the rights of their clients at the expense of everyone else, and entrench further the divide between the (privately policed) minority and the majority. But private security does not in itself constitute a threat to democratic order – the industry is too fragmented and competitive and needs to ensure a healthy relationship with the state. Indeed, the growth of the industry may contain some advantages: private security could absorb personnel left redundant by the rationalization of the military and the disbandment of the liberation armies while reducing attempts at self-policing which may hold greater potential for threatening civil liberties.

But the blessing may be distinctly mixed. There is evidence that residents of the suburbs may react to crime by seeking to insulate themselves physically from the poor who are seen as its perpetrators – this is reflected not only in the use of private security but in the changing architecture of the cities – increasingly characterized by walled suburban complexes. This could entrench and strengthen a form of social distance which would impede attempts to create a common South African loyalty. Private security could threaten citizens – private security officials have been responsible for a number of cases of abuse[48] – and entrench a divide between those able to hire personal protection and those who cannot. In the suburbs, the likelihood that the former will be mainly white and affluent, the latter mainly poor and black may enhance racial and social barriers and increase the possibility that security will become, or at least be seen to become, a weapon used by the former against the latter, eroding a fundamental norm of democratic societies – that policing should be uniformly available to all, its powers exercised through universally applicable laws.

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Illegal migration to South Africa

Xavier Carim, Research Fellow at the Centre for Southern African Studies, University of the Western Cape, reflects on the contending approaches to the thorny issue of illegal migration to South Africa.

AN important indicator of the vision and direction of South Africa's Government of National Unity (GNU) is the manner in which it addresses the challenges posed by the flood of illegal aliens entering the country. The end of apartheid, South Africa's re-entry into the world community, and its relatively developed economy and infrastructure have all made it a natural magnet for those fleeing famine, drought, economic deprivation, environmental degradation, conflict, persecution and human rights abuse throughout Southern Africa and, indeed, the entire continent. For many, it is very plain, South Africa is a tempting oasis of opportunity, Johannesburg – the golden city – being the main destination.

While any study of illegal migration elicits a complex set of issues, the critical questions are: How does the "new" South Africa intend interacting with its regional neighbours? In partnership with them? Or against them, as in the apartheid past?[1] As might be expected, the entire issue of illegal migration highlights tensions within the GNU itself. Battle lines have been drawn between those who would distance South Africa from the rest of the continent by imposing stiffer penalties on illegal migrants and erecting tighter border controls, and those who seek to resolve difficulties through broader, longer-term regional strategies and solutions.

The inclination to cut South Africa off from its neighbours is partially a reflection of an institutional memory located within the civil service. The negotiations which eventually led to the general elections in April 1994 entrenched the personnel and structure of the incumbent civil service. As a result, the ministries (Home Affairs, Foreign Affairs, Defence, Police, etc) charged, in one way or another, with dealing with illegal migration have largely withstood South Africa's political transition. The knee-jerk reaction from many officials in these quarters is to deport illegal aliens, intensify border patrols and controls, and turn up the voltage on the electric fence that separates South Africa from Mozambique and Zimbabwe. This is an approach which recalls an unhappy past when South Africa lived *against* its neighbours rather than with them. It may also be seen as a continuing reflection of the laager mindset and influx control generated during the apartheid years.

The image of (Southern) Africa as crisis-prone conjures up fears of hordes of desperate, impoverished refugees swamping South Africa and undermining its development prospects. In a country reeling from the dire effects of apartheid, it is difficult to exaggerate the dangers of a seemingly unstoppable tide of illegal immigrants. With the country's profound socioeconomic backlogs, and with its poor, homeless and jobless ever less able to blame apartheid for their plight, foreigners (illegal *and* legal) are ready scapegoats for politicians seeking quick payoffs or attempting to deflect criticism from their failing policies.

Politicians, trade unions and people employed in the informal sector are increasingly strident in blaming immigrants for undercutting prices, grabbing low-paid jobs and scarce housing, and adding to the crime figures. Media reporters have observed the growing wave of xenophobic reaction and the ways in which foreigners have become victims of threats and violent attacks. The flood of illegal immigrants is now being linked to the success or failure of the Government's Reconstruction and Development Programme (RDP). The Minister of Home Affairs, Mangosuthu Buthelezi, has been quoted as saying that the flow of illegal migrants, if unchecked, will threaten the success of the RDP. The Inkatha Freedom Party (IFP), which makes great play with Zulu nationalism, appears to be leading a campaign to clean the country of illegal immigrants. Yet the scale of the problem seems overwhelming. Some reports state that illegal immigrants are entering the country at the rate of one every ten minutes.[2] Government figures show that 96 600 illegal immigrants – more than double the 1991 total – were deported to 39 countries in 1993.[3] Some 81 000 came from Mozambique and nearly 11 000 from Zimbabwe. Others have come from as far afield as Eastern Europe and Asia. There are wildly divergent estimates of the total illegal immigrant population in South Africa. This is largely a result of state policy which criminalizes such persons, drives them underground, and so makes it impossible to arrive at any precise figure. Thus while official estimates put the figure at two million, an unpublished government study has put the figure as high as eight million.[4] This latter figure seems unrealistic as it would mean that one inevery five people in the country is not a South African. A realistic figure would lie between three and five million.[5]

Existing methods of immigration control, registration and deportation are hopelessly deficient. This year alone it could cost R210 000 000 – one tenth of the entire amount budgeted for the RDP – merely to house, educate, police and give medical care to illegal Mozambicans.[6] The cost of simply catching and repatriating Mozambicans alone will reach more than R120 000 000 this year. And most of these repatriates return.

The problems of illegal immigration are not only economic but social as well. The rising rates of crime and violence – prostitution, small-arms and drug trafficking, car theft and armed robbery – are increasingly being linked to the rising number of illegal immigrants. Police have estimated that 14% of the crime in South Africa involves illegals.[7] At the same time, they may pose severe health risks. They live in the shadows, and this makes the detection and control of such diseases as Aids, cholera and malaria almost impossible.[8]

The Government has signalled its intention to adopt a get-tough approach. To support the police in their efforts to curb the influx of illegal immigrants, the South African National Defence Force has stationed troops along the country's borders and coastline. Police have arrested thousands of illegal traders and handed them over for deportation. They have also raided farms in border regions, rounding up illegal labourers and fining farmers who have employed them.[9] These moves have nevertheless been *ad hoc* and ineffective. The fact is that the government departments responsible for enforcement are simply unable to deal with the sheer numbers of illegals entering the country daily.

Illegal migration is overwhelmingly about the human condition, about refugees and desperation. When people face famine, no fence, army or government policy will keep them from seeking even marginally better conditions. Undoubtedly, the problems listed above pose severe challenges to South Africa. But comparative evidence from other regions suggest that tackling the problem effectively requires broader and longer-term strategies than those currently on offer in South Africa. Short-term, "problem-solving" approaches are, in themselves, futile. Stricter border controls only address symptoms, not causes. Deporting Mozambicans, for instance, has not stemmed their re-entry. Moreover, the consequence of deporting the estimated two million illegal Mozambicans living in South Africa will shatter any hope that our good neighbour to the north-east can embark upon its own reconstruction. And if Mozambique's reconstruction programme is delayed, surely pressures to emigrate will only intensify.

An effective strategy needs to be informed by wider, more inclusive definitions of identity and political community. Deep and multifarious historical ties bind South Africans to peoples throughout the subcontinent. An alternative approach to dealing with migration must, therefore, begin with history. Colonialism linked the region to South Africa in profound ways and created the basis of a *de facto* regional economy. Further, the migrant labour system that stretched its tentacles throughout the subcontinent has contributed directly to South Africa's wealth. The memory of that system has been deeply ingrained in the region's consciousness as generations of labourers throughout the subcontinent have left their homes to work in the land of gold.

Migration to South Africa is also a legacy of apartheid's regional policy of destabilization in the 1980s. The conflicts sown by Pretoria, and by its surrogates in the region, notably Renamo in Mozambique and Unita in Angola, led directly to a massive displacement of people across Southern Africa and stifled any prospects of regional economic development. Concurrently, Pretoria's attempt to restrict the inflow of migrant labour in the late 1980s encouraged many to re-enter the country illegally. In sum, the effects of political, economic and social insecurity in the region, intensified by Pretoria's ventures of destruction, have now rebounded – to South Africa's discomfiture: people are invading the country in search of work and a better life generally.

As long as the entire region is plagued by political instability, economic decline and environmental degradation, South Africa will remain the destination for people willing to risk their lives in search of something better. It is therefore vitally in South Africa's interest that it actively and vigorously engage with the region in terms of Southern African Development Community principles – mutual benefit, collaboration and partnership.[10]

The region is marked by profound inequalities. While past economic relations in the region have benefited South Africa disproportionately, such inequitable relationships are no longer sustainable: South Africa must acknowledge the inequities of existing economic relations and strive to overcome them.[11] By contributing to equitable regional economic development and, therefore, peace and security, the pressures to migrate might be assuaged. South Africa, in a word, should assist its neighbours in their economic development so that they can themselves provide more and better opportunities for their own citizens. The solution is ultimately an economic one. It therefore demands long-term perspective and commitment.

South Africa's long-term prosperity and stability is intimately tied to the region and at its peril it will ignore its neighbours' plight. Through the SADC, it should seek ways to help these neighbours cope with their nationals deported by Pretoria. The region has already had some initial success in this area; the South African and Mozambican governments (under the aegis of the United Nations High Commission for Refugees (UNHCR) have begun to coordinate their efforts to control illegal migration more effectively. Closer political cooperation between governments throughout the region will undoubtedly be decisive in the overall success of strategies to combat illegal migration.

In the short term, however, illegal migration and its associated problems will persist. Again, the conclusion must be that South African policy-makers should address the entire syndrome within the multilateral SADC framework. The SADC's commitment to expand areas of cooperation and integration beyond economics to encompass politics, diplomacy, international relations, peace and security suggests that it is the logical framework within which strategies to stem illegal migration may be pursued. The SADC has already established a security arm which will deal, among others, with such issues as migration, conflict-resolution and environmental security. Through such regional efforts, indeed, conflict-resolution, political instability, food shortages, drought and environmental degradation can best be addressed. For example, the development of early-warning mechanisms can alert the region to impending crises of various kinds that might encourage migration. Preventive steps at regional level might then be taken to avert the worst outcomes.

Meanwhile, South Africa must come forward with a sensitive and holistic set of policies to deal with illegal immigrants. These policies should decriminalize illegal immigrants and grant them basic human rights which, until now, they have under South African law been denied. The Government should also take action against employers who exploit vulnerable illegal immigrants, often keeping them in virtual slave conditions. The new policy should also make clear the points of distinction between illegal immigrants and refugees. In this regard, it should adopt the broader Organization of African Unity definition to which the UNHCR in Africa subscribes: refugee status will be granted to anyone fleeing environmental degradation (drought, for instance), human rights abuse and economic impoverishment.[12]

In short, South Africa must come forward with a refugee and illegal immigrant policy that is relevant, effective and sensitive to the plight of people fleeing their homeland. Looking even more widely, the moral dimension of issues raised by illegal migration should not lightly be dismissed. South Africa's neighbours provided generous support for the liberation struggle against apartheid and, in the process, paid a high price. South Africa's Deputy President, Thabo Mbeki, has reminded the nation that, in the dark days of apartheid, neighbouring countries welcomed and provided succour to South African exiles.

Unfortunately, moral arguments are unlikely to sustain themselves in the long run. It is notable that the problems associated with migration draw together, in very concrete ways, the separate concerns of economics, politics, the environment, crime, drug and arms smuggling. Thus it is reasonable to assume, as we have pleaded, that any effective solution to the problems generated by migration will only be solved by broad-ranging, transnational, holistic regional strategies.

In South and Southern Africa, as in other regions around the globe, illegal migration, refugees and, more generally, natural population movements have increasingly captured the attention of policy-makers and analysts alike. The urgency of dealing with the problems generated by such massive population movements touches on a deeper and more profound set of issues than is usually considered. Migration in the post-Cold War world goes to the heart of certain very basic, long-held assumptions concerning the nature and structure of international relations. The nation-state, sovereignty, the integrity of national borders are beginning to appear irrelevant and anachronistic features in today's emerging global system. Borders are increasingly porous and fragmented; states are no longer able to provide security for people within their jurisdiction. However, alternative perspectives and arguments that seek to establish forms of political community extending beyond the confines of traditional nation-states can only be sustained by exposing more fully why and how the insecurities arising from new global and regional dynamics require solutions that are beyond the capacity of present-day national government alone, to tackle with any hope of success.

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Liberalization, democratization and democracy in Africa: Comparative perspectives

Dr Edmond J Keller, Director of the James S Coleman African Studies Center, University of California, and a Research Fellow of the Africa Institute of South Africa, suggests an empirically based model for use as a framework for analysis in studying contemporary political transitions in Africa.

FOR over five years now, Africa has been involved in what many observers believe to be a veritable "democratic revolution".[1] Throughout the continent, authoritarian regimes have recently crumbled or been pressured into liberalizing their politics as well as their economies. These developments have attracted a great deal of scholarly attention. On the one hand, there are analysts who have chosen to focus on the concept of democracy itself as the most appropriate unit of analysis.[2] Others have concentrated on various institutions such as the one-party system, types of electoral system, national elections, or popular movements and their relationship to the advancement of democracy.[3] Yet others have focused on democracy only indirectly, preferring to cast their analysis in terms of what they perceive to be the more neutral and all-encompassing concept of "governance".[4] What seems to be missing in the burgeoning literature on democracy as well as governance is an appreciation of the dynamics of change: how and why it is initiated, and what factors lead to particular outcomes and not to others.

The purpose of this essay is to suggest an empirically based model for use as a framework for analysis in studying contemporary political transitions in Africa. My discussion is founded on the leading assumption that, no matter what the direction of change, the factors which catalyse regime transformation are fundamentally the same. Democratization is only one form of transformation. The trend toward democratization is nothing more than an artifact of the historical moment, and could well be reversed. However, the types of factor that stimulate change in one direction or the other are fundamentally the same: social crises intersect with structural conditions and particular patterns of human relationships, resulting in a type of change which is conditioned by political culture and the weight of history. In other words, at a very fundamental level, the same types of factor influence change from authoritarianism to democracy as from democracy to authoritarianism. This may be shown in a descriptive model which represents a framework for analysing regime transformation. But before I flesh out this model, let me turn briefly to some definitions.

Key concepts

Four concepts will be useful in interpreting our framework: liberalization; democratization; democracy; civil society.

Setting the scene

Scholars generally agree that the route to democracy is normally a gradual, staged process rather than an abrupt and dramatic one. However, there is no commonly agreed number of stages to the process. Schmitter and O'Donnell suggest two broad phases leading to democratic outcomes: liberalization and democratization. The transition process from authoritarianism to liberalization to democracy is marked by different signposts. Schmitter and O'Donnell refer to transition as the interval between one political regime and another.[5] The onset of the transition from authoritarianism is highly uncertain, but a master symptom is when the incumbent regime appears to be weakening or crumbling and its ideology and policies are seriously being called into question. Leaders themselves may set this process in motion by engaging in liberalization policies.[6]

Liberalization

Liberalization refers to a combination of loosened restrictions and expanded individual and group rights. When a transition towards democratization sets in, it triggers a number of often unintended consequences which dictate the pattern and extent of change. This liberalizing trend may initially be manifested in the economic or political arena or in a combination of both. For example, religious organizations and labour unions were instrumental in catalysing change in such different places as Algeria, Kenya, Madagascar, Zambia and South Africa.

Democratization

Democratization involves more than the mere extension of political rights. It also has social and economic dimensions within which things operate on democratic lines. The implementation of liberalization policies can set the stage for democratization. For example, after the release of Nelson Mandela from prison in 1990, the South African political system began to exhibit signs of both economic and political liberalization, while talks proceeded on the establishment of a democracy that guaranteed citizenship rights for all. Most often, then, liberalization comes before democratization; however, it is not uncommon for the two stages of overlap. This is clearly what happened in 1991 in Guinea-Bissau and Benin.[7] In both of these countries political rights and freedoms were extended even as constitutional reforms were being made to implement a competitive party system based on the principles of liberal democracy.

At fundamental level, democratization generally refers to the development of more egalitarian social relations and the elimination of autocratic structures. The state lessens its economic involvement; and economic policies are introduced that give more consideration to the rights of labour. This is facilitated when grass roots, non-governmental, non-partisan, social, economic and political associations are allowed to flourish. Thanks to these, citizens acquire the habits of democratic participation. Democratic leadership styles also develop. Such habits can then be translated to the national political arena. The development of a widespread habituation to democratic values and procedures such as I have outlined is essential if democracy is to stabilize at national level.[8]

Democracy

How democracy is visualized and defined varies from situation to situation. Nowhere is this more true than in Africa. However, in almost all circumstances democracy is conceived of as involving the guarantee of social justice, government accountability and human freedoms. Former Nigerian head of state, Olusegun Obasanjo, has cogently spelled out what he believes to be the minimum standards of democracy:

> Periodic elections of political leadership through the secret ballot; popular participation of all adults in the election process; choice of programmes and personalities in the elections; an orderly succession; openness of the society; an independent judiciary; freedom of the press to include freedom of ownership; institutional pluralism; a democratic culture and democratic spirit; and fundamental human rights.[9]

For the purposes of this discussion, the term "democracy" refers to some form of *liberal* democracy. This involves the procedural minimum of contestation for political office and policy choices; popular participation in elections and other elements of political decision making; and the accountability of elected public officials under the rule of law. All this must take place within a culture in which fundamental human rights and political freedoms are guaranteed. To this inventory should be added military accountability to civilian authority. This is a requirement suggested by Terry Karl as a result of her work in Latin America. It seems apt to Africa too;[10] for throughout this continent the military has demonstrated that it is not averse to stepping into the political arena whenever the politicians "mess up".

Liberal democracy may be thought of as an ideal type, not found in its purest form even in one single society. Political systems may, however, approximate this idealized form more or less closely. We should note that democracy in practice tends to have its shortcomings. For example, in most liberal democracies the common citizen is far removed from the levers of governmental power, and policy decisions in reality are the domain of a select group of elites. Also, in countries where there exists a majoritarian form of democracy, it is not uncommon for the rights of minorities to be ignored. In order for liberal democracy to approach its true ideals, political elites must be committed to more than the achievement of the democratic procedural minima; they must be committed, too, to social justice and the upholding of human and political rights for all. Noting what he claims are the limits of liberal democracy, Sklar describes it as "democracy with tears". He himself appears to favour a hybrid, developmental democracy: "democracy without tears".[11]

Civil society

The term "civil society" is often used to refer to autonomous organized groups bent on challenging authoritarian regimes to open up the political system. In a seminal article on this subject, Jean-Francois Bayart defines civil society as the political space between the household and the state.[12] It is outside the formal political arena, but it can be drawn into the arena in times of political crisis. However, as Callaghy has noted, "... new or reinvigorated autonomous voluntary associations and sociopolitical movements do not necessarily a civil society make".[13] Civil society is a sub-set of society writ large. What defines it, is its agenda. Civil society is created when autonomous associations adopt and act upon a civic agenda. These groups may not have been born as civic organizations, but they are moved by circumstances to engage in politics. For example, in Kenya the National Christian Council of Kenya and in Uganda the Uganda Joint Christian Council are both primarily church-based organizations; but over the past decade they have developed political wings that, as elements of civil society, are integral actors in the national politics of both Kenya and Uganda.

The groups that comprise civil society usually consist of intellectuals, artists, professionals such as lawyers, doctors, organized labour, church associations, women's and students' associations. During the drive for independence such groups provided the support base for the nationalist parties. Crawford Young suggests that, based upon the vitality of associational life in political matters, this nationalist period could be considered the golden age in the evolution of Africa's civil society.[14] After independence, autonomous civic associations were either coopted by mainstream political organizations or repressed by autocratic regimes and forced to bide their time, waiting for openings in the political opportunity structure.

Sidney Tarrow has noted that rational people do not confront strong opponents when they perceive that opportunities for their success are minimal.[15] However, when the risk of collective action appears to have been significantly reduced, social movements such as are represented in civil society emerge spontaneously. This may occur when political leaders choose voluntarily to open up the political system or when they are forced by circumstances to do so; when shifts begin to occur in elite alignments; when an incumbent autocratic regime begins to implode; or when external pressures are applied on incumbent regimes to open up their political and/or economic systems.

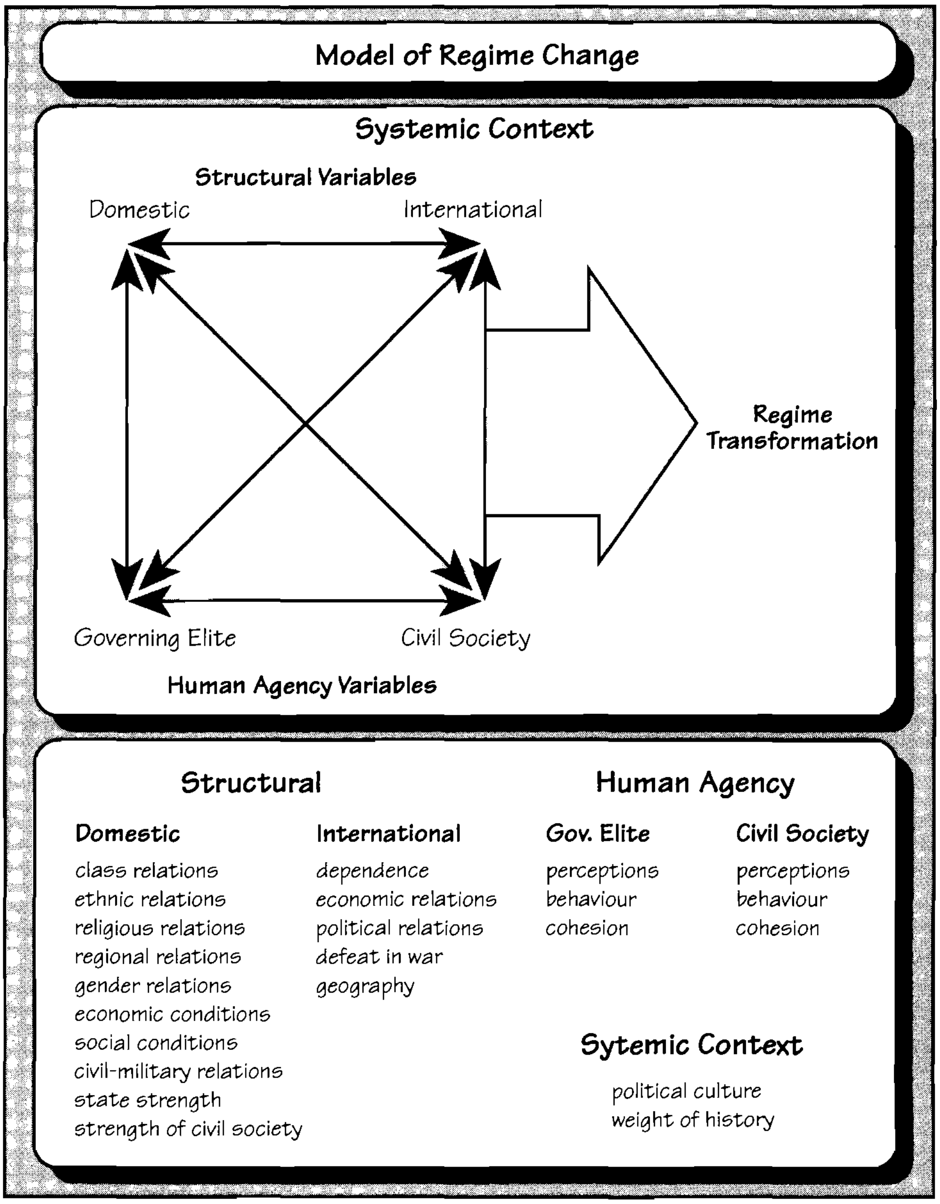
The first signs of resurgent civil society began to appear in Africa at about the time of the overthrow of the Jaffar Nimeiri regime in a popular uprising in 1985, but it was not until about 1988 that there were clear manifestations that what we were seeing here was a genuine social movement. Since then, African civil society has not only grown, it has changed in nature, become emboldened and focused on the spoils of national politics. In many instances it has been the decisive catalyst in regime change.[16]

Many observers claim that a vibrant and mobilized civil society is the key to the promotion of democracy in Africa. But a few words of caution are in order. First, rarely do we find a civil society that is a coherent and cohesive mass movement with a clear sense of its identity and with members sharing a sense of their nursing common objectives. No, civil society often comprises a loose assemblage of groups with a vaguely defined common objective which often amounts to no more than a desire to oust some corrupt or incompetent political regime. Second, and related to this, is the fact that civil society is ephemeral. It is brought into existence by political crisis, and coopted by more institutionalized political forces such as old-line politicians long opposed to incumbent regimes. Bratton argues that

> … the role of civil society in political transition is circumscribed to a short-lived interlude: from the time immediately before the 'opening' to the convocation of competitive elections. It is during this period, which may last months rather than years, that civil society is ascendant, in the sense that civic political actors are taking the initiatives that are driving forward political transition.[17]

Good examples of this may be seen in Zambia and South Africa where in the late 1980s and early 1990s vibrant civil societies were plain for all to see. However, they faded from the scene as soon as the issues they had made their own were taken up by formal political parties. The pattern has consistently been for civil society to retreat into limbo once victory has been secured or when defeat is certain, only to emerge again when another crisis occurs that seems unmanageable for existing political institutions.

All of this notwithstanding, civil society has to be factored into the equation if we are to understand the dynamics of the changes now taking place in Africa. Given the right circumstances, civil society *in action* can be decisive in bringing about regime transformation.



Towards a model of regime transformation in Africa

There is no specific theory of regime transformation available to help us understand the present process of change in Africa. In large measure this is due to the fact that history shows the process to be highly uncertain. At the same time, however, it would seem possible, based on broad comparative evidence, to construct an analytical model that at least illuminates what is now happening in Africa.

Structure and change

The change from authoritarian rule in the direction of democracy is not normally abrupt and even. It is not like the "Big Bang" which may instantaneously have created the universe. Instead, the process generally takes place in incremental stages. Particular objective conditions and structural relationships at a particular moment, together with a nation's particular political culture, set the parameters of change.[18] Such conditions might be found in the domestic or international environment or in both (see figure above). For example, the position of African countries in the world economic system has been declining since the oil crisis of the early 1970s, and, over the years, rather than abate, the continent-wide economic crisis has deepened. The high price of petroleum, coupled with declining commodity prices for the items produced in many of Africa's mono-crop economies, has had disastrous consequences. Unemployment, rising consumer prices and drastic declines in the purchasing power of the average citizen are some of the manifestations of the domestic economic crisis facing many an African government.

Since the period of African independence, there have been two distinct phases of regime transformation. The first occurred in the immediate post-independence period when ascendant political leaders tended to turn to authoritarian practices in efforts to enhance their political control and governmental effectiveness. Many of them argued that long-term development could be achieved only if society were disciplined. In an effort to impose this discipline, some used raw force in the form of military rule; others governed through *de jure* or *de facto* single-party mechanisms. In either case, ideology was often used to rationalize statist rule. For example, various forms of African socialism were used to justify the one-party system and to exhort the populace to be willing to make sacrifices in the interest of development and national unity. In other places it was Afro-Marxism which laid the ideological foundation for authoritarian rule.

Over the first several decades of the independence era, most African leaders seemed more concerned with asserting their power, authority and hegemony over their subjects than with enhancing their legitimacy. In a context where there were few political and economic resources which could allow leaders to purchase this legitimacy, the natural tendency was for them to attempt to establish the security, control and autonomy of their regimes. Consequently, in many places, politics as well as economics came to be tightly controlled by the state; and the "state class" – reigning political authorities, the central bureaucracy and its regional functionaries, the top echelons of the military and members of (where it existed) the dominant political party – were all shielded from popular demands for public accountability.

In the situation we have sketched, corruption and *prebendalism* were soon the order of the day.[19] Politics became more like economics, as the surest route to economic power was political power. A common practice was for potential opponents of the state to be coopted into the state class and allowed to enrich themselves through public office. African state bureaucracies grew, consequently, much larger than was necessary, and corruption and inefficiency predominated. Over the last decade, this pattern has caused strains in the relationships between African governments and bilateral and multilateral aid agencies. For example, the World Bank and the IMF have exerted considerable pressure on prospective aid recipients to trim their state bureaucracies and abandon their statist economic strategies.[20]

Efforts to implement structural adjustment measures of this sort at the behest of the World Bank and the IMF have caused further strains in the domestic economies of certain African countries, and this has had a ripple effect in many places, exposing the political failings of the regimes concerned. In some places, these strains have escalated to crises and thus provided a spark to ignite popular discontent and set off calls for democratization. I shall return to this point.

Authoritarianism only masked the weakness of African regimes that did not have the resources or the abilities to cope adequately with the uncertainties of change, and lacked the moral authority to ensure consistent compliance by their citizens with government rules, regulations and policies. Structural constraints showed themselves in such ever-present threats to political stability as politicized ethnicity, regionalism, sectarianism, persistent poverty, underdevelopment, inequality and class conflict. These constraints then combined with inimical exogenous structural factors such as difficult world-wide economic conditions, shifts in the relationships between donor and recipient countries, the end of the Cold War, and the contagious effects of changes taking place in other parts of the world to create structural conditions favouring the most recent wave of political transitions.

Agency and change. As important as are structural variables, they cannot alone trigger a change of regime. Human action, activities by individuals and groups, are essential before change is actually initiated. This may involve governing or non-governing elites, or it may involve factions within the regime as well as groups outside. What is crucial here is the perceptions by individuals and groups concerning the opportunities and constraints presented by particular structural patterns. In other words, the way in which individuals and groups perceive the opportunity structures they confront at a given historical moment serves to catalyse the change.

In some instances, incidents of mass social mobilization have a contagious effect: groups in one country might simply be inspired by the successful political mobilization of similar groups in other countries. Usually, however, groups become emboldened when they perceive that the risks of collective action are less than in the past. At the same time, they may well feel that prospects for the success of collective action have improved. For example, should the incumbent regime lose its cohesion or be otherwise weakened, this may send a signal to potential opponents that they can form an alliance with soft-liners in the government and thereby undermine authoritarian rule.

Developments of this sort in 1990–1991 led to the marginalization and eventual ousting of the Kerekou regime in Benin and of the Sasso-Nguesso regime in the Congo; and to the dramatic, if temporary, loss of authority about the same time by the regime of Mobutu Sese Seko in Zaire.

In such circumstances as we have described, clear vision and good timing are everything. Should opposition groups be disorganized, or read the situation incorrectly, their movements may fail to achieve their objectives. Opposition groups must not only be well-organized and focused, they must correctly perceive when the opportunity structure is open. For example, in the summer of 1991, the Islamic Salvation Front (FIS) in Algeria, led by Abassi Madani and his deputy Ali Belhadj, saw itself as strong enough to force the hand of the government of President Chadli Benjedid, which had (on its own) initiated a liberalization process in 1988. The FIS accused the government of attempting to rig upcoming multi-party parliamentary elections and took to the streets in violent protest. The regime, however, was determined to take a cautious and measured approach to political liberalization, and, when the protest turned violent, was quick to suppress the movement and deal harshly with its leaders. Moderates within the FIS accused Madani and Belhadj of having unnecessarily turned to violence.[21]

In Kenya, in 1990, there were calls for the re-introduction of a multi-party system not only by disgruntled political opponents of President Daniel arap Moi, but also by organized groups such as lawyers, students and other intellectuals, and church leaders. These calls, however, were greeted only with political murders, unlawful imprisonments, and a mere promise to try and make the only legal party, the Kenya African National Union, work better.[22] Within less than a year, however, a combination of pressures from within and without forced Moi to agree to a return to a multi-party system. The Paris Club came to require political liberalization as a precondition for foreign assistance; and the United States ambassador, Smith Hempstone, led a personal crusade in support of Kenya's civil society. The result was multi-party elections in December 1992. The opposition, unfortunately, proved on this occasion to be too divided to signal the death knell of a regime that continued to attempt to structure political outcomes in Moi's favour.

By contrast, in Ghana in 1968 and 1969, and in Sudan in 1964 and 1985, and in Benin in 1990–1991, popular movements and a recognition on the part of the political leadership of their incompetence as managers, forced authoritarian regimes out and replaced them with civilian regimes coming to power through multi-party elections.[23]

Authoritarian regimes do not have to possess legitimacy to survive. They merely have to be cohesive and able to rely upon the loyalty of a capable and subservient military. When a regime becomes weakened, for whatever reason, it clearly has the option of either considering a liberalization of its policies or digging in its heels and responding to popular protest with repression. What we are saying is that the perceptions and actions of governing elites are crucial in determining the rate and pattern of political transition. Ghana offers an example of state craft's being used to preempt or neutralize even a highly mobilized civil society. Head of State, Flight Lieutenant Jerry Rawlings resisted calls in the early 1990s for a rapid return to multi-party politics, insisting that he would not be forced into chaotic democratization at the expense of Ghana's resurgent economic progress: he was determined to have a say in how Ghana once again tackled the road to democracy.[24]

In such divergent places as Guinea-Bissau, Madagascar, Gabon, Burkina Faso, Angola and Mozambique, political leaders in the early 1990s hastened, with varying degrees of success, to take over leadership of the democratization movement, in hopes not only of preserving their own place in history but of protecting their own class interests.

Samuel Huntington has argued that one of the defining features of what he calls "The Third Wave of Democratization" in the world is the profound influence upon a democratizing Third Wave country of other governments and external institutions.[25] It was not only in the Soviet Union, Huntington reminds us, that external pressure was instrumental in helping to liberalize politics. He also credits the US with a key role in the dismantling of apartheid in South Africa.

Despite the decisive potential of external pressures for democratization, such pressures will only have the desired effect when the external actor has some leverage over the country in question. This is demonstrated by the ability of Mobutu in Zaire, Eyadema in Togo, Ahidjo in Togo, Bashir in Sudan, and Abacha in Nigeria, to cling to power in spite of the considerable pressures exercised by members of the international community who fail to possess genuinely significant leverage. External pressures on paper matter little. As long as determined autocrats are able to maintain both a core base of support and sufficient internal cohesion, they are likely to be able to resist or finesse those who wish for a speedy and complete turn to democracy. For example, despite having secured multi-party elections, Kenyan opposition parties, even with support from influential external actors, have been unable to guarantee democracy for their land.

In November 1994, the government of President Omar Bongo and Gabonese opposition groups signed (with the blessing of the French government) the "Paris Accords". These constituted an agreement between the two parties which, in principle, committed Bongo to establishing an independent electoral council to prepare the way for democratic elections. However, as a delaying tactic, Bongo has now proposed a referendum on the Accords. Critics contend that no referendum is needed since the President can enact the Accords by decree. Since as far back as 1990, we may note that Bongo has been employing his considerable political acumen to delay democratization – while publicly professing to be its staunchest advocate.[26]

Civil society, or for that matter mainstream opposition parties, are unlikely to successfully challenge autocratic regimes unless the regime is weak or divided against itself. When an authoritarian regime is weak, divided within itself, or both, it is vulnerable either to successful popular uprising, or to violent revolutionary change. In Benin, the Congo, and Zambia, for example, popular movements forced authoritarian regimes (who had eschewed excessive repression) to open up their political systems and submit ultimately to constitutional reforms and multi-party elections. On the other hand, the authoritarian regime of Samuel K Doe in Liberia, those of Obote and Okello in Uganda, Siad Barre in Somalia, and that of Mengistu Haile Mariam in Ethiopia were all brought to a violent end by revolutionary movements. The regimes in these countries had remained cohesive and had made only token gestures toward liberalization. Opponents had been left with no alternative but to resort to violence as a form of political expression.

Political blockage of opposition forces in the realm of legitimate politics can result, given the right circumstances, in revolutionary movements. If a safe haven or base, a supply of arms sufficient to match or exceed the capacity of the state's army, and/or a reliable source of external military and political support are to hand, this could allow revolutionary forces to engage in a serious contest for state power. It remains to be seen, of course, whether democracy can grow from such revolutionary soil.

The meaning of political transitions

There is little doubt that significant political changes are now taking place in Africa. But two questions remain: how deep and how durable are these changes? And what do they represent? Some observers suggest that it is highly unlikely that this current wave of change will result in a flowering of democracy in Africa. The lack of a democratic past is the most common explanation given for such an argument. At the same time, it seems reasonable to suggest that an equally important explanation might be found in the fact that, in the interest of its own survival, the tendency will be for the state class in African societies to politically liberalize without being wholeheartedly committed to full democracy. Accepting that there are certain to be regional differences, what are more likely to appear in Africa are new varieties of *corporatism*.

Philippe Schmitter has identified two forms of corporatism: societal corporatism and state corporatism.[27] Societal corporatism is a pattern of institutional relationships in which the officially sanctioned sectoral interest organizations, while collaborating with each other and state policy makers in pursuit of matters of commonly accepted national interest, do quite autonomously represent the interest of their members. In fact, their primary responsibility is the representation of the interests of their members in dealings with the state. State corporatism, on the other hand, is an institutional arrangement by which the state seeks to coopt or control major sectoral interest organizations, usually by establishing rules that govern their very creation as well as their behaviour. Tendencies toward state corporatism exist in Africa, and what is likely to result in the years to come is a particularly African variant of this organizational form. It will most likely be closer to the state corporatism found in parts of Latin America than to the societal corporatism that predominates in Europe. However, given the vigour of civil society in some parts of Africa, it is quite conceivable that a form of societal corporatism could in some places become the rule.

To the extent that progress towards democracy might be made in Africa, it is likely to be grounded in political pact formation. Political pacts usually involve formal agreements among most, if not all, competing political elites and their organizations on the rules of the political game, and on rules relating to the distribution and redistribution of material benefits. Terry Karl has described this as "democracy through undemocratic means" in that it involves compromises by elites in place of genuine popular involvement in determining the policies of elected officials.[28]

The only two places on the African continent where this political pact pattern appears to be even moderately established are the Indian Ocean micro-state of Mauritius and South Africa. Between 1990 and 1994, political elites, representing all significant political organizations, engaged in a process of negotiations which resulted in a power-sharing formula for governing South Africa over a five-year period, during which time a new constitution was (and still is) to be formulated. What was remarkable about this was that party leaders all accepted certain contingent compromises in order to keep the negotiations on track. What resulted was the surprisingly easy dismantling of apartheid.

The potential for the formation of a type of pact democracy was also evident in Ethiopia, where a newly installed revolutionary government, headed by the Ethiopian People's Revolutionary Democratic Front (EPRDF), initially, in 1991, attempted to include almost all relevant political interests and ethnic groups. Politics proceeded according to rules accepted by all constituent parties at a Charter conference, and there was at least the theoretical possibility of the main executive positions circulating among the parties. The signatories of the Charter agreed to a two-year transitional period, to be followed by the inauguration of Ethiopia's first democratic constitution, and to a multi-party electoral system. However, within a year, the coalition had narrowed so that it included only the EPRDF and other parties which either supported its programme or were parties created by the EPRDF as counterweights to other ethnically based parties. Despite the fact that the transitional period had to be extended for two additional years, the EPRDF regime forged ahead on the lines of its own design to lay the foundation for what it claimed would be a new, democratic Ethiopia. A new constitution was enacted in 1994, and a year later national elections were held, establishing the Federal Democratic Republic of Ethiopia. Most major opposition groups boycotted the elections, but the new regime seemed bent on implementing procedural democracy even if this meant a less than perfect pact.

Whether the trend is toward democracy or toward authoritarian entrenchment, it is likely that Africa in the near future will witness growing tendencies to some form of corporatism. Democratically inclined regimes might use this approach to state-society relations to enhance their authority in the face of vocal opposition. For example, in 1995 President Nelson Mandela of South Africa systematically attempted to enlist the cooperation of the traditional chiefs, particularly in the troubled Zulu areas, so as to undercut the base of support of one of his main opponents, Chief Mangosuthu Buthelezi. Mandela utilized the considerable resources of the state treasury to provide the traditional chiefs with perquisites of office which Buthelezi was unable to provide. In this way he was cultivating loyalty to the national government and steering it away from the separatist tendencies of Buthelezi. Rather than creating new corporate groups, Mandela merely took advantage of significant existing ones. In contrast, the EPRDF in Ethiopia seemed compelled to create entirely new corporate groups with which to co-operate.

In the short run, if the current wave of political transition in Africa is to result in some form of democratic outcome, it seems that it will in most places have to go through the channels of corporatism and political pacts. At the same time, no matter how limited the gains of political liberalization at time of writing, authoritarian regimes are gradually being weakened,undoubtedly representing a step in a democratic direction.

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South-North bargaining: What role for South Africa?

Professor Willie Breytenbach, of the Department of Political Science at the University of Stellenbosch, and a Research Fellow of the Africa Institute of South Africa, considers what role South Africa could play in the bargaining process between the countries of the North and those of the South.

HAVING renounced its nuclear ambitions, South Africa played a pivotal role in the recent United Nations Conference on the future of the Review and Extension of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). On this occasion a decision was taken which was seen as a compromise between the United States and other major nuclear powers on one hand, and many members of the Non-aligned Movement, including African states, on the other. The major powers argued that the NPT should be extended for an indefinite period; whereas nations in the developing world argued for a fixed period – and for the rapid dismantling of the existing nuclear arsenals of present nuclear states.

Eventually, South Africa supported the US (and others) on the indefinite extension of the Treaty (making many in the Non-aligned bloc unhappy), but also proposed a compromise on the Treaty's review process, including its strengthening on those issues on which the nuclear powers had failed to live up to their obligations in the past. In this way, South Africa was instrumental – though this was contested by the American delegation[1] – in achieving the widest possible consensus among all NPT nations from both North and South.

This raises questions about the nature of North-South relations; whether South-North bargaining is possible; and if so, what role an "emerging market" country such as South Africa might play in such a process; and finally, whose responsibility it is to bargain.

Since its democratization became irreversible, South Africa has rejoined the international community, both bilaterally and multilaterally. This took place at the time when the Cold War-driven East-West divide collapsed. This divide was replaced by the North-South paradigm, in which the North and the West are very similar though not identical: both underwrite a belief in economic liberalization, whereas the West has stronger views on political liberalization than some of the new entrants from the North. For this there is a simple reason: many semi-Northern states were, until quite recently, autocratic themselves.

Rather than ideology (which brought about the Cold War), or the presence (or absence) of a universal belief in democracy, economics has now become the prime global driving force. In this new economics-driven global system, four factors are apparently crucial: access to markets and trade blocs (according to the rules of the World Trade Organization (WTO) as well as those of trade blocs, eg the Euro-Union); access to credit (according to IMF rules as influenced by sovereign risk assessments); the overcoming of neo-mercantilist practices (eg protectionism and illiberal policies aimed at hindering imports), often in contradiction to WTO rules; and the desegregation of the South in the global context, ie the emergence of dissimilar groups of states within the South – some weaker, some stronger, some (eg the "Asian Tigers", and a handful of other "emerging markets") on issues of trade and development. All this gives a new dynamic (and complexity) to core-periphery relationships.[2] Issues within this relationship are also becoming more complex.

Issues that are of particular significance to the South – in addition to those mentioned above – are those of debt rescheduling, a redefined World Bank, and (especially) IMF conditionalities.[3] To this list may be added the issues of international aid and the role of multinational corporations (MNCs)[4] in developing countries.

A striking feature of the South's "agenda" is the fact that most if not all of the issues concerned are continuously subject to negotiation and bargaining between the developed and developing worlds in a range of multilateral international institutions[5] created for purposes of international interaction and regulation. The point here is that the rule-making monopoly still lies in the North, while the South can only try to influence the rules as well as their application and its results.

The North-based institutions are mainly the Organization for Economic Co-operation and Development (OECD), the World Trade Organization (previously GATT), the International Monetary Fund (IMF), the World Bank, and the European Union's (EU) mechanisms for dealing with the nations of the African, Caribbean and Pacific regions. The developed nations belonging to, and controlling these rule-making institutions and processes are increasingly restructuring their intra-Northern relationships within the confines of regional trading blocs – eg the EU in the Single Economic Market in Europe, three North American states in the North American Free Trade Agreement (Nafta), and states in the Asia and Pacific regions within the Asia Pacific Economic Cooperation (Apec) forum.

The South-driven institutions (often opposing the North) were and are mainly the UN Conference on Trade and Development (Unctad) and especially the Group of 77, the bargaining arm of Unctad. Then there are other regional bodies sited in the South, such as the Association of Southeast Asian Nations (Asean) and the Organization of Petroleum Exporting Countries (Opec). African bodies include the Organization of African Unity (OAU), the Southern African Development Community (SADC) and the Southern African Customs Union (SACU). These bodies co-ordinate multilateral co-operation and regional integration internally, but seldom act collectively on behalf of Southern interests externally. The major exceptions to this pattern are the Group of 77 and Opec.[6] The Group of 77 was formed at a time when core-periphery relations were starker, ie when the relations between the "rich" North and the "poor" South were typically based on structural conflicts. Then Opec successfully bargained for oil prices, though that is no longer a success story. Many nations in the South, eg the "Asian Tigers" and emerging markets, also became richer. Now comes the question: Is there still a place for bargaining?

For collective action to succeed, there are certain prerequisites: firstly, there must be the political will to bargain[7] (and this may call for mobilizing leadership and a concomitant visionary role); and secondly, there must be a general acceptance of the fact that (for weaker powers) collective actions in all likelihood produce better results than bilateral actions in either acquiring support or concessions through external bargaining.[8]

As a result of South Africa's international isolation throughout the apartheid era, this country has in the recent past been prevented from playing a meaningful role in South-North collective activities. The government played no role at all in any South-based institutions – owing to its exclusion – which meant that South Africa was denied any activity here too, let alone providing any leadership. True, the ANC-in-exile did participate in OAU and SADC meetings. But this stopped short of external bargaining.Things were slightly different in respect of Northern institutions where membership for the government did exist at one time, but was gradually restricted (eg in the IMF) usually as part of comprehensive anti-apartheid sanctions policies. After South Africa's elections in 1994, Pretoria engaged in negotiations with some of these institutions, eg the European Union (for the first time), on the best terms for admission.[9] Again for the first time, it also gained access, as part of the post-apartheid dividend to South-based institutions, such as the Non-aligned Movement (Nam), the OAU and the SADC. Not being an oil producer, South Africa cannot become a member of Opec. And as far as is known, South Africa has not yet attended any meetings of Unctad and the Group of 77. No doubt this will happen in the foreseeable future.

This dual membership of North and South-based institutions (there is nothing unusual about this) creates opportunities for multilateral leadership, international compromise negotiation, and bargaining between North and South, especially in the light of the fact that the South is not (a) a monolithic entity or (b) a uniform collection of (weak) states. The point is that there is perhaps a special bargaining role for the stronger states in this "desegregated" grouping,[10] that is, for those somewhere in the middle between North and South. Noted authors, in fact, are of the opinion that these stronger states should exploit such a situation[11] (tackle the North) in appropriate institutions in an endeavour to make new rules that may yield better consequences for the South.

Today, in the post-apartheid era, South Africa is grouped, together with 13 other states, as an "emerging market". This category includes the eight recognized Newly Industrialized Countries (NICs), ie South Korea, Taiwan, Hong Kong and Singapore in South East Asia (the "Asian Tigers") and Mexico, Brazil, Argentina and Chile in Latin America. There is no African NIC. However, the six other *non*-NIC markets within the Emerging Markets group do include one African state, South Africa. The other five are China, India and Indonesia in Asia, and Russia and Poland in Eastern Europe.[12]

The new status accorded these emerging markets – including South states such as Brazil, Chile, India, Indonesia and South Africa – does convey a shift of power within the international political economy. But it is uncertain whether this kind of power shift implies a cooptation to the North or an extension of the South. A more direct question is whether, as this emerging internationalism suggests, this new status creates opportunities for bargaining. The experience of Opec, during the 1970s, when the South (under the leadership of Libya) succeeded in improving commodity prices for oil producers in the Middle East,[13] as well as the recent experience at the UN Review Conference on the NPT, at which South Africa played a similar role, prove that such bargaining possibilities indeed exist. But the question still remains whether the NPT experience was a real compromise, or only a tactical move serving other interests. Differently put, was it not perhaps serving Northern interests? And if not, would this exercise not have turned out the way the oil cartels did: in failure?

A better way of looking at this problem is perhaps not to talk about the consequences of case-studies, but rather attempt an assessment of what is required for either new rules or for better outcomes. Is it international leadership; middle power status; collective strategies by weaker states; or what? We indicated before that South Africa's international classification among political economies might be termed unique. It is anything but typically peripheral: its newly declared Emerging Market status assumes a middle position between North and South. But is this the best international leadership position from which to bargain?

In their study of "middle power" leadership Cooper and Higgott[14] found that Australia and Canada are good examples of what our argument is all about. For a start, these countries are neither very rich nor very poor in terms of Gross Domestic Product[15] or per capita income.[16]

We should note, however, that these middle-powers are hardly part of the South, with *per capita* incomes in both instances perhaps more than four times higher than the range of \$695 to \$8 625 (average of \$4 660) used as a benchmark for middle-income states in the developing world, which is where South Africa fits in. Apart from their higher income status, they do not really identify, we should also note, with issues such as Third World debt, imposed conditionalities, aid and financial transfers, and the role of MNCs in the developing world (they are classified as "developed" in the international political economy). Moreover, both these countries are members of the OECD which is generally seen as the antithesis of the Group of 77. The point I am making here is this: middle power status should not be confused with a middle position (say, Emerging Market status) between North and South.

One example of this was the 1994 IMF Summit in Madrid, where Brazil and India (both non-OECD, South-based Emerging Markets) emerged as the voices of the South in dealing with the IMF on its provision of new funds for Special Drawing Rights (SDRs) for developing countries.

Although Brazil and India tried to negotiate a compromise with the IMF on this issue, the majority of *poor* developing countries were determined not to settle with the IMF. So very little came of this Summit, except for a whole range of questions concerning the future of the IMF itself.[17] Brazil and India (and by implication the other Emerging Markets, including South Africa) have therefore yet to register a bargaining success for the South in their encounters with international financial institutions. Nevertheless, remembering the NPT experience, there must be something in a middle position provided that collective strategies are contemplated. Collective weaknesses were perhaps more attractive during the years of the Cold War. Now that global relations are driven mainly by economics, economic power is more relevant and this calls for strategies enhancing precisely that selfsame attribute, economic weight. In other words, optimizing opportunities and diminishing dependencies externally, for example states and markets[18] joining forces in regional markets and making trade-offs with external interests, be these states or markets or both.

This reality requires strategies that go beyond the thinking of Raoul Prebisch, the first head of Unctad, who as long ago as the 1960s and early 1970s called for structural changes to core-periphery relations.[19]

Prebisch proposed a three-pronged strategy, encapsulated in the New International Economic Order (NIEO) of the period 1974–1981. This strategy was to be interventionist and redistributist, including the nationalization or expulsion of Multinational Corporations, and the formation of production cartels (eg an oil cartel) for the exploitation of markets; it was to integrate programmes for commodities (IPCs); and it was to develop schemes for market access by, and compensation for, producers in the developing world, including Generalized Systems of Preferences and Stabilizing Exports ("Stabex") schemes.[20]

NIEO initiatives, however, moved away from confrontation, such as nationalization. They called for the redistribution of credit, trade agreements, tariff reduction in the North, more aid to the South, delinking the international political economy from the dollar, lower interest rates, debt rescheduling, technology transfers, etc.[21]

Today, the most serious of these issues are arguably trade and debt.[22] But the contextual problem for South states is that NIEO collapsed way back in 1981 when the Reagan/Thatcher alliance defeated NIEO initiatives at the last ever North-South Summit in Cancun, Mexico.[23] Since then, powerful regional blocs and NICs, and emerging markets within those blocs, have all reshaped the nature of core-periphery relations well beyond Prebisch's understandings and prescriptions. We are back to the question we asked earlier: can the stronger states of the South – those states that are semi-North, such as the Emerging Markets – lead the bargaining way as suggested earlier in order to reform existing institutions, change the rules, and improve outcomes for the South?

International bargaining

With NIEO dead, and the crises of the South more acute than ever, there is an obvious need for new thinking on North-South issues. As explained above, this article suggests a bigger role for the stronger states outside the North, say the Emerging Markets, to engage the North, preferably collectively, in meaningful bargaining within the relevant institutions of the international political economy.

Useful approaches to bargaining are found in the theoretical designs of Krasner, Susan Strange, Naomi Chazan and Marc Williams, discussed below.

Assuming structural conflict, Krasner is of the opinion that South states could bargain bilaterally as well as multilaterally – bilaterally mainly with MNCs on issues such as loans, taxation and aid; and multilaterally through Generalized Systems of Preferences (GSPs), commodity agreements and the Lomé Conventions. He also explicitly mentions the NPT.[24]

Krasner's multilateral proposals focus solely on state-state and state-firm bargaining within multilateral institutions. This does not, however, imply that private sector interests are excluded. Private sector interests are possibly the primary focus of a state's domestic interests. These economic interests quite often find collective resonance in trading blocs that are becoming more, and not less, protective contrary to the spirit of GATT/WTO. Moreover, it is within the jurisdiction of individual governments to regulate certain non-tariff barriers (NTBs) such as licensing, quotas and permits. For example, on the issue of agricultural imports into the Euro-Union, national economies feeling threatened by the prospect of cheaper agricultural imports into the Euro-market (eg France, Italy, Spain and Greece), complain vociferously and insist on Euro-Union protection.[25]

Then there is the notion that states are no longer the major or sole role-players in the increasingly market-driven global economy. Susan Strange[26] identifies three modes of interaction: state-state; state-firm; and firm-firm. The focus in this article is mainly on the first, ie on the fact that it is states that participate as members in the various multilateral institutions that shape North-South relations. However, given globalization trends, the second mode is increasingly relevant. Strange[27] and Chazan[28] emphasize South-driven bargaining with multinational corporations as the best option here, especially on loans, investments, debt and aid – echoing much of Krasner's argument. But *collective* South structures are virtually non-existent in this area. Consequently, new structures could be created, such as negotiated business and investment codes, containing social clauses. But transnational business operates in a borderless world, taking its trade and investment to the bigger and more stable markets with best prospects for growth and the repatriation of profits. This should be well understood in the South.

Chazan et al[29] mention five relevant items:

1 increasing the domestic component in foreign investments through rules on local participation and local shareholding;

2 the investment itself: this has to do with dividends, repatriation of profits, interests on land, tax conditions and even social goals, and a high degree of denationalization, as in recent instances concerning the mining industry in Zambia;

3 guidelines on labour-intensive industries and technologies;

4 collective action, for instance a social manifesto in a certain area regarding social codes to be respected in that region;

5 bargaining on capital outflow.

Williams[30] brings in a new angle. He focuses on environmental issues, to which may be linked Dieter Senghaas's concept of *chaosmacht*.

Two strategies stem from this approach. The first is designed to ensure that the North agrees that environmental conservation is to everybody's benefit. The second is to bargain for a reciprocal package in which the South will do its share in protecting the ozone layer, countering the greenhouse effect, and destroying toxic waste; *or*, to confront the North with the idea that the degradation of the South will be detrimental to the populations of the North. This could be the basis for greater bargaining power. In this way, the threat of chaotic environmental conditions in the South could turn out to be collective strengths, as Senghaas's *chaosmacht* theories might suggest.

Finally, there are two other issues worth mentioning in the bargaining context. These are the restructuring of the United Nations, and the organization of bilateral, South-South production cartels in scarce commodities. This differs from Opec, in that Opec is a multilateral state-based cartel negotiating with oil MNCs in the North. The South-South production cartels we have in mind would do the same, but on a more limited basis. They would also not exclude firm-firm bargaining.

These two issues deserve more detailed consideration.

The United Nations was created in 1945 when the world was a different place; but its structures are still exactly the same. Not only have many more nations joined the organization, but two of the world's economic superpowers, Germany and Japan, are still excluded from the Security Council. As matters stand today, in the 1990s, the permanent membership of the Security Council still reflects the outcome of the Second World War – frozen during the Cold War.

The Commission on Global Governance (1995)[31] proposes that this Council's reform should be carried out in two stages. First, a new category of members situated between existing permanent members and non-permanent members should be created. Five such standing members should be appointed, two from the industrial countries (presumably Germany and Japan), and one each from the three developing regions of Asia, Latin America and Africa (this is where developing African democracies such as Egypt, Kenya or South Africa come into play; Nigeria, the other regional power, disqualifies itself through an unwillingness to democratize). These arrangements also call for changes in United Nations veto powers. The abolition of the Big Five's veto would be the second and final step and take place in 2005.[32]

These proposals would democratize the United Nations, and would also be more South-friendly, especially if the predominantly Northern vetos (mainland China is the only veto-state of the non-North) could be removed.

One last comment on the institutional implications of international bargaining is that it would of necessity erode the US position, especially as far as veto powers are concerned. If "democratization" means the removal of North vetos, the US would suffer from the loss of hegemonic powers, because it enjoys veto powers in at least three important North-based institutions, the IMF, the World Bank and the UN Security Council. Although this last-named body is not solely from the North, all its members, except one (the PRC), are members of the OECD. It is only within GATT/WTO and the Euro-Union (of which the US is not a member) that US power is not decisive.

The important point must be made that although the democratization of these institutions is supported, especially if current proposals allow for stronger roles for the Emerging Markets, these proposals must not be seen as anti-American.

The final bargaining option relates to bilateral production cartels among exclusively non-Northern members: this could involve bananas, or coffee, or the producers of columbium (niobium), nickel, chrome, cobalt or platinum.[33] As argued before, this would be an example of state-firm, or in some cases, firm-firm bargaining on prices.

The South African position

It is unclear whether South Africa has adopted a coherent negotiating stance on issues of national and regional concern.

There is however sufficient evidence to suggest that bargaining is constantly taking place, eg with the Euro-Union, on how best to structure relations between the Euro-market and South Africa; with GATT/WTO on tariff reductions and South Africa's classification within the international political economy (ie towards being reclassified as developing and/or country in transition, rather than as a developed country); with the IMF on compensatory facilities; and within the Southern African Customs Union on the revenue-sharing formula, etc.

What is uncertain, however, is whether the different South African role-players within certain multilateral organizations (eg the Department of Foreign Affairs, Trade and Industries and Finance) are coordinating their bargaining strategies; and whether these and other institutions involved in shaping foreign relations (eg the Armaments Corporation and the Departments of Defence and Manpower), are considering proactive roles in the realm of preventive diplomacy? And what about non-state sectors who are also shaping foreign relations, such as the trade unions (eg on trade liberalization) and the business sectors, who play crucial roles in the foreign investment, technology transfer and international trade debates? Are any of these state and non-state interests designing shared strategies with our weaker neighbours, say within the Customs Union or within the Southern African Development Community?

One of the problems here is that South Africa is not classified as a "developing" country in the international political economy, as are its neighbours within both the Southern African Customs Union and the Southern African Development Community. For example, in its dealings with South Africa on how best to restructure South Africa's trade relations with Europe, the EU refused to grant South Africa full Lomé status within the ACP group with whom the Lomé Conventions have been negotiated. The reason for this stance is that the EU sees South Africa as "developed", in conformity with United Nations, OECD and World Bank classifications. At the same time, the SADC supported South Africa's application for Lomé membership, provided that it does not share in the aid pool.

We must not lose sight of the fact that the Mandela government has made Southern Africa a centrepiece – at least symbolically – of its foreign policies. And this implies that, whatever bargaining there is to be, South Africa needs to take full account of its regional interests and bilateral and multilateral commitments.

This implies, further, that the "play-off option", ie that South Africa should allow itself to be played off against the "Rest of Africa", should be resisted at all costs. In this light, dual membership of North and South institutions is an asset. Therefore, without ignoring African interests, South Africa should pursue a parallel strategy of bilateral approaches (eg to the Euro-Union) whenever it suits South Africa's national (as opposed to regional) interests, as well as multilateral approaches where collective (and regional) interests count. This is what Merwyn Frost calls the "chameleon option", exploiting our middle position to the maximum for the sake of benefits in both directions.

If this is to be our tactic, our modes of cooperation become crucially important. Does the bilateral approach applying mainly to sectoral cooperation on certain projects lend itself to external bargaining? Probably not. Or are multilateral approaches to trade integration, especially in the case of regional institutions (say, Sacu) conducive to bargaining on reductions in common external tariffs, with either the GATT/WTO or the Euro-Union, who are now proposing a free trade deal with South Africa? And finally, is it best for either the Sacu or the SADC, or both, to do what Robert Davies proposed for regional integration,[34] that appropriate regional institutions should now be adopting a Social Charter which should also take cognizance of the social consequences within the region of trade liberalization in matters such as job protection? Davies, *en passant*, also envisages (in line with Krasner's, Chazan's and Susan Strange's thinking) some interaction with MNCs.

Such approaches call for coherent visions, an identity of purpose, and common strategies. The problem, however, is that no such integrated approaches, say in the form of a White Paper, exist. There are – and we should list them – a multiplicity of institutions dealing with external bargaining, ranging from the Department of Foreign Affairs on the NPT and the Department of Trade and Industries on tariff barriers and the best way to restructure relations with the European Union. The President's Office, and Thabo Mbeki's Deputy Presidential Office, are both involved in much diplomatic work, including talks with industrialists on direct foreign investment. Then there are certain non-state actors who pursue active foreign policies, such as the Congress of South African Trade Unions (Cosatu), whose views on issues such as tariff reductions and threats to job protection may differ substantially from those of the Department of Trade and Industries. This is only one of many reasons why bargaining requires coherent policies.

A final reason (for the moment) is that the South should not be divided against itself. But this will be difficult, as South-South divisions on trade preferences with the outside world are regularly showing up. Nevertheless, South-North bargaining should not be abandoned: the NPT experience may point in the right direction.

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The World Bank and structural adjustment in Africa

Professor Fantu Cheru of the American University in Washington, DC, and Research Fellow of the Africa Institute of South Africa, argues that the SAPs have not been as successful as the World Bank proclaims them to have been.

ON 12 March 1994, the World Bank released its latest progress report on Africa, *Adjustment in Africa: Reform, results, and the road ahead.* The report marks the latest in a series of attempts by the Bank to defend its failed policy of structural adjustment which is largely believed to have exacerbated poverty in Africa. Without revealing the significant objection to the report's conclusion from internal Bank economists, the Bank went ahead and publicly claimed that African countries which implemented the controversial structural adjustment programmes in the 1980s experienced greater positive economic growth than those that did not. This triumphant tone is in sharp contrast to the views expressed last August by the Bank's Vice President for Africa, Edward "Kim" Jaycox, who told participants at the annual African-American conference that structural adjustment has failed in Africa. The new report blames poor economic performance on non-compliance by African governments, when in fact the World Bank's own internal evaluations show that 75% of its programme conditions had been fully or substantially implemented during the 1980s.

The report comes at a time when the World Bank has come under increasing criticism from UN agencies and non-governmental organizations that its adjustment policies have ravaged the productive capacity of African countries, increased income disparities, led to massive cuts in education and health budgets and created political instability on the continent. The Bank has indeed manipulated statistics and macro-level information to prove that its policy is working, ignoring its own findings that poverty on the continent increased during the decade of the 1980s. In fact, closer scrutiny of the Bank's own data actually provides support for a contrary thesis – that implementation of the reform package has retarded economic growth.

It was Africa's foreign exchange problems and mounting debt which provided the main external reason for the introduction of structural adjustment programmes across the continent from the late 1970s onwards. Between 1980 and 1989 alone, 36 sub-Saharan African countries initiated 241 adjustment programmes. Most have had multiple programmes, with 11 implementing ten or more. Both the IMF and the World Bank consistently offered an "internalist" explanation to the crisis in Africa, placing the blame on African governments, and coupling this with an emphasis that greater reliance should be placed on market forces. This was to be achieved through implementation of stabilization programmes approved by the IMF (ie, measures on fiscal and external accounts, rate of inflation) and followed by World Bank structural adjustment programmes aimed at restructuring the productive capacities in order to increase their efficiency and help restore growth. The structural adjustment programmes are based on demand management (ie, cuts in imports, restriction of government borrowing, higher interest rates, cuts in government budgets, etc) and supply-side policies (ie, increased export earnings through export expansion and liberalization of markets) aimed at stabilizing fiscal and external imbalances. Thus, stabilization is short term, structural adjustment extended over the medium to long term. Although the programme's immediate effects contributed to an escalation of the misery of the poor, it was argued that the changes were needed to lay the groundwork for sustainable growth.[1]

A typical structural adjustment programme includes measures to maximize reliance on market forces and a reduction on the role of the state. Specific measures include: devaluation of the national currency, reduction of state spending on "unproductive consumption", removal of subsidies to essential commodities or services, abolition of minimum wage legislation, privatization of economic activities and increasing farm gate prices for farmers. One decade later, the role of the state in Africa has been significantly curtailed, the dominance of market forces set in place and economies opened to external penetration. Yet, substantial economic turnaround has not occurred in any of the countries that submitted to them; living standards for the majority of Africans have declined and investment in the productive and social sectors of the economy have dwindled. Reform has become necessary to satisfy external creditors, and not adequately internalized as a domestic requirement for growth.

Social impact

In the "Overview" section of the report, the Bank concluded that "the turnaround in growth shows that adjustment – even incomplete adjustment – can put African countries back on the road to development". This conclusion contradicts some of the Bank's own previous positions and that of other agencies on the subject. A draft 1992 World Bank study, entitled, "Why structural adjustment has not succeeded in sub-Saharan Africa", stated that "World Bank adjustment lending has not significantly affected growth and has contributed to a statistically significant drop in investment ratios". Of the six countries the Bank now puts forward as adjustment "successes" – Ghana, Tanzania, The Gambia, Burkina Faso, Nigeria and Zimbabwe – four had deteriorating rates of investment and two had negative GDP growth rates during their respective adjustment periods.[2]

The Bank fudges its figures, primarily selected from a huge mass of unreliable data, to claim that social spending did not decline in Africa during the 1980s. Unicef, a much more credible source in this area, states otherwise: that government spending on education fell by more than 50% on the continent; that real per capita spending on health dropped below the 1980 level in over half of sub-Saharan African countries; and that, in the "success story" of Tanzania, real per capita expenditures on both education and health were cut basically in half. At the same time, user fees were instituted for many services while wages have remained static. The quality of education also declined as the number of teachers fell, salaries failed to keep up with inflation, and spending on school construction and other educational infrastructure dropped. As a result, the percentage of children enrolled in primary schools in sub-Saharan Africa fell from 80% in 1980 to 69% in 1990; in Tanzania, it declined from 90% to 60% between 1982 and 1988.[3]

User fees for health services have also been promoted by the Bank. Oxfam reports that since Zimbabwe's government introduced fees at health clinics, three times as many women at Harare central hospital have died in childbirth. Spending cuts in the health sector have also led to a brain drain of doctors, absenteeism, inefficiency and corruption in the health service in such countries as Uganda and Kenya. As a result, communicable diseases like yellow fever, malaria and cholera, which until recently were believed to be under control, have re-emerged with a vengeance on the continent.[4] According to Unicef, an estimated 4,2 million African children under the age of five died in 1990 as a result of malnutrition-related disease. Another 30 million were underweight. These tragic facts are barely mentioned in the Bank's glowing report on Africa.

One should not confuse positive macroeconomic performance and GDP growth with development. While it is generally true that some countries have witnessed varying degrees of growth following reform, there are hardly any countries where macro-economic stability and policy-induced growth have been consistent over the medium term.[5] The conclusion presented in the Bank reports should not be viewed as solid evidence of the success of structural adjustment, let alone successful development. For example, prior to the collapse of the Ceausescu regime, Romania was held as a successful adjustment case since the government was able to pay off its massive foreign debt, keep budget deficits small, control inflation, and avoid balance-of-payments problems. The cost of adjustment was borne by ordinary citizens who had to experience low standards of living and political oppression for a long time. Basic goods and services were rationed and factories stood idle for a few hours each day while available electric energy was exported to western Europe to earn badly needed hard currency to service the external debt. Ceausescu was more concerned about his image abroad than addressing the economic conditions of ordinary Romanians. But the spontaneous uprising of 1990 exposed not only the crime committed by Ceausescu, but also the complicity of Western creditor nations who sustained the dictatorship and the draconian economic policy implemented on the backs of the people.

The same analogy applies to the African countries which the World Bank refer to as "successfully adjusting". Tenaciously adhering to the principles of adjustment will not necessarily lead to unhindered long-term growth. Indeed, these countries may have registered growth in GDP, but the standards of living for their people have declined dramatically. It is not the rate of GDP growth that matters; it is the pattern of growth as it relates to the poor that matters the most. The Bank report admits that policies have changed, but with very little impact on recovery. Why? Because the basic assumptions on which SAPs are based are flawed. The Bank attributes the gap between policies and performance to the failure of implementation on the part of African countries – ie blaming the victims. Only 21 of the 241 adjustment loans made to African countries during the 1980s were abandoned or terminated before completion.[6]

The Bank reports very little about Africa's weakened managerial and planning capacity, caused by the flight of high level skilled Africans and the more than one hundred thousand highly paid expatriate advisors hired in their place. The decline in real earnings, the increase in the cost of medical, educational and other services, the freezing of wages, and the massive retrenchments from the public service, have made it difficult for highly skilled Africans to remain at home and build their respective countries. The brain-drain negates the claim by the World Bank that structural adjustment is part of the package of capacity building.

Growing inequalities

On the subject of poverty, the Bank report stated that the "majority of the poor are probably better off and almost certainly no worse off". This conclusion is in sharp contrast to the Bank's 1990 *World Development Report* which stated that poverty is on the increase in Africa. The conclusion which *Adjustment in Africa* makes is based on an inconclusive set of USAID-financed studies carried out by two professors from the Cornell University Food and Nutrition Policy Programme.[7] The reliability and credibility of the Cornell study was questioned by an independent evaluation carried out by the Harvard Institute of International Development. The Harvard team pointed out several cases in which the conclusions reached by the Cornell team were based on poor quality data and that the absence of post-adjustment survey data further cast doubts on the usefulness of the Cornell study and on the motives of the World Bank to rely on such questionable data. It is clear, however, even in the "successfully" adjusting countries of Ghana and Uganda, there is no evidence that these policies have substantially reduced poverty levels. The Bank itself acknowledged that the average poor Ghanaian will not cross the poverty line for another fifty years.

The economic crises and the burden of adjustment has fallen especially hard on women as wage-earning men have experienced dramatic drops in real wages, often leaving women the responsibility of seeking individual and collective strategies to maintain the household. The retreat of the state in key areas of social services has left enormous gaps that have at times been filled by local initiatives generated by women. Yet, the policy of adjustment has completely by-passed women's organizations who need all kinds of support in order to succeed.

In response to its critics who charge that adjustment has worsened poverty, the Bank now incorporates social protection and safety net programmes, known as "social dimensions of adjustment programmes", designed to shield the poor from the ill effects of structural adjustment. However, these programmes are found to be too little, too late to tackle the structural causes of poverty and powerlessness in any significant way. Social dimension programmes are largely palliative measures, and they are viewed by some as an attempt by the World Bank and politically vulnerable regimes to "appease the poor" who are increasingly organizing themselves to challenge these policies and the character of the regimes who accept them. The concerns of social movements have been economic (unemployment, declining real wages), social (cuts in welfare services), and political (repression, lack of human rights) – all testimony to the misdirection of resources and absence of accountability.

Strategies for reducing absolute poverty in Africa must rest on four legs: enabling poor people to be more productive; achieving universal access to basic services (health, education, water, extension); improving basic infrastructure; and providing safety nets for those who cannot produce more because of old age or chronic sickness. The World Bank has yet to articulate such policies in a meaningful way. The problem is that the Bank views poverty alleviation as a separate activity from structural adjustment. In the majority of countries implementing reform, adjustment has been achieved by curtailing investment in social services and by incurring more debts.

Impact on the environment

The broad spectrum of macro-economic policies have a number of socio-economic effects which directly affect changes in producer and production strategies, which again have repercussions on the state of the environment. Yet, the policies under structural adjustment often ignore African environmental realities. The preoccupation with commodity production to generate foreign exchange often conflicts with long-term development needs. By pushing mono-cropping instead of inter-cropping and by fostering tractor ploughing on soils that should have been disturbed as little as possible, the sustainability of export oriented agriculture projects has always been in jeopardy owing to problems of declining soil fertility, sedimentation and salination, and water supply problems.[8]

As African governments adopt austerity measures, budget cuts have directly contributed to the weakening of pre-existing programmes and support services aimed at controlling soil erosion, over-intensive cropping, desertification and resource depletion. While the export sector is absorbing available resources such as credit, technology, water, etc, the needs of small farmers in the areas of soil conservation, reforestation and food security are ignored. As a result, people across the continent are compelled to over-exploit their forests, wetlands and river basins for short-term gain, setting aside considerations of sustainability. In the process, poor farmers lose out as available government resources and personnel are directed to high potential areas where the payoff is high.

Loss of food security

Agricultural sector reform has been chief among the successes claimed by the World Bank. According to Unicef, however, adjustment programmes have "intensified the inequality of incomes within both the rural and the urban sectors". While the Bank claims that producer prices increased substantially in those countries undertaking adjustment, thus reversing the rural-urban terms of trade, these benefits have gone primarily to farmers producing export crops and to commercial farmers. Government support of agriculture has mainly favoured large farmers who produce for export to the disadvantage of small farmers, mostly women, who have been hard hit by tight credit policies, cuts in extension services, the withdrawal of subsidies on agricultural inputs, as well as by the deterioration of roads and other infrastructure. For the landless poor, rural wages have generally been stagnant and purchasing power has been reduced by higher food prices.[9]

The Bank's continued insistence on export-led growth in the face of declining commodity prices, growing protectionism from the global North, and stagnating food production for local consumption defies economic logic. In Ghana, for example, agricultural sector reform has primarily focused on cocoa production since the early 1980s. A closer examination of the distributional effect from cocoa earnings reveals a different picture. Cocoa farmers comprise only 18% of Ghana's farming population and are concentrated primarily in the south. A 1987 stuy by the Overseas Development Institute of University of Ghana revealed that 32% of the cocoa farmers in the Ashanti region received 94% of the gross cocoa income, while 68% of the farmers received only 6%.[10] These figures do not even take into consideration gender differences or inequalities. The new group of cocoa farmers is composed of young party cadres who received bank loans easily, and civil servants who used their pensions to buy land.[11] Women farmers have been forced out of cocoa production because of the high cost of imported inputs following liberalization. Increased output in the export sector was, therefore, achieved partly by women switching their labour from producing food for family needs. This has taken away valuable time that women need for growing food to feed their families.

Meanwhile, the per capita income of non-cocoa farmers has stagnated since incentives and support services such as credit, extension and inputs are not available to food producers. In situations where prices for staple crops have increased, the poorest farmers have often not been able to benefit because their inadequate access to productive resources, transport bottlenecks, lack of storage facilities and market access. Women are the most affected since they are most heavily involved in the production of subsistence crops. As a result, rural women have to supplement family income by engaging in paid farm employment as labourers. In this regard, the World Bank has been notably insensitive to the distributive impact of alternative fiscal policies; and of other policy changes made under structural adjustment, for that matter. In the impressive battery of conditionalities there is no condition with respect to equity, despite much verbal concern over the issue.

The future of sub-Saharan Africa, therefore, lies with the untapped potential of peasant agricultural production. The present low level of productivity and the very simple technologies used offer the opportunity and the potential. It stands to reason that agricultural technologies can be developed which permit substantial increases in productivity with modest incremental investments at the farm level. This has not been seriously attempted on a large scale in the past. In order to achieve these broad ends, investment resources, institutions, talent, staff have to be directed to rural populations to a considerably higher degree than has historically been the case. Thus, for small farmers to succeed, they need support in the area of input supply, and market access. This must be supplemented with labour intensive public works employment programmes in exchange for food to increase household food security, particularly programmes specifically targeted to include women.

Exogenous factors

Adjustment programmes have been built on the optimistic scenario that (a) commodity prices will improve and that (b) protectionist policies will not be enforced by the industrialized countries. As it has turned out, this is not the case. Commodity prices are now at their lowest in 50 years, making it ever harder for African countries to export their way out of the debt crisis. Trade barriers intensify the problem. African countries tried to offset lower world prices by producing ever-greater quantities of primary products. This effort, however, simply drove prices lower as dozens of developing countries flooded the world market with their commodities as part of donor-mandated "structural adjustment" programmes.[12] The decline in foreign exchange earnings further constrained import capacity, depriving industry and agriculture of important inputs such as fertilizers and spare parts. Many commodities are also facing mounting competition from substitutes such as synthetics for cotton, fibre optics for copper and sugar beets and corn syrup for sugar cane. This brutal fact has been repeatedly underplayed by the Wold Bank.

Structural adjustment at the national level is meaningless without a corresponding adjustment in the world economy. The African debtors are told to "adjust" to a virtual cessation of bank lending, to less aid, to the lowest commodity prices in years, to stringent expectations on the part of multinational corporations about appropriate investment climates. Therefore, to the extent that external factors lead to lower growth targets and living standards, they will make it even more difficult for the governments of sub-Saharan Africa to implement policies when either gains promised are not forthcoming, or when they are likely to be delayed further. At its worst, structural adjustment programmes will eventually prove to be politically unworkable.

Conclusion

Macroeconomic reforms such as devaluation, pricing policy, and budget and tax reforms are necessary components of a balanced and integrated national development strategy. But these policies alone will have little impact on long-term sustainable development, sound management of natural resources, or on the reduction of poverty and inequality unless accompanied by fundamental transformation of unjust economic and political structures. In short, a realignment of economic structures is much a matter of realignment of power structures, which more often than not, will be resisted by powerful social groups within a given country.[13]

Economies wrecked by years of war, famine, and military dictatorships, which lack infrastructure and management skills, cannot overnight adjust to changing dynamics of the global economy. Growth is most easily achieved by increasing capacity utilization of existing productive assets given the general decay and disintegration of infrastructures and services in sub-Saharan Africa. Economic restructuring in the African context, therefore, requires massive investment in people, reconstruction and rehabilitation of neglected infrastructure through massive public works employment programmes, and the institutionalization of democratic governance before embarking on far-reaching and indiscriminate liberalization programmes. Some African leaders and Western donors would insist that restoring growth and repaying the debt will resolve the larger development problem in the continent. But that will merely maintain the ties of dependency in the market system, and growth is restored on the backs of the majority. It may get things back to "normal", but "normal" is exploitative and immoral when the laws of the market prevail.

The experience of sub-Saharan Africa with structural adjustment for over a decade should be instructive for democratic South Africa as it moves to articulate a new development strategy and eradicate the horrible social and economic legacies of apartheid. One key lesson for South Africa is to avoid the temptation of large-scale borrowing from international capital markets to finance prestige projects. If and when borrowing becomes necessary, the new leadership should make prudent investment in the productive sectors of the economy, particularly for housing and infrastructure which will create more jobs and meet basic human needs. Secondly, excessive dependence on primary exports should be avoided if South Africa does not want to be trapped in the stagnating global commodity markets. A new development compact for South Africa should, of course, not preclude the need to maintain a balanced budget, manage resources efficiently, create an enabling environment for growth, and a healthy balance-of-payments position. These policies are an important component of a balanced and integrated national strategy that any country must undertake, with or without-the IMF and the World Bank. And thirdly, South Africa must build upon the most enduring institutions that emerged out of the liberation struggle: the civic organizations and urban dweller organizations which can provide feedback and input to policy makers. It is exactly this "bottom-up" approach of democratic, grassroots development that is fundamental to achieving sustainable growth that benefits all levels of society.

At the domestic level, a new social contract will have to be drawn aimed at correcting the legacies of apartheid. This would entail a redistribution of wealth and productive assets, developing the "basic needs" economy to generate the most jobs and social services for the masses, switching from gradually depleting commodities to value-added goods in selected export niches for which South Africa can demand far more money. This would mean reorienting strategic industries built by the white government to deflect the threat of sanctions (ie, armaments industry) to productive areas for export. To do so, industrial "deepening" is of utmost importance and this will require more resources in Research and Development (R & D), product diversification (ie, microelectronics, biotechnology), investing in people, and upgrading skills levels of the work force.[14] Similar strategies were responsible for the spectacular growth experienced by the Asian Tigers. Their experience is in sharp contrast to the debt-prone, export-led strategy advocated by the World Bank and the IMF under the banner of structural adjustment, which most African countries have faithfully followed without significant turnaround to the economy. The latter approach is a road which South Africa should avoid by any means.

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South Africa's economic heartland: Crisis, decline or restructuring?

Professor C M Rogerson, of the Department of Geography, University of the Witwatersrand, examines the changing condition and contemporary plight of the formal economy of the Central Witwatersrand region, South Africa's economic heartland.*

IN terms of the South African space economy, the Central Witwatersrand traditionally represents the country's most important and vibrant economic region. Indeed, in a wider context, this region – which centres on metropolitan Johannesburg – must be recognized as one of the most economically dynamic urban centres in Africa. Currently, however, much controversy surrounds the plight of the local formal economy with certain observers suggesting that the Central Witwatersrand is experiencing a phase of economic paralysis or severe crisis. One recent influential planning study on the Central Witwatersrand went so far as to describe the region as "an area in distress".[1] Other studies have furnished mounting evidence for a rising tide of poverty in the region which is associated with the reduced capacity of the Central Witwatersrand's formal economy to absorb new work seekers.[2]

Generally speaking, during the past two decades African urban research has been dominated by issues such as housing, infrastructure development and the living environment, urban management, and the growth of the informal economy.[3] Despite the demise of urban formal economies across the continent, particularly in the 1980s, the tempo of research on this key theme has been surprisingly muted.[4] Yet the situation of the formal economy in South Africa's economic heartland now is a critical policy and research issue in terms of confronting the challenges of national economic reconstruction. Moreover, it is of vital consequence also regarding the local absorption of large communities of poor populations into the urban fabric. As Mabin and Hunter observe "the entire developmental future of the region is obviously dependent to a high degree on the ability of economic activity in the region to supply a good livelihood to the population".[5] Nevertheless, given its crucial significance, it is remarkable how few reliable and accurate sources of information or research are available to monitor the economic health of the Central Witwatersrand. The richest veins of empirical research concerning the economic development of the Central Witwatersrand appeared over twenty years ago in the stream of studies produced under the auspices of the former Urban and Regional Research Unit of the University of the Witwatersrand.[6]

The objective of this article is to analyse these important debates currently taking place concerning the condition of the contemporary formal economy of the Central Witwatersrand. This task will be approached through the presentation of three uneven sections of discussion. First, an historical background on structural economic change is given, analysing the region's economic evolution from the 1940s through to 1980. In the second section is contained the core of the article. This details information and debates concerning the state of the formal economy of the Central Witwatersrand from 1980 to the present-day. Two schools of thought are presented concerning different interpretations on the situation of the Central Witwatersrand formal economy. Finally, in the concluding section these debates are drawn together and placed in a broader framework.

The Central Witwatersrand 1940–1980: Economic change

The Central Witwatersrand region is defined here as including the magisterial districts of Johannesburg and Randburg and thus is generally comparable with the area known as the Johannesburg metropolitan region. This particular part of South Africa experienced a phase of dramatic economic and spatial transformation from the 1940s to the 1970s. Within this comparatively short time span the area's economic base shifted from a heavy dependence upon gold mining to one whose economic *raison d'etre* rested on industry and especially services.[7]

In 1950 the region was producing one-quarter of all South Africa's gold output; 25 years later the proportion was minimal and the Central Witwatersrand had shed nearly 52 000 mine workers. Despite this loss, between 1951 and 1970 the overall formal workforce expanded by nearly 200 000 employees with the major expansion occurring in secondary and tertiary activities. By 1972, 70% of the region's Gross Geographic Product was coming

* **This paper draws upon and extends material prepared in reports undertaken for the Centre for Development and Enterprise, Johannesburg in 1994 and for the Johannesburg Administration in 1995. Opinions expressed in the paper are those of the author.**

from the tertiary sector and 29,5% from the secondary sector.[8] It was argued that the swift emergence of commerce as the dominant sector of the region's economic base reflected and symbolized the final stage in the transition of the Central Witwatersrand from a mining area to a full-fledged metropolitan region.[9] Moreover, the city of Johannesburg, at the core of this evolving metropolitan region, not only became increasingly differentiated as a commercial, financial and transport hub servicing a growing manufacturing region external to itself; it became increasingly differentiated as the region's major generator of secondary and tertiary employment, responsible for over 58% of its total work opportunities in 1970.[10]

Nationally and regionally, the Central Witwatersrand region assumed an overwhelming dominance in the South African economic landscape. By the early 1970s, 90% of all office space in the Witwatersrand region was located here and 63% of the country's major business enterprise were headquartered in the Central Witwatersrand, indicating that it had "now joined the ranks of the corporate city".[11] Moreover, it was urged that the region manifested "the early stages of a post-industrial phase".[12] In addition, it was "the innovative heart from which social and economic impulses are generated and diffused throughout the region and nation".[13] Nevertheless, it was significant that the Central Witwatersrand's industrial strength was maintained even in the face of an intensive apartheid government-led assault on the region's manufacturing base through such legislation as the Environment Planning Act. This legislation was designed to encourage particularly black labour-intensive production enterprises to relocate their activities to peripheral decentralized areas in general and the apartheid-created Bantustans in particular.[14] Yet, for the 1960s and early 1970s, clear evidence was documented of a process of industrial suburbanization (rather than long-distance dispersal) as growing enterprises sought out new locations in other parts of the Witwatersrand.[15]

In the important works by Fair and Fair and Muller,[16] the significant sets of consequences of this transformation in terms of the region's economic base and structure are set forth. Most important of all was the divorce between work opportunities, which concentrated increasingly in the metropolitan core, and residential development, which took place at increasingly greater distances in sprawling suburban areas and townships. By the early 1970s, the Johannesburg Central Business District (CBD) was attracting a fast-expanding African workforce. Unlike the East Rand, however, where the African population was concentrated into manufacturing and service work opportunities, Johannesburg's African population was increasingly attracted to the commercial and financial activities of the CBD.[17] As greater distances separated work place and residence, inevitably this engendered increasing social costs for the population as a whole and was accompanied by heightening competition for different land uses.[18] Serious problems were evident of congested traffic and transportation, of pressures upon limited space by competing land uses arising from growing needs of business, residence, communications and recreation.[19] Confronting these challenges was a tradition of urban planning that was adaptive, short-term in outlook and *ad hoc* in its character. Essentially, as the work of the Urban and Regional Research Unit disclosed, during the 1960s and 1970s urban planning in the Central Witwatersrand was a negative regulator of physical development rather than a positive force for generating local economic development and structural change.[20]

Overall, by the mid-1970s the Central Witwatersrand was a maturing and economically expanding metropolitan region, a condition that would alter markedly in the next two decades. Indeed, scholarly observers of the Central Witwatersrand suggest that the 1970s was a watershed period in terms of the region's spatial development.[21] In particular, Fair draws attention to the changing processes affecting on the one hand the tertiary sector, which was *centralizing* in the core of the region, and on the other hand, of the secondary sector, which was already showing signs of *decentralizing* to other parts of the Witwatersrand metropolitan region.[22] Nevertheless, by the mid-1970s even this pattern began to shift as new office nodes in suburban areas and in neighbouring municipalities began to emerge and compete with the Johannesburg CBD.[23]

Restructuring or decline since 1980?

It is remarkable that since the 1980s the economic development of the Central Witwatersrand has not been subject to the sort of refined analysis that occurred in the previous decade. The most important statements on the region's contemporary economy are contained in the rapid policy review research commissioned for the Central Witwatersrand Metropolitan Chamber[24] and for the PWV Economic and Development Forum.[25] In this section, the findings of these studies are summarized and supplemented by several other sources in an effort to gauge the economic trajectory of the Central Witwatersrand. At the outset of discussion, however, it must be acknowledged that there are few independent sources of economic data and that many reports draw on each other, which "should make one cautions about the overall picture".[26]

The economic fall of the Golden City

The broad "conventional wisdom" on the region's economy is that provided by the influential report produced for the Central Witwatersrand Metropolitan Chamber, which was subsequently published in part by Tomlinson.[27] Together, these studies portray a gloomy picture of a locality which has been experiencing desperate economic distress since 1980. They suggest a dramatic weakening in the economic pulse of South Africa's heartland with a net decline in formal employment opportunities in the order of 54 000 jobs. Their essential thesis is that the local economy of the Golden City is currently enduring a severe crisis.

Several research studies have demonstrated that the major driving forces in the economy of the Central Witwatersrand are the sectors of commerce; finance and business services; manufacturing; and community, social and personal services.[28] Estimated data presented on the basis of GGP calculations and projections suggest that between 1980 and 1991 annual growth was a sluggish 0,67% amounting to R971 million; in 1990 total regional GGP was estimated as R15 029 403 000 (at constant 1985 prices).[29] Sectorally, notable increases were recorded for mining (R80 million) resulting from reworking the gold dumps, agriculture (R31 million) attributed to smallholdings, commerce, catering and accommodation (R700 million), and financial and business services (R45 million). By contrast, significant falls were recorded for the sectors of manufacturing (R700 million) and construction (R336 million).

The data on employment changes by economic sector are provided in Table 1. Overall, this data suggests that the period 1980–1991 has witnessed an extraordinary structural economic transformation in the region. In particular Table 1 points to a dramatic collapse of manufacturing employment, which records a 39,5% fall between 1980 and 1991 or a decrease "at a remarkable rate of 4,47 per cent per annum (compound) between 1980s and 1991".[30] Indeed, it is argued that by 1991 "manufacturing employment in the Central Witwatersrand was no more than 60,5

Table 1 Central Witwatersrand: Employment according to economic sector, 1980, 1985, 1991

	1980	1985	1991
Statistical region	72	72	72
Agriculture, forestry, fishing	3 733	4 985	2 507
Mining and quarrying	6 546	8 546	7 584
Manufacturing	149 112	140 207	90 185
Electricity, gas and water	7 054	7 804	7 939
Construction	30 178	44 265	32 473
Commerce, catering and accommodation	129 412	120 379	121 273
Transport and communication	29 724	34 227	30 720
Finance, insurance, business services, real estate	57 419	64 346	70 054
Community, social and personal services	188 062	187 278	185 042
Total	601 240	612 057	547 777

Source: Based on R Tomlinson, "Urban economic development in South Africa", *Development Southern Africa*, 1993, p 354; and Central Witwatersrand Metropolitan Chamber, *Report of the Economic Research Team of the Economic Development Working Group*, 1993, Annexure 6, p 37.

percent of its 1980 level".[31] The picture concerning financial and business services is little more promising. Although the Central Witwatersrand region shows an increase of 22% in total, this performance is again poor relative to the higher rates of expansion recorded in, for example, Cape Town (43,5% increase) or Durban (35,9% increase). Again, despite recording the largest increase (of R700 million) in contribution to the region's GGP, the employment figures for commerce, catering and accommodation also show a remarkable downturn of 8 000 jobs.

This puzzling finding is noted by Tomlinson who states that: "the decline in the Central Witwatersrand is a surprise as the increase in incomes among employed Africans and the apparent concentration of African spending in Johannesburg would make for growth in commercial employment".[32] Finally, in terms of transition to a service-based economy, contradictory trends are evidenced in, on the one hand, the expansion recorded in the financial and business services sector and, on the other hand, of the declines shown by the community, social and personal services sector.

The broad structural consequences of these relative sectoral changes are presented in Table 2. The key trends are the strengthening in the importance of the community, social and personal services sector, which now is recorded as engaging one in three persons in formal employment within the Central Witwatersrand. The most remarkable change concerns the position of manufacturing, which collapses from almost one-quarter to only 16,5% of the region's workforce. Finally, of note is the minor role now played by mining in the former "city of gold". Indeed, it is recorded that mining employment has fallen sharply owing to resource depletion, falling world price levels and growing capital intensity of gold production.[33]

What factors are put forward to explain this massive haemorrhaging of the Central Witwatersrand economy? In terms of manufacturing, it is asserted that the Central Witwatersrand "share of the nation's manufacturing gross output declined from 17,0% to 9,8% between 1965 and 1985" and that the region "had 10,2% of the nation's manufacturing employment in 1980 and 6,1% in 1991".[34] This downturn has not occurred equally, however, among the different subsectors of industrial production. In terms of output decline, importance is attached to the demise of the region's labour-intensive textile and clothing production, which has relocated to cheap labour locations in decentralized areas assisted by government incentives. A second suggested factor relates to the decline of mining and higher labour costs in the centre.[35] It is argued that historically, "the manufacturing dominance of the Witwatersrand was attributed to the country's import substitution industrial strategy, which caused industries to locate where the market is largest, and the linkages of a number of heavy industries to mining".[36] In particular, the decline of the fabricated metals products sector of manufacturing is linked to the downturn in gold mining. Indeed, it is claimed that "the long-term decline of the mining sector goes some way to explaining the (Central) Witwatersrand's economic fortunes".[37]

In terms of the important financial and business services sector, the declining share of the Central Witwatersrand in national GDP and employment in this sector has been "widely disputed".[38] On the basis of an analysis of office space data, the Central Witwatersrand Metropolitan Chamber study is sceptical of the findings suggesting that "these figures do not support the trends".[39] Nonetheless, the study also cites contrary supportive data for the view that the Central Witwatersrand is losing its hold as financial services centre of the country. Two important issues are aired. First, that decline could be linked to international trends towards "the decoupling of front-office and back-office functions and the decentralisation of the latter" owing to new telecommunications technologies.[40] Second, the relative downturn of finance is traceable to the fact that in Johannesburg "urban decay and violence have reached unacceptable levels".[41]

The findings of the Central Witwatersrand Metropolitan Chamber (CWMC) study have provided the foundation for several other research statements on the

Table 2 Central Witwatersrand: Distribution of employment according to economic sector, 1980, 1985, 1991

	1980	1985	1991
Statistical region	72	72	72
Agriculture, forestry and fishing	0,6	0,8	0,5
Mining and quarrying	1,1	1,4	1,4
Manufacturing	24,8	22,9	16,5
Electricity, gas and water	1,2	1,3	1,4
Construction	5,0	7,2	5,9
Commerce, catering and accommodation	21,5	19,7	22,1
Transport and communication	4,9	5,6	5,6
Financing, insurance, business services and real estate	9,6	10,5	12,8
Community, social and personal services	31,3	30,6	33,8
Total	100	100	100

Source: Based on R Tomlinson, "Urban economic development in South Africa", *Development Southern Africa*, 1993, p 355; and Central Witwatersrand Metropolitan Chamber, *Report on the Economic Research Team of the Economic Development Working Group*, 1993, Annexure 6, p 38.

TABLE 3 Central Witwatersrand: Manufacturing change, 1979–1988

	Estab	% S A	Employees	% S A
1979	3 572	20,8	179 678	13,5
1982	3 893	20,7	199 170	12,9
1985	3 551	19,1	169 193	11,8
1988	3 668	17,3	161 865	10,6

Source: *Industrial Census* for 1979, 1982, 1985 and 1988.

region's economy. For example, *The PWV Rapid Review* makes extensive use of its main trends and data.[42] Moreover, the CWMC figures have been seized upon and widely quoted by other analysts. Typically, Beavon asserts that in terms of formal employment, "the major loss of jobs was in manufacturing"; he cites data from the CWMC report that between 1980 and 1991 "the PWV lost 143 400 manufacturing jobs of which 59 000 were from the central Witwatersrand or Johannesburg Metropolitan Area".[43]

A region in collapse?

To what extent is this thesis of the economic collapse of the Central Witwatersrand region wholly correct? In addressing this issue, two themes will be discussed. First, the thesis of the massive de-industrialization of the Central Witwatersrand will be scrutinized. Second, the question of Johannesburg as the emasculated financial heart of South Africa will be debated. The discussion highlights a need for more thorough local economic research and refined data to assess the real economic condition of the region.

In addressing the de-industrialization thesis of the Central Witwatersrand, it is important at the outset to note the problematic nature of the data sources used in the CWMC research. As mentioned above, the GGP data for 1990 is an estimate based on projections and on census data for 1984; these are admitted to be "especially problematical since a decline in income and output set in during the latter half of the 1980s" [44] Equally, the veracity of the employment data may be questioned. This data is drawn from somewhat dubious (in terms of undercounting) population census material, which records employment information on the base of where people live rather than where they work. The complex procedures for generating the employment data used for Tables 1 and 2 are described by Tomlinson as follows:

> ... the employment data are based on the 1991 and preceding censuses. The data were calculated by ascertaining from the population census the economically active population per economic sector; and determining the total employment figure for the area by dividing the total employment figure for South Africa according to the distribution of the total economically active population for the areas. The employment figures per economic sector were then determined by applying the economically active population structure per economic sector to the new employment figure. The economically active population refers to all workers in an area whether employers, employees or unemployed, and including trans-frontier commuters and resting migrants present in the area of origin at the time of the census. The unemployed are then regarded as non-classifiable.[45]

It is clear that the analysis of the CWMC report[46] is largely premised on "soft" or projected data rather than hard or real data concerning the condition of most sectors of the region. Accordingly, it is useful to temper the arguments concerning the "collapse" of the Central Witwatersrand's economy by examining other recent data, which does not portray such a dark picture. In terms of manufacturing, the publication of the results of the 1988 industrial census[47] (ironically appearing only in 1994) affords one opportunity to cross-check with the "soft" data used by the CWMC report and in the Tomlinson analysis.

Table 3 provides a picture of the overall manufacturing sector in the Central Witwatersrand based upon information drawn from the respective industrial census for 1979, 1982, 1985 and 1988. A number of points can be drawn for attention. First, the data confirm that during the period 1979–1988 there has occurred both an absolute and relative decline in the manufacturing base of the Central Witwatersrand. In overall terms, however, the decline is in the order of 18 000 jobs or an average 2 000 jobs lost annually. The greatest decline occurs in the period 1982–1985 when 30 000 jobs were lost. A notable share of the absolute decline in formal manufacturing during the 1980s is accounted for by the demise of industry in the inner-city of Johannesburg, a phenomenon that is in line with the effects of global economic restructuring in other cities. Once recent detailed study discloses that for the period 1980–1989 the inner-city of Johannesburg shed between 6 000 and 9 000 jobs and therefore was responsible for the entire downturn recorded for manufacturing in Johannesburg as a whole.[48] Second, in terms of the number of factories in the area, between 1979 and 1988 there is recorded a net increase of 196 establishments, a finding which suggests that, despite its problems, the Central Witwatersrand is still a region where new (particularly small) enterprises are being established to replace those factories either closed or relocated to other parts of South Africa. Third, the Central Witwatersrand share of national industrial employment has declined from 1979 to 1988 from 13,5 to 10,6% but certainly not to the precipitate extent suggested by the CWMC report (which notes a figure of

TABLE 4 Central Witwatersrand: Net change in manufacturing, 1979–1988

	Estab	Employees
Food	+ 3	+ 2 258
Clothing	– 127	– 2 685
Furniture	– 12	+ 3 010
Printing	+ 103	+ 2 135
Industrial/other chemicals	– 4	+ 1 316
Plastics	+ 14	+ 2 531
Glass	+ 8	+ 825
Fabricated metals	+ 19	– 10 760
Machinery	+ 66	– 1 412
Electrical machinery	+ 17	– 2 387
Overall	+ 96	– 17 813

Source: Based on *Industrial Census*, 1979 and 1988.

6,1% for 1991). Finally, the performance of the Central Witwatersrand must be looked at in the wider perspective that the 1980s can be regarded as a "lost decade" as far as South African manufacturing as a whole is concerned.[49] During this period, marked declines in production output were recorded in most of South Africa's metropolitan areas (the only exception being the Western Cape).[50]

A picture of the changing structure of the manufacturing economy of the Central Witwatersrand is presented by Tables 4 and 5. In Table 4 is shown the net change in patterns of industry over the period 1979–1988. Two points are particularly noteworthy. First, that the major component of decline in the regional manufacturing sector is in the production of fabricated metals, electrical machinery and machinery; the only other sector which exhibits a notable decline is that of clothing. Second, a number of production sectors exhibit healthy signs of expansion. In particular, in terms of employment growth the leading sectors are respectively furniture, plastics, food and printing. In terms of net growth in numbers of enterprises, particular note must be made of the expansion that occurred in printing and, despite a net downturn in employment, in the machinery sector.

Table 5 provides a picture of net employment change between 1985–1988 and also an indication of the leading sectors of manufacturing employment for 1988. Three points are of note. First, that these three years are witness to continuing decline, particularly in the sectors of fabricated metals and machinery. Second, the growth sectors of manufacturing are furniture, printing and most notable of all, the revival of growth in clothing production. Third, taken together, what these changes mean in the broad picture of the Central Witwatersrand manufacturing is that by 1988 the food sector displaces fabricated metals as the region's most important industrial sector. These two sectors are followed closely by a resurgent clothing sector, a growing printing industry and a declining sector of electrical machinery.

In broad terms, therefore, the industrial census material suggests a much higher level of industrial employment and a much less precipitate decline in the industrial base than that obtained from using population census estimates. It suggests that there is occurring the birth of new, albeit small, enterprises in the region to take the place of those factory closures or relocations. Moreover, it points also to significant restructuring in the region's industrial economy with a possible resurgence of clothing alongside the continued advances in furniture, printing and publishing, and plastics sectors. Finally, it shows clearly, that the major component which accounts for the overall decline in the manufacturing employment of Central Witwatersrand is the downturn that has occurred in the fabricated metals and machinery sectors.

TABLE 5 Central Witwatersrand: Net change in manufacturing, 1985–1988

	NET EMPL CHG	TOTAL EMPLOY.	%
Food	– 70	17 023	10,5
Fabricated metals	– 5 209	16 781	10,4
Clothing	+ 1 143	16 714	10,3
Printing	+ 529	15 226	9,4
Electrical machinery	– 2 063	14 400	8,9
Furniture	+ 1 581	10 841	6,7
Overall	– 7 325	161 865	–

Source: Based on *Industrial Census*, 1985 and 1988.

One possible way to reconcile these seeming conflicting data trends is that if during the period 1989–1991 there occurred a dramatic wave of industrial closures and associated employment losses. This possibility is certainly raised in an intriguing intervention provided in a study produced by the Development Bank of Southern Africa (DBSA). This report, however, furnishes no detailed source for its data other than "operational information" of the Bank's Development Information Group.[51] In the DBSA study it is stated that between 1989–1991 "marked employment declines" took place in the Central Witwatersrand manufacturing sector; in total it is suggested that the region lost a remarkable "37,5%" of jobs.[52] If correct, based on the data in the 1988 industrial census, this would translate into a massive bleeding of roughly 60 600 manufacturing jobs in that three-year period, reducing the Central Witwatersrand's total industrial employment to approximately 100 000 jobs by 1991. That said, it must be cautioned that the veracity of this particular data must be queried.

Several reasons are put forward to account for the relative and absolute industrial decline taking place in the industrial base of the Central Witwatersrand. First, decline is linked to the continuing bite of international competition and to the effects of state industrial decentralization incentives and controls (such as the Environment Planning Act) which are seen as siphoning away particularly labour-intensive industrial sectors from the region.[51] Second, the roles of violence and political uncertainty, affected by continuing international economic sanctions are accorded a degree of significance by certain observers.[54] Third, the structural mix of the region's industrial base, dominated by metal, machinery and equipment production, is seen as a significant factor. More especially, as the Central Witwatersrand region contains a particular mix of industries which fared badly in the national slowdown of the 1980s, the region's decline can be ascribed to the poor performance nationally of these specific production sectors.[55] In particular, the erosion of the Central Witwatersrand's industrial base is underpinned by declines in industrial production linked to mining and to the national cutbacks in the military-defence production sector.[56]

Lastly, declines in formal employment are linked to an expansion of "informalization" and "outscoring" adopted by some (mainly) large companies either to avoid tax for employing labour[57] or to reduce their labour costs through the use of informal workers.[58] In other words, it is suggested that the industrial base of the Central Witwatersrand is experiencing a phase of restructuring, similar to that which occurred in urban Latin America during the 1980s, with an increasing emphasis on non-registered or informal employment compensating for reductions in formal employment.[59] Certainly, this point is supported by the findings of new research which reveals the growth of a new vibrant sector of primarily black-owned production enterprise in the Johannesburg inner-city.[60] In a similar way to urban Latin America, a restructuring of industry is taking place with the partial replacement of formal industry in the inner zones of the Central Witwatersrand region by a thriving micro-enterprise economy, particularly concerned with the production of clothing goods.[61]

Finally, brief mention must be made of certain recent research findings which negate the proposition that Johannesburg may be weakening its hold as premier financial and commercial centre of Southern Africa. Rather, this new research on spatial patterns of headquarter offices and corporate control in South Africa points clearly to the polarization of economic power in South Africa in the Central Witwatersrand region.[62] Throughout the 1980s and early 1990s the metropolitan region of Johannesburg actually strengthened its financial and commercial role as the locus of major corporate activities at the expense of other South African cities, particularly of Durban. Commercial and financial leadership in the South African urban system is firmly located in the Central Witwatersrand, which is unquestionably the key control point in the country.

That said, one further noticeable trend has been a move towards "dispersion within concentration" as certain types of business enterprise have relocated their established headoffice functions away from the inner-city of Johannesburg to suburban locations (particularly Sandton, Rosebank and even Midrand) or sought out these "greener pastures" in preference to locating offices in the inner-city.[63] What this finding points to is that during the 1990s there is occurring a reversal of earlier spatial trends from the 1970s[64] with evidence of a move for the tertiary sector to decentralize its operations within the Central Witwatersrand region.

Conclusion

The evidence presented in this study is far from conclusive. Nonetheless, it does appear to suggest that the economic outlook for the Central Witwatersrand region is far from the gloomy scenario that sometimes is portrayed. South Africa's economic heartland is clearly showing signs of undergoing a phase of major economic and spatial restructuring rather than witnessing the onset of a phase of terminal decay. In this respect, several of the economic changes that have been observed in terms of a loss of inner-city manufacturing employment, the rise of a new informal production economy have their parallels in the experience of other cities.[65]

In the final analysis, however, it must be admitted that attempts to provide a coherent view on the economic challenges facing the Central Witwatersrand confront the problem of certain basic weaknesses or important lacunae in the existing set of data and research. The seemingly contradictory nature of the industrial employment data concerning the region mirrors the poor overall quality and reliability of official South African economic statistics.[66] Further, since the publication in the early 1970s of the rich empirical research undertaken by the Urban and Regional Research Unit, with some exceptions, the Central Witwatersrand has not been served well by the local research community in terms of original problem-oriented, as opposed to historical, research. Accordingly, it is suggested that the region's complex problems of reconstruction might be best approached by (re)establishing a similar institutional structure dedicated to continuously monitor and analyse information on the Central Witwatersrand's changing economic condition.

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The promotion of exports in South Africa

Prof Jonathan Calof of the University of Ottawa and Prof Wilma Viviers of the Department of Economics, Potchefstroom University for Christian Higher Education, propose a framework for helping South African exporters reach their full potential.*

NO matter where you look, governments today are focusing great effort on the enhancement of international trade, on persuading more companies to export ever more goods and services. But how, exactly, do we create a strong and growing cadre of successful exporters? This article proposes a framework which may help all exporters reach their maximum potential and so lay the groundwork for economic growth and prosperity.

The importance of exports for South Africa

In South Africa, the importance of increasing exports is such that it is highlighted in both the Reconstruction and Development Programme and in the White Paper on Small Business Development.[1] The matter is particularly vital owing to the role played in South Africa's economic development by small and medium enterprises (SMEs). Approximately 90% of South African enterprises fall into the small- or medium-sized class, but only 3% of them are currently exporting.[2] It is therefore logical for the government to pursue policies on a national scale aimed at increasing exports and the foreign exchange earnings they represent. South Africa is currently experiencing a balance of payments deficit and must therefore concentrate on the promotion of exports in order to earn much-needed foreign currency to pay for imports of essential goods and services and for advanced technology which cannot yet be sourced locally.

Before the role of the South African government in export assistance is assessed, we will discuss a theoretical framework setting out the "stages" through which the evolutionary process of exports takes place. South African export development and its "stages" and current export assistance programmes will then be evaluated against a proposed model setting out the role any government should play in its country's export development.

Theoretical framework: The "stages" model of exports

In most developed countries SMEs by far dominate the export landscape. In Canada, Italy, Norway, Korea, and many other countries, well over 90% of exporters are SMEs. In many countries (for example Italy and Korea) SMEs account for over 50% of all export sales.[3] SMEs not only export successfully; recent research indicates that they generally outperform larger firms in many dimensions of export performance.[4] SMEs have certain size-based advantages when it comes to competing on international markets – adaptability, flexibility, low cost structures, the ability to make successful use of both economies of scale and niche strategies.

Why does the export-behaviour of South African businesspeople differ from that of exporters in many other countries? To understand why and how firms develop internationally, Johanson and Vahlne's[5] study will be briefly discussed. Since Johanson and Vahlne developed their "stages" model of exports, a number of other studies[6] have been conducted to explain the behaviour of exporting firms. This research has confirmed that all firms, SMEs especially, go through certain distinct "stages" of internationalization on their way to becoming aggressive, successful multinational firms. Several stages classification schemes have been identified.[7]

- Stage 1 Management is not interested in exporting.
- Stage 2 Management is willing to fill unsolicited export orders, but does not actively pursue export markets.
- Stage 3 Management has explored exporting to a country which is geographically and culturally similar to the home country (ie it is what is called a "passive" exporter).
- Stage 4 Management is exporting on a more active basis to the country identified in stage 3 (it is now termed an "experimental" exporter).
- Stage 5 Management is actively exporting to two or more countries (it can now be termed an "active" exporter).
- Stage 6 Management is committing significant resources to the international operations of the firm. Decisions regarding foreign direct investment, international structure, and resource allocations at international level dominate management discussions.

Each of these stages involves an increased commitment to international activities.

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Commitment increases as owners/managers learn more and therefore become less uncertain about foreign markets.[8] In particular, owners/managers generally show a change in commitment as they gain experiential knowledge in some particular foreign market and as their perceptions of the costs and benefits of involvement in that market change accordingly.

Taken at macro level, the stages theory of internationalization implies that, within any country, there will be a mixture of non-exporters, partially interested firms, experimental exporters and active and committed exporters. But how does such an export development process start? What leads some firms to become passive or experimental exporters? And how can the South African government assist them?

Step 1: Initiating export development: Get firms to start exporting!

Why do firms initially start exporting? Results from several studies point to three primary reasons:[9]

- industry dynamics (for example, the domestic market is too small for even one firm; there are needs for economies of scale, and so forth)
- management preference (for personal reasons)
- unsolicited export orders (sales initiated by a foreign customer, the domestic firm being at the time uninterested

How can these findings be used to help motivate and develop new exporters? First, let us consider what programmes non-exporter firms would be interested in. Programmes based on such support as export marketing assistance or export advice may not be made use of simply because these firms are not *interested* in exporting – yet! How then do we create new exporters? Helping promising firms is of vital importance: once involved, some will eventually become committed, aggressive and successful. With these firms, the government must take the role of *initiator*. The key here lies in developing mechanisms designed to open up the non-exporters' minds to the possibility of exports and do so in a way which will appeal to them. The mechanisms developed must not only arouse their interest but must work towards lowering their perception of the costs and risks in any exporting exercise.

Unsolicited export orders are the most frequent creators of export involvement. If it is in the best interest of South Africa to have more firms actively exporting, then it is imperative that someone help these firms get the ball rolling. And here the public sector can help by finding customers. In a word, handing export orders on a plate to non-exporters may be a viable way to get firms started on the road to export success.

Not all firms will respond positively to unsolicited export orders. Taking the first steps requires a positive attitude and some degree of management commitment. Management may give several reasons for turning down such enquiries. You frequently hear non-exporter managers/owners complaining about the paperwork, the risk of not being paid and the general complexity; and claiming that "the domestic market is good enough for *them*". There is also a phrase "exporting is not for me – my firm is too small", often heard at this stage.

How do we help these firms? By developing programmes which will change attitudes.

Cognitive psychology has found that changing attitudes is extremely difficult. Attitudes change only in the face of overwhelming evidence, presented by or from reliable sources.[10] Here, industry roundtable occasions where non-exporters and exporters can meet could be powerful catalysts for changing attitudes. Hearing from competitors, suppliers, customers and other people whom the non-exporter respects, could start the process of change. Mentoring programmes can also be used. One caveat, please note, is that attitudes will not change if the information is delivered by some person or some organization not trusted by the firm. It is for this reason that export mentoring programmes in which more experienced firms from the industry help less experienced firms get into export markets, may be effective. Both the United States and Italy have had some success with this approach. Once again, the key to this recommendation is that the non-exporting SMEs must be brought face to face with credible role models they can relate to and will trust.

The initiator role is more important than most observers think. There are many firms who try to export and then give up owing to the sort of problems associated with this early stage. In our study of South African exporters, 15% who had once tried to export, had given up. Successfully executing the first few export sales is extremely difficult.[11] Paperwork complexity, coupled with the difficulties inherent in trading in a foreign environment, make business difficult for experienced exporters, let alone for first-timers. Consider the mistake that General Motors, an experienced multinational, made when they exported their best-selling Nova automobile to Puerto Rico. Sales levels were well below expectations. The problem? In Spanish, No-va means "doesn't go"[12] – not a good name for an automobile. And indicative of the multitude of problems that can arise when a firm first enters a new market and of the many good reasons why initial hand-holding may be so important.

Step 2: Development: Get firms to become aggressive!

Having initiated firms into exporting, the next task is to get them actively looking for their own export opportunities and so develop them from stage 2 exporters up to stages 3, 4, 5 and 6. How do these firms become more aggressive exporters? Well, we must remember that, while perceptions of risks, costs, and benefits undoubtedly decide at what export-stage a firm chooses to be, such perceptions are not static. As they gain international experience, firms involved in exporting go through a continual learning process. And this experience can and may reduce executives' uncertainty regarding costs and risks and persuade them to favourably revise their perceptions of exporting's benefits.[13]

Many government export promotion programmes are geared to development. Training programmes, underwriting trade fairs, market investigation study support and the like can be effective, since each helps to reduce the costs of exporting while at the same time providing management with the information needed to reduce *perceived* export costs and increase *perceived* benefits. As mentioned in our recommendations for the initiator role, mentoring programmes can also be effective and so can be export experience itself. Programmes that offer concessional financing and export insurance may also be effective, as they eliminate much of the real risk for exporters. Again, as for the initiator stage, programmes need to be developed which help reduce the perceived costs and risks of exporting and increase the perceived benefits.

Attitude is not, however, the only factor differentiating firms at "more advanced" and "less advanced" levels of export involvement. More advanced/committed exporters trend to have an export department with explicit international strategies and resources, in short, a more export-oriented *structure*. More advanced firms also tend to have executives with international experience who are committed to exports and spend a significant percentage of their time on export-related matters. This should surprise no one. Without senior executive support, export success is unlikely. Moreover, all the attributes discussed here are generally prerequisites for higher levels of export involvement, and firms tend to develop these attributes as their international operations evolve. However, if ways could be found to persuade firms to develop these export-related systems, procedures, skills, and so forth, the time it takes a firm to grow from experimental exporter to committed exporter could perhaps be shortened. Training programmes, information campaigns, mentoring programmes and industry round tables can all be valuable mediums for bringing export assistance and information to early-stage exporters.

In short, to help stage-two exporters develop into committed exporters, we need to introduce programmes that induce changes in attitudes and encourage firms to develop the organizational attributes associated with export success. Note that while (as we have seen) there were a whole range of problems inherent in developing programmes for *non*-exporters, the firms we are addressing now will already be interested in exporting and will react more positively to well-designed export initiatives.

Step 3: Elimination: Create and sustain export success!

The proper design and implementation of the initiator and developer roles will help create a strong and growing cadre of committed/aggressive exporters. At this point, export attitudes do not stand in the way of success and an international structure proper to exporting firms should now be in place. Success should now depend upon the capabilities of the companies concerned. However, as committed firms approach international markets, one additional barrier may affect success – the lack of a level playing field. There are three sources of these externally induced barriers to success: foreign-country policies; domestic-country policies and country-based disadvantages.

Many foreign governments have measures in place designed to enhance and protect the performance of their own firms. Tariff and non-tariff barriers will have been erected to limit imports; subsidies will serve to reduce production costs; export support measures will help to make domestic exports more cost competitive than those from elsewhere. In some instances, barriers may be so high that in certain markets it may be impossible for South African companies to compete at all.

Any foreign government programme which supports domestic industry and makes it difficult for products to be exported to their country places South African exporting firms at a price disadvantage and can hamper export success.

Certain domestic South African policies can also hinder export success. Policies which increase the complexity of doing business, or increase manufacturing costs, can make the South African export product more expensive. High domestic tax rates and artificially high exchange rates can also put exporters at a disadvantage. In addition, investment restrictions abroad can hinder South African export development since they slow down the normal evolutionary process of internationalization. In short, any legislation that limits a company's ability to grow internationally or increases production/service costs and complexity can hinder export success.

Does this mean that governments in general should abandon such cost-increasing policies as taxes, tariffs, and exchange rate controls? Absolutely not! But governments should be acutely aware of the effects such interventions can have on the ability of domestic firms to realize and sustain export success.

Finally, there are several domestic South African disadvantages that can stand in the way of export success. For example, there is (in relation to other countries) our low labour productivity which makes the export product higher in cost and lower in quality. A certain lack of domestic infrastructure can also make it difficult to produce for foreign markets.

What role, then, is the government to play in all this? It is the role of chief *eliminator.* It must consciously adopt a policy of eliminating anything that stands in the way of export success. At the domestic level this means evaluating current government programmes to ensure that they do not hinder export success. Reducing tariffs and red tape that add cost and complexity to exporting. Negotiating trading agreements with foreign countries to ensure that the playing field is level, and, if the foreign governments concerned are unwilling or unable to alter their domestic policies, considering GATT-friendly measures in South Africa that will put domestic firms on an equal footing with their foreign counterparts. By government's elimination of export barriers on such lines as we have suggested, firms with the right attitudes and the right products will be able to become successful aggressive exporters. Without such elimination, it is the country's ability to realize its maximum export potential that will be eliminated.

The principle behind elimination is blindingly simple: the more obstacles you can remove from the path of exporters, the better they will be able to perform.

South Africa's success with initiation, development and elimination

Creating a strong and growing cadre of exporters requires that South Africa focus on initiating new exporters, developing existing exporters and eliminating barriers to export success. The implication of what has been presented so far in this article is that the South African government – and, for that matter, governments in general – have to target export-related programmes at the three distinct export-stages we have indicated if these programmes are to be effective. How is South Africa performing in these three roles?

Initiation: Compared to many other countries around the world, the number of South African SME exporters is low. It is estimated that less than 3% of all South African SMEs are exporters. The figures elsewhere: 80% in Italy, 37% in the United States, 14% in Canada and 20% in the United Kingdom. Furthermore, South African SMEs account for under 1% of all export sales. The figures overseas are: 40% of all export sales in Korea, 56% in Taiwan, 53% in Italy and 9% in Canada.[14] Clearly, not enough new firms in South Africa are being initiated into exporting. While there are several structural barriers such as geographic distance and the psychological effects of sanctions,[15] interviews with the managers of export assistance programmes point the possible existence of an anti-exporting bias within South Africa as being the primary initiation-related problem.

Development: Quite as serious as the initiation problem is the development problem. It appears that the normal evolutionary patterns of internationalization in South Africa is being slowed down. In the authors' two studies of the export behaviour of South African SMEs, we looked first at these firms' export-stage. As with previous studies, the export stage was calculated by using the SMEs export intensity (export sales/total sales). Three stages were used for this study: a passive exporter (export intensity of 1% – 24%); an involved exporter (intensity of 25% – 49%) and a committed exporter (intensity greater than 50%). Using these categories, 58% of the 48 exporting companies were passive exporters, 19% were involved exporters and 23% were committed exporters. These figures are significantly lower than those found in an identical study conducted by the authors in Italy, in which no less than 55% Italian respondents were committed exporters.[16] These studies seem to indicate that there are fewer committed exporters among South

African SMEs than in other more developed countries. This, in turn, clearly suggests that a development problem may indeed be occurring, with few firms making the leap from lower-stage to higher-stage exporter.

Elimination: We have identified certain problems in the initiation and development stages; but elimination is an area in which the current government has shown much strength. The existence of GEIS as a means of correcting tariff-based cost disadvantages, the dramatic drop in tariffs after signing the latest GATT, the attempts to negotiate treaties and most-favoured-nation status, and the concerted efforts by government to build and enhance relationships with other countries is clearly indicative of its "elimination" focus. The results of these initiatives have been quite positive. Between 1993 and 1994, exports increased by 12%; exports to Africa have fared even better, increasing by 61% in the first four months of 1995 when compared with the first four months of 1994.[17] South Africa's exports to Africa, expressed as a percentage of the country's total exports, have increased from 13,8% in 1994 to 16,2% in 1995 (January – August).[18]

Nevertheless, based on our discussion, it would appear that the successful implementation of eliminator programmes such as GEIS and treaty negotiations may be resulting in growth among currently committed and aggressive exporters but *not* in initiating new exporters or developing existing "lower stage" ones.

Assessing South Africa's current export assistance

South Africa can boast of a considerable number of export-assistance programmes both at the private and public sector levels. The following section will look at a few of these programmes using the model developed in this article and conceptually analysing the programmes for effectiveness. This is not a programme evaluation but a conceptual review, using interviews conducted with export assistance professionals at Safto, DTI, Saiea, Nafcoc and Fabcos for primary data and the stages model as our analytical framework.

Linking export assistance programmes to export-stages requires that the programme under review be addressed from the perspective of the particular export-stage being considered and the objectives designed for exporters at that stage. For example, an early-stage attitude assistance programme would differ from a mid-stage organizational development programme. The key issues would be:

- what the programme has been designed to do; and for exporters at what stage
- whether it has been effectively designed and tested for that stage
- whether it is relevant to the firms using the programme

An assessment of South Africa's export assistance programmes will be discussed below.

Export marketing assistance (EMA): This programme provides financial assistance for trade shows, will underwrite export market investigation studies, and help fund buyer missions. EMA is currently targeted at newer exporters, and particularly at SMEs since the latter do not have the resources or inclination to support these sorts of initiative. Unfortunately, this programme is not an initiating one, as, in order to participate and benefit, firms must already be interested enough in exporting to know about and ask for the programme. This programme, consequently, can be said to be targeted as a development aid for stage 3 and, possibly, stage 4. It reduces actual costs and produces both information (market studies) and experiential learning (trade shows), both of which help to reduce the perceived risks of exporting. The programme helps, in brief, by introducing stages 3 and 4 firms to opportunities they might otherwise not have been exposed to.

To benefit from this programme, the following are needed:

- Knowledge about the programme. EMA is advertised in a variety of export-related publications. This is, media-wise, restrictive: firms at the earlier stages may just not hear about it as their export information search procedures may be insufficiently sophisticated to uncover this vital information.
- Programme requirements. Participants must fill in a detailed application form listing their export goals. The intention of this form is to help the government assess export potential, and the paperwork requires that firms provide details of their international strategies. This is appropriate when dealing with advanced stage exporters. But for early stage exporters, no plan of this sort is likely to exist as management will lack the knowledge, interest, and ability to prepare one.
- Regional target. The only restriction is that funds cannot be allocated for trade related activities involving Southern African Customs Union countries. Here lies a clear contradiction of early stage targeting principles. According to the stages model of internationalization, a firm's first export market will be the one which is culturally and psychologically closest to the home market. According to executives from Saiea and Fabcos, Southern Africa is psycho-culturally the closest market to the domestic one, the natural market to which their members first start exporting. This is in stark contrast to the white South African businesspeople for whom Europe is traditionally the first export market. This means that black business people have to have reached a very advanced export stage before assistance will be provided. This clearly inhibits their export development.

This analysis leads us to the following preliminary conclusions:

- The programme has not been designed to suit black-owned SMEs. Its geographic restrictions run counter to their desired export patterns, and its paperwork complexity makes it unattractive to first-timers.
- The target group will probably not hear about the programme anyway, since it is not advertised in appropriate media.
- It is unlikely, therefore, that the target group will take advantage of the programme.

Export credit insurance (CGIC – Credit Guarantee Insurance Corporation): CGIC will issue an insurance policy which protects against the risk of non-payment for export sales. The programme does not have a specific target. It is intended for *all* exporters; the only reason an exporter would be turned down would be if the country or the potential customer were too high a risk; or if the firm's past export sales had given rise to problems.

This programme can be seen as both eliminative and developmental. Seen as an exercise in elimination we find that many countries offer similar programmes; CGIC at one level, therefore, provides South African firms with a programme comparable to that of other nations. As a developmental tool, the existence of export credit insurance, by definition, serves to eliminate the risk of export sales. This encourages exporting by removing one of the attitudinal barriers we have already-mentioned in this article.

The programme's overall design seems appropriate for all groups from early to advanced stages and no perceived cultural bias is evident. Unlike the DTI's EMA forms, CGIC's are short (four pages) and relatively easy to fill in. All that is required is the name of the firm, details of the potential sale, and past export history (if any). Stage-two firms would be capable of filling in the information required. Finally, CGIC advertises their guarantee programmes in business magazines and through Chambers of Commerce. These are dissemination media to which early-stage companies would have access. Accordingly, based on an admittedly cursory assessment of the CGIC's programme, a preliminary conclusion would be that it is well designed for developing early stage exporters.

CGIC design factors suggest that all exporters should be able to use the programme, and in fact interviews with CGIC executives have confirmed that it has been used by many early-stage exporters. CGIC itself sees a definite development role in the programme. It has indicated in interviews that profits on early-stage exporter premiums have been designed to be low, as it (CGIC) wants to help develop such firms. CGIC is not into development for altruistic purposes, though. It feels that if it can help to develop a successful exporter (ie take him up through the stages), the investment will pay off in future insurance policies. "We want all their business" is the cry. This is an interesting message for governments looking at developing initiation and development programmes.

There are many other export assistance organizations and schemes which could be analysed in this manner. Safto, Chambers of Commerce, IDC, Saiea, Fabcos, Nafcoc, Import Duty Rebate, and so forth are all geared to promoting exports. But, the extent to which these programmes have been appropriately designed for initiation and/or development and/or elimination, and the extent to which they can be effective, can only be determined by subjecting them to a detailed analysis. Given the initiation and development problems discussed earlier, a comprehensive review may well indicate serious programme shortfalls.

Recommendations

Ensuring that South Africa's economy reaches its fullest potential requires that the government follow up with solid action on the RDP and DTI White Papers' focus on SME exports. It could help by creating comprehensive policies and export programmes that would enable firms to progress from the status of non-exporters to that of aggressive successful exporters and multinational enterprises. Unfortunately, the current range of programmes and policy initiatives tend to be geared to more advanced-stage exporters. This has resulted in a disproportionately low percentage of SME exporters and a limited evolution among lower-stage exporters. By focusing so much attention on the more experienced and successful firms, the government is ignoring long-term potential. Surely it would be better to develop new exporters and also help passive exporters to develop into more active exporters. Accomplishing this would require a concerted effort on the part of the government to develop, manage, execute, and evaluate programmes in a manner consistent with the different export stages. Programmes must be created which recognize that different firms have different needs at different stages of their export development. This article has formulated a framework for creating programmes that would help non-exporters become exporters (*initiator* role), help new exporters become committed exporters (*developer* role), and eliminate the barriers to export success (*eliminator* role). It must constantly be borne in mind that each role has a unique target group; that each role has unique objectives; and that each role has unique outcomes.

The first step in what will be a long but rewarding road must be a concerted effort to assess the extent to which current private and public sector programmes, programme-delivery systems, programme officers, and export and non-export government policy are effectively assisting with the *initiator*, *developer*, and *eliminator* roles. If gaps are identified, appropriate steps must be taken. This article has set out both the theoretical framework and evaluative framework to help identify these gaps. Whether the gaps are filled by private or public sector organizations will be a policy choice. But the gaps must be filled if economic growth through exports is to be assured.

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16 J L Calof and W Viviers, *op cit*, p 18.

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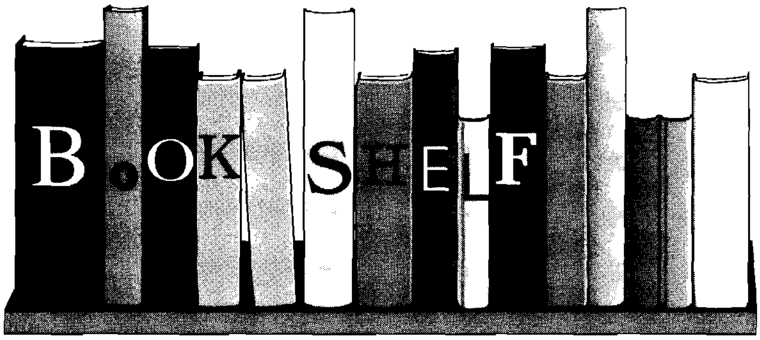
Abbreviations

CGIC:	Credit Guarantee Insurance Corporation
DTI:	Department of Trade and Industry
FABCOS:	Foundation for African Business and Consumer Services
IDC:	Industrial Development Corporation
NAFCOC:	National African Federated Chamber of Commerce and Industry
SAFTO:	South African Foreign Trade Organization
SAIEA:	South African Import Export Association



From adjustment to development in Africa: Conflict controversy, convergence, consensus? edited by Giovanni Andrea Cornia and Gerald K Helleiner. Basingstoke: Macmillan, 1994. ISBN 0 312 12135 0

The economic crisis in sub-Saharan Africa in the 1980s and 1990s has generated fierce debate among analysts and policy-makers concerning its causes and appropriate ways out of it. The "structural adjustment" programmes promoted by the International Monetary Fund and the World Bank have been at the centre of the debate. This volume brings together economists from these international financial institutions and some of the best known of their critics to show where the debate now stands. A distinguished collection of African and international economists offers up-to-date analysis of the key policy issues in structural adjustment in Africa.

Among the policies addressed are those in the spheres of agriculture, trade, exchange rates, privatization, investment, social sectors, external relations and democratization. An introductory interpretive essay searches for areas of consensus and identifies those of continuing controversy.

The new Cold War? Religious nationalism confronts the secular state by Mark Juergensmeyer. Berkeley: University of California Press, 1993. ISBN 0 520 08078 5

Will the 1990s become the decade of a new Cold War between the religious Third World and the secular West? Mark Juergensmeyer paints a provocative picture of the new religious revolutionaries in the Middle East, South Asia, Central Asia and Eastern Europe. Impassioned Muslim leaders in Egypt, Palestine and Algeria, political rabbis in Israel, militant Sikhs in India, and triumphant Catholic clergy in Eastern Europe all play a part in Juergensmeyer's exploration of the explosive growth of religious movements that decisively reject Western ideas of secular nationalism.

Drawing on recent interviews and fieldwork around the world, the author untangles the dynamics of current revolutionary thought. Instead of treating religious nationalists as wild-eyed, anti-American fanatics, he shows that they are modern activists pursuing a legitimate form of politics. Similarly, he explores the positive role religion can play in the political life of modern nations, even while acknowledging some religious nationalists proclivity to violence and disregard of Western notions of human rights. Finally, he situates the growth of religious nationalism in the political malaise of the modern West, crediting revolutionaries with the creation of a synthesis between traditional religion and the modern nation-state.

Making war and waging peace: Foreign intervention in Africa edited by David R Smock. Washington: United States Institute of Peace Press. ISBN 1 878379 29 1

During the past decade or so, Africa has been beset by an extraordinarily high number of wars. Indeed, some two to three million people died because of Africa's warfare in the 1980s alone.

That heavy burden of war, most of it originating internally, has been accompanied by frequent external involvement, both in terms of military intervention and through efforts to promote conflict resolution, usually by mediation.

This volume focuses on the role of effectiveness of external intervention in sub-Saharan Africa, primarily during the 1980s. The authors include a range of Western and African scholars and policymakers with extensive experience in Africa.

The detailed case studies examine Angola and Namibia, Ethiopia and Eritrea, Mozambique, and Sudan. Additional essays assess the role of the OAU and summarize French, British and Belgium military involvement. An afterword by former diplomat Chester Crocker offers several guidelines for promoting peacemaking and peacekeeping on the African continent in the future.

The benefits of famine: A political economy of famine and relief in southwestern Sudan, 1983-1989 by David Keen. Princeton: Princeton University Press, 1995. ISBN 0 691 033423 0

David Keen argues that famines, such as that which devastated the Dinka of Sudan in the 1980s, often have powerful beneficiaries within the affected nation, including political elites and traders. Meanwhile, shortcomings in the manner of international intervention, while contributing to famine, may offer significant political and bureaucratic benefits for international donors. Famine is not necessarily an apocalyptic natural disaster: it may have functions as well as causes. Drawing on a range of historical information and the accounts of famine suffers, aid providers, and government officials, Keen explains the causes of the Sudanese famine, extracting vital lessons about the future of effective famine relief.

Identifying those Sudanese interests that actively promoted famine and obstructed relief, Keen shows how the assets of the politically powerless Dinka were forcibly transferred to beneficiary groups. In a sense, and contrary to the emphasis of Amartya Sen, it was the Dinka's wealth, rather than their poverty, which exposed them to famine in a context where they lacked politcal redress against exploitation. For the most part international donors failed to counteract the process leading to famine or to speak up on behalf of those who lacked political influence in their own society.

Peoples of Namibia by J S Malan. Pretoria: Rhino Publishers, 1995. ISBN 1 874 94633 7

Peoples of Namibia provides an introduction to the major cultural groups in Namibia: the Owambo, the Kavango tribes, the Fwe and Subia of Caprivi, the Herero, the Himba, the San, the Nama, the Damara, and a number of other groups such as the Tswana, Rehoboth Basters, Coloureds and Europeans. The author provides an overview of the values and traditions of each of these cultures that make up the unique character of the Namibian nation. He points to the danger of ignoring the value of this diversity and urges that the heritage of the various peoples of Namibia should be protected and enhanced.

African Development Perspectives Yearbook 1992/93 edited by the Research Group on African Development Perspectives Bremen. Munster, Hamburg: Lit, 1994. ISBN 3 89473 227 X

The *African Development Perspectives Yearbook* fills a gap in the literature on Africa's development problems. Experts from African and international organizations, from universities and research institutions, from government and non-governmental organizations report on problems and solutions, on new policies, programmes, projections and visions, on new and on-going projects in and for Africa.

This particular volume highlights the many dimensions of energy, which in fact is a pervasive factor of all sectors of economy and society, and its interrelations with other areas of development. The commercial energy sector of African countries has suffered from import cuts which resulted in a considerable deterioration of the supply situation, particularly in the poorest countries. A more intensive exploitation of domestic fossil and hydroelectrical resources is faced with almost insurmountable high capital costs, possibly huge social and environmental costs and rather doubtful effects in terms of rural development. As the move towards "energy transition", ie the substitution of fossil energy for woodfuels, was slow and even reversible in most African countries, they are to a particularly high degree dependent on wood resources to meet the energy needs. Lacking effective interventions, the claims on natural resources are bound to grow and eventually to surpass the limits of a sustainable usage of the biological growth potential.

Energy policies, programmes and projects at the regional, national, sectoral and local levels are reviewed in this publication. The implications for African development growth, equity and basic needs provision are discussed. A strategy for energy sector development in African countries is presented, referring to national and multinational levels of action. The strategy is based on objectives as sustainability, cost-effectiveness and diversification of energy sources. Therefore, the promotion of renewable energies is a most important aspect of the strategy as outlined.

Politics by other means: Law in the struggle against apartheid, 1980-1994 by Richard L Abel. London: Routledge, 1995. ISBN 0 415 90817 5

Politics by other means explores the fundamental question – how can law constrain political power – by offering an account of the triumphant final decade of the struggle against apartheid.

Abel presents case studies of ten major campaigns, including challenges to the pass laws, black trade union demands for recognition, censorship, resistance to the "independent" homelands and the treason trials.

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Facts and Figures 1995/6

This unique compendium contains useful factual data and statistical information on the demographic, cultural, geographic, political and socio-economic features of countries of the African continent and surrounding islands. The information is arranged in 51 tables, with brief explanatory notes, and 60 maps and graphs, many of them in colour.

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Democratisation and demilitarisation in Lesotho

The general election of 1993 and its aftermath by Roger Southall and Tsoeu Petlane

In April 1993 Lesotho completed it first multiparty election since independence. The kingdom's return to civilian rule under the government of Dr Ntsu Mokhehle was to be fraught with difficulty, however, as first the security forces and subsequently the leading opposition party and the royal house threatened Lesotho's fledgling democracy.

In this book a group of Lesotho specialists supply the background and analysis essential to an understanding of these dramatic events in this tiny mountain kingdom. They also provide a fascinating insight into the origins and aspirations of Lesotho's political class, and the obstacles they face in satisfying popular expectations as they attempt to guide this improverished democracy through its "second liberation".

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Africa Wall Map and Fact Sheet

The attractive full-colour Wall Map of Africa and quick-reference Fact Sheet are indispensable to all those wanting to know more about Africa and its countries.

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Both the Map and the Fact Sheet are printed on sturdy paper; they measure 950 × 700 mm and are dispatched in a cardboard cylinder to avoid damage.

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South Africa and the African comity of nations

From isolation to intergration by Denis Venter

South Africa's contemporary relations with the rest of Africa – marked by the development of mutually beneficial co-operation and a proliferation of South African missions to African capitals, and vice versa – have come long way since the days when an exchange of representatives with African countries was seen as a potential threat to the apartheid state.

The interplay of forces shaping South African foreign (and domestic) policy perspectives in the course of the last two decades, culminating in today's "neo-realist" diplomacy, is the main focus of this research paper. Starting with the collapse of colonial buffer states, (which sheltered South Africa from the "winds of change" blowing from the north), developments are analysed through the era of "Quixotic" responses to a perceived "total onslaught", to the final collapse of the principal obstacle to normal foreign relations – apartheid.

Price: R15 ($7,50)

Local government in the Third World

The experience of decentralization in Tropical Africa (second edition) by Philip Mawhood (ed)

Local government is a peculiar theme, always recognized in Africa as important yet seldom comprehensively written about or understood. This book is about political decentralization and the devolution of political power, written by authors who have worked close to the real situations. Its readership will range from those who are engaged in the work of government (including consitution-making) to teachers and researchers in the field of development and local administration.

Philip Mawhood and Nelson Kasfir's introductory chapters deal with the concept of decentralization/devolution and how that concept has fared in Africa since independence. There is a brief discussion of the enormous challenge facing South Africa in creating post-apartheid local authorities and the vital need for that country to take note of the experience in the rest of the continent. First published in 1983, this revised second edition also presents case studies: one French-speaking and seven English-speaking countries (Botswana, Cameroon, Ghana, Kenya, Nigeria, Sudan and Tanzania).

Price: R60 ($30)

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