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Contributions and subscriptions should be sent to:
The Editor
Box 630
PRETORIA,
South Africa
0001
Telephone: 27 + 12 + 328 6970 Telefax: 27 + 12 + 323 8153
E-mail: africain@iafrica.com

Editor: Richard Cornwell
Copy editor: Marion Marchand
Editorial assistant: Norman Aphane
Proofreader: Dr Pierre Botha
Cartographer: Elize van As
Cover by William Steyn
Layout by A1 Graphics
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Frankly speaking

Richard Cornwell

Journalists, in whatever medium, face a number of difficulties in making sense of African trouble-spots. When conflict breaks out in places unfamiliar to their audiences or readers, the problems of capturing and conveying a complex and strange story in a soundbite or a few hundred words of text almost invariably lead to some distortion. I am certain that this is an accepted risk in the profession. More significant, however, is the character that inevitable distortion assumes. In many cases, one suspects, the difficulties of understanding the essentially local dynamics of a situation or of communicating these to an audience with little knowledge of or interest in them tempts the commentator to interpret a situation by referring to more familiar landmarks. In particular this may contribute to the number of stories which take on a "geopolitical" nature. There is little doubt, for example, that France's policy approach in Africa has suffered some setbacks of late and is currently undergoing some revision, but to portray events in the Great Lakes region, the Democratic Republic of Congo or its eponymous neighbour as reflecting an essential rivalry between France and the USA, as has been done on several occasions, is to take liberties with the truth on several levels.

Politicians and diplomats are probably flattered that they are credited with the talent to foresee, anticipate and exploit events in distant regions. The harsh reality is that they tend to make it up as they go along; in a word: they improvise. "Policy" is a fragile and elusive concept, as anyone with archival research experience will be able to testify. Mistaken assumptions and unintended consequences are the real stuff of most diplomacy. Even to reify France as a single locus of policy-making is to misperceive a situation where any number of government departments and lobbying groups are wrestling for control over what levers of power might be used. The same is true of the United States and of other countries.

Another difficulty is that this type of reporting depicts Africa, its states and people, principally as the hapless and helpless victims of external actors. It is true that Africa finds itself at the mercy of powerful external forces, not least in terms of its indebtedness, but many of these forces are amorphous rather than the result of deliberate intervention. Africa, and Africans, have far more control over their circumstances than is made out. If external intervention was important in the collapse of Mobutu's regime in Zaïre, then that intervention was almost entirely African in origin. In the case of Congo-Brazzaville, the dynamics of the situation have been dictated by the personal rivalry of Pascal Lissouba and Denis Sassou Nguesso, and their mobilization of ethnic and regional support behind their respective causes. But the tendency remains to seek big causes for big events, ignoring the often petty, almost casual, origins and motors of tragedy, and the background of social and political history against which they play themselves out.

Africa is not simple to understand. Beneath the surface of public events, behind the actions of apparently powerful figures, the panoply of the State, lives another Africa, and it is this Africa we must now strive to understand, instead of seeing the continent as a backward or deviant form of the modern state and economy.

Thus, there is much talk about democratization in the African context these days. As with the concept of globalization, there is a grave danger that we surrender to the temptation of reifying the idea of democracy - of seeing this phenomenon as one thing, rather than as a variety of coping mechanisms, adapted to the prevailing circumstances.

There is also a tendency, in much of the current literature about the process of democratization, to see each country as located somewhere on a continuum. This is the old, discredited modernization theory revisited. Where it also fails to reflect the experience of many African states and communities is in its inclination to seek likenesses of the Western experience, which is tacitly accepted as the norm, even though there are many questions to be asked about the nature of these idealized forms of democracy. This is most apparent in the search for civil society, which is assumed to be one of the elements vital to the democratic project. Yet Western insistence upon conformity to a culturally and historically specific norm may be self-defeating in its expressed intention to secure human rights and civil peace. As certain innovative researchers have demonstrated, what is remarkable about Africa is the way in which the well-known phenomenon of the second economy is paralleled by a second politics involving the creation of voluntary neighbourhood governments and rural grassroots movements that produce alternative institutions of decision making, drawing on customary notions of justice, fairness and political obligation.

In addition to this, one may identify certain centres of power alternative to the formal political arena, emerging among groups and in areas that suggest a transmogrification and adaptation of traditional systems. This again is a process with various manifestations and full of interesting possibilities. It is here that Africa's ability to innovate will be revealed, for better or worse. Here is an area for further investigation and analysis. One suspects that it is here, rather than in the impossible uniformity advocated by the acolytes of globalization, that African communities will find their particular answers to the quest for security.

The role of African states in

Professor Ho-Won Jeong, of the Institute for Conflict Analysis and Resolution, George Mason University, is the convener of the Global Political Economy Commission of the International Peace Research Association, and an editor of Peace and Conflict Studies *and* The International Journal of Peace Studies. *Here he analyses the dilemmas facing African states in their attempts to implement economic reform policies.*

Since the early 1980s, the majority of developing countries have been forced to implement structural adjustment programmes in order to deal with economic crisis. Adjustment programmes encompass the removal of price controls, elimination of subsidies on basic necessities, privatization of state industries, retrenchment of state employees and liberalization of trade. Given that austerity measures have a negative impact on the living standards of the majority of the population, these programmes have often provoked social opposition. Thus liberal economic reform has normally been introduced to reluctant Third World governments as one of the major conditions of loan agreements with donors.[1] Such a situation puts the state in the peculiar position of negotiating economic programmes with external forces and domestic interest groups simultaneously.

The role of the state in promoting free-market economic policies has been further complicated by pressure from international donors for democratization. In the 1990s, Western governments and the World Bank pressed many African countries to adopt pluralistic democratic systems. While democratization is supposed to bring about a stable order for capitalist development, it can undermine the efforts to implement the unpopular economic policies which may be needed to achieve macroeconomic balance. This paper starts with a general overview of the various roles of African states in managing economic problems. After that, it examines the constraints of economic policy making, with a focus on Ghana. The final section of the paper explains structural conditions in pursuing liberal economic policies.

Development strategies for African states

Clearly distinct from the reduced role of the state in resource allocation since the 1980s was the extensive state interventionism which was found in much of the developing world in the 1960s and 1970s.[2] The populist socialist ideology of states like Tanzania, Guinea Bissau and Ghana in the 1970s conditioned their policy choices of encouraging a large public sector and radical rural reform. In the statist approach to development, government officials play an entrepreneurial role. Politicians and bureaucrats use state power to acquire capital and resources. Thus the state itself became the prime instrument of class formation, fostering the ascendancy of a political-administrative class whose own interests were tied to state expansion.[3]

In many African countries in the 1960s and the 1970s, political leaders diverted state contracts, loans and foreign exchange to the expansion of parastatals as the dominant or even the sole strategy for economic development. The stagnation experienced by many African economies has often been attributed to the reluctance of national officials to assist local capitalism, to a tendency towards urban bias, and to a propensity for import-substitution industries. Thus, by the early 1980s, the state was no longer regarded as the prime mover of development, but increasingly as its main constraint.[4] This was in part due to changing perceptions among development practitioners, and in part due to the ascendancy of neoliberal economic thinking. It also reflects the empirical reality of state decay in Africa, and the inability of many African states to solve pressing economic problems.

Since the early 1980s, therefore, major attention has been paid to the deregulation of state-controlled economy.[5] The World Bank and the International Monetary Fund (IMF), especially, began to emphasize the significance of a private sector and the utilization of market forces.[6] Various international networks were engaged in diffusing orthodox economic ideas. Policy

economic development

oversight was required to make sure loans were properly used to strengthen market forces. Enforcing conditionality norms led to the decline of the statist ideologies that had prevailed throughout the developing world in the 1970s. So the promotion of structural adjustment has encouraged a shift from statist models of economic management to greater decentralization.

In the 1990s, with the realization that the elimination of government control over a broad range of policy issues did not necessarily bring about economic recovery, the emphasis shifted to a more active state role in supporting private sectors.[7] Thus Africa needs not just a less dominant government but a better government – a government that concentrates its efforts less on direct economic intervention and more on enabling others to be productive.[8] Some even argue that a state needs to be strengthened before the reduction of its functions.[9] Organizational foundations of the developmental state focus on the internal cooperation and ideological cohesion of the bureaucracy. Organizationally coherent states can build the linkages with key social actors that are required to support development projects, while avoiding the problem of capture and rent seeking. In addition, policy design can be used to influence the structure of coalitions and the level of political support and opposition. The crucial questions of leadership and tactics can be asked in the context of maintaining an integrative policy framework.

Newly Industrialized Countries (NICs) are often viewed as excellent examples of the developmental state. They successfully channelled government contracts, foreign exchange and credit to capable local firms. The manufacturing base of the NICs was promoted by labour-intensive activities, using standard imported equipment, and was propelled by the export of cheap consumer goods to the advanced economies. The NIC's experience suggests that small-scale local businesses can assist in industrialization, provided that small firms are supported by a competent, disciplined government which is not hostile to private initiatives. In a competitive environment, a state needs to foster market opportunities in more advanced foreign countries.[10] Owing to the need for private capital accumulation, the state is expected to assume "a lending role in building human resources, administrative, and physical infrastructure

Nkrumah on Independence Day

Hilla Limann

GHANA
(Self-government 1952;
Independence 6 March 1957)

PM Kwame Nkrumah, 1952–1960
Pres Kwame Nkrumah, 1960–1966
Military takeover, 24 Feb 1966
HS (Gen) Joseph Ankrah, 1966–1969
HS (Brig) Akwasi Afrifa, 1969–1970
PM (Dr) Kofi Busia, 1969–1972
Pres Akufo-Addo, 1970–1972
Military takeover Jan 1972
HS (Gen) Ignatius Acheampong, 1972–1978
HS (Gen) William Akuffo, 1978–1979
HS (Flt-Lt) Jerry Rawlings, 1979
Pres (Dr) Hilla Limann, 1979–1981
HS (Flt-Lt) Jerry Rawlings, 1981–1992
Pres Jerry Rawlings, 1992–

Both Rawlings and the NDC re-elected to office Dec 1996.

HS: Head of State and government
Pres: President
PM: Prime Minister

capacity, while the goods-producing and noninfrastructure service sectors are left to the flexibility and incentives of private enterprise and market discipline".[11]

In contrast to their policy toward authoritarian Asian states such as Indonesia, China, and Malaysia, foreign donors began to stress democratization of African states along with economic reform from the early 1990s. The World Bank and others argue that a liberal state is essential to privatization, decentralization of services to the local level and a lifting of bureaucratic controls. A competitive market economy can be better nurtured by a liberal state. A disciplined, responsible, and responsive state openly makes decisions, and government officials are publicly accountable for their actions. Public accountability requires a free press to monitor government performance and publicize abuses. Decentralization can lead to the reinvigoration of local governments, and the fostering of community participation and nongovernmental organizations.[12]

The response of the State to economic crisis in Ghana

Since its independence, the role of the state in Ghana has varied in accordance with the economic ideologies and political support bases of different governments. Populist governments were interested in investment in infrastructure and redistribution of wealth, while others promoted the role of a market mechanism. Under the Nkrumah government (1957–1966), the state was involved in various industrial projects. The National Liberation Council (NLC), organized by military leaders who overthrew the Nkrumah regime, and the succeeding civilian Busia regime laid stress on achieving macroeconomic stability (1966–1972). The NLC pursued three main goals: the restoration of budget stability, the balancing of foreign trade, and the consolidation of foreign debts. The Busia government inherited the basic economic strategy, but the government resorted to liberalization of imports to stimulate growth.

The following National Redemption Council (NRC) faced such urgent economic tasks as increasing agricultural production, promoting export earnings, reducing budget deficits, and rehabilitating and expanding the vital sectors of the economy. Another important goal was to establish proper priorities in the provision of social services.[13] The People's National Party (PNP) Government of President Limann (1979–1981) was pressed to adopt IMF stabilization measures, which resulted in austerity measures as well as increases in cocoa producer prices and devaluation. After the failure of socialist economic policies for a year, the Rawlings regime, which was established by a military coup, implemented economic liberalization policies from 1983. With heavy financial support from the donor community, the Ghanaian government maintained its liberal economic reform after the presidential election in 1992. The re-election of Rawlings as President in December 1996 indicates that the adjustment programme has managed to survive popular discontent under the new constitutional regime.

State capitalism during the Nkrumah years

As in many other instances in Africa, Ghanaian leaders inherited from the colonial period an authoritarian state model with a tradition of strong government control over the economy. During the postcolonial period, Ghana pursued active investment in infrastructure and industrialization. The state played a key role in the process. The statist direction, often associated with economic nationalism and socialist experimentation, resulted from interventionist colonial traditions, the nationalist élite's association of capitalism with imperialism, the weakness of indigenous expert advice, and the new state managers' drive for self-aggrandizement. The post-colonial state appropriated the roles of economic regulator, planner, and, in varying degrees, entrepreneur.[14]

With the rising popular expectations in modern economic life, governments have to draw on state resources to secure political control. During the Nkrumah years, in particular, state intervention increased with its socialist ideology and its popular political base. At independence in 1957 the Ghanaian economy had been highly dependent upon monocrop production for generating resources for national development. The initial economic strategy of the Ghanaian government was based on industrialization and investment in urban sectors. This development strategy combined inward-looking statism with populist social reform.

Nkrumah believed that Ghana was being used as a source of raw materials for capital investment, and an exclusive market for manufactured goods. He was also convinced that nonmanufacturing dependency was the main cause of underdevelopment. The state played an important role in decolonizing the country politically, economically, and socially.[15] The socialist programme was seen as the only way to bring Ghana to the threshold of becoming a modern state based on highly organized, efficient agricultural and industrial programmes.

Nkrumah's strategy was characterized by increased public investment in industrialization and infrastructural development in a determined effort to restructure the economy and move away from its colonial legacy. Socialism led to self-sustaining industrial growth. The initial state of Ghana's economy was healthy, and this helped the government to draw on the country's accumulated reserves to finance budget deficits resulting from development projects. However, Nkrumah's strategy was constrained by structural problems of the monocrop economy. By 1961 the Ghanaian people had become tired of vain promises of the "paradisal benefits of industrialization" which did not show any physical signs of being realized.

The failure to generate funds needed for development led to trade imbalances and budget account deficits from 1959–1966. During this period, Ghana's foreign exchange reserves dropped by 60%. This fall was, in part, caused by a decline in the price of cocoa on the world market, on which the government depended for massive borrowing to finance the growing budget deficit. Deficit financing, expansionist monetary policy and slow growth in the output of basic consumer goods compounded the difficulties inherent in excess-demand inflationary pressures.

Nkrumah tried to build state capitalism to compete with foreign economic interests operating in various sectors of the economy. To penetrate economic sectors dominated by foreigners, the state developed mechanisms of state enterprises.[16] In the absence of a powerful private sector, the state had to intervene in several economic activities. The revenue needed to finance the industrialization and social investment programmes of the government was generated through the Cocoa Marketing Board. Thus the state extracted surpluses from peasant cash crop production. The government pushed the capitalist traders out of the market and in turn started to create a buying monopoly.

These initiatives caused problems when the world cocoa prices fell sharply on the international market. In addition, the high investment and recurrent statal and parastatal spendings were beginning to exert external balance and inflationary pressures. Some regional imbalances in economic development also emerged. The northern and upper regions and adjacent districts remained stagnant and peripheral to the economy.[17] This economic crisis in Ghana started in the mid-1960s and accelerated in later years.

Stabilization versus interventionist economic policies

Various Ghanaian governments after Nkrumah fluctuated uncertainly between liberal and interventionist economic policies. Different types of political and economic interaction led to diverse development strategies, while any government in power did not consistently pursue one policy. The state's inability to cope with the challenges of a volatile international economic environment, combined with a weak state power base, made it difficult to pursue coherent economic policies.

Interventionist economic policies relied on domestic price control, government regulation of the distributive system, and administrative management of the balance of payments through fixed exchange rates, quantitative import restrictions, and administrative rationing of foreign currency. Several Ghanaian governments, including the National Redemption Council (1972–1979) and the Provisional National Defence Council (1982–1983) preferred these policy measures for political and ideological reasons, such as their emphasis on artificially low official prices and equitable distribution of wealth.

On the other hand, the lack of economic predictability resulting from distortions in pricing and state monopolization of investment decisions impaired the ability of the private sector. In addition, such institutional arrangements as the Cocoa Marketing Board and systems of import licences and foreign exchange developed abundant opportunities for rent seeking. Patron-client relations were used as the chief means of gaining access to scarce resources.[18]

As a result of such shortcomings, state intervention has frequently been

President Jerry Rawlings

followed by economic liberalization, whose proponents advocate the abolition of direct control over the private sector and a return to market mechanisms. This approach, associated with IMF stabilization, was applied by the National Liberation Council (1966–68), the Limann government (1979–81), and also attempted briefly (but unsuccessfully) at the end of 1971 by the Progress Party.

This approach emphasized macroeconomic stability and tried to liberalize foreign trade, deregulate market prices and realign internal prices with those prevailing in the international economy through devaluation of the currency and other monetary measures. While cocoa prices were raised, little attention was paid to income distribution. The package of IMF economic policies adopted by the Limann government in 1979, for example, included a 300% increase in the producer price of cocoa, a sharp reduction in government expenditure, and a substantial devaluation of the *cedi*, the Ghanaian currency unit.

Stabilization measures had the advantages of balance of payments support, debt relief, and government deficit reduction. Those policies, however, failed to control inflation and brought no improvement in export performance despite massive devaluations. The stabilization programmes addressed neither the problem of the external environment nor dependency structures. In addition, inadequate attention was paid to supply bottlenecks, while the devaluation itself had a negligible effect on import and export levels.[19] Its negative effects also included higher prices, controlled wages and retrenchment. These led to considerable popular resistance and made it a politically risky strategy. After the January 1972 military coup, "no weak or elected government could contemplate [the implementation of stabilization measures] with equanimity".[20]

What essentially happened after the end of the Nkrumah regime was an intensification of the structural constraints of the 1950s and 1960s. Gross economic mismanagement and unfavourable external factors combined to plunge the economy into a deeper crisis. The most unfavourable external developments were the rise in the price of petroleum and declining cocoa export earnings. These exerted a severe pressure on the country's balance of payments position and fuelled domestic price inflation.[21]

Kofi Busia

Constraints on State economic policy making

Ghanaian governments anxious to industrialize the economy realized that the economy the country had inherited from the British lacked flexibility. Persistent economic crises heightened the insecurity and frustration of the masses, who then withdrew their support for the government. The lower class had little input into decisions made at the national level. Two factors determine to what extent economic benefits reach the masses: the actual performance of the economy, and policies made by the political élite. Since the low-income class forms the bulk of the population, the legitimacy of the government comes from their support. This popular support often depends on economic benefits received. In Ghana, the political base of most governments was quickly eroded because the anticipated economic benefits to the people did not materialize.[22]

The story of Ghana from the late 1960s to 1982 is one in which political instability and the rapid turnover of policy makers contributed to misguided economic policies, to which governments adhered although they realized that these policies were crippling the national economy. This inability to change policies that were driving the economy further and further down was perhaps the most striking characteristic of Ghana's history during that period.[23] The state's inability to provide material security for the masses weakened its political capacity to build consensus on economic reforms.

Military coups are manifestations of a basic cleavage in Ghanaian politics, symbolized by the ideology of Kwame Nkrumah versus that of Kofi Busia. The NLC coup facilitated the transfer of power from the CPP coalition to the "old establishment" of the former élites of chiefs, professional men, wealthy traders and senior civil servants who had lost political power to Nkrumah's new coalition at independence.

The crisis of the Ghanaian state stems, to a great degree, from its inability to offer a sound material basis for economic growth. Failure to satisfy a country's economic needs makes it difficult for the government to justify its demand for political support from the population. Withdrawal of active support for political regimes and institutions became more marked when the state pursued liberal economic policies under pressure from foreign donors. Austerity measures were seen as a betrayal of popular economic interests.

The role of the state in the economy was constrained by several factors. First of all, a fiscal crisis of the state due to budgetary deficit led to external and domestic debt which, in turn, eroded national sovereignty and the state's power over economic policy making. The problem was caused by the failure of the Ghanaian state to reproduce its traditional sources of export, such as cocoa, and to diversify or develop new sources. The economic crisis was at its roots a structural one, although fiscal policies and bureaucratic allocation exacerbated this over time, by grossly restructuring incentives away from production toward exchange and rent-generating activities.[24]

Second, deepening agricultural stagnation and under-exploitation of industrial capacity led to a failure to satisfy essential consumption needs. Domestic production sectors were organized to satisfy the needs of foreign trade but not to respond to growth in domestic demand. This led to the persistence of foreign domination of the economy despite the growth of state and private Ghanaian capitalism.[25]

Third, frequent policy changes were made in response to opposition from key economic interest groups and pressure from the international economy. The lack of a coherent set of economic policies was responsible for a protracted political crisis following the overthrow of Nkrumah in 1966. Increasing loss of policy control and electiveness resulted from state instability and the lack of popular confidence and support, while continuing efforts to mobilize resources for investment programmes, in the face of depleted reserves and the collapse of international cocoa prices, led to the bankruptcy of the state. On the other hand, efforts towards economic stabilization based on austerity measures alienated broad segments of the population.

New state roles for structural adjustment

Structural adjustment requires changes in the role of the state.[26] Since the adoption of adjustment policies, the productive and distributive functions of the Ghanaian state have been severely curtailed.[27] By reducing the state's intervention in production, the Rawlings government attempted to redirect its regulatory intervention on behalf of the private sector. However. Bank and Fund policy recommendations have not yet produced the desired impact. The reduced state role in the expansion of a market mechanism has so far failed to mobilize the private sector adequately and has not improved the state fiscal basis, since in Ghana, as in many other parts of the developing world, there is a high degree of interdependence between the public and private sectors.[28]

Economic policies have political significance since they influence the distribution of resources in society. Simultaneously reducing the state's productive and regulatory roles undermined its ability both to influence the activities of significant economic actors in the country and to provide essential services. Thus, many of the policy reforms pressed for by international financial institutions produced significant challenges to the legitimacy of the existing state. Reducing or redirecting the state's distributive intervention in the economy prevented the Rawlings regime from electively mediating between conflicting factions within civil society, especially between capital and labour.[29] As a matter of fact, during the 1980s the implementation of adjustment programmes resulted in an active state role in repressing and coopting opponents of neo-classic economic reform.

In the early 1990s, large aid donors and multinational financial agencies pressed the Ghanaian government for political reform commensurate with economic liberalization.[30] In response to the pressure, national elections were held in November 1992, after more than a decade of repressive rule. The concept of a liberal state is tied to capacity building, disciplined by democratic politics, to maintain political and administrative conditions for private capital accumulation. According to the World Bank view, such a reformed state would also safeguard human rights and advance development objectives articulated on all sides. The state needs to be transformed into an agent for the birth of a viable capitalism. For this purpose, the creation of an accountable government and a stable policy is essential.

Donors believe a new state/society balance of power is needed for the development of a market economy. Heavy-handed regulation of civil society by suspicious autocrats discourages autonomous business initiatives and provokes people to flee into the unregulated informal sector. The appropriation of the government machinery by the élite serves their own interests through the manipulation of regulatory power over contracts, licenced monopolies, and access to foreign exchange.[31] Breakdowns in administrative justice and political instability foster uncertainty over the sanctity of private property. Ghana's democratic transition over the last few years reflects the new political economy theory held by donors. While democracy may help to create conditions for promoting the private sector, popular participation can challenge the political legitimacy of structural adjustment, especially in the midst of a lack of improved living standards.[32]

Since 1992, the unfamiliar pressure of democratic accountability has occasionally derailed the implementation of adjustment policies. For example, popular opposition to the introduction of 17,5% value-added tax on goods and services in May 1995 eventually led to the withdrawal of the plan by the government. In addition, more open demands for better wages adversely affected efforts to reduce government deficit and control inflation.[33] The poor economic record over the last few years reveals incompatibility between the successful implementation of structural adjustment and democratic government.[34] A certain level of state intervention in the market is required in order not to antagonize urban and middle-class consumers. Pluralistic democracy and aid conditionalities for liberal economic policies produce conflicting pressures. At a meeting with James D Wolfensohn, President of the World Bank, Ghana's finance minister Kwame Peprah complained that "our present political system which is guided by the constitution is beginning to influence the country's ability to carry out the desired adjustment required by the Bank".[35] Moves towards political pluralism complicate the political management of necessary economic changes. Economic costs are set against the benefits of democratization and strengthened civil society.

Conclusion

The role of the Ghanaian state in economic development was severely limited by structural constraints. The decline in cocoa prices in the international market as well as the failure of industrialization strategies contributed to trade imbalance and government deficit. The deteriorating macroeconomic conditions left no choice for the governments but to depend on international financial institutions. The adoption of free market economic policies is a logical outcome of international intervention. Before the Rawlings regime, social resistance led to reversal of liberal economic measures suggested by a donor community. A lack of political support significantly curtailed the role of the Ghanaian state in managing economic problems. The longevity of the structural adjustment programmes under the Rawlings regime (compared with short-lived reform efforts before the early 1980s) can be attributed in part to state capacity to co-opt, or repress the demands of, various groups, especially trade unions and urban consumers, and in part to heavy financial support from international donors. However, the recent transition to a democratic government has been followed by more serious challenges to government efforts to pursue market-oriented economic reform.

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   The coup that toppled the SMC government in 1979 was precipitated by a national uprising. Widespread dissatisfaction with the management of the economy led to mass withdrawal of support, and frequent strikes by students, taxi drivers, nurses and teachers. When the economic conditions began to seriously affect the life style of the élite group, they joined the popular uprising to bring the government down.
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From **Zaïre** to the **Democratic Republic of the Congo**

Towards post-Mobutuism

by Hussein Solomon (Senior Researcher, Regional Security, Institute for Security Studies)

Introduction

Zaïre is arguably the quintessential example of the current malaise affecting Africa. In Mobutu's vast empire are reflected all the symptoms and more – from corruption, nepotism and kleptocracy to ethnic conflict and an absence of democracy; from economic stagnation and environmental degradation to foreign intervention. It is for this reason that it is so important to understand the unfolding crisis in the Zaïrian state: to understand Zaïre is to understand Africa.

But there is a more pressing reason for analysing the situation in Zaïre. Zaïre has the potential to be Sub-Saharan Africa's superstate, covering as it does a total area of 2 345 410 square kilometres. It shares its land boundaries of 10 271 kilometres with eight states. These are Angola (2 511 km), Burundi (233 km); Central African Republic (1 577 km); Congo (2 410 km); Rwanda (217 km); Sudan (628 km); Uganda (765 km); and Zambia (1 930 km).[1] Thus the spillover effects of the conflict within Zaïre could, and do, affect the entire region. Already Tanzania, Uganda, Angola and Zambia are home to thousands of Zaïrian refugees fleeing from their war-torn land.[2] The trickle turned into a flood of humanity as the situation worsened in Zaïre. This, in turn, holds adverse implications for regional stability.

This article is divided into three sections. The first seeks briefly to explore the roots of the conflict in Zaïre. The second is a critical appraisal of the strategies adopted by the protagonists in the course of the conflict. The third, which forms the main thrust of the paper, reflects on some of the lessons learned from the Zaïrian crisis.

The genesis of the conflict[3]

The roots of the current crisis in Zaïre date back to 1981, when Kinshasa promulgated a new nationality law depriving the Banyamulenge of citizenship. These were ethnic Tutsis who had resided in the Kivu region for generations.[4] The passing of the law was followed by a policy which sought to dislodge the Banyamulenge from the land they legitimately occupied.

Zaïre has a population in excess of 45 million and a population growth rate of 3,18%. As only 3% of Zaïre's total land

Mobutu

area is arable,[5] land hunger and the tensions surrounding it are never far below the surface of Zaïre's turbulent polity. Therefore it came as no surprise when local tribes decided to exploit Kinshasa's new policy towards the Banyamulenge by aggressively pursuing land claims against the Tutsis. The inevitable result was war, which soon engulfed the whole of Kivu province. By 1993 there were tribal clashes between the local Hunde, Tembo, Nyanga and Nande tribes and the Banyamulenge.[6]

Meanwhile, in neighbouring Rwanda events were coming to a head which were to have far-reaching consequences for the Zaïrian state. On 6 April 1994, Rwandan President Juvenal Habyarimana's aeroplane was shot down. The suspicion of Tutsi involvement was the pretext used by the Rwandan Armed Forces (FAR) and their Hutu extremist allies – the Interahamwe militia – to kill an estimated 800 000 Tutsis and moderate Hutus.[7] This slaughter came to an abrupt end in July 1994 when the Tutsi-dominated Rwandan Patriotic Front (RPF) defeated Hutu government forces. Fearing retribution for the genocide, two million Hutus fled Rwanda, with 1,2 million settling in refugee camps in neighbouring Zaïre. These camps soon came under the control of the Interahamwe militia who used them as bases from which to launch assaults against the Tutsi-led Kigali government. This prompted Rwandan Vice-President and Defence Minister, Paul Kagame, to warn Zaïre that if the attacks continued, the Rwandan Patriotic Army (RPA) would retaliate and exercise its right of pursuit.[8]

Meanwhile the pogrom against Tutsis escalated in intensity. In May 1995 new legislation was passed forbidding Banyamulenge from acquiring homes or land in their adopted country. This was followed in December 1995 by an announcement by the Zaïrian Army Chief of Staff, General Eluki Monga Aundu, that the local Hunde, Nyanga and Tembo people had the right to "expel the foreigners" from the land. This served to further escalate tribal conflict over the vexing issue of land. But it was not only local tribesmen the Banyamulenge had to face, but also the Interahamwe, the FAR, and the Zaïrian army. These forces combined to escalate the genocidal campaign against the Tutsis. In May 1996, 100 Tutsis seeking sanctuary in Mokoto church were slaughtered. In June 1996, five Tutsis were arrested and jailed in Luberizi army camp. In July of that same year, Tutsi children were not allowed to take their exams, and in September, 35 Banyamulenge were murdered by Zaïrian troops.[9] In fact, between September and October 1996 an estimated 2 000 Banyamulenge were massacred by Interahamwe militia, FAR and Zaïrian troops.[10]

But the real catalyst for the Banyamulenge revolt occurred on 7 October 1996, when the Deputy Governor of Zaïre's South Kivu Province claimed that the 300 000 strong Banyamulenge community was destabilising the region and had to leave Zaïre within a week or "be hunted down as rebels".[11] This was the final straw and the Banyamulenge decided to fight back. On 10 October the Banyamulenge began their war with an attack on Lemera hospital in Bukavu.

Around this time the Banyamulenge became an integral part of, and fought alongside, Laurent Kabila's Alliance of Democratic Forces for the Liberation of Congo-Zaïre (AFDL). From 21 October the Banyamulenge and the AFDL began making lightning advances into the heart of Zaïre. Thus by December the rebels were in possession of Uvira, Bukavu, Goma, Bunia, Walikale, Butembo and Lubero. The AFDL'S capture of Kindu[12] placed them 320 kilometres west of where the rebellion had started, but still about 2 000 kilometres short of their ultimate objective – Kinshasa. By May 1997, the town of Kenge, 200 kilometres from Kinshasa, had fallen into rebel hands. Soon after, Kinshasa itself toppled to the AFDL and Zaïre was renamed the Democratic Republic of the Congo.

The trajectory of the conflict

How did the rebels manage so quickly and efficiently to defeat Mobutu's armed thugs? How were they able to isolate Mobutu diplomatically? These are difficult questions and there are no simple answers. However, an analysis of the strengths and weaknesses of the protagonists and an assessment of the strategies adopted might go a long way towards answering these questions.

Mobutu responded to the crisis on military, political and diplomatic levels. On the military level, Mobutu suspended the Zaïrian Army Chief of Staff, General Eluki Monga Aundu, on 20 November 1996. He was replaced by Lieutenant-General Mahele Bokungo Lieko, who has a history of successfully crushing armed rebellion.[13] The army was also considerably strengthened by the transfer of the Presidential Division and the Civil Guard, under Mahele's direct command. The significance of this move lies in the fact that both these units had been provided with superior quantities and quality of arms.[14]

However, these initiatives proved ineffective. If anything, the civil war has unequivocally revealed that his armed forces were Mobutu's Achilles' heel. Dr Adebayo Williams puts it succinctly when he notes that

> Armies founded on internal pacification are always better at bullying and terrorizing the local populace than fighting a well-disciplined force. The Zaïrian army rapidly disintegrated, exposing Mobutu's soft underbelly.[15]

At both Goma and Kindu, when confronted with people willing to fight back, Zaïrian forces turned on their heels and ran, looting and raping their own citizens as they fled.[16] This proved disastrous for Kinshasa: the army's actions alienated Zaïrian citizens, driving them into the rebel camp. In Goma, for instance, residents feared the rebel occupiers less than Mobutu's army which was supposed to defend the city. One young Zaïrian resident put it this way, "The rebels are not as bad as the Zaïrian soldiers. Zaïrian soldiers were terrible. The Zaïrians took everything: radios, televisions, everything. The Rwandans just steal money from us."[17]

It is clear that Laurent Kabila exploited this pervasively negative feeling towards the Zaïrian army, turning his eastern Zaïrian insurrection into a national insurrection against the despotic Marshall. As far as ordinary Zaïrians were concerned, however, it was also clear that the rebellion was, to a certain extent, perceived as something extra-national or extra-territorial. The rebels were seen as Rwandans or Rwandan-backed. Recognizing this, Mobutu tried, ineffectively, to play the national card and in so doing to localize, isolate and crush the rebels. One possible reason for the failure of this strategy is the fact that after decades of exploitative and oppressive despotism Mobutu lacked all credibility when portraying himself as a national leader.

But Kinshasa faced other problems of a military nature. The AFDL proved its superior grasp of military strategy throughout the conflict, but especially in its advance on the capital. The rebel alliance proceeded on three fronts towards Kinshasa. The first was Tshikapa, the most important town in Bandundu province. The significance of this is that it supplies Kinshasa with most of its food. The second front was Dowete, which commands direct road access to Bandaka, a Zaïrian river port controlling important traffic to Kinshasa. The third, Ilebo, is the largest inland port and a vital supply link of goods to Kinshasa.[18] The AFDL also captured the airport at Kinshasa; this would result in a very effective siege of the capital and force it to surrender without the firing of a single shot. As the war continued, it became obvious that Mobutu's generals did not have a military counter-strategy. It also became clear that even with a military plan Kinshasa would not have the available soldiers to transport to the battlefield. William Wallis explains the problem,

> Officially, there are 100 000 regular troops in the Zairean army and gendarmerie, but these figures are as much as double the reality. For years, dead or deserted soldiers have remained on the payroll, their tiny salaries slowly filling the pockets of their superiors. Now that Zaïre really needs troops to defend its interests, there is only the ghost of an army to send to the front.[19]

The problem was seen as so serious that just before his suspension General Eluki employed Ingilima warriors from North Kivu, armed with spears and naked apart from a sprig of leaves covering their genitals, to fight alongside the regular army.[20]

But Mobutu's strategy also relied on a political offensive against the AFDL. For instance, in December Mobutu pledged that Zaïre would recognize the inalienable right to citizenship and nationality of all the people within its borders, including Tutsis.[21] This was obviously a tactic on Mobutu's part to dislodge the Banyamulenge, and hopefully their Rwandan backers, from the AFDL alliance. Once again, this resulted in failure. It could be argued that the spoils of victory far outweighed any largesse Mobutu might offer, and this fact could account for the united stand of the AFDL.

Recognizing the importance of the business community, Mobutu had gone to great lengths to woo this section of the community. Prime Minister Kengo wa Dondo, for instance, noted (before his dismissal) that ample gratitude

Kabila

would be displayed to those businesses which remained in the country during these difficult times. The government even hinted at favouring these die-hard businessmen when it embarked on the privatization of public assets in key sectors.[22] This strategy, however, also met with failure. Recognizing where the current military balance lay, various multinational corporations have preferred to deal with Kabila.

Mobutu's diplomatic strategy was informed by his *perception* of the nature of the security threat he faced. This perception, however, was fundamentally flawed and it could be argued that Kinshasa's diplomatic strategy, though successful, was for this reason inappropriate to the crisis at hand. From the very beginning, the Zaïrian state refused to recognize the indigenous nature of the rebellion, preferring to see it as a Rwandan-inspired uprising to annex Kivu province.[23] In this belief, they focused their diplomatic activity on acquiring international support for the territorial integrity of Zaïre. Certainly Kinshasa was successful in this, when there was agreement at the Nineteenth African Summit on the territorial integrity of the Zaïrian state. However, Mobutu was missing the point. There was no support amongst the rebels for eastern Zaïre to be annexed to Rwanda, or for secession along the lines of another Biafra or Katanga. What Mobutu was dealing with was a *national* movement with national aims and objectives. Laurent Kabila, the leader of the AFDL, expressed his organization's aims and objectives in the following manner:

> The war in which our troops are engaged has as its aim the removal from power of a government which has led its people to unprecedented poverty, a government whose army has lost its head and is no more than a soldiering farce inflicting suffering on the people and pursuing individual ends. We have been forced by the obstinacy of Mobutu to have recourse to the same means that he uses to keep himself in power, which is nothing other than force. We need, for the next twelve months, a transitional government that will organize free elections to give the country democratic institutions from which all forms of power can draw their authority, with universal suffrage. Zaïre has to return to becoming a legal state.[24]

There are other factors which illustrate the fact at this is indeed a national movement. Contrary to media speculation, the AFDL is not an entirely Tutsi organization. In fact, it consists of four main groups. The first is the Democratic People Alliance (DPA) consisting of Banyamulenge fighting for their right to Zaïrian citizenship. A second member of the AFDL coalition is the Revolutionary Movement for the Liberation of Zaïre, whose leader, Masasu Nindanga, is a member of the Bashi ethnic group based in southern Kivu. The National Resistance Council for Democracy is the third member. It is led by Andre Kisase Ngandu, a Kasaian and the military commander of all AFDL forces. Finally, there is the People's Revolutionary Party (PRP) under the leadership of Laurent-Desire Kabila, a Luba from northern Katanga.[25] All AFDL members fall under his political leadership.

While this is a national uprising, it does have certain regional overtones. This is not surprising, given the interconnectedness of the central African region. For years, Zaïre, Burundi, Rwanda, Uganda, Angola and Tanzania have been caught up in a vortex of ever-spiralling conflict. This resulted in the Rwandan army 211 Brigade, led by Lieutenant-Colonel Nzaramba of the RPA 7th Battalion, attacking Kibumba refugee camp near Goma in early November 1996.[26] In the same vein, Uganda shelled the area around Kasindi in Zaïre. These regional overtones, however, should not detract from the fact that the conflict is *intra-state* as opposed to inter-state. In the case of Rwanda, the attack on Kibumba refugee camp was in line with Kigali's strategy of ridding the camps of control by the Interahamwe and FAR troops who posed a security threat to Rwanda, as attacks into Rwanda were launched from these camps.[27] From the perspective of Kampala, similar concerns led to the artillery barrage on Kasindi. For years Kinshasa had provided sanctuary to Ugandan rebels, who proved to be an increasing menace to the Yoweri Museveni regime. The attack on Kasindi was deliberately aimed at destroying the Ugandan rebel bases.[28] Thus any support the AFDL is receiving from regional states is due more to Mobutu's counter-productive foreign policy of destabilising his neighbours (war-torn Angola is a case in point) than to any such regional designs on Zaïrian territory as Mobutu claimed.

Kinshasa made other diplomatic blunders. Confident of support from the French, who had bailed him out of difficult situations before, Mobutu had snubbed African initiatives to resolve the impasse. This was graphically illustrated by Zaïre's refusal to attend the Nairobi Summit convened by Kenyan President Daniel arap Moi in December 1996 to mediate in the stand-off between Kinshasa and the AFDL.[29] This was a terrible miscalculation on the part of Mobutu: he alienated regional states while at the same time placing his faith in French power, which, as will be explained below, is on the wane in Africa.

If Mobutu was shooting himself in the foot in the diplomatic sphere, Laurent Kabila certainly was not. He realized that his movement was dependent on financial support and arms from neighbouring countries. Thus, recognizing the importance of holding the moral high ground, Kabila declared a unilateral cease-fire the day before the Nairobi Summit on 5 November 1996, with eight African leaders attending.[30]

On a political/military level, Kabila also launched new initiatives. First, the AFDL launched a massive recruitment campaign. The success of this was testified to by journalists in the area who witnessed truckloads of new recruits flocking to the banner of the AFDL.[31] Press reports indicated that more than 100 000 new recruits had joined the rebel alliance.[32] The success of the AFDL's recruitment drive could be attributed to their having broken Zaïre's "passivity syndrome". Professor Herbert Weiss puts it this way:

> There has been astonishingly little violent political protest in Zaïre in the last 30 years. This "passivity syndrome" was the reaction to the bloodletting which occurred in the mid-1960s. Of course, authoritarian rule, playing ethnic group against ethnic group, bullying security forces and the impression that the West would always bail out the Mobutu regime, also helped produce this result.[33]

War is an expensive occupation: one needs to purchase weapons, pay one's troops, feed and clothe them and purchase fuel and a plethora of other supplies. The rebels were fortunate enough to capture a number of mines. According to one analyst, by January 1997 the rebels were in possession of between 150 and 250 tonnes of gold metal reserves.[34] The rebels, however, needed Western know-how and equipment if they were to make any money from the mines, and many of these foreign mineworkers and owners had fled from their mines in the wake of the fighting. In order to entice these back, the AFDL embarked on a carrot-and-stick strategy. The carrot was that rebels would leave mining concessions untouched in the areas they controlled, provided mining companies paid taxes to the rebel administration.[35] The stick was that those foreign mining companies who did not resume operations within rebel-held territory risked losing their leases.[36] The success Kabila has achieved in wooing international businessmen is self-evident. This in turn gave the AFDL'S war effort a massive boost.

Issues raised by the Zairian crisis

The crisis in Zaïre brings to the fore several vexing questions facing the international community.

Refugees

The issue of "armed refugees" and "fortified refugee camps" constitutes a challenge to international refugee agencies and humanitarian assistance. Since 1994, international agencies have fed, clothed and provided medical assistance to the Interahamwe militia together with bona fide refugees. This militia was responsible for the genocide of almost 800 000 people, in addition to launching attacks on neighbouring Rwanda and conducting a reign of terror against its own people within the camp. Clearly, this is an untenable state of affairs.

What is needed is a firm policy of separating bona fide refugees from combatants inside refugee camps. At the very least, such combatants need to be disarmed. Failure to do this turns the refugees and their camps into targets for attack. Rwanda's attack on refugee camps was not the only such instance. South Africa, for example, regularly attacked camps in Angola, Botswana, Zambia and Lesotho. Vietnamese forces repeatedly shelled Cambodian refugees encamped along the Thai border Claiming that refugee camps were harbouring guerrillas and subversives, the Guatemalan army crossed the border into Mexico in the early 1980s and ruthlessly attacked settlements in Chiapas. Ethiopia has regularly carried out raids against refugees inside Sudan.[37]

Several more examples can be cited, but the underlying point is that where refugee warrior communities exist in fortified refugee camps, using such camps as launching pads to attack neighbouring states, they themselves become military targets. In the process the sovereignty of the host state is compromised and the international refugee regime is undermined.

Issues in peacekeeping

The crisis in Zaïre also highlighted various problem areas in international peacekeeping.

One was revealed in the ambiguous nature of the Western response: the United States and Canada got bogged down in details such as the size of the force, their mandate, and the duration of their stay in the operations area.[38] Finally the action was scuttled on the US insistence that there be a cease-fire before they commit their troops,[39] underlining the fact that the US is still suffering from the "Somali syndrome". Recent events, however, have seen the United States, in conjunction with South Africa, playing a more assertive role in the crisis in Zaïre. One possible reason for this volte-face on the part of the United States could be that domestic public pressure to play a more conclusive role in the unfolding Central African drama is becoming a factor in US foreign policy-making decisions. This public opinion, in turn, could have been brought about by a sense of guilt. The media have repeatedly exposed the US role in supporting Mobutu's authoritarian regime over the past three decades.

Zaïre also highlighted the crisis inherent in African peace initiatives – at both the regional level seen in the Nairobi Summits and at the level of the Organization for African Unity, which was in general too slow and inadequate to deal with the situation. Within the Southern African Development Community (SADC), for instance, the Zaïrian crisis revealed deep organizational problems. As the situation in eastern Zaïre deteriorated, South Africa, as Chair of SADC, called a meeting of all member states to discuss the situation. To this Zimbabwe reacted negatively. As Chair of the SADC Organ, Harare felt that convening a meeting should have been its prerogative. As a result no SADC meeting was convened - hence there is no SADC position on the unfolding tragedy in Zaïre, even though three SADC member states – Angola, Tanzania and Zambia – are severely affected by the crisis. Clearly, this dichotomy in SADC leadership has to be resolved. When South Africa did finally decide to act, some observers noted that this was due more to pressure placed on South Africa by the United States than to any other factor. This does not bode well for the development of a viable regional security regime.

On the continental level, the Zaïrian conflict illustrated the fractured nature of the OAU as an organization, when Francophone African states decided not to attend the Nairobi Summit. Instead, they reportedly convened their own summit to establish their own separate peace initiative.[40]

The crisis in Zaïre brought into sharp relief the traditional dilemma facing international peacekeeping efforts: the unresolved issue of national sovereignty versus the humanitarian imperative. This was underlined when Zaïre insisted that it had to approve the nations participating in the proposed peacekeeping force[41] and when it later refused to grant the international force permission to overfly or enter its territory.[42] It is imperative that this dilemma be resolved speedily, if the world is not content to watch idly as human tragedy unfolds on our television sets, protected by the concept of sovereignty. One commentator suggests that this impasse could perhaps be resolved by the United Nations developing a set of criteria to determine what constitutes a sovereign state. States failing to pass this litmus test (such as Zaïre, Liberia, Somalia) would have their right to sovereignty waived.

The Zaïrian crisis has also served to reveal the counterproductive nature of some international peacekeeping operations. Consider the following: rebels only attacked the Hutu militia holed up in the Mugunga refugee camp after news erupted in Goma that the multinational force being set up would not try to disarm Hutu fighters when they brought aid to the refugees displaced by the Tutsi rebellion. Some commentators believe that the rebels were trying to take on the Hutu fighters before the arrival of the proposed

Canadian-led force.[13] In other words, at the heart of the international peacekeeping dilemma is the question of whether there can be long-term peace without justice.

Declining French influence in Africa

The waning of Mobutu's power is mirrored in the decline of French neocolonial adventurism in Africa.

As the crisis in Zaïre unfolded, France pushed hard for foreign intervention, seeing itself as the leader of an international force; Zaïre, after all, fell within the French sphere of influence. Paris, however, received a rude shock. Recalling French intervention in Rwanda in 1994, which witnessed French troops protecting those guilty of genocide,[14] the United States and its allies pressed Paris not to support Mobutu. In the face of US pressure, France capitulated. As a face-saving device, Jacques Chirac informed Zaïrian Prime Minister Kengo wa Dondo that France would only help Kinshasa if it "restructured its army", a goal which was completely unrealistic, as France knew only too well.

International pressure was not the only impediment to French intervention. Attitudes in Francophone Africa had hardened against France's paternalistic benevolence towards its former colonies, which saw it as propping up undemocratic regimes. Hence, one of Kabila's demands was the ending of French support to Mobutu; a demand echoed by mutineers in Zaïre's neighbour, the Central African Republic. Reflecting on these changed circumstances, the US Ambassador to Zaïre, Daniel Simpson, succinctly commented, "France is no longer capable of imposing itself in Africa. Neo-colonialism is no longer tolerated. The French attitude no longer reflects the reality of the situation".[15]

Zaïre and the legacy of Mobutu

In conclusion, it must be cautioned that Mobutu's physical departure from the Zaïrian political scence does not mean that we will be witnessing the end of the era of 'Mobutuism'. Mobutu has bequeathed to the Zaïrian state a legacy of authoritarianism. This authoritarian impulse remains strong in Zaïre's politics. Allegations of the AFDL killing of Hutu refugees, allegations that Kabila ordered the assassination of his military commander, Major General Kasese Ngandu, in a bid to consolidate his power base,[16] and Kabila's attacks on other political parties bear witness to it. This does not bode well for the future stability of the post-Mobutu Zaïrian state. It is my belief that only if the AFDL effectively moves away from this authoritarian legacy will Zaïre move into a post-Mobutu era.

There remains the question of how this legacy is to be challenged. The one thing we can be sure of is that the replacement of Mobutu by Kabila will not in itself alter the despotic nature of the Zaïrian state. Personalities, contrary to popular opinion, cannot by themselves redress the current malaise of the African state. What is needed is to address the underlying structural problems of the nation-state in Africa. In the Zaïrian context, this means that Kabila's battleground victory against Mobutu's ragtag troops would not automatically give him the right to be President of the new Democratic Republic of Congo (DRC). He needs rather to go to the polls, with other political parties, in an effort to translate his battlefield gains into electoral victory. At the end of the day, the DRC will continue to be a source of insecurity for the entire region if those who rule Zaïre do so without the consent of its citizens.

Nevertheless, the process of democratization is fraught with danger, as the example of Angola in 1992 revealed. This is especially true of this Central African giant, with its history of poor civil-military relations and ethnic secessions. Zaïre would need international assistance, possibly from the United States and France. Both these states have a moral obligation to assist the people of the new Democratic Republic of Congo, after three decades of propping up the despotic regime of Mobutu. These countries are also ideally situated, as they have the necessary means to place some leverage on recalcitrant parties not prepared to see the dawn of political pluralism in the DRC.

South Africa, too, needs to stay involved in the process. The reasons for this involvement are twofold. The first is South Africa's own national self-interest. Instability and insecurity know no respect for international borders and there is a strong likelihood that South Africa, too, would experience the spillover effects of the conflict, should it remain detached. Secondly, as Chair of the Southern African Development Community (SADC) South Africa has a regional responsibility for defusing or at least containing the crisis in the DRC. Already four SADC states – Tanzania, Zambia, Zimbabwe, and Angola – are experiencing huge influxes of refugees. Moreover, South Africa's involvement in the Zaïrian peace process has created a moral obligation to stay involved.

This international involvement, however, needs to go beyond brokering a cessation of hostilities and overseeing the process of multi-election elections. The DRC needs economic assistance as well. For decades Mobutu's kleptocratic tendencies caused state coffers to be plundered and economic infrastructure to be allowed to decay, whilst ordinary people's standards of living dropped. Thus we come to a situation in 1997 where one US dollar is the equivalent of 175 000 new zaires! Given the intrinsic relationship between economic decline and political instability, foreign assistance also needs to focus on the ailing Zaïrian economy. In short, what is needed from the international community is nothing less than aid to rebuild the state in the Democratic Republic of the Congo.

This is a tall order, but if it is not done, one fears that the post-Mobutu era will remain an illusion.

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Periodic markets and rural development in South Africa

Professor Christian M Rogerson of the Department of Geography and Environmental Studies, University of the Witwatersrand, Johannesburg, examines the prospects for establishing periodic markets as development tools for rural reconstruction in post-apartheid South Africa, in the light of local and international experiences.

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Introduction

During the past three decades the study of periodic marketplaces has attracted the attention of scholars from a diverse range of disciplines.[1] Periodic markets take place regularly on one or more fixed days each week or month and are generally associated with small towns or non-urban places.[2] For many underdeveloped regions, this type of market represents the most important trading institution. One observer claims periodic markets are "vital features of the space economy of most developing countries in Africa, Asia and Latin America".[3]

In post-apartheid South Africa, much interest has been expressed in the potential of periodic markets as policy instruments for promoting rural development.[4] A small number of initiatives have recently have been launched or are currently being planned for the rural areas of Eastern Cape and Northern Provinces (See Figure 1), two of South Africa's poorest provinces. Local planning and policy-making concerning periodic markets can be guided or informed by the experiences, both positive and negative, of periodic market development in other countries. The aim in this article is to examine the potential role of periodic markets in rural development planning in post-apartheid South Africa. Against the background of international experience, current South African policy initiatives towards periodic markets and rural development are investigated.

International research on periodic markets

Although periodic markets are features of both developed and developing countries, their role in the rural developing world forms the core focus of the international literature. The overall pattern of research on periodic markets in the developing world shows three features. Firstly there has been a shift, since the 1960s, from descriptive research works to a more analytical and theoretically-informed set of studies.[5] In particular, a wave of theoretically-linked research was triggered by the growth in application and testing of both central place theories and diffusion theories.[6] Secondly, the popularity of periodic market research rose to a distinct peak during the 1970s and early 1980s, while the volume of new research has noticeably declined since that time. By the late 1980s and into the 1990s, the volume of new research studies appearing on the subject was reduced to a trickle. The focus of recent research reflects a mix of both earlier descriptive[7] and more theoretically informed traditions of scholarship.[8]

The third general observation on trends in periodic market research is, perhaps, the most important. Broadly speaking, the literature on periodic markets exhibits a bias towards interpreting their origins and dynamics, with a corresponding neglect of policy issues. It was observed in the late 1970s that whilst considerable progress had been made in understanding the reasons for the existence and the functioning of periodic markets and periodic marketing, "the same situation does not characterise knowledge of the role, if any, of these institutions in promoting economic development".[9] One Indian researcher averred that "it is a great pity that not much attention is paid to the application of periodic market analysis to problems of rural development in the Third World".[10] Since the above statements were made, during the 1970s and

early 1980s, little improvement has occurred. In fact, throughout the 1980s and early 1990s, in an era of declining overall interest in periodic market research, the amount of policy-related research has been relatively thin.

Our review of international experience of periodic market development is organized into two sections. First, the focus falls briefly on a set of issues which surround the origins, organization and changing dynamics of periodic market-places and of periodic marketing systems. Although this literature provides an informative base and starting point for understanding the position and functioning of periodic markets in national spatial systems, policy issues concerning periodic markets have been largely side-stepped in favour of a research focus on "periodic markets as mere conundrums for locational investigation".[11] In the second section, attention shifts to focus on the small number of research studies that raise or address key policy questions relating to development issues. Here an attempt is made to analyse the policy significance of periodic markets in rural development, with special reference to Kenya, Papua New Guinea and Zimbabwe, where explicit initiatives were launched to incorporate periodic markets in official planning for rural development.

Periodic markets: origins, organization and dynamics

In this section a synthesis is presented of key writings which discuss: (1) the origins and changing development of periodic markets, and (2) theories and research on the organization and dynamics of periodic market systems.

Origins, Development and Change

It is clear that the institution of periodic markets enjoys a long history throughout much of the developing world.[12] In many parts of Central and Latin America, such as Mexico, Ecuador and Guatemala, market-place trading was widespread even in pre-colonial times and continued to retain significance as an integral part of commerce during the colonial period.[13] Likewise, in several areas of Africa (particularly West Africa), there is widespread evidence of the existence of markets that predate the arrival of colonialism.[14] Finally, in Asia it has been observed that the history of

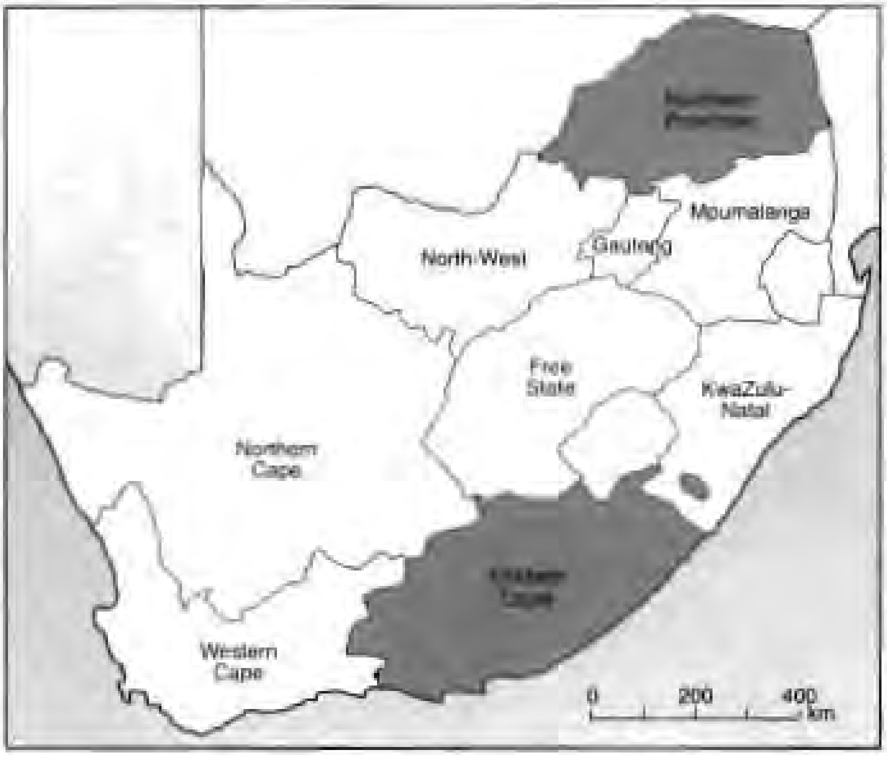

FIGURE 1: Location of Northern and Eastern Cape Provinces, South Africa

periodic markets in Korea can be traced back to ancient times, and that by the 17th or 18th centuries "approximately one thousand periodic markets were functioning".[15] The *tamus* of Sabah provide another documented example of a periodic market system that existed several centuries prior to British colonial rule.[16] It is clear that the origins of periodic markets must be understood in terms of a mix of both economic and non-economic considerations. Smith observes, "The people who converge upon market-places periodically do so with a variety of motives".[17] Undoubtedly, for many market participants, the economic motive of trade and exchange is the paramount consideration. The majority of market-place participants are present in order to obtain cash through the sale of particular goods and services or to obtain or order goods and services.[18] A distinction is generally drawn, however, between different groups of people to be found buying and/or selling in the market-place: the traditional divides are between full-time farmers, part-time farmers and non-farmers.[19] Recently, a further important set of divides has been recognized in terms of the gender of participants.[20] The full-time/part-time distinction as applied to peasant farmers is intended to distinguish between those who derive their incomes and household support primarily from farming and those who have a regular additional non-farming source of income. The non-farmer category would include, for example, craft producers, service providers and itinerant traders; it represents a category which encompasses those predominantly village-based or urban populations who engage in market-place trade. Amongst the ranks of the non-farmer market-place participants would be found the activities of large-scale traders, who are a feature of many periodic market systems.[21] Other actors in rural periodic markets might include tailors, dressmakers, carpenters, weavers, blacksmiths or sandalmakers, or the providers of services such as barbering, traditional medicine or repairs.[22]

Although economic underpinnings are central to interpreting the origins for periodic markets, it is important to recognize the significance of other non-economic considerations in market development. For many participants at market-places "the primary motivation may be non-economic despite the fact that they may be involved in the purchase and/or sale of goods (or services)".[23] In parts of Latin America, periodic markets have three additional functions besides their economic role: social, political and religious. These non-economic functions behind periodic market development are similarly recognized in African and Asian research studies. The *tamus* of Sabah, for example, are recognized as "important social events",[24] frequently linked to such recreational activities as singing, dancing, cock-fighting, horse racing and buffalo racing. Overall, the widespread linkage of markets with non-economic activities throughout the developing world underscores the fact that the genesis and rationale of periodic market-places must be accepted as being based upon a complex and varying combination of both economic and non-economic functions.[25]

The growth and development patterns of periodic markets have generated some instructive writings. Colonial rule witnessed the development and change of periodic market systems in parallel with the evolution of commercial systems. Moreover, in many instances colonial administrations established periodic markets in areas where they were formerly unknown, albeit often with only a limited measure of success.[26] Notable factors influencing the historical change of periodic market systems include the imposition of new administrative or organizational arrangements, the introduction or adoption of new innovations (such as new crops) or technological change (most importantly, new transport). As a consequence of these and other factors, it is evident that market-places are not constant; rather they swell or shrink in size, the number and variety of goods and services offered shift, hinterlands and distribution areas expand or contract, and shifts take place in the groups of people for whom the market-place is important.

There are several useful contributions to understanding the processes and patterns of change in periodic markets.[27] Based upon the experience of periodic market centres in rural China, Skinner[28] proposed an early model based upon the theory of central places. In rural China it was possible to identify systems of market towns which were connected by a series of spatial linkages, including the flow of goods and services, the travel patterns of traders and consumer movement. The most striking finding concerning the Chinese marketing system was the spatial regularity of periodic markets, which took the form of an hexagonal distribution of market centres. Although similar patterns to those observed in China were found in parts of Nigeria[29] and Ghana,[30] in other areas of the developing world, such as Gambia, the evolution of market-places does not correspond to the simple central place model.[31] The general consensus is that "with some modifications to accommodate the conditions prevailing in developing areas, the rationale of central place theory provides a framework within which the structure and functioning of a periodic market system can be understood".[32]

The initial Skinner model is extended in the works of other researchers.[33] Berry[34] divides the growth of central place systems into two basic categories, namely those experiencing *traditional change* and those experiencing *modern change*. Traditional change is likely to take place "under conditions of population growth without transport improvements or more general socio-economic modernization".[35] By contrast, modern change "normally occurs because of transport improvements and is usually accompanied by population growth".[36] In general, traditional change is associated with the proliferation of small market centres, whereas modern change is linked to the concentration of commercial activities into fewer, larger centres. Moreover, as Barrett observes,[37] in geographical terms "the process of modern change occurs initially around the larger urban centres", subsequently diffusing from the more urbanized core areas towards the less urbanized and more peripheral areas.

Organization and Dynamics

The analytical and theoretical work that came to the forefront in periodic market research from the 1960s put forward several important ideas concerning the role of periodic markets as elements in spatial systems. Of great interest was the analysis of the *synchronization* or integration of periodic market-place meetings and investigations of market-place periodicity.

Various researchers sought to track simultaneously the spatial and temporal spacing of market systems. It was suggested that the relationship between the locational and temporal spacing of markets should be inverse, so that periodic markets which were physically proximate should be temporally distant and *vice versa*.[38] In other words, the hypothesis was that proximity in space implies separation in time. An enormous amount of effort has been devoted to testing and/or refining this particular hypothesis in a variety of settings in Africa, Asia and Latin America.[39] Sometimes the examination of the "efficiency" of the spatio-temporal sequencing of markets was conducted in highly abstract and complex mathematical term.[40] As Porter correctly points out,[41] many of these debates revolved around solving what can only be described as a locational puzzle.

Another theme that attracted lively theoretical literature and debate in the 1970s and early 1980s surrounded the travel patterns of itinerant traders and the formation of market rings. The mobile or itinerant trader is a key figure in various attempts to explain the organization of periodic marketing. Such traders visiting several market-places can either make daily trips from a home base or can move from market-place to market-place in the form of a market ring.[42] The notion of market rings and the operations of itinerant traders have interested many researchers.[43] Overall, Smith suggests that mobile itinerant traders are of particular interest for two reasons: first, because agglomerations of such traders could constitute a periodic market, and second, "the periodicity schedule of market-place meetings partly determines the possible movement patterns available and therefore influences the transport costs of these itinerant traders".[44]

Empirical studies showed that the periodicity of market-place meetings varies substantially and it was suggested that in the African rural context "the distribution of market periodicities and market networks presents a complex array of functionally distinct, contiguous, and overlapping systems – a kaleidoscope pattern".[45] It is generally agreed that the length of market weeks is associated with certain characteristics of local culture, economy and society. Moreover, market weeks can be either "natural" or artificial, the latter defined as not tied to the motions of heavenly bodies. A broad sweep of writings tackle the issues around the marketing calendars, with explanations linked *inter alia* to the colonial experience of imposing the seven-day week, patterns of traditional religious practices, and relationships to agricultural cycles.[46] Overall, it is agreed that custom, society and tradition exert a pervasive and powerful influence on periodic market-places and periodic marketing activities. However, for some observers,[47] the acceptance of this proposition does not imply the rejection of well-grounded economic interpretations of the periodic market phenomenon.

Periodic markets and development policy

In an important observation, Ray Bromley records that amidst the great boom in theoretical and empirical research concerning the variety of spatio-temporal arrangements associated with periodic markets, "relatively little attention" was given to the significance of periodic markets for development planning.[48] Other observers argue that it "is surprising to note that the current literature on periodic markets, and periodic marketing, does not analyse their significance for rural development and planning".[49] One significant explanation for the neglect of periodic markets in development planning is that "the fact that periodic marketing is unimportant in North

America, where much central place and development theory has been enunciated, may help account for the relative neglect of these systems of distribution as possible agents of development".[50]

In most of the studies discussed above, important questions of development planning and policy were largely brushed aside or treated in passing as only minor issues. Few scholars took up the challenge offered by Smith's important observation pointing out "the relative lack of concern with explicit and precise policy implications and prescriptions in research on periodic markets".[51] Occasionally, linkages were made with the dominant modernization or diffusionist paradigms of development in the 1970s.[52] The potential role of periodic markets in generating development processes, by acting as a node or centre of diffusion, has been a recurrent theme.[53] Nevertheless, in the absence of substantive research on periodic markets as development institutions, it was cautioned that "it is of crucial importance that extravagant claims for the potential contribution of periodic markets and marketing to development be avoided".[54]

The task in this section is to survey aspects of the limited literature which links periodic markets to issues of development planning. Of particular interest as offering possible lessons for South Africa are three case studies on periodic market research in Kenya, Papua New Guinea and Zimbabwe.

Periodic Markets in Kenya

Research conducted in Kenya is of interest in two respects. First, it provides an analysis of the role of authorities in the establishment and control of markets. Second, it examines the question of the development and future of periodic markets in relation to commercial retail systems.[55]

At the time of Wood's pioneer research during the 1970s,[56] markets were still being established throughout rural Kenya. Trading was only permitted at official market-places or in designated trading centres under the control and authorization of so-termed County Councils. These Councils usually authorized new markets only after requests from the local population via the local government hierarchy. The procedure was that if the local population felt that they had too few market-places or market days, representation was made through the local subchief to the chief and the locational council for an increase in market provision. This request was then relayed to the County Council for final approval. The County Council often refused requests for new market-places in close proximity to existing markets; indeed, "some districts have by-laws prohibiting the establishment of new markets within five km of existing markets, and committees only approve new market days that do not create conflict with existing market days".[57] Significantly, in some instances the decision on where new markets were to be sited was taken in a top-down fashion by County Councils, the result often being failure, "indicating presumably that the markets have been established where there is little demand for market facilities or that inappropriate operating days have been chosen".[58]

The second key aspect of the Kenya research was its positioning against a background of assertions that rural periodic markets were merely "temporary" phenomena and that with increased population density, rising rural incomes, broadened norms of consumption and improved transport, such markets would lose their periodic character and become daily markets. In turn, this implied that the market-place would expire and that the focus of rural trade would shift from the daily rural market to the permanent shop.[59] A range of research points to this pattern of retail evolution in other parts of the world. Illustratively, in contemporary China the rural periodic market system "is being superseded by permanent shops and commercial districts in many small towns", retaining its vitality only in the economies of the less advanced regions of the country.[60]

In rural Kenya during the 1970s, it was evident that the prime economic function of periodic markets was local exchange.[61] In other words, "the rural market in Kenya facilitates horizontal exchange", defined as the redistribution of rural products through the rural areas. Accordingly, with the dominance of the local exchange function, the array of brokers, middlemen and agents recognized as major features of West African periodic markets were not present in Kenyan rural markets. The rural markets of Kenya were found, however, in conjunction with small groups of permanent retail establishments. Wood's research shows that whilst periodic markets and retail establishments are juxtaposed, none the less they "form parts of separate systems".[62] The prime function of the rural market-place system is to facilitate horizontal (rural-rural) trade and the decision to inaugurate a new market rests initially on requests coming from the local population for more market facilities. Although particular groups (such as shopkeepers) may attempt to influence decisions about new markets and meeting days "the main concern of the legislative body is to ensure an equitable provision of market facilities for the rural population".[63] This produces a sequencing of markets organized for the benefit of rural residents rather than that of professional traders. In contrast to the market system, the second system of permanent retail establishments is concerned primarily with the flow of urban-produced goods from urban to rural areas, that is downward vertical trade. It is accordingly argued that the physical juxtaposition of shops and market-places in rural areas is beneficial to both systems. Moreover, "there is relatively little overlap at this local level between the system of retail establishments and the rural market system either in terms of goods handled or the flow of goods from one to the other".[64]

During the 1970s it was concluded, therefore, that rural markets in Kenya were not on a continuum of development with permanent retail establishments. Instead it was argued that they were parts of two separate systems with different functions. The rural market (whether periodic or daily) permits horizontal exchange of agricultural produce on a part-time basis; it accommodates the irregular (seasonal and weekly) nature of individuals' demands for exchange, and it facilitates selling as well as buying. Crucially, it was observed that the need for these facilities is related to "the subsistence character of rural life".[65] With a growth in the amount of vertical trade taking place through shops, it was hypothesized that the overall amount of rural market trade would probably decline. Nevertheless, it was contended that "the evanescence of the rural market with its current functions awaits the time when agriculture is commercialized and the majority of the population receives a regular, reliable income and can depend on purchased food for sustenance".[66]

The most recently available research for Kenya in the 1990s points to a changing function in the rural periodic markets.[67] The descriptions of markets in Kisii suggest that in Kenya,[68] as in other parts of Africa,[69] the greater part of the staple foodstuffs that pass through these rural marketplaces are destined for towns at higher levels in the urban hierarchy. The periodic markets are structured to give rural consumers wider access to manufactured goods brought in by itinerant urban-based traders, but "more importantly, they are linked in such a way to facilitate the sale and distribution of local farm produce and as magnets for bulk-buying traders from the urban centres".[70] None the less, "the network of traditional periodic markets has been remarkably resilient, adapting to new demands, but retaining their historical role in intra-regional rural to rural distribution".[71] One important conclusion from other research in Bungoma District, Kenya, is that rural periodic markets are becoming increasingly important for socio-economic development and that this is as a result of improved infrastructural facilities in Kenya.[72]

The maket raun *of Papua New Guinea*

The case of Papua New Guinea offers an instructive example for development planning as it represents an initiative to base a programme for rural improvement on the planning and introduction of a form of periodic market, namely the *maket raun* (neo-Melanesian for mobile marketing). It was asserted that the *maket raun* programme represented "one of the most obvious examples of the use of periodic marketing in periodic marketplaces to increase the welfare of rural dwellers".[73]

The *maket raun* programme of Papua New Guinea was premised upon the fact that the existing spatial trends in the country towards economic polarization around the larger urban places had to be arrested, and that "mobile marketing could well provide rural inhabitants with a viable, attractive and less costly alternative than a network of medium and large urban centres".[74] The concept of *maket raun* was developed by a team of geography researchers based at the Australian National University (ANU) in Canberra.[75] The starting point of the ANU research was that: "Planners have tended to overlook the advantages provided by periodicity of service, and periodic markets have been seen as part of the pre-modern economy in developing areas".[76] The fundamental development planning ethos in Papua New Guinea was essentially one "in praise of tradition". It was asserted that periodic markets "should not be viewed as relict features in a modern commercial structure, but in appropriate circumstances can be encouraged by government as dynamic means of promoting rural development".[77]

It was proposed that in the *maket raun* "a wide range of services will be brought together, and each will reinforce each other, thus making the event more attractive for all concerned".[78] Indeed, it was recognized that if the *maket raun* were to be successful "it must provide an attractive range of services: these should include advisory, welfare and educative services; purchasing of agricultural produce; sale of consumer goods; provision of tertiary services; and entertainment".[79] In the programme it was therefore recommended that a system of periodic markets be established that would be coordinated with visits by mobile government services. It was hoped that through the *maket raun* higher-order goods and services offered in a familiar context should act "as a motivating force for increased cash crop production through more thorough harvesting, greater planting or use of improved agricultural techniques".[80]

Two pilot projects planned for *maket raun* in Papua New Guinea were based on the above ideas and accepted by the Government, to begin operation in 1975. In establishing these centres it was deemed essential for the national government to provide the initial core of services and basic structure around which private sector activities would cluster. The selection of sites for pilot units was based on seeking to reach "the greatest possible number of participants and have the greatest impacts as points of diffusion".[81] It was emphasized that appropriate site selection and periodicity were crucial and that the proposals must be acceptable to the rural inhabitants. The decision was taken to introduce a fortnightly cycle which took into account local preference. Sites for *maket raun* would "finally depend on local conditions and on community acceptance of the pilot projects".[82]

The Papua New Guinea experience offers a cautionary tale on the planned introduction of periodic markets in rural development planning. Despite high expectations attached to the *maket raun* programme, it appears not to have been successful or widely implemented. The initial pilot ventures failed as a consequence of several factors, notably local politics which led to the choice of some inappropriate sites and of the wrong time of year to initiate the scheme.[83]

Periodic Markets in Zimbabwe

The case of Zimbabwe affords an African example of attempts to introduce a system of periodic markets as an instrument of planned rural development. Indeed, the Zimbabwean literature is particularly significant for South African researchers as it fulfils an earlier call made for "carefully designed research which evaluates the potential of these institutions (periodic markets)" for rural development planning.[84]

In Zimbabwe, the concept of a rural periodic market was conceived as part of the Government's Transitional National Development Plan (1982/3–83/4) and implemented in a pilot project during the period 1988–1991. The pilot scheme was introduced in the Makoni communal lands of Maungwe District, Manicaland Province and was in principle a joint venture between the government of Zimbabwe (through the Ministry of Local Government, Rural and Urban Development) and the Government of Italy (through an Italian NGO called Molisv).[85] The Zimbabwe government attempted, as a service to the communal area farmers, to integrate the planned development of rural periodic markets with the planning for "rural service centres", the lowest tier in Zimbabwe's settlement hierarchy.[86]

The system of periodic markets was conceived as "a strategy that could potentially facilitate the social and economic development of the communal areas and their subsequent incorporation into the mainstream national economy".[87] Overall, the

Zimbabwe government views periodic markets as a means "to boost and modernise agricultural production in African communal lands, to stimulate the development and expansion of the lower level settlement systems in the form of rural service centres and improve the overall official delivery of other services to the rural communal population".[88] The vital developmental significance of the periodic market programme is stressed as follows:

> It is a slow and low-level process of attempting to activate or stimulate the communal areas and people out of their present slumber and to integrate them with the modern part of the national economy. In that sense, *the periodic market system represents the single most serious attempt to date by a central government to initiate the process of social and economic development in African communal lands* [my emphasis]. The markets system provides a basic infrastructure for such anticipated socio-economic development of these areas. Sectoral approaches to rural development do not seem to have had much developmental impact on African communal lands and a more integrative developmental strategy through the periodic markets system promises to bear positive fruits.[89]

The innovation of periodic markets was seen in Zimbabwe as marking a "considerable stride in the continuing battle to find a suitable model for developing African communal areas".[90] In seeking to revitalize the economic and social fabric of rural Zimbabwe the programme sought to "fight against the existing low level of rural trade and the consequent massive outflow of cash assets generated from traditional occupation in rural areas towards urban areas, thereby financing the development in cities and towns whilst the countryside continues to be neglected".[91] It is contended that the "market concept represents the single most important investment venture by central government at the local levels of the settlement hierarchy".[92]

Although it was conceded that the rural periodic market programme could not on its own solve the historical spatial inequalities existing between urban and rural areas of Zimbabwe, periodic markets were viewed as "most suitable for playing the role of stimulating the rural local economy and facilitating development from below and with the people through the activation of local participation".[93] Indeed, beyond suggestions for costly big-push strategies such as massive rural urbanization or public works programming, "no other strategy of rural development could be as effective as the periodic markets in stimulating the local economies and communities that have been dormant since the colonial era".[94] There were several advantages of the periodic market programme. In particular, the concept was seen as catalyst for "social internalization of economic development processes through the educational values to be acquired through public participation and community empowerment"; additionally, the programme furnished a "framework for the extension to local levels of social and economic institutions hitherto completely absent from the communal areas".[95]

The pilot project resulted in the construction of a total of 26 periodic markets in Manicaland. The rural periodic markets project was envisaged to be a multi-functional social development project that would help to attain a number of objectives relating to the upliftment of the African communal areas. At least two detailed evaluations have been produced on the effectiveness of the Maungwe District Pilot Project.[96] The findings and conclusions of these rich studies are of special importance for informing the potential development of a periodic market programme in South Africa, particularly in the context of the economically eviscerated rural areas of the former homelands.

The key conclusion of this evaluation of the pilot project was that "the Maungwe periodic markets system has largely been a success",[97] an assessment which merited the extension of the programme throughout Zimbabwe. The following impacts, observations and evaluations were recorded in greater detail.

- The periodic markets caused an increase in local agricultural yields as well as initiating a process of agricultural intensification. Agricultural production was assisted in three ways: through the increased use of fertilizers and other inputs, through increased extension work and through the use of markets as grain depots. Indeed, it was found that the advent of the periodic markets returned to peasant farmers "the control over the disposal of their own produce which is a clear evidence of the empowerment role of Periodic Markets".[98]
- Less successful was the impact of the periodic markets on the non-farm sector. It was observed that "the market system had very limited if no impact at all on non-farming activities".[99] This negative finding was explained in terms of the need to improve the condition of markets themselves in order to attract the production activities of, for example, school-uniform-making groups or women's sewing or knitting groups.[100]
- The periodic markets had an extremely positive impact on the increased supply of low-priced goods to rural consumers, but a negative impact on local rural traders. This contradiction, it was asserted "remains the stickiest issue so far faced by the periodic market concept".[101] It is argued that a formula must be devised to assist this group of businessmen by "a positive redirection of government investment efforts towards complementary development in rural communal lands in ways similar to the massive silent subsidies in the form of complementary investment in urban areas which have tremendously helped to concentrate the urban market for tapping by the urban businessmen".[102]
- The studies on the appropriate location for markets pointed to a finding that "markets need to be located in remote areas, in areas less served with existing infrastructure, in areas with high population densities and in areas exhibiting high demand for certain agricultural or non-agricultural products".[103] Overall, it was observed that the periodic markets functioned well if located "in areas that are poorly connected to existing business and rural service centres"; conversely, "it was discovered that a thriving existing business centre is a bad location for a market". In general, preferred locations for markets were sites which were "virgin ground where there is no existing business operation" and "those areas that experience high transport costs to the nearest town".[104]
- Positive impacts were found as regards institutional development. An

important achievement of periodic markets was the creation of "local institutions" such as local or district market comittees and associations. These have helped "to close the institutional gap hitherto existing in African communal lands ever since the 90 years of colonial rule and twelve years of independence".[105]

- Periodic markets afford good opportunities for the delivery of decentralized public services, the need for which is strongly felt in rural areas. Some public services, such as health, have taken advantage of the new structures; others are randomly present and lack planning of activities.[106]
- In terms of impact on household income and expenditure and on the reduction of rural and regional inequalities in Zimbabwe, it is apparent that periodic markets show "only initial signs of success". What are required are "complementary programmes and investments by both Central and Local Governments to achieve these long-term objectives".[107]
- Finally, it must be appreciated that the attainment of certain other goals is a long-term process. As argued by Rambanapasi:[108]

> The periodic market system aims to convert the local subsistence economies and mentalities into a business-oriented economy and progressive popular mentality. It hopes to develop a capitalist mentality in the local peasant farmers. This process of transformation will take years of development in line with all other social development processes such as education etc. Periodic Markets will thus play an educational role, as a school for organic development of self-reliance and community empowerment. Therefore the results of peasant participation in market activities will not be immediate or even intermediate but will be a long-term expectation which should not be conceived in purely economic terms.

Periodic market development in South Africa

The international experience of periodic market development provides an instructive backcloth against which to conduct an examination of the unfolding South African experience. The finding of greatest importance from the international record is, perhaps, the extremely positive evaluation that emerges from the application of periodic markets in the communal areas of Zimbabwe. The communal areas provide an economic and social environment which has many similarities to conditions in the rural former homeland areas, the focal point for a periodic market programme in South Africa.

The changing policy environment

The post-apartheid democratic era ushered in a favourable new policy environment for promoting SMMEs (Small, Medium and Micro-Enterprises), with the development of "open markets" listed as one of a wide range of support measures in the official White Paper on Small Business.[109] No specific mention is made of periodic markets in the official White Paper; the prime objective of the strategy is rather to furnish an enabling environment for national small enterprise development.[110] Although support for the planning of periodic markets in South Africa appeared in a number of academic publications,[111] the major impetus for the popularization and establishment of rural periodic markets has come from the work of a national community-based NGO, the Market Society

The central goal of the Market Society is to facilitate the development of historically disadvantaged rural communities.[112] Towards this objective, the Market Society seeks to "introduce periodic market and service delivery systems in order to address such problems as: limitations to scale, high unit costs, little diversity of activity, weak local cash circulation, lack of productivity, and economic dependence upon migrant remittances and pension payments".[113] In order to spread and popularize the "new idea" of periodic markets to South Africa, the Market Society produces a market handbook, explaining the economics of markets, their organization and how communities can become involved in periodic market systems.

Broadly speaking, the Market Society view of the innovation of periodic markets in South Africa is somewhat similar to that prevailing in Zimbabwe. Periodic markets are conceptualized as a strategy for the economic empowerment of rural communities, allowing them to gain renewed control over their local economy and the manner in which it is serviced by regional administration and trade.[114] The development of periodic markets as community businesses is contextualized as part of a "bottom-up" and "people-driven" process of territorial development.[115] Ideally, periodic markets are to be driven, owned and operated by the community, with policy to be made and implemented by a local market committee.[116] The "Market Society believes community owned and run periodic, rotating markets to be the most appropriate tool to facilitate the process of economic development and empowerment".[117] In particular, it is envisioned that periodic markets will "enable remote and marginalized communities to join the rest of the country on favourable terms".[118] Such markets are seen as helping to build rural communities, ensuring that monies earned or received within communities stay there and circulate, so "enabling people to produce and trade for the community".[119]

A complementary perspective to that of the Market Society is offered in the Discussion Document for a national Rural Development Strategy in South Africa. Here it is stated that "We recommend that rings of periodic markets be set up, managed by local people with government blessing".[120] Through the promotion of rural periodic markets "government takes the town to the countryside in an efficient and economic way, and also reinforces market development, and therefore enterprise development as well". Overall, considerable prominence is given to the idea of creating periodic markets in rural areas as part of correcting inefficiencies in South Africa's spatial landscape. It is stated that:

> Periodic markets, set up in weekly rings of markets, can act to correct underlying structural imbalances. Every person knows where and on what day there will be a market. On market day the full range of urban functions can be taken to a marginalised community for a few hours a week, and communities are able to join the regional and national trading systems on good terms ... The markets, by adding a rhythm, a calendar to the landscape, congregate people, allowing for economies of scale, lower unit costs, and a greater diversity of goods and services.[121]

One particularly innovative emphasis in the Rural Discussion Document is

FIGURE 2: Location of periodic markets in the Eastern Cape

the important potential role of periodic markets as integral aspects of strategies for local economic development (LED).[122] Indeed, it is stressed that rural periodic markets can be an important option in local economic development programming.

The policy linkage of periodic markets to issues of local development initiatives has been taken up further, in the Northern Province in particular. In this poorest part of South Africa, the provincial government has seemingly endorsed the potential value of periodic markets for local economic development in rural communities, and committed financial support to pilot projects. Moreover, in a recent presentation it was boldly announced that "periodic markets have been identified as the most appropriate strategy for LED in the Province".[123]

Issues in periodic market development

Programmes for developing periodic markets in South Africa, *inter alia* as tools for rural development, small enterprise promotion and/or local economic development, are in their infancy. At present the only operational periodic markets are those situated in the Eastern Cape; a short-lived initiative to establish periodic markets in the Northern Province was abandoned in 1996. A full evaluation of the developmental potential of periodic markets in South Africa must be deferred until complete pilot project rings of periodic markets are established and functioning. The comments here reflect a set of observations which are based on a series of field visits and interviews conducted in June–July 1996 on the existing periodic market system in the Eastern Cape[124] and the fledgling initiatives taking place to relaunch periodic markets in the Northern Province.[125] In addition, available documentation[126] and secondary material[127] were consulted to supplement the interview material.

In the Stutterheim area of Eastern Cape, the Market Society has assisted in the establishment of four periodic markets which are planned as components of a market ring to be composed of six markets (Figure 2). Although the preplanning for these Eastern Cape markets took place prior to the 1994 democratic elections, the actual preparation and construction of market-places advanced from 1994. A key factor in nurturing the fledgling markets was an active cultural programme "designed to popularise and mobilise support for the market concept amongst the communities" in the Stutterheim region.[128] The longest established periodic market is at Wartburg, where a market has been functioning at irregular intervals since 1994 (Figure 3). The prime market activities are those related to the selling of cooked and uncooked foods and clothing goods (see Plates 1 and 2). The market at Wartburg, as with all other periodic markets in the Eastern Cape, is timed to occur on the days of pension payouts.

The institutional situation in the Northern Province is somewhat different

Market activities at Wartburg

from that of the Eastern Cape. In the Northern Province, an unsuccessful programme to set up a ring of six periodic markets in 1995 was abandoned, largely due to lack of support by traders and a subsequent critical evaluation of the project's planning. The failed markets in the Northern Province were essentially functioning merely as "cultural events", with choirs, dancing or poetry readings prominent and trading at a minimal level.[129] Another difference between the two provinces is that in the planned reconstitution of periodic markets in the Northern Province there is a deliberate attempt to forge periodic markets as institutions whose *raison d'etre* is not simply linked to the pension payout.[130] Finally, the position of provincial government in the two provinces is also important. In the Eastern Cape, while attempts have been made to link the periodic market project to a "partnership" with the provincial government, little concrete support has been achieved.[131] By contrast, in the Northern Province, official support was granted through the RDP Commission for partial funding of the Bopedi Rotating Market Society Project in Sekhukuneland and Nebo. Moreover, additional endorsement for the project was obtained from the Northern Province Department of Economic Affairs, Commerce and Industry. Support from the provincial government of the Northern Province has not, however, been unambiguous or unconditional, for clear problems of lack of official commitment to the project are in evidence.[132] In addition, one senior official in the Northern Province government remarked that he was not "entirely sure" what a periodic market actually was and that no official recognition of the concept had been conceded. This confusing situation suggests that despite rhetoric, the degree of official acceptance of the concept of periodic market development is only slightly more advanced in the Northern Province than in the Eastern Cape. In both the Eastern Cape and the Northern Province, interviewees indicated that periodic markets were supported by local government.[133] In the Northern Province, this was concretized in the involvement of local councillors in newly (re)constituted local market committees; in the Eastern Cape the periodic markets were increasingly linked firmly into the series of innovative local economic development initiatives which are organized in the Stutterheim area through the activities of the Stutterheim Development Foundation.[134]

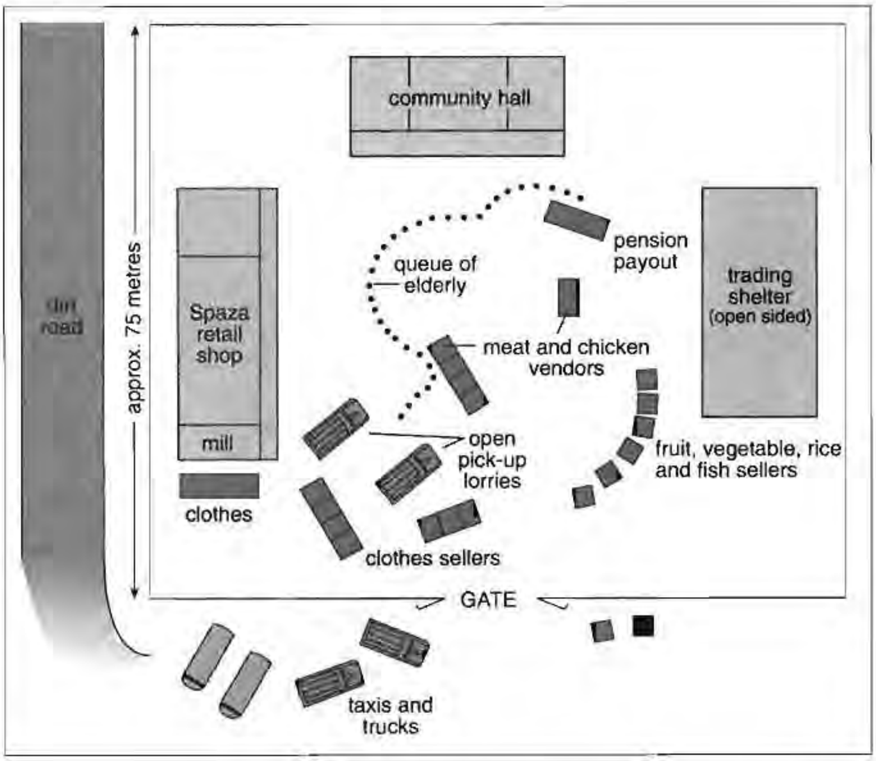

FIGURE 3: The organization of Wartburg Market, Eastern Cape (Modified after Fox and Nel, 1995, p. 12)

It is acknowledged that a commitment from provincial government is one of several essential prerequisites for implementing a successful rotating periodic market ring, particularly as regards the delivery of community services.[135] Moreover, active provincial government support and endorsement is critical both for assisting community development[136] and affording a framework for local economic development planning.[137] At the local level, an involve-

The Pension Payout at Wartburg

ment of local government officials in local market committees is likely to enhance the long-term potential of a periodic market system. Therefore, an appropriate institutional framework for periodic market development in South Africa is a partnership between government (at provincial and local level), NGOs and communities, designed to ensure that periodic markets are integrally linked to local and provincial development planning initiatives, rather than existing in a vacuum.

Periodic markets are seen by their supporters as key vehicles for rural SMME upliftment. None the less, it is acknowledged that periodic markets are only "partly the solution" to upgrading the underdeveloped condition of SMMEs in historically disadvantaged rural communities in South Africa.[138] In the Eastern Cape, it was evident that the major beneficiaries of the existing network of periodic markets were not local traders or local producers. Observations and interviews at the Wartburg market[139] confirmed the findings of an earlier investigation in the Eastern Cape which showed that the majority of goods came from outside the local area, most importantly from larger towns such as East London or King William's Town.[140] Although plans were under discussion for a number of local projects to expand production activities linked to the periodic market, at present (with the exception of some live chickens, traditional pinafore dresses and brooms) little local produce is sold at Wartburg.[141] This finding confirms that of previous research which concluded that "there was very little in the way of genuinely local produce sold" in the Eastern Cape periodic markets.[142]

The potential clearly exists in the Eastern Cape for local product substitution in the context of agricultural intensification (especially the local cultivation of vegetables) and an expansion of production activities, such as production of school uniforms, simple furniture and woollen jerseys.[143] In the Northern Province, the project coordinator stressed the importance of enhancing local agricultural and production capacity prior to re-establishing the periodic market system. In the Sekhukhuneland region, opportunities were seen to exist in local brickmaking, vegetable production and upgrading of the production opportunities associated with the skills (such as skills with leather work and repair activities) of returned urban migrants.[144] The interviewees in both provinces stressed that the periodic market was a necessary condition for the realization of an improvement in rural SMMEs, but was not sufficient in itself. Other parallel support measures (finance, credit, training, advice), funded partly by government, private sector and NGO support, would be required for a successful SMME upgrading in the rural areas of South Africa.[145]

It is clear that strong agreement exists around the notion that periodic market development in South Africa should be viewed as part of a wider process of people-driven economic and social development, rather than something that is imposed from above.[146] In this respect, a welcome and healthy linkage is being nurtured, in both the Northern Province and Eastern Cape market initiatives, with local economic development programming. This institutional development appears a most promising evolution in the landscape of periodic market programming in South Africa. Nevertheless, it must be further supported and reinforced by creating an awareness among government officials, at all levels of government, of the potential catalytic impact of periodic markets in rural development.

One issue that requires very careful attention in South Africa, however, is that of the location of planned markets. The international experience of Kenya, Papua New Guinea and Zimbabwe offers a cautionary tale as to the real dangers of selecting sites adjacent to or too close to existing business centres. In this respect, a question mark must be placed on the viability of choosing Jane Furse in Sekhukhuneland as one of the sites for a planned rotating ring, particularly in view of the recent opening by Sanlam of a major formal retailing mall in the town which contains a range of established retail chains.

Summary and concluding remarks

This article has provided a review and analysis of the history and current initiatives surrounding periodic markets in the developing world as a whole and in South Africa in particular. Of central concern was the prospect of periodic markets being promoted as a strategy for rural reconstruction in post-apartheid South Africa. It is clear that periodic markets are one potential tool for rural reconstruction, though in themselves they provide an insufficient basis for sustained economic growth in rural areas.[147]

The key findings and conclusions of this analysis are as follows.

- The international literature offers a number of instructive lessons which can be used to inform a South African programme to promote the establishment and development of periodic markets as components for rural reconstruction. The emphasis in the majority of international writings is, however, on issues relating to the origins or organization of markets rather than their developmental impact.
- There is a small but important set of international experiences which can offer useful inputs to a South African periodic market programme. The experiences of Kenya and Papua New Guinea are useful in several respects, pointing to both the potentials and pitfalls of periodic markets in rural development planning. Overall, the most significant literature is that relating to the pilot projects implementing a system of periodic markets in rural Zimbabwe. In the communal areas of Zimbabwe, whilst distinct problems did emerge, the pilot periodic market programme was judged as largely successful and worthy of extension.
- The current conceptualization of periodic market programming in South Africa has certain features in common with the Zimbabwe experience. One significant difference is the South African linkage of periodic markets to issues of local economic development planning. The use of periodic markets as part of strategic local economic development (LED) planning initiatives makes the post-apartheid South African case of special interest in the context of LED literature relating to the developing world.[148]
- In South Africa the changed post-apartheid policy environment provides a window of opportunity for promoting periodic markets as one element of a programme for up-

grading the condition of rural SMMEs. It must be appreciated, however, that periodic markets are insufficient in themselves to address the current underdeveloped situation of rural SMMEs. The opportunities for SMME development will vary from region to region in South Africa and will be contingent upon local resources and skills.

- For a successful periodic market programme to be introduced in South Africa it is recommended that support at all levels of government be given to the process. At national level, government can assist in endorsing and further popularizing the concept of periodic markets as an essential element in programmes for rural reconstruction. At provincial and local levels, government support is essential in facilitating both an appropriate enabling framework at start-up, and later in the enhancement of rural markets through the delivery of certain necessary community services. As mentioned in the draft Discussion paper on a Rural Development Strategy: "Provincial and Local government departments can promote their own efficiency and the success of a market strategy by taking services to markets".[149] Lastly, the support of provincial and local government is critical to integrating periodic markets as core elements of coherent programmes for local economic development.
- Periodic market development can be assisted and promoted by the activities of local NGOs such as the Market Society. Nevertheless, the success of such NGO-led initiatives is not assured in a policy vacuum without any governmental support or intervention. Overall, therefore, the most appropriate model for the future would appear to be a structured symbiosis between various tiers of government, communities and NGOs for evolving a planned periodic market programme for rural reconstruction in South Africa.

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Regional cooperation in sub-Saharan Africa

Dr Erich Leistner, Fellow of the Africa Institute, looks at recent developments in regional cooperation in Africa, in a revised text of a paper first presented at the SADC Induction and Refresher Course arranged by the Department of Foreign Affairs, Pretoria, 1–4 July 1996.

Introduction

The countries of sub-Saharan Africa (SSA) expect regional cooperation and integration to reverse the continent's economic decline, promote development and strengthen Africa's position in the world at large. Up to the present, these expectations have been disappointed. This was inevitable because policy makers were unduly influenced by the European integration model and failed to reckon with the political and economic realities of African states.

In 1992, the Southern African Development Community (SADC) became the latest of many regional organizations committed to increasingly close economic and political integration as a means to promote the economic development of member countries. As a member of the SADC, South Africa must now help to realize these objectives. Having regard to its own wellbeing and its pre-eminent position in the region, South Africa's national interest requires the SADC to be successful. However, in view of the limited resources available for the challenging task of socioeconomic upliftment at home, South Africa's role in the SADC needs to be carefully considered. In doing so, due note should be taken of the experience with regionalization schemes elsewhere in Africa.

Why closer regional economic ties?

Generally, countries combine to form regional groupings in the belief that this is a more effective way to improve their material wellbeing than through every country operating on its own. Economic cooperation aims at faster growth, more jobs, more investment and higher living standards. These benefits of multi-country cooperation are expected to result from economies of scale, particularly greater efficiency in production through competition and specialization, improved terms of trade *vis-à-vis* the rest of the world, increased inflows of capital and faster technological advance as well as greater efficiency in administration and distribution.

In SSA, the small size of most countries makes it imperative to form larger groupings. They are small in terms of population as well as purchasing power. Of the 46 SSA countries, only three have populations of more than 40 million, 30 have less than 10 million people, while 19 have populations of less than 5 million. With a GNP of about $286 billion (in 1993), the whole of SSA is approximately half the economic magnitude of Spain with its $534 billion. South Africa's GNP of $125,2 billion (in 1994) is almost four times the $33,1 billion of its eleven SADC partners together.

Bax Nomvete, the first Executive Secretary of PTA, the Preferential Trade Area for Eastern and Southern Africa, has described the position as follows:[1]

> Post-colonial Africa was, and still is, a disintegrated continent with fragmented national markets, more so than any other region in the world. .. African leaders were faced with the task of generating sustainable economic development in restricted, uneconomic domestic markets of several mini-states that were desperately short of capital and skills, and which before independence had survived through direct economic links with, and financial and technical assistance from, the metropolitan countries. They had no alternative but to forge inter-African economic links to replace links with ex-colonial powers.

Since its creation, the UN Economic Commission for Africa (ECA) has forcefully advocated the formation of subregional economic groupings in order to overcome the disadvantages of small

with special reference to Southern Africa

size. It proposed five subregions that were ultimately to merge into a single continental market.

The important study on economic integration in Southern Africa published by the African Development Bank (ADB) in 1993 concludes that all the countries of the region have much to gain from various forms of regional co-operation, whether from more effective coordination of their investments in specific sectors, or from harmonization of particular laws, rules and regulations, or from more advanced approaches involving the convergence of trade, fiscal and monetary policies as a prelude to integration. The ADB sees gains coming from three principal sources:[2]

1. From substantial cost savings resulting from coordinated investments in physical, social and institutional infrastructure: for example, a regional power grid or a coherent regional airline system.
2. From the benefits of trade liberalization which will increase output and trade, stimulate larger investment flows and produce greater economies of scale.
3. From "externalities" or unorthodox effects of regionalization which occur when major nontariff barriers to enhanced regional intercourse are removed. Examples are: greater product range and diversity; improved production techniques leading to lower costs; and more attractive opportunities for foreign investment in the region.

In recent years, the formation of large regional units has also come to be viewed as a means whereby to strengthen Africa's bargaining power in international fora where its interests tend to be neglected because of the continent's diminishing economic and political significance. In a world increasingly dominated by the huge trading blocs in Europe, the Americas and around the Pacific, Africa must speak from a position of economic strength if its voice is to be heard.

Overview of sub-Saharan cooperation and integration schemes

According to Professor Ahmad Aly[3], the impatient African leaders, in the euphoria of independence, have been "rash" in swiftly creating a host of cooperation arrangements in almost all economic sectors and at various levels. The lack of an agreed-upon strategy resulted in a disorderly cooperation drive, and by 1972, 75 major intergovernmental organizations had been set up in an uncoordinated manner. By 1977, there were over 20 intergovernmental multisectoral economic cooperation organizations and about 100 single-sector multinational organizations to promote technical and economic cooperation. Today, the total is believed to be about 200.

At the continental level, several attempts have been made to unite Africa, but all but one have failed, mostly because of such factors as divergent ideologies, different languages, colonial heritage, national interests and personal rivalries. Notable examples were Nasser's Afro-Asian Peoples Solidarity Organization (AAPSO), Nkrumah's Conference of Independent African States (CIAS), the Pan-African Freedom Movement of East and Central Africa (PAFMECA), the All-African Peoples Conference (AAPC), the Union Africaine et Malagache (UAM) and the Casablanca Bloc. The exception was the Organisation of African Unity (OAU), whose charter was signed in Addis Ababa in May 1963 by heads of state and government of 32 independent states.[4]

In collaboration with the ECA, the OAU has been orchestrating cooperation efforts at both regional and subregional levels, with mixed results. Some specialized arrangements, such as the African Development Bank (ADB) and the Association of African Central Banks (AACB), have survived, but others failed even to take off. Two early attempts (in 1962 and 1963 respectively) to create regional payments unions are a case in point.

The frustration experienced at the continental level led to more subregional integration efforts. These, too, were uncoordinated. Two important later continental initiatives must also be mentioned.

The first was the so-called Lagos Plan of Action (LPA) which was adopted at the OAU's economic summit in May 1980. It aimed at lessening Africa's heavy dependence on outside aid by promoting self-reliance and self-sustaining development and economic growth on the basis of regional integration. The LPA remained a dead letter and there is every prospect that the same fate will befall the latest initiative, the Abuja Treaty of June 1991, which envisages a regional customs union by 2014, an Africa-wide common market by 2020 and an African Economic Community, (that is, an economic and monetary union), by 2034. Ultimately, there is to be an Africa Parliament.

The West African subregion

This subregion consists of fifteen countries, including eight former French colonies, four British colonies, one Portuguese and one Spanish. The eight French-speaking countries were the most active proponents of cooperation in that region and in the whole of Africa. Thanks to them, West Africa has become the most active subregion in terms of cooperation initiatives. In early 1985 there were some 50 intergovernmental organizations in almost all economic activities.

Under colonial rule, several territories had been grouped together in respect of common services, common money-issuing boards, and common policies. Most of these arrangements collapsed on the eve of independence. The English-speaking countries preferred to go it alone, while the French-speaking ones tried to maintain their links, especially the old monetary union. It is impossible in this overview to even mention all the organizations that were created, that came and went or never even started to function, or to list their fluctuating memberships. Only the better-known ones will be referred to and a few remarks made concerning some of those still in existence.

The West African Customs Union (UDAO) collapsed after a short time. The Organisation of Senegal River States (OERS), founded in 1963, failed to have any impact, broke down in 1971 and was replaced a year later by the Organisation for the Development of the Senegal River (OMVS). The Manu River Union was inaugurated in 1973. Also in 1973, the French-speaking countries formed the West African Economic Community (CEAO) because they wanted to assert their common identity *vis-à-vis* the English-speaking countries in the subregion, in particular Nigeria which strongly advocated a cooperation arrangement embracing the whole region.

By 1994, CEAO had not yet established the common external tariff which had been scheduled for January 1985 and had not yet even fully abolished nontariff barriers to trade. Nothing had been done to adopt the regional industrial policy that should have been in place by 1976. As a result, specialization in production of member countries has not materialized, and industries are largely duplicated, particularly in activities that have substantial capacity, such as textiles. Fiscal harmonization has not even been attempted. The only success relates to the duty-free circulation of most raw materials, and preferential treatment for industrial products originating in the region.

In 1975 Nigeria realized its longstanding ideal of a comprehensive subregional grouping when fifteen countries established the Economic Community of West African States (ECOWAS). ECOWAS, which has been described as "one of the best integration arrangements in the continent"[5], has little to show after more than two decades. Its main objective is to promote economic development by establishing a common market and harmonizing economic policies, including agricultural policies, industrial development plans and incentives, and monetary policies. It also seeks cooperation with respect to energy, mineral resources and the joint development of infrastructure.

A customs union was to have been in place in 1990 but by 1995 only modest progress had been made with the elimination of tariffs, and nothing had been achieved in respect of nontariff barriers. No significant progress has been made with fiscal and industrial harmonization, and no harmonized investment code exists in any area of ECOWAS activity. The first phase of the protocol on the free movement of persons within the Community entered into force in 1980, but was soon followed by Nigeria's closure of its border with fellow-ECOWAS partner Ghana, and the wholesale expulsion of Ghanaians and other aliens from Nigeria.

The Central African subregion

This subregion comprises eleven countries, five of which are former French colonies, three Belgian, and three Portuguese. As in West Africa, the Francophones were the most active group in the field of regional cooperation. In 1957 they established the Customs and Fiscal Convention, which two years later became the Equatorial Customs Union (UDE) and in 1964 the Economic and Customs Union of

Central African States (UDEAC), which aimed at creating not only a common market but, even more ambitiously, complete economic union. The sluggish progress with implementation led to a revised treaty in 1974 which sought to speed up progression towards economic union. But this made little difference.

By 1994, neither a free trade area nor a common external tariff existed, and movement towards higher stages of integration had come to a halt. An investment code had been established, but never made operational. Each member country handled its own development policy as though it were not a union member. A convention concerning the free movement of persons had been prepared but did not come into force.

In 1976 the three former Belgian colonies of Burundi, Rwanda and Zaire formed the Economic Community of the Countries of the Grand Lakes (CEPGL), which also remained on paper.

In October 1983, the members of UDAC and CEPGL combined to form the Economic Community of Central African States (ECCAS), intended to be the Central African equivalent of ECOWAS. Again, this appears to have got no further than the signing of an agreement.

The East African subregion

When the three British dependencies received independence – Tanganyika in 1961, Uganda in 1962 and Kenya in 1963 – they were regarded as "a model for African regional integration" and "arguably the most sophisticated regional co-operative arrangement in the Third World"[6]. They had common boundaries and shared the Swahili language. A *de facto* common market in locally produced goods had existed between the three countries since well before 1948, when the East Africa High Commission was established. External trade, fiscal and monetary policy, railways and harbours, airways and posts and telecommunications, meteorology, university education, and research in agriculture, forestry and veterinary science were all regional rather than national responsibilities.

Tanzania and Uganda became increasingly dissatisfied over the distribution of benefits from integration, which clearly favoured Kenya at the expense of the two less developed countries. Intra-community relations were further bedevilled by conflicting ideologies. Several high-powered commissions failed to reconcile diverging interests, and hope evaporated that the three countries would eventually evolve into a full federation under one government. In 1977 the community finally broke up.

The East African Currency Board serving Tanganyika, Kenya and Uganda had been established well before independence and was intended by the British government to be transformed into a common central bank. After independence, efforts to that end failed and all three countries set up their own central banks.

Despite the unhappy experiences of the past, the ideal of closer economic links in East Africa is still alive. In November 1994, the heads of state of the three countries announced plans for the creation of a secretariat in Arusha to facilitate East African cooperation and formulate steps toward strengthening regional institutions. They also indicated their intention to harmonize tariff rates and simplify customs and visa procedures and to consider the possibility of forming a customs union.

The Southern African subregion

Because of their significance for the RSA, the regional organizations in Southern African are here dealt with in more detail than the foregoing. The Southern African Customs Union in particular warrants a closer look because its problems essentially mirror those that will have to be faced in efforts to unify national markets in the wider Southern African region, owing to the considerable economic disparities between South Africa and its neighbours.

The Southern African Customs Union (SACU)

The origins of the customs union between South Africa and the so-called BLNS countries – Botswana, Lesotho, Namibia and Swaziland – go back to the last century. Together with its twin organization, the Common Monetary Area (CMA), it has been described as being "perhaps among the most successful examples of functioning regional integration arrangements among developing countries ... certainly the most successful such arrangements in Africa."[7]

SACU currently functions in terms of a treaty signed in 1969 between South Africa, Botswana, Lesotho and Swaziland. Namibia, which had been administered as part of South Africa since 1915, formally became a member after independence in 1990. Goods and services move between members duty-free and without quantitative constraints, and there is a common customs tariff on goods imported from outside. All customs and excise duties collected in the SACU area are paid into a pool administered by the South African Reserve Bank. Members' shares in the revenue pool are paid out annually in accordance with the value of their imports and their production and consumption of dutiable (excisable) goods.

The revenues paid out to the smaller countries (BLNS) are increased by 42% (referred to as "enhancement factor") in order to compensate them for the drawbacks of being in a customs union with a much stronger economy. These drawbacks include the loss of fiscal discretion, the price-raising effect of South Africa's industrial protection policy and the tendency for new investments to polarize around the established industrial areas of South Africa. In addition, a stabilization formula serves to reduce year-by-year fluctuations in the amount of revenues paid out. (The stabilized rate may not be less than 17% and not greater than 23% of the duty-inclusive value of imports and excisable production.)[8]

As time went on, all the participants became increasingly dissatisfied with the working of the arrangement. South Africa considers the union an increasingly onerous and unfair drain on its fiscus, while the BLNS countries regard themselves to be net losers. Early in 1994, renegotiation of the SACU Agreement began and was expected to be concluded by March 1995. However, the positions of the RSA on the one hand and BLNS on the other proved difficult to reconcile, and no agreement is expected in the immediate future. The following are issues under discussion.

The *sharing of revenue* is probably the most difficult issue to resolve. South Africa complains that its share in the revenue pool is declining and that in view of mounting domestic socioeconomic demands it can no longer afford that financial burden. Its share has, in effect, fallen from 97,4% in 1969/70 to 88,0% in 1989/90 and 62% in 1993/94. During the period 1989/90 to 1994/95, the BLNS share of revenue more than trebled – from R918 million to R3,25 billion.

BLNS, for their part, contend that they are receiving far too little and are actually subsidizing South Africa. They argue that South Africa's share declined because from 1982 its GDP grew at an average of less than 1% a year, while that of BLS rose by more than 6,5% a year. Further, they argue that during the decade of the 1980s, the BLS accounted for 16% of the total growth of GDP in the Common Customs Area and for 25% of the growth of all imports into the area.[9] Botswana's imports in particular increased rapidly. Namibia's accession to membership in 1990 further reduced the RSA's share.

Customs revenue is a crucial factor in BLNS's government finances. In 1992/93, the amounts they received and the percentage share thereof in total state revenue were as follows: Botswana R1,34 billion (24,3%); Lesotho R547,6 million (51,0%); Namibia R751,6 million (27,2%); Swaziland R359,0 million (39,4%) – altogether R3,0 billion. If BLNS were to leave the union and create their own customs administrations, the costs of establishing and running them would be considerable.

With regard to *intra-SACU* trade, BLNS argue that South Africa benefits significantly from the virtually closed market for its manufactured products in their countries, which it supplies with around 90% of their total imports. They emphasize South Africa's substantial trade surplus, which in 1993 amounted to R12,7 billion – a figure equal to about 36% of the RSA's total trade surplus. According to an official Botswana study[10], BLNS had a combined annual trade surplus of over R5,0 billion with the rest of the world in the early 1990s, making them "a major conduit" of foreign exchange for the RSA. It is claimed that trade data suggest that 40% of total RSA manufactured exports went to BLNS.

BLNS complain that the RSA's industrial protection policy compels them to pay *prices well above world market levels* for South African goods. Botswana estimates the price-raising effect to be at least 20% in general and 30% for consumer goods. "This would imply a transfer from the BLNS to the RSA of at least P2 000 million in 1992. This is nearly equivalent to the P2 888 million revenue share to the BLNS in the same year."[11] RSA prices for internationally standardized goods such as motor vehicles and appliances are said to be nearly twice world prices.[12]

BLNS also complain that the operation of the 1969 treaty entails:

- a two-year timelag in the distribution of shares in the revenue pool, resulting in a loss of revenue due to inflation and currency depreciation, and effectively granting loans to South Africa; (It is, however, understood that they now receive a preliminary payment of 90–95% of their estimated share at the end of the year in question, and that the payment made after two years is only an adjustment.)
- loss of discretionary authority to pursue an independent national fiscal policy because South Africa unilaterally sets customs and excise duty rates for the entire customs area, and because BLNS are obliged to maintain customs and excise legislation identical to the RSA's;
- difficulty with establishing new industries in BLNS because of the provisions of Article 7 of the 1969 Agreement;
- limitations on their ability to protect infant industries due to narrowly defined eligibility criteria and other provisions; (In order to be eligible, for example, the industry in question must supply at least 60% of the SACU market – a condition that does not, however, apply to South African manufacturers.)
- inadequate procedures for consultation on actions by the RSA which BLNS find objectionable, and inadequate dispute resolution procedures;
- polarization of economic development in South Africa, to the detriment of BLNS; and
- obstacles to preferential trade arrangements with non-SACU countries – a point strongly argued by Namibia which wants to conclude a free-trade agreement with Zambia.

The 1969 agreement sought to compensate for most of these adverse effects by means of the 1,42 enhancement factor. In 1977, the stabilization factor was introduced in order to meet the concern of BLNS over the unpredictable fluctuations of customs revenue from year to year, which had an unsettling effect on state finances.

The BLNS countries also complain that South Africa disregards their interests and subordinates them to those of its own manufacturers and agricultural producers. They cite numerous instances where South Africa has, in their view, selfishly and contrary to the spirit of the SACU agreement blocked motor assembly and other industrial projects which would have considerably benefited their countries. The Deputy Executive Secretary of the SADC, L Monyake, vented a widely prevailing view when he called the current SACU "neither fair nor equitable".[13]

South Africa, for its part, feels disadvantaged because the introduction of the stabilization factor made the original 1,42 enhancement factor irrelevant and served to increase the effective enhancement to what it considers an unsustainable level. Up to 1985/86, the basic amount had been enhanced on average by 65% (as compared to the 42% compensation provided for under the 1969 agreement).[14]

Despite all these problems, the co-author of a recent study[15] concludes that membership of SACU "... has by no means been a net loss to any of its participants"[16] He is supported by the fact that BLNS seek improvements to the customs union agreement rather than its termination. Latterly, though, Botswana and Namibia have threatened to leave. According to Davies *et al.* there are two reasons for the longevity of SACU: firstly, it provides these countries with revenue, and, secondly (to a lesser extent), it relieves them of the burden of having to collect their own customs duties.[17]

The outcome of the current renegotiation process is still uncertain. However, considering the long history of SACU and its benefits for all participants, a new agreement between all five countries seems reasonably certain.

A positive outcome will stimulate moves to expand SACU's membership. Thus, at the SADC's consultative conference at Lilongwe in February 1995, it was proposed that SACU be expanded to include non-members of the organization and that it be transformed into a common market with free cross-movement of both labour and capital. Zimbabwean manufacturing interests, fearing to lose their South African markets, have urged their government to seek SACU membership.[18] Mozambique, Malawi and Zambia are said to have expressed interest.

In view of South Africa's wish to reduce its financial obligations towards SACU, an enlarged membership under the present dispensation is out of the question. More fundamentally, the problems facing the current arrangement serve to indicate the even greater complexities that a geographical expansion of SACU would entail.[19] Once current renegotiations have clarified the future of SACU, it will be easier to discuss trade liberalization in the SADC region as a whole.

The Common Monetary Area

South Africa is joined with Lesotho, Namibia and Swaziland in the Common Monetary Area (CMA). When the three former protectorates of Bechuanaland, Basutoland and Swaziland became independent in the second half of the 1960s, they were *de facto* members not only of the common customs area but also of a currency area. The South African rand (which had replaced the South African pound in 1960) continued to be the sole currency in circulation without any formal agreements having been signed. There were no payments restrictions between these countries; the residents of the three smaller partners (though not their governments) had unrestricted access to the financial services available in the Republic, and their banks operated effectively as extensions of the South African banking system. The South African exchange control regulations applied to the whole rand area.

In December 1974, when the RMA Agreement between South Africa, Lesotho and Swaziland came into force, the informal Rand Area was formalized into the *Rand Monetary Area* (RMA). Towards the end of the negotiations, Botswana had withdrawn and announced its intention to establish an independent national currency and its own central bank. Over time, changing circumstances in the region have necessitated important changes and adaptations in the monetary arrangements. In 1986, the RMA became the Common Monetary Area. Namibia formally joined in 1992.

Put in a nutshell, the CMA works as follows:

- The currencies of Lesotho, Namibia and Swaziland (LNS) are fully backed by the rand.
- The South African Reserve Bank acts as central bank for the whole CMA.
- The rand circulates freely in all member countries but is legal tender only in South Africa, Lesotho and Namibia.
- Lesotho, Swaziland and Namibia manage their gold and foreign exchange reserves themselves.
- Swaziland is entitled to change the parity of its currency but up to the present has preferred to maintain parity with the rand.

  Lesotho and Namibia are obliged to maintain parity with the rand.
- Government stock issued by the three smaller countries ranks as prescribed investments up to 1,5% of the prescribed holdings for South African financial institutions. This arrangement gives these countries assured access to the South African capital market.
- All three countries have access to the South African commercial foreign exchange market, and if the need arises can also obtain foreign exchange from the South African Reserve Bank.
- All three apply the system of exchange control laid down by South Africa.

Benefits of membership in CMA:

Since South Africa is by far the foremost source of imports for the three smaller countries, parity with the rand suits them well. Furthermore, parity with, and backing by, an internationally traded and freely convertible currency engenders greater confidence in their currencies.

They have access to the RSA's capital market as well as to the commercial foreign exchange market in South Africa. They also benefit from the conditional availability of credit from the South African Reserve Bank.

The three smaller countries receive important compensation payments for the interest earned by their rand holdings with the South African Reserve Bank and the prescribed investment status of their government stock, while, in addition, Lesotho and Namibia are paid seigniorage in respect of rands circulating in their countries.

Formal consultative machinery established in 1974 provides for prior consultation on policy decisions, especially changes in interest and exchange rates and exchange control. Matters discussed at the annual meetings include clearing arrangements, exchange control, the development of forward exchange markets and bank supervision.

Business throughout the CMA benefits from the hassle-free transferability of funds within the common area.

An important advantage of the monetary arrangements between South Africa and LNS is their flexibility.

Drawbacks of membership:

Given the full rand backing of Lesotho's loti, Namibia's dollar and Swaziland's lilangeni, the central banks of LNS cannot create additional money, as other central banks can. This is not necessarily a bad thing, but in practice the three countries remain subject to South Africa's monetary policy, including its interest rates, exchange rate and inflation rate. Movements in the rand/dollar exchange rate also affect the export potential of the three smaller countries, their costs of imports from outside the CMA, and the servicing of their external debts.

Given the unequal levels of economic development of South Africa and LNS respectively, problems are bound to arise. Thus, when monetary conditions in South African require the raising of interest rates, this may clash severely with Swaziland's interests. Swaziland, for example, keeps interest rates deliberately low in order to encourage productive investment and reduce the liquidity of the commercial banking system, whereas South African rates are considerably higher. This discourages financial savings in Swaziland and encourages capital flight to the Republic.

On balance, however, the CMA is generally considered a success and there have been suggestions from countries outside the CMA that the rand should play a pivotal role in a regional monetary system. According to the recent ADB study on regional integration in Southern Africa[20], the lack of convertibility of national currencies is the single most important obstacle to greater economic cooperation and integration in the region.[21]

The Southern African Development Community (SADC)

The SADC, the successor organization to the Southern African Development Coordination Conference (SADCC), currently comprises twelve member countries: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

History and objectives:

The SADCC originated in the so-called group of Frontline States – Angola, Botswana, Mozambique and Tanzania. These states were concerned with the Rhodesian and South West African conflicts, that is essentially political issues. From about 1977, however, they began to envisage a regional organization to promote economic development and resolve conflicts. Meeting in Arusha, Tanzania, in July 1979, they approved a draft declaration, *Southern Africa – Toward Economic Liberation*. This was ratified in Lusaka in April 1980 when the five, together with Lesotho, Malawi, Swaziland and the newly independent Zimbabwe, formally established the SADCC. Its objectives were summed up as follows:[22]

- the reduction of economic dependence, particularly on the Republic of South Africa;
- the forging of links to create a genuine and equitable integration;
- the mobilization of resources to promote national, interstate and regional policies; and
- concerted action to secure international cooperation within the framework of a strategy for economic liberation.

While the lessening of economic dependence on South Africa was declared an "overriding" priority, the organization aimed to promote the economic development of member states through cooperation and coordination in respect of transport and telecommunications, development planning, agriculture, food security, industrialization, and so forth.

In view of the poor record of regional economic integration schemes elsewhere in Africa, the SADCC rejected what it called the "common market integration" approach. It aimed rather, through joint planning and coordination, to integrate its economies not only at the level of infrastructure but also in respect of markets and production.

In order to avoid a costly and unwieldy bureaucracy, the SADCC decided to have only a small secretariat (in Gaborone, Botswana) to coordinate the activities of Sector Coordinating Units (SCUs). These were entrusted to particular member states and functioned within the relevant ministries. In mid-1996, SCUs were allocated as follows.

Angola:	energy
Botswana:	agricultural research, livestock production and animal disease control;
Lesotho:	tourism, environment and land management
Malawi:	inland fisheries, wildlife and forestry
Mauritius:	(no allocation by mid-1996)
Mozambique:	transport and communications (see below), culture and information
Namibia:	fisheries and marine resources
South Africa:	finance and investment
Swaziland:	human resources development
Tanzania:	industry and trade
Zambia:	mining and labour
Zimbabwe:	agriculture, food security and natural resources.

Namibia had become a member in 1990, South Africa in 1994 and Mauritius in 1995.

In the early years, attention was particularly focused on transport and telecommunications where dependence on South Africa was heaviest. In 1981, responsibility for these sectors was entrusted to the Southern African Transport and Communications Commission (SATCC), located in Maputo. Unlike the SCUs, SATCC is a regional, not a national body.

From the beginning, SADCC/SADC has depended heavily on foreign bilateral and multilateral donors, especially the European Community and Scandinavian countries. External sources contributed about 90% of the cost of projects.

In response to changing international and regional conditions – notably the end of the Cold War and the emergence of a democratically elected government in the RSA – the SADCC changed its emphasis from specific projects to the coordination of sectoral plans and programmes. Priority shifted from the development of infrastructure to measures aimed at promoting production, investment and the progressive integration of member economies. The framework of the new dispensation is embodied in the treaty establishing the SADC, which came into effect on 5 October 1993. Article 5 of the Treaty of Windhoek sets out the following specific principles and objectives:

- Achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa and support the socially disadvantaged through regional integration;
- Evolve common political values, systems and institutions;
- Promote and defend peace and security;
- Promote self-sustaining development on the basis of collective self-reliance, and the interdependence of member states;
- Achieve complementarity between national and regional strategies and programmes;
- Promote and maximize productive employment and utilization of resources of the region;
- Achieve sustainable utilization of natural resources and effective protection of the environment; and
- Strengthen and consolidate the long-standing historical, social and cultural affinities and links among the peoples of the region.

All this is to be based on the fundamental principles of balance, equity and mutual benefit[23].

The treaty provides for cross-border investment and trade, and freer movement of the factors of production, goods and services across national boundaries. It seeks to promote common economic, social and political values and systems, enhancing enterprise, competitiveness, democracy and good governance, respect for the rule of law and human rights, popular participation and the alleviation of poverty. All major policy areas are to be harmonized.

The treaty places binding obligations on member countries with the aim of promoting economic integration towards a fully integrated common market. It is a legally binding instrument enforced by sanctions for non-compliance. A tribunal was established to arbitrate in the case of disputes between member states arising from the treaty. The secretariat stayed in Gaborone.

At the summit of August 1995, a protocol on shared watercourses and a memorandum of understanding on a regional power pool were signed. Protocols are currently being prepared on, amongst other matters, free trade, movement of people, transport and communications, and tourism.

SADC and Comesa:

All members of the SADC except Botswana and South Africa are also members of Comesa, the Common Market for Eastern and Southern Africa (see below). The objectives of both organizations are very similar, but efforts to reach agreement on a division of labour have failed, and the SADC countries are expected to terminate their dual membership.

Achievements and weaknesses:

The SADC's contribution to economic cooperation and development in Southern Africa has been modest. The organization itself has acknowledged that, apart from helping to "hold the region together", and "scoring successes" in agricultural research, energy, transport and telecommunications, "... more than anything else, the greatest success has been forging a regional identity among the ten member States and a sense of a common destiny".[24] According to *The Star* (Johannesburg), the SADC's authority in the past has "... derived mostly from its anti-apartheid posture and the home it provided for those destabilized by South Africa."[25]

The SADC's main weaknesses are lack of political commitment on the part of members; ineffectual functioning of most SCUs; slow and inefficient bureaucratic procedures; failure to involve the private sector; and excessive dependence on outside help, with failure to adequately mobilize members' own resources. Member countries today are no less dependent on the RSA than in 1980, and rely heavily on outside donors to finance projects. Donors complain that completed projects are not properly maintained, and are doubtful about member countries' ability to meet the long-term running costs of projects.

Efforts are now being made to involve the private sector and generate interest among the public at large. Up to now, however, the organization has been essentially a club of governments and civil servants, of which the vast majority of their peoples are barely – if at all – aware.

Member states have proved reluctant to make sacrifices in the interest of regionalism, and many are in arrears with their contributions to the Secretariat. Early in 1995, arrears were said to be about $2 million out of an annual budget of $6 million[26]. If member countries really accorded high priority to intra-regional ties, they would not have tolerated for many years the counterproductive duality of SADC and PTA/Comesa. The moment South Africa started moving towards a democratic order, several countries did not wait for their organization to negotiate on their behalf the future pattern of relations with the RSA; instead there was a "rush towards bilateral dealings" with Pretoria, fuelled by the perception that there was "a premium on not being left behind".[27] Cultural and social barriers are said to exist between "most member countries" and to be consolidated by suspicion, fear and hatred of neighbours.[28]

South Africa and the SADC:

SADC member countries had expected that South Africa's membership would substantially strengthen the organization. Unavoidably, however, the RSA's vastly greater economic strength caused problems, especially in the sphere of intra-regional trade. South Africa is being accused of swamping neighbouring markets and destroying local manufacturers while virtually closing its own market to their exports by means of high tariffs and other restraints. The problem is complex because South Africa's neighbours generally cannot provide the machinery, vehicles, equipment, chemicals, and similar products that constitute the bulk of its import requirements, while it produces itself many of the agricultural and mining commodities that Africa can supply.

Given these structural imbalances, it will be interesting to see how the proposed free trade area (FTA) will be made operative. In view of the unbalanced regional trade pattern, most SADC members are believed to prefer bilateral agreements with the RSA. Many experts consider that a limited preferential trade arrangement, rather than a FTA, would be the most appropriate first step towards the distant goal of a common market.

Whereas South Africa's own economic and political interests demand a positive regional role, many South Africans have misgivings about the country's regional commitments. Obviously, the RSA has to balance the protection of its own industries and job opportunities, on the one hand, against the interests of its SADC partners on the other. That it is doing its best, is confirmed by an unnamed source within SADC, according to which, "... the amount of work done by SA in the finance and investment sector demonstrated its commitment to regional cooperation, and its alleged lukewarm involvement in the region was due to its cautious approach."[29]

Political cooperation and security:

The SADC treaty also envisages cooperation with regard to political and security issues, with closer political union between member countries a more distant goal. The Association of Southern African States (ASAS), created in July 1994, is seen as an instrument to this end. ASAS had been established to take over the political and security functions of the now redundant Front Line States (FLS). The foreign ministers in 1995 resolved that ASAS would be a loose and flexible association with direct inputs from SADC heads of state. The ministers also agreed on a two-year revolving chairmanship. The idea of a Southern African Parliament modelled on the European one in Strasbourg has been mooted, but the heads of state are reportedly not enthusiastic.[30] On 30 May 1996, all parties in the South African Parliament supported a Namibian proposal for the creation of a parliamentary forum of SADC member countries. Particulars must still be worked out.

Outlook:

With outside financial support for SADC waning, its prospects are closely linked to the somewhat uncertain future state of the South African economy. A determined effort by SADC countries to form a vibrant economic community would significantly improve the growth prospects for the whole region. That, however, presupposes greater political commitment than hitherto on the part of South Africa's partners as well as substantially enhanced efficiency in the management of the SADC itself.

In order to improve the functioning of the organization, South Africa advocates a revision of the entire structure and functioning of the SADC. Proposals include that:

- the Secretariat be made the vehicle for implementing policies formulated by member countries, rather than continuing to function as the driving force in virtually all SADC activities;
- wherever feasible the Sector Coordinating Units (SCUs) be replaced by permanent sectoral commissions such as SATCC; (SCUs are part of national governments, and are staffed and financed by the sector-coordinating country; sectoral commissions are regional institutions staffed and financed by subscriptions from member countries.)
- current SADC procedures be streamlined and communications between member countries improved;
- a regional Planning, Programme Management, Assessment and Coordination capacity be created within SADC; and
- a comprehensive resource database be created for the SADC region.

The Common Market for Eastern and Southern Africa (Comesa)

Comesa is the successor to the Preferential Trade Area of Eastern and Southern Africa (PTA). The PTA treaty was signed by ten states in 1981 but the organization started functioning only in 1993. Currently it has 23 members: SADC member countries Lesotho, Namibia, Swaziland, Zimbabwe, Zambia, Malawi, Angola, Mozambique, Tanzania and Mauritius, together with Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Rwanda, Seychelles, Somalia, Sudan, Uganda and Zaïre.

PTA was envisaged as the first step to a free trade area and ultimately a common market. It accepted a list of commodities on which member countries were expected to eliminate, in steps, all tariffs on intra-PTA trade by the year 2000. PTA would thus become a free trade area. In order to promote trade and overcome one of the major obstacles, namely, the lack of convertible currencies and the shortage of foreign exchange to pay for imports, the PTA has established a clearing house in Harare for the settlement of accounts between members. Balances are offset among the different currencies of members, and outstanding balances between any two members have to be settled in a hard currency every two months.[31] PTA also created the UAPTA traveller's cheques, a development bank and other institutions.

Although about double the size of the SADC in terms of geographical area and population (Comesa: 13,3 million sq km and 314 million people; SADC: 6,9 million sq km and 138 million people), Comesa's 1993 GNP of \$71,4 billion is less than half SADC's \$147,3 billion. PTA/Comesa has not justified the hopes and expectations of its promotors. Intra-Comesa trade has stagnated at around 5–6% of total trade, and certainly has not stimulated growth. The dominant underlying problem must be sought in the fact that all the countries of the region predominantly export primary products and import manufactured goods. Commodities account for almost 90% of their exports and are mostly sent to markets outside Africa. To this must be added other structural weaknesses:

- disparities between the more industrialized member states – Kenya, Mauritius and Zimbabwe – on the one hand, and the remainder, where industrialization has barely taken root;
- the weakness of transport and communications links; and
- the acute shortage of foreign exchange.

Apart from these problems there is the unresolved issue of overlapping membership between Comesa and SADC, both of which pursue very similar objectives. South Africa's decision not to join Comesa was a serious setback to the organization because it helped to sway dual-membership countries in favour of SADC. Some observers even believe it may have signalled Comesa's death knell.

Reasons for disappointing experience with regional schemes

Basically, three factors account for the disappointing achievements of regional economic cooperation and integration schemes: (i) the strategies pursued; (ii) the structures of African economies; and (iii) the dominance of politics over economics.

Strategies pursued

There is a broad consensus that a major factor responsible for the poor results of cooperation efforts in Africa over the past three decades has to do with the integration strategy adopted by African groupings. Almost all of them have been modelled on the classical European Economic Community (now European Union) prototype, which is designed for developed countries.

African cooperation and integration schemes typically opt for "comprehensive automaticity"[32] of progressive market liberalization, starting with a preferential trade arrangement followed by a free trade area, and progressing to customs area, common market and the ultimate goal of economic union. However, the problem is that the assumptions underlying this model are far from relevant in the African context.

Structures of African economies

Trade cannot serve as the driving force for the integration of African countries for the simple reason that trade between them is far too limited. All the countries of the region are producing raw materials that are for the most part not traded in their subregions but exported to the industrial world where they seldom face tariff problems.[33] The manufacturing sector is very small in most African countries, and in some almost non-existent. Since that sector is dominated by multinational corporations, it is extremely difficult, if not impossible, for most domestically produced manufactures to qualify for community treatment. This has greatly reduced the effectiveness of trade liberalization programmes.

With regard to Southern Africa, for example, the ADB study on integration states that all the countries of the region share a similar trade pattern: about 90% of exports are mineral and agricultural commodities marketed in industrialized countries with little or no value added. About two-thirds of imports are intermediate and capital goods, mostly obtained from industrial countries. Only South Africa and Zimbabwe have any significant capacity to produce such goods. As a result, intra-regional trade is low, accounting for less than 5% of recorded trade, which might be raised to 6 or 7% by unrecorded trade.[34] For Africa as a whole, intra-regional trade declined from about 6,6% in the 1960s to about 4,5% by the end of the 1980s.[35]

Even where goods qualify for community treatment, the importing countries can generally ill afford to forego import duties because of their significant contribution to government revenue. Customs duties generally account for 20–30% of government revenue but are as high as 62,6% for Benin, 58,9% for Comoros, 50,9% for Somalia and 34,1 % for Madagascar.[36] Naturally, the loss of customs revenue on intra-regional trade is not very great because of the low level of that trade, but a poor country may still consider it to be unaffordable.

The universal shortage of foreign exchange is an obstacle to increased intra-African trade because countries generally demand payment in an internationally accepted currency. In order to ease this problem, regional clearing houses have been established where only net balances between countries have to be settled in foreign exchange. However, clearing houses such as that of PTA/Comesa in Harare suffer from the structural imbalances in intra-regional trade. These imbalances usually result from the polarization of growth in the relatively advanced member countries. Invariably, the less developed member states are persistent debtors, while the relatively advanced ones carry surpluses year after year. Zimbabwe, for example, is always a net creditor for other Comesa countries, and Zambia a net debtor.

Although African countries have many economic features in common, there are also major divergencies between countries in respect of per capita income, industrialization, resource endowment, and so forth. Striking examples are South Africa compared with the rest of SADC or Zimbabwe compared with Lesotho. Given this heterogeneity within African subregional groupings, the liberalization of intra-group trade tends to polarize regional development in the more advanced partner countries because free market forces invariably favour the more advanced partners at the expense of the less developed ones.

The position of the BLNS countries in the Southern African Customs Union has already been referred to in this regard. Polarization of economic development in Kenya was a major reason for the break-up of the East African Community. Polarization further increases the divergencies between countries and poses a serious obstacle to market integration. Attempts to overcome this problem by means of solidarity and compensation arrangements have universally failed.

Further structural obstacles to integration are: the heavy external indebtedness of most countries; an infrastructure oriented towards serving the trade with Europe rather than neighbouring countries; falling per capita incomes; and the absence of societal groups with a vested interest in promoting regional integration.

The dominance of politics over economics

A number of objective political factors impede closer subregional unity, notably the different languages, legal and administrative systems and the cultural patterns inherited from the former colonial powers as well as the often still close ties with those powers. Many conflicts between adjacent countries have arisen from the artificial political boundaries drawn by the colonial authorities. Sharp ideological differences used to prevail between countries espousing a free-market economy and those proclaiming some African or other variant of socialism, but since the disintegration of Soviet power the economic policies laid down by IMF and World Bank tend to prevail. The foremost political obstacles to regionalism, however, are Africa's rulers.

According to Ahmad Aly,

> African leaders have not been able to distinguish between longterm development requisites and short-term political tactics, a situation responsible for the frequent rise and fall of subregional groupings. Numerous schemes collapsed, and many others were set up not with regard to their economic viability or technical soundness, but merely for the sake of political alliances and friendship.[37]

The functioning or non-functioning of regional organizations depends to a large extent on the personal dispositions and animosities of political leaders. Although lack of political commitment to joint regional efforts is widely perceived as a fundamental reason for the poor showing of regional schemes, lack of commitment is often based on the objective economic difficulties outlined above. Still, the familiar pleas for African unity stand in marked contrast to the failure of states to harmonize national economic plans with plans for the region, the tardy payment of contributions to the budgets of regional organizations, and the often low level of representation at regional meetings, which, moreover, are not always well prepared.

Regional organizations are also weakened because political expediency tends to play a greater role in the appointment of their leaders than professional competency. Governments are said to invariably put narrow national interests above those of the communities by insisting on politically desirable appointees to head regional organizations. According to Ahmad Aly, evidence from all African subregions suggests that inexperienced leadership has largely contributed to the paralysis or poor performance of quite a number of regional organizations.[38]

With respect to the industrialization efforts of SADC and PTA/Comesa, the ADB study on regional integration confirms that "... national interests invariably override regional interests..."[39].

All this shows that the prevailing urge to create subregional groupings on the basis of trade liberalization cannot be a panacea for Africa's economic malaise. The obstacles in the way of market integration loom so large that it is difficult to understand why regional integration still features so prominently in the minds of policy makers. One has to conclude that progress towards the ideal of closer economic union has been so inconspicuous because African countries have failed to reckon with the realities of their situation and because they attempted to achieve too much in too short a time with unsuitable means.

Yet the need to combine Africa's small and little-developed economies into larger and economically viable units is crucial and is becoming more urgent by the day.

In conclusion, a few considerations regarding future policy are presented.

Conditions for success

Empirical research shows that economic integration has the best prospects if it occurs among countries which (i) are at similar levels of industrial development, (ii) have competitive industrial sectors, and (iii) have the potential to develop complementary industrial sectors.[10] Beyond that, a number of other conditions need to be met. These are:[11]

- (i) All member countries should perceive that they are gaining from the arrangements.
- (ii) A supranational authority should be established with real powers to make governments of member countries implement the decisions of the authority.
- (iii) Particular attention should be paid to ways and means of overcoming the tendency of manufacturing industry to polarize in the most industrially advanced country of the grouping.
- (iv) Governments should be prepared to cede some of their sovereignty to the supranational authority.
- (v) Political differences within the grouping should be containable.
- (vi) Member countries should be in broad agreement on economic systems; integration cannot succeed between market-planned and centrally planned economies.

The first four of these conditions, in particular, are not readily met in present-day Africa. Many observers therefore propose that priority be given to functional cooperation and coordination, and that market integration be pursued as a long-term objective and by way of variable geometry. "Variable geometry" means that members of a grouping need not act in unison in liberalizing trade, but implement changes when their position makes it feasible.

Regional cooperation is inevitably an intensely political process. It cannot be made to succeed by applying theoretical models that ignore the political parameters within which countries and their leaderships function. The integration of the markets of African countries has to be understood as a long-term process. All this has moved John Ravenhill to state:

> Surely it is time to rethink strategy. Why persist with schemes that are ignored, that increase frustration, and that, in the unlikely event that they were to be implemented, offer little prospect of significant gains in the short term while imposing considerable constraints on government action? Perseverance with the present schemes .. will serve only to undermine the credibility of regional and continental organizations, involve a tremendous waste of bureaucratic effort in designing timetables for tariff liberalization and schemes for monetary union that will be ignored, and may well undermine the prospects for more limited forms of regional cooperation that offer the best hope of circumventing the constraints that Africa faces in pursuing its legitimate goal of greater self-reliance.[12]

In common with numerous other observers, Ravenhill therefore advises that priority be given to functional cooperation rather than market integration – a viewpoint also widely held in South Africa. Both Ravenhill and Senegalese economist Makhtar Diouf[13] conclude that the SADCC, the Southern African Development Coordination Conference, followed the right path and provides the model that the rest of Africa should follow. It would be ironic if SADC were to emphasize market integration at the expense of functional cooperation.

Regional cooperation and integration certainly can promote the economic development of participant countries. Regional schemes, however, are no panacea for underdevelopment. They are of little avail, and may even leave some countries worse off than before, unless participating countries pursue sound economic and financial policies at home.

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The characteristics of and constraints facing the informal sector entrepreneur in a traditional coloured community

B Ismail and Professor G S Horn of the Department of Economics, Vista University, Port Elizabeth

Introduction

The informal sector is often, rightly or wrongly, associated with poverty, underemployment and unemployment. The concept "informal sector" originated from the observation, in the early 1970s, that the modern formal sector (particularly manufacturing) was unable to absorb the growing surplus of manpower in developing countries.[1] Earning opportunities outside the formal or modern sector had therefore to be found in order to ensure survival for the unemployed, as well as for new entrants to the labour market. Since then the term "informal sector" has evolved as a generic and practical term, covering all survival efforts outside the formal sector, largely by the poor and the unemployed.

This article is based on a survey which formed part of the empirical research for the completion of a Master's dissertation entitled *Informal sector activities of the coloured community of the Port Elizabeth metropole*. The research for this study was done by means of questionnaires. A sample stratification was designed in accordance with the geographical distribution and concentration of people in the coloured community of the Port Elizabeth metropole. Dwellings from which informal sector activities took place were identified during the initial exploration phase of the survey. In cases where the breadwinner of a preselected dwelling refused to participate, another preselected household was interviewed. Information for this survey was obtained only from the breadwinner of the household. On receipt of questionnaires, spot checks were made by supervisors on a random basis. These checks endeavoured to judge the degree of accuracy with which the questionnaires had been completed. Very few errors occurred in the checked questionnaires.

In the context of this article, informal sector businesses refer to very small businesses (or micro-enterprises) which often involve only the owner, some family member(s) and, at the most, one or two paid employees. Such business activities within the informal sector lack "formality" in terms of business licences, VAT registration, formal business premises and operating permits; they have a limited capital base; and only rudimentary technical and business skills are applied by the operators. The informal sector, therefore, includes unrecorded market activities such as hawking, dressmaking, the selling of food and groceries at what is generally known in the townships as spaza shops, drug peddling, the running of shebeens, and so on.

The authors of this article attempt to provide information on the ways in which the informal sector operates in the context of a traditional coloured community in the Port Elizabeth metropole, with specific reference to the following aspects: (i) the types of informal sector activities engaged in; (ii) the socioeconomic characteristics and problems experienced by the participants; and (iii) the labour-absorption capacity of such an informal enterprise. In so far as the informal sector in the Port Elizabeth metropole can be regarded as a proxy for other metropolitan areas, it is hoped that policy makers will be provided with clearer insight about (i) the environmental and personal factors which promote or restrict the development of the informal sector; and (ii) the fact that the informal sector cannot at present be relied upon as a panacea for unemployment in the metropolitan areas of larger South African cities.

Socioeconomic characteristics of the sample group of coloured informal sector entrepreneurs

Figure 1 provides a graphical representation of the various categories or subsectors in which the sample group of informal sector entrepreneurs in the coloured community of the Port Elizabeth metropole are participating. The figure shows that the bulk of informal economic activities take place in retailing; some 47,5% of the sample group are involved in retailing.

Service and service-related enterprises contribute 17,0% to the sample group's level of economic activity. If the passenger transport service category (especially taxis) is added to this subsector, then the size of the service and service-related subsector increases by a further 10 percentage points to 27,0%. Activities in the manufacturing subsector amount to only a third (16,0%) of the retailing subsector, while the construction subsector amounts to a mere 8,0% of the total activities of the sample group. "Illegal activities" contribute 1,5% of the sample group's economic activity.

Many of the operators in the service and service-related subsector utilize

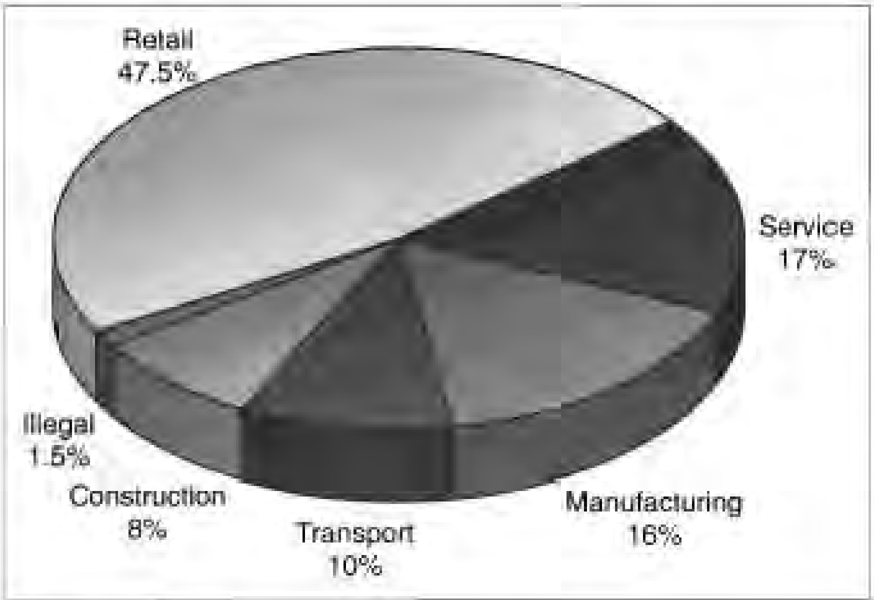


FIGURE 1: Classification of businesses according to type of enterprise

FIGURE 2: Gender and sectoral distribution of the sample group of informal sector entrepreneurs

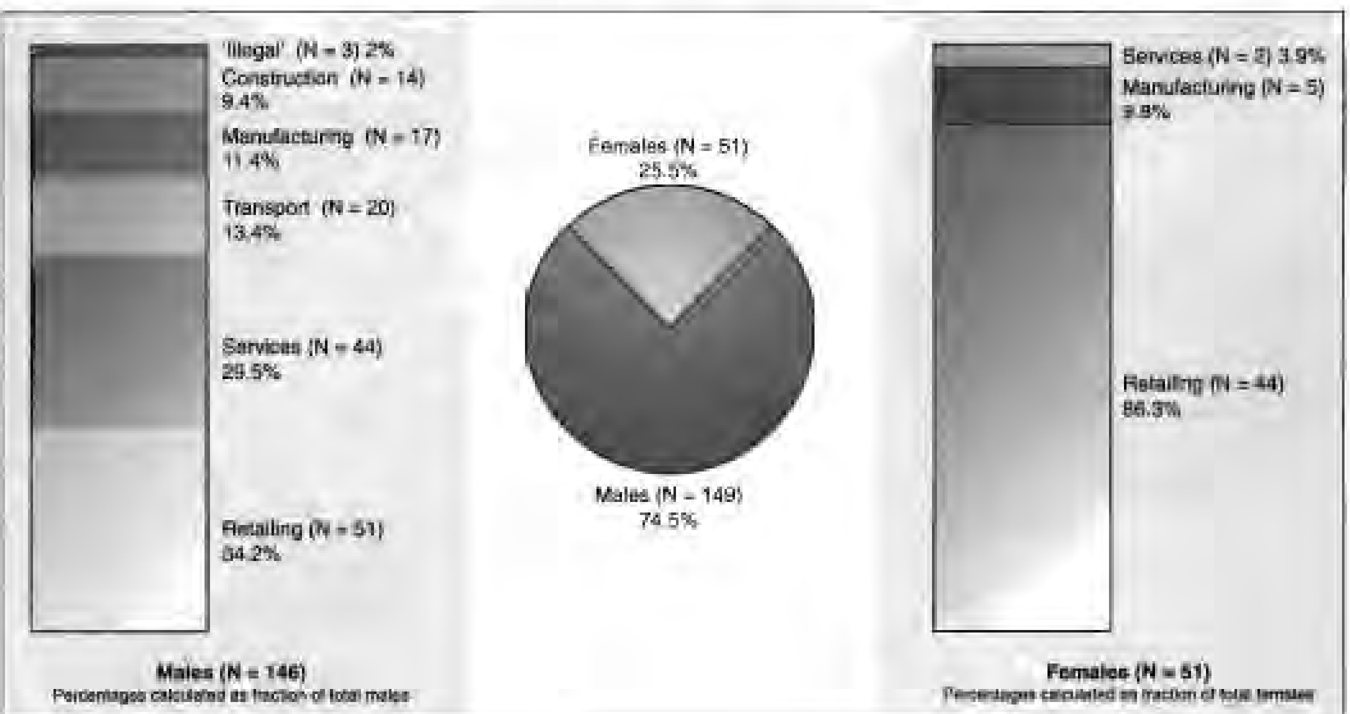
the skills which they have acquired from the formal sector. Some 47,1% of the operators, for example, are involved in providing services related to the motor industry. Of these, the majority are involved in motor mechanical work and panel-beating. In the construction subsector, the "moonlighting" phenomenon is a common feature. Many of the masons in this subsector do have permanent jobs in the formal sector and are involved in the informal sector mainly over weekends, when they do private jobs.

The shortage of employment opportunities in the formal sector is underlined when one notes that males operate 74,5% of all informal sector businesses in the surveyed area, whilst females operate only 25,5% thereof. Figure 2 illustrates the extent to which the participation of males overshadows that of females in the informal sector of the surveyed area.

It is interesting to note that males feature strongly in informal retailing and service-related activities, while their level of economic activity in the manufacturing and construction subsectors appears to be disappointingly low. This is disappointing in the sense that these two subsectors normally provide entrepreneurs with a higher degree of profitability and growth. Those businesses owned by females tend to be concentrated in the retailing subsector.

With regard to age, Table 1 shows that the majority of the sample group of entrepreneurs fall in the age bracket of 31–40 years, with the mean age calculated at 31,3 years.

This relatively high average age highlights a disturbing aspect. At the age of 31, when the average person is normally settling into a career and/or has just started with a family, these entrepreneurs find themselves formally unemployed and struggling to generate a steady flow of income in the informal sector. In the light of the fact that, as calculated by Potgieter,[2] the average household size for a coloured family is five persons, it seems likely that these families will find it very difficult to ac-



cumulate assets and could thus remain poor for a long period of time.

Du Plessis and Levin[3] state that thorough knowledge of the entrepreneur's average level of education is an important factor in determining the success or failure of any small business training programme. As with age and gender, the educational level of informal sector entrepreneurs provides a good indication of the alternatives open to them, as well as the ability of these individuals to manage their own businesses properly. Information on the level of education of the sample group is provided in Table 2.

If the cut-off level for literacy is taken as Standard 3, or a total of five years of primary education, then some 7,5% of the respondents in the sample group can be classified as illiterate.

TABLE 1: Age of the sample group of informal sector entrepreneurs

Age group	Male	%	Female	%	Total	%
< 20 years	2	1.3	0	0.0	2	1.0
20 – 30 years	35	23.5	22	43.1	57	28.5
31 – 40 years	68	45.6	15	29.4	83	41.5
41 – 50 years	32	21.5	8	15.7	40	20.0
51 – 60 years	11	7.4	6	11.8	17	8.5
61 + years	1	0.7	0	0.0	1	0.5
Total	149	74.5(a)	51	25.5(a)	200	100.0
Mean age	33.2		29.4		31.3	

Note: (a)Total row expressed as a percentage of total male and total female, ie 200.

TABLE 2: Level of education of the sample group of informal sector entrepreneurs

Level of education	Male	%	Female	%	Total	%
None	3	2.0	4	7.8	7	3.5
Up to Standard 3	2	1.3	6	11.8	8	4.0
Standard 4 to 6	44	29.5	12	23.5	56	28.0
Standard 7 to 10	84	56.4	23	45.1	107	53.5
Technical training	10	6.7	2	3.9	12	6.0
Tertiary education	4	2.7	3	5.9	7	3.5
Other vocational training	2	1.3	1	2.0	3	1.5
Total	149	74.5(a)	51	25.5(a)	200	100.0

Note: (a)Total row expressed as a percentage of total male and total female, ie 200.

Only some 11,0% of the informal sector entrepreneurs in the sample group are in possession of a post-school qualification, which includes technical training, tertiary education or some other kind of vocational training. However, many of the entrepreneurs who have received post-school qualifications are currently involved in activities which are not directly related to their qualifications. For example, the statistics show that some 6,0% of the sample population have received technical training at a technical college, but some of the respondents indicated that they were unable to secure apprenticeships at formal manufacturing institutions. Being involved in informal sector activities has thus become their only means of income and survival. This situation is perhaps indicative of the degree of structural unemployment which is evident throughout the country.

It is often argued that, in general, people tend to tackle a business venture in order to develop their entrepreneurial skills and talents. Very few would enter into a venture without some background knowledge of what the business entails. To test the applicability of this theory to the informal sector, respondents were asked to indicate their primary reason for establishing their business. Table 3 provides a summary of the reasons why the respondents are operative in the informal sector.

The majority of males (68,5%) in the sample group are operative in the informal sector because of recession-push factors. Recession-push factors are related to a downswing in the business cycle and the resultant inability of the labour market to provide or maintain employment opportunities for the labour force. Some 28,9% of males indicate that, due to retrenchment from the formal sector, they have been forced into an existence in the informal sector. In the case of females, it was found that 13,7% of the sample group are operative in the informal sector owing to retrenchment and that 35,3% cannot find work in the formal sector. Personal enquiries during the survey also confirm that the increasing level of unemployment and the consequent need to supplement household income have forced women to start entering the informal sector. With an average household size of five people, housewives consider it their duty to assist in supplementing household income to ensure the survival of their families.

Only 9,5% of all the respondents indicate that they have chosen employment in the informal above the

TABLE 3: Reasons for entering the informal sector

Reason	Male	%	Female	%	Total	%
Retrenched	43	28.9	7	13.7	50	25.0
Other work not available	59	39.6	18	35.3	77	38.5
Can earn more	14	9.4	5	9.8	19	9.5
Convenient (eg. at home)	5	3.4	12	23.5	17	8.5
Has technical ability	14	9.4	0	0.0	14	7.0
To supplement income	12	8.1	9	17.6	21	10.5
This work is interesting	0	0.0	0	0.0	0	0.0
Family business	1	0.7	0	0.0	1	0.5
Physical handicap	1	0.7	0	0.0	1	0.5
To escape paying taxes	0	0.0	0	0.0	0	0.0
Total	149	74.5(a)	51	25.5(a)	200	100.0

Note: (a)Total row expressed as a percentage of total male and total female, ie 200.

formal sector because they believe that they have the opportunity to earn more in the informal sector. Most of those who do earn more from their informal sector activities are panel-beaters and taxi-owners. Those entrepreneurs who are operative in the informal sector to supplement household income constitute up 10,5% of the sample population. It can thus be concluded that informal sector operators are forced by circumstances to start out with any type of business. For most of them, it is not a carefully considered decision which they make to develop their entrepreneurial skills in the informal sector, but rather a forced decision to enable them to survive.

Levels of income received by the sample group of entrepreneurs are low and the flow of income is often irregular. The long working hours (an informal sector entrepreneur spends, on average, 10 hours a day trying to keep his business afloat) do not always justify the amount of money which is earned. A sizeable amount of such a long working day consists of a "waiting-for-work" period. While one could claim that "waiting for work" is a necessary activity in retailing (ie someone must be present to receive orders or accept clients), it does provide an indication of the magnitude of excess capacity and idle hours present in these enterprises. These long waiting periods have a negative effect on daily and weekly income, as well as on levels of motivation to continue with these informal sector activities. Fluctuations in consumer demand and in seasonal elements also contribute to low and unstable income levels.

The informal sector is, therefore, generally regarded as a peripheral sector which is characterized by extremely low levels of income, well below the required Household Subsistence Level (HSL). The HSL is defined as the minimum income which is required for a five-member household to enjoy an acceptable standard of living or to survive. Potgieter[1] calculates that the minimum income that a five-member coloured family required for subsistence in 1995 amounted to R950,63.

An analysis of the responses reveals that some 88,0% of the operators in the sample group receive nett incomes of under R950,63 per month. It appears as if those involved in the retailing subsector have the lowest nett income compared with the other economic subsectors. Fruit and vegetable hawkers, which make up 33,7% of the retailing subsector, are the worst off with some 20,0% of the entrepreneurs in this subsector earning a nett monthly income of below R250,00. This can mainly be attributed to the fact that hawkers are operating in a saturated market where it is extremely difficult for them to offer their goods at prices higher than those offered by the market in general. For this reason, income levels are forced downwards, even in areas where the turnover of stock is exceptionally high. Furthermore, because the merchandise is of a non-durable nature, operators are forced to dispose of unsold stock at lower prices at the end of the day.

Enterprises in the services and service-related subsector (such as panel-beating and taxi services) show above-average levels of income. In fact, they are the only two "legal" activities carried on in the sample area which show nett monthly earnings in excess of the required HSL of R950,63. They are also more likely to employ other people and can therefore be considered to be *the* "dynamic employer" out of all the informal sector businesses surveyed. Nett earnings in the construction subsector are also relatively high, owing to the fact that no real operating expenses are incurred by the operator, as most or all material costs are covered by the client. Income levels are also more evenly distributed amongst operators in the manufacturing subsector.

However, it is found in virtually all socioeconomic surveys that respondents are very reluctant to divulge information regarding their income to field workers.[5] This survey once again proved that respondents either shy away from questions related to income because they are too embarrassed to admit their low earnings, or purposely underestimate their income in the hope of financial assistance. Furthermore, they may either not want to reveal their tax-paying capacity or they may not always take account of the difference between turnover and profit.

Having outlined the socioeconomic characteristics of the sample group and their motivation for being in the informal sector, we now shift the focus of discussion towards the major internal and external constraints which hamper the development of informal sector businesses in the area.

Internal and external constraints facing the informal sector entrepreneur

Many economists would agree that formal financial institutions do not accommodate informal sector entrepreneurs as readily as they do businessmen from the formal sector. Consequently, the majority of the respondents experience problems in obtaining external funds to establish their businesses. Lack of collateral is a major reason for the inability of many of these entrepreneurs to raise external funds and they are thus forced to rely on "own money". The historical data regarding the sources of money used as start-up funds amongst the sample group of coloured informal sector entrepreneurs in the Port Elizabeth metropole are presented in Table 4.

On the question which relates to the manner in which funding was acquired upon start-up, nearly two-thirds (62,0%) of the respondents in this study indicate that they have done so through the use of their own personal savings or through other sources representing their own money. These "other sources" refer to the use of either pension or retrenchment packages. Some 16,0% have obtained or borrowed money from family members, relatives or friends. As expected, very few (18,0% in total) were able to borrow money from a formal financial institution such as a bank or a development agency.

Only 27,6% of the respondents who applied for a loan from the Small Business Development Corporation (SBDC) were successful in their applications. Some 58,0% of the respondents indicate that, even though they are aware of the financial and administrative services which the SBDC offers, they have opted to forfeit the opportunity to apply for any kind of assistance from this institution. A main reason for this is that many of the respondents seem to harbour very negative perceptions as to what this institution (and its affiliates) can offer them. The respondents feel that, due to the informal nature of their enterprises, loans are literally "impossible" to acquire through these formal financial institutions and that too much "red tape" is involved in the application for and processing of loans. Consequently, very few of them even bother to apply for financial assistance from these institutions. A third reason, which is voiced by some 9.5% of the respondents, is that the SBDC is "an instrument of the previous regime and white business".

Respondents were also asked to list any other principal constraints, besides the lack of access to formal financing, which they perceive to be impeding the development of their businesses. Their responses to this question are summarized in Figure 3.

Other principal constraints identified by the respondents pertain to market-related issues such as highly competitive market conditions and the rising cost of inputs and supplies, as well as inadequate infrastructure from which to operate their businesses. Because informal sector entrepreneurs have recently been encountering fewer legal barriers to setting up a business than in the past, inevitably the level of competition within a small, location-specific low-income niche market intensifies. Competition is, therefore, the most frequently cited market-related problem facing the informal sector entrepreneur at start-up. Especially in the spaza shop category, the problem of an increasing number of competitors is often cited, with 15,5% of the proprietors considering this to have been their business's primary problem at start-up.

Mullins[6] states that, when competitive pressures keep prices down in a low-income, price-sensitive market, informal sector entrepreneurs quickly feel the effect of rising cost of supplies. The effect becomes worse in a perfectly competitive environment where selling prices cannot be easily adjusted. Therefore, some 9,5% of the respondents identify the rising cost of supplies as a major market-related problem. This factor, resulting mainly from inflation, tends to squeeze income and profit margins when the market is too competitive to easily absorb increases in prices.

Another general problem which is often raised by respondents pertains to the lack of business premises and tenure arrangements. This accommodation factor seems to impact negatively on all the subsectors in the informal sector. Some 59,5% of the enterprises are operated from within and around the home, relatively far from the commercial traffic. Although home-based businesses have the advantage of allowing women to combine their domestic responsibilities with their businesses, they have the disadvantage of limiting the entrepreneur's access to customers. Income levels of these home-based enterprises are thus largely influenced by the size and needs of their immediate market. Market penetration away from the fixed home structure seems to be very difficult and, in some cases, even impossible. Many of the informal sector activities which are operated in venues away from home do not have the proper authorization to occupy these sites, while very few of these operators can afford to rent appropriately-sized trading space in town.

TABLE 4: Source of finance used by the sample group

Source of funding	Number	%
Own money (savings, pension/retrenchment money)	124	62.0
Borrowed funds from family members or friends	32	16.0
Bank loan	24	12.0
Private institution (eg SBDC, stokvel, loan-shark, etc.)	12	6.0
Refused to answer	8	4.0
Total	200	100.0

FIGURE 3: Other principal constraints faced by the sample group

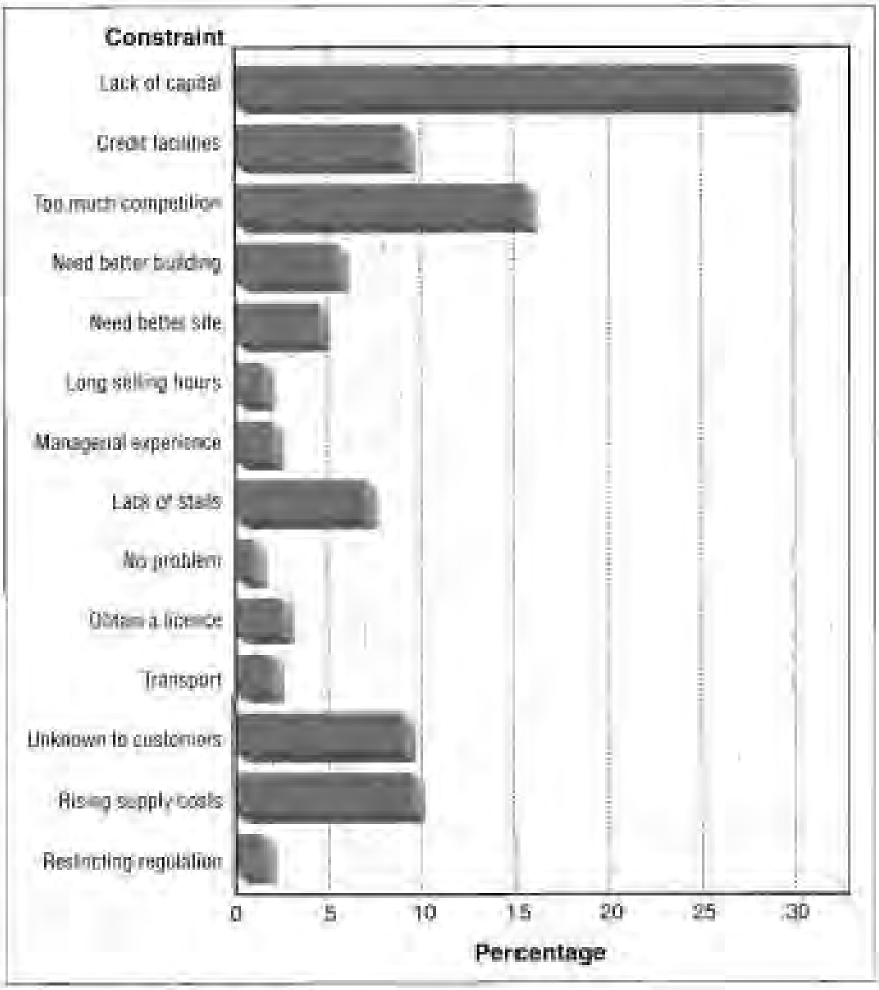


TABLE 5: Number of other persons employed by informal sector businesses in the sample group

Number of other persons employed (excluding the owner)	Frequency	Number	%
One	30	30	40.0
Two	11	22	29.3
Three	2	6	8.0
Four	3	12	16.0
Five	1	5	6.7
Total	47	75	100.0
Average worker-per-enterprise	1.29		

Employment-creation potential of selected informal sector activities

One of the main objectives of this study was to determine the extent to which the informal sector is capable of providing employment opportunities, not only for the operators themselves, but also for other individuals. Table 5 shows that, on average, only 1,29 persons are employed by each of the sampled informal enterprises. The average worker-per-enterprise figure excludes the owner.

The low average worker-per-enterprise figure reflects the predominant role played by sole proprietors in the informal sector. Hired workers are more typically found in the manufacturing and the construction subsectors. An analysis of the statistics in Table 5 suggests that informal sector businesses cannot, in general, be regarded as main job creators. However, such an interpretation might be simplistic, as it fails to take into account the fact that, in this survey, a total of 200 entrepreneurs have created employment opportunities for themselves without any significant support, and have also been able to employ 75 "other" people in the process. The labour absorption capacity of the informal sector businesses in this study is thus calculated at 37,5%. However, even though employment opportunities were created for 75 "other" people, this figure must be interpreted in the proper context of "meaningful employment".

It would also seem appropriate to emphasize the supportive role of the informal sector along with its employment creation role. Table 6 shows that 49,3% of the 75 "other" persons employed are relatives of the respondents.

The statistics above provide proof that the informal sector cannot be regarded as a main employment-generating sector, mainly because a great deal of such labour is offered to family members at a low salary or sometimes none.

TABLE 6: Activities which created paid employment opportunities for other people (excluding the owner)

Activity	Employment provided for	Number	Total	%
Spaza shop	Family members	10	10	13.3
	Non-family members	0		
Shebeen	Family members	6	6	8.0
	Non-family members	0		
Brickmaker	Family members	2	8	10.7
	Non-family members	6		
Panelbeater	Family members	6	15	20.0
	Non-family members	9		
Garden maintenance service	Family members	4	11	14.7
	Non-family members	7		
Transport (driver & collector)	Family members	9	25	33.3
	Non-family members	16		
Total number of other people in paid employment in the informal sector			75	37.5

Concluding remarks

Given the constraints facing the informal sector entrepreneur, the sample survey finds most of the informal sector businesses to be without dynamism; it seems likely that the sector will for the most part remain a residual source of employment (not a dynamic employer) for many years to come. For the sample group of informal sector entrepreneurs, the contribution that these businesses make to household income and welfare seems to be more important than the objective of achieving dynamic growth in employment.

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Towards a sustainable TRANSPORT AND COMMUNICATIONS sector in Southern Africa

Mesback M Khosa of the Centre for African Research and Transformation, University of Natal, Education and Innovation Centre, Dalbridge

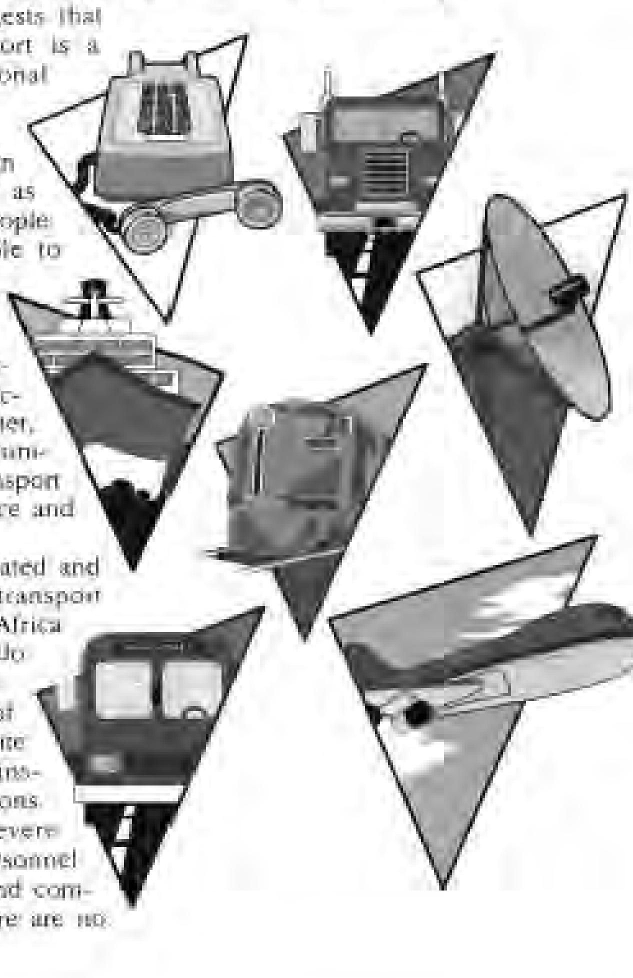
Introduction

Security and economic circumstances in Southern Africa have, for many years, forced countries in the region to depend on long, expensive and potentially vulnerable trade routes for access to overseas markets. The successful political transition in South Africa has, however, ushered in a new era of economic and political collaboration in Southern Africa. South Africa has re-entered the international arena and its port, rail and road infrastructure is poised to play a pivotal role in the flow of international investments.

Cooperation in transport is a vital component of any strategy to increase both intra-regional and overseas trade in Southern Africa. The competitive position of some countries, especially those which are landlocked, has been affected by high costs of production. Transport costs in Southern Africa are relatively high, largely because of long distances, poor maintenance of infrastructure, inefficient operation, shortages of rolling stock and the high costs of vehicles, spare parts and fuel. The volatile political climate in Southern Africa in the 1970s and 1980s also kept transport costs high. For example, a study of container traffic showed that transport costs, considering only the charges to be paid and not the time costs involved, accounted for between 30% and 40% of the total final value of products sold in the Southern African region.[1]

If transport costs can be lowered then total production costs can also be reduced. This encourages international competitiveness and economic integration by stimulating countries to exploit comparative advantages of technical knowledge, economies of scale, and geographic location.[2]

Without cooperation in transport, almost all other efforts at regional cooperation will have limited success. Meaningful economic integration requires a well-developed network. Evidence in Europe suggests that cooperation in transport is a prerequisite for regional economic integration.[3] Effective transport linkages are vital for foreign trade in goods, as well as for the movement of people. Tourists should be able to travel to and from the region and within the region with minimum inconvenience. The development of infrastructure for agriculture, water, energy and telecommunications requires that transport infrastructure be in place and operate effectively.



The lack of integrated and coordinated regional transport planning in Southern Africa means that countries do not standardize or harmonize the provision of transport structure, despite the globalization of transport and communications. Although there is a severe shortage of skilled personnel in the transportation and communications sector, there are no

effective regional coordinated human resource strategies. Donor funding and training are also uncoordinated. Moreover, at a regional level transport and communications policies are being developed with little input from civil society.

This article attempts, firstly, to review the European experience of regionalism, and secondly to appraise cooperation in the transport and communications sector over the past 15 years within the then Southern African Development Co-ordination Conference (SADCC). Thirdly, it analyses constraints and opportunities within the transport and communications sector. Fourthly, it reflects on the concept of developing a sustainable transport and communications sector in Southern Africa. Finally, it offers a new regional policy framework for the transport and communications sector.

Transboundary cooperation: The case of Europe

The history of Europe and its geopolitical dynamics is based to a considerable extent on a close connection between economic growth and the development of transport logistics.[4] The emergence of a new European economy in recent years has generated a broad interest in advanced transport systems of a transborder nature.[5] The quality of transport systems is regarded as of decisive importance for economic development. A recognition of the critical role of transport can be found in the Treaty of Rome, which heralded the birth of the European Community.[6]

The unification of the European economy is seen as a necessary condition for the economic survival of Europe. Integrated connectivity has been identified as a vital factor as Europe moves towards a "network of regions".[7] Because of globalization and other determinant economic factors, the transport and communications sector in Europe has grown enormously, especially in the past ten years. Consequently, the role of transport and communication networks for development is changing rapidly.[8] New, faster transport networks (high-speed rail and air), superimposed on the old, and higher levels of infrastructure on top of the existing hierarchy of transport networks create new spatial concentrations of accessibility.[9]

Other important developments in Europe include mega-projects such as the Channel Tunnel;[10] the fixed links to Scandinavia (the Belt and Sund); the trans-Alpine base tunnels; and the conversion of the Iberian main lines to standard gauges, which will create the single biggest unified rail network in the world. New high-speed, high-capacity telecommunication networks and satellite communications complement existing communication networks, creating areas of high informational accessibility at modal centres.[11] Despite the reintegration of eastern Europe into the European transport networks, however, its accessibility will remain constrained for many years.[12]

Unprecedented growth in the demand for international, inter-regional and intra-regional goods transport, passenger travel, and information exchange has led to globalization and the internationalization of economic processes, and increased the dependency of regions and cities on access to transport and information networks.[13]

The transport planning process in Europe is seldom performed on a regional scale, as national frontiers have always provided a clear physical barrier between countries. As a result, intra-European networks show various bottlenecks in terms of missing links and missing networks.[14] The presence of bottlenecks and missing networks in Europe is at odds with a balanced, competitive and sustainable European development after the economic integration.[15] Though transport and communications may provide a crucial stimulus for economic development, any additional economic growth is critically dependent on the physical exchange capacity and on the performance of connectivity. Consequently, the opportunity costs of missing transport and communications networks are extremely high.[16] Moreover, there has been a lack of inter-sectoral and integrated transport planning in Europe. Limitations on funds for integrated transport planning often result in capital intensive public transport schemes being shelved in favour of continued road infrastructure. Yet as economic development and infrastructure provision are intricately linked, the European economy will remain critically dependent on well-functioning transport and communications networks for future sustainable economic development.

The following key transport problems can be identified in Europe. First, the current European infrastructure network is becoming outdated, and if not replaced will impair Europe's ability to compete effectively.[17] As described above, missing communications networks emerge when transport systems are developed in a segmented way, with each country seeking its own solution for each transport mode without keeping an eye on the synergistic effects of a co-ordinated design and the use of advanced infrastructure. Another reason for missing networks is the focus on hardware (infrastructure), and the neglect of software (human resource development) and organizational aspects, and of financial and ecological implications.[18] Cabotage protection of national carriers (prohibition of domestic transport by foreign carriers) is segmenting European railway companies, and multimodal transport strategies are lacking.

Accordingly, a European orientation for all transport modes is necessary to cope with the current problems of missing and competing networks. The transport and communications sector in Europe is becoming more intensive, not only locally and regionally, but also internationally. The potential offered by modern information technology and logistic systems will lead to a reorientation of conventional transport systems.

Coordination of transport and communications in Africa

In Africa, the role of transport has long been negatively affected by its politicization, mainly through its use as a tool in international relations.[19] Muyangwa attributes this to the interaction and juxtaposition of the geopolitics of the African continent, the importance of transport to African development, the inadequacy of the available transporta-

tion infrastructure, and the instability that has characterized African national politics and international relations.[20]

An extensive network of roads and railways linked to the seaports exists in Southern Africa. This has led to the dependency on South Africa which is derived from the colonial period. Throughout the 1970s and 1980s, white-ruled South Africa destabilized and sabotaged the transport and communications of the neighbouring countries. In an attempt to reduce dependency on South Africa, the Southern African Development Coordination Conference (SADCC)[21] was established in 1980. Sectoral units were established to coordinate foreign-funded transboundary programmes. At least 60% of the donor funding was geared towards transport and communications projects. One of the most important units is the Southern African Transport Communications Commission (SATCC), based in Mozambique.

In the 1980s the regional transport sector became one of the main issues around which regional political and power struggles were waged, making an inadequate yet vital economic sector extremely malleable politically and rendering it difficult for the sector to fulfil its economic role.[22]

Transportation has played and will continue to play a critical role in the development of the Southern African region. In developed economies the transport and communications sector contributes between 6% and 8% of the Gross Domestic Product (GDP), whereas for Southern African countries its contribution to GDP ranges from 2% to 7%.[23] In general, transport policy is interwoven with broader national policy decisions in crucial sectors. As such, the importance of congruence between transport policies and macroeconomic development policies cannot be overemphasized.

In former years the transport and communications sector throughout the world was generally characterized by involvement by the state as owner, operator and regulator. The transport and communications sector in Southern Africa followed this trend. From the 1960s, however, there have been divergences between Southern Africa and the developed world, where governments tended to withdraw from involvement in transport and communications operations.[24]

In contrast, the transport and communications sector in Southern Africa during the 1970s and 1980s saw increased involvement by governments. However, by the late 1980s and early 1990s, the role of the state in the provision of services was increasingly questioned and states began to consider commercialization, privatization and deregulation. Commercialization is more advanced in South Africa and Namibia today than in other countries in Southern Africa. However, the governments of Tanzania, Angola, Mozambique (1989) and Zambia (1991) did liberalize their policies and embarked on a variety of structural adjustment programmes with the assistance of the World Bank and the International Monetary Fund. Nevertheless, with the exception of Zambia and Mozambique, none of the countries is moving towards excessive privatization, although there is a greater awareness of the need for parastatals to operate on commercial lines.[25]

Until the 1980s, South Africa's policy on transport and communication was similar to that of the rest of Africa. However, South Africa started the reform process in the transport and communications sector earlier (in the 1970s and 1980s) than the rest of the countries in Southern Africa. Today the process of deregulation and commercialization is well advanced. Deregulation has occurred in the road transport and air industry; the parastatal multimodal[26] transport operator, which covered rail, air, port, and road transport authorities in South Africa, has been reconstituted and divided into different modal components with a brief to operate commercially. However, full privatization of these services has been deferred in South Africa, largely owing to political and trade union opposition. Furthermore, results of privatization and deregulation in Europe and Southern Africa are mixed.[27]

When the SADCC was formed in 1980, the transport and communications sector received priority.[28] This priority can easily be understood, given that six of the SADCC member states are landlocked. At the time of its creation, the SADCC identified around 500 projects with a total value of US$6,5 billion. About 40% of this value was promised by donors from outside the region, particularly by the European Community, the Nordic countries, Canada, the United States, and the World Bank.[29] The decision to give transport priority was deliberate, as it was particularly through transport and communications links that South Africa had ensured the entire region's dependence.

In August 1992, the Southern African Development Coordination Conference (SADCC) was transformed into the Southern African Development Community (SADC), and the heads of state and government of the ten countries then belonging to the SADCC signed the treaty in Windhoek facilitating this change. The transformation from SADCC to SADC was also a commitment to fostering **closer** economic and social integration among the countries and peoples of Southern Africa. Mozambique coordinates the transport and communications sector through the Southern African Transport and Communications Commission (SATCC), which is one of the more institutionalized and established of the SADC technical organs. The SATCC coordinates the seven subsectors of railways, roads and road transport, civil aviation, ports and shipping, telecommunications, meteorology and postal services. As the technical coordinating unit, the SATCC has the responsibility for developing protocols[30] in the transport and communications sector.

Until recently, not enough attention was paid to creating adequate institutional capacity to operate the various transport institutions or transport modes, and to encourage cooperation. The latest attempt at achieving transport cooperation, the formulation of protocols, was started by the SADC in all the sectors in 1994. A protocol spells out the objectives to be achieved, the strategy for achieving them and, more importantly, the obligations and/or responsibilities of the parties to the protocol, or agreement towards realizing the set target or objective.

Lipman[31] suggests that protocols may succeed where other cooperation agreements have failed, as they are legally binding. In addition, to ensure that there are mechanisms to implement the protocols, they may have to include provisions for sanctions to be imposed on countries which break agreements.

The SADCC model

The SADCC model took the form of sectoral programmes, and did not follow market integration as that would have led to an unequal distribution of the benefits of regional collaboration.[32] This concept of regional cooperation, namely, selected sectoral planning, attracted the interest of Western donors, probably after they had realized that traditional models of regional cooperation were not practical. Attention was focused upon the reconstruction and rehabilitation of transport and communication links, the primacy of individual development projects, and collective bargaining for overseas funds.[33]

The SATCC mandate

As already mentioned, the SADCC countries established the Southern African Transport and Communications Commission (SATCC) technical unit which was mandated to:

- provide coordination in overcoming transport and communication problems in the region;
- develop economic and efficient means of transport and communications in the region;
- achieve self-sufficiency in training and development of technical personnel; and
- encourage the efficient utilization of available resources for the improvement of transport and communications within the region.[34]

The SATCC was involved in three activities: mobilizing funds from donors for regional transport and communications projects of a regional nature, operational coordinating of projects, and collecting statistics, data and documents on transport and communications systems of Southern Africa.[35]

The SATCC carried out a vast programme of restoring and extending the network of connections, and of revitalizing transport infrastructure services. For example, the programme involved 201 projects, with a total value in 1989 of over $5 billion.[36] In the past, the SATCC tried to reduce its dependence on the South African transport system by investing in and supporting transport projects in other parts of Southern Africa. There have been major investment programmes for regional transport corridors in Southern Africa, many of which have been recently completed or are nearing completion. For example, most of the projects in the Tazara railway in Tanzania, and the port of Dar es Salaam have been completed. Several portions of the Tanzam highway in Tanzania have been rehabilitated. Major works in the port of Nacala have been largely completed, as has the northern railway line to Malawi. The Beira corridor has also been upgraded. The Limpopo railway line has been rehabilitated. The port of Maputo, however, still requires significant investment. The infrastructure in Angola and Mozambique, in particular, requires upgrading as internal conflict in those areas resulted in wide-scale devastation. Mozambique's port corridors are, however, operating more efficiently now than in the past.[37] With peaceful negotiations having produced a political settlement in Mozambique, a multi-million-rand Maputo Development Corridor was launched in May 1996, with the support of both the South African and Mozambican governments.

Evaluation of the SATCC programme

The SADCC's goal of reducing South Africa's hegemony through developing its own transport sector produced mixed results: the SADCC was able to rehabilitate, secure and utilize some of its transport corridors at varying levels throughout the 1980s, and was also able to demonstrate to South Africa that the rest of the region would not stand idly by while South Africa tried to impose an unacceptable regional relationship.[38] Muyangwa believes that, although overall dependence on South Africa was not reduced, some significant success was achieved in implementing national, interstate and regional policies and in the concerted action to guarantee international cooperation in the strategy for economic liberation.[39]

The SADCC's relationship with its multiplicity of partners was characterized by various power struggles, especially as some financiers sought to use the SADCC as a conduit through which they could achieve their own regional foreign policy objectives. Muyangwa[40] suggests that the main forces behind the creation of the SADCC were European and that the SADCC was not, as is commonly believed, an African initiative.

A number of criticisms have been levelled at the SATCC (which was manned largely by expatriates), the first being that funding tended to concentrate on certain SADCC countries, and the second that donors tended to fund projects which did little to reduce dependency on South Africa.[41] The heavy dependence of the SADCC on foreign funding for both capital investment projects and feasibility studies suggests, firstly, that internal or regional resources for project funding were insufficient and, secondly, that there were no firms with the capacity and expertise necessary to carry out feasibility studies and engineering design for infrastructure projects. However, one reason why studies have been largely undertaken by experts/consulting firms from outside the region is the insistence of donors who are only prepared to release funds on condition that their nationals undertake the studies. Thus the involvement of local institutions and experts has been severely limited. Up to this point, very few of the recommendations have been implemented, despite substantial amounts of money invested in the studies. One review concluded that there has been a "proliferation of studies and very little implementation of actual projects".[42] The dependence on foreign funding and technical assistance, though necessary in the short term, is not sustainable. Already donor fatigue is noticeable in the region.

The changing geopolitical and economic relations in Southern Africa are also likely to influence foreign aid. In general, aid was, in the phrase of Ngwenya *et al*,[43] driven by "foreigner's guilt" when the apartheid regime was destabilizing the region through direct military means and covert support for dissident groups in Mozambique and Angola. Cooperation in the 1990s and beyond is unlikely to be sustained by financial flows from multilateral funding agencies. Funding and general technical assistance from donor countries to the SATCC are likely to be withdrawn or have new conditions attached.

South Africa's hegemony and regional destabilization

The destabilization of the transport corridors and of other communication routes by military and economic measures caused serious difficulties both for the transit countries and for the countries in the interior. Apart from the loss of life and the devastation caused by war, there were persistent interruptions to the circulation of goods and stoppages of production. In order to perpetuate economic dependency and political compliance, South Africa adopted a strategy of destabilization as its regional policy. Whereas the countries of the SADCC made efforts to develop their own transport systems and to increase their independence of external factors, South Africa did all in its power to maintain the dependence of other Southern African countries. It has been estimated that the destabilization policy cost SADCC countries around $60 billion.[44]

According to Valigy and Dora,[45] South Africa viewed the Southern African transit corridors in two ways: on the one hand, as a locus of destabilization and economic and political pressure, and on the other as an opportunity to play "big brother". Through its own military actions, and through its support for Unita in Angola and Renamo in Mozambique, South Africa waged war against the corridors and other transport infrastructures that were vital to the countries of the region. The sabotaging of the transit trade through the corridors resulted in loss of confidence by the carriers, who then diverted their cargoes to the railways and roads of South Africa.[46]

The policy of destabilization, with its consistent attacks on the SADCC corridors, resulted in considerable displacement of cargo flows. For example, in Mozambique, between 1979 and 1988, the amount of cargo handled dropped from 6 million to 2,7 million tonnes, while in Angola transit traffic came to a complete halt.[47] In 1988, the

landlocked countries of the SADCC transported about 50% of their maritime foreign trade (by tonnage) through South African ports. Other countries found themselves in a similar situation. In 1988 Malawi was obliged to spend 43% of its export earnings to transport its foreign trade cargoes on the lengthy route to the South African ports.

Valigy and Dora[48] suggest that South Africa's regional policy was in harmony with the intentions of a handful of large-scale transport companies who operate in most of the region's transport corridors, and in maritime transport. These corporations and firms possess ships, land transport and maintenance resources, their own containers, and a vast network of highly experienced agencies and representatives. Moreover they control much of the transit traffic in Southern Africa.

A review of sectoral cooperation

From 1980 to 1992, the SADCC used a sectoral approach to cooperation and collaboration. An evaluation of case studies in the transport and communications sector suggests that this approach succeeded, given the political and economic constraints at the time.

Cooperation in the transport and communications sector in Southern Africa improved between 1980 and 1992. One of the classic examples of cooperation was the transport of imported maize to Southern African countries threatened by famine and drought in 1992. There was close cooperation between maritime and landlocked countries to ensure that relief shipments of grain from abroad reached their destinations in as short a time as possible. Central offices were established in Harare and Johannesburg to collect and distribute information for grain suppliers and to enable the optimal port, route and inland mode to be used for each shipment. This example of regional coordination was a unique experience in which the railway and port administrations played a key role. Agreements on the opening hours of border posts and improved customs arrangements were also achieved.

The aim of this section is to review regional coordination in the seven subsectors of transport and communications which are coordinated by the SATCC. These subsectors are railways, ports and shipping, roads and road transport, civil aviation, telecommunications, postal services and meteorology. Problems from each subsector are identified and policy recommendations suggested. The main theme emerging from this article is that there is already regional cooperation within the transport and communications sector. However, it appears that there is no intersectoral perspective.

Railways

The railway network of Southern Africa was laid down during the late 19th and early 20th centuries. In South Africa, the railways and ports have been under effective government control since the late 19th century. They came under unified control in 1910 with the establishment of the South African Railways and Harbours (SAR&H) in conjunction with the formation of the Union of South Africa. The SAR&H was renamed South African Transport Services (SATS) in 1981, and commercialized into Transnet in 1990.

In the case of railways, cross-border passenger traffic is insignificant compared with the movement of goods. Most of Southern Africa's rail systems are goods-oriented, the most lucrative aspect being container and cargo traffic.[49]

Rail is the cheapest mode of transport for bulk carriage. On the Beira Corridor, rail is well supported by the road running alongside, which not only feeds the railway and plays a pivotal role in onward distribution of goods, but also creates competition between ports and many centres of production and consumption.[50] Most railways in Southern Africa, however, are characterized by a very low level of utilization. The historic reason for this has been the security situation in the region.[51]

One of the major impediments to improving railway operations in the region is cited as "poor communication facilities among SADC railways".[52] National railways operate as different systems with a minimum of common standards, rules and operation criteria in spite of the fact that they are totally dependent on one another for all international traffic (Table 1).

Moves towards peace and political stability in Southern Africa threaten the existence of a railway built in Tanzania to punish South Africa for apartheid. The aim of the Tazara line was to give independent African countries an alternative to South African ports by carrying their exports to Tanzania for on-shipment. Civil wars in Angola and Mozambique from 1975 reduced railway traffic on the Beira line to a trickle, and South African

TABLE 1: SADC Railways performance on a corridor basis ('000 Metric Tonnes)

	1990	1991	1992	1993	1994
Goba Line					
Total traffic	366.1	156.6	187.2	154.3	163.5
Swaziland	366.1	156.6	187.2	154.3	163.5
Ressano Garcia Line					
Total traffic	990.6	702.4	289.7	693.6	675.5
South Africa	747.5	599.6	283.3	693.2	675.5
Zimbabwe	243.0	84.2	0.0	0.0	0.0
Swaziland	0.1	18.6	6.4	0.4	0.0
Other	0.0	0.0	0.0	0.0	0.0
Limpopo Line					
Total traffic	0.0	25.8	417.9	302.4	381.9
Zimbabwe	0.0	25.8	417.9	302.4	381.9
Other	0.0	0.0	0.0	0.0	0.0
Machipanda Line					
Total traffic	850.1	699.0	848.2	1 025.6	958.1
Zimbabwe	583.2	446.4	743.0	958.5	899.5
Malawi	32.7	17.9	10.4	0.0	1.1
Zambia	34.7	8.7	3.2	11.0	4.1
Mozambique	199.5	226.0	91.6	56.1	53.4
Nacala Line					
Total traffic	92.4	88.5	87.3	125.1	155.6
Malawi	29.3	38.6	62.5	90.6	95.9
Mozambique	63.1	49.9	24.8	34.5	59.7
Tazara Line					
Total traffic	996.5	926.9	962.4	1 079.4	635.4
Zambia	604.1	556.4	472.5	680.9	335.7
Tanzania	0.0	0.0	127.9	148.7	92.0
Malawi	0.0	0.4	48.0	80.2	60.0
Zimbabwe	0.0	3.7	1.5	2.4	0.7
Domestic	366.7	346.4	286.8	117.0	101.8
Zaire	25.7	40.0	45.7	50.2	45.2
Total traffic	**3 295.7**	**2 579.2**	**2 792.7**	**3 380.7**	**2 970.0**

Source: SATCC, *Annual Report 1994/5*

trade suffered because of sanctions. The political and economic context has now changed in the region, and Zambia, Zimbabwe, Mozambique and Angola are openly dealing with South Africa.

There has been some regional co-operation on railways in the Southern African region within the SATCC working groups, in the Common Market for Eastern and Southern Africa (Comesa), through the conference of general managers of Southern African Railways, and in bilateral working agreements between railway administrations. The conference of general managers meets at least once a year to promote cross-border rail traffic. The Railways Chief Executives Conference (SRCEC) is responsible for providing policy and strategic guidance to the railways in their effort to cooperate, coordinate, harmonize, standardize and integrate all aspects of railway activities in order to create a truly economically viable regional railway system.

Spoornet (South Africa's rail authority) has for many years engaged with other railway administrations through business agreements and the interchange of wagons. Despite political differences, business contacts actually increased during the 1980s as a result of operational problems facing other railway administrations. Railway assistance has centred on the leasing and maintenance of wagons.[53] In spite of this long relationship, railway administrations in Southern Africa have been suspicious of the domination by South Africa. As an example one could cite the rejection of a proposal from Spoornet for the establishment of Rail Africa, which would have been owned equally by all rail administrations.[54]

Through cross-border discussion since 1994, progress has been made and railways now have common design standards for more than 30 common maintenance items. Future possible areas of cooperation include the adoption of further common standards, preparation of joint tariff books, development of a common system of technical and operational interchange rules, establishment of joint training facilities and a movement towards a regional tariff system based on actual costs. However, lack of institutional capacity prevents standardization being fully implemented.

TABLE 2 SADC port traffic: cargo handled in 1993 and 1994 (Metric tonnes – million)

Port	1993	1994
Beira	3 185	3 208
Cape Town	6 048	6 976
Dar es Salaam	4 486	3 709
Durban	25 429	25 289
East London	–	2 543
Lobito	–	0.477
Luanda	0.97	1.073
Maputo	2 309	2 304
Nacala	0.27	0.37
Namibe	0.12	0.11
Port Elizabeth	3 083	3 699
Richard's Bay	65 859	66 756
Walvis Bay	1 017	1 744

(Source: SATCC, *Annual Report 1994/5*)

Ports and shipping

The Southern African economy is oriented towards external trade and highly dependent on imports from outside the region and export overseas.[55] Since attaining independence from colonial powers, several African states have actively promoted investments and ventures in shipping by establishing national shipping lines.[56] Ports and shipping are vital to the competitiveness of the regional economy. Five ports in South Africa (Durban, Cape Town, Richards Bay, Port Elizabeth and East London) were added to the SADC ports system (Tables 2 and 3) following South Africa's joining of the SADC as the eleventh member in August 1995.

Until recently, the SATCC did not have a maritime transport expert and paid little attention to coastal shipping, as only three of the ten member countries had seaports. However, Comesa has devoted more attention to the subject.[57] The ongoing restructuring activities in some ports involve commercialization of the port authorities, and their involvement in the management, maintenance and rehabilitation or expansion of specialized terminals and services. This is being done through leasing, joint ventures and management contracting with the respective users or the private sector.

The transport and communications sector in Southern Africa has at present no harmonized regional safety and pollution control and environmental protection. The SADC protocol suggests that member countries should accede to the relevant international conventions such as the International Maritime Organization (IMO) Convention, the Convention on the Rights of Access for Transit Trade of Landlocked Countries, the Convention on the International Multi-modal Transport of Goods, the Convention on the Law of the Sea and other relevant maritime conventions.

Roads and road transport

The distance covered by paved roads in the SADC countries, excluding Angola and South Africa, has increased steadily since 1970, from a total of about

TABLE 3 SADC Port traffic: containers handled in 1993 and 1994 (containers in 000 TEUs*)

Port	1993	1994
Beira	27 300	28 847
Cape Town	20 201	231 569
Dar es Salaam	97 973	90 764
Durban	645 171	777 179
East London	27 795	22 723
Lobito	–	3 587
Luanda	53 003	60 897
Maputo	17 862	15 331
Nacala	8 868	10 277
Namibe	3 106	1 822
Port Elizabeth	96 223	73 566
Richard's Bay	–	3 427
Walvis Bay	18 844	20 197

(Source: SATCC, *Annual Report 1994/5*)

* TEU stands for twenty foot container equipment unit.

2 440 km to about 50 600 km in 1993. Mozambique's 17-year-long civil war destroyed about 70% of the nation's 29 000 km road network, thereby rendering it unable to cope with the upsurge in regional traffic demands.

Vehicle standard requirements differ from country to country, as do axle loads and vehicle dimensions.[58] Passenger transport operators, in South Africa in particular, complain of the difficulties of getting permits to operate in some neighbouring countries.[59] The major concern on the part of some countries is that if South African operators are allowed in, they may dominate the transport industry and put local operators out of business.[60] Recently, the SATCC working groups on road infrastructure and road traffic and transport, jointly with Comesa, made some progress with the review of regional transit charges, the establishment of harmonized axle load and overload control systems and procedures, and the establishment of a common SADC driving licence.

A number of attempts at cooperation on road transport are under way in Southern Africa. However, there is a need to coordinate efforts and improve institutional capacities and political will to ensure that once agreements are made they can be implemented. Governments in Southern Africa have endorsed the need to restructure the management of roads, and some have actually embarked on implementation.[61] The restructuring aims to ensure that roads are properly and adequately maintained by establishing reliable institutional arrangements and management practices. The role of the road authorities or agencies is being changed to planning, design and contract procurement and management, with most of the works executed by contractors.[62]

Delays at border posts are a source of concern in Southern Africa and are a main cause of cost escalation of consumer and export prices in the region.[63] Beit Bridge, Chirundu, and Makeni border posts have the worst instances of bureaucratic delays. Vehicle standing time is estimated to average two and a half days in Beit Bridge, two days in Chirundu, and four days at the Makeni dry port. The cost of these delays is estimated at US \$227 per day per unit. For example, a 30-tonne loaded vehicle from Johannesburg to Lusaka will, on average, cost an additional US \$7,00 per tonne from the delays.[64]

Civil aviation

SADC member countries suffer from a lack of coordinated and standardized legislation governing aviation. There is no coordination of timetables and routes, and flights are unpunctual or regularly cancelled. In addition, navigational approach aids and airport lighting equipment have been insufficient or unreliable. Poor aeronautical telecommunications, and diversity in existing types also hamper aviation in Southern Africa. Within the framework of reducing dependence, 10 original civil aviation projects costing US \$100 million were diverted towards airport extension and construction. A new airport was built in Maseru, Lesotho, and airports in Gaborone and Manzini were developed to handle medium- and long-haul aircraft. Whereas the SADC achieved remarkable progress in developing airport infrastructure, little progress was recorded concerning

> the rehabilitation of aeronautical communications, to bring our navigation to international standard and in standardizing civil aviation legislation or regulations governing civil aviation.[65]

The failure of SADC countries to address and resolve civil aviation matters with regard to joint ownership and the use of radar systems, information systems, aircraft and aircraft maintenance centres has resulted in SADC countries' submitting a variety of individual projects that should have been promoted collectively.[66] Individual countries have continued to acquire aircraft for their own national airlines even though there is evidence of under-utilization of existing aircraft capacity within the Southern Africa region. Moreover, moves towards cooperation

TABLE 4 General telecommunications statistics, 1994*

Country	Exchange Capacity (DELs)	DELs per 100 population
Angola	86 292	0.59
Botswana	50 600	2.64
Lesotho	22 100	0.75
Malawi	74 609	0.34
Mozambique	95 256	0.39
Namibia	7 400	4.64
South Africa	4 486 000	11.23
Swaziland	33 594	1.95
Tanzania	130 940	0.34
Zambia	109 990	0.92
Zimbabwe	185 674	1.48
Total SADC	5 349 095	3.74
Africa	–	1.47
Europe	–	35.35
Americas	–	26.03
Asia	–	3.86
World	–	10.49

(Source: SATCC, *Annual Report 1994/5*)

* Figures for Africa, Europe, Americas, Asia and the world are for 1991. Although Mauritius is a member of the SADC the country figures are not included on this table.

have failed to tackle the seemingly intractable problem of the granting of fifth freedom traffic rights, which allow carriers from other countries to operate domestic flights in neighbouring countries.[67]

Globally, the airline industry suffered losses between 1990 and 1993,[68] with an estimated net loss of US $4,1 billion in 1993. However, ongoing restructuring turned this loss into $2 billion profits in 1994, a trend which continued in 1995.[69] Southern Africa is home to some 21 airlines (the number increased to 25 in 1996 with the launching of four private airlines) providing scheduled passenger services and freight lines in Southern Africa. Of these, the only major airline is the South African Airways (SAA).[70]

With the exception of a few airlines (SAA, Air Botswana and Air Namibia, for example), airlines in the SADC countries are, in the words of the SATCC, "threatened with extinction"[71] and show low productivity levels. The main reasons for lack of financial improvement in the aviation sector are poor traffic management, low productivity and expensive maintenance of aircraft. At the 1994 summit of the SADC, the clear message was that the region should, like the rest of the world, seriously consider restructuring national airlines and also consider integrating them into a few bigger, but more efficient carriers.[72]

Comesa has proposed promoting joint air services on intercontinental routes. However, Comesa's main objective with regard to air transport is to foster greater cooperation in the form of the joint utilization of equipment, the pooling of aircraft maintenance and training facilities, joint acquisition of spare parts and insurance schemes, coordination of schedules and improvement of management techniques and skills.[73]

In order to create a common air transport regime, SADC countries have agreed to ratify an accord establishing the Southern Africa Regional Air Transport Authority (Sarata) as a regional instrument for negotiating air services agreements with non-SADC countries. Moreover, Sarata would serve as a regional body to oversee development and sustain the regional aviation industry.[74] The new political dispensation in Southern Africa has ushered in new alliances in the air transport industry. For example, South Africa, Uganda and Tanzania entered into an agreement to launch a new airline, Alliance. Under the terms of the agreement, South African Airways holds a 40% share, with Air Tanzania and Uganda having 10% each. The remaining 40% of the shares are to be held in trust by the privatization units of Uganda and Tanzania to attract private investment.[75]

Furthermore, the SADC has agreed to implement the Yamoussoukro Declaration[76] which spells out African air transport policy, including civil aviation cooperation in the whole world.[77] The evolution of protocols and other enforceable agreements such as the Sarata accord are timely and particularly important for civil aviation, given growing differences in civil aviation national policies, ranging from close government control to internal liberalization and privatization.

Telecommunications sector

On a global scale there has been a telecommunications revolution with the advent of micro-electronics, biotechnology, photonics, ceramics and the Internet. When South Africa joined the SADC, countries started enhancing their regional connectivity with South Africa. Terrestrial and satellite link capacities have been expanded, and the regional transit facilities with South Africa improved. Despite the continued growth in DEL (Direct Exchange Line) capacity, Southern Africa's telephone penetration, which is an indication of the level of demand satisfaction, still remains one of the lowest in the world (Table 4). SADC regional figures are to some extent distorted by South Africa's telephone penetration which is above 10 DELs per 100 inhabitants, the highest in the region (Table 4). The lowest figure recorded is 0,34 DELs telephone penetration (in Malawi and Tanzania) which is below 1 telephone per 100 inhabitants. In addition, the distribution of telephones is unbalanced in all countries, with the rural or poor areas, where over 73% of the region's population live, having an average teledensity of 0,03 per 100 inhabitants.[78]

It is estimated that a teledensity of 30% (30 DEL per 100 inhabitants) is required to sustain social and economic activities in a country which is considered to have "taken off" towards becoming a modern economy. In fact the teledensity in developed countries is now between 50% and 80%, and over 50 emerging modern economies have had to drastically improve their teledensity to above 30%. This implies that if Southern Africa is to be transformed into a modern economic zone, a revolution must take place in the provision of telecommunication services.[79]

In general the quality of service offered is still very low compared with that of other regions in the world. The average call completion rate is below 35%, as compared with a minimum of about 60% in developed countries.[80] South Africa has the highest average at around 55%.[81]

Countries in Southern Africa are already taking some measures to restructure the telecommunications subsector and turn the national operators into public companies (although still totally state-owned). The restructuring programme is also intended to allow the private sector to participate in the provision of telephone services, albeit in the value-added services such as cellular mobile telephones, paging, data communications, and in the provision of internal plant, or in-house equipment.[82]

The Sata (Southern Africa Telecommunications Administrations) conference is the main regular forum for the coordination of the SATCC telecommunications operational activities in the region. The conference needs restructuring to become an effective instrument for promoting regional harmonization, coordination and integration as well as regional telecommunications policy and development strategy.

Postal services

With the exception of those in urban areas in South Africa, the postal services in Southern Africa are largely inadequate. The postal sector takes several different forms, operating either as a government department or as a corporation linked to telecommunications.[83]

With the advent of faster channels, the parcel post traffic time is declining for all categories of posted and received parcels for delivery. For example, the average decrease in Southern Africa between 1993 and 1994 was 18%.[84] The postal services are also being restructured into autonomous commercial enterprises. South Africa has been requested by the SADC to help to establish and implement a strategy for commercializing postal services. Poor funding has hampered the implementation of programmes such as constructing mail transit sorting centres and procuring ancillary equipment.[85]

Meteorology

All national weather services in the SADC belong to the World Meteorological Organization (WMO), an agency of the United Nations. Correspondingly, all countries have an

obligation to share their information with other countries. The WMO and the Economic Commission for Africa are jointly responsible for meteorological applications and development in Niamey (Niger) through which all the meteorological services of Africa cooperate.[86]

Weather services in Southern Africa fall under the control of one or other government department, usually of Transport, Agriculture or Environmental Affairs, leading to inefficient duplication of efforts. The SATCC established a Meteorological Unit in 1985 to strengthen the observation networks and data collection capability of member states, and to improve the dissemination of information.[87]

The operation and coordination of the meteorology sector is guided and monitored by annual meetings of the directors of meteorological services of the SADC member countries. However, operational difficulties exist in Southern Africa, particularly in most parts of Angola, though rehabilitation of stations is under way in Mozambique.[88]

The SADC has been reasonably served by weather forecasts, information on effects of weather activities on a day-to-day basis, and forewarning of impending natural disasters such as drought and cyclones. The SATCC meteorology programme aims to strengthen the national meteorological services to ensure that they are able to provide accurate and timely information on weather and climate for the benefit of users and general social and economic activities.

The universal trend in weather services today is towards cost recovery and commercialization and this has already been introduced in South Africa. In view of the limited funds of SADC countries, it would be beneficial for them to coordinate the marketing and sale of meteorological services. A unified pricing structure and standard service would benefit customers and individual users.[89]

Human resource development

There is a critical shortage of skilled human resources at all levels in the transport and telecommunication sectors in Southern Africa (including South Africa). Most countries (excluding South Africa) rely heavily on expatriates.[90]

The inability to retain personnel once they have been trained is another problem. Relatively low wages in the public sector and poor working conditions are two of the major reasons. Moreover, lack of coordination between international donors in the training they provide complicates human resource development, and this is reflected both in duplication and gaps in human resource development.[91]

Sectoral review of human resource development

A survey of the subsectors of transport and communications suggests that the bottlenecks in road transport, railways, ports and airports are not so much due to a lack of physical capacity as to a lack of trained personnel.[92] A number of training programmes have been implemented by the SATCC in the railway subsector. Most of these programmes are anchored to the six-year SATCC Railway Training Project being funded by the governments of Germany and Switzerland. So far some 500 railway personnel have benefited from this.[93]

For other SADC ports to compete with South African ports, the management and operation of SADC transport corridors will have to be substantially improved. As well as being hampered by a lack of skilled human resources, the human resource development strategies in the ports and shipping subsector have been carried out in "a rather uncoordinated manner".[94] Activities include the rehabilitation of the port training schools and maritime institutes in Angola, Mozambique and Tanzania; however, these activities have tended to address individual member country needs.

In the words of the SATCC, the human resource development in the roads departments of the SADC region was "unstable" in 1993 and 1994. Most road and transport agencies continued to lose staff because of the poor conditions of service in the public sector.[95] Although a comprehensive report on training for transport was prepared for the SATCC in 1990 with Canadian funding, no action followed from this report.

There is also a shortage of personnel in the aviation sector. The SATCC is collaborating with the International Civil Aviation Organisation (ICAO) to assess human resources needs in the aviation sector and to develop appropriate strategies and programmes.

The SATCC is seeking funding from prospective financiers to implement the training activities agreed upon for the telecommunications subsector. Lack of funding has also hampered the upgrading of the Multi-Country Training Centre in Malawi (MCTC) and the development of a comprehensive regional implementation plan.

With the admission of South Africa into the SADC, it may be useful to consider selecting particular institutions to specialize in particular subjects with a regional focus. Although education is a national responsibility, it may be possible to harmonize certification and accreditation.[96]

Towards a new strategy for human resource development

The human resources development subsector of the SADC is expected to play a vital role in transforming the transport and communications sector into a sustainable and economically viable one. One of the priorities is to coordinate and harmonize efforts to promote regional cooperation and share the meagre resources and facilities of the region. The following may facilitate the development of a new human resource strategy:

- establishing a framework of common standards of training and certification;
- sharing and restructuring resources and facilities to optimize efficiency and utilize and develop the human resources of the region;
- establishing an institutional framework to ensure effective collaboration and cooperation in human resources development programmes.

Without cooperation in training, few of the countries can afford to develop the human resources they require. Coordination of transport training between donors of funds for this purpose is vital.

Towards transboundary cooperation in Southern Africa

There are several ways in which countries could facilitate cooperative transport and communications operations in order to realize the potential gains of economic integration. These are:

- providing additional infrastructure, including new links, as well as rehabilitating and expanding existing ones;
- standardizing equipment, systems, procedures and conditions of contract, including liability, in railways, airlines, telecommunication, road services, and postal services;
- standardizing design, conditions of access, systems and procedures (for roads, railways, air navigation services, computer reservation systems, electronic data interchange networks);
- harmonizing national legislation by ratifying international conventions regarding safety, environmental control, consumer protection and taxation;
- harmonizing national legislation and regulations in respect of customs classification, types of documents and standardization of document design;
- closing bilateral or multilateral agreements for uniform transboundary application of economic regulations;
- agreeing on multilateral treaties to transfer to a supranational body the control of economic regulation and part, or all, of the regulation of safety, consumer protection and environmental control. The purpose of such an agreement would be to create a common market provision for transport and communications services.[97]

Of these approaches, Southern Africa has given the greatest attention to infrastructure development and expansion. The African Development Bank argues for a new institutional framework for regional cooperation and/or integration, with a transport and communications arm, "a sectoral supranational body to which governments should be prepared to relinquish some control".[98] However, as Lipman observes,[99] it may take years before such a supranational body is set up. Besides, some countries might resist surrendering sovereignty on some matters.

The SATCC has been largely successful in coordinating investment in transport in the region but less successful in achieving cooperation on operational matters. As its main purpose is to facilitate trade between its members, Comesa has been slightly more successful in reaching operational agreements, but has difficulty in implementing such agreements. This failure may be attributed to a lack of institutional capacity in both the SADC and Comesa, which is in turn due to a lack of adequate funding.

Coordination is another factor vital to success. There is a need to coordinate all the efforts at harmonization taking place in various forums. At present the Southern African Customs Union, the SADC and Comesa are all discussing harmonization of various aspects of transport. Because of overlapping membership of these organizations, it is vital that they engage one another and that they investigate cooperating on these issues.

Implications for policy

Nine policy messages can be deduced from this research. The first message concerns the predominance of national perspectives in transport and communications sector planning. Missing transport networks exist in Southern Africa, as in Europe, because transport systems have been developed in a segmented way, each country and/or each transport mode seeking its own solution without considering the synergistic effects of coordinated design and regional planning.

The second policy message relates to the importance of a regional planning policy framework. The transport and communications sector should be seen as part of a wider approach to regional cooperation and as a necessary step in facilitating economic integration. The implications are clear: there is a need for an integrated coordinated regional perspective, and for significant efforts towards standardization and harmonization if bottlenecks are to be avoided.

The third policy message relates to multimodalism in Southern Africa. There are some success stories of multimodal solutions in Western Europe but hardly any in the SADC countries; at a national level, multimodal approaches are rarely found and, if present, are only of minor importance in terms of market shares. In searching for solutions, multimodal and intersectoral collaboration is essential for improving the competitive potential of Southern Africa. Transport policies cannot be developed in a vacuum. There is a need to link education, health, industrial and environmental policies with transport policies.

Fourth, future solutions are not to be sought primarily in a new transport and communications infrastructure, but in rehabilitation of the existing one. Linked to this policy message is the question of negative environmental consequences of the transport and communications in the region. As Goodwin comments,[100] concern for sustainability on the part of governments is at best fragile and contingent, and at worst cynical lip service.

The fifth policy message is that without cooperation in human resource development and training, few of the countries can afford the training they require. There is a need for regional institutions which would share training-course materials and tutors, and coordinate donor funding for transport in the region. Since its establishment the SADC has relied heavily on donor funding and foreign expertise. There is a need to build up a cadre of regional experts; only in cases where local expertise is not available to execute a given task should foreign international expertise be recommended. Even then, local and foreign consultants could work together in order to transfer skills to local consultants.

The sixth policy message concerns the involvement of non-state actors in formulating regional policies in the transport and communications sector. So far transport protocols are currently being developed with little input from civil society, and are thus likely to face opposition in some countries. Women and men in the workplace are making it clear that the people's involvement in decision making – participatory democracy – is one of the prerequisites for a better human condition.

The seventh policy message relates to the globalization of the transport and communications sector. Elsewhere, Saasa[101] makes a persuasive argument for the need to reorient South Africa's transport and communications sector beyond the region, to include continental and international perspectives. Indeed many Southern African transport sectors, such as shipping and aviation, are assuming a transnational and global character.

The eighth policy message relates to a need to prepare a formal regional transport strategy. Although there is a move to agree on transport protocols at the moment, economic integration of Southern Africa is unlikely to succeed without a clear regional transportation vision and strategy.

The ninth policy message relates to maximum financial mobilization from within the region and the optimal use of existing infrastructure and communication facilities. Foreign funding is not sustainable and tends to be conditional, and regional projects are subject to donor manipulation.

If the nine policy messages were to be considered by the SADC in Southern Africa, regional cooperation and attempts at regional economic integration would facilitate the development of sustainable transport and communications in the region. The shift of Southern Africa towards a "Southern African Economic Union" will only materialize if appropriate interregional transport and communications networks and policies are built from a regional intersectoral and multimodal perspective.

Conclusion

An evaluation of transport cooperation between 1980 and 1992 in Southern Africa suggests that the regional institution achieved limited success, given the continued dependence of the countries in Southern Africa on South Africa's transport system, including ports. Paradoxically, the regional transport and communications sector has increased its dependence on donor countries for funding. This created problems for the SADC, as implementation was determined by the willingness of donors to fund projects. The reconstruction and rehabilitation of the transport network was thus dictated by exogenous factors rather than endogenous factors. The new geopolitical framework would require a Southern African Development Fund to be created, as heavy dependence on nonregional funding of projects is neither sustainable nor likely to bring long-term equitable development at regional level.

If the transport and communications sector is to be able to cope efficiently with traffic volumes resulting from increased trade flows, then the operation of the existing infrastructure has to be made more efficient. As country representatives negotiate for a regional transport dispensation in the SADC, new problems and challenges are surfacing. Material deprivation at national level may breed ethnic and nationalist sentiments which conflict with the spirit of regional cooperation. A challenge is to balance national, regional and local priorities with those of the SADC. The difficulty is to determine acceptable criteria for such prioritization. New institutions established to facilitate regional cooperation in transport may, ironically, add to the number of bureaucracies in the region.

Whereas the SADCC model was based on sectoral coordination on a project-by-project basis, the new SADC born in 1992 would require the establishment of intersectoral policies, as the project-by-project approach has failed to raise cooperation to higher levels. "The basis for sound and sustainable regional cooperation should be policy driven and not programme driven".[102]

This is one contradiction that is likely to remain significant for regional cooperation: the desire of the SADC countries to take sovereign decisions over their transport and communications sector In the past, members' economic decisions in general, and transport policies in particular, have been detrimental to the development and performance of the transport and communications sector. Moreover, the dominance of South African capital and transport firms in the region is likely to remain in the new dispensation. Some countries in Southern Africa may even defend the interests of their transport carriers against monopolistic price policies. The greatest challenge lies perhaps not only in cooperation at a regional level, but also in policy reform at a national level, which must also overcome the negative consequences of deregulation, commercialization and economic restructuring.

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West African Tourist Trends

Denis Fair, Fellow of the Africa Institute, has compiled this account of trends in eleven West African countries from recently published reports.

A previous article in this journal dealt with East African tourist trends. It was pointed out that over the past 25 years tourism (for leisure and business) has been the world's fastest growing economic sector, but that Africa's share of tourist arrivals was a modest 3,5% in 1994, compared with the 60% and 20% which went to Europe and the Americas respectively. Those tourists going to Africa chose mainly North Africa (45%), Southern Africa (26%) and East Africa (17%), while only 8% went to West Africa's 13 countries and even fewer (2%) to the countries of the Middle East.

West Africa's tourist attractions differ from some of the wide-ranging delights offered by East and Southern African countries; there are no spectacular mountains and volcanoes (except Cape Verde) and few large game parks. Rather, its attractions lie in its rich cultural heritage, going back hundreds of years to the various states, kingdoms and empires that once held sway over different parts of the region. Moreover, the origins of the slave trade hold a special interest for African Americans, while Europeans have discovered its warm sunshine and unspoilt sandy beaches.

Compared with that of East and Southern Africa, West African tourism is relatively little developed. In the 1970s opportunities for the growth of the sector were very limited. In none of the countries were tourist services considered excellent, in only five were they considered good and in the remainder they were judged to be fair, poor or non-existent.

The favourite destinations in West Africa at the moment are Senegal, the Gambia, Côte d'Ivoire, Ghana, Benin, and, until recently, Nigeria. Together these account for 73% of all international arrivals in the region and for nearly 85% of the receipts from tourism. About 60% of the tourists arriving in these countries come for leisure and holiday purposes, including visits to relatives. The remainder come for business, professional, political and administrative reasons. More than half of these arrivals flowed from other African countries, and 80% of the remainder from Europe alone. Large numbers of migrants move every year in search of work to the more prosperous West African countries, but these are not tourists as defined by the World Tourism Organization (WTO).

In what follows it will become clear that tourism everywhere in West Africa has not been plain sailing, affected as it has been by events political and economic, both internal and external.[1]

Cape Verde

Formerly a province, then a colony, of Portugal, Cape Verde won its independence in 1975. It lies about 500 km west of Senegal and comprises ten islands, of which nine are inhabited, and five islets. Most of the archipelago is mountainous, craggy and volcanic. Mt Fogo (2 829 m) erupted in 1995. The islands suffer from low and unreliable rainfall. Both its population of 400 000 and its gross national product (GNP) are among the lowest in Africa and it depends heavily upon whatever resources it can muster. Among them is tourism. The sector has been growing steadily from 14 000 arrivals in 1986 to 37 000 in 1995 and an anticipated 60 000 by 2000. Of the latter, however, more than half are non-resident Cape Verdeans returning home to see family and friends. Visitors from Europe, mainly Portugal, account for most of the remainder.

Cape Verde's tourism has been described as a primary resource, in view of its year-round sunshine and warm temperatures, its "dramatic scenery", its archaeological, ecological, geological and historical sources of interest, its excellent beaches and potential for sports fishing and scuba diving. It is a windsurfer's paradise, world speed records having been set up in a narrow channel off Mindelo on the island of Sao Vicente.

In contrast to the former government, which had "ideological objections" to tourism, the present prime minister sees the sector as essential for the country's development, and external investment as necessary for the development of tourism. Thus convinced, the government is going for the top end of the market, believing that "the wind in the winter, the beach in the summer and peace and quiet all year round" will increasingly attract the class of tourists it desires.

A tourism development plan is aimed at raising the sector's 2% contribution to GNP and at providing the infrastructure necessary to attract investment, especially in the hotel industry. That investment is already taking place and accommodation for 400 000 tourists by the year 2008 is envisaged. Directly linked to the intensive promotional campaign are the linkages to Europe, North America and Africa provided by a number of international airlines as well as Cape Verde's TACV. They operate out of Sal international airport, which will be supplemented in 1988 by another at the capital, Praia, on the island of Santiago.[2]

Senegal

With a present population of 8,1 million, Senegal gained its independence from France in 1960. Although the country is a major player in the African and West African tourism industry, it was not until the mid-1970s that vigorous government efforts to stimulate the sector saw hotel capacity suddenly triple and tourism become the country's third largest source of foreign exchange, after groundnuts and phosphates. Moreover the 1973–77 development plan gave high priority to the sector for the first time. By 1994 it accounted for nearly 3% of GNP.

Most of the tourist accommodation is located in Dakar and in vacation villages on the Petite Côte southwards to M'Bour and along the Casamance beaches beyond the Gambia. It was to the Petite Côte that the World Bank turned its attention in the 1970s and gave its support to a long-term development plan for the area, along with the historic island of Gorée in the bay of Dakar. The Bank pointed to Senegal's round-the-year climate, particularly attractive during the European winter, its Atlantic ocean beaches, monuments from the colonial past, the interesting cultural life in Dakar, colourful national parks and a rich folklore. The international airport at Dakar, moreover, is strategically located on the cross-roads of air routes serving Europe, the Americas and Africa.

Above: Institut Fondamental d'Afrique Noire, Dakar, Senegal

Below: Mosque in Dakar

Tourist arrivals peaked in 1989 to 300 000, with receipts doubling over the previous five years. French visitors understandably dominated arrivals and accounted for about half the total in the early 1990s, with the German and Italian markets also doing "particularly well". Increased demand from the United States prompted the opening of a tourist office in New York. A handicap, though, was insufficient seating capacity on the airlines.

The good days were not to last long. By 1993 and 1994 tourist arrivals fell heavily, following worsening violence on the part of Casamance separatists in December 1992. The government and Club Méditerranée closed their hotels and local suppliers and traders suffered severe losses. In order to help retrieve the situation, two weekly direct flights were introduced between Paris and Cape Skirring, the Casamance tourist high-spot. In addition, the devaluation of the CFA franc by 50% in 1993 aided the process by considerably reducing the cost of hotel accommodation, which up to then had been unacceptably high. Further improvement will depend on how sustainable is the current peace initiative. The Casamance expected a substantial recovery in 1996.

More direct flights from Europe have been inaugurated and the Dakar

Freetown, Sierra Leone

airport tax has been abolished, as have visas for European Union nationals. Further diversification of the tourist market is planned, with penetration into the North American and the Northern and Eastern European areas. Much depends on mobilizing sufficient funds for these promotions. In addition, foreign interests, mainly French, are involved in both ownership and management of tourism facilities and the government is selling off a number of its hotels as part of a privatization programme. By the year 2010 Senegal hopes to be able to attract 1,3 million tourists. In 1996 it signed a tourist cooperation agreement with neighbouring Guinea.[3]

The Gambia

The Gambia, that narrow wedge of land jutting 350 kms into Senegal, has a population of 1 million and became independent of Britain in 1965. It does not figure in the top 20 countries of Africa as a tourist destination but tourism is its life blood, generating the bulk of its foreign exchange and 7% of its GNP.

Tourism blossomed slowly in the Gambia. In 1965 the number of arrivals was only 300, increasing ten years later to 21 000 and, after some promotion and the establishment of "tourism development areas", to around 120 000 in 1994. Sixty per cent of tourists arrive on charter flights, over 50% of them from Britain. The Gambia's tourism is predominantly a "beach affair", adopting the sobriquet of "the milling coast of Africa", warm and sunny from November to April during Europe's winter months and only five and a half hours' flying time away.

Sensitive as it is to political and economic events, Gambia's tourism experience has been one of good years interspersed with bad ones. The oil crisis of 1979 raised the price of air fares. In 1981 a failed coup was no encouragement to tourists, nor was the imposition in 1988/89 of a 6% sales tax on international tourist packages and 10% on domestic bookings (later deferred), combined with high interest rates in the United Kingdom. In 1991 the Gulf War frightened off tourists, although a rapid recovery illustrated how resilient the sector can be.

The expectation that the 1993/94 season would yield the best results ever was shattered by a military takeover of the government in July 1994 and a counter-coup in November. The British government immediately warned its nationals to stay away. This decision, plus the withdrawal of foreign aid by other countries and the competition from neighbouring francophone countries when the CFA franc was devalued by 50% in June 1994, did untold damage to the economy. In 1994, until the coup, hotels had been full and revenue from tourism had increased by 40% over the previous year. By contrast, 1995 saw charter arrivals down to 43 300 from 90 000 in 1994, revenue falling by 60% and most of the 10 000 workers dependent on the industry out of jobs.

In April 1995 at the end of the season the British government reversed its directive but warned that the security situation could change at any time. Confidence, however, is returning. Charter tourists had increased to 68 000 in 1996, with the hotel and restaurant sector increasing its contribution to the economy by 30% after the previous year's decline. Moreover, a "Roots Home-coming Festival" was held in May 1996, aimed at attracting members of the "African diaspora" from Europe and North America who would be interested in visiting their roots owing to the publication of Alex Haley's best-selling novel.[4]

Sierra Leone

Sierra Leone has a population of 4,7 million and became independent in 1961. Tourism generated nearly 3% of its GNP in 1994, ranking third after mining and agriculture. After reaching 100 000 arrivals in 1990, numbers have fallen owing to the country's political instability. A civil war commenced in 1991, a military takeover occurred in 1992 and coups in 1996 and 1997. The ongoing war has displaced 25% of the population and caused 300 000 to flee the country.

Until these events, which have damaged the tourist industry, it was showing considerable promise, helped by a government that was committed to developing its potential. That potential, as elsewhere in West Africa, lay in its beaches, its preserved relics of the slave trade and its rare animals and birds.

Most of the hotel and tourist facilities are located around the Freetown peninsula and southwards to Waterloo and on some of the offshore islands. One of these, Bunce island, is a former slave-trading fort and enjoyed much interest following the visit in 1989 of the Gullahs from South Carolina, who are thought to have hailed from the island.

In 1990 it was believed that within five years tourism would replace the waning diamond industry and become the "main funnel" for foreign exchange earnings if the momentum then existing could be sustained. Subsequent events have determined otherwise.[5]

Taureg from the Sahara region

Côte d'Ivoire

Côte d'Ivoire has a population of 14,2 million. It was part of French West Africa until its independence in 1960. Its tourist attractions include the city of Abidjan, regarded as the "Paris of Africa", the huge basilica, the Lady of Peace, built by the late President Houphouët-Boigny at Yamoussoukro, as well as its remaining rainforests and its beaches forming 550km of coastline.

Tourists to the country increased steadily in the 1970s during the period of its "economic miracle". At that time a World Bank tourism development project aimed at diversifying the country's foreign exchange earnings and creating employment. Hotel occupancy rates rose rapidly and loans for 18 new hotels were approved, as well as loans for the rehabilitation of the Comoe and Azagny national parks. By 1984 the number of hotels, mainly in Abidjan, was 452, five times as many as in 1970, and the number of arrivals reached 200 000 in 1982.

However, adverse economic events in the later 1980s saw the supply of hotel rooms surpass demand to such an extent that occupancy rates for 3–5 star hotels fell from 82% in 1976 to 43% in 1985 and even lower in 1990. By 1987 the number of foreign arrivals had fallen below their 1978 levels.

By 1994 tourist arrivals numbered some 250 000, an increase of only 2% per year since 1982. These events and trends prompted the Ministry of Tourism to embark on a new campaign to boost the industry. It aimed at making tourism the prime foreign exchange earner by the turn of the century, when the number of arrivals hopefully would reach 500 000 a year and 20 000 jobs would be created. Incentives include tax cuts, reduced air fares and hotel rates, the encouragement of private investment and a general improvement in "the quality of the welcome" to tourists. Foreign investors are being encouraged to build new motels and resorts in areas where no facilities exist at present. The introduction in 1994 of charter flights from Europe by Air Afrique aided the campaign, as has the devaluation of the CFA franc, so much so that "Sun, Sea and CFA" became the travel agent's slogan.

Côte d'Ivoire has been generally free from serious political unrest, except for a temporary outbreak of violence in 1995 after the death of Houphouët Hoigny and the election which followed the succession of the new president, Henri Bédié.[6]

Ghana

Ghana has a population of 17,5 million and became independent in 1957. It is

Tanougou waterfalls, Burkina Faso

the major tourist destination in West Africa today. Arrivals increased from 85 000 in 1985 to 271 000 in 1994. The Tourist Board expected arrivals to reach 300 000 in 1996. Generating nearly 3% of GNP, tourism ranks third after gold and cocoa as an earner of foreign exchange. Until the mid-1980s business travel provided the bulk of arrivals, but the leisure/holiday sector now accounts for about 60% of them. About half of all arrivals are from Africa and about half from Europe and the Americas.

Ghana's tourism potential was largely neglected until the mid-1980s, the hotel sector in particular having suffered decline in the previous ten years. A deliberate policy was then adopted to promote tourism in terms of the Investment Code of 1985. Government has largely divested itself of its holdings in state-owned hotels and now concentrates rather on the provision of infrastructure and manpower improvement. Medium-term tourism development plans now focus on policy reviews, product and market promotion, financing and environmental impact assessment, all directed towards creating a positive image of Ghana as a tourist destination. Among the objectives was the creation in the central region of a 345km^2 rain forest and nature park and the restoration of three world heritage sites: the Elmira and Cape Coast castles and Fort St Tago, previously slave-holding locations.

In the past five years improvements and additions have been made to quality tourist facilities in a peaceful and congenial environment throughout the country. Much private investment has gone into upgrading Ghana's hotels, but the ministry wants to avoid the negative effects of mass tourism and rather to concentrate on up-market conference-, eco-, cultural- and ethno-tourism.

It was reported at the beginning of 1996 that the government hoped to launch a 15-year tourism master plan aimed at attracting 400 000 visitors by the year 2000 and earnings of US$1,25 billion by 2010.[7]

Nigeria

With an estimated present population of 111 million, Nigeria became independent in 1960. Following the first military takeover in 1966 the country was plagued by civil war (1967–70), followed in subsequent years by military power struggles, coups and general political instability, being finally expelled from the Commonwealth in 1995 following the execution of the playwright Ken Saro-Wiwa and eight other activists of the Movement for the Survival of the Ogoni People. All this is hardly the stuff of which a successful and growing tourist industry is made. The highest number of tourist arrivals was reached in 1986 (311 000) and has not been equalled since, falling to 193 000 in 1994 and possibly lower since, in view of the EIU's recent observation that while tourism was beginning to perform well in some other African countries, it was "virtually non-existent in Nigeria".

The country doesn't lack tourist attractions. In 1991 the Secretary General of the WTO commented during a visit that it had "enormous tourist potential" in culture, art, nature, wildlife and historical monuments. However, even as late as 1991 it was reported that "the industry cries for necessary development", a vivid example of the neglect being the inactive state of the Tourist Board (NTB), originally established in 1976.

In 1991 some attempt was made to correct Nigeria's poor overseas image. A minister of tourism was appointed, private participation was encouraged and a tourism master plan was being prepared. Improvements in 1994/95 saw hotels opened in the new federal capital of Abuja and in some state capitals, a national parks board created, a new airport built and existing ones in Lagos and Kano refurbished. The tourist impact of these developments remains to be seen.[8]

Benin and Togo

Benin, previously the French colony of Dahomey, has a population of 5,5 million. It has been reasonably peaceful in recent years. Multiparty government was restored in 1990 and the presidential election in March 1996 went off without serious incident. Benin possesses a treasure house of palaces and museums and interesting villages of lake dwellers. In the past few years it has promoted tourism at exhibitions, embarked on training for guides and hotel staff and undertaken holiday-village and leisure-centre projects. Tourist numbers have increased over the past five years from 75 000 in 1989 to 142 000 in 1994.[9]

Togo (population 4 million) was previously a German protectorate and later, until 1960, a United Nations Trust Territory. The government has actively promoted tourism over the past 15 years in an attempt to offset losses in foreign exchange earnings from falls in commodity prices. Lomé, its capital, is well known as an international conference centre. But the number of tourists, mainly French and German, has never surpassed the record of 143 000 reached in 1982, falling to only 44 000 in 1994. Since 1990 political unrest, including military intervention in 1992, has been a deterrent, hotel occupancy falling in that year below 20% and receipts from tourism from US$50 million in 1989 to 18 million in 1994.[10]

Mali, Burkina Faso and Niger

This tier of land-locked states, all formerly part of French West Africa, each have populations of between 9 and 10 million. They straddle the semi-arid Sahel with Mali and Niger stretching northwards into the Sahara desert. All have considerable tourist potential in their cultural diversity, including the nomadic Tuareg in Mali and Niger, the traditional Dogon culture of Mali and the allure of Timbuktu, Burkina Faso's culture weeks, film festivals and handicraft fairs and, for the more adventurous, trips into the Sahara. Mali has also become fashionable, reports the Economist Intelligence Unit, for the impact in Europe of the recording artists, Ali Farka Touré and Salif Keita.

However, a rather inhospitable climate, difficult internal communications and poor infrastructure, together with Tuareg rebellions in recent years, have been handicaps to growth in tourism, which yields little in the way of foreign exchange earnings. Encouragingly, a stable democracy has now emerged in Mali and a truce was declared between government and Tuareg rebels in late 1996. A greater inflow of tourists, it is hoped, will also be promoted by the establishment of a joint tourism circuit by Mali, Burkina Faso and Côte d'Ivoire, which should cut costs of travel to individual countries.[11]

Traditional dancers, Niamey, Niger

Conclusion

West African tourism well illustrates how sensitive a commodity it is, subject to both external events and domestic decisions and activities, good and bad. Certainly applicable to a number of West African countries is Wright and Poirier's comment that "instability is anathema to tourism".

The vast sums required to establish an internationally acceptable tourism infrastructure mean that these countries inevitably depend on heavy foreign involvement in the business of marketing, hotel provision and management and air travel. Some countries may decry this fact but the Gambia, for example, accepts and makes the best of it. All appreciate tourism as a major foreign exchange earner but *African Business* questions its contribution to social and economic development. "In all but a few countries", it comments, "tourism never touches the vast majority of the population". This echoes Binns' statement about Kenya's tourist industry that it "has done little to raise general living standards".

The WTO forecasts that tourist arrivals to East and Southern African countries will exceed the African average of 5% per year for the period 1990–2000 and 4% per year for 2000–2010, but that West Africa's countries will not, registering only 2% and 1,5% per year for the two periods, respectively. The WTO states that the Africa region is not generally regarded as an attractive investment and obviously West Africa even less so. Some countries, notably Senegal, Côte d'Ivoire and Ghana, should, however, perform more promisingly than the average for West Africa as a whole.[12]

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AFRICA FOCUS

Zimbabwe: Anticipating the transition

Richard Cornwell, Head of Current Affairs at the Africa Institute of South Africa

What strikes the interested visitor to Harare these days is a new mood of expectancy and anticipation, not altogether optimistic, but certainly a feeling that there is a pregnant pause in public affairs, an impression that something significant, and perhaps dramatic, is about to happen in the near future. To some extent, this sense of impending change has to do with the realization that this is probably Robert Mugabe's final term of office, unless he intends to stand again in the presidential elections of 2002, when he will be 78. Zimbabweans are therefore beginning to anticipate the first real leadership transition since independence. They do so with mixed feelings in that, for many of them, President Mugabe has already overstayed his welcome, in a way reminiscent of Malawi's President Banda. On the other hand there is the realization that the transition of leadership will be a vital and problematic test of the stability of the system as whole.

There are certainly signs that Mugabe's political touch is less sure than it once was. His political style has become increasingly erratic, showing him to be badly out of touch with public opinion, and this raises doubts about his ability to continue to manage and manipulate the Shona consensus as he has done so cleverly in the past. His public pronouncements are inconsistent, partly revealing two different sides to his political persona, one when he is speaking from a prepared text and another when he speaks off the cuff – when he tends to become personal and to issue unwise threats. Thus, at one moment he is appealing to the international capital markets to invest in his country; the next he is reviling the IMF, World Bank and foreign exploiters for their part in marginalizing the South. Confused signals are also sent with regard to the indigenization of the economy and the President's frequent interventions in this process, often with the stated aim of defeating the conspiracies of neo-colonialists.

Much of the presidential effort these days appears to be devoted to remaining in control of the patronage machine until his entourage is established with a measure of permanence. In this strategy, privatization plays a vital role. Privatization is not merely a way of pleasing the IMF and the World Bank, but of playing politics. The man in the street is not fooled by this, and on the issue of corruption, particularly in the awarding of certain high-value projects and concessions, the general public is beginning to think that things have gone too far. Leo Mugabe, the President's nephew, may have some reason to think himself maligned as a result of media attention to his success in winning state tenders, but he epitomizes the almost blatant manipulation of the system for family benefit.

In a broader context, the privatization programme is being used to create a politically-favoured black bourgeoisie. Black empowerment is too potent a weapon to be allowed to be politically neutral. The succession to political leadership and the access to state patronage it affords are vitally important. The ability to direct the granting of contracts and tenders is central to this. With the insistence of the IMF and World Bank that budgets be cut and civil services reduced, the shape of patronage shifts. The donors used to act as a united voice, but the competition for tenders has broken this unity, another useful political consequence as far as Mugabe is concerned. The government seems to be deliberately stringing out the tender and privatization process because of the power it confers. A slow pace is particularly essential since, despite its access to public funds, Zanu-PF as a party is running low on resources and is experiencing a shrinkage in its power to deliver internal patronage at grassroots level.

The issue of the presidential succession is seldom mentioned in public, though Eddison Zvobgo last year suggested that future presidents enjoy less power than the present incumbent. Zvobgo was subsequently badly injured in a motor accident and, having recovered, finds himself in a marginal cabinet post, presumably for what was seen as an insult to Mugabe. It could be, of course, that apart from using the statement to press his own considerable claims to the succession, Zvobgo was trying to point out to the other contenders that by devaluing the presidency the succession dispute could be contained within manageable limits.

Mugabe uses the implied promise of his support for the succession to keep the ambitious under control, and from being impatient and starting to push. He often reveals an extremely calculating side to his character. Mugabe's tactics are to keep everyone guessing, warning them off making too many moves of their own.

Zanu-PF has now abandoned its formal commitment to Marxism and its attempts to impose a *de jure* single-party system. Now, in the rejection of the post-1980 dispensation, it is common cause that a form of democratic pluralism must be established, with greater popular participation in decision-making and a level playing-field constitutionally. This project is currently in abeyance, however, lacking the essential commitment of Mugabe himself. Under the 1980 constitution the presidency was empowered to intervene in every aspect of national life, including the electoral process. What has resulted is the mind-set of a one-party state, with all the institutions applicable to it. The 24-person Politburo is where policy (such as it is) is made, and the 138-person Central Committee is the forum for whatever discussion takes place. Thus, there exists a tension between the trappings of a parliamentary democracy and the organizational structures of a vanguard party in the Marxist-Leninist tradition. At the December party conference Mugabe attacked those MPs who wanted to amend the constitution to limit the terms and powers of the presidency and reintroduce the Senate. He said he doubted the sanity of those who made such suggestions, and reminded them that it was the organs of Zanu-PF, not parliament, which made policy. During the transition to the post-Mugabe era, this tension will become increasingly marked.

There can be no going back for the party, its old ideological base now abandoned, even if some of the leadership still hark back to its echoes. Zanu-PF now has no coherent ideological character or political vision. Presently the mission of indigenizing the economy has to serve, rather unconvincingly and dangerously if one sees the policy documents, which will remind foreign businessmen of the days of nationalization. There is a decided lack of political vision or goals, and the absence of a definite political culture could prove detrimental to the business of governance. The current leadership waxes nostalgic about the liberation struggle and the part its members played as heroes of that war, though the entire business of deciding who qualifies as what grade of hero for purposes of state funerals is somewhat amusing. The leaders are looking backwards to what is for most Zimbabweans a dimly remembered past. The appeal to war memories now also has an ironic and hollow ring to it, following the demonstrations by ex-combatants in search of pensions.

Several of the younger MPs, either by reformist conviction or simply because of their exclusion from real power and influence, are showing an inclination to tackle the Old Guard, and a willingness to expose its stupidity and ideological bankruptcy. The demonstration effect of changes and developments in South Africa should not be underestimated. For all that the ANC occasionally shows its own internal authoritarian tendencies, the public debate about policy in South Africa is envied by many Zimbabweans. There is also a notable distance between the rhetoric of the Commonwealth's Harare Declaration on democratic governance and Mugabe's own practice of government. An exchange of ideas is increasingly seen as essential to the efficient business of government.

Emmerson Mnangagwa, the minister of justice, legal and parliamentary affairs, has spoken of the need to make better use of parliament, by strengthening the committee system to review legislative proposals. This may have been by way of containing a degree of criticism from younger MPs who feel excluded from the decision-making process or from the spoils system. It may also have been related to his undoubted position as a leading candidate for the succession. Certainly it is hard to believe that Mnangagwa is a born-again democrat. Nevertheless, in recent months, Parliament has begun to show an unusual degree of independence. It refused to grant funding for the lucrative airport contract awarded to Leo Mugabe and his partners, and demanded that the Auditor-General launch an enquiry into the operations of the War Victims Compensation Fund, which appears to have been looted for the benefit of senior party members for the distress and suffering they experienced as a result of the war. Should the parliamentary revolt prove protracted it could amount to a motion of no-confidence, forcing early elections.

The alteration of the voting system for future parliamentary elections, the next of which is due in 2000, provides for local primaries to determine the party candidate. The hope is obviously that this will reduce the chances of a repeat of the Margaret Dongo performance effect, when an Independent stands against the party's official candidate and wins. But it will also make it more difficult for the central party to place candidates at will, and will increase the drift towards a strong regional orientation, thus reinforcing an existing tendency.

There is also a challenge building at municipal level, where the urban councils bill has backfired on a party which sought to use it to strengthen its hold over the urban areas. It has also created another arena of internal competition for place essentially beyond central control. In other words, party discipline is becoming shaky. A de-ideologized party, without political goals and lacking legitimacy, falls back on the traditional structure in which the party barons seek to consolidate their local and regional constituencies. To do this they have to strike up alliances with traditional chiefs to legitimize them and mobilize the electorate. This seems to represent a vital link between the old and the new.

Demographic change will also be very important, since the population, currently 70% rural, is becoming increasingly urbanized. The urbanites have seen their average incomes slashed by a third since the early 1990s and are not happy. They tend to be younger in cross-section and are less impressed by the antics of ageing politicians whose reminiscences about the war mean little to them. The party is now trying to co-opt indigenous businesspeople to prop it up in the towns. The civil service strikes of last year also marked a turning point in the ability of government to enforce its fiat. The strikers persisted with their actions despite extreme penalties and the surrender of their leadership. This was a remarkable victory under the most unpromising circumstances, and shows that government may be in for a very difficult time when it tries to implement Economic Structural Adjustment Programme II.

The media is opening up to some extent, with newspapers such as the *Financial Gazette*, the *Independent* and the *Standard* raising issues the government would rather see ignored. In so doing they have sometimes forced the state-controlled *Herald* to respond, or at least to carry the party's side of the story. They have also set higher standards for journalism, which the *Herald* must seek to emulate if it is to retain any credibility. There is some harassment of individual journalists, but the government also realizes the value of allowing the operations of the "opposition" press in terms of its relations with foreign donors and as an earnest of its human rights sincerity.

On the political front there is the underlying feeling that things have to improve *despite* Mugabe, and there is some public resentment against the foreigners who continue to lionize him. The feeling is that they make it more difficult to change the political system by strengthening his own fine opinion of himself. Some of the technocrats in the administration are becoming increasingly tired of having to wait for Mugabe's imprimatur. This showed itself clearly when they gave the lie to government claims that bureaucratic laxity was delaying the release of new economic plans, by leaking these documents to the press.

Zanu-PF is increasingly being revealed as an unstable, faction-ridden movement rather than a party, especially now that the ideological glue has been dissolved. Now regional and personal ambition replace ideas. The succession struggle and attempts to control it will be a vitally important factor in how this situation develops.

BOOKSHELF

The African Commission on Human and Peoples' Rights: Practice and procedures. Evelyn A Ankumah. The Hague: Martinus Nijhoff Publishers, 1996. 246 pp. ISBN 90-411-0130-6

This study is a description and analysis of the work of the Commission on Human and Peoples' Rights. Its aim is to make the African Commission accessible, and therefore it emphasizes the practical rather than the theoretical aspects of the work of the Commission. Readers will gain insight into the structure and mandate of the commission, the procedures for examining complaints, and the State reporting procedure. A significant portion of the book discusses how the African Commission has dealt with actual cases alleging violation of the rights and freedoms guaranteed by the Charter. The information and analyses provided will benefit NGOs, individuals and human rights lawyers in their efforts to use the African human rights machinery to promote and protect human rights.

Africa and the international system : The politics of state survival, by Christopher Clapham. Cambridge: Cambridge University Press, 1996. 340 pp. ISBN 0 521 57027 X (hardback) : ISBN 0 521 57668 7 (pbk).

This book attempts to examine the workings of international politics from the viewpoint of a group of states – and in some degree their people – which are at the bottom of any conventional ordering of global power, importance and prestige. The study of international relations has tended, understandably enough, to look at the world from the viewpoint of its most powerful states. It has been developed as a subject of study in the major capitalist states, and has been directed largely towards helping them to manage the demands of an increasingly complex international system – most obviously through the avoidance of war, but also through the management of the global economy and in other ways. Its dominant focus during the era of the Cold War was on the relationship between the superpowers, with a secondary but still important emphasis on relations between other industrial states, such as those of Western Europe. Even the study of 'north-south' relations characteristically laid a heavy emphasis on *north-south* relations, often within the context of superpower competition, rather than on south-north relationships.

Islamic fundamentalism, edited by Abdel Salam Sidahmed and Anoushiravan Ehteshami. Oxford: Westview Press, 1996. 284 pp. ISBN 0-8133-2429-7. – ISBN 0-8133-2430-0 (pbk.)

The phenomenon of political Islam continues to dominate the political and social map of the Arab world, with the increasingly open struggle between the ruling élites and Islamists becoming the main source of political instability in many states. This book offers an in-depth analysis of the rise of Islamic and fundamentalist movements, examining their various manifestations and evaluating their influence in the emerging post-Cold War order.

Whose reality counts? Putting the first last, by Robert Chambers. London: Intermediate Technology Publications, 1997. 297 pp. ISBN 1 85339 386 X.

In this sequel to *Rural development: Putting the last first*, the author argues that central issues in development have been overlooked, and that many past errors have flowed from domination by those with power. Development professionals now need new approaches and methods for interacting, learning, and knowing.

Through analysing experience – of past mistakes and myths, and of the continuing methodological revolution of PRA (participatory rural appraisal) – the author is able to point towards solutions. In many countries, urban and rural people alike have shown astonishing ability to express and analyse their local, complex and diverse realities which are often at odds with the top-down realities imposed by professionals.

The author argues that personal, professional and institutional change is essential if the realities of the poor are to receive greater recognition. Self-critical awareness and changes in concepts, values, methods and behaviour must be developed to explore the new high ground of participation and empowerment.

Whose reality counts? presents a radical challenge to all concerned with development, whether practitioners, researchers or policy makers, in all organizations and disciplines, and at all levels from fieldworkers to the heads of agencies. With its approach of putting first last it presents a new, exciting and, above all, practical agenda for future development which cannot be ignored.

Courtyards, markets, city streets: Urban women in Africa, edited by Kathleen Sheldon. Oxford: Westview Press, 1996. 342 pp. ISBN 0-8133-8686-1

Although women have long been active in African cities, explorations of their contribution have been marginal. This volume brings women into the centre of the urban landscape, using case studies to illustrate how women's work in trade and agriculture has been the foundation of African urbanization. Chapters focus on patterns of migration and urbanization, women's employment in varied activities from selling crafts to managing small businesses, the emergence of complex new family formations, and participation in community and political activities.

■ **Sowing the mustard seeds: The struggle for freedom and democracy in Uganda**, by Yoweri Kaguta Museveni, edited by Elizabeth Kanyogonya and Kevin Shillington. London and Basingstoke: Macmillan Publishers, 1997. 224 pp . ISBN 0-333-64234-1 (Pbk), ISBN 0-333-68908-9 (Hbk)

This is the autobiography of Yoweri Kaguta Museveni, who led a guerrilla war to liberate his country from tyranny and who, as President of Uganda, has established a reputation as one of the most respected African leaders of his generation. From his school days in the mid-1960s, Museveni took a leading role in opposing political and social injustice. Consequently, when Idi Amin began his infamous rule over Uganda in 1971, Museveni was among the first to take up arms against the murderous regime.

Sowing the Mustard Seed contains a graphic account of that turbulent period, and provides an insider's account of the wasted years following Amin's overthrow in 1979. When Uganda's first general election in two decades was rigged, in December 1980, Museveni launched a guerrilla war to fight against Milton Obote's sectarian dictatorship. The war of liberation started in February 1981 with only 27 guns, and the National Resistance Movement and Army eventually took power in January 1986 and began the arduous task of rebuilding a shattered nation.

The past ten years have seen the dramatic transformation of Uganda into a relatively peaceful and respected country on its way towards modernization. Perhaps its image as the Pearl of Africa will finally be restored.

Book review

African refugees and human rights in host countries: The long-term demographic, environmental, economic, social and psychological impacts of Angolan refugees in Zambia, edited by Nsolo J Mijere. New York: Vantage Press, 1995, 215 pp, ISBN 0-533-10621-4

In 1989 five social scientists undertook an in-depth field research project on Angolan refugees in Zambia. Funding for the project was provided by the United Nations Research Institute for Social Development (UNRISD) and the Canadian International Development Research Centre (IDRC). The University of Zambia (UNZA) was the executing agency for the project. Part One of this book comprises the findings of the research project, while Part Two consists of four chapters, being papers on Mozambican refugees in Zambia presented to the National Refugee Conference held in that country in 1990.

The book is concerned with the second of three long-term solutions to the refugee problem proposed by the United Nations: voluntary repatriation, local integration or resettlement in a third country. It focuses on the critical question of refugee settlement in host countries, taking as examples self-settled refugees on the one hand, and scheme-settled refugees on the other. It examines the impact on and social and environmental consequences to rural host populations and the settlers themselves.

Looking at the Northwest Province, Part One compares the Meheba scheme-settlement with self-settlement in the Solwezi and Chavuma districts. It appears that self-settled refugees in villages close to the border between source and host countries are easily integrated, being accepted by local chiefs on the basis of family and cultural ties. In contrast, refugees in scheme-settlement Meheba, who were confined to this area and separated from the host population, were not accepted. They remained permanent strangers, denied elementary human rights of free movement. On the other hand, the scheme settlers were better off economically and enjoyed superior social services because they were assisted by the United Nations High Commission for Refugees and the Zambian government, while the other group were not. The recommendation is made that international communities should consider assisting both groups.

The Unkwimi settlement for Mozambicans in the eastern districts of Zambia, described in Part Two, is modelled on different lines from Maheba. It is a unique model, with refugees settled in villages among those of the host population. It thus incorporates the rural host communities in its activities and existence. It is reputed to be the most successsful and well-designed refugee settlement in Africa, with a high international reputation.

These are only a few of the important findings and observations arising from this study, which certainly warrants the serious attention of international agencies, governments and local authorities, non-governmental organizations and individuals concerned with one of Africa's major social, economic and political problems. The study's findings are applicable to other sub-Saharan African countries and they well complement those of an earlier book, edited by Adelman and Sorenson.[1]

Professor T J D Fair

1. H Adelman and J Sorenson, *African refugees: Development aid and repatriation*, Oxford: Westview Press, 1994.

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Seminars and visiting scholars

Several meetings were held in the Institute's ongoing series of African studies seminars: **Dr Patrick J McGowan**, Professor of Political Science, Arizona State University, Tempe, United States of America, and Visiting Professor of Socio-Political Environment in the Graduate School of Business Administration, University of the Witwatersrand, Johannesburg, conducted a seminar on "South Africa in Africa: Partner or hegemon?" on 30 April 1997; **Mr Faizel Ismail**, Chief Director: Foreign Trade Relations at the Department of Trade and Industry, Pretoria, gave a talk on 29 May 1997 on "South Africa-EU negotiations: Implications for the SADC and the ACP"; and **Mr Richard Cornwell**, Head: Current Affairs at the Africa Institute, presented a paper on "Zimbabwe: Anticipating the transition" on 30 June 1997.

Mr Shahid Majeed, Senior Instructor at the National Institute of Public Administration, Lahore, Pakistan, and a 15-person delegation visited the Institute on 30 April 1997 for a briefing on the current political and socio-economic situation in South Africa, and **Professor Yang Lihua**, Director, Centre of Southern African Studies in the Institute of West Asian and African Studies, Chinese Academy of Sciences, Beijing, China, visited the Institute on 7 May 1997 to initiate research work on southern Africa.

Fellows and research fellows

Recently, **Ato Kifle Wodajo**, Director of the Horn of Africa Peace Center, Addis Ababa, Ethiopia was invited to become a *fellow* of the Institute. **Dr Heather Deegan**, Senior Lecturer in Comparative Politics in the School of History and Politics, Middlesex University, London, United Kingdom; **Dr Gilbert M Khadiagala**, Professor of African Studies at Kent State University, Ohio, United States of America, and **Dr Denis-Constant Martin**, Chargé de Recherche FNSP, Centre d'Etudes et de Recherches Internationales, Paris, France accepted appointments as *research fellows* of the Institute.

Conferences, study/liaison visits abroad, lectures

Head of Current Affairs, **Richard Cornwell**, paid brief visits to Sweden from 26 April to 1 May 1997, and Uganda and Tanzania from 6 to 14 May 1997, to conduct interviews for a contract research study entitled "Partnership Africa" for the Swedish government. This study was undertaken in association with the Centre for Policy Studies (CPS) in Johannesburg. He visited Harare, Zimbabwe from 20 to 24 May 1997 for the World Economic Forum-SADC Summit, where he made a presentation on "The role of business in Africa on the edge of the 21st century". He also lectured on "South Africa and Africa" at the Foreign Service Institute, Pretoria on 28 May 1997, and on "Superpower interests in Africa" to the Naval Staff Course, South African Navy College, Muizenberg on 3 June 1997; presented a talk on "Reporting Africa" at the Institute for the Advancement of Journalism, University of the Witwatersrand, Johannesburg on 17 June 1997, and addressed a seminar meeting at the Institute for Security Studies, Midrand on "Democratization and security in Africa" on 2 July 1997.

Kenneth Kotelo (Head, Communications) participated in a forum on "Co-operation between the EU and ACP countries", held in Lisbon, Portugal on 3 and 4 June 1997, where he read a paper on "South Africa: Private sector environment and investment opportunities".

Dr Denis Venter (Executive Director and Head, Academic Programmes) visited the United Kingdom from 11 to 17 May 1997, where he attended a meeting of the Southern Africa Study Group at the Royal Institute of International Affairs, London on 14 May

Dr Denis Venter, Executive Director and Head of Academic Programmes, Africa Institute of South Africa

1997, and participated in the Annual Council Meeting of the International African Institute, London on 15 and 16 May 1997. He organized a joint Africa Institute/Center for African Studies, University of Florida, Gainesville-workshop on "The experience of constitution-making in Africa: Ethiopia, Uganda and South Africa", held in Pretoria from 26 to 28 May 1997; and paid a brief visit to the University of Botswana, Gaborone on 9 and 10 June 1997 to represent the Institute at the launch of Kenneth Good's book, *Realizing democracy in Botswana, Namibia and South Africa.* On a study visit to Kenya and Ethiopia from 11 to 21 June 1997, he gave a public lecture on "South African foreign policy in a time of change: The African dimension", as part of a "South Africa week" in Addis Ababa. He also presented a paper on "Regional security in southern Africa" at the 11th Biennial Congress of the African Association of Political Science (AAPS) in Durban on 23 June 1997.

Publications

The Institute published a monograph by **Professor Kenneth Good** on *Realizing democracy in Botswana, Namibia and South Africa.* The author is attached to the Department of Political and Administrative Studies, University of Botswana, Gaborone.

A fellow of the Institute, **Professor Sam Asante**, has published a new book, *Regionalism and Africa's development: Expectations, reality and challenges* (London: Macmillan). The author has recently retired as Senior Regional Advisor: Economic Co-operation and Integration/Co-ordinator: Southern Africa Desk and Task Force in the Office of the Executive Secretary, United Nations Economic Commission for Africa (UNECA), Addis Ababa, Ethiopia.

Richard Cornwell published articles on "Bakassi: European carve-up's legacy of farce and tragedy", in **Africa Today**, vol 3, no 3, May-June 1997; and "Reinventing the non-aligned movement", and "Africa focus – Angola: The political outlook", in **Africa Insight**, vol 27, no 1, 1997. He has also done contract research on mining in SADC countries (for the Chamber of Mines); and prepared two briefing documents on the continuing political impasse in Angola, and on political alignments within the governing coalition in Congo-Kinshasa (for the Department of Foreign Affairs).

Kenneth Kotelo was contracted to do research work for a survey of 10 African countries, due to hold elections during 1997 (for Silk and Textile Industries); a background document on armed conflicts and their causes (resource-based, ethnic or otherwise) in 12 African countries (for Accord); and reviews on the economies of Zimbabwe (for Mbendi Information Services), and Ethiopia, Kenya and Mauritius (for Barlow Ltd).

Other activities

Dr Denis Venter was external examiner for the under-graduate course in African politics at the University of Natal, Durban.

Joint conference with the Center for African Studies, University of Florida, Gainesville

The Africa Institute, in collaboration with the Center for African Studies, University of Florida, held a very successful workshop in Pretoria on "The experience of constitution-making in Africa: Ethiopia, Uganda and South Africa". For practical reasons, this meeting – held from 26 to 28 May 1997 – was confined to participants from English-speaking countries in north-eastern and southern Africa: Eritrea, Ethiopia, Uganda, Kenya, Tanzania, Zambia, Malawi, Zimbabwe and South Africa. It is envisaged that the revised workshop papers will form the basis for a book, to be edited by Professor Goran Hyden and Dr Denis Venter.

African studies

Forthcoming conferences/ workshops/roundtables/ colloquia

A conference and workshop on "Restructuring government for organizational excellence", organized by **Benchmarking South Africa**, will be held at the Karos Indaba Hotel, Fourways, South Africa from 1 to 5 September 1997. For more information, contact Viaduct Communications, P O Box 2472, Honeydew 2040, South Africa; tel: +27 11 794-4862; fax: +27 11 794-4863.

A "Roundtable with the government of South Africa", presented by **The Economist Conferences**, is scheduled for 8 and 9 September 1997 at Gallagher Estates, Midrand, South Africa. For further details, contact Dominic Luck, The Economist Conferences, 15 Regent Street, London SW1Y 4LR, United Kingdom; tel: +44 171 830-1093; fax: +44 171 931-0228 or 409-3296.

The 6th Winelands conference on the theme, "Spanning the global divide: Networking for sustainable delivery", organized by the **Department of Public and Development Management in the School of Public Management, University of Stellenbosch,** will be held from 17 to 19 September 1997. For more information, contact Dr F M Uys, Chairman, Sixth Winelands Conference, Department of Public and Development Management, University of Stellenbosch, Private Bag x1, Matieland 7602, South Africa; tel: +27 21 808-2316; fax: +27 21 808-2114; e-mail: fmu@akad.sun.ac.za.

The 3rd "Southern Africa trade and investment summit", under the auspices of **International Herald Tribune Conferences**, is due to be held at the Gaborone Sun Hotel, Gaborone, Botswana on 18 and 19 November 1997. For further details, contact Fiona Cowan, International Herald Tribune Conference Office, 63 Long Acre, London WC2E 9JH, United Kingdom; tel: +44 171 836-4802; fax: +44 171 836-0717.

An international colloquium on "Promoting democracy, entrenching good governance, and assuring economic prosperity in Africa", organized by the **Pan-African Consultancy and Productivity Institute, Mbabane, Swaziland**, is scheduled for 27 to 29 November 1997. For more information, contact N Nyimpa-Benyaw, Pancop, Private Bag, Mbabane, Swaziland; tel: +268 40508; fax: +268 40548; e-mail: pancop@realnet.co.sz.

The **20th Southern African Universities Social Science Conference** on the theme

"Democratic governance, ethical behaviour, public accountability, and the control of corruption" will take place at the University of Zambia, Lusaka from 1 to 5 December 1997. Sub-themes to be dealt with include: what is corruption?; the causes of corruption; forms of corruption; corruption and legitimacy; the consequences of corruption; and public accountability and ethical leadership. One-page abstracts of conference papers are to be submitted by 15 August, and final papers by 31 October 1997. For further details, contact Professor Kwame Frimpong, Faculty of Social Sciences, University of Botswana, Private Bag 0022, Gaborone, Botswana; tel: +267 355-2339; fax: +267 356-591; e-mail: frimpong@noka.ub.bw.

The **Pan-African Consultancy and Productivity Institute, Mbabane, Swaziland** is also holding two international workshops during the first half of next year: the first, on "Gender, culture and professionalism", is scheduled for 19 to 21 February 1998; and the second, on "Cultivating and sustaining productivity in African public enterprises", is due to be held from 21 to 23 May 1998. For more information, contact N Nyimpa-Benyaw, Pancop, Private Bag, Mbabane, Swaziland; tel: +268 40508; fax: +268 40548; e-mail: pancop@realnet.co.sz.

Conference/call for papers

An **International Conference on Defence Economics and Security in the Mediterranean Basin and in Sub-Saharan Africa** – organized by the *Centro de Estudos sobre Africa e do Desenvolvimento* (CEsA; Centre of Studies on Africa and Development) of the *Instituto Superior de Economia e Gestão* (ISEG; Faculty of Economics and Management) at the *Universidade Técnica de Lisboa* (Technical University of Lisbon), and by the *Instituto de Defesa Nacional* (IDN; National Defence Institute) – will be held in Lisbon, Portugal on 5 and 6 June 1998. The conference will provide opportunity for: first, presentations on diverse research sub-themes, under the general heading of the conference, both by academics and by other persons and institutions involved in these activities; and second, a debate on issues facing defence and security economics, especially those of a strategic, security, social, political and related nature.

More than ever before, economic and security issues have now transcended national boundaries, putting greater pressure on national economic and social development processes. As a consequence, defence economics has attained much more importance. The conference organizers, therefore, wish conference papers to cover a wide range of subjects in the area of defence and security economics – papers which should, preferably, fit into the general theme of the conference. Relevant sub-themes are: macro-economic analyses of the impact of military expenditures; alliances and ruptures in the countries of the Mediterranean basin; reconversion and technological innovation in sectors of the defence industry; natural resources and security; international migrations and security; demobilization and social reintegration of the military; and regional security and peace-keeping. Papers based on both empirical and theoretical research will be considered for presentation.

The deadline for paper proposals is 31 January 1998, and should include the title, an abstract (maximum 150 words) and the name and contact address (postal and e-mail), and telephone and fax numbers of the presenter. Members of a conference programme committee will assess whether a paper proposal falls within the parameters of the conference theme, and will allocate it to the relevant section. Participants will be notified of the acceptance of their conference paper as soon as this process has been completed, but no later than 28 February 1998. The final version of all conference papers should reach the conference organizers by 15 May 1998.

Paper proposals should be submitted to the relevant member of the conference programme committee:

- for *Europe:* Keith Hartley, Centre for Defence Economics, University of York, UK; e-mail: mmcl@york.ac.uk – and presentation.
- for *Southern Europe and the Mediterranean:* Carlos Barros, ISEG, Lisbon, Portugal; e-mail: cbarros@iseg.utl.pt – and presentation.
- for the *Balkans and Middle-East:* Christos Kollias, University of Athens, Greece; e-mail chkollias@kepe.ath.forthnet.gr – and presentation.
- for *sub-Saharan Africa (Anglophone):* Denis Venter, Africa Institute of South Africa, Pretoria; e-mail: africain@iafrica.com – and presentation.
- for *sub-Saharan Africa (Lusophone and Francophone):* Manuel Ennes Ferreira, CEsA/ISEG, Lisbon, Portugal; e-mail: mfereira@iseg.utl.pt – and presentation.
- for the *Americas and Asia:* Jurgen Brauer, Augusta College, Augusta, Georgia, US; e-mail: jbrauer@admin.ac.edu – and presentation.

Other members of the conference programme committee are Carlos Gaspar (Universidade Lusiada, Lisbon, Portugal), and Nuno Severiano Teixeira (IDN, Lisbon, Portugal).

For further information (conference registration fees, accommodation, etc), contact the Registration and Reservation Department, Centro de Estudos sobre Africa e do Desenvolvimento, Instituto Superior de Economia e Gestão, Universidade Técnica de Lisboa, R Miguel Lupi 20, gab 501-B, 1200 Lisboa, Portugal; tel: +351 1 392-5983; fax: +351 1 396-6407; e-mail: cesa@iseg.utl.pt.

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