AFRICA

ISSN 0256 2804
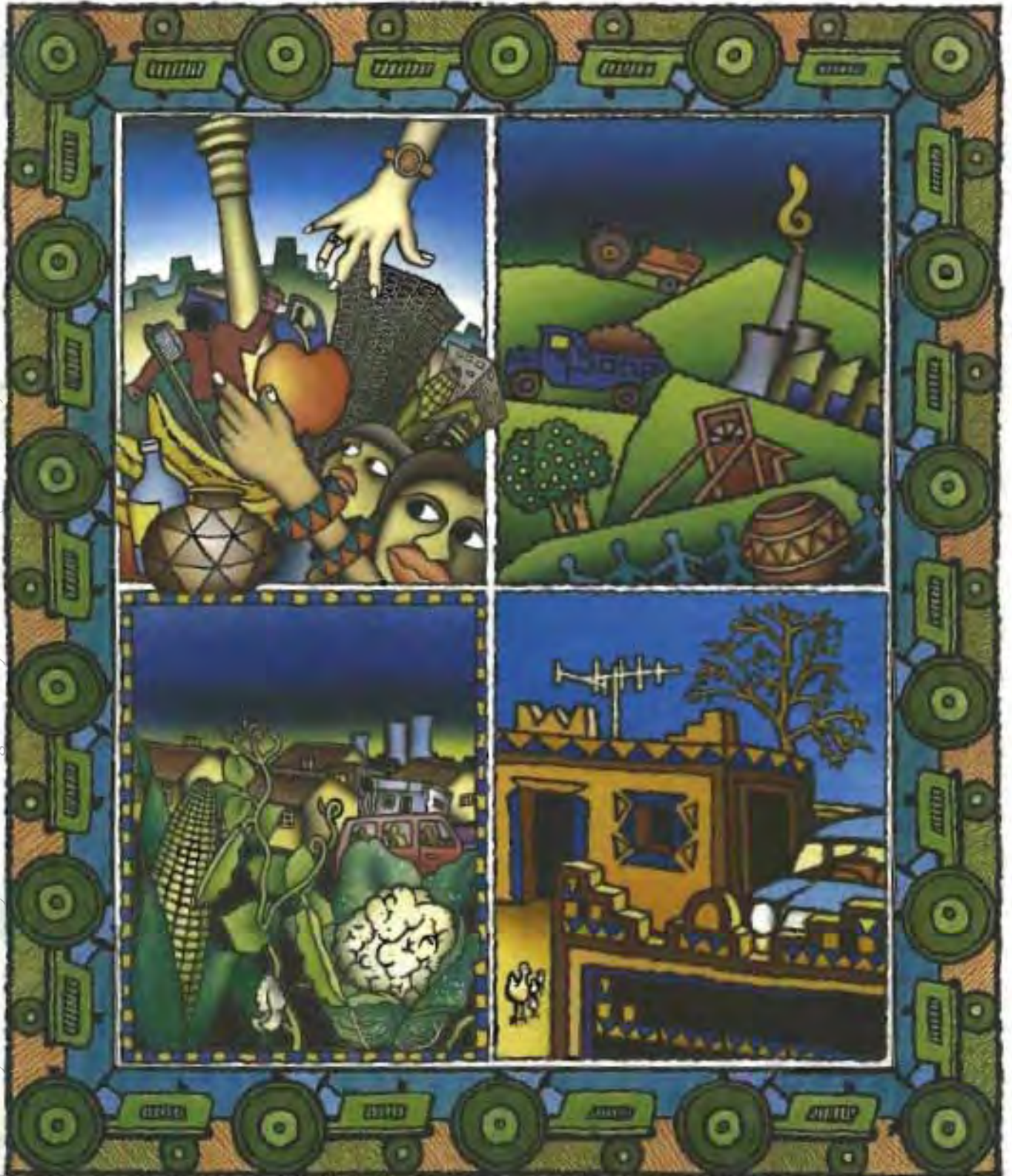
Reg. No. 81/03303/08

iNSIGHT

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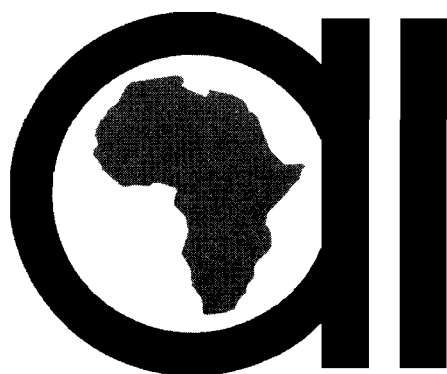
R20.00 (VAT included)

Africa Insight (incorporating the *AI Bulletin*) is published quarterly by the Africa Institute of South Africa, an independent study centre concerned with African affairs.

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Non-alignment and Africa

Professor K Mathews, University of Delhi and Visiting Overseas Research Fellow of the Africa Institute of South Africa

The Non-Aligned Movement (NAM) held its 12th Summit in Durban, South Africa, on 2-4 September 1998. In its 36 years of existence, the movement has grown from a small coalition of 25 founding members to the present body of 113 members. Africa's 53 independent states are all members.

When it was founded in 1961, NAM's aim was to oppose the divisive policies of the then superpowers. It also led the fight against colonialism and helped to bring about independence in more than 100 countries in Africa, Asia, Latin America and the Caribbean. It played an important part in the fight against apartheid and other manifestations of racism and inequality.

From the very start, it considered Africa one of its top priorities. At the first NAM summit in Belgrade in September 1961, 11 out of the 25 participating countries were from Africa. All independent African states had by then adopted various adaptations of non-alignment as the basis of their foreign policy.

It is therefore not surprising that non-alignment featured very strongly in the charter of the Organisation of African Unity, which was established in May 1963 by the then 31 independent African countries.

Africa has played a special role in NAM. As shown in table 1 below, Afri-can participation in the NAM summits has been increasing steadily.

It is also noteworthy that, following the inaugural summit in Belgrade in 1961, the next three summits (1964, 1970 and 1973) were held in Africa.

African countries soon succeeded in giving the non-alignment movement an African flavour. By September 1973, all the then independent African countries (41) had become members of the movement. The Algiers summit was almost entirely dominated by African issues and concerns such as African decolonization, the struggle against apartheid and the economic crisis in Africa. It was the African states and the OAU, which at the Algiers summit took the initiative for the establishment of a New International Economic Order (NIEO).

President Nyerere of Tanzania then observed that all that the non-aligned nations had in common was their exis-tence as weak nations, trying to main-tain their independence and use it for their own benefit in a world domi-nated politically, economically and militarily by a few big powers. He rightly noted that the real threat to freedom and non-alignment, however, came not from the military but from the economic power of the big states. He argued that political independence depends upon the degree of economic independence, as well as the nature of economic development. He wanted NAM to consider the question of how it could help strengthen non-alignment by economic cooperation.

African questions such as the crisis in Southern Africa, the struggle against apartheid, the debt crisis, the question of transfer of technology, etc., domi-nated the discussions and deliberations at the next three summits of NAM (1976, 1979 and 1983). The Colombo summit in 1976 particularly reaffirmed the role of Africa in the NAM. The identification of the African continent as a whole with non-alignment was acknowledged as a development of major significance in the history of the movement. The radicalization of the liberation struggle in Southern Africa also became a significant factor in the efforts of Cuba to consolidate the left-ward course of NAM at its sixth summit in Havana, Cuba in 1979. Speaking at the Havana summit, President Nyerere stressed that NAM was not more hos-tile towards one bloc than towards the other; it had come together to support the right of small and weak states to determine their own policies without interference from the super powers, and suggested that it should refuse totally to align itself with any one power bloc. He warned that a natural alliance between NAM and the Soviet bloc would cause the movement to cease to be an influence on the world, and fall apart. His views were widely supported.

In the context of Africa's role, the 8th summit of NAM, held in Harare, Zimbabwe in September 1986, was particularly significant. African pro-blems such as the critical economic situation on the continent, the worsen-ing crisis in Southern Africa, the ques-tion of apartheid in South Africa, once again dominated the summit. It was attended by all the 51 members of the OAU. Among others, imposition of sanctions against South Africa was accepted as the sole peaceful option to compel the Pretoria regime to relin-quish its apartheid policy. A major step taken by the Harare summit was the

Table 1 African participation at NAM summits

Summit	Venue	Year	No of African participants	Total no of participants
1	Belgrade	1961	11	25
2	Cairo	1964	25	47
3	Lusaka	1970	32	53
4	Algiers	1973	41	75
5	Colombo	1976	47	86
6	Havana	1979	51	95
7	New Delhi	1983	51	100
8	Harare	1986	51	101
9	Belgrade	1989	51	102
10	Jakarta	1992	52	110
11	Cartegena	1995	53	113
12	Durban	1998	53	114

creation of an AFRICA Fund (Action for Resisting Invasion, Colonialism and Apartheid) to enable the Frontline states to absorb the adverse effects of counter-sanctions by South Africa. Africa's special interest in NAM was highlighted during President Mugabe's chairmanship of the movement from 1986-1989.

With the 9th summit of NAM, held in Belgrade in September 1989, NAM entered into the post-Cold War phase of its history. The non-aligned countries were then facing an identity crisis. A major breakthrough made at the summit was clarifying the link between development and détente, making economic problems the focus of détente. If non-alignment was a response at first to bi-polarity it had now become a reaction to underdevelopment. The shift away from Cold War issues along the East-West axis towards rich-poor issues along the North-South axis was symbolic of the changes taking place in the world system as well as of the increase in Third World influence.

Although South Africa has aligned its foreign policy with the broad framework of the Non-Aligned Movement, it should be asked whether it has a role to play in revitalizing the movement. The South African Foreign Minister, Alfred Nzo, in a statement to the 11th Conference of Foreign Ministers of NAM, in Cairo in 1994, emphasizing the bridging role that South Africa is able to play. He stated that there is much which NAM and South Africa have in common. He said, "If we can serve as a bridge to bring the interests of the industrialized world and the non-aligned world closer together, we will know that our struggle has been truly worthwhile". In March 1995, he also pointed out that the position in which South Africa finds itself is that it has features both of the developed and developing world. It is truly at the point of intersection between both worlds: an industrialized state of the South, which can communicate with the North on equal terms to articulate the needs, the concerns and the fears of the developing world.

The official South African view seemed somewhat at odds with a statement by President Robert Mugabe of Zimbabwe during the OAU summit in Harare, in June 1997, when he called on the OAU to take the lead in forming an anti-North alliance with other countries of NAM and the ACF group (Africa, Caribbean, Pacific). Since the 1950s the ANC government-

in-exile has consistently supported NAM and proclaimed a non-aligned foreign policy. The 1992 ANC Policy Guidelines for a Democratic South Africa stated that a democratic South Africa will be non-aligned and will not affiliate to any international military bloc. Further, in a foreign policy perspective issued by the ANC in 1995, it was stated that "South Africa has had a special link with the Non-Aligned Movement (NAM). In many respects our struggle for peace, freedom and justice parallels the epic quest of the non-aligned countries which went through a similar experience and which stems from the consolidation of their own independence, freedom, sovereignty and territorial integrity. In the changing world situation the Non-aligned Movement's relevance and importance cannot be over-emphasized."

Some commentators have pointed out that South Africa's association with NAM could be detrimental to South Africa's image, as NAM members are mainly poor countries, some of whom have negative international images. In this view South Africa should do better by associating more closely with successful countries. However, being part of Africa and a member of the OAU and SADC, it is obvious that South Africa cannot dissociate itself from NAM.

The South African government is also committed to a fairer distribution of global wealth and resources and has supported the introduction of NIEO. It considers the current world system that concentrates wealth in few rich countries as unfair and would like to see an international system that ensures a more equitable distribution. The contemporary global economic system is regarded as a part of the legacy of the colonial past when colonies were designed to suit the needs of the colonial powers. South African Deputy President, Thabo Mbeki, highlighted this point in his speech at the opening Ministerial Meeting of NAM in Durban on 31 August 1998. "For the weak to challenge the strong, has never been easy. Neither will it be easy to challenge powerful vested interests on the current and entrenched orthodoxies about the modern world economy. In as much as the slave cannot ask the slave master to provide the strategy and tactics for a successful uprising of the slaves, so must we, who are hungry and treated as minors in a world of adults also

take upon ourselves the task of defining the new world order of prosperity and development for all and equality among nations of the world. We, the poor, must become our own liberators!"

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NAM Members

Afghanistan Algeria Angola Bahamas Bahrain Bangladesh Barbados Belize Benin Bhutan Bolivia Botswana Brunei Darussalam Burkina Faso Burundi Cambodia Cameroon Capa Verde Central African Republic Chad Chile Colombia Comoros Congo Cote d'Ivoire Cuba Cyprus Democratic People's Republic of Korea Djibouti Democratic Republic of Congo Ecuador Egypt Equatorial Guinea Eritrea Ethiopia Gabon Gambia Ghana Grenada Guatemala Guinea Guinea-Bissau Guyana Honduras India Indonesia Iran Islamic Republic of Iraq Jamaica Jordan Kenya Kuwait Lao People's Democratic Republic Lebanon Lesotho Liberia Libyan Arab Jamahirya Madagascar Malawi Malaysia Maldives Mali Malta Mauritania Mauritius Mongolia Morocco Mozambique Myanmar Namibia Nepal Nicaragua Niger Nigeria Oman Pakistan Palestine Panama Papua New Guinea Peru Philippines Qatar Rwanda Saint Lucia Sao Tome and Principe Saudi Arabia Senegal Seychelles Sierra Leone Singapore Somalia South Africa Sri Lanka Sudan Suriname Swaziland Syrian Arab Republic Thailand Togo Trinidad and Tobago Tunisia Turkmenistan Uganda United Arab Emirates United Republic of Tanzania Uzbekistan Vanuatu Venezuela Viet Nam Yemen *Yugoslavia Zambia Zimbabwe

*Suspended

The African crisis response initiative: a general survey

Jeremy Levitt, public international lawyer and executive director of the African Policy Institute, provides a general overview of the US's African peace-keeping initiative.[1]

Internal deadly conflict is not a new phenomenon in Africa. Since the end of the cold war, Africa has been home to an inordinate number of violent deadly conflicts, most notably in Rwanda, Burundi, Somalia, Sudan, Liberia, Angola, Mozambique, Uganda, Congo Kinshasa, Chad and Sierra Leone. From collapsed states and anarchy to genocide and "illegal" coups, Africa has been plagued by warfare.[2] These conflicts have caused untold loss of life, famine, poverty, the destruction and altering of traditional institutions and general economic stagnation.

The international community as a whole has invested vast amounts of resources in the prevention, resolution and management of African conflicts, sometimes by employing methods and strategies which spawn rather than avert conflict. Nevertheless, it is Africans themselves who have taken the leadership role in the management of African conflicts. The OAU, under the leadership of Secretary-General Salim Ahmed Salim, took a move in this direction by establishing the OAU Mechanism for Conflict Prevention, Management and Resolution on 29 June 1993.[3]

In addition, the Economic Community of West African States (Ecowas) has demonstrated its commitment to securing peace and stability in Africa by establishing the Ecowas Cease-Fire Monitoring Group (Ecomog), which played a crucial role in ending the civil war in Liberia in August 1997,[4] and securing democracy in Sierra Leone in April 1997.[5] Furthermore, the Southern African Development Community (SADC) is in the process of developing conflict management and peace-keeping capacities. Notwithstanding these positive developments, Africa remains consumed by conflicts, and has yet to develop one unified inter-continental peace-keeping capacity or strategy. As a result, owing to the absence of viable regional response mechanisms, containable humanitarian crises have matured into grand humanitarian catastrophes.

Influenced by the tragic events in Rwanda, in 1996 the United States government sought ways to assist African states to develop their capacity to forestall conflict and save lives in drastic humanitarian crises; one year later the African Crisis Response Initiative (ACRI) was born. The ACRI has one primary objective, to "assist in devel-

Boy soldiers in Sudan.

Picture: Eric Miller

oping rapidly-deployable, interoperable battalions and companies from stable democratic countries that can work together to maintain peace on the continent".[6]

The purpose of this article is to provide a general overview of the ACRI, explain its general background, goals, training structure and activities since 1997, and point out some of the important issues which are bound to arise. Moreover, it will discuss US congressional restraints on the initiative, and highlight some of the political fears and possible dilemmas which have surfaced – and may still surface – with regard to the ACRI. In addition, since the issue of deployment promises to be the most controversial aspect of the ACRI, there will be a discussion of the legality of certain deployment scenarios.

Background

The ACRI was first proposed in 1996 by US Secretary of State Warren Christopher. The impetus for its creation was the State Department's fear that there may be another eruption of violence in the Great Lakes region comparable to the horrific human catastrophe witnessed in Rwanda in 1994. Initially, the State Department sought to create a standing "African Crisis Response Force" of 10 000 troops, which could be rapidly deployed in the event of humanitarian crises. However, after numerous consultations with leaders from Africa and Europe, and officials of the United Nations and OAU, State Department officials were sternly advised not to create a standing force, but rather to establish an interoperable peace-keeping capability by offering training to African states interested in enhancing their peace-keeping capacity.

The ACRI is therefore a training initiative, not a scheme aimed at creating a standing military force. All ACRI-trained battalions remain under the operational command of their respective governments. On this point, Ambassador Marshall F McCallie has asserted that the "task of developing a unified command structure must be left to the Africans to decide for themselves".[7] According to Ambassador McCallie, by not creating a standing military force under one unified command structure, African states could choose to deploy troops unilaterally, multilaterally, under the auspices of

international organizations such as the United Nations, or regional organizations like the OAU, SADC or Ecowas.[8]

The State Department's approach appears to be non-patrimonial, as State Department officials accept that African states bear the responsibility for deciding how, when, where and under what circumstances to deploy ACRI-trained battalions. Nevertheless, the US has "informed" participant states that ACRI-trained battalions should be deployed only with the "approval and endorsement of the Security Council of the United Nations".[9]

ACRI training

The US Army European Command and Central Command oversee ACRI activities and conduct some training. The primary training is carried out by the US 3rd and 5th Special Forces Groups (Airborne), based in Fort Bragg, North Carolina, and secondarily by logistical specialists from the 18th Airborne Corps of the US Army European Command. The US Special Forces completed initial training with African battalions from Senegal, Uganda and Malawi in 1997,[10] and battalions from Mali and Ghana in 1998.[11] Moreover, they expect to commence training with two Ethiopian battalions in the near future.

ACRI training lasts approximately three years. The initial training lasts for approximately 70 days and is conducted by approximately 70 trainers. Before training commences, each soldier must undergo an optometric examination; those who need prescription eye goggles are provided with them. Guided by international peace-keeping doctrine, the 70 trainers instruct African troops in the following areas: human rights training, refugee management, cooperative programming with humanitarian organizations, rifle marksmanship training, company manoeuvres training, platoon training in administration and logistical supply operations, staff and leader training in co-ordination and tactical decision making, convoy security, and the maintenance of roadblocks and checkpoints. Most important, however, African troops receive expanded training in the area of humanitarian protection of refugees.

The approximate cost for each training exercise is $3,1 million, one-third of which is used to equip African battalions with "non-lethal" military

equipment, as most African militaries possess the necessary lethal equipment to fulfil humanitarian mandates.[12] The US supplies each battalion with interoperable Motorola hand-held radios, broadcast repeater systems, satellite communications systems, night vision goggles, mine detectors, water purification systems, uniforms, canteens and heavy-duty backpacks.

When the initial training is completed, 20–30 US Special Forces trainers will return to the host nation once every six months for short-term "sustainment training and command post exercises, emphasizing logistics, battalion and brigade leadership, train the trainer skills, and the development of civil/military operations in humanitarian emergencies".[13] In order to ensure that African units will develop self-sustainable training capabilities, "each unit will receive six sustainment training modules over a three-year period".[14] Further, the State Department "intends to facilitate command post exercises and subregional field training exercises in cooperation with African and international partners".[15]

Initially, it was not clear whether ACRI trainers would train and equip African battalions and companies for Chapter VI "traditional" peace-keeping operations or Chapter VII peace enforcement operations. This was a particularly sensitive issue owing to the intense and violent nature of the recent conflicts in Rwanda, Somalia, Liberia, Angola and Sierra Leone, all five of which resulted in Chapter VII enforcement action by the United Nations Security Council (UNSC). Nonetheless, the State Department relied heavily on advice from United Nations military experts who recommended that the ACRI concentrate initially on Chapter VI peace-keeping and emphasize training, not equipment.[16] Furthermore, after consulting with numerous African leaders and military experts, the State Department instructed ACRI trainers to develop a "training curriculum which would be useful to African units for service in every part of the world".[17] The curriculum encompasses peace-keeping doctrine and procedures from the United Nations, Nato, the United States, the United Kingdom, France and some Nordic countries. The training curriculum was designed to be flexible so that it could benefit from and incorporate doctrine from African states which have considerable experience in peace-keeping.[18]

Command and control structures

Undoubtedly, one of the most important operational issues ACRI-participating states will encounter relates to the development of command and control structures. Ambassador McCallie clearly reiterated the State Department's position with regard to US involvement in the fashioning of ACRI command and control structures in the following statement:

> Let me repeat: the ACRI is a training initiative. It is not an attempt to impose a command structure upon our African partners. While we are able to provide bilateral training – including command and staff training – and while we can work with African partners to support sub-regional and regional training exercises   it is for Africans themselves to determine what the appropriate command and control structures will be. They will decide when and how to deploy their peace-keeping troops. And they will decide whether to work through continental or sub-regional organizations to establish standby command structures.[19]

The US position seems to have been influenced by suspicious African and European partners who perceived initial proposals for intimate American involvement in the creation of a command and control apparatus as a form of "military imperialism". For example, Nigerian Foreign Minister Tom Ikimi stated that the ACRI was designed to "divide Africa and weaken its efforts to take care of its own security".[20] Only time will reveal whether Minister Ikimi's assertions are correct. Nevertheless, amidst hostility of this type, if the US had not been willing to take into account the concerns of its partners, make concessions, and find middle ground without jeopardizing the object and purpose of the ACRI, the initiative would not have survived.

ACRI-participating states will ultimately need to determine what type of command and control structure will be most suitable given their individual national and regional security interests. With this in mind, ACRI-trained battalions could be deployed under the auspices of the United Nations, or unilaterally through regional actors such as the OAU or Ecowas.[21] The general view among ACRI-participatory states seems to be that they will not deploy ACRI-trained battalions without the approval of the OAU.[22]

This position complements the one taken at the OAU's 62nd Ordinary Session of Council of Ministers held in Addis Ababa in June 1995, namely, "to

endeavour to develop and enhance its capacity in the field of peace-keeping".[23] Since 1995, the OAU has sought to advance a scheme capable of encompassing the continent's various peace-keeping mechanisms under one umbrella. It is to be hoped that, with well trained and equipped African battalions at its disposal, the OAU will move faster in this direction.

US congressional restraints

The "qualifying criteria" on which participation in the ACRI is based appear to be its most inhibiting feature. Meaning, that many African states will be disqualified from participating in the ACRI because of the form of government they maintain. With regard to the appropriation of funds for ACRI and other foreign operations for fiscal year 1998, the United States Congress decided that:

> None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed *gross violations of human rights*, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice.[24]

Moreover, specifically referring to the ACRI, the United States Congress stated that "it is important that countries selected to receive additional training and equipment have military establishments that accept the *supremacy of democratic civilian government*".[25] Hence the United States Congress has established a two-part test, namely, that participating African states have democratic civilian governments that do not have a history of committing gross violations of human rights.[26]

The above criteria would appear to be unacceptable to many African leaders who do not believe that it is necessary to conform to Western notions of state governance. The criteria would appear to be vague and by definition exclusionary to many African regimes who are struggling with the legacies of a colonial past, and unacceptable to others who rely on the bullet rather than the ballot to remain in power.

Moreover, many African leaders do not believe that the only way to attain democracy is through Western concepts of electoral politics, and that all military regimes are necessarily unde-

mocratic. For example, if the majority of a country's populace are content living under the rule of a certain military regime, that regime would appear to be democratic. Ghana's military regime, established by Flight Lieutenant Jerry Rawlings following the coup of 1979, is a case in point. Another, although short-lived, is Liberia's military regime, created in the wake of the coup of 1980 by the late Master Sergeant Samuel K Doe. In addition, some OAU officials have stated that the pre-participatory criteria have a discriminatory impact, as they punish states that for internal and external security reasons maintain military regimes to ensure stability. Hence, many African leaders disapprove of the criteria being used to select ACRI-participant states, and would prefer to have the OAU, the continent's foremost political entity, play a greater role in the ACRI selection process.[27]

However, given the political heterogeneity of the states that have already been selected to partake in ACRI training, it is evident that the US Congress has given the State Department a great deal of latitude. Perhaps it is this latitude that has caused some African leaders to be sceptical and apprehensive about the ACRI. Whatever the case may be, the State Department realizes that it must first satisfy the will of Congress before attempting to accommodate the varied concerns of the African continent. In this sense, in order to keep the ACRI afloat, the State Department must ensure that all of Congress's political mandates are followed and concerns addressed – even if that means by definition "discriminating" against states that do not recognize the supremacy of democratic civilian government.

Political fears and possible dilemmas

According to Dr Simon Harkin, Head of Pan-African Policy and Resource Staff, British Foreign and Commonwealth Office, African suspicions regarding the ACRI appear to be more of a reaction to the United States' "new policy" towards Africa than to the initiative itself.[28] From President Bill Clinton's historical visit to the continent in 1998 to the African Crisis Response Initiative, proposed African Growth and Opportunity Act[29] and Radio Democracy Act,[30] the US has and is shifting its unofficial hands-off policy

Refugee camp.

Picture: Eric Miller

towards Africa to one which is seemingly more aggressive and progressive.

Many African leaders have been taken back by the US's apparent shift in policy. South African President Nelson Mandela has voiced his discomfort with the ACRI, and "expressed concern that the United States is getting too involved with Africa".[31] Perhaps African leaders are not as concerned with US involvement in Africa as they are with the potential misuse of US-trained African battalions. Whatever the case, foreign military ventures in Africa are not a new phenomenon. Both the British and the French, who have considerably more experience in training African militaries than the US, have been doing so for decades. Hence, it may take several years before African leaders are comfortable with the US's new engagement in Africa.

Whenever foreign military assistance, aid or training is provided to a state, there is always the possibility that the receiver state will misuse the benefit it has derived. Owing to the fragility of many African states, and

given the centripetal role that their militaries have played in starting, exacerbating and sustaining civil wars, leading coups and violently repressing civilian populations, history has shown that foreign-trained military units are no exception to these phenomena. For example, owing to the breakdown in order following the Liberian Rice Riots of 1979, the US Special Forces Green Berets provided specialized security training to units assigned to protect Liberian President William Tolbert and other vital assets.[32] In 1980, the same units that had received US Green Beret training one year before led a coup which resulted in the murder of President Tolbert and 26 other personnel.[33] Likewise, in the late 1980s, the French government trained special units of the Central African Armed Forces "to support the fragile regime of General Andre Kolingba, which lasted twelve years".[34] In 1996, the same special-trained units who had received French training eight years earlier carried out several mutinies and attempted to overthrow the government of President Patasse in 1997.[35] Since the end

of the cold war, civil wars and coups have become common in Africa, inviting the question of whether there exists a nexus between foreign military involvement with African militaries and internal deadly conflict.

In 1997, while contemplating whether to approve a $20 million budget for the ACRI, several United States Congresspersons expressed fears that "US training and equipment might be used for offensive purposes" and therefore were reluctant to endorse the venture.[36] Ironically, as ACRI trainers were training Ugandan troops, other segments of the Ugandan armed forces were clashing with rebels in the nation's northern regions.[37] According to at least one source, the Ugandan newspaper New Vision reported that: "the third Battalion of the Uganda People's Defence Forces (the battalion trained by American Special Forces soldiers) was re-deployed to Fort Portal a week after it completed its training as part of a major campaign against insurgent forces of the Allied Democratic Forces in Kabarole District of western Uganda".[38] Likewise, in an

attempt to suppress the violent coup which, on 7 June 1998, led to the toppling of Joao Bernardo "Nino" Vieira's regime by Brigadier General Ansuman Mane. Senegal sent approximately 1 300 back-up troops into Guinea-Bissau.[39] Although there have been no reports that ACRI-trained Senegalese troops participated in the Guinea-Bissau operation, the intervention lends credence to congressional fears that ACRI-trained units will be used for offensive ends.

There is no faultless control mechanism that can be employed to prevent ACRI-participatory states from deploying ACRI-trained battalions in an offence capacity. Unless the nature of the operation can be shown to be illegal, ACRI-participating states would not be acting unlawfully by using such battalions for offensive purposes. Nothing in international law would prohibit Uganda from using ACRI-trained Ugandan troops to quash "small-scale" internal rebellions, even if such action would not enjoy political support from foreign observers. In this sense, there is no formal control mechanism which may be employed to regulate how foreign military aid is used, especially intangible training. Recipient states are equal to donor states under both the UN Charter and international law, and therefore are not obliged to follow "decrees" from their sponsors. However, with respect to the ACRI, if the US Congress is provided with credible evidence that shows that ACRI-trained battalions are being used in an offensive capacity, it would likely scrap the programme.

The ACRI and possible deployment scenarios

The most important issue that ACRI-participatory states will contend with is deciding under what authority ACRI battalions will be deployed. ACRI battalions could be deployed under two scenarios:

■ under the auspices of the United Nations; and
■ unilaterally by a state, groups of states or regional actor.

The legal basis for an intervention undertaken under the authority of the UN is different from one taken unilaterally. On this point Professor Christopher Greenwood comments:

Intervention might be the unilateral action of a state or group of allies or an operation conducted under the authority of the United Nations. But the legal issues would be different. United Nations intervention would have to be based on powers conferred by the UN Charter, whereas any right of unilateral intervention could only be derived from customary international law.[40]

The following discussion will examine the various deployment scenarios for ACRI-participating states under both the UN Charter and customary international law (unilaterally).

Deployment under the auspices of the UN

Typically, there have been three major modes of deployment under the auspices of the UN:

■ traditional or Chapter VI peace-keeping, which has developed through UN practice, but has no legal basis under the UN Charter;
■ peace-enforcement action (robust peace-keeping with overt military elements) under Chapter VII of the UN Charter; and
■ regional enforcement action under Chapter VIII of the UN Charter.

Moreover, within this framework there are two methods of intervention available to the UN:

■ an intervention authorized by the UN but not taken by it (US in Somalia and Haiti, and France and Senegal in Rwanda); and
■ an intervention taken by the UN (Liberia, Yugoslavia and CAR).[41]

Since the end of the cold war, the type of arrangement referred to under the heading of traditional or Chapter VI peace-keeping has developed through UN practice and is commonly referred to as "Chapter 6½ peace-keeping" (robust traditional peace-keeping, aka peace enforcement or second-generation peace-keeping). However, this mode of peace-keeping derives its legal basis from customary international law rather than the UN Charter. Under this scenario, states volunteer troops for UN-sponsored peace-keeping operations.

Whether states act unilaterally or through the UN, there are four criteria which should be satisfied before a traditional peace-keeping operation is undertaken:

■ there must be a cease-fire or cessation of violent conflict;

■ all parties to the conflict should consent to the intervention, but at minimum the *de jure* government;
■ the peace-keeping mission must have an attainable mandate; and
■ the operation should not necessitate the use of force.[12]

It has been the practice of the Security Council to determine when, how and where to deploy peace-keeping forces under this scheme.

With reference to Chapter VII peace-enforcement action, the Security Council may decide to "use armed force" (take enforcement action) to "maintain or restore international peace and security",[13] in which case, member states are legally obligated to "undertake to make available to the Security Council, on its call and in accordance with special agreement or agreements, armed forces, assistance and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security".[44]

In practice, however, the five permanent members of the Security Council have provided the majority of human and tangible resources for UN "peace-enforcement" missions. For example, on 22 June 1994, the Security Council adopted resolution 929, which "authorized" France and Senegal to take "enforcement action" by introducing a peace-enforcement force in Rwanda to "assure the security and protection of internally displaced persons and civilians at risk in Rwanda".[45]

Similarly, the Security Council adopted resolution 794, which authorized a US-led military force to "use all necessary means to establish as soon as possible a secure environment for relief operations in Somalia".[46] Hence, ACRI-participating states could volunteer battalions for peace-enforcement operations similar to these or opt to participate in more permissive traditional peace-keeping missions of the type described above.

With regard to Chapter VIII regional enforcement action, when the Security Council deems a situation a threat to international peace and security under Chapter VII of the Charter, it may "authorize" regional actors to take enforcement action on its behalf.[47] Chapter VIII of the UN Charter states that "... no regional enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council ...".[48]

Since 1990, on at least two occasions, the Security Council has authorized regional actors to take enforcement action under Chapter VIII of the UN Charter. First, on 19 November 1992, the Security Council adopted resolution 788, which implemented a complete arms embargo against Liberia and deemed Ecowas enforcer of the resolution.[49] Second, on 8 October 1997, the Security Council adopted resolution 1132, which implemented an arms and petroleum embargo and travel restrictions against the junta in Sierra Leone, and authorized Ecowas to ensure its strict implementation.[50] In addition, on 6 August 1997, the Council adopted resolution 1125, which authorized the Inter-African Mission to monitor the implementation of the Bangui Agreement (Misab) to "ensure the security and freedom of movement of their personnel" in CAR.[51] In both the Ecowas interventions and the Misab intervention states took unilateral action before the Security Council adopted any of the above resolutions. Hence, Security Council action seems to have placed retroactive *de jure* seals on the Ecowas and Misab interventions.

Three of the five states (Senegal, Ghana, Mali) that have received ACRI training also contributed troops to the Ecowas missions in Liberia and Sierra Leone. And two of the states (Senegal and Mali) provided troops for the Misab mission. Hence, working under a UN mandate, it is plausible that ACRI-trained battalions could be deployed through Ecowas, or in an ad hoc fashion similar to the Misab operation. Nonetheless, like the Ecowas missions in Liberia and Sierra Leone, it would not surprise the author to see ACRI-trained battalions working under a Chapter VIII mandate in the near future. According to some State Department officials, this would be the ideal and preferable deployment scenario for ACRI-trained battalions.

Unilateral deployment

Today, African leaders are keen to take the leadership role in the areas of peace-making, peace-keeping and peace-building in Africa. This is best evidenced by their neo-liberal position with regard to unilateral humanitarian intervention by groups of states and regional actors in internal conflicts. For example, one day after the 25 May 1997 coup in Sierra Leone, during the OAU Council of Ministers sixty-sixth

Ordinary Session in Harare, Zimbabwe, the Council decided that it "[s]trongly and unequivocally condemns the coup d'etat ... and calls for the immediate restoration of constitution order [and] appeals to the leaders of ECOWAS to assist the people of Sierra Leone to restore constitutional order in the country . .".[52] The mandate was issued without prior consultation with the Security Council, and demonstrates that in certain instances, the OAU is willing to mandate and condone the puncturing of state sovereignty for humanitarian ends.[53]

As previously stated, any right to unilateral intervention would have to derive its legal basis from customary international law. Presently, customary international law recognizes four exceptions to the international law principle of non-intervention in the internal affairs of states:
- when a *de jure* government requests or consents to intervention;
- when a group of states or regional actor invoke a right to humanitarian intervention;[54]
- when a state acts in self-defence; and

Ecomog soldier on duty in Liberia.

Picture: Eric Miller

- counterintervention by a state to offset an illegal prior intervention by another state.[55]

ACRI-participating states could legally deploy ACRI-trained troops in any of the above circumstances; however, for purposes of this discussion the first two are most relevant.

Nothing in the UN Charter or international law prohibits states from deploying peace-keeping forces in the traditional mode. Nevertheless, under this mode, before a state, group of states or regional actor may deploy forces in the territory of another state, they must first obtain consent from all of the parties to the conflict – the foremost being that of the *de jure* government of the target state.[56] Although short-lived, the OAU mission in Chad in 1981 is a sound example.[57] Moreover, the Nigerian intervention in Sierra Leone in late May 1997,[58] the Ecowas mission in Sierra Leone in August 1997, and the Misab mission in CAR are cases in point.[59] In all four cases, the *de jure* government of the target state consented to intervention.[60]

ACRI-participatory states would be able to deploy battalions in the traditional mode under any of the following scenarios:

- independently as Nigeria did in Sierra Leone;
- in an ad hoc fashion similar to Misab in CAR; or
- collectively under the auspices of a regional actor such as the OAU in Chad or Ecowas in Liberia and Sierra Leone.

However, under the traditional mode both the UN Charter and international law forbid states to apply force except in self-defence.

Although the exact status of the customary international law doctrine of humanitarian intervention is still being debated,[61] given the successes of the Ecowas missions in Liberia and Sierra Leone and the Misab mission in CAR (including the international community's favourable responses to them), and considering the UN's humanitarian activities since 1990, there can be no doubt that the doctrine has been "revived".[62] Humanitarian intervention can be taken to mean: intervention in a state involving the use of force (UN action in Iraq and Somalia, and Ecowas action in Liberia and Sierra Leone) or threat of force (UN action in Haiti), where the intervenor deploys armed forces and, at the least, makes clear

that it is willing to use force if its operation is resisted as it attempts to alleviate conditions where a substantial part of the population of a state is threatened with death or suffering on a grand scale.[63]

Customary international law does not appear to provide for unilateral humanitarian intervention by a single state (a state acting on its own initiative). This is primarily due to the fact that under the doctrine, intervention implies the use of force, and states have not excepted by way of practice the unilateral use of force by a single state in the territory of another state. However, customary international law does seem to permit unilateral humanitarian intervention by groups of states or regional actors in internal conflicts.[64] Again, the Ecowas peace-enforcement missions in Liberia and Sierra Leone are the only two examples of unilateral humanitarian intervention by a regional actor which enjoyed the support of the whole of the international community. Likewise, the Misab mission in the CAR represents the first time that unilateral humanitarian intervention by a group of states was supported by the whole of the international community. With this in mind, it is conceivable that ACRI-participatory states could invoke a right to humanitarian intervention and deploy ACRI-trained battalions under the fiat of the OAU, SADC or Ecowas, or on an ad hoc basis.

Although the State Department would prefer that ACRI-trained battalions be deployed under the authority of the UN, on numerous occasions State Department officials have made reference to the "successes" of the Ecowas interventions when discussing future deployment scenarios for ACRI-trained troops.[65] Moreover, given the fact that African leaders appear more willing to contribute tangible and intangible resources toward the management of African conflicts, and considering that three of the five states which have received ACRI training have participated in unilateral interventions in the past, it is reasonable to infer that ACRI-trained battalions will partake in unilateral interventions in the future.

Conclusion

The ACRI has met with considerable opposition and scepticism by some African leaders who appear to be wary

of the US's new engagement in Africa. Generally speaking, the two primary concerns that African leaders have expressed relate to:

- the criteria being used to select participants; and
- "ownership" of ACRI command and control structures.

On these issues, the official State Department position has remained fairly constant. For example, in 1996, US Secretary of State Warren Christopher addressed these concerns during a speech at the OAU in Addis Ababa, Ethiopia. With regard to criteria, he stated that states who have experience in participating in UN peace-keeping operations, and who have a history of democracy where the military accepts the supremacy of democratic civilian government would be eligible to participate in the ACRI.[66] Moreover, with regard to ownership, he asserted that ACRI-trained battalions should only be deployed under the auspices of the UN, but that each participant state would decide when to contribute forces to a particular operation. Meaning, that ownership of any command and control apparatus "would be predominantly in the hands of those African countries that had committed the troops to the endeavour".[67]

For the most part, the State Department has stood by this policy. For this reason the initiative has progressed slowly, as many African leaders appear to be cynical about the venture. During the writing of this article only five of the 53 states in Africa have received training. Nonetheless, State Department officials estimate that, three additional African states will undergo ACRI training in 1999.

Conspiracy theories aside, the US initiative appears to be non-patrimonial and transparent, as African states will ultimately determine when, how, and where to deploy ACRI-trained battalions. As stated earlier, although the US would prefer that participant states deploy ACRI-trained battalions under the auspices of the UN, both the UN Charter and international law allow for alternative modes of deployment[68] (meaning that African states may choose to deploy their battalions unilaterally, as they are not legally obliged to comply with US requests).

Notwithstanding, there are several substantive questions that have not been adequately addressed regarding the ACRI. They are grouped together as follows:

- Do ACRI-participating states plan to create one unified command structure, or will they work through pre-existing structures such as the OAU, Ecowas or SADC?
- How, when, where and under what circumstances will ACRI-trained battalions be deployed? Will they be deployed under the auspices of the UN, through a regional actor or on an ad hoc basis?
- Will they be used in Chapter VI peace-keeping missions or Chapter VII peace-enforcement operations?
- How does the US intend to "regulate" the way in which participatory states utilize their battalions? And, how can the US ensure that ACRI-trained battalions will be deployed under the auspices of the UN?

The answers to these questions will ultimately determine the extent to which the initiative gains the confidence of other African states and the greater international community.

Be that as it may, the ACRI appears to be a timely and relatively successful venture, as State Department officials have done a clever job of marketing the ACRI as a training enterprise designed to buttress and complement the peace-keeping capacities of its African partners.

Notes and references

1 Most of the data collected for this survey derive from open-ended interviews with State Department officials. The interviews took place between March 1997 and July 1998.
I would like to thank the officials of the US State Department Bureau for African Affairs (ACRI) for providing me with the information necessary to produce this article. I would also like to thank James Mayall for making helpful comments on an earlier draft. The final draft was presented at the African Studies Association of the UK biennial conference at the University of London School of Oriental and African Studies in August 1998. I would like to thank participants at the conference for their comments and insights.

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Angola: back from the brink?

Dr Denis Venter, Executive Director and Head of Academic Programmes
at the Africa Institute of South Africa, examines the latest developments in Angola.

More than two decades after independence Angola remains a festering sore in Africa's side, plagued by civil war that has made vast areas of the country ungovernable, and commercial/political rivalries that have threatened the stability of the entire Southern African region. Angola is a vast country, rich in oil and diamonds; if the hinterland could be opened to agricultural development, and other minerals exploited, the whole of the sub-continent could benefit from such a "peace dividend". The country is a treasure house of minerals, including iron ore, gold, phosphates, manganese, copper, lead, zinc, tin, wolfram, vanadium, titanium, chromium, beryl, kaolin, quartz, gypsum, marble and black granite. Other positive pointers for the future are that the country has some of the richest fishing waters in Africa, notably off the southern part of its coast. Moreover, the rivers of Angola have substantial hydro-electric power potential, 85% of production coming from this source.

The economy: stagnation amid natural riches

Economically, Angola suffers from a widening budget deficit and a growing debt burden. Inflation ran at 92% during 1997, while the Angolan currency, the kwanza, lost 48% of its value. Infrastructure has suffered heavily during nearly four decades of war. The once important Benguela railway connecting the port of Lobito with the Congolese and Zambian copper mines is no longer operative, except for a very short coastal section. Ideal climatic conditions, rich soil and more than ample water resources give the country an agricultural potential equalled by few African countries south of the Sahara. But because of protracted war, production of all crops has shrunk to a fraction of former figures, and now the country has to import large quantities of foodstuffs. According to the United Nations Development Programme (UNDP),

fewer than 25% of Angolans have access to medical treatment, with average life expectancy at a low 47 years. More life-threatening is the fact that Angola has 6–10 million landmines buried in its soil, making it one of the most affected countries in the world; already there are more than 80 000 amputees, while only some 15 000 mines have been neutralized since the civil war officially ended in 1995.

Diamonds are forever...

With massive diamond reserves being discovered in Angola's remote hinterland, the country could well become the world's second largest producer of this gemstone. Currently, Angola is the fourth largest producer, with some US$600 million of rough diamonds per year, but the government controls only 20% of the trade. Luanda's plans to mine about two million carats a year could bring in revenues of some US$1 billion. But this will only be realized if the government manages to control the chaotic industry: the sector is rife with illicit mining, which is costing the state up to US$100 million in lost income – losses recorded mainly in the rebel-held provinces of Lunda Sul and Lunda Norte.

Most diamond-producing mines are clustered around two towns: Saurimo and Lucapa. The Diamondworks and Southern Era Resources sites lie between them; the Sociedade Minieira de Lucapa (SML) is based near Lucapa; and the major Sacoto kimberlite lies close to Saurimo. Diamond giant De Beers has carried out some two-thirds of the geophysical surveying of a 20 000 km^2 area in the north-east of Angola. The company is searching for new kimberlite pipes in parts of Lunda Norte and Lunda Sul provinces, as well as alluvials and kimberlites in Quela in the Malanje province and Mavinga in the Cuando Cubango province. There are reportedly about 600 known kimberlite sites in the prospecting area; many of these are diamondiferous, but

none yet profitable except for a site at Catolo.

Oil still the turn-key...

For now, the economy is heavily dependent on oil, which brings in about US$4,5 billion every year – constituting four-fifths of total government revenue and 42% of gross domestic product (GDP). Already the largest oil producer in the Southern African region – some 730 000 barrels per day (bpd) – the projection is for Angola to be producing 1 million bpd by the year 2000, and analysts say this figure could be tripled within 20 years. Oil production, mainly offshore from Cabinda, has flourished while the rest of the economy has stagnated or declined. Exports of crude oil – valued at US$2,8 billion in 1994 – account for about 90% of total exports and are the country's economic mainstay. Recoverable reserves are estimated at 3,3 billion barrels. Whatever happens on the Angolan political scene, little is likely to harm the oil sector, which has remained largely isolated from the ravages of more than two decades of civil war, and whose growth is essential to whoever controls the political machine.

Political endgame or stalemate?

Angola's recent political history is a saga of betrayal and double-dealing worthy of Machiavellian Florence. A complex peace process led to the ill-fated general elections of September 1992, but was almost immediately followed by the collapse of the peace agreement and a resumption of hostilities by the National Union for the Total Independence of Angola (Unita). After another protracted round of negotiations, the ruling Popular Movement for the Liberation of Angola (MPLA) and Unita signed peace protocols in Lusaka in November 1994 that provided for a political and military settlement to the devastating civil war that has plagued

Angola since independence from Portugal in 1975. United Nations (UN) Security Council Resolution 976 approved a mission (Unavem III) of up to 7 000 troops, 350 military and 260 police observers, for an initial six-month period to help the MPLA government of Angola and Unita to restore peace and achieve national reconciliation on the basis of the Bicesse Accord of May 1991, the Lusaka Protocols of November 1994, and relevant UN Security Council resolutions.

To be, or not to be? Compliance with the Lusaka protocols

By March 1998, Jonas Savimbi had complied with the bulk of the Lusaka protocols: Unita politicians were in Luanda giving a good account of themselves in the National Assembly, as were Unita ministers in a coalition government with the MPLA; most of Unita's senior generals had gone to Luanda to help coordinate the integration of their forces into the Forças Armadas Angolanas (FAA), and significantly, Unita had withdrawn its forces from the diamond-rich areas of the Cuango valley. Much doubt remained, though, about the status of some 30 000 former Unita soldiers who had gone in at one end of the "demobilization process" and, somehow, left by a side-door.

Implementation of the peace protocols has proved lengthy and conflictual, with Unita coming in for particular criticism for apparent stalling. Doubts have always remained about Unita's commitment to the peace process: Savimbi continued to make the minimum concessions necessary to avert a UN withdrawal or sanctions, while procrastinating (as far as he dared) with the integration of Unita's military and political wings into the MPLA-dominated system in Luanda. He managed to delay the process, either by demanding the reallocation of posts in the Government of Unity and National Reconciliation (GURN), or by insisting upon a say in policy-making, or by requiring clarification of the special status he should enjoy as leader of the main opposition party, or by citing "logistical problems" and provocation by government forces. Unita constantly complained that while it had handed over some 270 localities to central government authority, police continued to discriminate against its cadres: initiating witch-hunts, hunting

down activists, carrying out massacres, and destroying party offices.

In reality, Savimbi never liked the Lusaka protocols: for him, they were too much the diktat of a victorious MPLA. Since sending Unita's then secretary-general, Eugenio Ngolo Manuvakola, to sign the Lusaka accord in November 1994, Savimbi has tried to squeeze every possible concession from the government. However, with mounting international pressure on his movement, including economic sanctions, he has run out of ground. His response has been to withdraw all senior Unita negotiators from Luanda, making dialogue with the government almost impossible. The result is that

there has been a total collapse in negotiations: Unita has continued to resist normalizing (surrendering to central government control) the status of Bailundo, Mungo, Andulo and Nharea and dissolving its military wing – absolute prerequisites to resolving the current crisis. Hostilities have recently also escalated sharply, especially in the northern, northeastern and central regions of the country – so much so that 17 of the 57 observation posts of the UN Observer Mission in Angola (Monua) had to be moved to more stable areas. Tens of thousands more people have been driven from their homes amid the escalating violence, with the result that there are now an

President Jose Eduardo dos Santos.

Picture: Eric Miller

estimated 1 million internally displaced people in Angola.

In the face of these tensions, the peace accord brokered so painstakingly in Lusaka four years ago is as good as scuppered, and the relative peace that southwestern Africa has enjoyed for the past few years may be about to end. The accord between the MPLA government and Unita has always been shaky: the two sides ostensibly share power in a unity/coalition government, but they also share a deep and abiding distrust of each other rooted in their long history of conflictual relationships. Clearly, the crisis now enfolding Angola results from a fundamental lack of trust between Unita and the MPLA. In their own ways, both sides have done their best to undermine the Lusaka protocols. The realization is growing that perhaps neither side was ever greatly interested in the declared goal of the peace process – a stable democracy with a vocal parliament and a strong Unita political party in opposition

holding the MPLA accountable for its policies

With a negotiated settlement slipping out of sight, both sides are again preparing for a military solution. Both are rearming, bolstering their forces with unhappy conscripts. Yet, as things now stand, neither is in a position to win a clear victory; the two are remarkably evenly matched. Indeed, the two protagonists seem to be building up major military concentrations: the government has deployed another eight battalions to troubled regions and Unita is reported to be massing forces near the Zambian border. From March 1998, when the present crisis began, Unita has recaptured more than 100 localities – mostly in the north and northeast – which it had previously handed over to central government authority in line with the Lusaka protocols. As a result, the areas escaping government control have increased greatly and now encompass over 350 towns and villages, including the strongholds of Bailundo and Andulo in

central Angola. Although ostensibly totally demobilized, Unita is alleged to retain a force of 30 000 armed men, about half of whom are elite combat troops; while Monua has reported substantial but undisclosed numbers of un-demobilized soldiers in at least five of Angola's 18 provinces. Playing for time, Unita may possibly contemplate moving men and supplies southwards from Andulo and Bailundo to re-establish its headquarters at Jamba in the southeast.

International pressure: yet, an elusive peace...

The international community, also, has lost patience with Unita for failing to abide by the Lusaka Accord, under which it should have demobilized all its troops and handed over all towns under its control to central government authority. During the first week of August 1998, UN Secretary-General Kofi Annan sent Lakhdar Brahimi, a former Algerian foreign minister, as his

Field hospital in Angola.

Picture: Eric Miller

special envoy to Angola to assess whether the peace process can be resurrected, or if the UN should end its mandate and abandon the country to civil war. This mission came amid indications (since denied) that the Angolan government was soon to launch a three-month dry-season offensive against Unita with backing from Namibia and Congo Kinshasa. Within days, Brahimi had seemingly persuaded the MPLA government and Unita to return to talks coordinated by a Joint Commission overseeing the implementation of the 1994 peace agreement. His report to Annan was "very encouraging" and raised the possibility of a compromise between the two sides, with Unita seemingly prepared "to firmly re-launch the peace process" by way of, inter alia, its return to the Joint Commission.

Although the lengthy peace process in Angola took a blow in June 1998 with the death of the UN Envoy to Angola, Alioune Blondin Beye of Mali, in a plane crash in Côte d'Ivoire, Brahimi's "optimism" about achieving peace in Angola persuaded Annan to ask for another extension of the tour of duty of the UN force in Angola – comprising Indian, Romanian, Zambian and Namibian troops. In addition, the appointment of Guinean diplomat Issa Diallo as the next UN Special Representative to Angola provided a boost to peace talks – rekindled by Brahimi's ability to initiate an "all-important dialogue" between the two sides – and served as manifestation of the UN's commitment to the peace process until the Lusaka protocols have been completed or abrogated. The presence of an energetic new negotiator might reduce tensions that are swiftly reaching boiling point – should he succeed in putting pressure on Savimbi to send his negotiators back to Luanda, and should he be able to persuade Angolan President José Eduardo dos Santos to pull the plug on the rabid anti-Unita propaganda which the state-controlled media have been churning out ever since Beye's death. This propaganda campaign had become so virulent that both the UN and the United States had to denounce the government's use of "false information" and "provocative rhetoric".

But, at best, Brahimi's visit was a last-ditch attempt to rescue the Lusaka protocols and to assess whether the UN should maintain its presence in Angola. Essentially, his mission was largely symbolic, a gesture to show

that the world still cared. Despite his optimism, however, Brahimi was critical of the fact that the Lusaka peace agreement had still not been implemented after four years, even though the process should have been completed within 15 months. Similarly, Annan was "disturbed by the failure of Unita to demobilize fully its forces and to facilitate the extension of state administration throughout the country"; and members of the UN Security Council "no longer find acceptable further setbacks or procrastination in the peace process under any pretext ... [and] demand that Unita stops its delaying tactics and fulfil its commitments under the Lusaka protocols".

The UN had already on 1 July 1998 imposed further sanctions on Unita aimed at freezing the movement's funds worldwide, banning imports of diamonds from Angola not officially certified by the government, and prohibiting the sale of mining equipment, motorized vehicles and watercraft to the movement. These, in conjunction with sanctions aimed at banning arms and oil sales to Unita, banning the international movements of top Unita personnel and closing Unita offices, make up a powerful package. And on 28 July, the European Union (EU) formally agreed to the latest UN sanctions, making their implementation compulsory. EU measures freeze all overseas assets of Unita, prohibit financial contributions to the movement, and ban the provision of petroleum products as well as aircraft and aviation components. Yet, it remains to be seen whether the political will exists to fully implement these sanctions.

If concrete steps towards peace in Angola are not taken by the end of November 1998, the UN could end its mission in February next year, UN Secretary-General Kofi Annan has warned. In the interim, Annan recommended extending the mandate of Monua until 31 January 1999. The UN observer mission comprises about 725 military personnel and 388 civilian and police observers, compared with a UN presence of more than 7 000 in Unavem III during the early phases of the peace process. Subsequently, the UN Security Council urged the Angolan government and states in the region "to reject military actions, to pursue dialogue to resolve the crisis, and to refrain from any steps which could exacerbate the current situation". It also demanded that Unita "comply immediately, and without [any pre-]

conditions, with its obligations" in terms of the Lusaka protocols.

At present, however, there appears to be no serious diplomatic effort to stop the slide towards the abyss of renewed civil war in Angola. Clearly, after a series of body blows the peace process is on the ropes. Decisions on Angola remain the province of the UN Security Council, but the key guarantors of the Lusaka protocols – former colonial power Portugal, the United States, and Russia (who had, over many years, contributed to the conflict in no insignificant way) – have shown little willingness to engage themselves yet again in Angola. To compound matters, Unita announced at the end of August 1998 that it would have nothing more to do with these three countries. With some justification, it accused all three of siding openly with the MPLA government in Luanda.

The regional equation: beating the war drums ...

While Angola seems to be teetering on the brink of war, diplomats and heads of state from the Southern African region have so far come up with nothing more concrete than expressions of concern. In a July 1998 Swakopmund meeting, the leaders of the 14-member Southern African Development Community (SADC) renewed their resolve to work together to ensure that their territories were not used as springboards to undermine and destabilize Angola. However, they decided not to undertake any action on the deepening crisis, either individually or collectively, but to adopt a wait-and-see attitude. SADC leaders seem to have resigned themselves to the fact that existing mechanisms were clearly failing in Angola and that a solution would have to come through the Organization of African Unity (OAU) and the UN. This is a severe indictment of the lack of progress with the SADC's Organ on Politics, Defence and Security and the ability and commitment of this regional organization to ensure stability and security in the sub-region.

When UN sanctions were initially imposed in October 1997, intended to cut off the supply of war materials to Unita, they proved largely ineffective. Recent EU sanctions against the movement may prove equally ineffectual. Rather, the disruption of transport routes through Congo Kinshasa and Congo Brazzaville, following the fall of the Mobutu Sese Seko and Pascal Lis-

souba regimes, has had much greater impact. This has narrowed but not exhausted Unita's military options. But the regional situation, at present so adverse to Unita, is a fluid one. President Laurent Kabila's hold over Congo Kinshasa is tenuous at best and his erstwhile regional allies seem ambivalent, causing him to accuse Uganda and Rwanda of subversive activities. There are, therefore, many elements hostile to him who may form alliances of convenience with Unita. Earlier, Rwanda and Uganda supported Kabila in his seven-month war against the Mobutu regime, which ended in May 1997. Although being accused of backing the current Tutsi-led rebellion against the Kabila regime, the two countries deny having troops in Congo Kinshasa, citing national security considerations for their interest in events.

Then, on 24 August 1998, up to 2 500 Angolan troops, led by tanks, streamed across the border into Congo Kinshasa to strike at the rear of the rebel forces fighting to overthrow Kabila. The rebels began their offensive in the east on 2 August, seizing Kisangani and Kindu, two of the country's largest cities, but leapfrogged to the west to be joined by soldiers previously part of Mobutu's armed forces. Kabila quickly regrouped and enlisted the help of Angola, Zimbabwe and Namibia, who sent in troops, tanks and warplanes – a move that temporarily turned the tables on the rebels. The alliance drove back rebel forces from within a 35 km reach of Kinshasa, and it also helped Kabila to retake the only port at Matadi and the Inga hydroelectric dam. But Kabila's move has also internationalized the civil war in Congo Kinshasa and threatens the stability of an already troubled central African region. This crisis seems to have split the SADC, pitting South Africa's President Nelson Mandela against Zimbabwe's President Robert Mugabe. There are fears that the involvement of foreign forces (from Angola, Namibia, Zimbabwe, Chad, Sudan, Rwanda and Uganda) in what is essentially a civil war and the tensions that have arisen could make the conflict spill over into neighbouring countries. And, even worse, the resulting regional destabilization could disrupt the process of democratization and economic revitalization in Africa for many years.

Clearly, Angola's military support for Kabila is yet another high-stakes intervention underscoring Luanda's own security interests in the region. Since

its first intervention in 1997 to help oust Mobutu, Luanda has made it clear to its neighbours that it will not let itself be landed with a situation that is contrary to its economic and political interests. The stakes are the security of Angola's oil-rich Cabinda enclave, which is cut off from the rest of the country by Congo Kinshasa's thin slice of Atlantic coastline, and a chance to eventually knock out rear bases of Unita in the former Zaïre. Cabinda provides a major portion of Angola's oil production of some 730 000 barrels per day: production that could rise substantially thanks to the discovery of new offshore oil-fields.

By intervening in the Congo Kinshasa civil war, the Angolan government is hoping to cut communications and supply lines to Unita forces; it might have the capacity to defeat Unita but fears another civil war if it launches a large-scale offensive in Angola itself. By going in from behind, it could deal a major blow to its enemy without fighting on Angolan territory. Angolan government troops, ostensibly sent in to help Kabila put down rebellion, are stepping up pressure on Unita's supply lines across Angola's porous eastern border. While the battles in the west of Congo Kinshasa seem over, Angolan involvement may not be. The independent weekly, *Agora*, criticized a "costly intervention at a time when the government says it does not have the financial means to bring the country out of its social chaos". Perhaps the most important limitation for the Luanda regime would be the economic cost of a protracted war – put into perspective by the fact that the current fall in world oil prices alone means a loss of US$800 million per year in terms of export earnings.

The possibility of renewed civil war in Angola will affect the entire Southern African region and South Africa is, naturally, extremely concerned about the worsening situation in that country. Continued violence in Angola, even if it stops short of full-scale war, will displace hundreds of thousands of Angolans and exacerbate the refugee problem in the sub-region, finally destroying the country's remaining infrastructure and causing further economic devastation. South Africa has also come under increased pressure from a number of countries to launch a new Angolan peace initiative. Although circumstances might eventually force Pretoria (in concert with other SADC and OAU member states) to participate in a

peace-keeping operation in Angola, sending troops to that country – especially in a mission that requires troops to enforce peace when neither party is committed to peace – should be done only in response to requests by the UN and the OAU. Destabilization of Angola in the 1970s and 1980s renders any South African military presence in that country extremely sensitive. Moreover, in considering any form of intervention it may be a sobering thought that even a much reduced UN presence in Angola is presently costing about US$11 million a month: a sum to be borne in mind by any other international body seeking to assume a similar role. For these and other reasons, neither the SADC nor any other grouping of African countries have the capacity to enforce peace in a country such as Angola.

The EU's Special Representative to the Great Lakes region, Aldo Ajello, has warned that should the situation in Congo Kinshasa escalate with a movement of troops towards the east, and if the Angolan crisis worsens, this could lead to a regional war involving several southern, central and eastern African countries. Indeed, the need to stabilize Angola has been given fresh urgency by the rebellion in Congo Kinshasa, which has brought alive the possibility of a major conflagration in the heart of Africa. Moreover, the threat of war is being taken seriously because of Angola's aggressive military posture in the past 18 months. Angolan troops assisted in toppling the government in Congo Brazzaville and played a key role in defeating Mobutu Sese Seko in the former Zaïre, and Angola threatened to do the same to Zambia if that country did not prevent Unita from re-supplying from its territory. Illegal trade is flourishing through neighbouring Zambia and Unita holds de facto control of the economy along the border. After long marches that can last for weeks, bearers still pour across the border with diamonds, silver, gold dust or emeralds.

Spoiling for a fight? War clouds gathering...

It is no longer a question of whether, or when, war will resume in Angola. It has already started, with fighting reported in 12 of the country's 18 provinces. Attacks have taken place in the southern province of Huila, in the central provinces of Benguela, Huambo, Bié, Cuanza Sul and Lunda Sul, and in
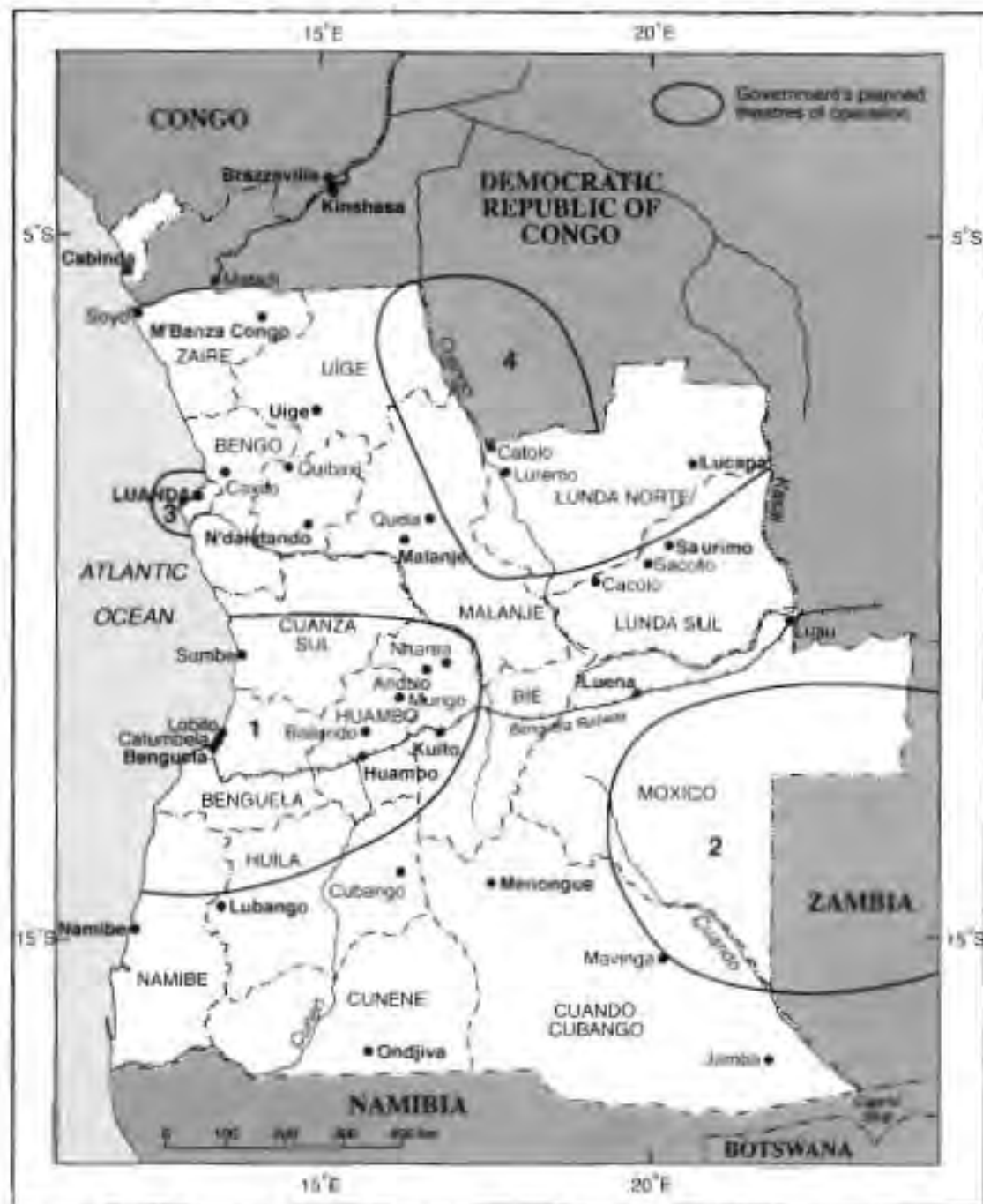
Republic of ANGOLA

Independence: 11 November 1975
Former Portuguese colony.
National day: 11 November
(Independence Day)
Leader: Jose Eduardo dos Santos,
b 1942, President since 1979.
Capital: Luanda, largest city and main
port.
Area: 1 246 700 km²
Population: 11,5 mn (1995)
Religions: Christian majority (mainly
Catholic) and ethnic beliefs.
Languages: Portuguese (official),
Kimbundu, Umbundu, Kongo,
Chokwe.
Life expectancy at birth: 46 years.

Foreign trade: Imports: $1 748 mn.
Exports: $3 519 mn (1995)
Principal export: Oil (94%)
GNP: $4 400 mn
GNP/capita: $410 (1996)
Currency: $1 = Readjusted Kwanza (Kzr)
210 500 (May 1997)
Background: Angola survives on oil
production. In addition, the country has
other minerals (notably diamonds), well
watered land, hydroelectric potential and a
marine fish resource that could not be
efficiently exploited because of the civil
war since 1975. The conflict stopped
temporarily when in May 1991 the MPLA
government and Dr Jonas Savimbi's Unita

movement signed a peace accord.
Savimbi's refusal to accept the MPLA
victory in the first round of the elections,
held at the end of September 1992, led to
a resumption of the war. Another peace
accord was signed on 20 November 1994
in Lusaka. The assembling and disarming
of Unita forces (under UN supervision)
proceeded very slowly, delaying a return
to normality, while negotiations, facilitated
by the UN and several countries, including
South Africa, continued. On 11 April 1997
a Government of National Unity and
Reconciliation – including Savimbi and 11
Unita members – was inaugurated in
Luanda.

Malange, Uige, Lunda Norte, Cuanza Norte, Zaire and Cabinda provinces in the north. Escalating hostilities come in the wake of four years of intense peace-keeping efforts aimed at creating a government of national unity, demobilizing Unita forces, clearing landmines from roads and other places, and returning the displaced to their home districts. This renewed fighting has practically derailed the peace process and has created a climate of violence unseen since the worst of the civil war before the 1994 Lusaka agreement. Clearly, both sides are preparing for war: at the beginning of August 1998 the government launched its first concerted offensive against Unita in the northern province of Malanje, and fighting has been continuing ever since. There has been a massive army conscription drive, bellicose anti-Unita propaganda in the state media, and recent arms shipments from eastern Europe – all evidence that the government is planning a major offensive against Unita; a strategy based on the assumption that the UN will again find Unita overridingly to blame for the current impasse in the implementation of the Lusaka protocols.

Earlier, in July, President Dos Santos's "kitchen cabinet" (composed of himself, the Defence Chief of General Staff Joao de Matos, National Security Advisor General Manuel Helder Vieira Dias, and MPLA Secretary-General Lopo do Nascimento) had devised a new military strategy which identified four theatres of operation (see map). The government estimated that the first theatre of operation contains 3 000–5 000 Unita troops. The strategy is to begin an offensive by launching air strikes from the base at Catumbela against Unita strongholds at Bailundo, Mungo, Andulo and Nharea. The second theatre is estimated to contain 5 000–8 000 Unita soldiers, in both the Moxico province and over the border in Zambia, and is to be dealt with by a ground offensive. The third theatre is Luanda: the MPLA is planning a strategy which will exclude the political hardliners in Unita from the GURN. And the fourth theatre is estimated to contain 12 000–15 000 Unita troops, split between Angolan and Congolese territory. It includes the diamond-rich areas of Cuango, Saurimo and Lucapa. Given the difficult financial position in which the Luanda government finds itself, it is quite possible that the decision to return to the battlefield may be

motivated partly by the desperate need to secure access to Angola's inland wealth, particularly diamonds.

Unita has made it quite clear that it will not relinquish control of its diamond-rich territories without another source of income. On the ground, Savimbi has taken the initiative, launching major offensives in the northern Uige and central Huambo provinces, as well as in the diamond-rich eastern Lunda Norte province. But with Angolan forces currently propping up the Kabila regime in neighbouring Congo Kinshasa, Dos Santos seems reluctant to launch a counter-offensive against Savimbi just yet. This is related to the lack of combat readiness overall of the Angolan army, a significant portion of which is not a disciplined fighting force. It has not been in combat for more than three years and has not been receiving adequate logistical support. Many soldiers have deserted and returned to their villages or migrated to the larger towns; this is why the government has been forcibly recruiting youth. Some crack government units, which are well supplied and paid regularly, are not available for combat. They are deployed in Cabinda, in Congo Brazzaville and, now, also in Congo Kinshasa. This seriously curtails the government force's ability to counter widely dispersed Unita guerrilla units which are deployed over the vast expanse of the country. In addition, Unita has an initial logistical advantage in controlling the porous borders with Congo Kinshasa and Zambia. After the Angolan government's conspicuous intervention on Kabila's side, it would seem all too likely that Unita may become involved on the side of the rebels, because a military defeat of the rebel Banyamulenge forces in Congo Kinshasa and the closing of Unita's rear bases would weaken the movement, even if a decisive confrontation with Unita forces did not take place.

Inside Angola, Savimbi has ordered his troops into a series of carefully orchestrated hit-and-run attacks against government positions. While Unita has launched a number of attacks across the country almost at will, catching government forces unprepared, there are still unexplained attacks where each side blames the other. Unita has put these attacks down to hostilities over turf between rival diamond traffickers, private security firms, and troops loyal to the central government in Luanda, while the MPLA plays up

every Unita attack to prepare the diplomatic ground for a fresh offensive. It has already deployed some 30 battalions of commandos, infantry and artillery to all the main garrison towns and in a corridor linking Luanda through Cuanza Norte and Malange to the Lundas, which has come under fire from hit-and-run Unita forces. Malanje province has been a sensitive area for the government and Unita. It is considered the gateway to the rebels' strongholds in their central highlands, as well as a supply corridor linking the rebel headquarters in Andulo and Bailundo to Congo Kinshasa.

Recent deployments of Unita forces suggest that Savimbi has few illusions about his ability to dissuade or restrain Luanda's generals in their determination to seek a military solution to the present political impasse. A return to full-scale hostilities therefore seems imminent. It is far from a foregone conclusion that the Angolan armed forces possess the wherewithal to deal Unita a fatal blow in the short term. Should they fail to do so, Unita's position would be strengthened in any subsequent renegotiation of the peace deal. And were Unita able to retain and expand its control of the rural areas, it would be capable of continuing a guerrilla campaign that would deny government control and use of the diamond wealth of the interior

A split in Unita: fact or fiction?

Just as Unita was awarded the status of a political party on the basis of its disarmament announcement in March 1998, armed incidents began occurring across the country, initially blamed on "bandits" but increasingly openly on diehard Unita fighters. Then, Savimbi pulled his negotiators out of the Joint Commission (tasked with the implementation of the Lusaka protocols) and said he would not cooperate further with the troika of observer countries – Portugal, the United States and Russia – which he accused of bias in favour of Luanda. Dos Santos responded to Unita's continued procrastination by suspending its representation in the central government: four Unita ministers and seven vice-ministers were ousted from the GURN set up in April 1997, and 70 Unita deputies (elected in 1992, but only taking up their posts in March 1997) were expelled from the National Assembly (where the MPLA occupies 129 seats). In exasperation, Dos Santos lamented

that the peace process had been at a stalemate since mid-1998, with interaction between the government and Unita progressively becoming "a dialogue of the deaf", there being no prospect of resolving the impasse because of "the deliberate and obstructionist attitude of Savimbi": Unita did not hand over remaining territory to central government control, the military wing of the movement did not disband and demobilize its soldiers, and the entire Unita leadership did not transfer to, and set up headquarters in, Luanda before a deadline set at the end of August 1998.

As the Angolan government ejected Unita from the GURN for "flagrant violations" of the Lusaka peace accords, the long-awaited split in Unita ranks became a reality on 2 September 1998. Viewing Savimbi's attitude as recalcitrant, influential members of Unita condemned their leader's militarism and announced the creation of an alternative, "temporary" and "provisional" leadership to direct the party until the ninth Unita congress had taken place and fresh elections were held. The so-called "peace faction" in Unita, or Unita Renovada – later named the Democratic National Union for the Total Independence of Angola (Unita-D) – demanded that the movement renounce war and embrace "peace, democratic political struggle, and national reconciliation", so that the Lusaka peace accords could finally be fully implemented. The Unita militants' manifesto was read out by Jorge Valentim, former GURN tourism minister; also present were General Demosthenes Chilungitila, vice-minister for defence; Marcelino Geronimo Ngongo, vice-minister of the interior; Junior Joao, vice-minister for social reintegration; and Eugenio Manuvakola, former Unita secretary-general, who signed the Lusaka protocols on behalf of the movement. While asserting their continued loyalty to Unita, they also undertook "to place Unita within the Angolan democratic and multi-party society in order to consolidate the rule of law" and reaffirmed their "support for, and trust in, the democratic institutions of the Angolan state". The MPLA called on the international community to henceforth recognize the breakaway group as "the only valid interlocutors" in the peace process; and the Angolan government immediately launched a political and publicity campaign to try to obliterate Savimbi from the public mind.

The renewal manifesto has crystallized the movement into two distinct factions (a process already under way since the refusal of Savimbi and some of his generals to move from their headquarters in Bailundo and Andulo to Luanda), as well as a sizeable number (55) of undecided Unita National Assembly deputies, who seem to be keeping their options open. While the notion remains implausible, at least for the time being, that Unita can be sustained without the leader around which it has been built, most Unita members of parliament in Luanda will probably rally to the new flag. Already former Unita deputy-president Miguel N'Zau Puna, who headed the first major dissident group (the Tendency for Democratic Reflection) within the movement in 1992, has joined the breakaway group. Some 600 Unita troops in the southern Cunene province have abandoned Savimbi to join the dissidents and an influential member of Savimbi's own Ovimbundu tribe expressed the opinion that the veteran guerrilla leader "was bent on self-destruction". Meanwhile, Unita-D has also gained support from districts in the northern Uige province, a historic rebel stronghold, and it seems that support in the provinces of Cabinda, Bengo, Malanje, Bié, Huambo and Namibe is also forthcoming. But it is still too early to say how many Unita members, in Luanda or in the interior, will support the breakaway group. Some analysts feel that Unita-D's Valentim has neither the political clout nor the requisite backing from within Unita ranks to wrest power from Savimbi.

This split in Unita, which has left Savimbi increasingly isolated and marginalized, has now become a deep rift between those who want peace and those who remain hardline "belligerents". Vice-defence minister General Chilungitila, accompanied by seven leading former Unita generals, declared that they cannot remain indifferent to the country's prevailing political situation. They made an appeal to their former co-fighters to lay down arms: "War serves no-one. [This] ... is a civil war with no justification. We want peace, so that together we may resolve the problems of our people." However, the leader of Unita's parliamentary group, Abel Chivukuvuku, and 54 of Unita's 70 parliamentary deputies did not join the Unita-D faction, at least not initially, limiting themselves to calling on the international

community to prevent an outbreak of war in Angola. Adding another dimension to the equation, Holden Roberto of the National Front for the Liberation of Angola (FNLA) called for a "national conference", bringing together all political forces in Angola to debate the country's political future and its constitution; and the head of the National Alliance Party (PDP-ANA), Nfulumpinga Nlandu Victor, urged the UN Special Representative Diallo to set up a national commission composed of church leaders, traditional chiefs, and political parties represented in parliament to mediate a way out of the present political impasse in the country.

Clearly, the implications of the suspension of Unita ministers and members of parliament were grave, strengthening the position of Unita hardliners. Those Unita members who chose to come to Luanda and take up political posts represent the moderate wing of the movement; they made a conscious decision to put Unita's guerrilla past behind them, working to transform their part of the movement into a viable opposition party – and they have been reasonably successful in doing so. It was, therefore, not surprising that Angolan Prime Minister Franca van Dunem lifted the suspension of Unita dissidents (both Unita-D and the group of "fence-sitters") from the GURN and parliament on 23 September. However, Marcos Samondo, Unita minister of geology and mining, and Aurelio Joao Evangelista, vice-minister of information, both of whom failed to join Unita-D, were summarily dismissed from the government.

Some shreds of the peace process in Angola do remain, however. The GURN will now negotiate with the Unita breakaway group led by Manuvakola and Valentim. But the question the international community is asking is how much backing this group has from the Unita rank and file, and whether Unita-D is not merely a tool of the Luanda government. The SADC has recognized the new grouping, but the UN has not. Meanwhile, the troika of three countries supervising the peace process (Portugal, the US and Russia) gave Savimbi's Unita its "last opportunity to secure a legitimate and constructive role in the Angolan body politic". However, it would be a miracle if the peace process could be concluded without Savimbi: his isolation raises the fearful spectre of renewed civil war in Angola.

Conclusion

Given the extent of both the human and material destruction in Angola over the past nearly 40 years, it would be unwise to expect that, even were peace to hold, recovery would be swift. Angola finds itself in the classical Catch-22 situation: without some form of economic recovery in the rural areas, the incentive to seek peace is relatively slight; yet without a commitment to peace, there can be no recovery. Much less than political power, Unita and the MPLA have been unwilling to divide the wealth of a country rich in oil, diamonds, other base metals and minerals, and water resources. Both sides have used their control of economic resources to strengthen their separate positions and keep their forces in a state of readiness for war. Although some measure of formal decentralization might reduce tensions between apparently irreconcilable rivals, the control of Angola's oil and diamond wealth remains an indivisible prize.

Although Angola is now technically at the end of the peace process, it finds itself much as it was when it all started. Unita still has an army, still controls at least half the country, and is taking back more territory every day. Under these circumstances, argue some, it might be realistic to discard the Lusaka protocols as a failure and begin negotiations all over again – this is what Unita has been angling for all along. By playing out the present peace process, Unita has won four years during which the government

has pushed itself to the brink of self-destruction, largely by virtue of its own corruption and ineptitude. The time afforded by another set of negotiations might be enough to push it over the edge – or so the rebels hope.

The creation of Unita Renovada has had no impact on the war. Villages and convoys of cars are being attacked daily and large parts of Angola are under the almost complete control of Savimbi's Unita. Savimbi and his faction of Unita are facts; they remain the most severe threats to the Angolan government and the peace process, facts that cannot simply be wished away by propaganda. But is Dos Santos hoping that Savimbi can be removed at last by the new aggressive SADC? Perhaps the SADC Mauritius summit's denunciation of Savimbi as a "war criminal" was a sign that the Angolan government is collecting prior approval regionally – as it has already done internationally – for the long-awaited "final solution": an all-out attack on Unita's strongholds of Bailundo and Andulo to obliterate Savimbi, once and for all, physically and politically. Since Dos Santos apparently fears he cannot win this war on his own, is he not perhaps hoping that the SADC's sudden recent policy shift towards aggressive military intervention in support of established governments – dramatically demonstrated twice in the past few months, in Congo Kinshasa and in Lesotho – might one day benefit him? Ominously, the Luanda meeting of the SADC's Inter-State Defence and Security Committee (ISDSC) on 30 Septem-

ber declared that any threat to a member of the 14-nation community could justify intervention by its allies: an allusion to backing for Congo Kinshasa by Angolan, Zimbabwean and Namibian troops to help the Kabila regime against a Tutsi-led rebellion, and the deployment in Lesotho of soldiers from South Africa and Botswana to quell an anticipated army mutiny related to disputed general election results.

Is Angola sliding back into the quagmire of civil war? Is the four-year old Lusaka peace accord really on the verge of collapse? Clearly, if Unita and the MPLA decide on war, there is very little that can be done to stop them. The UN cannot do more than monitor the situation and neighbouring states seem more inclined to take sides than try to avert conflict. With neither side possessing a decisive advantage, Angola may have to endure yet another guerrilla war in which there will be no winners. The big losers will yet again be the Angolan people, whose wretched existence is shameful testimony to the inadequacies of Angola's political leaders and the constant meddling of foreign powers. But, in the final analysis, the ultimate solution lies essentially in indigenous hands: the only chance Angola has for a peaceful future is if Unita's Jonas Savimbi and the MPLA's José Eduardo dos Santos can reach a lasting accommodation. Although this remains wishful thinking, for the present, these two personalities have always controlled the fate of the Angolan people – and they still do.

Economy, literacy and ethnic structures in Africa: correlations

with democracy explored

Professor Willie Breytenbach, of the Department of Political Science at Stellenbosch University, provides a number of tentative theoretical propositions and correlations for some of the political patterns found in Africa today.[1]

By the end of 1989, Africa had only nine multiparty systems.[2] The world-wide trend – often called the "Third Wave"[3] – of democratization, or transition away from authoritarian rule, that reached African shores at that time saw many former one-party and military regimes embark on transitions to democracy.[4] This was a significant shift, as by October 1997, only eight years later, there were 41 functioning multiparty states on the continent.[5] The remaining 12 non-democratic states included five in which leadership resisted changes and opted for the maintenance of the non-party status quo[6] and another seven in which some initial democratization had taken place, but which had reverted back to authoritarian rule after these transitions were disrupted, for whatever reason, by either civilian[7] or military[8] rulers: these may be labelled "disrupted transitions" or "problematical" cases.

This article will not deal with those 32 relatively new multiparty states. It will, instead, compare the nine older multiparty systems with the remaining 12 non-democracies, trying to establish whether the first set of states was socio-economically significantly different from the second set of states in terms of their economic and educational levels (as measured by per capita income and adult literacy levels, respectively), as well as ethnic structures, as will be defined hereunder.

In comparing the socio-economic profiles of nine electoral democracies and 12 non-electoral systems, this article intends to revisit the debate about "favourable" and "unfavourable" social prerequisites for democracies. The two sets of states listed as such should therefore be seen as "control groups"

for the purpose of validating the correlations, after comparisons have been made. However, in this study, we shall deal with these correlations, if they exist, and not with causalities or with the problems of consolidation.

This is therefore not a comprehensive, substantialist type of study where a fuller range of institutional issues such as the separation of powers, the rule of law, an independent judiciary, respect for human rights and public accountability are dealt with.[9] Neither does it deal with comparative regime transitions,[10] nor with rival variables such as a favourable international climate, parliamentary or presidential systems and good fortune.[11]

But this is not a descriptive study either. It is an attempt to explore these correlations with a view to formulating tentative theoretical propositions and correlations for some of the patterns found in Africa today. The method used is to try to establish what is present and what is absent among the older nine multiparty systems and what is present and what is absent among the non-democratic 12. These two sets are then compared and deductions are made.

The criteria for making these comparisons and correlations are lower or higher per capita incomes; lower or higher ethnic homogeneity; and lower or higher adult literacy rates. Following the theoretical propositions formulated hereunder, three hypotheses will be explored:

■ the higher the per capita income, the more likely that an electoral democracy may consolidate;
■ the higher the ethnic homogeneity, the more likely that an electoral democracy may consolidate;
■ the higher the adult literacy, the

more likely that an electoral democracy may consolidate.

The study will then conclude with some tentative observations about South Africa in this comparative African framework.

Theoretical propositions

Affluence and education

In 1959 Seymour Martin Lipset, following the thinking of Max Weber and Joseph Schumpeter,[12] linked democracy to economic development, showing that stable democracies scored on average higher than dictatorships in terms of wealth, industrialization, urbanization and education, using literacy as an indicator of education.[13] This was a clear case of treating democracy as a dependent variable, therefore as an outcome of rather favourable socioeconomic conditions. Likewise, in 1995, Adam Przeworski analysed data compiled between 1950 and 1990 and also found that "the secret of democratic durability seems to lie in economic development under democracy with parliamentary institutions".[14] He suggested that "poverty is a trap", and that "poor countries, those with per capita income under $1 000, do not develop". The logical conclusion therefore is that democracies are unlikely to survive.

This study advances these propositions somewhat further, as it sets out to see whether there are meaningful correlations on two measurable variables, namely per capita income and literacy rate. A third variable is added, and that is ethnic structures. Here a crude correlation will be made in terms of ethnic homogeneity, compact

majorities (where one ethnic group forms the numerical majority in an otherwise heterogeneous society) and ethnic heterogeneity (where there are no majorities, as all groups are minorities).

The independence era of the sixties coincided with the predominance of the modernization paradigm in social science, assuming that "education is the critical factor [in the modernization process], for without it Africa's peoples would be unable to enter the modern technological world",[15] It also assumed that education was not only vital to technology and economics, but also to nation-building.

Lipset extended these conditions to democracy,[16] contending that education broadens the outlook, increases tolerant attitudes, restrains people from adopting extremist doctrines, and increases the capacity for rational electoral choice. Ten years later, in 1969, Cutright and Wiley selected data from 40 states and found not just a correlation, but a causal link, between high literacy rates and changes in political representation over time. For them, higher literacy makes it easier for populations to seek peaceful and constitutionally prescribed change when economic needs are not satisfied.[1-]

What we have, so far, is scholars' opinion that education is an independent variable, since democracies that hope to endure are dependent on social forces encapsulated in modernization, and education is vital to technology, economics and nation-building as well as democracy. Why this is so, according to others, has something to do with the class debate – that is, which class, the middle class or the working class, is the more likely to achieve democracy.

Barrington Moore,[18] who published an influential work on the role of classes in the making of the modern world, was dismissive about peasants as modernizers and convinced that the middle class is the key not only to modernization, but to democracy as well. And this class was related to a failed peasant revolution in France[19] as well as with the origins of capitalism in France, the UK and the USA.[20] For him, democracy was a dependent variable; it depended on the capitalist middle classes, hence his dictum, "No bourgeoisie, no democracy".[21]

But Rueschemeyer, Stephens and Stephens argue that it is not the middle classes, but class contradictions, that advanced democracy – and that the working class was the "most consistently pro-democratic force" in history. They say the bourgeoisie is supportive of the installation of representative government, including themselves, but is opposed to extending participation to lower classes.[22]

These arguments touch upon the essence of democracy as postulated by Robert A Dahl,[23] namely that the most basic institutions in any democracy are (full) participation (of all citizens) and (free and fair) contestation for public office. Barrington Moore tends to say that too many peasants will obstruct participation and contestation, while a sizeable middle class will promote this. Rueschemeyer, Stephens and Stephens may agree on the dismissal of peasants, but think that the working class has the best track record for pressuring for fuller participation.

However, in modern times, both these classes – working and middle – can be assumed to have a higher literacy level than the rural peasant classes which Barrington Moore found to be such a great stumbling block.

To be sure, Raynor[24] analysed middle classes world-wide and found that their major component is the professionals (in the modern world, university-trained and therefore highly literate), with business groups in second place (these groups can be assumed to earn higher incomes). Then follow "white collar groups", where one may assume literacy and income levels that are relatively low for the middle classes, but higher than those of the proletariat and peasant classes.

The super-rich upper classes as well as the underclasses and the peasants could therefore be seen as the enemies of democracy, according to this way of thinking.

As far as Africa is concerned, Dirk Berg-Schlosser[25] found that once democratic systems have been established, they succeed better than non-democracies in producing higher literacy rates. In this sense, democracy changes from a dependent variable into an independent factor, affecting further developments such as a culture of democratic education. The kind of political system least effective in creating higher literacy levels in Africa, according to Berg-Schlosser,[26] is the military regime.

Wood[27] approaches the argument about education levels in a north–south context. He finds a strong causal relation between education and the export of manufactured goods, arguing

that better education is crucial for higher-value-added exports, increasing per capita incomes and reducing inequalities. An important social characteristic is introduced in this way, namely that the higher per capita income that comes with faster growth is a necessary requirement for development, but not sufficient, unless it also reduces inequalities. Therefore, the wealth gaps between the middle class and the working class, and between the working class and the peasants as well as the unemployed underclasses, are supposed to be reduced over a period of time, lest consolidation fail to occur.

This brings us back to Lipset and Przeworski, who both argue that higher per capita incomes are favourable for democratic endurance and sustainability.

In a subsequent study Przeworski et al[28] found that the main reason why democracies endure is affluence (in line with Schumpeter's and Lipset's thinking), but add that continued economic growth and decreasing income inequality (as implied above) are important determinants. They then also mention rival variables (not explored in this study), namely a favourable international climate, parliamentary as opposed to presidential systems, as well as "good fortune". Education is not explicitly mentioned, but is implied in affluence and growth, according to Wood. It would therefore be in order to formulate a hypothesis stating that the higher the literacy and the higher the income, the better for democratic endurance and sustainability, for those reasons mentioned earlier, such as higher tolerance and increased rational choice.

Ethnic structures

The literature on ethnic homogeneity and heterogeneity is less conclusive as far as electoral democracies are concerned. For example, while conceding that ethnic conflict in multinational states is an obstacle to democratic consolidation, Linz and Stepan[29] regard this as "surmountable", through such measures as inclusive designs, equal rights, special institutions for group interests, and the quality of leadership. Others, such as Lijphart[30] also believe that elite co-operation, segmental autonomy, proportionalism and minority veto may work for deeply divided societies. Even so, election outcomes in multiparty systems in multi-ethnic

Africa often show that elections crudely resemble ethnic censuses. Examples often cited are Nigeria, Kenya, Zimbabwe and South Africa.[31]

This multi-ethnic problem goes back to colonial times, when boundaries were drawn artificially, and heterogeneity became the standard. The outcome of this situation is that single-nation or mono-ethnic states in Africa, such as the majority of those historical precolonial states that had survived with their original boundaries more or less intact, became the exception rather than the rule.[32] Then there are states with compact majorities, where the composition is heterogeneous, but one particular ethnic group constitutes a numerical majority of 50% or more.[33] Finally, there is the dominant pattern in Africa, characterized by heterogeneity.[34] It is mainly in those cases that state leaders often designed measures – commonly but misleadingly described as nation-building[35] – that aimed at the stifling of divisive elements within those states, creating the basis for authoritarian rule.

The predominant manifestation of authoritarianism became the one-party

state, but in others, such as Nigeria, majority domination through military rule became the preferred option. In this way heterogeneity contributed towards the demise of the politics of contestation, becoming the justification for non-contestational authoritarian rule.

The natural heterogeneity of typical colonies was exacerbated in settler societies such as in Algeria, Kenya, Zambia, Zimbabwe, Namibia and South Africa. This factor added race (for example Arabs, Asians and whites) to the complexities of nationhood in Africa. It also slowed down the tempo of decolonization (Africa's first liberalization) as many settlers were reluctant to embrace black rule. This is why liberation wars were fought in Algeria, in Kenya, and in Southern African settler societies. But decolonization, as an extension of self-determination, could not be delayed. It was inevitable that all citizens would want to participate in public life, and by means of initial contestations.

The correlations that emerged, albeit crudely, were that homogeneous societies and compact majorities

(where one group is a numerical majority within a multi-ethnic state) produced greater stability, more regime continuity. To the extent that elections were held, rough correlations between ethnic demography and party support patterns showed very little variation over the years.

In African states with numerous ethnic minorities (typical heterogeneity) less stability prevailed, as political contests easily turned into ethnic violence, making for troubled transitions. Election outcomes often reflected ethnic demography rather than patterns based on rational choice or class interests (crudely speaking, this group of states was more prone to non-democratic outcomes than the others).

Various authors began exploring these phenomena, seeking causality, going beyond theoretical propositions and empirical correlations.[36] As explained earlier, we shall not seek those types of explanations in this study, only register and compare the correlations and see whether and what kind of patterns emerged from which further generalizations may be generated.

Correlations: multiparty systems

- With the exception of Egypt and Morocco, all the states had populations in 1990 which were smaller than the African average of 12,3 million. This pattern of smaller population sizes could suggest a tentative hypothesis which states that the smaller the population size, the better the chance for multiparty systems enduring in Africa. This study, however, excludes the testing of such a variable.

- The average per capita income per country of US$1 303 is almost exactly double that of the African average per country of only US$652 in 1992. No less than five of the nine states in this group had per capita incomes higher than Przeworski's benchmark of $1 000 for countries where democracies may survive; four had per capita incomes significantly lower than US$1 000. Of these Egypt and Zimbabwe had incomes higher than US$500, leaving only Senegal and The Gambia (well below US$500) in the very

poor category. If the dictum that poverty and democracy are incompatible is true, then Senegal and The Gambia were in grave danger. As it turned out, The Gambia suffered a coup in 1994.

- The literacy rate average of 53% is barely higher than the African average of 50%. Yet four states are

significantly higher than the African average, namely Mauritius and Botswana (above 70%) and Zimbabwe and Tunisia (above 65%). Morocco and Egypt are marginally lower than the African average. But two states with less than 40% are much lower than the African average, namely (again)

Table 1 Socio-economic and ethnic profiles of the pre-1990 multiparty systems, based on 1990–1992 data (selected indicators)

State	Independence date	Population 1990 (million)	Per capita 1992 (US$)	Literacy 1990 (%)	Ethnic structure
1 Egypt	1952	53,0	660	48	Homogeneous
2 Morocco	1956	25,0	1080	49	Homogeneous
3 Tunisia	1956	8,0	1780	65	Homogeneous
4 Senegal	1960	7,6	360	32	Minorities
5 Gambia	1965	0,9	230	20	Minorities
6 Botswana	1966	1,2	2790	74	Compact
7 Mauritius	1968	1,1	2700	86	Compact
8 Zimbabwe	1980	10,0	570	67	Compact
9 Namibia	1990	1,4	1610	40	Compact
Average		12,02	1303	53	"Compact"
Africa		12,3	652	50	"Minority"

Source: P Manboeyen, Africa at a Glance 1992, Pretoria, Africa Institute, 1992, and own research.

Senegal and The Gambia. If higher literacy means more tolerance and more skilled workers (hence higher per capita income), both of which are supposedly more favourable for democratic endurance, then again, Senegal and The Gambia fall into the danger zone.

- If per capita income and literacy rates are taken together, only three states emerge with middle classes and working classes that may potentially be big enough to sustain a democracy, namely Mauritius, Botswana and Tunisia, probably in that order, followed by Morocco, Zimbabwe and Namibia in the middle group, with Senegal and The Gambia (again) in the weakest position.

- The ethnic structures of the nine states concerned are quite extraordinary by African standards, where the standard pattern is one of multinational states composed of numerous minorities. To be sure, there are only seven homogeneous populations in Africa (Egypt, Libya, Morocco, Tunisia, Swaziland and Lesotho, and perhaps Somalia), and three of our nine are in this rare category, namely Egypt, Morocco and Tuni-

sia, whose populations are well above 90% Islamic and Arabic in composition.

Likewise, Botswana, Mauritius, Zimbabwe and Namibia (part of the older nine) fall into the scarce group of African states with compact majorities, which means that although the national make-up is multi-ethnic (therefore heterogeneous), one particular ethnic group constitutes more than 50% of the total population, in this case the Batswana, the Indo-Creoles, the Mashona and the Owambo, respectively. Again, the two states not fitting the most favourable patterns so far are Senegal and The Gambia, with their numerous minorities.

- If democracy is dependent on socio-economic factors and ethnic structures, as some authors argue, and as our propositions suggest, then Senegal and The Gambia are undoubtedly unfavourably endowed in terms of all the indicators selected for comparison so far. It was therefore no surprise when The Gambia succumbed to military rule in 1994. Senegal also experienced social turbulence and instability in 1993, 1994 and 1998,

but still manages to retain a multiparty system.

- Based on theoretical propositions and correlations the old nine electoral democracies validated our three hypotheses in the main. Each of these hypotheses validated the patterns concerned, although not in every case. The strongest independent variables so far seem to be ethnic structure (homogeneous and compact), followed by per capita income of higher than US$500, with less than half of the nine states faring better than the African average on literacy rates. Here the most favourably placed were Mauritius, Botswana, Zimbabwe and Tunisia. Of these, Zimbabwe is the only one with per capita income lower than US$1 000, placing it in very much the same uncertain category as Egypt, slightly behind Namibia overall. Finally, the best prospects for democratic endurance and sustainability could therefore be Tunisia, Mauritius and Botswana. However, this is only tentative, as it leaves institutions, inequality, favourable international climate and good fortune aside.

Correlations: the "non-democratic" problem cases

- The average population size per state (19,1 million) is considerably higher than the African average as well as the average for the older nine multiparty systems. Nigeria's 117 million has much to do with this high average, because apart from Nigeria, only Congo Kinshasa, Sudan and Uganda have populations larger than the African average. Excluding Nigeria, the average drops to 10,2 million. As regards the hypothetical correlation of smaller populations and better democratic prospects tested above for the older nine multiparty systems, the 12 non-democratic states leave this issue unresolved. On this score, we find no meaningful pattern on the relationship between size and democracy, although there was a stronger correlation in the case of the nine older electoral democracies.

- The average per capita income ($768) of the 12 states is higher than the African average, but significantly lower than the $1 303 for the older nine multiparty systems, and also lower than Przeworski's benchmark of $1 000. Excluding Libya, the average is only $355. Among the older nine, seven were higher than this, with only Senegal and The Gambia in this low range. The evidence substantiating this hypothesis is quite convincing, in the light of the fact that no less than 10 of the 12 have per capita incomes of less than $1 000. Only Libya and Swaziland are higher. The pattern that emerges therefore conforms in general with the proposition about higher per capita incomes and better democratic prospects as well as lower incomes and unfavourable democratic prospects. Barring the exceptions, the pattern

strongly endorses the assumption made in many theoretical discourses about the correlation between poverty and non-democracy.

- The average literacy percentage for the 12 states (47%) is lower than both the African average and the average for the older nine multiparty systems. No less than six of the 12 are at the same level or lower than 50%. Only Swaziland, the Congo Kinshasa and Libya are considerably higher than the African average. Sierra Leone, Somalia, Eritrea and Sudan are particularly unfavourably placed and do suggest that illiteracy and non-democratic systems are interdependent.

- If per capita income and literacy levels are combined, two well placed states emerge that do not fit this pattern: Libya and Swaziland prove that historical factors

peculiar to particular societies also matter. Perhaps the rival explanations of international climate, systems of governance and good fortune are more apposite here. However, at least four others emerge that fit rather nicely, as they are very low on both criteria: Sudan, Somalia, Sierra Leone and Eritrea. For them, there could hardly be evidence of middle classes and working classes that could "guarantee" the endurance

of electoral democracies should they come about. Here, it could be a case of too many peasants as well.

■ The pattern of ethnic structures is instructive: only two states are predominantly homogeneous in their ethnic compositions, namely Somalia and Swaziland; the rest are compact (Libya, Sudan, Sierra Leone, Rwanda and Burundi) or heterogeneous (Congo Kinshasa, Congo Brazzaville, Uganda and

Eritrea). The lesson here is that non-democratic systems correlate strongly with all the varieties of heterogeneity.

Without going into individual historical situations (or rival explanations) in each state, the big picture suggests that Libya and Swaziland are best placed in terms of socio-economic and ethnic structures, with Congo Brazzaville not too far behind. Yet they are far behind Mauritius, Tunisia and Botswana among the older nine. By this token, Somalia, Sierra Leone, Burundi, Uganda, Rwanda, Eritrea and Sudan have the worst socio-economic chances of endurance in the democracy stakes. Congo Kinshasa and Nigeria are also unlikely multiparty democracies given their big populations, low per capita income and heterogeneous ethnic composition.

Congo Kinshasa scores a surprisingly high literacy percentage (72%), which augurs well for working and middle-class formations which normally correspond with more favourable conditions for democracies. However, the bad fortune of having been mismanaged for so long, as well as the fragility of institutions throughout the Mobuto and now the Kabila regimes, make for a less than optimistic prognosis, despite high literacy rates. Much the same may be said about Nigeria, Somalia, Sierra Leone, Burundi, Rwanda and Sudan, with Eritrea, owing to its newness, an unknown entity.

Table 2 Socio-economic and ethnic structure profiles of the "non-democratic" problem cases (as at October 1997), based on data for 1990–92 (selected indicators)

State	Independence date	Population 1990 (million)	Per capita 1992 (US$)	Literacy 1990 (%)	Ethnic structure
1 Libya	1951	4,5	5310	64	Compact
2 Sudan	1956	25,0	490	27	Compact
3 Somalia	1960	6,3	120	24	Homogeneous
4 Congo (K)	1960	36,0	210	72	Minorities
5 Congo (B)	1960	2,3	920	57	Minorities
6 Nigeria	1960	117,0	310	51	Minorities
7 Sierra Leone	1961	4,0	149	21	Compact
8 Uganda	1962	17,5	190	48	Minorities
9 Rwanda	1962	7,0	270	50	Compact
10 Burundi	1962	5,5	180	50	Compact
11 Swaziland	1968	0,8	1050	72	Homogeneous
12 Eritrea	1993	3,5	190	25	Minorities
Average	—	19,1[1]	768[2]	47	"Minorities"
Africa	—	12,3	652	50	Minorities & compact

Source: P Gastrow, *Africa at a Glance* (1995/96); Economist *Africa Yearbook*, 1990; and own research.

Notes

1 Excluding Nigeria, this average is only 10,2 million.

2 Excluding Libya, this average is only $355, which is almost three times lower than Przeworski's benchmark of $1 000.

Conclusion

The correlations are quite clear: the strongest is that higher per capita income (read affluence) tends to be positively associated with democracy and lower per capita income (read poverty) is negatively associated with democracy.

The second strongest correlation exists in terms of ethnic structures, although homogeneity and electoral democracy correlate quite significantly, the correlation between heterogeneity (including compact structures) and non-democratic systems is very strong. Being affluent and homogeneous is therefore more favourable than being poor and heterogeneous.

Finally, the weakest correlations exist for literacy rates. Here the evidence is less convincing. For example, only four of the older nine electoral democracies have percentages higher than the African average, as opposed to six out of the 12 in the problematical cases. These are hardly significant differences and, to be sure, quite confusing. However, the lowest literacy percentage among the former nine older multiparty systems is 20%, with no fewer than four states among the problematical 12 with percentages as low (or lower) than the twenties. The point is nevertheless clear: illiteracy is hardly conducive to democracy, with Senegal (among the former nine) and Sierra Leone, Somalia and Eritrea (among the 12) not favourable either (and The Gambia dropped out as early as 1994).

As in the case of the nine older multiparty systems, we express no

views on institutions, inequality, growth, international factors and good fortune. But it is clear that countries such as Sudan, Somalia, Congo Kinshasa, Nigeria, Sierra Leone, Rwanda and Burundi have had their full share of bad luck – civil war, ethnic intolerance and corrupt leadership, to name but a few instances.

At this point, some concluding remarks can be made about South Africa. South Africa had a population in 1990 of 38 million, three times as big as the 12,02 million average for the nine multiparty systems. If there is a correlation between large size and problems with democratic consolidation, then South Africa registers a negative on this issue. But the evidence presented here suggests that large size is not necessarily detrimental, although

smallness does appear to be more favourable for democracy.

In 1990, South Africa had a per capita income of $2 670, which was twice as high as the average for the nine multiparty and four times as high as for the problematical 12. This was almost three times higher than Przeworski's threshold of US$1 000. But South Africa's average masks vast domestic inequalities, which according to McGowan showed $12 500 for whites against $670 for African blacks in 1990, which meant an inequality ratio of 18:1.[37] According to Servaas van den Berg,[38] this ratio had narrowed to 10:1 in 1993 when according to his methodology white per capita income was R25 344 as opposed to R2 520 for blacks. At the same time white unemployment was calculated at 4,3% as opposed to 38,3% for blacks. Based on these figures, there is still a wide inequality gap. But despite fast deracialization of privilege in South Africa, poverty is still mainly racially determined.

Adam Habib[39] analyses this phenomenon and argues convincingly that inequality is one of the reasons why consolidation may be delayed, as many of the black majority may lose confidence in the capacity of the new democratic system to improve their quality of life.

The South African literacy rate is 62%, but this too masks inequalities. The average, however, is 9% higher than the 53% of the former nine electoral democracies, which places South Africa in a more favourable group.

On ethnic structures, South Africa falls into the same numerous minorities category as Senegal, Congo Kinshasa, Congo Brazzaville, Nigeria and Sierra Leone. But the difference lies in the legitimacy of South Africa's negotiated institutions.[40] Whether these legitimate institutions have the capacity to live up to the expectations of a population of over 38 million, only time will tell. But there is sufficient affluence, amidst poverty, to drive the new system. And, if Barrington Moore's dictum "No bourgeoisie, no democracy" is correct, South Africa stands a good chance because of the rapid growth of the educated black middle class, who are the main beneficiaries of democratization and of black empowerment policies.

Then there is the healthy dose of good fortune invested in international goodwill and in "skilled and wise leadership"[41] which made for fortunate choices during the transition, resulting in a "tenable compromise" on the negotiated deals between the ANC and the National Party.[42] Dankwart A Rustow[43] is quite explicit when he says that a transition benefited if it was based on a first grand compromise. What happened in South Africa may therefore be very close to Di Palma's[44] and Schmitter's[45] views that carefully crafted or pacted transitions could have a beneficial impact on democratic outcomes. So, clearly, the South African negotiated outcomes ("crafted" and "pacted") could be regarded as a bit of luck on this point.

Skilled and wise leadership, tenable compromises and pacted transitions may actually be South Africa's "good fortune". Also, by African standards the correlations are as good, if not better, than those of Tunisia, Mauritius and Botswana, where strong correlations between favourable socio-economic and ethnic homogeneity and/or compactness factors were established. But inequality, heterogeneity and capacity problems will remind South Africans that the struggle for consolidation may yet be a long and difficult one.

Notes and references

1 This paper was first presented at an international symposium of the Department of Educational Policy Studies, University of Stellenbosch, and the Konrad Adenauer Foundation, 23 July 1998.

2 These nine states were Egypt, Morocco, Tunisia, The Gambia, Senegal, Botswana, Mauritius, Zimbabwe and Namibia. (P Esterhuysen, *Africa at a Glance, 1997/98*, Pretoria: Africa Institute, 1998, Figure 57, p 98). These states are termed "multiparty" in this study; whether they are "liberal" or "consolidated" democracies is not argued here. They are what Larry Diamond ("Is the Third Wave over?", *Journal of Democracy*, vol 7, July 1996, pp 20–37) calls "electoral democracies", which may have had sufficiently fair elections up to 1989, but may in some ways fall short of liberal democracy.

3 S P Huntington, *The Third Wave: democratisation in the late twentieth century*, Oklahoma: University Press, 1991.

4 Larry Diamond, "Africa: the second wind of change", *The Times Literary Supplement*, vol 4709, 2 July 1993, pp 3–4; Crawford Young, "Africa: an interim balance sheet", *Journal of Democracy*, vol 7, no 7, July 1996.

5 Esterhuysen,, *op cit*, p 99.

6 *Ibid*, the five non-party states are Libya, Sudan, Eritrea, Uganda and Swaziland.

7 *Ibid*, civilian disruption occurred in Rwanda, Democratic Republic of Congo (Kinshasa) and perhaps Somalia.

8 *Ibid*, military disruption occurred in Nigeria, Burundi, Sierra Leone and Congo Brazzaville. It also took place in The Gambia in 1994, which was an electoral democracy in 1989.

9 One of the best-known institutionalists is Robert Dahl (*Polyarchy: participation and opposition*, New Haven: Yale University Press, 1971), who emphasizes institutionalized participation through equal political rights and regular contestations as basic requirements. Other institutional requirements are the rule of law, an independent judiciary, respect for human rights and public accountability.

10 Michael Bratton & Nicolas van de Walle, *Democratic experiments in Africa: regime transitions in comparative perspective*, Cambridge: Cambridge University Press, 1997.

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12 Joseph Schumpeter, *Capitalism, socialism and democracy*, New York: Harper, 1947.

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15 L Gray Cowan, James O'Connell & David Scanlon, *Education and nation-building in Africa*, New York: Praeger, 1996, p v.

16 Lipset, *op cit*, p 31.

17 See discussion in D Rueschemeyer, E H Stephens & J D Stephens, *Capitalist development and democracy*, Cambridge: Polity Press, 1992, pp 16–17.

18 Barrington Moore, *Social origins of dictatorship and democracy: lord and peasant in the making of the modern world*, Boston: Beacon Press, 1966.

19 *Ibid*, p 453.

20 *Ibid*, part 1

21 *Ibid*, p 418.

22 Rueschemeyer, Stephens & Stephens, *op cit*, p 8.

23 Robert A Dahl, *Polyarchy: participation and opposition*, New Haven: Yale University Press, 1971.

24 J Raynor, *The middle class*, London: Longmans, 1967, pp 27–30.

25 Dirk Berg-Schlosser, "Why world-wide democratisation? A performance account of democratic and authoritarian regimes", Paper presented at Punjab University, India, 1996, p 19.

26 *Ibid*, p 15 and table 2.

27 A Wood, *North-south trade employment and inequality: changing fortunes in a skill-driven world*, Oxford: Clarendon, 1994.

28 Przeworski *et al*, *op cit*, pp 42–43.

29 Juan J Linz and Alfred Stepan, "Toward consolidated democracies", *Journal of Democracy*, vol 7, no 2, April 1996, p 23.

30 A Lijphart, *Democracies: patterns of majoritarian and consensus government in 21 countries*, New Haven, Conn.: 1984.

31 Willie Breytenbach, *Democratisation in Sub-Saharan Africa: transitions, elections and prospects for consolidation*, second edition, Pretoria: Africa Institute, 1997, pp 66–71.

32 In Africa, only eight states could claim historical legitimacy, in that they existed before colonialism, namely Egypt, Libya,

Morocco, Tunisia, Madagascar, Swaziland, Lesotho and Ethiopia (see Georges Nzongola-Ntalaja, *Nation-building and state-building in Africa*, Harare: Sapes Books, 1993, p 14). With the exception of Ethiopia (formerly Abyssinia), all of the above are largely homogeneous single-nation states (they have more than 90% linguistic and/or religious homogeneity).

33 In Africa, another 15 states have compact majorities (the composition is multi-ethnic), but one group constitutes more than 50% of the total population. They are Botswana, Mauritius, Zimbabwe, Namibia, Cape Verde, São Tomé, Mauritania, Madagascar, Rwanda, Burundi, Equatorial Guinea, Seychelles, Libya, Sudan and Sierra Leone.

34 This leaves at least 28 states with multi-ethnic populations made up of numerous minorities. They are Senegal, The Gambia, Gabon, Côte d'Ivoire, Benin, Zambia, Burkina Faso, Cameroon, Mali, Ghana, Kenya, Djibouti, Central African Republic, Comoros, Congo Brazzaville, Niger, Togo, South Africa, Malawi, Guinea-Bissau, Mozambique, Ethiopia, Guinea, Tanzania, Congo Kinshasa, Nigeria, Uganda and Eritrea.

35 Christopher Clapham, "Democratisation in Africa: obstacles and prospects", *Third World Quarterly*, vol 14, no 3, 1993, p 428.

36 See Donald L Horowitz, *Ethnic groups in conflict*, Berkeley: University of California Press, 1985, pp 681–684; Abner Cohen, *Custom and politics in urban Africa*, Berkeley: University of California, 1969; Richard Sklar, "Ethnic relations and social class", in AO Sanda (ed), *Ethnic relations in Nigeria*, New York: 1976; A Rabushka & K A Shepsle, *Politics in plural societies: a theory of democratic instability*, Columbus: Merrill, 1972; and M Cross, "Colonialism and ethnicity: a theory comparative study", *Ethnic and Race Studies*, vol 1, no 1, 1978.

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Regional integration as a development strategy:

the case of the SADC

Carina van Rooyen, of the Department of Development Studies at the Rand Afrikaans University, discusses what she considers to be the most appropriate approach to regional integration for development purposes in Southern Africa.

"Regional cooperation cannot be imposed; it must grow from within on the basis of need."[1]

Regionalization is manifesting itself in Southern Africa. What is in question is not *if* the process should happen, but *how* it should happen so as to benefit the development of the region.[2] The integration strategy adopted by the region will necessarily have a major influence on its prospects of development. As a strategy for development, the role of regional integration has evolved with the changing philosophies and changing circumstances of the economic, political, social and cultural spheres within the region itself, within its constituent members and within the world system.

The process of regional integration in Southern Africa, from a global viewpoint, can be explained by two broad reasonings: helping the region to integrate into the global economy and at the same time protecting the member states of the region from globalization. As Sideri[3] puts it: " ... steps towards greater regional integration are ... defensive in nature; they can also be stepping stones to a more open world economy". Regionalization in Southern Africa has thus to be seen within the context of an effort to better the region's position within the global economy.[4] Davies[5] states in this respect that " ... recent changes in the global economy and in fashions in economic theory, have led to significant modifications in the paradigms most likely to inform efforts to promote integration in Southern Africa". The prominence especially of economic regionalism – as seen in the

dominance of the three trade blocs centred on the USA, Europe and Japan – has further marginalized Southern Africa in the global economy.[6] Regionalism has therefore now to be used by Southern Africa as a means of gaining a better position within the global economy. At the same time, regionalization can be used as a defensive response to global free trade, as a substitute for integration with the north, and as a strategy for collective self-reliance.

The changes within Southern Africa itself, especially since the beginning of the 1990s, have most certainly impacted upon regionalization in this part of the world. Changes in regional policies, plans and structures have been inevitable:[8] SADCC (Southern African Development Coordination Conference) became SADC (Southern African Development Community); the PTA (Preferential Trade Agreement of Eastern and Southern Africa) was converted to Comesa (Community Market of Eastern and Southern Africa), and SACU (Southern African Customs Union) is being renegotiated. The course of events within states such as South Africa, Angola and Mozambique has changed the landscape and led to a new era of hope in terms of cooperation between the players.[9]

Regional integration is equally important as an international and national development strategy.[10] Hettne[11] explains in this regard that "... other 'levels' of the world-system apart from the 'national'" are bearers of development strategies in the new global order. One should not see regional integration as comprising the entire development strategy of a state, but rather, as Asante[12] explains, as one

"element of an overall policy which a country may choose". He further stresses the point that not all forms of regional integration will lead to development; some might even have a negative impact on development.

Regional integration for poor countries (unlike in the First World) does not have integration in itself as its goal, but rather economic and development achievements flowing from integration.[13] What is therefore important is not the end result of integration, but rather the process itself. The developmental and economic motivations for regional integration include aspects such as increased production as a result of specialization and competition, improved effectiveness (as a result of competition within the region), access to resources that would otherwise not be possible, a bigger market (in terms of the number of consumers and their buying power), political stability, better investment opportunities and strengthened collective bargaining of the region vis-à-vis the rest of the world as well as the region's economic position in the global economy.

But which approach to regional integration will best enhance the development of the region as a whole? One of the reasons for the many failures of integration efforts is the type of approach followed. This article will consider the most appropriate approach for regional integration as a development strategy for Southern Africa, in the context of the realities of the region. (Global factors influencing regional integration will not be considered here.) The focus will be more on what approach *should* be followed by regional institutions in Southern Africa,

rather than on the structural aspects of regional institutions. The way the SADC in particular is and has been implementing regional integration will be measured against these alternative approaches. Concern about the SADC's current trade liberalization and market integration approach is also expressed, and it will be indicated that the ideal approach to regional integration and development should be flexible, inclusive and adaptable, with elements of cooperation, coordination and integration in different sectors and at different times.

As alluded to earlier, any regional integration approach has to take into account the realities faced by the region and its people. To clarify the most appropriate approach to regional integration in Southern Africa, a development profile of the region will be sketched first, followed by a theoretical discussion of alternative approaches to regional integration. The approaches followed by the SADC thus far will be discussed and their appropriateness for the development of the region will be highlighted. In view of this, some prerequisites for regional integration in Southern Africa through the SADC will be mentioned.

The development profile of Southern Africa

"Southern Africa", in this article, is the region constituted by the member states of the SADC. The statistics given about the region refer to the 12 members of the SADC (Angola, Botswana,

Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe) before the addition of the Democratic Republic of the Congo and the Seychelles in 1997.

The states of the region are all considered to be part of the South or Third World. But in spite of this commonality, the region definitely is not homogeneous. The states of Southern Africa differ in terms of physical size, population size, geography, natural resources and the level of their development (to name but a few), though they share a history of colonialism. The region accommodates about 140 million people, 40 million of whom live in absolute poverty.[14] Population growth in the region stood at 3% in 1994 while economic growth in the same period was 1,1%.[15] This situation has improved, though: growth in GDP (gross domestic product) increased to 6% in 1996[16] and population growth dropped to 2,58% (see Table 1). The inequalities in the region are stark: the second poorest state in the world, Mozambique, has a per capita GNP of $90, whereas South Africa's per capita GNP is $3 160.[17] South Africa and Mauritius are classified by the World Bank as high middle-income states; Botswana, Swaziland and Namibia as low middle-income states; and the rest of the states in the region are seen as low income states. Six of the 12 SADC states are landlocked, which means that there are certain implications in terms of infrastructure in particular.

Structural constraints on the region's economies

For foreign exchange, these states are essentially dependent on the exportation of one or two primary commodities. Minerals and agricultural products account for 90% of exports.[18] Imports consist mainly of intermediate and capital goods, 70% of which are manufactured goods.[19] Only 10% of exports are manufactured, with only South Africa, Mauritius, Zambia and Zimbabwe having sizeable manufacturing sectors (see Table 1). The minerals that are found in the region, such as gold, diamonds and copper, are distributed unequally, which leads to unequal economic development.[20] The external debt of the region comprises 108% of the region's GNP.[21] Intra-regional trade is 4% of the region's total trade (25% of which is with South Africa), which can be explained by the fact that the economies of the region are not complementary, but rather competitive.[22] However, from 1995 to 1996 intra-regional trade increased by R3,6 billion, partly because of South Africa's increased exports to the region. Rising unemployment, with a high percentage of labour involved in agriculture and migrant labour, is common. Seven out of 12 SADC states have adopted structural adjustment programmes (SAPs), which means economic liberalization is taking place in the region.[23] The total foreign direct investment (FDI) in the region for the period 1980–89 was $678 million, whereas for the year

Table 1	Some development indicators of the SADC states						
	Population (millions) 1995	Population growth (%) 1993–2000	GNP per capita ($) 1995	HDI 1993	Manufacturing as % of GDP 1994	ODA per capita ($) 1994	External debt ($billion) 1995
Angola	10,6	3,5	430+	0,283	4	29,2	12
Botswana	1,54	3,0	2800	0,741	4	79,9	0,705
Lesotho	2,5	2,7	720	0,464	17	67,9	0,950+
Malawi	9,79	2,1	170	0,321	14	47,9	1,95+
Mauritius	1,12	1,1	3150	0,825	22	35,7	0,997*
Mozambique	17,4	3,3	90	0,261	n/a	76,5	5,5
Namibia	1,58	2,6	1970	0,573	9	113,6	0,471
South Africa	41,2	2,2	3040	0,649	23	4,9	32
Swaziland	0,89	2,8	1400+	0,586	18	69,2	0,175
Tanzania	30,3	2,8	140	0,364	8	34,9	0,498*
Zambia	9,37	2,7	350	0,411	23	90,8	7
Zimbabwe	11,5	2,2	500	0,534	30	39,9	4,4
SADC	137,8	2,58	1230	0,501	15	57,5	66,644

+ 1994 figures; * 1993 figures
Source: **World Bank**, *World development report 1996*, Oxford: Oxford University Press, 1996; UNDP, *The world of information Africa Review 1997*. The Economic and Business Report, Essex: Walden Publishing, 1996.

1992 it was $564 million.[24] The increase in FDI was partly owing to the liberalization and privatization policies that have been adopted because of the SAPs. With the changes taking place in South Africa, more FDI can be expected to flow into the region. However, dependence on external aid is high; official development assistance (ODA) per capita for the region in 1994 was $57,5 (see Table 1). Furthermore, food production is low, only 59% of the population have access to health facilities, only 45% have clean drinking water and their life expectancy is only 51 years.[25]

Whereas previously "the central and abiding tragedy of the region (was) that its people (knew) each other only through conflict",[26] interstate conflict has been replaced by "new" security threats, such as illegal immigration, HIV, drugs, environmental decay, poverty, ethnic tensions and marginalization in the world economy. In terms of development, the picture of Southern Africa is thus a sad, depressing one, albeit one that has a flicker of hope.

SA's dominance of the region

South Africa is a core member of the region, and its participation in integration efforts is seen as a catalyst for the development of the region. The question, as asked by Mills,[27] is how to accommodate South Africa's indisputable economic, military and technological dominance in such a way that all the states in the region do benefit. A few examples are: South Africa's per capita income is six times that of the rest of the SADC states taken together; its GDP is 75% of the region's GDP; it produces 98% of all the electricity, 87%

of all the wheat and 67% of all the sugar in the region; and the trade balance with the region is in its favour (see Table 2).[28] South Africa's ratio of exports to imports to the region in 1995 stood at 7,4:1.[29] It also accommodates over 40% of the population of Southern Africa, the same as Angola, Malawi, Zambia and Zimbabwe put together.[30]

In spite of this dominance, the relationship between South Africa and the region is one of interdependence. South Africa's reliance on the region is evident from the following: 25% of all South Africa's exports of manufactured goods are to the region; in 1995 its trade surplus with the region was R9,2 billion, and it is expected that it will become an importer of electricity from the region.[31] Furthermore, anti-South African feelings in the region are now based on its economic power[32] instead of its policy of apartheid. Complaints include: a brain drain taking place from the region to South Africa; the regional market being flooded with South African consumer goods, and South Africa still having high tariff walls that block imports from the region.

Economic integration is nevertheless part of the Southern African picture. Sejanamane refers to the vertical integration of the rest of the region with South Africa's economy, and Davies is of the opinion that the situation is one of "negative interdependencies."[33] He states that although South Africa is a newcomer to regional institutions, it is not new to the region itself. While South Africa is in a position to drive and determine the integration process, it appears to be reluctant and unwilling to be a regional political power. The

South African Departments of Foreign Affairs, and Trade and Industry continuously proclaim that their country's relationship with the region should be based on justice, mutual advantage, non-discrimination and horizontality.[34] This attitude is surely intended to soothe the fears of other member states about South Africa's intentions and is commendable. But will it help regional cooperation and integration, and thus development? Surely, South Africa should not just look at its own narrow self-interests, but should also help with the development of the whole region? But this will apparently only happen if South Africa, because of its dominance, leads the process, with the interests of others at heart. South Africa should be the big sister of the region; not imposing her will, but guiding the region. Given this situation, the next question would be to find the most appropriate approach to regional economic integration in Southern Africa.

Alternative approaches to regional integration

Before discussing alternative approaches to regional integration, the concepts of integration, cooperation and coordination have to be defined, as they are used throughout this article. A dictionary definition of integration is "forming parts into a whole". It involves a process through which many entities melt together to form one entity, with a view to facilitating interdependent functions.[35] While integration involves the creation of new patterns and institutions, at the same time it also implies the disintegration of certain existing patterns, structures and processes.[36] The European Union is a case in point of such an integration effort.

However, integration necessitates cooperation. According to Gore[37] the idea of mutual interests is important when considering cooperation. And cooperation implies a sequence of events in which individual actors in the region decide to work together in achieving mutual interests.[38] The Lesotho Highlands Water project can be seen as an example of a cooperative effort between South Africa and Lesotho. The various spatial development initiatives (or development corridors) currently being undertaken in Southern Africa are also examples of such cooperation.

Table 2	South Africa's trade with the region		
	SA exports to (R million) 1993	SA imports from (R million) 1993	SA's trade surplus (R million) 1993
Angola	262,4	1,1	261,3
Botswana	0,5	5,7	-5,2
Lesotho	0,002	0,02	-0,018
Malawi	591,7	159,5	432,2
Mozambique	961,6	60,3	901,3
Namibia	0,06	0,5	-0,44
Swaziland	0,2	1,3	-1,1
Tanzania	57,7	21,8	35,9
Zambia	1305,9	75,5	1230,4
Zimbabwe	1745,2	659	1086,2
SADC	4925,262	948,72	3940,542

Source: M Holden, Economic integration and trade liberalization in Southern Africa: is there a role for South Africa? Washington: World Bank, 1996, pp 23–24.

Coordination refers to the process of harmonizing policies, strategies and regulations in situations where they are seen to be in the interest of the participating actors.[39] Cooperation and coordination may lead to integration, but not necessarily. All three of these actions can take place in the economic, political and socio-cultural spheres, although not necessarily at the same time. The focus of this article is on regional economic integration because of its importance in assisting regional development. Whether this will lead to social and political integration, which must be seen as part of this multidimensional development process, falls outside the scope of this contribution.

Two broad categories of approaches to regional integration can be distinguished: laissez-faire approaches, which are based on the dynamics of the market to effect integration, and dirigiste approaches in which planning and organization are necessary to effect integration (adapted from Balassa).[40] This corresponds to what Peterson[41] identifies as organic and inorganic integration. If regional integration is investigated as a development strategy, it has to focus on the second type of formalized approach, which will now be discussed.

Davies[42] highlights two approaches to regional integration: trade or market integration and development-based integration, which includes functional integration and development integration. These approaches can be explained in terms of their functions: trade expansion, sectoral integration and dependency reduction. Of importance here (and not dissimilar to Davies) is the contribution of Stewart and McCarthy:[43] they identify three alternative approaches to regional economic integration, namely market integration, development-orientated integration and loose, functional economic cooperation.

Market integration

This approach is based on the integration experience of industrialized states. It involves the lowering and removal of trade barriers between states in a region in order to increase trade between them. This increased trade is seen as an engine of growth and development. Initially, this was known as the customs union theory of Jacob Viner.[44] Flowing from this, the linear phase model of Balassa[45] indicates the

five phases that a region has to go through to achieve market integration: free trade, customs union, community market, economic union and total economic integration in a political union.

In terms of this theory, the ideas of trade diversion and trade creation are important. Trade diversion takes place if cheaper products from a non-member state of the region are replaced by more expensive products from a member state because of preferential trade. An artificial advantage is thus created in the region. Trade creation refers to a situation in which a state buys cheap products from a regional member state, cheaper than the state is able to produce itself. Market integration is favourable if trade creation is more extensive than trade diversion, which happens when trade between member states constitutes a large part of the total trade of the region, and where a high degree of complementarity in productive structures exists in the region.[46] The potential for successful market integration improves once the members are on the same level of industrial development, have broadly similar economic and political systems, have a diversity of products/services to trade, and if all the members perceive integration to be beneficial. Maasdorp[47] also identifies the necessity for the existence of a supranational body in the region, through which the sovereignty of individual member states is decreased.

On the face of things, not all the prerequisites for market integration exist in Southern Africa at this point: they will have to be created before market integration can become a reality. With the worldwide trend towards democratization and economic liberalization in the 1990s (which is also experienced in Southern Africa), states in the region exhibit broadly similar economic and political systems, one of the prerequisites for market integration. For the immediate future, though, it would seem that economic interaction is needed more than economic integration. A recent study commissioned by the World Bank confirms that "regional activity" should receive more attention in Southern Africa than integration at this stage.[48] The argument is that states with smaller economies do not usually have the infrastructure, production capacity or technology to benefit from market integration, with the result that the more developed member states, such as South Africa and Mauritius, will be

the major beneficiaries of market integration, and this will further the inequality in the region and cause instability, with the effect of hindering development. The fact that the economies of the states in Southern Africa show a lack of complementarity leads to low intra-regional trade. The commodities that are traded are the same; more diversity is needed if intra-state trade is to increase. A degree of complementarity does, however, exist in certain agricultural products (coffee, tea and cashew nuts) as well as a degree of product differentiation in terms of style and quality.[49] If market integration were to be followed at this point, trade creation would be low, with trade diversion being the more likely result.

A major problem with the market integration approach for Southern Africa is, however, that this approach, according to Holsti,[50] was developed for industrialized countries with a view to universal applicability. Hettne[51] therefore calls this approach, followed by the industrialized states, "neo-liberal regionalism". The statement by Dahlberg[52] that "practically, there are strong indicators that ... a different pattern of variables (is necessary) to achieve integration in the developing as compared to the developed areas" implies that regionalization in Southern Africa will be different from that in the more industrialized regions. Although the European Union is presented as a global model for regional integration,[53] important differences in terms of infrastructure, external economic dependency, political structures and national consciousness lead to the conclusion that regionalization in Southern Africa will follow a different course from that in Europe. The specific context in which regional integration must be achieved will surely influence the approach to be followed. Doe[54] states that for integration to enhance development (in Southern Africa) it must be more than market integration only. Asante[55] refers to market integration as beneficial but not a necessary or sufficient condition for development. Market integration as the immediate approach to regional integration is thus not necessarily appropriate right now for the development of Southern Africa.

Development integration

The development integration approach is a response to the shortcomings of

the market integration approach. The development integration approach is based on the assumption that industrialization[56] must be advanced before market integration can be considered. The goods must be produced before they can be traded.[57] Economic structural transformation must thus take place, with diversification away from only commodity exports. Therefore, development integration involves a multi-sector programme in production, infrastructure and trade.[58] Two important characteristics of this approach, according to Ostergaard,[59] are firstly the conscious intervention by members of the region to promote cooperation and interdependence. A higher degree of state intervention than with market integration is seen as necessary. The second characteristic is the attention given to the equal distribution of the benefits of integration. For example, if trade liberalization takes place, compensatory and corrective measures should be introduced so that all member states can benefit. SACU, for example, has such measures, such as the revenue-sharing formula and the stabilization/enhancement factor. Such measures are usually politically unpopular and Leistner[60] indicates that they have not ensured equal benefits anywhere. Rather, many problems are encountered in the implementation of such measures, as with SACU. If trade liberalization is to take place, it should be complemented by the coordination of regional industrial development, the establishment of a regional fund or bank, a degree of coordination of macro-economic policies and giving preference to less-developed members in terms of access to regional markets and facilities.

Hettne[61] states that this kind of "... development regionalism ... reduces the level of conflict and the peace dividend facilitates further development (integration)". He sees this approach as appropriate for the Third World (and thus also Southern Africa) as a response to their threatening marginalization in the global economy. From the very outset close political cooperation will be needed to negotiate all these measures. Hettne[62] therefore refers to it as more political in nature than other integration approaches. It can also be referred to as integration-from-the-top. The close political cooperation needed from the outset of the integration process is difficult to achieve in Southern Africa owing to the fact that most of these states still cherish their newly found autonomy and sovereignty. In Southern Africa, all the states and political leaders are still focused on nation-building and strengthening political power, which means that they are very reluctant to scale down their sovereignty. Most would want their own car manufacturer, for instance, and to be self-sufficient rather than having to import cars from a member state. It seems that this approach could work in Southern Africa only if the political will and commitment could be found, which presently seem to be lacking.

Functional cooperation

Functional cooperation has its origin in the functionalism of David Mitrany and E B Haas.[63] Mitrany believed that the integration process can start only from functional cooperation. The idea was that cooperation in one sector (such as tourism), will spur and necessitate further cooperation, and later integration – through the so-called spill-over-effect. By first focusing on economic cooperation and integration, political integration (which deals with much more sensitive issues) will follow naturally at a later stage.

Some of these ideas have been taken over by the functional cooperation approach to regional economic integration. Functional cooperation involves cooperation in the planning and implementation of joint projects. That is why this approach is also known as project cooperation. These projects are aimed at the improvement of infrastructure and production structures, so as to advance trade in the region. Unlike market integration, this approach sees " ... co-ordinated production (as) the basis of trade expansion, not the consequence ...".[64] Transport, communications and energy infrastructures are improved so that trade can take place more efficiently and cost-effectively. In addition to governments, other interest groups also have an important role in this type of integration.[65] That explains why this approach is described as integration from below. One problem in Southern Africa, however, is that interest groups have thus far been poorly organized, which has inhibited functional cooperation. What is important, though, is that cooperation will promote the formation of a regional identity and consciousness, which will assist the involvement of interest groups in more fundamental integration. The aim of functional cooperation is thus to achieve economic integration through flexible, incremental steps.[66]

According to Van Staden,[67] regional economic integration amounts to more than just the coordination of infrastructural projects and development plans. Although Davies[68] also feels that there has to be progress towards trade issues later on, the consensus seems to be that project cooperation can improve regional trade and create the prerequisites for deeper integration.

Regional integration in Southern Africa through the SADC

The predecessor of the SADC, the SADCC, was established in 1980 by the Front-Line States, partly in reaction to PW Botha's proposal of a Constellation of Southern African states. According to the Lusaka Declaration of April 1980, one of the SADCC's main aims was to diminish dependency on external resources and especially, although not only, on South Africa. Collective self-reliance was thus important. Other goals were in terms of economic development. Successful cooperation in the transport and communication sectors, in particular, was brought about. Market integration was thus not an explicit aim at the SADCC's inception.

The focus was apparently on the coordination of development projects, and the strategy can be described as sectoral programme coordination or functional cooperation. The assumption was that the main barriers to intra-regional trade were inadequate infrastructure and production structures, and not tariff barriers. Although decision-making was decentralized in Sector Coordinating Units, entrusted to specific member states, only political leaders and government officials were involved in these decisions. Hentz[69] points out that such a decentralized structure was sensitive to the sovereignty of member states. As a starting point for cooperation, the focus was on national priorities with a regional impact.[70] The SADCC was thus a loose organization for sectoral cooperation and coordination rather than integration. It broke with the dominant paradigm of regional integration, namely market integration, and followed its own approach, which fitted in with the political (and development) environment in the region at the time.[71] In terms of development theory, the

SADCC's point of departure was apparently that of *dependencia*, in that especially South Africa was seen as the cause of the underdevelopment of the region.

With the changes taking place within member states and internationally during the early 1990s, the SADCC had to adapt to the changing environment. Its transformation into the SADC in July 1992, represented a move away from development coordination to what the SADC calls "development integration", or what is referred to in this article as market integration. The aim is not only economic cooperation and integration, but also cooperation related to political and security issues. In July 1996 the heads of state, for example, approved the creation of the Organ on Politics, Defence and Security (OPDS) with a view to coordinating security issues between the member states. The development theory that underlies

the SADC, as from 1993, seems to be the modernization theory, with the participation of South Africa now seen as necessary for the development of the region. Gibb[72] refers to it as the interdependence (as opposed to dependency) school.

The areas of cooperation identified by the SADC as the ones that should lead to integration include food security, land and agriculture, infrastructure, trade and investment, science and technology as well as the environment.[73] In this regard eight protocols have been negotiated, for example the 1995 record of understanding on a regional energy pool; the agreement on cooperation in waterways; and a protocol on free trade with the goal of establishing a free trade area within eight years of the protocol's ratification. It seems as if the SADC desires simultaneous sectoral cooperation and market integration through trade liberalization. The South African Department of Foreign Affairs[74] is of the opinion that success in one will strengthen success in the other, which one has to agree with.

What approach is necessary, though, for the development of the region? Was the SADC right in shifting its focus to integration – or should it rather have remained focused on cooperation for development? Another question that must be asked is whether expansion or deeper integration is what is needed for the development of the region. Answers to these questions are influenced by factors such as stability

and good governance, the political will and commitment of the leaders of the region, and the participation of the people of the region in the integration process. The underlying assumption in the proposals that follow is that integration must hold fair benefits to all SADC members. In the short term, the benefits and costs of integration will not be spread evenly (though inequalities will be reduced in the long term). The aim is for each member state to reach a higher level of development – not necessarily the same level. Some feel that the SADC should, instead of setting high standards (such as trade liberalization), get back to basics.[75] An example of "much talk, little action" is, the fact that only three SADC members have thus far ratified the trade protocol. Botswana is the only country thus far to have ratified all eight protocols. If one considers the quality of life of the people of the region, more practical projects, instead of talks, should receive priority attention in the integration effort.

In view of the above, it seems to be crucial for the SADC, as a development community, to focus on creating the conditions that will lead to deeper economic integration. The SADC should have elements of cooperation, coordination and integration, depending on the situation in the sector that is considered for integration efforts.[76] Bilateral cooperation should be seen as helping possible multilateral cooperation along, rather than hindering it, as stated by Kaire Mbuende, Secretary-General of the SADC.[77] The idea is, therefore, that barriers to integration be removed through cooperation and coordination. A flexible and more adaptable approach seems to be what is needed for the long-term sustained development of the region. Integration should, in other words, grow from existing economic relations, shared interests and real interdependence. Regional integration must face (and be based) on the economic realities of the region.[78] Approaches such as variable speed (included in the Trade Protocol), variable geometry (with SACU as the core) and flexible integration should receive more attention. Maasdorp's[79] proposal of an economic union between SA and Lesotho, a common market between the economic union, Swaziland and Namibia, a free trade area between the common market and Zimbabwe, and a preferential trade area between the free trade area and the rest of the region, is an example of

this. Gibb[80] sees SACU as the core of a variable geometry regional trading arrangement, especially in view of the similarity in integrative strategies pursued by the SACU and the SADC. A pre-established timetable at this point seems inappropriate, but could be appropriate later when deeper integration has been achieved. Asymmetrical preferential access and trade liberalization taking place at different speeds will have to be used if integration is to bring about development, which the SA Department of Trade and Industry is proposing.[81] But regional economic integration should be seen as a long-term goal, with the short-term goals being increased cooperation and coordination. Furthermore, instead of expanding the membership of the SADC, which would widen the process, existing members should aim for deeper integration.

However, the danger exists that the above argument can be used as an excuse to postpone and delay deeper integration. The fact of the matter remains: although, in the end, market integration should be achieved, one cannot begin there. Integration should take place as soon as possible, but based on real interdependence and fair benefits. It seems that only then will successful integration of the kind that will lead to the development of the region as a whole be possible. For this to be realized the following prerequisites are important:

- political and economic stability in Southern Africa;
- the political commitment of the leaders of the region to really achieve integration;
- popular participation with accountability and transparency; and
- all members benefiting from regional integration.

Is the political leadership of the region really prepared to make short-term national sacrifices in order to achieve long-term benefits for the region and their states? According to Vale,[82] the problem of Southern Africa is "weak commitments by weak states". These weak commitments might partly be explained by the fact that the benefits of regional integration are unclear or too long term to make them politically popular. Regional integration must be seen by everyone as a strategy for helping oneself through helping member states. In regional integration all partners must benefit, though not necessarily to the same degree.

Another prerequisite is that integration efforts will have to be more than simply intergovernmental: people will have to be involved in the process. Democratic decision-making, accountability and transparency in the SADC as well as in the member states should be enhanced as a precondition for deeper integration. The SADC seems to realize this: "Regional integration will remain a paper castle until it touches the lives of ordinary citizens of the region, and until they can be involved in determining its form and content."[83] But still, nothing has been done to achieve more participation. By involving business, unions and social movements, the process will be more legitimate and more sustainable. The proposal of a Nedlac-type structure to be incorporated into the SADC will indeed go a long way in achieving wider participation, which will also help in creating a stronger regional identity.[84] Then the xenophobia in South Africa and suspicion in the region of its dominance might lessen. Trust is the result of a process of cooperation in areas of mutual interest and is needed before deeper integration can be achieved.

Conclusion

The beginning of the 1990s brought peace and a level of stability to the region. With political stability an important precondition for regional integration, what is also still needed is the development of Southern Africa – development referring here to a multi-dimensional process aimed at improving the economic, social, political and cultural aspects of people's lives. Regional economic integration is part of an effort to bring about precisely this. Regional integration must begin with the acknowledgement of regional inequalities. The way in which integration is brought about will clearly influence development. The approach followed has to take into consideration the realities of the region and the world at large. And because these environments are constantly changing, any regional integration strategy will constantly have to adapt and be flexible.

Regional integration as a development strategy remains, however, supplementary to each state's own development strategy; each state has to take responsibility for its own development, but in such a way that the development of the region is also enhanced.

In terms of the most appropriate approach to regional integration in Southern Africa, it was argued that in areas where not much progress with integration has been made, functional and project cooperation is appropriate. In other sectors, mechanisms with a view to deeper integration can be implemented. The SADC should therefore be careful not to rush into trade liberalization. In terms of policy, the SADC countries seem to be doing just that, although in their actions they are not. What is thus needed is an approach that is flexible, adaptable and pragmatic in different circumstances. "The real issue is rather to identify that combination of cooperation, coordination and integration, realistic and flexible under prevailing conditions, which can best advance the goals of contributing to growth and development."[85] Southern Africa should not follow the way of many other integration efforts, which tried through unsuitable approaches to achieve too much in too short a time. Instead, regional integration should be approached with realism and caution. Sustaining political stability and creating economic stability in Southern Africa must be achieved. Political will by leaders of the region is needed. Participation by the government, business, unions, women, etc must also be part of the process of regional integration. And all the member states should feel that they benefit from regional integration.

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SMMEs and economic development in South Africa

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North West Province's SMME strategy process in 1997. In this article he evaluates the potential of the SMME
sector to contribute to economic development in South Africa, with special reference to the North West
Province

When the new South African government, with its nine new provincial governments, came into being in 1994, it was immediately confronted by communities in dire need of development. A report into poverty, commissioned by the RDP office and released in 1995 by the World Bank, indicated that poverty, inequality and unemployment were the most serious development constraints in South Africa.[1] Moreover, the report emphasised the significant degree of spatial inequality in South Africa, implying that the development challenges faced by the nine new provincial governments differed significantly between provinces. Table 1 summarises the degree of spatial inequality between South Africa's provinces.

Table 1 ranks South Africa's nine new provinces in terms of Gross Geographic Product (GGP) per capita. The province with the lowest per capita GDP in 1995 was the Northern Province (R2 721), and the highest was Gauteng Province (R23 215). The degree of spatial inequality is evident

average income in Gauteng is almost 10 times that of Northern Province. Furthermore, indicators of access to education and health, such as the Human Development Index, are almost twice as high in Gauteng and the Western Cape as in the Northern Province. Employment opportunities are relatively more abundant in the Western Cape and Gauteng. Table 1 also gives an indication of inequalities between males and females in all provinces the unemployment rate for females is more than 15% higher than that for males.

As was argued recently by Naudé and Serumaga-Zake,[2] the current economic policies of the national government hold the potential to exacerbate spatial inequality. Furthermore, Coetzee, et al[3] have used a CGE model to determine that tariff reduction will be likely to impact more negatively in terms of employment and output on those industries (eg textiles, clothing, food processing and metal processing) that are relatively more concentrated in poorer provinces such as Northern Province, North West and the Eastern Cape.[4]

In light of the constitutional obligations (see Schedule 4 and 5 of the Constitution) of provinces to provide education, health, welfare and economic development planning for its communities, it is necessary for provincial governments to formulate their own particular strategies to further sustainable development in the geographical areas under their jurisdiction.

Sustainable development, first and foremost, implies human-centred development Strategies and policies that are based on human-centered development empower people by improving their skills, building their self-reliance and enhancing their dignity. Increasingly, small, medium and micro-enterprises (SMMEs) are seen by policymakers worldwide as an ideal way to further sustainable development

The North West, facing particularly daunting development challenges, was one of the first provinces in South Africa to identify support of the SMME sector as the foremost priority in its development strategy.[6] As a result the province engaged in a participatory process with its communities and

TABLE 1: Spatial inequalities in South Africa

Province	GGP per capita, 1995 (Rands)	Gini coefficient 1993	Human development index 1991	Unemployment rate 1995 (%) Males	Unemployment rate 1995 (%) Females
Northern Province	2 721	0,66	0,47	30	52
Eastern Cape	5 078	0,65	0,51	36	47
North West	7 019	0,60	0,54	25	44
KwaZulu-Natal	7 345	0,64	0,60	26	42
Free State	9 331	0,67	0,66	19	55
Mpumalanga	11 401	0,67	0,61	24	40
Northern Cape	11 636	0,57	0,70	18	41
Western Cape	16 418	0,58	0,85	14	25
Gauteng	23 215	0,61	0,83	17	27

national bodies such as the National Small Business Council (NSBC) to draw up a five-year strategy for the development of its SMME sector. The resulting strategy was presented to a stakeholders' summit in August 1997, and adopted by the province's executive committee in February 1998.

In light of the above overview, the purpose of this article is to evaluate the potential of the SMME sector to contribute to sustainable economic development in South Africa, through a focus on the North West Province. A short overview of the economic situation in North West Province is followed by an overview of its current SMME situation; government's response to this situation is detailed, then a summary and critical evaluation are followed by an analysis of the five-year development strategy recently adopted for the province.

Economic situation analysis of North West Province

Location and demography

South Africa's North West Province is bordered by Gauteng Province in the east, the Northern Province in the north and east, and the Northern Cape, Free State and Botswana in the west and south. The province covers 9,7% of the total surface area of South Africa – an area of 118 710 km². There are just over 3 million people living in the province, approximately 8% of South Africa's total estimated population.

The North West Province is subdivided into 27 magisterial districts. Of its 3 million people, 68% live in non-urban areas; significantly, nearly 11% of the country's total rural population. The province has an annual population growth rate of 2–3% and a population density of 27 persons per km².

The population is very unevenly distributed within the province's officially designated sub-regions. For instance, the smallest sub-region is the Far-Eastern sub-region, which covers only 5% of the province's surface area but contains 29% of the population. The Western sub-region, by contrast, covers 46% of the province's surface area but contains only 17% of the population.

Three large urban centres can be identified, namely Klerksdorp–Potchefstroom, Rustenburg–Brits and the capital city of Mafikeng; also the former homeland area of Ga-Rankuwa. These urban centres contain about 30% of the total population, and are also the areas which offer the best possibility for sustainable SMME development.

Economic size and structure

The need for SMME development in the North West becomes even more obvious if one considers that its economy is dominated by mining and agriculture; and that both sectors are subject to unpredictable external shocks, and in long-term decline. Diversification of the economy is needed, and SMMEs could play a potentially valuable role.

Table 2 summarizes the economic structure of the province in terms of the international standard classification of industrial activity. Mining accounts for 42% of the province's GGP, while manufacturing accounts for only 12%.

From Table 2 can be seen that mining and agriculture are the dominant sectors in North West's economy, accounting for 57% of GGP and employment. This is followed by finance (13% of GGP) and trade and manufacturing (each 12%).

The total value of North West's GGP in 1995 was about R20 billion (US$7 billion). This is about twice the size of neighbouring Botswana, five times as big as that of Mozambique and Swaziland, and bigger than the economy of Kenya. In the South African context, North West Province's contribution to the South African Gross Domestic Product (GDP) is shown in Table 3:

TABLE 3: North West's contributions to South Africa's GDP

Province	R million	% of total GDP
1 Gauteng	139 455	38%
2 KwaZulu Natal	55 013	15%
3 Western Cape	52 842	14%
4 Mpumalanga	31 964	8%
5 Eastern Cape	25 383	8%
6 Free State	21 940	6%
7 **North West**	20 191	5%
8 Northern Province	10 280	4%
9 Northern Cape	7 014	2%
Total	R430 424	100%

Table 2 shows that North West contributes about 5% to the total GDP in South Africa. Its mining output is one of its most significant contributions to the South African economy. Of the 12 platinum group metal mines in South Africa, five are situated in the Rustenburg area and produce over half of the annual total platinum group metal output in the world. Furthermore, more than half of South Africa's chromite production comes from North West. Ferrochrome is produced by four plants in the Rustenburg area, with expansions worth around R100 million planned at the Hernic ferrochrome plant near Brits.

Apart from the predominance of mining in the province, economic activity is heavily skewed spatially. For instance, the urban centres are responsible for almost 60% of the total GGP of the province.

Given the declining fortunes of mining – especially gold mining – during the past couple of years, it has become vital for the province to diversify its production base. The uninspiring performance of the manufacturing sector is therefore particularly disappointing. Over the past decade manufacturing growth has been stagnating, and manufacturing output and employment have been contracting. Moreover, current manufacturing is dominated by three industries: food processing, non-metallic mineral products and fabricated metals account for over 90% of all manufacturing out-

TABLE 2: Sector contributions to GGP in North West Province, 1995

SIC Code	Sector	Output R million	% of total	Employment numbers	% of total	Average annual growth in output 1985–1995
1	Agriculture	2 625	13%	78 822	18%	9,4%
2	Mining	8 480	42%	165 064	39%	-1,2%
3	Manufacturing	2 424	12%	57 345	13%	-1,1%
4	Electricity	202	1%	3 437	1%	4,0%
5	Construction	808	4%	26 498	6%	-0,2%
6	Trade	2 423	12%	61 097	14%	1,2%
7	Transport	606	3%	12 750	3%	2,7%
8	Finance	2 623	13%	20 442	6%	2,3%
	Total	R20 191	100%	425 455	100%	0,5%

It has been found that light-manufacturers in micro-enterprises earn above average incomes

Outsourcing and sub-contracting by provincial and local governments provides opportunities for small businesses to capture demand

put. Most manufacturing concerns are located in the far-eastern region around the towns of Brits, Rustenburg and the former homeland areas of Ga-Rankuwa as well as Potchefstroom and Klerksdorp.

Socio-economic profile

■ **Unemployment.** The core economic development problem in North West is unemployment Without sufficient access to income-generating employment opportunities, poverty, inequality and the legacies of apartheid cannot be undone. Unemployment in the province has steadily been in-

creasing from 34% in 1994 to 36,4% in 1996. Unemployment among poor rural communities is estimated to be as high as 53%. Mining and construction have continued to shed jobs over the past years, while manufacturing has failed to create any new job opportunities. This has resulted in the service sector (owing to an increase in informal business activities) becoming the largest sector generator for employment, followed by the traditional mining and agricultural sectors. The HSRC has forecast that without the implementation of an appropriate economic development strategy,

unemployment in North West will increase to 43% in 2001.

■ **Poverty and inequality.** The consequences of high and increasing unemployment are, foremost, poverty and persistent inequalities. It is estimated that 9% of all the poor people in South Africa live in the North West and that 57% of all the people living in the North West could be regarded as poor, while 43,5% of the poor (186 000 households or approximately 1,1 million people) are classified as ultra poor, with a monthly income of less than R178 per month. It is especially the poor who lack sufficient access to basic services such as water, food, energy, land, shelter, transportation and primary health care.

North West is characterized by high inequalities in terms of income and employment opportunities between races, between male and female, and between regions. The Gini coefficient, a measure of the income inequality in the province, is about 0,60 – which would place North West, if it were a country, among the most unequal in the world. The burden of poverty falls disproportionately on women, especially those in rural areas. Male absenteeism in the province, at around 7%, is one of the highest in South Africa.

■ **Quality of life.** The Human Development Index (HDI), a measure of people's ability to live long and healthy lives, to communicate, and to participate in community life, was estimated at 0,543 for North West in 1991. This is somewhat lower than the South African average of 0,680.

■ **Spatial inequalities.** Finally, although 65% of the population in North West reside in rural areas, most economic activity is concentrated in the southern (Potchefstroom–Klerksdorp) and north-eastern (Rustenburg–Brits) regions, where more than 66% of the GGP of the province is produced. Specifically, the Klerksdorp and Rustenburg districts together produce about 40% of the province's GGP while covering only 4% of the surface area. Any development strategy for the province should take into account these spatial dimensions of underdevelopment, and especially the lack of economic opportunities in rural areas.

Labour supply in North West Province is characterized by a shortage of highly skilled labour

Approximately 84% of all small businesses in North West Province are shops.

Apart from placing a disproportionate burden on the poor in rural areas (predominantly also in the central and western parts of the province), the consequence of the lack of economic opportunities is that substantial pressures are brought to bear on urban areas due to rural-urban migration. The DBSA estimates the rate of urbanization in North West Province to be around 3,6% pa – which exceeds the population growth rate.

There is substantial local and international evidence that job-creation strategies that focus disproportionately on urban areas and large industrial projects in metropolitan areas may in fact exacerbate urban unemployment. This apparent paradox is due to the fact that one urban job created may provide incentives for migration from rural areas in excess of the actual job(s) created.

Critical evaluation

The primary causes of unemployment, poverty and inequality in North West as described above can now be identified.

■ **Economic stagnation.** The North West Province under-performed from 1970 to 1994. Its share of 5,7% of the national economy is considered as sub-optimal, since 8% of the population, 9,7% of available land and 8,3% of budget transfers are at its disposal. The province's economic structure lags behind that of South Africa, with the secondary and tertiary sectors neglected and contributing less. The primary sectors (mining and agriculture) contribute considerably more to the economy than the national average.

During the 1980s average GGP growth was negative in real terms, and with a population growing at 3,1% per annum, per capita real incomes have been declining. In 1994 the per capita income in the province was estimated to be R4 995 pa, which is about 53% of the national average. With the failure to diversify the economy, and the tendency of agriculture and mining to shed jobs rather than create new ones, the informal sector expanded.

In 1994 approximately 15% of the North West labour force made a living in the informal sector. This is the most substantial of any province in South Africa and underscores the potential importance of a SMME development strategy. As this sector is seen as a "survival" sector, its size implies substantial hardship in the province and accentuates the inability of the formal sectors, especially manufacturing, to create sufficient employment. Even when manufacturing showed an absolute increase in output (over the period 1985 to 1993), employment decreased by about 6,9%. The informal sector provides the largest number of employment opportunities in the service sector, namely 85 000 or 34% of all employment in this sector.

■ **Lack of human capital and entrepreneurship.** Labour supply is characterized by a shortage of highly skilled labour. More than 41% of the labour force are estimated to be functionally illiterate, with a further 39% having only

The large number of shops in North West Province reduces average earnings

primary education as a basis. Economic stagnation is contributing to the outflow of skilled labourers from the province, which in turn is seriously hampering the development of the SMME sector. The fact that skilled labourers migrate from the province, but that the informal sector is one of the largest of all the provinces' informal sectors, seems to indicate that the SMME sector is currently only a survival sector and does not contribute positively towards economic growth, diversification of the economy and sustainable human development.

■ **Lack of good governance in the past.** The new provincial administration inherited three separate government administrations, 26 parastatals and a bloated bureaucracy of about 70 000 people. Inappropriate and insufficient local government structures in the past led to skewed local economic development and a culture of non-payment for local government utilities. The restructuring of appropriate local government structures, and the support of the viability of these structures

through local economic development (LED) initiatives, are therefore key components of any economic development strategy for North West.

Good governance is particularly important in any attempt to develop the SMME sector since the legacy of the past – a repressed informal sector and economic freedoms limited by stifling legal measures – needs to be undone. This requires not only that current legal and other limitations on SMMEs be reduced, but that government take an active part in assisting SMMEs in this regard. government outsourcing and procurement policies, competition policies, funding policies and provision of education and training are vitally important.

SMME profile in North West Province

Overview

Although there is relatively little substantive information available on the state of the small business sector in North West (a situation that the North

West government aims to rectify through its support of applied research in this strategy), the following picture can be gleaned from analyses of the Saldru Living Standards Survey and the workshop that was held in Rustenburg on 9 July 1997.

■ Most small businesses are concentrated in urban areas. This is explained by the narrow range of activities in which small businesses are concentrated; it is also an indication of the fact that a lack of demand for their goods, coupled with high transaction costs implied by sparsely populated areas, are serious constraints to small businesses in rural areas.

■ More than 95% of small businesses owned by blacks are classified as "informal". This gives a "survivalist" character to small businesses and suggests that skills and knowledge of the formal economy, as well as access to appropriate economic and social infrastructure, might be lacking. The informal sector in North West is substantial, with 15% of the labour force estimated to be dependent on the sector for survival. However, about 75% of the informal sector

operators are concentrated in the services, trade and transport sectors, with less than 8% in manufacturing and only 2% in agriculture.

■ The small business sector is very narrow-based, as the above point suggests: 84% of all small businesses in North West are shops. This implies that efforts to continue support for small businesses in a fragmented and ad hoc manner, or seeing small business support as a disguised form of welfare, is likely to be counterproductive in increasing the number of business units in an already crowded sector, and reducing the average earnings of all small businesses in trade. It is necessary that the diversification of small businesses in North West be encouraged. Especially important is that small businesses enter the light manufacturing sector: it has been found that elsewhere in South Africa light manufacturers in micro-enterprises earn above-average incomes (in excess of R2 000 per month).

■ About 46% of all male shop workers have education standards of lower than Std 1. It is therefore necessary, if the aim is to diversify the range of business activities in which small businesses are active, to target tailor-made training and education programmes to prospective and existing operators in small business.

■ In rural areas the predominant small business is selling of goods on streets. This reflects, to some extent, the lack of integration of rural markets: local government structures ought to be playing a leading role in establishing a more conducive and less transaction cost intensive environment for trade in rural areas.

■ Most small businesses in North West earn between R100 and R500 per month. This suggests that the potential for growth through investment and job creation in the small business sector may be limited, unless interventions by governments and other role players improves the competitiveness and profitability of small businesses.

■ Currently, the most profitable small businesses are shebeens, traditional healers and selling on the street. This reflects the fact that traditionally most small businesses

in North West have been dependent on consumers in non-commercial urban areas, and have had very few linkages with larger, producing firms, or with government agencies.

Constraints

From an own survey conducted during the workshop at Rustenburg it emerged that the major constraints being faced by small businesses in North West are:

■ *Lack of access to finance.* Owing to insufficient recognized collateral and the high transaction costs and risks that small-sized loans to the small business sector pose to formal financial institutions, credit for working capital and investment purposes is lacking.

■ *Lack of skills and training.* Most small businesses cannot enter manufacturing activities owing to lack of appropriate skills; nor can they improve the efficiency and success of their existing enterprise because they lack management, financial and entrepreneurial skills.

■ *Lack of effective demand for their goods and services.* Procurement and tender procedures of government (on all levels) are seen as a stumbling block in the way of small business development. Especially in rural areas, the lack of sufficient demand imposes severe constraints on the growth and sustainability of rural enterprises.

■ *Lack of inward and outward communication and marketing information.* Information on the initiatives of national and provincial governments is often not available, or properly understood, by both smaller and larger businesses. Loan financing schemes and their conditions, ways of applying, etc, need to be brought to the attention of the targeted small business sectors. Furthermore, small businesses need to market themselves better, especially to create greater linkages with bigger businesses as well as to expand their market into regional and international areas.

■ *Regulations and legal aspects impinging on their day-to-day activities.* Here the implications of labour legislation, the aims of maintaining standards and quality levels apply.

■ *Lack of sufficient infrastructure facilities and technology, and location of small businesses outside commercial districts or commercial traffic routes.*

During the Stakeholder Workshop on 9 July 1997, priorities were attached to these various constraints by participants. The most serious constraints were:

■ finance
■ training
■ procurement (demand)
■ communications and marketing
■ regulations
■ infrastructure

These constraints are consistent with the experiences of other provinces in South Africa, as well as with international evidence. For instance, the 1990 Gemini (Growth and Equity through Micro-enterprise Investments and Institutions) Survey found that the most serious constraints facing black emerging enterprises were:

■ *Financial constraints.* Access to formal lenders is difficult until a firm has more than five employees and has been in existence for three to five years. The major informal sources of funding are rotating savings and credit schemes (Roscas). Lack of operating funds is a problem among new firms in particular, whereas lack of investment funds is a particular problem of older firms.

■ *Market constraints.* The small business sector in South Africa is generally characterized by an intensive degree of competition. Under apartheid, blacks were restricted to operating a narrow range of businesses, mainly township-based retail, thus focusing on the low-income market in locations where supply is expensive.

■ *Inadequate business premises and tenure arrangements.* Under apartheid, whites controlled the allocation of formal business sites. Today, more than 71% of black-owned micro-enterprises are operated from home, far from commercial traffic zones.

It is important that any small business strategy in North West deals with these constraints, since an enabling environment for small businesses requires primarily that stumbling blocks and barriers to entry in the sector be removed. It is, however, also necessary for any

small business strategy to recognize the unique opportunities for growth and development that exist in the province.

SMME opportunities in North West

The North West Development Strategy and an analysis by the Services Group for Investment South Africa suggest that the following are some of the potential opportunities for small business development in North West:

- The increased importance and opportunities of the tourism sector in the province. Tourism could grow by 6% per annum by 2001, offering substantial scope for labour-intensive employment.

- The development of industrial and transportation corridors and clusters in the Northern and Eastern regions of the province could offer many opportunities for small business development, particularly in terms of outsourcing, sub-contracting and other linkages with larger firms. The Platinum Spatial Development Initiative (SDI), which will link Pretoria with Lobatse in Botswana, will offer many opportunities for small business, especially in tourism and agro-industries. The envisaged metropolitan cluster between Centurion and Mabopane will offer many opportunities for trade, services, transport and light manufacturing.

- Increased opportunities offered by North West's internationalization, in the first instance especially in light of greater regional cooperation in Southern Africa. Opportunities for export to the SADC countries are especially important. The Platinum SDI will increase the importance of North West as a gateway to Africa.

- Outsourcing and sub-contracting by provincial and local governments provides an opportunity for small businesses to capture demand. The newly drafted Tender and Procurement Bill recognizes the need for government to support small business development through these activities.

- Agro-industries offer small businesses the opportunity of making use of one of North West's two possible advantages (compared to the other eight provinces), especially in the areas of meat processing, canning, tanneries, beverages, flavourants and essences, perfume, oilseeds and skins, etc.

- Land reform and other legal reforms, for instance the Business Act, offer to eliminate past constraints on small business activities.

- The delivery at a national level of appropriate institutions to support small business, such as Khula, Ntsika and the SBDC, should be seen as important for small business development in North West Province.

- The role of the NSBC in representing and promoting the interest of small business and advising government on the social and economic policies that will promote the development of small business.

- The greater willingness of private sector-led initiatives to assist the small business sector, as well as credit and loan programmes recently adopted by formal financial institutions.

- The devolution of functions and authority from central government level to local government level, and the obligation of local governments to seek the economic

Training programmes in the North West Province will consist of an integrated and interrelated set of programmes.

development of their citizens according to the requirements as set out by Land Development Objectives (LDO) and the Development Facilitation Act. In many areas of North West Province the establishment of appropriate local government structures should be seen as important vehicles for small business support, especially in rural areas.

Outline of the North West SMME strategy

Within months of assuming office, in October 1994, the new government – through the Ministry of Trade and Industry (DTI) – released a discussion paper on "Strategies for the development of an integrated policy and support programme for Small, Medium and Micro-Enterprises in South Africa".

After a process of wide consultation, this document led to a White Paper on a "National strategy for the development and promotion of Small Business in South Africa" in March 1995. This was followed by an enabling Act, the National Small Business Act (no 102 of 1996) passed through Parliament on 27 November 1996.

This Act, and the establishment of the National Small Business Council (NSBC) in terms of this Act, illustrates the South African government's commitment to SMMEs, as well as government's belief that without definitive initial state intervention, sustainable and dynamic small business development in South Africa will not take place.

The small business sector was identified early on by the North West government as crucial for alleviating poverty, stimulating growth and eradicating inequalities in the province. In the first Budget Speech of the new province, the MEC for Finance recognized that the development challenge facing the province was to "design projects and support packages around the local and small entrepreneur; around the use and development of local materials; and around the development of local skills and managerial capacity".

In 1995 a task team was established by the then MEC for Economic Affairs to develop a provincial small business development programme for North West. The resulting strategy was approved by the task team in August 1995 with the stated objective of creating an enabling environment and infra-

structure for small business in the province. In April 1996, at a strategic workshop for North West government officials at Aloe Ridge, small business development was identified as the first priority to receive attention in government department's economic development programmes.

The first phase of the 1995-small business strategy was launched in August 1996. It consisted of three broad programmmes, namely:
- capacity building for infrastructure delivery;
- training and educational development;

- micro-loan financing.

An amount of R8 million was allocated for this programme in the 1995/96 North West budget and divided among the North West Development Corporation (NWDC), the Small Business Advisory Bureau (SBAB) and the KOSH project for the implementation of the programme.

Owing to a number of constraints – such as time, limited availability of data and limited stakeholder participation – the first phase did not fulfil expectations. It was, however, an important break with the past neglect

New government policies allow the disabled to participate in the economy, especially the SMME sector, with greater ease.

of black-owned small businesses. It resulted in significant increases in both direct and indirect budgetary allocations to small business development. Direct allocation by the Department of Finance increased from R8 million in 1995/1996, to R20 million in 1996/1997, and R40 million in 1997/1998. This amounts to an increase of over 400% in three years.

In September 1996, another task team was appointed, consisting of a number of role-players. This task team identified the need in the province for a more comprehensive and integrated five-year development strategy. The task team also determined that planning should be promoted from the bottom upwards so as to transfer ownership of the programmes to grassroots levels.

The current initiative continues where the first phase left off and therefore aims to strengthen the small business programmes in the province by basing them on an integrated five-year development strategy. This strategy would have to take into consideration a number of significant events on both national and provincial levels which impact on the effect of small business development support.

A number of significant events have overtaken the implementation of the first phase of the 1995 small business development strategy. These require that the process be revisited in line with national and provincial priorities, institutions, objectives and constraints. The most important of these events are:

■ The restructuring and reorganization of national small business support organizations. The establishment of Khula Enterprise Finance Ltd, Khula Credit Guarantee Ltd and the Ntsika Enterprise Promotion Agencies created new appropriate vehicles for national support to small businesses. In addition, the Industrial Development Corporation (IDC) and the Development Bank of Southern Africa (DBSA) were restructured.

■ The establishment of the National Small Business Council (NSBC) to facilitate communication amongst representative business organizations, policy advisory bodies and government, through the above-mentioned National Small Business Act of 1996.

■ The publication of the White Paper on the National Strategy for the Promotion of Small Business

in South Africa (1995) and the resulting National Small Business Act of 1996.

■ The adoption of national government's Growth, Employment and Redistribution (Gear) strategy, which identifies the creation of jobs as a number one priority in South Africa.

■ The implementation, on national and provincial level, of the Medium Term Expenditure Framework (MTEF) to support sound budgetary processes in the country. The MTEF is a management tool for improving the allocation of scarce public resources, especially to reallocating resources to certain priority areas.

■ Restructuring of the provincial government structures and amalgamation of the Department of Finance and the Department of Economic Affairs, and the establishment of the Strategic Planning and Development Unit (previously the RDP Planning Unit) in the Office of the Premier.

■ The restructuring of the North West Development Corporation (NWDC), in line with recommendations from a ministerial task team which investigated the functioning of provincial development finance corporations in South Africa. The new NWDC was launched on 23 October 1997.

■ The formulation of a pragmatic strategy framework for the economic development of North West Province, also known as North West 2001.

In light of the above, the need for a new and consultation-based strategy for the development of the small business sector in North West is clear. The government recognizes that such a strategy should be:

■ broadly based with grassroots support emanating from a consultative process which recognizes all the stakeholders;

■ integrated with national efforts, both public and private sector, to support small business development;

■ integrated with broader national and provincial development strategies;

■ consistent with provincial government's revenue constraints;

■ based on a set of sound principles to guide the implementation of the strategy.

As a consequence, the provincial government set in motion a process, in partnership with the Provincial Small Business Council (PSBC) – and with a view of strengthening that body – to formulate a five-year development strategy for the small business sector in North West. The strategy formulation process led to a provincial summit during which government, the private business sector, CBOs and other stakeholders identified their respective responsibilities and required programmes and actions to give effect to the optimal development of small businesses in the province.

The SMME strategy adopted in February 1998, while dating back to efforts by North West government in 1994/95, has its immediate origin in a workshop held on 9 July 1997, in conjunction with the National Small Business Council (NSBC) and Provincial Small Business Council (PSBC), and was refined during and after a provincial Summit held on 13 August 1997. During the workshop and summit and in between, a large number of people, parties and stakeholders submitted over 300 proposals and suggestions. This strategy attempts to incorporate all of these, and particular gratitude is owed to all of those who made a contribution.

The summit mandated the MEC for Finance and Economic Affairs in North West to form a Strategy Advisory Council (SAC) to oversee the completion of the drafting of a SMME five-year strategy for the province. The SMME strategy, drafted by the SAC and presented to the province's cabinet committee on economic affairs in February 1998, contained four strategic pillars:

■ training and research;
■ partnerships and institutional linkages;
■ financing;
■ technology and entrepreneurship support.

Training and research

Training, advisory and research programmes will consist of an integrated and interrelated set of programmes that aim to support small businesses and entrepreneurs through all the phases of their growing business. They will consist of the following number of programmes:

■ entrepreneurial awareness programme;
■ broad-based business skills programme;

- business and management skills programme;
- capacity building programme;
- technopreneur programme;
- advanced business and management programme;
- tertiary entrepreneurial skills programme;
- refresher programmes;
- turnkey project approach;
- education with production;
- advisory services.

Partnerships and institutional linkages

This programme aims to strengthen the current institutional support for SMMEs and identify and bring about new linkages through the following broad thrusts with the following institutions:

- North West Development Corporation;
- local governments;
- utilities;
- larger businesses;
- Centre for Scientific and Industrial Research (CSIR);
- tertiary institutions;
- Ntsika Enterprise Promotion Agency;
- Khula Finance Limited;
- Small Business Development Council (SBDC).

Loan finance support

Currently, the main resources of finance for SMMEs in the province are the government and the North West Development Corporation. Government makes annual budgetary allocations for small business development. The funds are normally transferred to approved agencies for implementation. The main beneficiaries are the North West Development Corporation and the Small Business Advisory Bureau. The North West Development Corporation applies the major part of the funds in:

- granting loans to small business practitioners;
- training of its staff and small businessmen in business administration;
- paying small business development-related current costs (e.g. travelling costs for its business counsellors);
- building non-governmental organization (NGO) capacity to develop small business.

More than 95% of small businesses owned by blacks are classified as "informal"

The Small Business Advisory Bureau (SBAB) extends its allocation on training courses for small business in "general small business management." This is done in close collaboration with the North West Development Corporation (NWDC). It also trains North West Development Corporation (NWDC) staff in small business administration.

The availability of funds is normally subjected to the government's budgetary financial constraints. It is well known that all provincial governments in South Africa are under enormous financial pressure, and that in light of the national macroeconomic imperative for a reduction in government debt, the availability of funds for SMME development from the provincial budget will be declining in future.

The North West Development Corporation (NWDC) also makes small business specific budget allocations for its small business development initiatives from its own resources. The Corporation has taken a conscious decision to be the leading self-funding development corporation in South Africa. This implies that less finance will be available for the survivalist sector of the small business fraternity.

Funding from Khula, commercial banks, the Small Business Development Corporation (SBDC), Industrial Development Corporation (IDC), and Development Bank of Southern Africa (DBSA), is also available to businesses in the North West Province. The approval of funds rests mainly with

their head offices; hence swift resolution of financial requests is compromised.

Banks are in the business of making financial packages available to clients at an acceptable rate of return. They have targets for small business development, but no specially designed developmental packages. The retail funding to small, medium and micro-enterprises (SMME) is done on the same basis as that for any other business. However, small businesses are disadvantaged in that they do not normally have the necessary collateral and are treated as high-risk clients.

With regard to rural areas the situation is more disturbing in that banks do not accept permission to occupy land as certificates as security. The SMME desk is investigating the question of loan finance to rural-based SMMEs.

Khula makes funding available to small business in the form of guarantees. It guarantees 60% of the exposure to the lending institution. It has been found that Khula's operations are also First World inclined in the sense that only financially feasible and viable businesses are assisted.

Government, NWDC, commercial banks and NGOs (e.g. ACHIB) are the only bodies within the North West Province that make funds available for the specific purpose of SMME development. It should be noted that banks sell financial products. The ABSA group has been found to be the most

active in the Mafikeng area with loan funds. Other banks will provide finance and funding using the traditional security-driven approach. It can thus be concluded that even though there are funds available in the open money market, only a limited amount is available within the boundaries of the North West Province.

Some initiatives are currently under way to fund SMMEs in the North West. One of these is the USAID-supported Micro-enterprise Support Project. The organization normally appoints reputable business consulting firms (e.g. Molete's Consulting cc in the Molopo Region) to receive, screen and prepare business plans for prospective borrowers. The final approval-rejection decision rests with its Head Office in Gauteng.

Science, engineering and technology support

The competitiveness of the North West Province's manufacturing sector, in comparison with other provinces, is very low – less than the national average. Of the approximate total number of manufacturing concerns in the country (approximately 11 889), only 293 manufacturing concerns are situated in the North West. Mining and agriculture contribute much more to the economy of the North West province than the national average. Manufacturing is unfortunately neglected.

In the North West the Department of Finance and Economic Affairs has allocated approximately R36,5 million for overall SMME development. Out of this figure, about R5 million was set aside during 1997/98 for industrial strategy promotion and development. Over the period 1998–2002 this amount, as a proportion of the total SMME budget, will be gradually raised. It will be done in a way that will correspond to the implementation of projects along the Platinum SDI.

Partnerships/linkages will be established to facilitate the adoption of technologies appropriate to SMMEs. It is estimated that approximately 90% of the industries in the North West are classified as medium and low technology industries, while only 10% are classified as high technology industries. Industrial competitiveness in general is increasingly becoming dependent on technological capabilities and innovations, and the ability to utilize new technologies in production, organization and marketing as well as the

establishment of appropriate linkages with provincial and international institutions, small business and big corporations. Many small businesses in the North West Province do not have access to proper technology and infrastructure because they are located outside commercial areas.

It is estimated for example that 71% of black-owned micro-enterprises are operated from home. Positioning small businesses in or near commercial areas may help alleviate some of the technological constraints currently facing such businesses. Their proximity will facilitate co-operation and partnership between SMMEs and big business, educational institutions and government with regard to business technology. Big business could for example make technological equipment and know-how available to small business in the form of outsourcing or joint venture, in order for small business to be sufficiently capacitated in their trade.

Incentives should be put in place to encourage big business to willingly provide assistance to small business in this regard. The technical faculties at the universities in the province will be drawn into the strategy during 1998.

Key consideration should be given to local beneficiation of raw material and skills so that only goods with maximum value addition are exported from the local economy.

Unique raw materials that have to be exported unprocessed should be allowed after evaluation in terms of value addition. Such export activity should then be in terms of an "exchange manufacturing" agreement by means of which an alternate manufacturing activity is installed locally.

The SMME desk will ensure that a technical audit is carried out in 1998 to assess the scope for beneficiation of minerals in North West.

The backlog of technological empowerment for people who have already left school can be addressed through the practical demonstration of technologies and equipment with a low capital and skills requirement. The home-based activities of these micro-survivalists will expose children to value addition processes and develop their spirit of entrepreneurship from an early age.

The use of partners like correctional services and technical colleges who have workshop facilities to manufacture licensed equipment at a reduced cost could be a key component for a

mass mobilization of micro-survivalist technologies.

The use of entrepreneurial support centres (ESCs) for functional training and for distribution to micro-survivalists could greatly impact on a market that has low capital cost as a key success factor. The prime objective of an ESC is to provide a practical delivery vehicle for technology demonstration and incubation of SMMEs, that is managed in support of local economic empowerment initiatives (job creation, outsourcing, SMME information provision and technical training being key activities of the ESC).

The CSIR has a desire to encourage a process of technical support for both new and existing SMMEs in order that we enhance sustainability and export orientation. The process of adoption and adaptation of technology and the spirit of entrepreneurship should ideally begin at home and then be enhanced in schools and tertiary institutions for the development of future entrepreneurs.

The ESC balances the commercial risk profile of the participants to provide a range of cross-subsidized support services (outsourcing and affirmative procurement represent a stable core activity of key tenants and role models for less structured SMME activities). The ESC is "production orientated" and provides technical and business mentorship programmes at a single geographic location. It also facilitates access to national and local SMME support structures and funding mechanisms. The ESC support structure increases the confidence of corporates in SMMEs as reliable sources of quality supplies for outsourcing and affirmative procurement programmes.

The initial implementation must be driven and funded on a full-time basis in order that momentum and the faith of stakeholders are not eroded by lack of performance. "False starts" to such initiatives create expensive salvage operations both in terms of money, time and attitude.

A pilot ESC for the North West Province is being implemented at Mogwasi near Rustenburg in conjunction with the NWDC. Local capacity building and experiential learning will allow replication throughout the province with minimal external facilitation.

The ESC consists of a combination of SMME support structures initiated locally and combined with central government structures. The final composition of these centres will depend on

the local development needs, competitive economic advantage and service provider capacity. The shortage of local service provider capacity in some areas can be addressed in such ESCs as the need is identified and quantified.

Efforts should be made to consider establishment of ESCs in most areas around the province. When established, the ESCs will provide services such as micro-technology demonstration and training units, business development support, entrepreneurial support, tender advice centres, monitoring and aftercare for SMMEs, manufacturing advice centres, etc.

Conclusion

The North West Province of South Africa is a typical developing region, characterized by high poverty, inequality, low economic growth and a large informal sector. The economy is extremely dependent on mining and agriculture for employment. Manufacturing is relatively underdeveloped, and manufacturing enterprises are concentrated in the eastern regions of the province.

Evidence from the SMME sector in the province shows that it is a survival sector rather than a dynamic contributor to economic growth and development. Particularly notable is that education, training, skills and productivity are highly and positively correlated with earnings in the province. This

suggests that SMME development may be especially constrained by a lack of education and training.

Evidence from an own survey into the constraints on SMMEs confirmed that SMME participants in the province ranked a lack of training and education as the second highest ranking constraint, after finance and credit availability.

In this light, the North West Provincial government's SMME development strategy offers the appropriate focus to ensure that the development of the SMME sector will contribute towards economic development of the province. This strategy has four pillars, namely training and education as the first priority, with institutional linkages and capacity building, and technology and entrepreneurship support as others.

Given the substantial challenges to be overcome in the development of the province, not least among them the building of effective structures of governance and institutional support, the effect of the SMME strategy will be noticeable only over the medium to long term. It is thus imperative that the strategy be adopted and owned by all the communities in the province so that its sustainability can be ensured.

Notes and references

1   An earlier version of this paper was presented at the 11th ABSA/Southern African Entrepreneurship and Small Business As-
sociation Conference, Sun City, North West Province. 12 May 1998. I am grateful to various participants for their useful comments and advice.

2   RSA, *White Paper on reconstruction and development*, WPJ/1994, Government Gazette, no 16085. 23 November 1994.

3   W A Naudé & P Serumaga-Zake, "Determinants of earnings, labour force participation and labour market discrimination on a provincial level in South Africa: the case of the North West Province", Paper presented to a Seminar of the Section Development Economics, Vrije Universiteit, Amsterdam, 3 February 1998, pp 2–3.

4   R Coetzee, K Gwarada, W A Naudé & J Swanepoel, "Currency depreciation, trade liberalisation and economic development", *South African Journal of Economics*, vol 62, no 2, 1997, pp 165–190.

5   These sectors are also the sectors characterized by labour intensiveness, use of relatively unskilled labour, and historically high rates of effective and nominal tariff protection. As argued by G E Johnson ("Changes in earnings inequality: the role of demand shifts", *Journal of Economic Perspectives*, vol 11, no 2, 1997, p 46), trade liberalization can increase income inequality since the changes in relative prices caused by it will lead to a shift in the domestic production of tradeable goods away from unskilled-intensive towards skill-intensive goods, which forces unskilled labour to crowd into the non-tradeable sector, thus causing a decline in their relative wages. See also R Freeman, "Are your wages set in Beijing?" *Journal of Economic Perspectives*, no 9, 1995, pp 15–32; and J D Richardson, "Income inequality and trade: how to think, what to conclude", *Journal of Economic Perspectives*, no 9, 1995, pp 33–55.

6   See W A Naudé, "Budget review of North West Province, 1997/'98", *IDASA Democracy Centre budget information service*, 1997, Cape Town.

Funding strategies for local governments in Africa

Dr Sam K Asibuo, senior lecturer, Public Sector Management, School of Administration, University of Ghana, Legon, examines the lessons that Ghana has learnt in mobilizing revenue and managing local government and suggests a number of helpful strategies to improve revenue generation and management in Africa.

Introduction

Finance is the life-blood of every organization. No organization can successfully perform its functions without money. Most of the problems facing local government units are caused by the lack of finance. To understand the nature of this particular problem and to find a solution to it will take us a long way towards solving many other problems faced by local government.

In recent years local authorities in most developing countries have found it increasingly difficult to fund services because their costs have been mounting while their sources of revenue have been declining.[1]

The critical financial position facing most African governments has forced them to urge their local authorities to find other sources of revenue in order to reduce their dependence on central government.

An important aspect of revenue generation relates to the financial management practices of the district assemblies (DAs), that is, revenue collection, utilisation and monitoring. There will first be a discussion on the objectives of Ghana's decentralization policy as well as the legal and constitutional framework for decentralisation as it relates to the district assemblies (DAs) in Ghana. This will be followed by a discussion on the functions of the DAs under the Local Government Law, 1993. Then the sources of revenue available to the DAs and the issue of financial resource mobilization and the problems associated with management of financial resources will be examined. Suggestions for boosting revenue generation and management at the district level will be the focus of the conclusion.

Ghana's decentralization policy and the district assemblies

On 31 December 1981, Flight Lieutenant JJ Rawlings came to power for the second time and voiced a determination to restructure Ghana's political and economic systems. His Provisional National Defence Council (PNDC) proceeded to implement what has now become one of Africa's most popular economic reform programmes.

The PNDC ascribed certain past failures in the country's development to overcentralization. This, it maintained, not only hampered the formulation and implementation of grassroots development programmes, but also prevented local people from being involved in the country's development effort. The PNDC set out to provide an effective institutional framework that would afford all Ghanaians the opportunity to participate directly in the decision-making processes that affect their welfare.[2]

The Rawlings government also emphasized its commitment to rural development. It recognized that rural communities made a significant contribution to development, yet received the least share of the resources allocated.[3] It was in an effort to reverse this imbalance that the government focused on the districts and the rural communities in mobilizing people to take an active interest in local participation and community development. This objective was reflected in the PNDC's policy of decentralization, which was designed to provide grassroots communities with a mandate to steer their own development. The intention was also to increase the capacity of the local communities to identify their own needs and priorities

and explore options to meet these needs, as far as possible, for themselves through the mobilization of resources that they command. It was in pursuance of this policy of decentralization that the PNDC government promulgated the Local Government Law (PNDC Law 207) in November 1988 to establish 110 metropolitan, municipal and district assemblies. Local government elections were held between December 1988 and February 1989. The district assemblies were regarded by the PNDC as:

> the pillars upon which people's power would be erected – the focal points of development at the village and town levels – the solid foundations for participatory democracy throughout the country.[4]

The law confirmed the government's commitment to the principle of popular participation and put into place a system of local government "that gave the voters power to exercise control over their own affairs".[5] Ghana's decentralization policy remains the same under the Fourth Republic.

Legal and constitutional framework for decentralized administration

The new local government or decentralized system is inscribed in the following legal or statutory documents and the 1992 Constitution:

- The Local Government Act 462 of 1993, which replaced the Local Government Law 207 of 1988.

- The Local Government (Urban, Zonal, Town and Area Council and Unit Committees) Establishment Instrument (L.1. 1589).

- The Civil Service Law 327 of 1993.
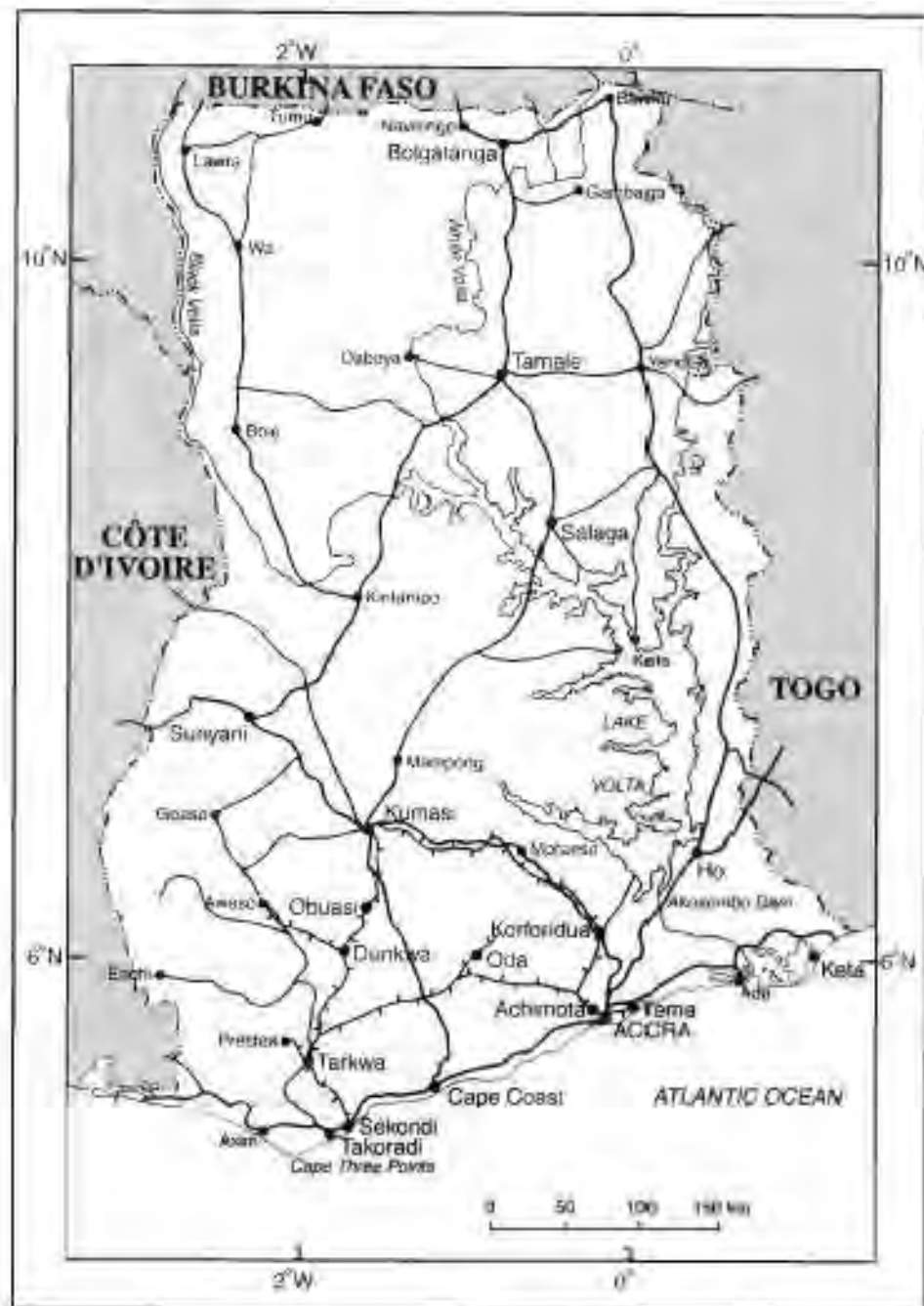
Republic of GHANA

Independence: 6 March 1957. Former British colony of the Gold Coast
National day: 6 March (Independence Day).
Leader: Jerry J. Rawlings, b 1947, Military head of State 1981–1992, elected President November 1992.
Capital: Accra; largest city. Main port, Tema, near Accra.
Area: 239 460 km²
Population: 17.3 mn (1995)
Religions: Christians (majority) and Muslims together about 80% of population.
Languages: English (official), Asante, Fante, Ewe, Ga, Dagombe.
Life expectancy at birth: 56 years.

Foreign trade: imports: $1 642 mn.
Exports: $1 430 mn (1995)
Principal exports: Gold (45%): cocoa, timber and manganese.
GNP: $6 700 mn
GNP/capita: $390 (1995)
Currency: $1 = Cedi (c) 1 810 (May 1997).
Background: Economic decline experienced since 1983 has been turned around to moderate growth through structural adjustment programmes guided by the World Bank and the IMF. Gold has overtaken cocoa as the principal export. Following the lifting of restrictions on political parties in May 1992, the military established a political party, the National Democratic Congress (NDC), and the military head of state, Jerry Rawlings, became its presidential candidate. Although less than half of the electorate voted in the presidential election on 3 November 1992, 58% supported Rawlings. As the main opposition parties boycotted the National Assembly elections on 29 December, the NDC obtained an overwhelming majority of seats. There was a 77% turnout of voters in the most recent presidential and legislative elections (December 1996), which saw both Rawlings and the NDC being re-elected to office.

■ The National Development Planning (Systems) Act 480 of 1994.

District assemblies in Ghana are either metropolitan (population over 250 000), municipal (one-town assemblies with populations over 95 000) or district (population 75 000 and over). A district assembly is headed by a District Chief Executive (DCE), who is a central government political appointee; 70% of its members are elected member(s) of parliament from the district; and 30% are nominated by the President in consultation with chiefs and organized economic groupings in the district. (Nominated members do not have voting powers.)

Assemblies have been assigned extensive functions and responsibilities far beyond traditional local government functions. This is unprecedented in the history of local government administration in Ghana. These functions include, *inter alia*:

■ The responsibility for the overall development of the district as well as playing a role in the formulation and preparation of the district development plan and budget.

■ Effective mobilization and utilization of human, physical and financial resources for economic and social development.

■ Provision of basic infrastructure, municipal works and services.

■ Development, improvement and management of human settlements, and the maintenance of security and public safety.

Below the DAs are urban, town and area councils and, at the base, unit committees. These are essentially consultative bodies (without their own budgets) performing functions delegated to them by the DAs.

The Constitution of the Fourth Republic of Ghana also reinforces the existing Local Government Law. Article 240 (1) for instance proclaims that "Ghana shall have a system of local government and administration which shall as far as practicable be decentralized". The principle of participation by all the people in government through the DAs and also their involvement in the implementation of the projects and programmes proposed by the assemblies is entrenched in the Constitution. The importance of strengthening the capacity of the DAs to perform their functions was clearly recognized. Article 240 (2) states that:

■ Functions, powers, responsibilities and resources should be trans-

ferred from the central government to local government units;

■ Measures should be taken to enhance the capacity of local government authorities to plan, initiate, coordinate and manage and execute policies in respect of matters affecting the local people;

■ Local government units should have a sound financial basis with adequate and reliable sources of revenue;

■ The staff of the decentralized departments must be controlled by local authorities; and

■ There should be popular local participation in local decision making.

The drafters of the 1992 Constitution recognized that it would be necessary to strengthen the financial base of DAs if decentralization and rural development are to succeed. They therefore made provision for a District Assemblies' Common Fund.

The Civil Service Law seeks to restructure ministerial organization and to decentralize public administration. The National Development Planning (Systems) Act 480 of 1994 provides the basis for a decentralized development planning system. It gives DAs district planning authority and specifies their functions. The Act makes provision for the actualizing of bottom-up decentralized planning.

Thus the 1992 Fourth Republican Constitution of Ghana and other legal enactments have made some provisions for the financial capacitation of the DAs.

Sources of revenue for the district assemblies

Having established that the DAs are responsible for Ghana's infrastructural (socio-economic) and political development programmes, it now becomes necessary to examine the fundamental issue of where local authorities obtain funds to carry out these numerous activities.

Local government finance is derived from two sources: funds that are generated locally and funds that are derived from central government. The Local Government Act of 1993 identifies the following locally generated sources of revenue:

[R]ates, lands, fees, licenses, trading services and miscellaneous sources. Rates come in various forms namely, basic rates, property rates, special rates and rates pay-

able by public corporations and organizations owning property in the areas of jurisdiction of the District Assembly.

Some of the areas of the levy of fees are cattle, pounds, slaughter houses, market dues, market stalls, trading kiosks, etc. Under Legislative Instrument 1530 of 1992, all crops, with the exception of cocoa, coffee and cotton are now leviable. Licenses are issued for a host of items and activities. Some of these are dog licenses, hawkers licenses, hotels, restaurants, extension of houses, beer and wine sellers, petroleum installations, lorry parks and artisans, etc District Assemblies may also undertake trading activities from which revenue is earned. In addition, Assemblies are also allowed to undertake joint commercial activity; invest funds and also raise loans with approval from the relevant Minister(s).

central government transfers include grants-in-aid, ceded revenue, district assemblies common fund, specialized transfers and recurrent expenditure transfers.

In the case of ceded revenue, income derived from taxes on entertainment, casinos, betting, gambling, income (registration of trade, business, profession or vocation), daily transport and advertisement is ceded by the central government revenue services to the district assemblies. Ceded revenue yielded $271,3 million in 1989, $204 million in 1990, $594 million in 1991; $1 billion in 1992. An amount of $2 321 999 468 was ceded in 1995. In 1996, the district assemblies received $2 539 689 098 as their share of the ceded revenue.[6]

To finance the District Assemblies Common Fund (DACF) 5% of Ghana's gross revenue is paid annually in quarterly instalments to DAs to be used solely for rural development projects. The DACF has helped the DAs to complete many projects since its establishment in 1994, mostly in the areas of education, health, sanitation, markets and rural electrification.

In 1994, $38 billion was transferred to the DAs, constituting 19,6% of central government's total domestic development budget for the year. In 1995, $55,97 billion, which amounted to 28,37% of government's domestic budget, was transferred to the DAs. In 1996, $82,10 billion, representing 25,50% of the total domestic budget, was transferred to the DAs.[7]

Apart from the DACF, there are specialized transfers, including timber royalties, the Minerals Development Fund, stool land royalties, etc.[8] Some revenue is derived from Lotto operators and donor agencies. Central govern-

ment has also taken over the full payment of district assembly staff salaries to reduce the DAs financial burdens.

Financial resources mobilization

Local revenue collection

Resources mobilization and utilization form the basis of the decentralized administrative system. Without the effective mobilization of its financial resources, the extensive responsibilities of administration and development entrusted to the DAs cannot be discharged to the satisfaction of their rate payers or residents. However, the more financial resources DAs are able to mobilize independently, without too much reliance on central government grants, the greater will be their autonomy.

Sadly, recent studies have exposed glaring weaknesses in the DA's revenue and expenditure administration. A gloomy future lies ahead for some of the assemblies. Arkoh's analysis of revenue and expenditure performance of six DAs in the Central Region indicates a wide gap between approved revenue and the actual revenue collected.[9] Similarly, Asibuo and Nsarkoh's study on "Financing local government in Ghana – empirical studies of problems" also reveal that there are general revenue inadequacies in the five assemblies surveyed.[10] Asibuo's recent study on "Local government capacity building: analysis of the capacity of the twelve district assemblies in the Volta Region" shows that all is not well with the finances of the 12 DAs surveyed. There are sharp differences between revenue targets and the actual revenue collected. This means that the DAs in the study area are not able to raise enough revenue to support any meaningful development programmes at the district level.[11]

For the purpose of this article data were collected and analysed on four revenue sources – rates, fees, licences and miscellaneous – from seven randomly selected district assemblies. These are: Jasikan, Krachi, Nkwanta, Ahafo Ano North, Dangbe East, Asutifi and Ketu. The analyses of their revenue performance is presented below in Tables 1–4.

Collection of basic rates in the Jasikan district has proved to be ineffective. In 1993, the assembly was able to collect only 15% of its projected income of 1 149 000 cedis. In 1994, it collected 94% and dropped again to 37% in 1995.

In Krachi District, rates accounted for about 52% of the projected revenue in 1993. This was due to the low rainfall, which resulted in smaller fishing hauls and crops. The Konkomba–Nanumba conflict in the district also accounted for a loss of revenue. More effective revenue collection mechanisms and revenue education campaigns spearheaded by the newly posted DCE and district co-ordinating director (DCD) ensured an increase in the revenue collected in 1994 and 1995. Nkwanta and Asutifi Districts experienced a shortfall in revenue in respect of basic rates from 1993 to 1995. This was because the public felt that no perceived benefits were likely to accrue from paying basic rates to the assemblies. In addition, there is little public awareness and willingness to pay basic rates because of the high illiteracy rate. No property rates were collected during this period despite their having been included in the region's projected income. This was because the Land Valuation Board had not been able to value rateable properties for rate assessment. Until this is done, property rates will not be levied.

A greater proportion of the assemblies' revenue is derived from fees and licences. The Jasikan District Assembly

realized 77% of the target set for fees in 1993 and exceeded its target in 1994 and 1995 by 5% and 1% respectively. As far as licences were concerned, the assembly realized 96% of its target for licences in 1993 and exceeded it by 64% in 1994 and achieved 88% of its target in 1995.

In Krachi District, licences achieved only 33% of the expected revenue in 1993. This was due to the fact that there were only few stores and bars operating in the region at that time because that sector was not well developed. However, actual revenue collection yielded 71% of the projected amount in 1994 and increased to 101% in 1995, as more drinking bars, drug stores, kiosks and self-employed artisans began to do business. In 1995, the introduction of lorry stickers and the collection of lorry park fees, coupled with the rehabilitation of Krachi butchers' slaughter house, which motivated them to pay slaughter fees, helped the collection target to exceed expectation. In 1994, there was a reduction in fees collected – only 75% of estimated revenue was actually collected owing to the Konkomba conflict. In 1995, Krachi District exceeded its revenue target – 159% was actually collected – because an effective collection machinery had been put into place.

Nkwanta District witnessed shortfalls throughout the period (1993–1995) in the collection of licences. This was due to the fact that estimates were based on permits issued on ventures that stopped operating. Also, some of the fees were high relative to the incomes generated. This created an opportunity for tax evasion as well as collusion with the collectors. The estimates for fees, on the other hand, were in most cases exceeded over the years. This could be attributed to the commendable work of the revenue collectors. Another reason was that the

Table 1	Revenue performance in selected DAS. Rates					
District Assembly	Approved 1993	Actual 1993	Approved 1994	Actual 1994	Approved 1995	Actual 1995
Jasikan	1 149 800	172 470	1 100 000	1 033 792	2 650 000	971 580
Krachi	13 372 000	6 992 250	10 130 000	12 863 950	12 524 000	19 671 640
Nkwanta	2 400 000	896 880	1 200 000	56 680	1 800 000	854 170
Ahafo Ano North	46 279 000	32 585 595	48 280 000	2 116 966	47 062 860	38 596 730
Dangbe East	5 100 000	2 469 514	5 500 000	1 480 689	5 600 000	1 322 408
Asutifi	6 870 000	1 981 592	5 500 000	1 455 862	9 500 000	1 293 272
Ketu	1 200 000	2 500 000	6 000 000	1 000 000	4 000 000	2 606 305
Total	76 890 800	47 690 281	77 916 281	19 981 439	82 936 660	65 305 890

Source: Information obtained from the District Assemblies

Table 2 Revenue performance in selected DAs: Fees

District Assembly	Approved 1993	Actual 1993	Approved 1994	Actual 1994	Approved 1995	Actual 1995
Jasikan	15 520 000	11 945 595	14 820 000	15 253 770	18 515 000	18 770 910
Krachi	6 400 000	7 782 850	12 700 000	9 075 810	7 744 400	12 343 970
Nkwanta	37 996 000	46 161 250	46 090 000	50 206 150	51 010 000	52 134 415
Ahafo Ano North	13 779 900	15 726 240	15 596 500	22 402 000	30 933 575	24 475 222
Dangbe East	103 200 000	98 616 055	113 400 000	166 175 250	135 020 000	60 548 960
Asutifi	6 491 800	4 852 150	6 200 000	5 091 810	8 101 000	9 201 535
Ketu	49 500 000	41 700 000	53 200 000	67 500 000	104 500 000	93 100 000
Total	295 807 700	224 784 160	262 036 300	336 035 570	335 681 976	267 574 952

Source: Information obtained from the District Assemblies

Table 3 Revenue performance in selected DAs: Licences

District Assembly	Approved 1993	Actual 1993	Approved 1994	Actual 1994	Approved 1995	Actual 1995
Jasikan	4 520 000	5 392 180	6 001 000	9 078 840	8 307 000	7 347 700
Krachi	2 181 500	726 450	2 201 000	1 577 450	3 433 000	3 495 160
Nkwanta	4 574 100	2 916 900	5 167 000	3 094 590	5 523 000	2 608 500
Ahafo Ano North	6 739 000	7 094 000	8 584 000	7 739 360	11 763 500	9 352 300
Dangbe East	3 182 000	4 458 575	6 195 000	3 809 400	7 575 000	4 277 000
Asutifi	3 068 000	5 371 310	9 759 000	8 875 350	15 159 000	6 756 910
Ketu	11 700 000	6 100 000	15 400 000	6 200 000	19 500 000	15 400 000
Total	35 964 600	32 240 415	52 135 000	41 364 940	53 359 500	48 249 570

Source: Information obtained from the District Assemblies

Table 4 Revenue performance in selected DAs: Miscellaneous

District Assembly	Approved 1993	Actual 1993	Approved 1994	Actual 1994	Approved 1995	Actual 1995
Jasikan	640 000	5 422 519	200 000	5 069 259	200 000	562 970
Krachi	170 000	62 000	94 000	11 041 090	170 000	813 850
Nkwanta	100 000	11 095 744	250 000	319 525	150 000	1 708 000
Ahafo Ano North	250 000	359 284	22 630 160	14 592 159	12 000 000	88 700
Dangbe East	10 000 000	4 647 161	10 000 000	11 702 109	15 000 000	14 873 581
Asutifi	788 000	1 254 526	1 000 000	1 935 880	2 400 000	1 849 590
Ketu	300 000	300 000	500 000	1 500 000	500 000	100 000
Total	2 258 000	21 041 054	34 464 160	45 962 962	30 220 000	20 055 891

Source: Information obtained from the District Assemblies

activities from the services to be taxed were limited to towns and therefore could be easily identified and taxed by the collectors at a reduced cost

The general trend in revenue collection in Ahafo Ano North, Asutifi, Ketu and Dangbe East in respect of fees, licences and miscellaneous, is not different from Jasikan, Krachi and Nkwanta. There were fluctuations and revenues generated were quite low despite the fact that some DAs exceeded their targets for some of the revenue heads.

District Assemblies Common Fund

The District assemblies have been receiving huge sums from the District Assemblies Common Fund as can be gleaned from Table 5.

Assemblies should be cautioned against seeing the District Assemblies Common Fund as a substitute for locally mobilized resources. Their overdependence on central government grants could undermine their autonomy.

It is clear from the preceding analysis that DAs possess the potential to generate sufficient revenue.

Constraints

Unfortunately this potential is seldom realized. The constraints that generally prevent the DAs from reaching targets are as follows:

- The unwillingness to pay taxes is blamed on the inability of the DAs to provide visible development projects.
- Lack of information on the part of tax payers
- The general poverty in some of the districts where economic activities are limited
- The timing of revenue collection does not take cognisance of the seasonal nature of income
- The absence of a revenue database which identifies all tax payers
- The inability of the DAs to prosecute tax defaulters
- In some districts, revenue collectors lack the incentive to perform

Table 5 Allocations from the District Assemblies' Common Fund

District Assembly	1994 Amount in Cedis	1995
Jasikan	317 100 000	415 600 000
Kintchi	253 600 000	532 300 000
Nkwanta	308 800 000	405 900 000
Abado Ano North	297 100 000	409 200 000
Dangbe East	442 500 000	685 300 000
Amanfi	232 500 000	499 200 000
Total	?	?

Source: Information obtained from the Office of the District Assemblies' Common Fund Administrator, Accra, Ghana

adequately and morale is often low. This is largely due to a shortage of personnel and difficult working conditions.

■ The lack of technical expertise in areas such as investment, budgeting, planning, management information system and valuation.

These obstacles notwithstanding, the DAs have made considerable efforts to mobilize sufficient revenue.

Revenue mobilisation techniques

Some of the past revenue mobilization techniques have included:

■ Aggressive revenue collection by means of "pay-your-tax campaigns".
■ Investment in bonds.
■ Trading and commercial activities.
■ The use of military and para-military personnel to induce revenue payment.
■ Linking development projects to the volume of revenue generated from an area.
■ Setting targets for revenue collectors.

The truth is that whilst some of the past revenue mobilization strategies have been successful, others have been found to be wanting and not sustainable. This calls for a critical review of the effectiveness of the current revenue collection methods and suggestions for exploring new sources of revenue as well as the utilization and management of the resources so mobilized.

Management of district assemblies financial resources

Revenue mobilization and its management constitute core problem areas in local government administration in Ghana. The scarcity of resources makes it imperative for DAs to ensure judicious use of resources to avoid

waste. The numerous responsibilities assigned to the DAs and prudent management of their financial resources require that:

■ There must be qualified and an adequate number of staff – finance, planning and budget officers, accountants, auditors, local government inspectors who exhibit high professional standards.
■ Records on financial transactions are properly and accurately kept at all times.
■ There will be honesty and accountability from assembly officials and members. In short, transparency in financial matters must be the guiding principle.
■ There must be proper setting of priorities and judicious and productive investment ventures that will help raise the living conditions of the rural communities.
■ The DCEs and assembly members must receive basic training, which will improve their knowledge and understanding in at least the basic and elementary languages of accounting, finance, etc.

But how far have the Assemblies been able to achieve sound financial management of their funds?

Financial control mechanisms

The following control measures are being used to ensure sound management of district financial resources:

■ The District Chief Executive (DCE) initiates action or gives directive on expenditure on the various projects or items.
■ Payment vouchers are raised by the district finance officer and pre-audited by the local government inspector (LGI) and verified by the district budget officer.
■ Project inspection reports from the district planning officer and district

budget officer are attached to payment vouchers before payment is made.

■ Payment vouchers are then submitted to the external auditors, i.e. the district auditor for scrutiny.
■ There are monthly reports on the assembly's revenue and expenditure (trial balance) patterns, copies of which are to be sent to the presiding member (chairman of the DA), members of the finance and administration sub-committee, the DCE, the office of the regional coordinating council and the ministry of local government and rural development.
■ There is annual external auditing of the DA's accounts by the auditor-general.
■ Proper records of all revenue received and payments made are kept. Zonal revenue inspectors monitor collections and payments to treasury.
■ Revenue is collected with official receipts of the DA and paid to the district finance officer, who immediately pays them into the bank.
■ In consultation with the controller and accountant-general's department, separate bank accounts have been opened solely for the Common Fund for each of the districts. This is to facilitate the monitoring of Common Fund monies. Districts are obliged to submit monthly reports on the use of the Common Fund on prescribed forms developed with the assistance of the staff of the controller and accountant-general's department.
■ Regional coordinating council monitoring teams visit districts to inspect on-going projects funded with the Common Fund and give feedback to their council.

Despite these control measures, annual auditor-general's reports on the district assemblies usually reflect several malpractices inherent in the district assembly financial management system. Corruption and poor accounting practices are core financial management problems in the districts assemblies. The auditor-general's report on the accounts of DAs for the period from 1989 to 1992, for instance, shows that an amount of $446.5 million could not be accounted for by the assemblies. The report cites inadequate internal controls, misappropriation, the non-delivery of goods paid for and irregula-

rities in the award of contracts as core problems. The Northern Region had a deficit of $79 million; the Greater Accra region $67 million; the Ashanti Region $50 million. Impropriety and fraud on the part of some DAs in the Volta Region was to the tune of $67 million.

The financial management record of the DAs has been disappointing and as a result they have not been able to generate enough revenue from their own sources for any meaningful development projects. Thus, the provision and maintenance of mandatory social services until 1994 was relegated to the background.[12] The World Bank Aide Memoire on Ghana's Fiscal Decentralization highlighted the poor financial performance of district councils:

> Capital expenditures by District Councils account for 5–20 per cent of their total expenditure over 1984–88, with the majority of the Councils falling at the lower end of the range. This eroded the confidence of the public in the ability of the District Councils to promote development, and consequently affected their ability to raise revenues.[13]

It should be noted with dissatisfaction that before the introduction of the District Assemblies' Common Fund in 1994, most assemblies in Ghana spent only 15% of their total revenue on development projects. Consequently, their developmental potential was not realized by their constituents.

A managerial issue which has been mentioned and which requires more attention is that of weak supervision of revenue collectors, resulting in irregular rendering of accounts and irregular auditing of assemblies' accounts. For example, Section 81 of the Financial Memorandum requires DAs to submit returns within 14 days after the preceding month to the Ministry of Local Government and Rural Development. Recently the Minister of Local Government expressed grave concern about the failure of some DAs to comply with this directive and warned that DAs which failed to submit their financial returns would not receive allocations from the District Assemblies Common Fund. Another area of concern to the Minister is the failure of assemblies to submit their supplementary budgets on the utilization of the Common Fund. As at March 1998 only 67 DAs had submitted their supplementary budgets.[14]

One of the major obstacles to effective financial management is the acute

shortage of both trained revenue collectors and qualified and competent professionals to work at the district level and to assist with the developmental programmes of the DAs. This problem could have been solved if an embargo had not been placed on recruitment of staff by the central government. Recent studies have also indicated that some DAs still have no planning, budgeting and finance officers or local government staff.[15] The frequent transfer of administrative personnel has also made for difficulties, affecting continuity and therefore administrative efficiency. Mr Kwamena Ahwoi, former PNDC Secretary for Local Government, described the problem as follows:

> The task, I have to observe, should have started differently because apart from the 45 new Districts which had to be started off from nothing, managerial and technical capacity was found to be non-existent even in several of the old Districts. The 22 Departments listed in Schedule One to Law 207 are not physically present even in all the 65 old Districts. Even where the Departments exist, there is very poor quality of staff to contend with.[16]

Conclusion

In conclusion, a number of recommendations aimed at improving the revenue mobilization and management practices of the assemblies are put forward.

■ District assemblies should as a matter of urgency compile their data bases.

■ It is important for the DAs to identify their potentials and market their development plans through newspaper advertisements and write-ups, seminars, etc for private sector and donor information. The DAs can identify and write proposals on specific projects and seek funding with non-governmental organizations, embassies and other international funding organizations.

■ DAs should develop linkages with town/urban councils and townships in other parts of the world. These bilateral linkages could be beneficial in terms of attracting outside investment opportunities.

■ Revenue collectors should be trained, given targets and incentives.

■ Consideration should be given to the cost-effectiveness of employing salaried revenue collectors, as

opposed to collectors earning a commission.

■ Revenue task forces should be employed with circumspection. Results from their operations should be used to set standards and targets and should be disbanded after achieving their goals.

■ The revenue collection machinery in the DA system should be overhauled, including the phasing out the aged and illiterate revenue collectors. Revenue staff should also be rotated to avoid over familiarity with their areas. There must be prompt prosecution of revenue collectors who embezzle funds as well as rate defaulters.

■ Students should be hired to augment the regular revenue collectors on a temporary basis during vacations.

■ Besides the ceded revenue and the District Assemblies' Common Fund, the DAs should explore other revenues for generating additional income. The establishment of a district development company, such as the one at Atwima District is recommended. DAs should also try to put aside at least 30% of locally generated revenue for development purposes.

■ There is the urgent need for assemblies to improve facilities such as stores, stalls, provide toilets, urinals and bath houses, water facilities, day care centres or crèches, etc. User fees will then definitely increase. The DAs can reach cost-sharing arrangements with market women to fund such projects. The contribution of the women could be tied to rent and defrayed over time.

■ In respect of basic rates as a source of revenue, it is recommended that specific projects should be tied to and funded from basic rate revenues so that payers see the results and are consequently encouraged to pay. There is the need to establish a linkage between tax payment and benefits derived.

■ DAs should consider entering into basic rate revenue sharing arrangements with the town/area councils and even the unit committees. Trade associations and identifiable groups could be encouraged to become involved in revenue collection.

Concerning the management of finan-

cial resources, the following suggestions may be considered:

- Training should be taken seriously by the assemblies. All categories of staff should be properly trained and human resource development should be given much prominence in the annual budgets of DAs. The Local Government Service, which is to build capacity within the DAs must be established without delay.

- Strict control measures and accounting procedures should be instituted not only to ensure sound and transparent financial management and accountability but also the prudent use of resources. This is important especially in an era of the District Assemblies Common Fund when the DAs are receiving huge sums from the Fund.

- There should be frequent audits by both internal and external auditors to help check the perennial problem of embezzlement, misappropriation and misapplication of funds.

- There should be prompt submission of required returns or statements. No delays should be tolerated.

- Trial balances detailing the status of the assemblies' income and expenditure should be issued monthly, discussed by the Finance and Administration Sub-Committee, and acted upon where necessary.

- DAs should establish effective supervising machinery for stores and purchases.

- Roles of internal auditors, finance officers and local government inspectorate staff should be clarified to avoid confusion.

- Financial regulations should be strictly adhered to and appropriate monitoring tools should be employed for monitoring purposes.

- Finally, all relevant information should be made freely available to all assembly members.

The enormity of the problems associated with revenue mobilization and management in the district assemblies cannot be doubted. It is hoped that as these problems are addressed sufficient funds will be saved to enable the DAs to undertake development projects to help sustain the confidence of their constituents.

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The Sub-Saharan African arc of conflict: the urgent need for an African peace-keeping capacity

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The political crisis in Lesotho that followed its May 1998 elections, and the subsequent military intervention by a Southern Africa Development Community (SADC) force led by South Africa and comprising South African and Botswanan troops, invites the question whether Africa is prepared – in terms of either logistics or protocol – effectively to address regional conflicts, both inter-state and intra-state. Is there a clear and well-defined doctrine, in both the continental and regional contexts, to advance peace-keeping and peace-building capacity in Africa?

Before turning to the events in Lesotho, it is worth looking at the broader arena of conflict in Africa.

The arc of conflict

Starting with Angola, a clearly defined arc of conflict runs through Congo Kinshasa, Congo Brazzaville, Rwanda, Burundi, Uganda, Sudan, Ethiopia and Eritrea to Somalia. Peripheral countries or satellite areas of conflict not included in this arc are Lesotho, Liberia, Sierra Leone, Guinea-Bissau and, to a lesser extent, Senegal. Each of these 15 countries suffers the problem of intra-state conflict – political unrest conducted by a dissident political or military group or groups that refuse to accept the political system prevailing in the country, or that represent a regime that came to power by undemocratic means (the two Congos).

In West Africa, Ecomog, the military mechanism of Ecowas, seems to have dealt effectively with regional intra-state conflict. However, though Ecomog may have brought an end to the intra-state conflict situations, it has not yet succeeded in consolidating a lasting peace. Ecomog's role has today become one of peace enforcement while propping up legitimate governments against revolutionary adversaries.

Returning to the arc of conflict, we are faced by the following situations:

■ **Angola**. Unita, in spite of the outcome of elections that were declared free and transparent by the international community, refuses to accept their outcome and abide by the 1995 Lusaka Protocols aimed at ending the internecine war in the country, and embark on the road to the reconstruction and development of Angola. Although Unita is under United Nations sanctions, these punitive measures, designed to bring the movement into line, do not seem to have had the desired effects. The indications are that Angola has returned to the civil war of yesterday.

■ **Democratic Republic of Congo (DRC)**. In May 1997 a rebellion, initiated in 1996 by the ethnic Zaïrian Tutsi (known as the Banyamulenge) and backed by the Tutsi-led Rwandan government and Uganda, successfully ousted the former dictator Mobuto Sese Seko. Laurent Kabila, who entered the rebellion at a later stage and succeeded in securing the position

of rebel leader, declared himself president and subsequently renamed Zaïre the Democratic Republic of Congo. Kabila immediately suspended all party political activities and exiled most of the prominent political figures such as Etienne Tshisekedi to rural areas.

During June and July 1998 Kabila started purging his regime of all Tutsis and ordered the Tutsi-dominated Rwandan contingent in the Congolese army to leave the country. On 2 August 1998 news reached the world of a new Tutsi-inspired rebellion in the DRC. In September it became public knowledge that Angola, Zimbabwe and Namibia (all SADC member states) had become militarily involved as Kabila's allies in the raging civil war. These foreign forces rendered great assistance in foiling the rebels' initial rapid onslaughts on Kinshasa. Meanwhile President Robert Mugabe of Zimbabwe had attempted to swing the involvement of the three SADC member states involved in the DRC rebellion to a so-called SADC operation. Early in October it became known that Chad and Sudan had entered the fray on the side of Kabila. By mid-October 1998 the rebels were in firm control of the eastern part of the DRC, having captured strategic towns and cities such as Kisangani and Kindu. It appears that Sudan withdrew its troops from Kindu shortly before the town fell to the rebels.

■ **The Congo Republic**. During the latter half of 1997 the former Con-

SADC task force in Lesotho.

golese dictator Sassou-Nguessou deposed, through a civil war, the democratically elected government of President Pascal Lissouba. No doubt this was achieved with the aid of foreign assistance with vested interests in Congo's oil wealth. Neither the OAU, the UN or Western powers came to the rescue of one of Africa's young democratic republics. Reports of a new rebellion brewing in Congo, most prominently under the leadership of Bernard Kollelas, an old adversary of Nguessou, regularly surface in media circles.

- **Rwanda and Burundi**. Both countries, although relatively stable, still face terror incursions from Hutu refugees now enjoying a safe haven in the DRC. There are regular reports of battles be-

tween security forces and Hutu rebel insurgents, as well as insurgent attacks on villages and camps housing internally displaced people. Rwanda is currently being accused by Kabila of being one of the foreign forces to have invaded the DRC (the other being Uganda). Burundi finds itself under limited sanctions after the coup d'etat that brought General Boyoya to power in 1997.

- **Uganda**. Two political movements exist with the aim of overthrowing, through conflict and destabilization, the government of President Museveni. They are the Alliance of Democratic Forces (ADF), operating from the DRC in the west, and the Lord's Redemption Army, operating from a base in the south of Sudan. Uganda is

accused by Kabila of having military units in the DRC supporting rebel activity; it is also accused by Sudan of actively supporting the Sudanese rebel movement, the Sudanese Peoples Liberation Army (SPLA).

- **Sudan**. Its own rebel movement, the Sudanese People's Liberation Army (SPLA), is fighting for either greater autonomy or total independence for the Christian-orientated south. Sudan's problems are further complicated by a low-intensity border dispute with Eritrea, and cool to hostile relations with Uganda, which it constantly accuses of aiding the SPLA (Uganda, on the other hand, accuses Sudan of aiding the LRA). Although Air Ethiopia has recommenced flights to Khartoum, which were sus-

Maseru burning.

pended after suspected Sudanese complicity in the assassination attempt on Egyptian President Mubarak's life in Addis Ababa in 1995, relations between the two countries are strained. Sudan has allied itself with President Kabila of the DRC in his fight against the Congolese rebels in the east, and has been accused by Uganda and the Congolese rebels of having given direct military support to Kabila's army prior to the fall of Kindu.

■ **Ethiopia/Eritrea**. The conflict situation here is one of inter-state conflict rather than intra-state. Since Eritrea gained its independence from Ethiopia the two countries have been disputing the exact border line in the Yirga triangle. In May 1998 Eritrean troops crossed the existing border and occupied the area around Badme (Yirga) in Ethiopia. The Eritreans refuse to withdraw and Ethiopia is continuing its threat to expel the aggressors by military force if needed. At present both parties

appear to be considering negotiations as an option to resolve the dispute. However, at the same time both parties remain rigid in their demands for "prior conditions" to be complied with before they meet at the negotiating table.

■ **Somalia**. This is theoretically still a state. In practical terms, however, the country is divided into warring fiefdoms constantly at one another's throats.

■ Ethnic conflict in Nigeria and ethnic tensions in the north of Ghana are not addressed as these situations do not pose a threat to the governments in question. In Niger, all opposition has been stifled and comprises groups in disarray rather than a united front.

The Lesotho crisis: September 1998

Following a deterioration in the internal political situation in Lesotho, exacerbated by the delay in releasing the Langa Commission's report on the May 1998 elections, South Africa and Bot-

swana, as a Southern Africa Development Community (SADC) military task force, entered Lesotho at the request of the Lesotho Prime Minister in what was to have been a conflict prevention operation. This operation, however, provoked armed conflict involving the Lesotho National Defence Force (LNDF) as an opposing military party, resulting in a spree of arson and pillaging by the population. Maseru, the capital, was virtually razed to the ground by looters. The South African action provoked a strong anti-South African sentiment among the Basotho and was widely criticized. The South African National Defence Force (SANDF) in particular came in for severe criticism both at home and abroad because of what was termed aimless and unprofessional conduct on the part of the operational task force as well as lack of insight and perception on the part of the political leadership. Although an SADC-initiated action, it was South Africa, and not the SADC, that bore the brunt of the criticism.

South African opposition parties

Interstate and intra-state armed conflicts in mainland Africa, 1998
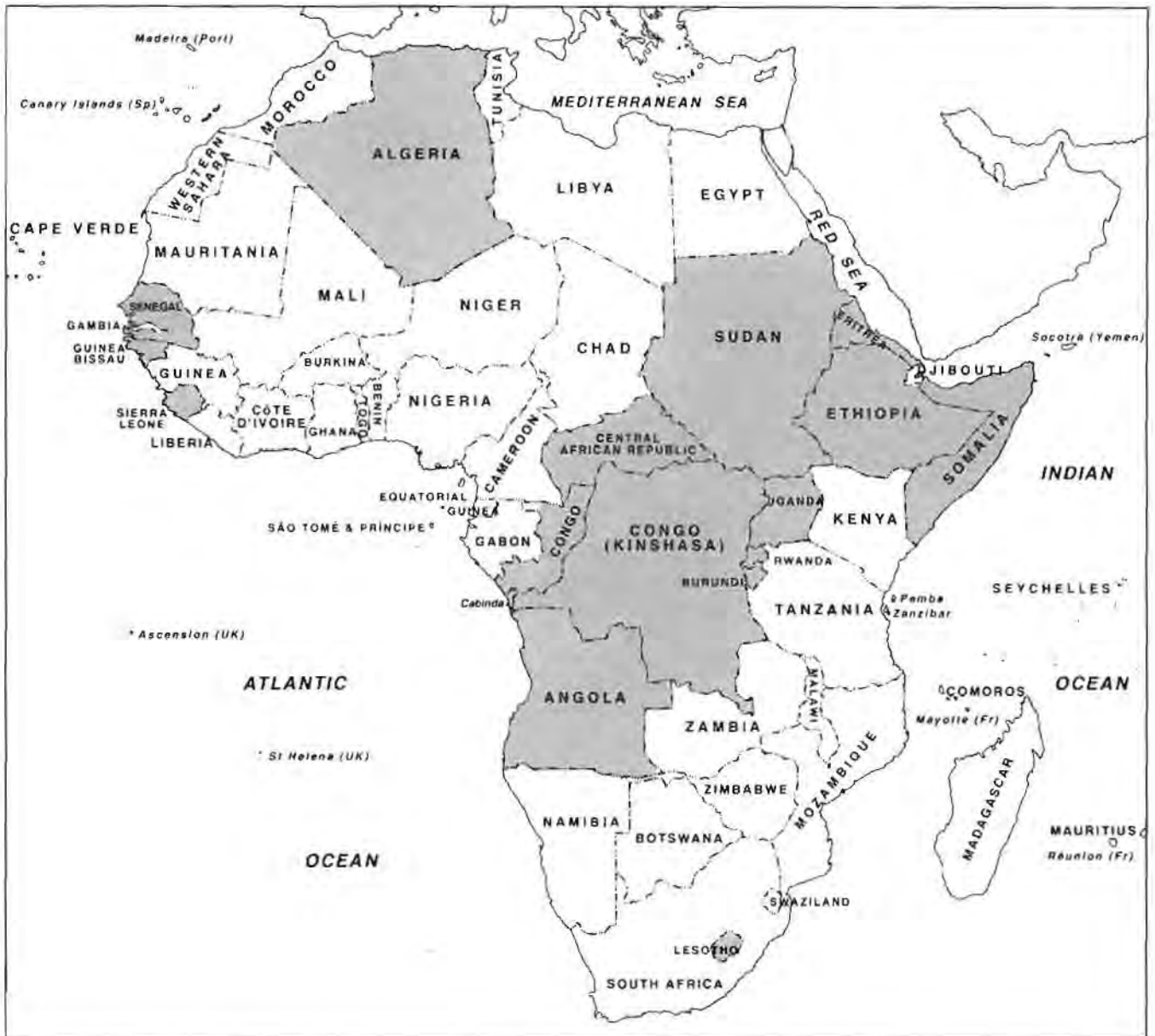
immediately sought to score points against the government by accusing it of having violated the constitution and having failed to exhaust all available diplomatic channels. The wisdom of its foreign policy – its African foreign policy especially, was questioned and comparisons were drawn between its responses to the DRC and Lesotho's problems.

The presence of SADC forces on Lesotho soil and their mission to act as a peace-keeping force and ensure stability in the country had not received the concurrence of all conflicting parties. This creates the impression that the ground rules of conflict prevention, management, resolution and peace-

keeping were ignored. Indications are that the SADC task force will remain in Lesotho for as long as it takes for the situation to normalize, most probably until after the next elections in 15–18 months, according to agreement being reached between the government and the opposition of Lesotho.

The Lesotho intervention highlighted the of SADC's limited ability to deal with conflict prevention, management and resolution in its region. Blame for the debacle cannot be placed at the door of a single entity. However, it could perhaps be prioritized as follows:

- an unsuitable electoral system in Lesotho – that is, the Westminster

electoral system of first-past-the-post is the winner;
- political personalities who were not prepared to accept and work within a political system which they themselves helped create;
- failure to exhaust all diplomatic channels in attempting to achieve a peaceful solution to the impasse;
- the South African Department of Foreign Affairs' apparent marginalization in the negotiating process after the Langa Commission had been established;
- selective party political loyalty within the ranks of the LNDF, instead of loyalty to the incumbent government;

- the suspected partiality of King Letsie II towards the opposition group;
- poor intelligence collation and interpretation on the part of the South African military;
- inadequate briefing of the South African military on how to deal with criminal activities on the part of civilians;
- poor public relations after the task force began its operations in Lesotho, and South Africa's as well as SADC's attempts to rationalize the event.

The Lesotho lesson

There are various schools of thought as to the legality or otherwise of the Lesotho operation. Perhaps one should start considering the weaknesses of the Charter of the OAU to addressing areas of conflict effectively. A brief look at the UN Charter will also be required to gain some perspective of the complexity of the process of conflict prevention, management and resolution.

Briefly, Article XIX of the OAU Charter makes provision for addressing inter-state conflict, but not intra-state conflict. It also provides for the establishment of a Commission of Mediation, Conciliation and Arbitration in the event of states being unable to peacefully settle their disputes. However, no mention is made of intra-state disputes.

The UN Charter (chapter 6) deals with the peaceful settlement of disputes of an inter-state nature. Chapter 7 concerns action with respect to threats to the peace, breaches of the peace and acts of aggression. Among other things, it provides for concerted international action, under certain conditions, of a military nature. Again no mention is made of intra-state disputes.

Both charters, however, do refer to "a threat to international peace and security". On a vague interpretation, this reference could include intra-state conflict that could or does threaten peace and security in neighbouring states or in a particular region. History abounds with examples where such interpretations have been given, for example the former Belgian Congo after gaining its independence from Belgium, Cyprus and Somalia, to mention a few UN operations; in West Africa (Liberia, Sierra Leone and Guinea Bissau) the actions of Ecomog serve as illustration. Article 7.2 of the

UN Charter concerning the inviolability of the sovereignty of states should also be borne in mind. (Human rights violations as a version of intra-state conflict are not addressed here.)

In the case of Lesotho a breach of the peace was imminent – all politically motivated actions clearly pointed to such a solution. The legitimate government was faced with a situation where the daily functions of state became impossible owing to a coup des politiciens. The military appeared to be divided, with a strong possibility of the dissenting part being the majority, poised to side with the opposition, and thus creating the required atmosphere for a coup d'etat.

From a UN perspective (Article 7.2 of the UN Charter), the Prime Minister of Lesotho was within his rights to request help from outside to prevent a coup from taking place. Unfortunately, this was where the doctrine of conflict prevention started to go astray.

The dithering negotiating attempts of the SADC troika and the delay in the release of the Langa Report on the May 1998 elections contributed to the deterioration of the situation, to the point where the diplomatic channels that should have been pursued could no longer be called upon. Thus the OAU and the UN, as further instruments of conflict prevention, were effectively neutralized in favour of an over-zealous political peace-enforcement action.

In retrospect, the Lesotho adventure exposed the following errors in conflict prevention, management and resolution:

- Indecisiveness on the part of the original negotiators contributed to the deterioration of the situation.
- Not persuing all diplomatic channels available, including gunboat diplomacy.
- The involvement of South Africa in the task force is in direct conflict with the doctrine of peace-keeping. South Africa's involvement should have been limited to logistical support. South Africa's motives with regard to Lesotho will be viewed with suspicion by the Basotho for a long time to come.
- The importance of obtaining the agreement of all conflicting parties prior to sending in a task force to maintain peace was ignored: this agreement is needed to prevent peace-keeping from changing into peace-enforcement, which is a

quick fix and holds no guarantees for a long-term, possibly permanent, solution.

There are positive elements in the Lesotho experience, provided there is willingness to admit to certain failures and shortcomings, and to learn from these. Matters to be addressed immediately are:

- healing relations between the Basotho and South Africa;
- cultivating a culture of political tolerance among the Basotho;
- rebuilding Lesotho's shattered economic infrastructure;
- retraining the LNDF with an emphasis on the impartiality of a national defence and security structure;
- ensuring closer cooperation between the member departments of South Africa's intelligence community and the sister communities in the other SADC member states;
- upgrading and invigorating the public relations methodology of the SANDF, Department of Foreign Affairs, and SADC;
- bearing in mind the unstable political atmosphere in central Africa and the real or potential instability in South Africa's immediate neighbours (Lesotho, Swaziland and Zimbabwe), urgent attention will have to be given to South Africa's ability to cope with the reception and administration of refugees;
- if the conduct of members of the LNDF who fired indiscriminately upon SANDF battlefield medical teams may be taken as a reading on a barometer of human conduct in times of conflict, military training must urgently and continuously stress the principles of the Geneva Conventions pertaining to armed conflict, treatment of prisoners and of civilian populations.

Shortcomings in addressing the prevention, management and resolution of intra-state conflict in the charters of the UN and the OAU should not be allowed as an impediment: sufficient precedents can be found in history to compensate for them. However, it may be to the advantage of the international community if these two charters are addressed as a matter of urgency to rectify this shortcoming. Such amendment will greatly enhance the peace-keeping capacity of regional organizations in that it will give such organizations an international refer-

ence on which to base their own peace-keeping doctrines and capacity. Such doctrines need to be clear and precise in their directives on the hows and whats, the whens and whos of conflict prevention and peace-keeping actions, to avoid repeating the Lesotho errors. Judging by the rigid African approach to the concept of sover-

eignty, it may not be an easy exercise to effect the necessary amendments to the OAU Charter. It may therefore take years before the OAU, as a multilateral organization, and regional organisations in Africa, will have the treatises and protocols in place to effectively attain a conflict-prevention, peace-keeping and peace-building capacity.

Note

2 Hermann Hanekom is a retired Foreign Affairs official with extensive African experience. He was South Africa's first ambassador to Zaïre and the Republic of Congo (Brazzaville), and consul to Rwanda. As head of the Africa political desk at the Department of Foreign Affairs he participated in a number of OAU conflict prevention missions.

DISARMAMENT AND DEFENCE INDUSTRIAL ADJUSTMENT IN SOUTH AFRICA

by **Peter Batchelor**

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The South African defence industry, built up during the apartheid years and during the UN embargoes on sales of arms to South Africa, became one of the most important sectors of the country's industrial base and a significant exporter. Since the end of apartheid, the end of the cold war and the elections of 1994, South Africa has cut its military expenditure drastically and is seeking to use the resources released to restructure and revitalize the country's industrial base and to support reconstruction, development and redistribution. The new government has a unique opportunity to develop innovative policies on defence and security matters, the arms industry and arms exports. This analysis of the South African experience provides a valuable contribution to the international debate on the economic effects of military expenditure and defence industrialization and on the relationship between disarmament and development in developing countries.

Peter Batchelor and Susan Willett have extensive first-hand experience of the developing public debate and policy making in defence and security policy in the new South Africa. They examine the experience of the South African arms industry – the largest in any developing country – consequent on the pro-

cess of disarmament undertaken in the country since 1989, drastic defence cuts and the transformed regional environment. They show the structural distortions introduced in the apartheid economy by the investment in a local arms industry and consider how far a "peace dividend" has been achieved. One of their conclusions is that the reallocation of defence resources to civilian purposes as a result of defence cuts does not occur automatically. The South African experience provides a clear example of the need to construct a link between disarmament and development through explicit government policies.

About the authors

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The virtual collapse of agriculture in a former Ciskei community

Dr C W Monana of the Institute of Social and Economic Research at Rhodes University in Grahamstown, South Africa, highlights the apparent crisis in many rural areas of the former Ciskei where agriculture is collapsing or is of very little significance to the rural people. He draws his conclusions from research undertaken in Melani village in the Alice district.

Background

Stating the problem

The main aim of this article is to demonstrate the changed nature of many rural areas of the former Ciskei where agricultural activities have declined significantly. This case study of a selected village shows that from about the end of the past century the population of this village grew from a small nucleus of a few families and multiplied on account of natural growth and as successive waves of people immigrated to this village in the course of this century. This led to cumulative population growth, which, combined with racially discriminatory policies to cause insecurity, inefficient land administration and land use, has contributed to the virtual collapse agriculture in the area.

Local communities have come to rely heavily on wage work and welfare rather than agriculture. This is borne out by the fact that rural people themselves are indicating that they are in desperate need of residential sites and improvements of their infrastructural amenities rather than land for agricultural use.

A brief history of the study area

The research, which began in 1996, is being done at a village known as Melani, 16 km from Alice. The investigation was initiated with a census that covered the whole village. Thereafter, a questionnaire was used to collect information from a stratified sample of 100 households. The village itself is named after Melani Vela who, together with his followers, fought on the side

of the colonists in the previous century and, in 1866, was granted the land on which the village is situated. At that time 19 families were granted residential sites and 19 fields (each 8 acres in extent) which were surveyed and issued as quitrent land.

After this original group had settled at Melani, other people came and settled there, especially from the 1940s onwards. The latter remained as landless people in the sense that they did not get the government (trust) sites and fields that the first group had been granted. A few of the original settlers at Melani left the village and their land was used by relatives who are still at Melani. But it seems that up to about the 1950s the bulk of the villagers were still the descendants of the original settlers at Melani.

From the 1960s onwards this situation changed a great deal in that land scarcity increased as more people settled in this village. In 1963 the size of the residential sites of the people was reduced drastically by the government officers who arrived and implemented the Betterment Scheme, which, as De Wet[1] has demonstrated, decreased the amount of residential land that was available to the people. Indeed, this scheme became an important means of ensuring better control over the rural people. The old residents at Melani who witnessed the introduction of this Betterment Scheme indicated that their family land had been sub-divided arbitrarily. Some of the new arrivals to this village who had applied for land were settled on family land which had been taken away from the people. Those who were settled under this scheme

received only residential sites and no fields since arable land was already in short supply. Later in the 1960s more land shortage was experienced at Melani as many landless people from the white-owned farms in the neighbouring districts sought residential land there. For the most part these were destitute people who had been evicted from the farms or who had left their employment because of dissatisfaction with their working and living conditions. During the present research the village population was still growing and people from outside were still getting residential sites at Melani.

It can thus be seen that from about 1940 to the present this village has accepted successive waves of immigrants. It does appear that those who came to seek living space in this village did not just move without aim or purpose, but that they did so in order to be close to their relatives. One important consequence of this pattern of migration has been the relative peace in the community.

At Melani the sample included 29% of the households which moved into the village from white-owned farms, 69% which were associated with the original settlers of the village and 2% who came from other places. As was noted earlier, many of the immigrants took up residence in Melani because they already had relatives in this village. This pattern is discernible in many other reserve areas. This means that land which would normally have been set aside for arable or pastoral use by particular families has had to be given up for residential use. Agriculture has therefore suffered.

In the 1960s a portion of a farm

which was adjacent to Melani and which was owned by a white person was released to the Ciskei and then incorporated into the village. It was divided into 16 one-morgen plots which became available to the villagers for cultivation. Likewise, in 1974 part of the commonage was converted into 23 one-acre fields. These measures did not however alleviate the pressure on the land.

At this stage it is necessary to consider the political situation of the study area. In many rural areas of the former Ciskei local government is in a chaotic state. The tribal authorities which were aimed at promoting chiefly authority, were created in terms of the Black Authorities Act of 1951. These tribal authorities, which were effectively a form of indirect rule, relied heavily on the utilization of headmen in the day-to-day running of rural administration. When this tribal authority system was still functioning, Melani was administered by a headman who had to work closely with the district magistrate and other relevant government officers.

This situation changed significantly when the government of President Lennox Sebe of the former Ciskei was toppled during a coup in 1990. Soon after this coup, tribal authorities in the Ciskei collapsed. Brigadier Oupa Gqozo, the new military ruler, announced that all headmen had to resign their positions. Although Gqozo later tried to re-instate the headmen, he was unable to do so because people rejected the headmen, whom they associated with the corrupt and inefficient tribal authority system. Instead, the residents associations, which were then established in the Ciskei communities, gradually took over some of the administrative functions of the deposed headmen.[2] These develop-

ments had their effect on Melani where the village headman was deposed early in 1990 and was never re-instated. Likewise, a residents' association was established in the village and after the local government elections in 1995 Melani became part of the newly-established Transitional Representative Council (TRC) in the area.

The making of rural livelihoods

Occupational categories, welfare benefits and remittances

The census showed that at Melani there were 195 residential sites that were occupied all the time. An additional 37 sites had houses which were used either during certain times of the year (usually during the Christmas season) or had been left vacant for some time. The occupied households are headed by 102 (52%) males and 93 (48%) females. The occupational status of the people who were residing permanently at home is given in table 1.

The sample included 235 adults and of these 95 (41%) were unemployed and looking for work. A further 69 (29%) were either in formal, casual or temporary employment and 54 (23%) were old age pensioners whose monthly grants were about R490. The remaining 17 (7%) included housewives and people who were either sick or disabled.

The research also showed that many households were supported by people who were living elsewhere, usually in town. In the sample as much as 73% of the households had from one to eight members who lived elsewhere. The investigation showed that the vast majority of the household members who were away and at work were

supporting their rural homes. We found only 17 (16% of the total number of workers) individuals in the sample who were not remitting anything home. In addition, there were 24 other household members who were irregularly giving varying amounts of material support. They usually brought money with them when they visited their homes. The remaining 65 household members were regularly remitting these amounts of money.

Table 2 Regular remittances

Amount remitted per month	No. of cases
Up to R100	32
R101–R200	20
R201–R300	7
R301–R400	2
Over R400	4
Total	65

The role and state of agriculture

Agriculture in the study area consists of crop production and stock farming under dryland conditions, and in a small government-sponsored project, under irrigation.

Landlessness and dryland cultivation

As pointed out above, there is a serious shortage of agricultural land in Melani. As many as 137 (70%) households did not have any land. The remaining 30% of the households included 19 (10%) respondents with access to quitrent fields, 23 (12%) with one-acre fields and 16 (8%) with one-morgen plots. The sample included 25 landholding households, namely 10 with eight-acre quitrent fields, eight with one-morgen plots and seven with one-acre fields. It is thus clear that the size of the land that is available to the people varies a great deal. The fact there are more female heads of households (14) than male heads (11) who cultivate their landholdings is indicative of the changes that are occurring in the rural areas. For the most part, each household provides its own labour, although there is also some dependence on labour obtained from outside the household. Unlike in some parts of Transkei, at Melani there are no ploughing companies or groups. However, extra-household labour is usually sought by those with cultivated fields when hoeing has to be done.

Table 1 Occupational categories

CATEGORY	MALES	FEMALES	TOTAL
In formal employment	8	33	41
Pensioners	15	39	54
In casual or temporary employment	16	7	23
Self-employed	4	1	5
Housewives	–	5	5
Unemployed	42	53	95
Sick or disabled	7	5	12
University students	4	1	5
School children	119	123	242
Young children (below 6 years)	244	287	531
Total	459	554	995

Another major change that has occurred in cultivation is that tractors, instead of cattle, are used for ploughing. One tractor owner at Melani and another from a neighbouring village do ploughing in the village. In two instances in the sampled households the people said they were using horses, either for ploughing or hoeing.

Those who have land were asked to indicate whether they used their land frequently or not. All the landholders said they used their land every year. However, most of the cultivation is done during the summer season and the bulk of the arable land lies fallow in winter.

Further, the availability of agricultural equipment to the landholders was investigated. The responses showed that two of the landholders in the sample have no implements at all, 20 have one or more hoes and a further three have hoes and a ploughshare or hoes and a cultivator.

Earlier it was noted that, on the whole, each household provides its own labour for cultivation. In 19 (76%) of the 25 landholders in the sample the people reported that they do all the work themselves. In the remaining six (24%) cases the people organise work parties (amalima) for the time-consuming activity of hoeing. In the early 1950s Wilson and Walton[3] noted that in the Keiskammahoek district, which is nearby these work parties were commonly held for a variety of tasks, including cultivation. Today in places like Melani these work parties are organized mainly for hoeing and they involve a relatively small number of people — about six to ten people. As in the past, the people who do the hoeing are not paid and tend to see the exercise as a form of entertainment and of rendering assistance to people who are in desperate need of labour. The people who take part in these work parties are provided with food in the morning, at noon and, at the end of the work, a party. Ideally, they must be provided with liquor after they have eaten their mid-day meal and at the end of their day. In Melani the few people who cultivate much more land than the other villagers, hire people.

Although it is difficult to obtain reliable estimates of crop production, it is clear that the yields are, on the whole, very small. The data that were collected show that in the previous season all the landholders had planted mealies in their lands. The poor performance of the majority of the people is

shown in the table 3. In the field the well-known 50-kilogram bag (ingxowa) was used as a standard measure in estimating the maize yields. Also, it must be noted that the above estimates do not include the mealies that are eaten before harvesting.

Table 3 Maize yields of the previous summer season of 1996

No of bags	Nil	1/2	1	2	3	4	5	6	10	15-30	Total
No of cases	1	5	3	1	8	1	1	1	1	3	25

It can be seen that the majority of the people bring back from their fields very small amounts of their staple food, i.e. maize. The cases analysed above include that of a 47-year-old unemployed man who planted maize in his one-morgen plot and reaped nothing in the end. The analysis above refers to three landholders who did much better than the others and obtained between 15 an 30 bags of maize. They had been able to cultivate larger pieces of land and it seems they were able to tend their fields well. Other crops which are cultivated in the fields, but to a much smaller extent than maize, are beans, pumpkins, watermelons, potatoes and peas.

In a few cases (14% of the sample), the people who have no land gained access to land by means of sharecropping, a practice involving two partners, one providing the land and the other supplying everything that is necessary for its cultivation. The crops that are reaped are then shared equally. In some cases the people who were sharecropping were using land that belonged to individuals who were working in town. The data show that there are more women than men involved in these sharecropping arrangements. Also, the fact that some of the people without land were able to gain access to the fields of landholders indicates that some householders are unable to cultivate all of their fields.

At the same time, there is some cultivation of vegetable gardens on residential properties. In the village as a whole there are 91 (47%) households with gardens ranging from about 250 to more than 800 m². Largely on account of droughts and shortage of labour, these gardens are not cultivated by all the people all the time. The crops that are usually grown are maize, cabbage, potatoes, beans, peas and spinach. On the whole the produce from these gardens is small and only for home use.

A small portion of the crops that are produced are sold. Only 6 (24%) of the 25 landholders in the sample managed to sell something they had cultivated. But with the exception of a quitrent landowner who has his own tractor and who said he reaped 30 bags of maize, few people sell much produce. A 50 kg bag of maize sells locally for about R60.

Problems of dryland cultivation

The above discussion has suggested that dryland cultivation as it is practised in places like Melani poses many problems. One of these is the expense and the risk that is involved in the whole exercise. The fact that the people rarely use cattle for ploughing and have to hire tractors, which they consider expensive, constitutes a major aspect of this problem. There is also a shortage of labour. But we must note very clearly that in this regard "we are not dealing with an absolute shortage of labour, but rather with a shortage of effective and motivated labour".[4] It is true that cultivation is a physically demanding exercise and that most able-bodied men and women leave the village to work elsewhere. But some of the men who have lost their urban jobs and are now back in the village. We have no evidence that they are doing any cultivation. The majority of the people in the village have no interest in agriculture and in cultivation in particular. They readily take any other jobs that become available locally and devote their time to activities such as ceremonies and sports activities.

Drought also exacerbates the above-mentioned negative factors. Over a decade ago, De Wet[5] noted that in the Amatola Basin, which is not far from Melani, drought "plays havoc with yields and, accordingly, undermines people's willingness to commit already scarce resources to agriculture, even after it has rained".

The irrigation scheme

At Melani there is an irrigation scheme that embraces 16 one-morgen plots and which must be described here in some detail on account of its success.

This scheme started in the 1960s when a smallholding which belonged to a local white trader was incorporated into the village and was divided into 16 plots that were taken up by the residents. These plots were located in an area that was below a dam. In 1974 the plot-holders were motivated, by an energetic extension officer who was in charge of agricultural matters there at that time, to use the dam water for irrigation. The people took this advice and established the Nompumelelo Farmers Co-operative with each member contributing R30 towards the project. Some of those who were involved in this task said that the scheme functioned fairly successfully for about two years and that they were able to produce a wide variety of vegetables. Thereafter, they were not able to find suitable markets for their fresh produce. Then the plot-holders used the land for dryland cultivation and ceased to irrigate.

In 1989 the Ciskei government, acting through the local (Tyali) Tribal Authority, found that Melani would be a suitable place for establishing an irrigation scheme for the benefit of the villagers. Consequently, consulting engineers[6] were engaged in the planning of this scheme and they, in turn, commissioned the author to do an evaluation of the socio-economic circumstances of the community. Although the positive results of this evaluation did lead to the official acceptance of this irrigation scheme, political conflict in the former Ciskei stalled its implementation. For instance, in 1992 the irrigation pipes and other material which had been sent by the government to Melani were burnt during the extended rioting at that time. As a result the plans had to be shelved.

Another start towards the implementation of this scheme was made by the Department of Agriculture in 1994. This time the Department provided irrigation facilities for the plots of the people who belonged to the Nompumelelo Farmers Co-operative, which had existed in the past. The services of an extension officer, based in Alice, were made available to the participants in the scheme. The government then installed the underground irrigation infrastructure free of charge. The plot holders were asked to buy the sprinklers and other equipment used above the ground. The latter expenses amounted to just over R500 per plot holder. Cultivation started at the end of 1997.

Stock rearing

The census showed that 54% of the households have no stock at all. Many of those who are able to rear any stock keep very few animals and only 30% of those who are included in the sample have cattle. (See Table 4).

Table 4 Head of cattle reared

Head of cattle	1	2–3	4–5	6–8	9–10	11–14	21	Total
No. of respondents	6	5	9	5	3	1	1	30

It can be seen that two-thirds of the people who rear cattle have only from one to five head of cattle. The individual owning 21 head of cattle is an 80-year-old widow who is living with her daughter, grandchildren and other relatives. She has two sons, one working on the mines and another one in Cape Town. One instructive finding relates to women and their involvement in stock rearing. The research shows that the 30 householders owning cattle include 17 male heads and 13 female heads. As illustrated in Table 5 below, a few householders rear goats (33%) and sheep (9%). A small number of the people rear donkeys, which are used for transport.

Table 5 Other stock reared

No. of stock	1	2–3	4–5	6–8	9–10	11–14	15	21	25	Total
Goats	3	7	10	9	2	1	1	–	–	33
Sheep	2	4	2	–	–	–	–	–	1	9
Donkeys	–	1	1	–	–	–	–	–	–	2

A tiny proportion (4%) of the householders included in the sample indicated that they had been able to sell livestock in the preceding 12 months. Although there are only few people who are able to sell their stock, some important information did emerge. The stock (including cattle and goats), which was all sold locally, belonged to four householders in the village. Prices were as follows:

- 5 goats ranging between R200 and R220 each;
- 8 sheep ranging between R200 and R220 each;
- 1 ox for R1 800
- 3 sheep at R260 each
- 2 goats at R200 each

This indicates that the sale of stock is a very lucrative venture. However, it is clear that very few people are able to sell their stock. Many of those who have stock tend to use it for the ceremonial occasions that the people commonly observe in this community.

It can be seen that at present agriculture is of very little significance to the people who must be largely dependent on other means for survival. Perhaps the most significant thing to note here concerns the people's changing perceptions regarding land use. Today in places like Melani the rural residents want land primarily for residential purposes and, in addition, are in desperate need for the improvement of the infrastructure in their environment. Indeed, in many of these places fairly significant improvements have been effected in this regard. For instance, at Melani the old primary school in the village has been re-built and significantly expanded, the water supply to the village is being developed and a new telephone system has been introduced. Probably the most important of these rural improvements is the introduction of electricity, which became available in the village in 1997.

Problems in land administration

As in other rural areas of the former Ciskei, land administration in the study area is in a chaotic state. For instance, at Melani the people are no longer paying for their quitrent land as their title deeds are still in the names of the original grantees, who died long ago. This is not surprising since it has been virtually impossible for those who inherit land to transfer their land legally. The other land holders also experience insecurity in this regard in that they do not have permits for the land they use. In the past the villagers were issued with "certificates of occupation" for the land that was allocated to them. Today land allocation (which is done locally by the Residents' Association) is informal and has no official recognition. All this causes a great measure of insecurity and uncertainty, which, in turn, contributes to the local stagnation.

Also, records of the arable holdings

raised at home; house building and carpentry; motor car repairs; sewing and knitting; carting goods (e.g. wood or water for sale); brickmaking; hairdressing; and money lending. Although the profits from these endeavours are extremely low, they are vital to household survival.

Agriculture and rural development

Land tenure reform

The aim of the current land tenure reform programme is to improve the tenure security of the people of this country. It was noted above that all the landholders do not have legally enforceable rights; the few who have inherited quitrent land have not been able to register their properties in their names. In addition, a few people have mere permits and the vast majority do not possess any official documents. The new tenure reform policy provides means by which this problem can be solved in that it caters for a land registration system in such areas. This implies the phasing out of the discriminatory permit system of the past and the promotion of procedures that allow people to acquire full legal rights to their land. In addition, this land registration would enable the people to access housing subsidies so that they can build their houses or improve their homes. In places like Melani the great likelihood is that the people would willingly register their land rights so that they can use their R15 000 housing subsidies either for building or improving their homes. This would be the first step towards the upgrading of the settlements of this nature.

Land that would normally be set aside for arable or pastoral use is now increasingly needed for residential use.

are sketchy as stock records are not properly kept and those that may be available are not easily accessible.

The Department of Agriculture provides a free stock-dipping service. Unfortunately this service is irregular, with the result that stock becomes heavily infested with ticks. In this chaotic state the extension officers are no longer in control of the movement of stock into and out of the village, which means that there is virtually no means of preventing the spread of stock disease. Unlike in the past, the few people who own stock do not pay any grazing fee, which would, ideally, be used for the maintenance of the grazing areas.

Informal economic activities

With the decreasing significance of agriculture in places like Melani, there is now greater concentration of the people's efforts in a wide variety of informal economic activities. Although these activities are generally limited, they are important in that they augment meagre incomes. In a few cases they are a major source of income. The census includes 59 (30%) households which are generating some income informally. These activities involve petty trading (the selling of fresh produce, groceries, liquor, meat and fuel); and the occasional sale of livestock, as well as pigs and chickens

Land for what use ?

According to the *White Paper* on land policy in South Africa[7] the purpose of the land redistribution programme is to enable poor people to obtain land for residential and productive purposes so that they are able to improve their incomes and quality of life. Yet, as noted above, the most urgent need of rural people, who are now heavily reliant on wages and welfare, is for residential sites rather than land for productive purposes. This tendency for rural people to be in greater need of residential rather than agricultural land is not unique to the former Ciskei. For instance, the researchers who have

recently done work in KwaZulu-Natal note that there "land hunger has been acute for many years, but land itself, as a productive asset, has become steadily less central as the disadvantaged rural communities have been drawn deeper into reliance on wages".[8] But it is very necessary for us to realise that the fact that the people have a greater need for residential sites rather than agricultural land represents the way in which they are adapting in the marginalised rural areas. Indeed, the latter preference is not incompatible with the policy guideline to which reference is made above. As I have tried to show above, agriculture has very little scope in these rural areas. For that reason under present circumstances the people cannot be expected to regard agricultural land as a priority as such a demand would normally follow when infrastructural and service support is effected there. As De Wet[9] has noted, for at least the immediate future these rural areas will continue to depend on non-agricultural resources, especially wages and pensions. At the same time there is a need to make improvements to agriculture somewhat indirectly by improving the quality of life of the people. In addition, there is urgent need for more direct interventions such as the improvement of the people's skills and the provision of better services and economic opportunities.

The white paper cited above also states that the government is prepared to provide grants and services to assist the needy with the purchase of land. In the study area such land would necessarily be state land which in most instances is formerly white-owned land. There are many such farms in the Alice district and close by. In areas like Melani which are too overcrowded, it seems that the priority of land reform should be the provision of residential land (including gardens) beyond the boundaries of the existing villages. That in itself will improve village land in that it will relieve pressure on the commonages which are dwindling in their size and viability.

This recommendation takes into account what the people themselves need most, namely residential land. Ideally, in these newly-established villages there would be opportunities for some productive use of land in terms of what the people need. Undoubtedly the residential sites should include gardens for vegetable production. People who may need fields for cultivation as well as commonages for the raising of

stock should also be taken into consideration. There is a need for speedy action regarding the overcrowding which concerns us here. Clearly, if nothing is done now, this rural crisis will simply worsen. In some cases the rural people in the former Ciskei and Transkei are involved in land invasions i.e. invading any private land they can get.

Also, it appears that small-scale farming is another means of promoting the productive use of land. Many observers are critical of small-scale farming that is undertaken on a commercial basis and is not specifically planned for promotion of rural livelihoods. Lipton,[10] de Klerk and Lipton state very clearly that this option has often resulted in failure. Small-scale farming can certainly be viable provided it is, firstly, labour intensive and, secondly, that it is linked to multiple livelihood strategies. This could involve families, for example, undertaking small-scale farming together with other ventures, including urban work. In this case the people would guard against the risk of failure by depending on other efforts and not only farming. In the course of time they could become more committed to farming and expand whatever line that appears safe and profitable to them.[11] These are some of the measures that could promote land distribution and place agriculture on a better footing.

But the acquisition of land under the redistribution programme as it is formulated in the new land policy is a not an easy task and the implementation of the programme will require a great deal of effort on the part of those who seek land. There are many practical problems that must be recognized in this regard. One of them is the fact that the process must be guided by the people themselves. According to the new policy it is not the government that must take the initiative of finding land for the people. Rather it is the local community members themselves that must access the land they need. The community members must establish themselves as a legal entity that has the responsibility of holding the land. Those who want to acquire land are expected to work closely with the Department of Land Affairs which, in turn, must be closely involved and approve every step that is taken. Another requirement is that the potential beneficiaries must hire planning consultants who will devise a land use plan and financing arrangement.

Although the Department of Land Affairs is prepared to exercise a facilitation role in this regard, the overall exercise is a fairly complicated business.[12] A real problem is that many local government institutions in the rural areas lack the capacity to implement huge projects in the manner described above.

Another practical difficulty regarding the former Ciskei and Transkei concerns the time-consuming procedure that must be followed before state land can be made available for sale. In these areas the legal position of state land is currently being investigated by the Heath Commission, which may take up to two years or longer before completing its task.

Local government

The future state of agriculture in the study area and elsewhere will largely depend on how the current local government restructuring progresses in these areas. It has already been noted that in many rural areas of the former Ciskei, the tribal authorities have ceased to exist and the newly promulgated Regulation of Development in Rural Areas Act removes the powers of traditional leaders to handle development in rural areas in favour of district councils (DCs) and transitional representative councils (TRCs). These new rural councils face enormous problems, including shortage of funds and personnel. But unlike the tribal authorities which tended to be unrepresentative and authoritarian, the new councils are elected by the people themselves and must be given the necessary support to achieve their goals. Such an enabling environment will go a long way towards solving some of the serious problems facing rural communities.

The current government policy strongly emphasizes the need for municipalities to do long-term development planning so as to ensure coordinated delivery within their geographic spheres of operation. The Development Facilitation Act 67 of 1995 requires local authorities to set up land development objectives (LDOs), which will guide those in authority on the use of local land for business, agriculture, education, services, etc. In addition, this Act stipulates that these local authorities must compile integrated development plans (IDPs), which will specify how the local authority will implement its

development strategy with the resources at its disposal. This planning exercise should span a period of five years. The Alice Transitional Local Council and Transitional Representative Council, which are the recognized local authorities in the district, have already started this planning process and were able to hold the first meeting of their planning committee in April 1998.

Conclusion

Nearly half a century ago Houghton and Walton in their intensive study of agriculture and other economic features of the Keiskammahoek district, which is close to the Alice district, found that arable and stock farming had very low productive capacity in the area. The material presented above in this article suggests that few rural dwellers are doing any farming at all and that the situation has taken on crisis proportions. While there are no easy solutions to the problem of agri-

cultural decline, implementing an overall rural development strategy would be an important first step.

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TO WALK WITHOUT FEAR

Edited by **Maxwell A. Cameron** and **Brian Tomlin**, both of the Norman Paterson School of International Affairs, Carleton University, Canada, and **Bob Lawson**, Senior Policy Advisor, Landmines Unit, Department of Foreign Affairs and International Trade, Canada

The Global Movement to Ban Landmines

To Walk Without Fear is a comprehensive and authoritative account of the global movement to ban landmines. It brings together leading academics, senior policy makers, and prominent leaders of non-governmental organizations (NGOs) to examine and draw lessons from the "Ottawa Process", which culminated in December 1997 when over 120 states signed a convention to ban the use, sales, and production of landmines.

An essay by Nobel Laureate Jody Williams and Steven Goose, of International Campaign to Ban Landmines (ICBL), describes how a global coalition of NGOs led the world towards a ban on landmines, while a chapter by the Canadian diplomats who orchestrated the "Ottawa Process" takes the reader behind the scenes into the diplomatic arm-wrestling that resulted in Canada's leadership role.

International specialists offer assessments of the military utility of mines and their humanitarian consequences, the role of the Red Cross, landmine victims, national ban campaigns (including Noel Stott of the South African Campaign to Ban Landmines), the problems of mine clearance, and interpretations of the legal text of the treaty. Academic specialists analyse the policy process and negotiations, explore the political economy of mines, identify the implications of the treaty for the development of international humanitarian norms, democratization, and civil society, and Canada's Minister of Foreign Affairs, Lloyd Axworthy, draws lessons from the Ottawa Process for other policy issues.

The book provides a rich source of new information and analyses. It will be both timely and of enduring value to policy makers interested in drawing lessons from the Ottawa Process, to non-governmental organizations interested in replicating its results in other areas, to academic specialists and students interested in foreign policy and international affairs, and to the general public seeking an accessible and readable account of one of the most significant global movements in recent years.
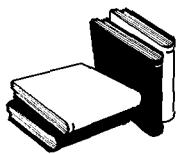
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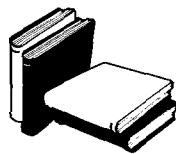
The Mazruian collection: a comprehensive annotated bibliography of the published works of Ali A Mazrui 1962–1997, compiled by Abdul Samed Bemath. Sterling Publishers Private Limited, 1998. ISBN 81 207 2119 5

This comprehensive annotated bibliography of the works of Ali A Mazrui consists of 514 entries. Section I consists of 24 books; Section II has six pamphlets; Section III has 313 of his major articles and papers; Section IV has 157 magazine articles; and Section V lists fourteen video and film recordings. The annotations are detailed, and each one has a comprehensive author and subject keyword index. There is also a separate detailed author and subject index for easy reference.

Africa: dilemmas of development and change edited by Peter Lewis. Oxford: Westview Press, 1998. ISBN 0 8133 2754 7

In the decades since independence, the countries of sub-Saharan Africa have faced three central dilemmas of development. The first has been the challenge of state building. In the wake of colonial rule, governments have encountered the problems of establishing legitimate authority and constructing capable states. A second dilemma has been that of nation building and state-society relations. African countries have confronted the difficulties of managing ethnic diversity, forging national identities, and negotiating relations between citizens and rulers. The third challenge encompasses problems of economic development as the region has grappled with a legacy of poverty, slow growth, and external dependence.

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Contributors: Victor Azarya, Catherine Boone, Michael Bratton, Thomas M Callaghy, Naomi Chazan, Larry Diamond, Peter P Ekeh, Jeffrey Herbst, Robert H Jackson, Richard A Joseph, Tony Killick, Peter Lewis, John Ravenhil, Pearl T Robinson, Carl G Rosberg, Donald Rothchild, Richard Sandbrook, Richard L Sklar, Ali Mari Tripp, Nocolas van de Walle, Crawford Young.

Chad: a nation in search of its future by Mario J Azevedo and Emmanuel U Nnadozie. Oxford: Westview Press, 1998. ISBN 0 8133 8677 2

The authors analyse and demythologize Chad's complex socio-economic and political history as background for understanding its contemporary situation in light of the internal and external dynamics that have shaped the country. In addition, the book examines Chad's attempts at political and economic reforms and the prospects for entrenching democracy following recent elections. The roles and conditions of women are also considered.

Managing ethnic conflict in Africa: pressures and incentives for cooperation by Donald Rothchild. Washington DC: Brookings Institution Press, 1998. ISBN 0 8157 7594 6

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Africa: a biography of the continent by John Reader. New York: Knopf, 1998. ISBN 0 678 40978 3

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