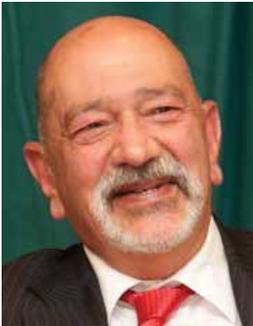


# SA and the World



Francis Antonie is the Director of the Helen Suzman Foundation. He is a graduate of Wits, Leicester and Exeter Universities. He was awarded the Helen Suzman Chevening Fellowship by the UK foreign Office in 1994. From 1996 to 2006 he was senior economist at Standard Bank; thereafter he was director of the Graduate School of Public and Development Management at Wits University. He is the founding managing director of Strauss & Co.

*In a recent article on Trump's America and the new global order<sup>1</sup>, Francis Fukuyama suggests that Donald Trump's stunning electoral defeat of Mrs Clinton represents not only a watershed moment for American politics but for the entire world order. For Fukuyama, the manner of Trump's victory lays bare the social basis of his support; and, as he points out, we have seen this story before. It is the story of Brexit. It is the story of Marine Le Pen's National Front, of Vladimir Putin's Russia, of Viktor Orbán's Hungary and Recep Erdoğan's Turkey.*

His thesis, broadly, is that the forces of globalisation and of technological development – facilitated by the liberal world order created in the wake of World War II – have resulted in large swathes of the population, especially in the developed world, who have been 'left behind' or who believe that they have been left behind, by this supposed march of progress.

Fukuyama is right when he points out that the rules-based system of international trade and investment – the so-called liberal world order – has fuelled astonishing global growth, thereby bringing many hundreds of millions of people out of poverty, not just in China and India, the obvious examples, but in Latin America and sub-Saharan Africa as well.

How then, will South Africa respond to this emerging global configuration, which is driven in no small measure by the emergence of populist/nationalist movements? Will sheltering behind our BRICS partners be the solution? Should our focus not be on enhancing existing trade and diplomatic initiatives in Africa?

We explore some of these questions in this edition of *Focus*.

**Greg Mills** and **Wilmot James** trace the trajectory of South Africa's foreign policy from Nelson Mandela to Jacob Zuma. They refer to the "honeymoon phase" which spanned 1994 to 1999, where they identify the focus on integration, internationalisation and human rights. Thereafter, they set out a ten-point plan for recapturing the golden era of South Africa's foreign policy in order to fulfil South Africa's post-Apartheid promise.

**Raphael de Kadt** and **Evan Cupido** examine the state of political leadership and governance in South Africa and how this is affected by a changing international environment. They posit that despite the gains made toward securing South Africa's position within the global playing field, it is vital that we safeguard this progress by not becoming complacent. South Africa cannot afford to slow down economically or politically. Democracy and development go hand in hand with maintaining strong regional diplomatic ties that don't force us to compromise our long-term growth objectives.

**Jack Spence** provides an examination of our foreign policy since 1994 with particular focus on South Africa's membership of BRICS. He explores certain contradictions which have emerged in the government's attempts to define a new foreign policy identity for South Africa. The government's commitment to peace-keeping and peace-building initiatives across the continent, is offset by criticism of our negative voting record at the United Nations over controversies such as the Darfur issue. Spence recalls Mbeki's focus on mediation and conflict resolution – which he terms instruments of soft power – as being sensible in working towards achieving a “stable political order”. He reminds us that such intentions were stunted by the existing contradictions of “liberal incentives” and political constraints – no better exemplified than in the case of Zimbabwe. Spence ultimately points to South Africa's weak sense of identity between positioning ourselves as equal players in the international scene and our socio-economic reality as an unequal and developing country. It is this dilemma that South Africa must resolve in pursuing both our foreign and domestic policy objectives.

*South Africa has demonstrated commitment to declared principles through its voting behaviour. Graham warns that in order for South Africa to maintain a constructive presence within the United Nations, it must rise above power politics and ultimately vote meritoriously.*

**Peter Draper** takes us through the impact of the Brexit vote – both within the European Union in terms of future trade and investments, as well as the implications this has for trade relations with South Africa. He explores the various models employed in countries such as Norway, Switzerland and Turkey and what this may mean for various actors including South Africa. Draper's scenario-mapping rests, ultimately, in uncertainty – the full force of the geopolitical consequences of Brexit both within the UK and for South Africa remain to be seen.

**Suzanne Graham** looks at South Africa's voting record at the United Nations. Specifically, she examines our post-1994 relationship with the organisation, where supposed foreign policy objectives come into conflict with certain stances where South Africa should express commitment, given our history. She finds that despite the criticism our diplomatic delegations have attracted, South Africa has demonstrated commitment to declared principles through its voting behaviour. Graham warns that in order for South Africa to maintain a constructive presence within the United Nations, it must rise above power politics and ultimately vote meritoriously.

**Willem Meyer** takes us down a different path, by focusing on South Africa's political and economic relations with China. His is an extensive economic account of China's rise globally, and specifically its interest in forging relations with South Africa. Meyer's account explores the crisis China currently faces as it manages bad debts by financing through borrowing. This coupled with China's tumultuous political climate has created the situation where what the Chinese populace most fear is an inability to shift from ideology to market. Meyer terms this a “dangerous no-man's land between the market and state

control”. Meyer’s piece reads as a series of warnings for South Africa – there are many lessons to be learned from China’s trajectory, many of which will come down to politics instead of economics.

Charles Simkins provides us with four economic viewpoints relating to global recovery from the financial crisis. Simkins guides us from Bernanke’s “*global savings glut*”, to Rogoff’s “*debt supercycle view*”, to Krugman’s understanding of the world as being stuck in a “*liquidity trap*” and, finally, to Summers who proposes a “*secular stagnation view*”. The piece is an economic exploration of the challenges related to global growth, reduced risk, investment and loss. Simkins suggest that world growth will depend on matching capital to labour. Coupled with macroeconomic uncertainty, are numerous threats to global growth – but sustained globalisation can undercut this.

We conclude with two compelling book reviews, the first being “*God, Spies And Lies: Finding South Africa’s Future Through Its Past*” by John Matisonn reviewed by Graham Dominy and finally “*Last Outpost on the Zulu Frontiers – Fort Napier and the Imperial Garrison*” by Graham Dominy reviewed by Stephen Coan

*Francis Antonie*

Director of the Helen Suzman Foundation

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- 1 Fukuyama, F, “US Against the World? Trump’s America and the new global order.”, Financial Times, published 11 November 2016