Editorial

By Raenette Taljaard

The Constitution and June Conference Decisions

The ANC Policy Conference is certainly the most important diary entry for June. A plethora of policy documents have been produced for discussion and various ANC provincial and branch structures are busily discussing and preparing recommendations, leading into the decisions that will emanate from the process. For example, different provincial structures of the ANC are already making cautious approaches to the issue of the future of the provinces.

The decisions that emerge in June will send important signals about the future trajectory of South Africa when the current ANC leadership guard changes in December.

The Policy Conference is of considerable significance as it will largely chart the operating parameters for any new President of the ANC and, by extension, the country. It is also of significance because it will place key areas of the 1996 Constitution in the policy spotlight.

The ANC policy conference happens at a significant time, as many policy issues that have already emerged in the hallowed halls of Parliament – a review of the provinces and the transformation of the judiciary among them – stand centre stage in various ANC policy discussion documents.

Arguably the matters under discussion in the key Legislature and Governance for a National Democratic Society draft document – including floor crossing, the electoral system and the provinces – touch on core areas of the 1996 Constitution hitherto considered finalised, including the highly controversial amendment to the constitutional text that allowed floor-crossing during the second democratic Parliament's tenure.

It is clear that economic policy is one of the most critical arenas of the internal tripartite struggle in June, and at least three documents –Economic Transformation for a National Democratic Society, The Role of the Working Class and Organised Labour in Advancing the National Democratic Revolution and Challenges and Opportunities facing Workers and Unions: the Role of the ANC – loom large in the expansive background of the current ongoing wage-related strike action in the public service.

While the main focus is certainly the wage dispute itself, the power struggle in the background is most definitely the upcoming policy conference. The unions are utilising a perfect opportunity to flex their muscles in actions that may see broader policy concessions in economic policy, however small or symbolic, emerge in June.

The fraught relationship between money and politics in South Africa will receive attention in the Revolutionary Morality: The ANC and Business and the RDP of the Soul documents.

The ANC task team that has been probing these matters will be playing an important role in charting a new course to minimise the corrupting intersection of money and politics in our polity, though the example of the Central Control and Auditing Commission (CCAC) of the Russian Communist Party on which it draws may not be entirely suitable.

The international community will take heart that the Peace and Stability and International Relations: A Just World and a Better Africa is a Possibility' documents retain the core current trajectory, with the very distinct ongoing Africa-focus seen thus far.

The ANC is also updating its key 'operations manual' – the new draft Strategy and Tactics document. Dr Michael Cardo reviews this new update critically in this edition of Focus.

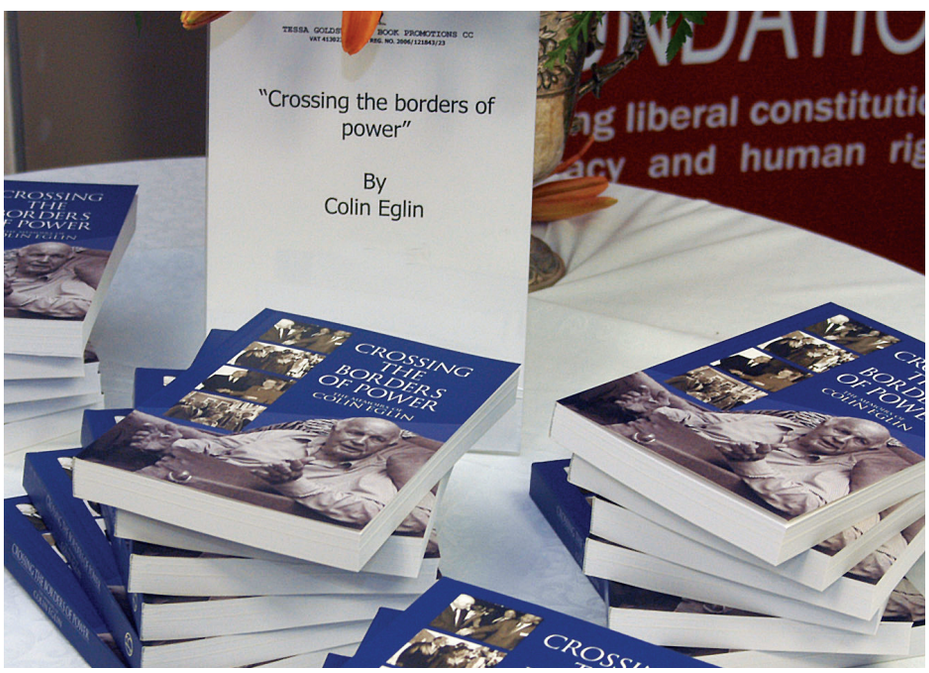
South Africa's negotiated constitutional settlement, and the Constitution that emanated from it, is still fairly young and consequently fragile. While it is critically important to review progress, achievements and possible barriers to achievements 13 years after the uhuru election of 1994, and 11 years after the finalisation of the Constitution, this cannot be done in any way that creates an impression that the core tenets of the transition pact are being renegotiated through the back door of the majority party's June policy conference.

The most difficult task the ANC as a party, and all South Africans, face in the months and years ahead is to ensure that the transition not only pays dividends for all the people of the country, but that it does so in a manner that does not impinge on the nature, ethos and essence of the Constitution. Striking the right balance in deference to the Constitution will be the real challenge in June.

Suzman hosts Eglin memoirs launch

A host of figures from South Africa's political past and present gathered at the Helen Suzman Foundation to celebrate the launch of CROSSING THE BORDERS OF POWER – The Memoirs of Colin Eglin. The book was introduced by Helen Suzman, who traced her relationship with Eglin and reminisced about some of the highs and lows of the political events that marked those years.

Pat Tucker and Rina Minervini



She and Eglin had been friends since 1953 when he was a United Party Member of the Provincial Council for Pinelands and she was United Party MP for Houghton, said Suzman.

Typically, she wasted no time on sentimentality, making it clear that the relationship had its ups and downs: "We've had our differences and he's got a very bad temper if you happen to disagree with him …goes up like a rocket" but "underneath there's a soft, lovely guy and I've come to know him very well indeed. He's also very determined and he's got great principles."

Praising CROSSING THE BORDERS OF POWER as "a very, very good book", Suzman said, "I didn't know until I read this book how much I'd forgotten. I thought I knew everything about South Africa's political history from, say, the middle of the last century until now, but reading the book I realised that I really didn't know everything at all and I had forgotten a lot of the things I should have known."

The book, she said, "will put you absolutely in the know because it traces the history of politics in South Africa and a lot of allied things from when the Nats came in – that's a very long time ago – until the present day".

But the book was not only political it was a personal journey too, covering Eglin's life from school days, through his army service to university, marriage and family, all "interwoven in this very serious book".

Suzman recalled that during one of the many vitriolic attacks she endured during her years as a solitary "Prog" in Parliament a National party member said. " 'You Progs, you're just all the enemies of South Africa, you're traitors.'

Liberal stalwart Colin Eglin in a lighthearted moment at the Helen Suzman Foundation

And I said, 'Really, let me tell you something. Our leader, Colin Eglin, joined the UCT Military Training Corps, aged 15, and then, aged 18, went into the South African Defence Force and fought with our army in Italy while your leaders were languishing in an internment camp because of their Nazi sympathies.' That shut him up."

The book, said Suzman, "traces the history of the Progressive Party right through its, sometimes unfortunate, mutations until it became the DA as it is today".

She and Eglin had both joined the party as soon as it was formed after "ten liberal backbenchers and Harry Lawrence, who'd been a minister in the Smuts Government", had broken away from the UP after a "disastrous congress" at Bloemfontein in 1959.

The breakaway led to all the sitting parliamentarians from the newly formed party, apart from Suzman, being defeated in the snap 1961 election called by then Prime Minister H F Verwoerd after he had declared South Africa to be a Republic and taken it out of the Commonwealth. Suzman said her solitary victory was due to the superb campaign organisation by Max Borkum.

For the following 13 years Eglin was in the political wilderness. Still, said Suzman, "he was my chief adviser".

"I could always go to him and say, 'hey, look at this Bill, what do I do with this?' Colin would always look at it, sombrely of course, and then give me his considered opinion, which generally agreed with mine. In any case, I was in Parliament and I could do what I wanted to do, even though Colin might sometimes have objected.' Colin lost the election in Sea Point in 1971 and his loss was attributed to my saying "yes" to a question from the audience "would the PP unban the SACP". This was used by his opponent on posters throughout the constituency, comitting the proviso "If the SACP did anything illegal, it would feel the full force of the law".

Suzman's isolation in Parliament ended in 1974 when six more members of the PP were elected, among them Colin Eglin, with whom she was to share the front bench for many years.

"Colin was an MP for 33 years under nine presidents and prime ministers. I was an MP for 36 years under five premiers and I want to know who gets the bagel – me for 36 years or Colin for the extra presidents he's thrown in."

Of the years after 1974 she recalled: "We had some great newcomers there. We were an excellent team and I think those were the most rewarding years of my parliamentary life – having my chums back with me, not only relieved me of all the debates in which I had to participate, from agriculture to the policy of the government on racial affairs, but it was wonderful to have these people with me. And most of all, to have a drink with them in the pub at the end of the day. It was really fun … we had a lot of fun."

Eglin, she said, "had great talent for policy-making", which showed not only within the party but at CODESA, the Convention for a Democratic South Africa, and the Multi-Party Negotiating Forum. "Colin played a very important part in policy-making in all these bodies – the Prog Party, Parliament, CODESA, and the final democratic Constitution, which he helped draft."

Suzman went on to describe Eglin as "a man of courage and of conviction. He has never strayed from the words he uttered in 1974 when he took over the leadership of the Progressive Party when Jannie Steytler resigned ... he said never must the party move from its basic principles of allowing every South African, irrespective of colour, creed – he didn't add gender, I add it now; he took it for granted – to have every opportunity to live a full life.

"That is something he has never strayed from and it was for that reason that he received an Honorary Doctorate from UCT in 1997. Leadership magazine called him the Politician of the Century, and I think that's a pretty good title.

"I think that Colin has done more than anybody to improve race relations in this country, except for Mr Mandela, and maybe also, perhaps, except Ntini when he takes a wicket, or Gibbs, when he scores a century."

Responding, Eglin said of the book, "It is history, but it's also people, it's also feelings, it's also emotions. I haven't tried to hide anything; it all hangs out."

Tracing the story of his life, Eglin told how he had grown up in what he described as "the new village of Pinelands – it was then known as South Africa's, first Garden City". "It's a very interesting community life."

The death of his father at the end of the Depression had forced his mother to sell the house and go out to work. The young Eglin was sent to live with "her sister and brother-in-law, who was a farmer-cum-teacher in the Orange Free State "dorpie" of Hobhouse". "I spent a couple of years as the only rooinek in the primary school at Hobhouse at a time when the Free State "boere" were completely torn between loyalty to General Hertzog, who was their local hero, who had joined Smuts to form the United Party, and the Cape's D F Malan, who was the leader of the Purified National Party."

Living in that environment "I learnt something about the earthiness of Afrikaner politics, the fundamentalism and the emotions that it aroused. I think it did me good to understand the politics of the National Party, even if I didn't agree with it."

The next step was school in Villiersdorp at a time (between 1936 and 1939) when Hitler, Stalin, Mussolini and Franco were "on the rampage" in Europe as were "fascism, nazism, anti-Semitism and racism", all of which had an impact on South Africa.

"At the same time, you had the rise of Afrikaner nationalism and the emotion of the Voortrekker Eeufees and, with that, unfortunately, the rise also of authoritarianism in the form of the Ossewa Brandwag and organisations like the Greyshirts that made an impact on this youngster at school.

"Perhaps the most important impact-making experience of my life was going to serve in the army in Italy. That's some of the best part of the book because it takes you to what a 19-year-old youngster thought of having to go into battle the following day my feelings when I got the orders to help capture Monte Sole, when I went up the mountain, and when the battle was over I came down again. With relief I said 'hell, this is wonderful'. Then I started looking around asking 'but where's so and so, and where's so and so? He has stayed behind on the mountain.'

"I came back home after the war, not as a knight in shining armour, but I said what I've seen in Europe and what I experienced can't happen in South Africa. I got involved in community life in Pinelands. I was busy courting Joyce, later to become my wife. I got involved in community work, youth work, and so on, until on 26 May when the election took place."

Eglin recalled seeing Die Burger's placard outside the Cape Town Railway Station on 27 May, proclaiming 'Slag vir die regering. Smuts Uit' "and suddenly I read that a fundamental change had come".

"From my point of view, the people who were opposed to the war we had been fighting had showed sympathy for the Nazis and for Germany; people who stood for the things that I did not stand for were suddenly going to be in office in South Africa and I decided I would become involved seriously in politics."

The decision in 1959 to break away and form the Progressive Party had,

Suzman went on to describe Eglin as a man of courage and of conviction.

Veteran MP and fighter for human rights Helen Suzman at the launch of freind and colleague Colin Eglin's memoirs

said Eglin, been traumatic. "A budding young politician who had a great future ahead of him had to lay his future on the line for what he believed was right . And, as Helen correctly said, I paid the price – 13 years in the wilderness." But "it was worth it".

"Helen comments on my assistance to her. Let me just tell you, it was great fun. When Helen phoned me early in the morning and she wanted advice, it was usually because she either didn't agree with party policy and she wanted my approval to disagree or she didn't know what the policy was. We had a standard approach. When we didn't know what to do, I'd say, 'Helen, I don't know what to tell you. You know what? You do what you think is right.' So Helen did what she thought was right and that became party policy, whether the rest of the party liked it or not."

The great breakthrough, he said, was on 24 April 1974 "when six of us returned to Parliament against all odds and, for the first time in South Africa, white South Africans could vote for a party committed to non-racialism and to a democratic South Africa.

"Small though it was, it was a bridgehead, and it was something which was going to be built on in the future."

Elected leader of the party, he had gone through traumatic times, Eglin said. "With Harry Schwarz we formed the Progressive Reform Party and then later on we formed the Progressive Federal Party. And then, of course, I had to go through the drama of when I ceased to be the leader in 1979 and Slabbert took over from me, and then the years under Slabbert. And then, strangely, I was called back again to try to repair the damage when Slabbert resigned at the beginning of the 1986 parliamentary session.

If I had lots of difficulties during my political carreer this was perhaps the most difficult assignment I had, because I had regard for Slabbert as a person, yet I had to deal with a problem which was left as a result of him vacating the office."

Knowing that "I was only a temporary leader", I stood down in 1988 and was succeeded by Zach de Beer who, with Denis Worrall and Wynand Malan, had formed the Democratic Party.

"And of course, 1990 against all odds, can you tell me any political prophet or historian, who might have suggested that a conservative Calvinist from Potchefstroom, who was a member of the Dopper Kerk, whose father served in Strydom's and Verwoerd's Cabinets, would actually say 'I'm unbanning the ANC and I'm releasing Mandela'?"

Referring to the events of 2 February 1990 Eglin said he wasn't sure De Klerk had "realised the implications of what he was doing?"

The transition period, he said, had been "wonderful". "When you're in opposition you are forced to be negative; you are not part of a government, you're part of opposition. Occasionally you might lay something on the table, but what you say is really irrelevant, you are looking for votes

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Dr Van Zyl Slabbert and General and Mrs Viljoen in animated conversation at HSF

in order to unseat the government. And suddenly, after 40 years of being in opposition, I found myself part of the instrument of trying to draw up a new Constitution. It was wonderful to feel that you weren't in reverse gear but you were going forward."

Describing the "excitement" of the night of 8 May 1996 when the Constitution was adopted, Eglin said, "we realised that the values for which the old Progressive Party and its Molteno Commission and Helen had fought for all along were suddenly entrenched in South Africa's Constitution. Look at that Constitution. Do you think it had its roots in the ANC? Do you think it had its roots in the National Party? Where did it have its roots? The reality was that it showed that 40 years of Progressive Party effort had not been wasted."

Eglin, who worked under the presidencies of both Mandela and Thabo Mbeki, described the differences between the two as "vast".

Turning to some of the people who played an important role in his political life, Eglin made particular mention of Zach de Beer and of Harry Oppenheimer, of whom he said "few people realise the critically important role he played in the early days of the Progressive Party".

Of P W Botha Eglin said "we had a kind of love/hate relationship. I still find him fascinating because he actually made some significant changes. He broke the colour bar in Parliament by bringing coloureds and Indians in. He got rid of the Pass Laws; he actually got rid of the coloured labour system. But he was belligerent, he was a bully, he was arrogant."

As leader of the opposition, Sir de Villiers Graaf, of the United Party, had "soldiered on for 21 years with a great sense of duty but no vision for a multiracial South Africa for the future".

The transitional negotiations produced another set of fascinating political acquaintainces – "people like Mac Maharaj and Fanie Van der Merwe, the terrible twins – that hirsute underground communist and this old fashioned, bald-headed civil servant. When the problems that we had couldn't be resolved in the open, it was left to these two characters to come up with a solution … and they did."

Eglin described Valli Moosa as "suave, but very bright and very intelligent " and Pravin Gordhan … as "the cleverest person I met … a diabolically clever chairman".

"But you'd be surprised to learn that I believe the wisest of them all in terms of negotiating was Joe Slovo. He was a remarkable person. He understood white politics, black politics; he understood Afrikaner politics … He had a feeling for strategy. He said that we must set a date for election, otherwise the government will stay in power forever. He was the one who said we had to open up to the public and the media; we could not negotiate on behalf of the people if we're negotiating behind closed doors. Yes he was a most remarkable person."

"The book," concluded Eglin, "is about politics, but it's more than that, it's about people, it's about incidents, it's about feelings, it's about love, it's about frustration and at times about anger. All of those things go together to make up his memoirs

ECONOMIC POLICY AND SOUTH AFRICA'S GROWTH STRATEGY

Our new paths have to be organic shoots growing out of our past.
Trevor A. Manuel MP, Minister of Finance*

Allow me to begin by making two points about 'new growth paths'. The first is simply that our new paths have to be organic shoots growing out of our past. We can never fully escape the myriad economic events, decisions, and systems that inform our history – in many cases they determine the structure of the economy that we have addressed over the past 12 years, and with which we grapple today. .

My second point is that we must use ideas generated here and abroad to develop new paths that reach organically from our past into a future that is determined and shaped by our new democracy. So, while the new paths must come from the old, the direction they take into our common future can and must be consciously influenced by us. I would like to speak with you tonight about some of those paths – where they are going and what I hope they mean for our future.

South Africa's growth path will be the manifestation of a series of underlying dynamics, including a more productive and lower-cost set of network inputs into final production, a sustained and rapidly growing array of exports from a more diversified and competitive manufacturing and services industry, and a more proactive, efficient and capable state. Greater levels of employment, both in the short and long term, in a productive workforce need to be a further critical support of our growth strategy.

In the medium and long term, key public infrastructure investments and the renewal of telecommunication and transport networks and energy production systems will raise investment growth rates, pulling in higher levels of private sector and foreign direct investment and raising productivity. More rapid economic growth facilitates increased saving and investment as the cost of capital falls. And more rapid growth helps to incentivise firms to finance the skills acquisition and development that is central to sustained increases in labour productivity, increasing real wages, and declining poverty.

Macroeconomic stabilisation and the roots of growth

In the past century, the South African economy has been, perhaps, the epitome of a mineral-rich economy, exporting its commodities – gold, platinum, diamonds, and coal – to the rest of the world. Agriculture, a variety of manufacturing industries, services, an expansive wholesale and retail distribution network, and other facets of a fuller economic life have developed around that basic exporting system.

Apartheid, of course, set strict and ultimately politically untenable limits to the ambit of formal and/or modern economic life. A growing population was excluded from economic life in any meaningful sense, and this was the genesis of many of today's skills constraints and labour market problems. These, in turn, represent some of the largest obstacles to a more rapidly growing economy today.

The limits on accessibility to economic activity imposed by apartheid also resulted in a severely handicapped public sector, incapable of addressing the needs of the majority of South Africans, imbued with a staid bureaucratic culture and outlook, and reliant on outdated tools

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Finance Minister Trevor Manuel speaking at the first joint Helen Suzman Foundation - GIBS Forum in Johannesburg

for implementing public policy. The regulatory and legal structures and industries that give effect to much of our corpus of law were similarly debilitated and simply not ready for the era of democracy and freedom to live an economic life.

By the early 1990s the attempts of successive apartheid-era governments to grow the economy in the face of rising political discontent, an inflexible economy and regulatory system, and the handicaps of minimal foreign trade and capital, had resulted in an inflationary spiral and falling investment.

The key reforms of the first few years of the new government included a series of micro and macro adjustments. The articulation of the Reconstruction and Development Programme (RDP) helped to set guidelines for the compositional shifts in government expenditure that continue through to today to align spending to South Africa's poor majority, even though the spending targets of the RDP were set aside in the initial years. In order to resolve our fiscal and monetary problems of those years, that was the right decision. Along the way, government's goals and means of achieving them have been sharpened.

From 1996 to 2000 fiscal policy contributed to economic growth by lowering the financial cost of the budget deficit. This is sometimes referred to as a 'growth-oriented fiscal contraction' and it seems to me this is an appropriate term. By reducing the level and cost of our public debt we increased the amount we had available to spend on social policies and permanently decreased the future cost of debt. Debt service costs as a percentage of Gross Domestic Product (GDP) declined from 5,6% to 3,2% between 1998/99 and 2006/07, and are expected to decline further to 2,5% in 2009. This represents a cumulative saving of about R33-bn, which has been available for more productive expenditure.

Alongside the set of fiscal and macroeconomic adjustments made in the early years, the opening up of trade policy played a critical role in providing impetus to investment and growth in productivity. The series of liberalisations of the exchange control environment, beginning with the elimination of the financial rand, have contributed to a robust two-way

flow of capital into and out of the economy, demonstrating that South Africa was prepared for longer-term direct investment and strengthening the flow of knowledge of all sorts into the economy.

A central factor in the strengthening of the economy has been the structural decline in inflation since 1994 and the stabilisation of interest rates. Trade and fiscal policy were important underlying contributors to lower inflation over the years. Monetary policy and its conduct were also critical, although as the economy became more exposed to international financial volatility the need to put in place a more appropriate monetary framework also grew.

The inflation-targeting framework, developed between the National Treasury and the Reserve Bank in 1999 and announced in 2000, provided for a more transparent policy with a clearer ordering of policy priorities and greater degrees of freedom to achieve them. A key element of the shift was that the exchange rate would be allowed to float – to adjust to external economic shocks and, in so doing, create more stability for domestic interest rates and economic growth.

The economy and fiscal policy today

We live in an economy that has undergone profound transformation. In real terms it is about 40% larger than it was in 1993. Growth averaged 5% per annum in the three years from 2004 to 2006, up from 3% in the preceding decade (1994-2003) and a mere 1% in the decade 1984-93. The economy is expected to grow by 5,4% by 2009 and average 5,1% in the next three years (2007-2009).

Shortly after the publication of the 2007 Budget the latest release from Statistics South Africa reported real GDP growth of 5% in calendar year 2006. The final quarter of 2006 was also the 33rd consecutive quarter of growth – the longest economic expansion since 1945. The present economic expansion has its roots in both responsible macroeconomic and fiscal policies and favourable global conditions. Strong employment growth, rising real wages (underpinned by substantial increases in labour productivity) coupled with substantial tax relief and significant increases in social grants in recent years have further increased disposable household income and hence household consumption.

Our investment performance has been especially robust. Real gross fixed capital formation grew by an annual average of 9,4% between 2003 and 2005, rising to about 12% in 2006. Private investment (over 12% in 2006) has been responding to strong domestic demand, reflecting the positive outlook for economic growth and high business confidence.1

Construction is currently the strongest-growing sector, at an annual average rate of 12,1% over the past three years (2004-2006) compared to only 2,8% in the preceding decade (1994-2003).

The global economy has remained supportive of our growth performance, in response to exceptional growth in China and India, healthy growth in G7 countries and high commodity prices. The commodity price rally has entered its sixth year. Between 1999 and the end of 2006 the gold price rose by 121%, the oil price by 144% and the prices of both platinum and coal by more than 150%. These price increases have helped to boost the value of South Africa's exports in recent years.2

But a greater expansion in the volume and value of exports and export-related employment is needed to lift and sustain the economy's growth rate beyond 6% a year. I will return to this point later.

Our current account deficit rose to levels close to 6% of GDP last year and we expect the deficit to continue running at between 5% and 6% in the medium term. This is a sign of robust economic growth and other economies are similarly taking advantage of strong exchange rates to increase imported capital goods for domestic investment and capacity expansion.

The 2006 and 2007 budgets – which moved from targeting 3% deficits to 1% to a balanced position – were predicated on our understanding of current macroeconomic dynamics and the need to be mindful of the global economy. So, while some observers have argued that our revenue overruns and low budget deficits have created much leeway for government to accelerate spending and slash taxes, we have tended to take a more prudent approach. The fiscal stance reflects the importance of raising government saving as our economy grows rapidly. This helps indirectly to moderate the current account deficit and keep the economy competitive overall.3 It also ensures that when commodity prices start to fall and the value of our exports weakens we have the fiscal space available to offset a softer economy with fiscal spending.

The fiscal position also helps to lower interest costs and maintain the investment spending by the private sector and public corporations that is so critical to the long-term strengthening of our potential and realised economic growth rates. Improvements in the

Our efforts to stabilise the macroeconomic environment created a durable platform for the microeconomic reforms required to further lift South Africa's economic growth rates.

fiscal position over the years have been self-reinforcing, as stronger growth rates from lower costs of capital in turn push up corporate earnings and government revenue.4

Real growth in non-interest government expenditure averaged 9,2% in the past three years. Government will reinforce the fiscal contribution to economic expansion and more balanced growth as real average growth in non-interest expenditure of 7,7% a year is projected over the next three years and growth in capital expenditure increases relative to current expenditure.

Future directions in economic policy and growth

Our efforts to stabilise the macroeconomic environment created a durable platform for the microeconomic reforms required to further lift South Africa's economic growth rates. A central theme of the growth story is the reinvestment in our network industries to increase their productivity and lower their costs as inputs to final production. Key public infrastructure investments and the renewal of telecommunication and transport networks, and energy production systems will raise investment growth rates, pulling in higher levels of private sector and foreign direct investment, and raising productivity.

Another theme of the growth story is to foster rapid growth in a wide range of exports from a more diversified and competitive manufacturing and services industry. These economic aims must be achieved by a more proactive, efficient and capable state, which cooperates with the private sector to raise production and investment.

A critical input into the growth story must also be much higher levels of employment and a skilled and productive workforce. More rapid economic growth and the need to break through the constraints of capacity will incentivise greater corporate interest in skills development, easing the financing of that process and leading, in the longer run, to rising labour productivity, real wages and household living standards. The feedback of that link through to further human capital development is fundamental to our long-run economic future.

As our economic expansion picks up pace, rising income of firms, households and government helps to lower the cost of capital by increasing savings and investment.

These economic aims must be achieved by a more proactive, efficient and capable state, which cooperates with the private sector to raise production and investment.

South Africa's future growth path is being determined by the series of choices made about the allocation of government spending to create and improve the human and physical capital of the country. It is also being shaped by the ways in which the state regulates and sets the pattern of incentives facing the private sector to invest, produce, employ, and take risks. Both domestic and international policies matter greatly here, including, for instance, the regulatory structure of the telecommunications sector and its impact on pricing, or the extent to which trade and industrial policy induces firms to invest and export sustainably.

The improved policy frameworks and greater spending on health, education and other social services, alongside the ongoing renewal of economic infrastructure and step-up in financing for research and development and higher education will strengthen economic growth by lowering supply prices and supporting innovation across the economy. Government has placed a special emphasis on improving the regulation of network industries, such as telecommunications and transport, in order to make them efficient providers of key economic services.5

The development of human capital is a central responsibility of the public sector and a key ingredient to South Africa's current and future prosperity. South Africa spends about 5,6% of its GDP on education over all, considerably more than most other middle-income economies. The alleviation of the skills shortages in education and other parts of the social sector has been an important area of focus which is further supported in the 2007 Budget by an allocation of R700-m for the Department of Education to implement a bursary scheme for prospective educators.

Longer-term research and development, knowledge creation and innovation will play an increasingly important role in growth. Considerably stepped-up funding for higher education in the last two budgets has been achieved. The 2007 Budget allocates an additional R1,2-bn for an integrated approach to human resource development, knowledge generation, investment in infrastructure and improvements to the strategic management of the public science and technology system. More broadly, government continues to emphasise the importance of skills acquisition and development of the labour force to lower the supply cost of workers, improve productivity and increase employment prospects.

In the medium term key public infrastructure investments and policy reforms will raise investment growth rates, pulling in higher levels of private sector and foreign direct investment,

Finance Minister Trevor Manuel and Suzman Foundation Director Raenette Taljaard at the GIBS forum.

and raising productivity. The efficiency of the state at national, provincial and local levels plays an important role in strengthening those outcomes.

Government has concentrated in recent years on improving its capacity at all levels to develop, plan and finance and roll out infrastructure spending. The partnership called the Infrastructure Delivery Improvement Programme (IDIP) was established to address under spending of provincial capital infrastructure budgets and target poor planning, lack of delivery, management systems and the general lack of skills. IDIP initially focused on the education sector and will be expanded to provincial health, public works and transport departments.

The Siyenza Manje programme will use R600-m from the Development Bank of South Africa and R741,2-m allocated from government to develop skills in engineering, planning and financial management within municipalities.6 The new Neighbourhood Development Partnership Grant Fund provides financial assistance to municipalities for partnership-based community and commercial infrastructure in townships and informal settlements.7 These types of creative policy initiative will help to improve the use of public resources in the development of public space and public infrastructure at the level of single communities as well as larger municipal and provincial projects.

The scale of government's public infrastructure spending is also an important aspect of the growth story. In addition to the many small and local projects being funded there is also a set of quite large projects that will incentivise even greater investment spending by the private sector. Government plans to boost investment in infrastructure by R416-bn in the medium term, as projected in the latest Budget. This infrastructure programme is a fundamental part of the modernising impetus and will contribute to a steady increase in the gross fixed capital formation ratio.

The infrastructure programme includes investment in electricity generation and electrification, roads, commuter rail, housing, bulk infrastructure, research and development, water and sanitation, hospitals and clinics, as well as stadium upgrading and construction and improving public transport networks in preparation for the 2010 FIFA World Cup.

The scale of government's public infrastructure spending is also an important aspect of the growth story.

The 2010 World Cup stadiums, for instance, will require extensive redevelopment of urban areas around the stadiums and new transport hubs to service them. The ripple effects of further investment by private sector agents will be felt throughout the relevant municipalities and their communities. The same is true for the development of the Gautrain in Gauteng and the King Shaka Airport outside Durban.

Another area of extensive investment is the redevelopment and renewal of sectors covered by our public corporations. In the next ten years or so, roughly speaking, South Africa will, in effect, recreate its rail and road transport network, develop a new telecommunications backbone and link to the rest of the world, and build a new energy production and distribution system.

These developments will drive down the cost of providing the relevant inputs, increase the productivity of users of those inputs and directly strengthen South Africa's potential rate of economic growth. Investment by our public corporations, like our major government infrastructure projects, draws in private sector investment and innovation and will strengthen overall investment in the economy. The strong private and public investment rates of recent years have begun to reflect those public-private interactions.

Cement, steel, electricity and fuel producers, in particular, are currently operating at or near full capacity. Significant capacity expansion is expected in the next three years in response to rapidly growing demand.

Economic growth in the medium and long term will also increasingly reflect a better export performance on the back of more competitive manufacturing and service industries; a point made in the past year by government's international panel of economists and specialists.8

South Africa initiated an ambitious set of tariff and trade policy reforms in the mid-1990s, including substantial multilateral liberalisation through the World Trade Organisation, which moved tariff levels towards the international norm. The number of tariff lines has almost halved since 1990-2004, and about 80% of all tariffs are now duty-free. Other trade policy reforms included the elimination of quotas and most import surcharges; the replacement of most tariffs with ad valorem duties and new agreements with the European Union and the Southern African Development Community.

At the same time, however, South Africa's export performance has been erratic in the past 10 to 15 years. Total merchandise exports have fallen from 0,7% to 0,5% as a share of global exports between 1994 and 2004. Although total export volume growth increased to an annual average of 3,9% between 1990 and 2005 from only 1,2% in the preceding two decades, this growth was much lower than the average annual growth in world trade of about 6%.

The major step toward a less protective trade regime had large immediate and longer-term benefits. Greater competition via higher levels of import penetration has spurred domestic investment, productivity and higher value added in a range of industries. Partly as a result, export orientation has also increased strongly.9

Despite the improvement in manufacturing and services exports, trade policy should be set to enable a sustained improvement and expansion in South Africa's export performance. In particular, the work of the international panel indicates that exports, particularly of manufactured goods, are still constrained by high prices for intermediate inputs and capital goods.

The competitiveness of our exports will be improved in the long term through continued reforms of the regulatory structure of our economy and key policies like trade, improvements to infrastructure and networks, and sustained investment and productivity growth. These types of policy reform are important in influencing private sector behaviour towards greater investment, innovation and employment and, in particular, towards promoting the sustained increases in labour productivity that are needed to allow consistently rising real wages, household incomes and living standards.

Productivity growth is affected by the regulatory framework, the use and management of inputs to production processes, incentives to innovation, new technologies, skills levels and the competitive dynamics of particular markets, including barriers to entry. In the longer term, a well-conceived and implemented industrial policy will stimulate stronger growth and job creation by encouraging businesses to use more labour, inducing continuous growth in productivity and ensuring that new ideas translate into new opportunities.

Industrial policy interventions should provide additional support for new activities and remove regulatory or infrastructure-related obstacles to existing activities. They should also target productivity-enhancing activities instead of inividual firms or sectors, and maximise public accountability and transparency, which will help to ensure positive net economic benefits and provide clear mechanisms for discontinuing programmes that do not work.

Industrial policy will be most effective if it is being complemented by a broad range of other policies, including tax and fiscal policy,

In particular, the work of the international panel indicates that exports, particularly of manufactured goods, are still constrained by high prices for intermediate inputs and capital goods.

regulation and price-setting for network industries, competition and trade policy. Government is working on filling in the details of a more proactive approach to industrial policy this year.

Concluding comments

I have presented to you this evening some of the features of our structural economic legacies. The macroeconomic and microeconomic responses to that legacy have been profound. We have created a more open and accessible economy at the same time as we have modernised our regulatory structures. In our common future lies an economy in which key reforms of the past 12 years reach their fruition and the key reforms of the present and future find traction and deliver a competitive, modern, diversified economy.

A number of the current and future reforms have already taken shape. We know that in our future lies a more comprehensive social security system that provides appropriate levels of income at retirement and short-term adjustment assistance to the economically vulnerable This complements our approach to skills development, which emphasises the need to take advantage of economic opportunity and to broaden access to the economy.

We also know that our industries and exports must be competitive and far more diversified. A range of policies, many of which are already under way, such as infrastructure development and modernisation of our network industries, have benefited from a more precise articulation of reform and outcomes and will help to increase the potential growth rate of the economy.

The redevelopment of the energy, transport, road, and telecommunications systems will do the same, and also help to boost our investment rates closer to the 25% needed for a sustained economic growth rate that is considerably higher than the present one. Trade and industrial policy are also important to our long-term growth prospects because they help to build a confident, competitive set of industries that can compete on the world stage.

Getting the microeconomics of these policies right is fundamental to much more rapid growth in industrial investment and the resolution of a significant part of our employment problem. Our growth story has to include labour force participation rates much higher than at present, with steady growth in jobs to enable our youth to look forward to an 'economic life', and with wage rates that reflect a modern and productive economy. A greater proportion of investment spending in the economy and stronger labour-force participation will help directly to raise the economic growth rate in coming years.

Allow me to conclude by noting that our growth story depends on the pragmatic and necessary marriage of a development-oriented and active use of state resources in the service of a long-term public good aligned to the enthusiasm, creativity and investment of our private sector. It is this public-private cooperation, which we see reflected in our approach to policy design and reform, that lies behind our current robust economic growth, and which will support and sustain our growth story in coming years.

Manuel is South Africa's Minister of Finance

Endnotes

1 Investment in manufacturing grew by about 12% between 2004 and the first nine months of 2006, reflecting high rates of capacity utilisation and the need to expand productive capacity.

2 In the first nine months of 2006 the volume of exports rose by 2,2% compared to the same period in 2005 and by an average of 3,9% between 2000 and 2005.

3 South African FDI amounted to net outflows of 0,1% of GDP during the period from 2004 to the first nine months of 2006 as South African companies raised their acquisition of foreign assets. On the other hand, net foreign portfolio (equity and bond) inflows stood at a healthy 4,1% of GDP in the same period and more than tripled from 2005 to the first nine months of 2006.

4 For the fiscal year ending in March 2007 our revised estimate for revenue is R29-bn higher than the original budget. Company tax and Value Added Tax receipts have exceeded expectations thanks to higher profits and strong domestic consumption. The revenue estimate is R545-bn, or 28% of GDP. Revenue as a share of GDP is expected to decline to about 27% by 2009/10.

5 The 2007 Budget allocates R95-m to the South African Research Network to look at establishing cost-effective broadband access to global research networks, thus stimulating innovation and the siting of ICT companies in South Africa. Special attention is given to biotechnology and space technologies.

6 A total of 144 professionals and 30 interns will be deployed in municipalities as part of this initiative.

7 To date, technical assistance totalling R50-m has been allocated for redesigning and upgrading existing and emerging township town centres and main streets.

8 The international panel is composed of individuals from Harvard University, the University of London, the Massachusetts Institute of Technology, the London School of Economics and the University of Michigan.

9 Manufacturing exports increased by an annual average 6,7% between 1990 and 2005, up from 2,9% in the preceding two decades. The export performance of services was even more impressive as export volume growth rose from only 0,4% during 1970-90 to 7,8% during 1990-2005.

SA enters the Security Council

South Africa's showing on the Security Council has demonstrated a determination to stick to the rules laid down in the UN charter – a stand that is likely to disappoint the expectations of those who hoped for a human-rights crusade

By **James S Sutterlin**

The election of South Africa for a two year term as a non-permanent member of the Security Council beginning in January of this year was warmly welcomed by all members of the United Nations (UN). South Africa did not have to campaign, as many aspiring countries do. There was no other contender for the seat. This is the first time South Africa has served on the council in the 56 years since it signed the UN Charter in San Francisco, and became a founding member of the UN.

South Africa had already been welcomed back to full participation in the General Assembly and all the programmes and agencies of the UN with the end of the apartheid regime. And Dumisano Kumalo, the well-known and popular South African ambassador, was no stranger in the halls of the UN, having served as South African Permanent Representative for eight years. But membership in the Security Council was the culmination of the integration of a free South Africa as an honoured member of the world community. Given South Africa's long struggle for freedom and human rights (for which it had enjoyed strong UN support), there was wide interest in the role South Africa would play in a council deeply involved in internal conflicts There was also awareness of South Africa's well-trained military and police forces, and its economic strength, which were already having considerable positive impact on the African continent.

What does non-permanent Security Council membership have to offer?

Some UN experts have concluded that it offers few rewards. A well-researched analytical study done at Yale a few years ago concluded that non-permanent members have almost zero power; that power to take or prevent action lies exclusively with the five veto-wielding permanent members – China, France, Russia, the United Kingdom and the United States. Yet from the first session of the Security Council, countries have found it in their interest to gain non-permanent membership; and many devote an impressive amount of time and resources to gain the goal (and ambassadors have been fired, when they failed). Ambassador Kumalo, in a recent interview with the author (after serving in March as president of the council) said that South Africa has already found it distinctly worthwhile. The reason lies first, perhaps, in the status that comes from being a member of the council, and being in the know – if not control – of what is going on in the confidential council consultations, where most decisions are negotiated and from which non-members are excluded. All council members are included in the monthly lunches, where current issues can be informally discussed with the Secretary-General and with the other council members, including the Permanent Five.

Beyond this kind of satisfaction that comes from membership (Ronald Reagan once compared it to a country club), there is a "soft" power that is not subject to academic factor analysis that some states – not all – can gain from elected membership in the council. First there is the power of persuasion. An articulate and persistent ambassador – as South

Africa presently has -- can be sure that what he or she states in the council will be reported to governments and may, just may, have some impact. Moreover, membership in the council brings greater media interest, so that a member can more easily gain public understanding of the reasons why a government favours or opposes action or non-action by the council on a particular issue. Ambassador Kumalo found that as president of the Security Council he had a valuable "bully pulpit", which permitted him to get South Africa's position forcefully across to the media and the public, as well as to other member states. Beyond this, the symbolic value of a yes or no vote from a prestigious country can be of sufficient value to gain something, an amendment in a resolution for example, in exchange for an affirmative vote. One of the actions taken by South Africa while it occupied the presidency of the council illustrated this possibility, and also its limitations.

South Africa opposed the adoption of a second resolution, as originally drafted by the United Kingdom, more forcefully condemning Iran's programme for the enrichment of uranium, and imposing additional sanctions against the Tehran regime. In explaining the South African position in the Security Council, the South African ambassador stated that South Africa was fully committed to the elimination of all weapons of mass destruction and was a strong opponent of both horizontal and vertical proliferation of nuclear weapons. It was against the development of nuclear weapons by Iran or any other country. However, South Africa believed that sanctions should be used with great caution, and only to support the resumption of political dialogue and negotiations to achieve a peaceful solution. Supported by Indonesia and Qatar, it therefore proposed that the International Atomic Energy Agency (IAEA) be given an additional 90 days to work out an arrangement with Iran before the additional sanctions were applied.

The United Kingdom delegation promised a new draft that would take account of the South African position. However, the new draft was hardly more satisfactory from the South African point of view than the first, and led to a vituperative exchange during the informal council consultations and to wide expectation that South Africa and its partners would abstain when the resolution came to a vote, possibly causing a number of additional members to follow suit. For the principal sponsors of the resolution, the United States and the United Kingdom, the symbolic value of a positive South African vote on the resolution was important, so important that the American secretary of state pressed the point with her South African counterpart. For its affirmative vote, South Africa was able to obtain amendments mildly softening the draft, and giving greater prominence to the IAEA's role. The resolution passed unanimously, gaining the symbolic value that the United States strongly desired. After the vote, Ambassador Kumalo stated to the council (in an open meeting) that he had proposed a number of constructive amendments to the draft resolution. While he remained "deeply disappointed" that not all of his proposals had been accommodated, the resolution acknowledged that there was a right of all countries, including Iran, to exploit the peaceful uses of nuclear energy. He was particularly pleased that the resolution acknowledged that the twin obligations under the Non-Proliferation Treaty, nuclear disarmament and non-proliferation, required equal attention.

This episode illustrates two realities within which South Africa will be pursing its policies as an elected member of the Security Council. First, the symbolic value of its vote, and Pretoria's probable capability to influence the vote of other elected members, give South Africa the possibility to influence (moderately) the positions of the permanent members. Yet, the minor and, from the South African perspective, less than satisfactory changes in the resolution that South Africa was able to obtain, illustrate the limited extent of this power.

When asked by the author what South Africa hoped to gain from elected membership in the council, Ambassador Kumalo said that South Africa was very active bilaterally in the Congo, the Sudan and elsewhere in helping to resolve conflict situations. It was very conscious of its privileged position in Africa, given its democratic system and its resources. It hoped to make the African continent "safe". "We believe," he said, "that our protection lies in an effective multilateral system." South Africa hoped, by membership in the council, to elevate the African agenda to the global level. The solution to African problems should not be left to a few outside countries. South Africa wanted the big powers to understand that a peaceful Africa was in their interest. Ambassador Kumalo thought that the South African message was getting across.

In so far as Ambassador Kumalo has articulated a general South African policy in the Security Council,

The symbolic value of a yes or no vote from a prestigious country can be of sufficient value to gain something, an amendment in a resolution for example, in exchange for an affirmative vote

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South Africa's ambassador Dumisani S. Kumalo, at the U.N. headquaters

it could well be defined as one of a strict constructionist interpretation of the Charter. This finds expression in reservations on expansion of the Council's mandate beyond a strictly limited interpretation of the maintenance of international peace and security, and in objections to the Council's intervention in the internal affairs of states. Thus, in the first Security Council session in which South Africa participated as a member (which was also the first session in which the new Secretary-General, Ban Ki-moon, was present) Ambassador Kumalo stated: "A common approach to collective security is legitimate only if it is in accordance with the purposes and principles of the Charter of the United Nations. The active participation of each and every principal organ of the United Nations is crucial in the exercise of its respective functions and powers, without upsetting the balance established by the Charter…. The challenge for the United Nations is to use its resources in a balanced manner that addresses development, security and the protection of human rights. Therefore, the Security Council, as presently constituted, is limited in how to deal with the threats of the twenty-first century. While we welcome the effort by the Council aimed at enhancing the approach to addressing the threats we face… the Security Council should not encroach on the jurisdiction and responsibility of other principal organs of the United Nations….the Council has increasingly resorted to taking up issues that did not fall within its mandate. Often the Council has resorted to chapter VII of the Charter as an umbrella for addressing issues that may not necessarily pose a threat to international peace and security." The approach articulated by Ambassador Kumalo to peacekeeping is similarly conservative. "In the matter of peacekeeping," he stated, "respect for the basic principles of peacekeeping – such as consent of the parties, impartiality and the non-use of force except in self-defence and in the defence of a mandate authorised by the Council – is essential to its success." The author asked Ambassador Kumalo whether there was any contradiction between this approach to peacekeeping and the "Responsibility to protect", that is, the responsibility of the UN to protect people from genocide or crimes against humanity if their government is unable or unwilling to do so. The ambassador said emphatically not. He had led the negotiations at the 2005 World Summit on the Responsibility to Protect. It was particularly important for Africa, which had had the experience of Rwanda, that people should be guaranteed protection. The critical factor in the implementation of the responsibility to protect, he insisted, is that it must be completely in the control of the Security Council.

In this initial presentation of South African policy, the South African ambassador also emphasised that poverty alleviation is the most effective tool for conflict prevention. But "the dilemma we face in this Council is that the issues of poverty and underdevelopment should not and must not be left to an organ, such as ours, of such limited membership. The General Assembly, which enjoys universal membership, remains the central multilateral forum for addressing the pressing global issues and challenges presently confronting all states." In amplifying this position later, the ambassador emphasised that the fate of African countries must not be left in the hands of a few powerful countries which had clearly shown in Darfur, for example, that they were incapable, by themselves, of resolving Africa's problems.

The ironic result of South African policy as articulated in the Security Council has been to see South Africa, in a number of high-profile cases, co-operate with countries with unimpressive human rights records. In a notable example, South Africa voted against a Security Council resolution condemning human-rights violations in Myanmar. Ambassador Kumalo,

in explaining the vote in the council, stated that South Africa decided on this action for three reasons. "First, we believe that this draft resolution would compromise the good offices of the Secretary-General in dealing with sensitive matters of peace, security and human rights. Secondly, it deals with issues that would be best left to the Human Rights Council. The third and fundamental reason for us is that this draft resolution does not fit with the Charter mandate conferred upon the Security Council, which is to deal with matters that are a threat to international peace and security (italics added)."

South Africa also blocked a debate in the Security Council on human rights violations in Zimbabwe. In responding to my question on this, Ambassador Kumalo emphasised that South Africa did not condone what was going on in Zimbabwe. On the contrary, it was working quietly to correct the situation there. The issue did not, however, belong in the Security Council. It was not a threat to international peace. The ambassador blamed the British for putting the Zimbabwe problem on the wrong track. South Africa believed the problem could only be solved through political negotiation within an African context.

South Africa's actions in the Security Council have shown a tendency to view even the non-African issue of Kosovo in this context. South Africa did not object to a representative of Serbia appearing before the council, as proposed by Russia, to explain the Serbian position on Kosovo's future status. It strongly objected, however, to the presentation in the council of Kosovar views by a representative of the Kosovo Administration. The ambassador explained to the author that, had a representative of the Kosovo Administration been allowed to speak on the same basis as the Serbian representative, it would have given the impression that Kosovo is an independent, sovereign state, just as Serbia is. This could have unfortunate repercussions, since there were many other groups that were seeking independence to the detriment of the principle of the territorial integrity of states. In opposing Kosovo participation in the Security Council debate, South Africa had particularly in mind, he said, the situation in Africa where states such as Cameroon and the Democratic Republic of Congo could easily disintegrate if recognition were given to breakaway groups. South Africa did not object to hearing the Kosovar representatives. It welcomed the opportunity that took place in an informal meeting outside the council, under the so-called Aria formula. He insisted only that in such cases the African dimension had to be taken into account, not just the European, as so often happened.

So where does South Africa stand? To judge by its performance so far in the Security Council, it is willing to risk wide opprobrium in order to "make Africa safe", which means, in its view, resolving African conflicts largely by political negotiations, multilateral if possible, and not by a few major powers. Since the Security Council is dominated by these major powers, its role should be limited strictly to the maintenance of international peace and security as foreseen in the charter. Since it is dominated by the five permanent members, who are frequently at odds with each other, the council is unlikely to be able to resolve problems such as Iran and North Korea through forceful means. Human rights are of great importance, but they should be the concern of the Human Rights Council and not the Security Council.

The present make-up of the Security Council, which includes Indonesia, Congo, Ghana, Panama, Peru and Qatar, offers South Africa the opportunity of forming non-aligned alliances in pursuit of its policies, as it did in the case of Iran. There is even a theoretical possibility that, by enlisting the support of the above-listed countries, South Africa could prevent the adoption of a resolution sought by the permanent members. (Nine affirmative votes are required to adopt a resolution.) This is unlikely. But the presence on the council of so many members that are not tightly bound to any one of the permanent members affords South Africa, strongly represented as it is, the possibility of exercising some influence on council decisions. Given the conservative, non-aligned colouration of its policy approaches (if not its principles), South Africa will likely continue to disappoint those who expected that it would use its two years on the council to encourage more aggressive action by the council in pursuit of human rights, disarmament and humanitarian intervention.

In so far as Ambassador Kumalo has articulated a general South African policy in the Security Council, it could well be defined as one of a strict constructionist interpretation of the Charter.

James S. Sutterlin is Director of Research and Adjunct Professor at Long Island University and Former distinguished fellow in UN Studies at Yale University.

An inevitable partnership

Come what may, Africa will fall under China's commercial sphere of influence, and the eastern giant has shown particular interest in South Africa – a situation to be understood, managed and taken advantage of, rather than feared as a new colonisation

By **Martyn Davies**

In February Chinese President Hu Jintao visited South Africa. Considering the frequent visits of China's top leaders to South Africa, the Chinese obviously see us as having great importance. The question is, why?

Almost every senior Chinese politician, provincial governor and municipal mayor has travelled to South Africa since the establishment of diplomatic relations seven years ago. South Africa has become the preferred "political-tourism" destination of China's leaders. It is reported that the Chinese Embassy in Pretoria is Beijing's second largest globally – the large number of diplomats being needed to cope with the influx of senior visitors from home.

Chinese diplomats clamour for a posting to Pretoria, as nowhere else in the world do they have such access to their country's leaders. China has never before placed so much emphasis on building a political relationship with any country as it has with South Africa.

South African cabinet ministers are also frequent visitors to China (including the shopping markets of Beijing and Shanghai). The Bi-national Commission between China and South Africa will take place in late May in Beijing, and will likely be attended by practically half of Mbeki's cabinet. A strategic relationship between China and South Africa is undoubtedly being built.

But what are the strategic drivers of China's foray into Africa? Energy security is first. With the possible exception of Iran, China is geo-strategically excluded from the Middle East. In the strategic sense, Africa is relatively open, allowing for China's rapid move into its energy and commodities sectors.

The US invasion of Iraq resulted in Beijing increasing the pace of its acquisition of African energy reserves. This can be put down to China's desire to secure a strategic international oil supply line. The US government's intervention to block Chinese national oil corporation CNOOC from acquiring Unocal also encouraged China's foray to acquire African energy assets. Shortly after the Unocal debacle, CNOOC acquired a US$2.27 billion offshore energy field in Nigeria.

China also views Africa as a very populated emerging market. Considering the vast over-capacity in the Chinese manufacturing sector, exports to new African markets are a market imperative. Africa has become a new continental market for lesser-priced Chinese exports.

Trade between China and Africa amounted to US$55 billion in 2006. China has set a trade target of US$100 billion with Africa by the end of 2010. This rapid growth will make it the continent's largest trading partner within three years. Mostly lacking in industrial capacity, Africa's developing economies will bear the brunt of China's trade competitiveness. This is evident in Africa's nascent manufacturing sector. South Africa's experience of the textiles and garments industry is a case in point.

Political factors also play a role. Building commercial ties with African states also prevents them from defecting to recognise Taiwan as an independent state. The China-Taiwan political competition is no longer about political principle but what each can achieve economically.

China's assertive commercial drive into Africa signals the end of Taiwan's relations on the continent. It's "game over" for Taiwan's political ambitions in Africa. Taiwan now has diplomatic ties with only five African states – of which, only Sao Tome & Principe has

South African President Thabo Mbeki and Chinese President Hu Jintao are forging a close partnership

natural resources – and this number will be whittled down further in the coming years.

Close political ties with Africa also give Beijing influence to prevent Japan from securing a permanent UN Security Council seat. As Beijing courted political support in the UN General Assembly in the 1970s to oust Taiwan from the organisation, it now seeks the support to keep Japan on the international sidelines.

But the most strategic driver of China Inc's venture into Africa is Beijing's long-term strategy to remove its economy from international commodity markets. By acquiring commodity assets at source, negotiating prices with the recipient (African) government, and securing long-term supply contracts, China seeks to establish parallel markets that are removed from international commodity markets, where prices are set in either London or New York. This is the underlying factor driving Chinese foreign commercial policy in Africa.

Over the course of the next two decades, Beijing will seek to establish its own markets through its state-owned enterprises (SOEs) in the fields of energy and commodity mining and trading. China has already established a diamond-trading exchange in Shanghai to rival Antwerp. Other similar exchanges will be established for other commodities in the coming years.

The fact that Chinese firms are trailblazing across the continent, acquiring mineral and energy assets, reinforces the perception that China's Africa policy is state-driven, and dominated by SOEs.

The foreign commercial strategies of Chinese enterprises are, however, different from those of their Asian counterpart firms:

- The Japanese invested heavily abroad in the 1980s and 1990s to move their rising-cost manufacturing sector offshore. Most of this investment went to South East Asia.
- Korean firms invested abroad to establish footholds in new emerging markets, mostly in central and eastern Europe.
- Riding on the back of political ties held by former prime minister Mahathir Mohamad, the Malaysians sought telecom and oil assets in Africa. But as fast as the Malaysians arrived in 1994, they left as soon as the Asian financial crisis befell the region in 1997.

Chinese investment in Africa will be more sustainable and substantial than Malaysia's or those of the other Asian economies. This is due to the strategic nature of assets that Chinese state-owned firms are acquiring in the extractive industries. There are currently more than 800 Chinese SOEs that have either invested or are involved in contracted infrastructure projects on the continent.

Where Chinese SOEs acquire commodity assets in Africa's developing markets, they purchase brands in developed markets. The offshore market-entry strategies are quite different, and reflect the value-chain proposition of the recipient economy.

There is another Chinese force – an apolitical one – that is having just as great an impact on African economies. The migration of Chinese people to the continent is changing Africa's trade and retail channels. They seek economic opportunity for themselves and their families, a process that has nothing to do with Beijing.

Rapid trade liberalisation and globalisation is linking Africa's markets to China's trading supply chains. Trade toward the lower end of value chain is being dominated by Chinese products across the continent.

The proliferation of small trading firms importing goods from China and selling through family-owned retail stores will have long-term consequences for Africa's economies. China's political and economic influence in South East Asia does not stem from its SOEs, but from the

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Many more China - Africa Forums in the future?

networks that exist between Chinese nationals and the overseas Chinese community in the region. This is a scenario that could play out in Africa.

African governments have been very welcoming of Chinese investment. Nigeria, Angola, Sudan and Zambia are the first tier of China's Africa investment foray, and have been the recipients of the largest inflows of Chinese investment on the continent.

The nature of their economies – commodity rich, and characterised by pervasive state intervention in the economy, weak commercial law, and shaky public-sector institutions – all lend themselves to politicised business models and speedy market entry. Chinese firms have rapidly been able to gain market traction in these economies.

The second tier of investment lies in African economies that are resource rich, where Chinese firms are beginning to get market traction. These economies include Gabon, Niger, Algeria and Equatorial Guinea. China Inc. has secured the Belinga iron ore deposit in north-east Gabon – perhaps the world's largest unexploited iron ore deposit. An infrastructure corridor is being built at a cost of US$3 billion to link the deposit to coast. A hydro-electric plant will also be constructed.

Third-tier investment destinations are those countries that possess few strategic commodities, but with whom China seeks to establish markets and build political ties. These countries include Ethiopia, Mozambique, Mauritius and Kenya.

In these economies, China has a growing trade presence, and in the case of Ethiopia, it has invested large amounts in infrastructure due to the country's political importance as home of the African Union (AU). Chinese SOEs are contributing to the construction of a ring-road around Addis Ababa, as well as building a conference centre for the AU.

The "C-Word"

Thabo Mbeki recently used the "C-word" when he warned against Chinese commercial engagement of Africa becoming a relationship of the "colonial" type, of resource extraction, without much benefit to domestic African economies. The comment upset the Chinese government. But surely it is up to African governments to create the favourable economic environment that will attract local and foreign investment to beneficiate their commodities. Chinese firms are here to extract and trade. They have far less interest in manufacturing, toward which African economies are not geared.

Beijing's relationship with South Africa is integral to its engagement strategy in the continent. South Africa may be amongst China's largest trading partners in Africa, but China's focus on relations with Pretoria is due to the influence that South Africa has on the continent, and in multilateral fora. South Africa's non-permanent seat on the Security Council boosts this importance.

But the diversity of South African society is making it difficult for a common position to be held on how the country engages China. Organised labour and the manufacturing industry are very protectionist and negative toward China. The government, and the mining, retail and services sectors are very bullish. South Africans' varying opinions on China will be troublesome for Chinese policy-makers to manage, and threaten to undermine our emerging "strategic partnership".

China is a key country with which South Africa needs to co-operate to promote the agenda of the developing world within multilateral organisations. There exists much potential for South Africa and China to act as strategic partners to promote the interests of the developing emerging-market world.

South Africa risks, however, missing out on China's economic revolution unless our society develops a greater knowledge and understanding of the Chinese. During this century, China is in the process of becoming an economic and strategic powerhouse. But government, industry and civil society know so little about China and the Chinese. It

is imperative that South Africa builds its networks and influences in China for the long term.

South Africa possesses the only private sector in Africa that is well positioned to take advantage of China's growth phenomenon. A number of South African firms are leading their respective sectors in China. SAB Miller now owns more than 50 breweries in the country, and is China's largest brewer, having relegated Tsingtao to the number two position. Since market entry in 1999, Naspers has become the most successful foreign media player in China, owning stakes in the Beijing Youth Daily as well as Hong Kong-listed firm Tencent.

Petrochemical giant Sasol is currently evaluating two potential projects in China's Shaanxi and Ningxia provinces. If Sasol decides to invest in either of these coal-to-liquid projects, it may well become the single largest foreign investor in China. South Africa's mining majors are also moving into China – Anglo American, Goldfields, BHP Billiton (if one can classify it as a South African firm) are all seeking to build their mining presence in China.

Anglo American's recent US$800 million equity sale to Larry Yung Chi Kun – one of China's most politically connected businessmen – was perhaps arguably engineered to facilitate Anglo's market entry into China.

South Africa's aspirant multinationals have a competitive edge when operating in emerging markets. This provides them with a comparative advantage when operating in China.

The Chinese have had a harder time investing in South Africa, though. Market competition is greater, and the mining sector is mostly wrapped up by the majors. These facts have conspired with differing cultural conditions to thwart China's success in the local market.

Following the establishment of diplomatic ties in January 1998, a number of Chinese firms – most of which were instructed to invest in South Africa by the Shanghai municipal government – did make investments in light-manufacturing industry in Kwa-Zulu Natal. Most of these investments did not, however, succeed. But the largest investment failure was that of Shanghai Industrial Investment Holdings when it acquired Omega – a listed audiovisual and electronics marketing company.

It is very unfortunate that an unwise acquisition of a moribund local firm by the Chinese and its subsequent de-listing and almost collapse, is now a story that discourages other potential Chinese investors in the South African economy.

During President Hu Jintao's visit to South Africa in early February, the South African Presidency lobbied for greater foreign direct investment (FDI) from China. Subsequent to the state visit, the Peoples Republic of China has dispatched a Vice-minister for Commerce as well as the Party Secretary of Jiangsu Province, Li Yuan Chao, one of China's wealthiest provincial economies. Both have been scouting for investment opportunities. China has recently established an investment fund to invest in international markets, and regards South Africa as a strong potential investment destination. The fund will initially be capitalised to the tune of US$20 billion.

A major commercial outcome will be felt in the construction industry. Chinese construction firms have built a presence in 49 of 53 African states, but until December 2005, did not have a presence in South Africa beyond a low-cost housing project in Qwa Qwa, in the Free State. Since this time, it is rumoured that 38 Chinese construction firms are registering with the Construction Industry Development Board to allow them to partake in public-sector tenders. Chinese firms COVEC and BGRIMM have already won large local projects.

The Department of Public Works has welcomed the Chinese to the local market. Lesser-cost development is in the national interest, but will not be in the interest of local construction players.

Chinese construction firms are set to become major players in the local construction and infrastructure sectors. It is likely that South Africa's construction companies will seek to form strategic partnerships with their Chinese competitors so as to offset the rising price competition.

The global economy is coming to grips with the economic competitiveness and market opportunity that are being presented by China's rise. It's best we quickly begin to understand the drivers of this process. I don't believe that Africa's nations have even begun to comprehend the long-term strategic implications of this new force.

China has become the most confident and assertive commercial player in Africa. It will, over time, displace Western commercial interests and political influence on the continent. But China is not the new coloniser. It is an expanding global power, toward which Africa must pragmatically align itself.

It is imperative that South Africa builds its networks and influences in China for the long term

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Policy vs plunder

Is policy alone a deterrent to corruption – or are we starting to develop a more sophisticated understanding of the responses required?

By **Hennie van Vuuren**

The 'view from the buffet table' is seldom as deceptive as when attending an international anti-corruption gathering. While the delegates, all 'corruption busters', line up for a free lunch, one is reminded that's it's the taste for those cream buns at the dessert table that has been the undoing of corrupt elites the world over. An intoxicating high-calorie lifestyle shared by the President of the World Bank, French arms peddlers and corrupt municipal councillors in the Free State alike.

Cynics therefore had good reason to suspect that the two high-profile international anti-corruption conferences that took place in South Africa in March and April this year would dish up more of the same rhetoric: the spin that so often manages to blend out the unabated plunder of the poor. The 1st Africa Forum on Fighting Corruption in March was followed barely a month later by the 5th Global Forum on Corruption. Together, the conferences drew a total of almost 2 000 delegates, mostly senior government officials, hosted by the South African government and various international organisations, including the African Union. The cynics were not disappointed by the choices of venue for the meetings – an East Rand casino and the heart of the Sandton citadel – both purveyors of the type of consumerism that fuels greed and feeds corruption. However, despite this, these jamborees signalled a subtle but important shift in both the international and the African anti-corruption debate.

Geraldine Fraser-Moleketi, Minister of Public Service and Administration, set the tone in early March. Using a sophisticated set of political arguments, she railed against the corruption that has facilitated 'things to fall apart' in Africa – something the continent's great writers, such as Achebe and WaThiongo, recognised many years ago. This signalled a marked shift from the message that emanated from Pretoria at the beginning of this decade, proclaiming that Africans are no more corrupt than the West. This is a self-obvious argument to any casual observer of elite machinations in Europe, North America or Asia. Rather, a new confident approach stressed three critical points: the global nature of corruption, and the corrupting influence of both politicians and corporations; the need to build strong institutions and a national integrity system; and the importance of reshaping the corruption discourse to focus on African principles of equality, central to achieving social justice.

While the importance of focusing on the bribe taker and giver, together with building strong institutions, is key – the issue of 'definition' is less of a red herring than it appears to be. Much of the discourse on anti-corruption over the past three decades has been driven by World Bank policy wonks worshipping at the feet of 'market efficiency'. The premise is that corruption, involving government in a make-believe asymmetric fashion, is solely an impediment to business – and once that is sorted out all else will follow. The truth is of course less convenient. This discourse has allowed the 'anti-corruption industry' to be used as a Trojan horse on which a whole set of pro-big-business reforms are pinned – often in direct conflict with the interest of the individual. The tail may have started to wag the dog. A nuanced understanding of the reinforcing nature of the relationship between corrupt elites in the public and private sector assists in locating the interests of the poor and marginalised at the centre of anti-corruption efforts. This also requires a fundamentally different set of policy responses, which go beyond the rhetoric of viewing the state as unnecessary 'red tape'.

Public service and administration Minister Geraldine Fraser-Moleketi steered the African Forum on fighting corruption and the 5th Global Forum

Resistance to this approach was no more apparent than at the Global Forum conference where South Africa (negotiating with a mandate from other African states) squared off against the United States delegation, which rejected the inclusion of the word 'equality' in the final declaration (too 'socialist', they reposted). While Africa might have lost this squabble, it underscored two things. Firstly, growing concern amongst conservatives that the international anti-corruption discourse may be veering off in a direction that is difficult to control. Secondly, Africa's style of collective bargaining may have been one of the factors that informed the United States government's back-room lobbying for the Global Forum Conference series to be closed down in South Africa – the conference was initiated by United States Vice-President Al Gore in 1999. Multilateralism is seldom heaped with praise by the powerful.

However, it's the spirit of multilateralism that saw delegates of the Africa Forum conference (with more than 40 ministers present) call for Africa's stolen wealth to be returned from the banks and offshore havens that continue to provide refuge for 'blood-money', a legacy inspired by Nazi depositors, – until the Jewish Claims Commission had its way a few years ago. While almost all nations have signed on to the United Nations Convention Against Corruption of 2003 – by far the most important international anti-corruption instrument – at least three key banking nations are yet to ratify it and its important provisions on international asset recovery: Lichtenstein, Luxembourg and Switzerland.

All this does, of course, not absolve many African states of their governance shortcomings – something on which the media and civil society need to continue to focus. However, the trick is to recognise that within each government there are reform-minded individuals whose hand should be strengthened for the culture of impunity to be tackled head-on. Within Southern Africa, Zambia, although by no means a perfect political set up, is showing signs of such political maturity. 'Corruption busting' Land Minister Gladys Nyirango was sacked by President Levy Mwanawasa while attending the Africa Forum on Corruption in March – on charges of corruption. More recently, former President Frederick Chiluba was found guilty in a London court of stealing more than R300 million in state funds. The Zambian state lead the prosecution in a case that must have resonated with the geriatric dictator who continues to rule just south of the Zambezi. Things can fall apart in quite the opposite way a corrupt despot sometimes imagines.

Inevitably, the question posed in response to all this is what the relevance is to ordinary folk in South Africa taking to the streets to protest against poor service delivery and corruption in Ethekwini or Khutsong? The subtle but important shift over the past few years, alluded to earlier, is to do with quarters within government embracing concerns about the impact of unchecked corruption on democratic consolidation – perhaps even spurred on by the recent provocations of Mandela and Tutu on the matter. They have come to argue that, despite the best laws and institutions, we risk losing the plot. This was apparent when ruling-party candidates swore a public anti-corruption pledge in the run-up to the 2006 local government election. It has, in turn, been echoed in numerous statements by President Thabo Mbeki and ANC Secretary-General Kgalema Mothlanthe over the past twelve months that greed has essentially become the glue that binds elements of the political and economic elite. In summary: money alone cannot matter.

Unlike the debate on crime, in this matter there appears to be honest recognition within government that one cannot wish this issue away.

Brett Kebble's exploits and influence peddling kept corruption on the national agenda

While senior leaders in government and business may be largely immune to crime that occurs beyond their electric-fence lifestyles, corruption involves peers and friends within the party caucus, or on the golf course – whether it's in the reflection of a German arms dealer they see in Tony Yengeni's discounted Mercedes Benz as he pulls up at the Cape Town Jazz festival, or the memories of canapés shared with fraudster Brett Kebble by friends within the old and new mining elite at the Rand Club. Could this be a signal that leaders committed to democracy share a growing concern that things could become 'unstuck'? Of course some will argue that there is not enough consistency in this approach – but these have been important steps in the right direction. If momentum can be maintained, some of the lost opportunities that have followed in the wake of corruption scandals can be regained. In order to do this, we need to continue both informing and learning from the recent international debate on anti-corruption policy, and the implementation thereof, that took place in various fora during the past few months.

If South Africans are to play a meaningful role in halting the plunder at home and abroad we would do well to prioritise the following issues:

- Concepts are key: A balanced approach to the responsibility of the public and private sector is central to sustaining anti-corruption efforts. This resonates in South African law and recent high-profile investigations by anti-corruption agencies. While Washington does not favour efforts to make private-sector corruption a mandatory offence in international anti-corruption agreements, African states will repeat America's mistakes at their own cost. Tackling corruption is also about something more fundamental than investor confidence – it's about the rights of the ordinary people to a responsive government that acts in the interest of its interest – and not that of corporate lobby groups.
- Impunity is the beginning and the end: Talk to many Kenyans and they will say that things went wrong when impunity became an accepted practice. This is exemplified in a corrupted elite that has no qualms about displaying the proceeds of stolen wealth. South Africa has had its own experience with this, as a visit to an upmarket shopping mall in the 1980s would have attested. While shackled to a guilty conscience, the rich burnt money in the face of the poor. What is important is that corruption must be tackled wherever it is found and prosecuted vigorously. This requires us not to shy away from what is perceived as tricky political territory, whether it relates to the arms deal or the business affairs of a top police officer in an 'election year'. When we do shy away it becomes apparent that the interests of the poor are marginalised in favour of the interests of the rich. At a local level this plays itself out on the street as a growing number of people are expressing their outrage at a lack of service delivery – and corruption is often a contributing factor. The alienation of voters from the political process may well only be a step away.
- The past is our future: A culture of impunity is borne out over decades, and sustained by a network of the old and new elites, who sustain each other. Like Kenya, Nigeria and Zambia, South Africa has to confront the massive plunder of wealth that took place under the dying years of apartheid. As Karl Marx reminds us, "The tradition of all dead generations weighs like a nightmare on the brains of the living." We will not break this cycle unless we face up to the uncomfortable truths reflected in the civil-society report on grand corruption under apartheid.
- Listen to the voices from below: Imbizos may create visibility for a minister, but they do not sustain dialogue between local communities and elected representatives. Efforts to tackle corruption by civil society cannot be left to the media and non-

Former ANC Chief whip Tony Yengeni's hero's farewell after his corruption conviction raised eyebrows.

governmental organisations in leafy suburbs alone. Greater citizen participation in governance and monitoring corruption at the local level is key. People's concerns need to find a resonance with local politicians and national institutions that promote democracy and tackle corruption.

- Sustain a national integrity system: The arms deal pounded our nascent democratic institutions at almost every turn. When not kicking parliament in the stomach, it set institutions up for a fight that left almost everyone bruised – except the beneficiaries of corruption and bribery. Democratic institutions that enjoy the support of the public are central to sustaining anti-corruption efforts. These include an independent judiciary, a fair prosecuting authority, a responsive parliament fulfilling its watchdog function, and robust 'Chapter nine institutions'. The truth is that none of the institutions have a perfect track record, and while Kader Asmal is enquiring into the future of these watchdog agencies, finance minister Trevor Manuel announced, in March, that he has made R6 billion available to them over the next three years. Although a sizeable budget, it should be read in the context of an announcement that the state will spend almost R2 billion on tapping phones over the same period. Although the odds are stacked in favour of open government (at three to one), the hard question is whether the state is interested in listening to the concerns of citizens – or merely overhearing them?
- African interests are our own: South African business has chanced upon a golden goose on the continent. While businesses reap the rewards of involvement in the natural resource, telephony and service sectors abroad, banks and estate agents welcome African investors with open arms at home. Neither is necessarily 'clean', and a number of South African companies have been implicated in bribe payment. It is also evident that everyone from a notoriously corrupt Nigerian governor to the son of the President of Equatorial Guinea and a former Zimbabwean finance minister have invested the fruits of corruption in squeaky-clean South African suburbs. Corporations that pay bribes abroad – or provide safe havens for stolen cash at home – must be prosecuted if we are serious about governance on the continent. We cannot point fingers at the central Europeans if we are equally complicit.
- Oil and water don't mix: Money and politics must be pried apart. This stretches from front companies established by the ruling party to the secrecy that pervades the accounts of almost all political parties. The interests of the corporations must not be allowed to subvert public interest – and this demands regulation, however unsavoury this may be to party mandarins. Equally, we need to punish those whose private interests are in direct conflict with those of their public office. Not to do so will only serve to strengthen the elite networks that continue a centuries-old South African tradition of accumulating wealth in the hands of the powerful.
- Don't poison anti-corruption efforts: In the first few years of democratic rule, politicians largely resisted using anti-corruption initiatives as a tool to silence opponents. There is a growing concern that as leadership is contested at all levels of the ANC this might be the case. This has the dual function of shifting leadership debates from that of vision and values to 'good vs evil' – at the same making the public suspicious of future efforts to tackle corruption. Ultimately this has an alienating function that will be felt well after everyone has forgotten the road to the ANC party conference in Polokwane.

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The internal struggle continues beyond June

In the "best tradition" of tripartite politics, the Mbeki faction continues to bump up against the alliance's left, with the new draft Strategy and Tactics document of the ANC providing a fresh battle ground

By Michael Cardo

The secretary-general of the Congress of South African Trade Unions (Cosatu), Zwelinzima Vavi, has called on the predominantly poor and working-class members of the African National Congress (ANC) to reject the ruling party's draft Strategy and Tactics (S&T) document. The document, entitled "Building a national democratic society", will be tabled for amendment at the party's 52nd national conference at Polokwane in December this year.

Writing in the Mail&Guardian, Vavi argued: the draft strategy and tactics pays lip service to the ANC's traditional bias towards the workers and the poor while in reality, behind the thin disguise of a 'national democratic society', it provides a theoretical justification for the accommodation and strengthening of capitalism, and all the exploitation and inequality that it breeds. 1

To Cosatu, the draft Strategy &Tactics deviates from key ANC policies formulated in the Freedom Charter (1955), the Morogoro (1969) and Kabwe (1985) Strategy and Tactics documents, and the Green Book (1979).

Vavi's comments are thus a rallying cry in the ongoing battle for the soul of the ANC. It is a battle fought on both contemporary and historical turf, as Cosatu and the South African Communist Party (SACP) attempt narrowly to recast the history of the party as that of a Marxist-Leninist liberation movement.

Ranged on the one side are the centrists, whose general, President Mbeki, they want to stand for a third term as party leader. The draft Strategy and Tactics bears their stamp.

If he is re-elected president of the ANC, Mbeki would continue to oversee a project of socio economic transformation that claims ideological anchorage in the traditions of social democracy, development statecraft and "third way" economics. It is a project that, on Mbeki's watch, has relied on a good deal of democratic centralism, with power increasingly concentrated in the hands of his own state presidency and the executive. It has drawn, too, at times, on a polarising conception of race.

On the other side of the trenches, more scattered than serried, is a leftist troop in search of a presidential candidate. Comprising elements of the ANC's alliance partners and other groupings disaffected by what they view as Mbeki's neo-liberalism, they are unlikely to find much comfort in the draft Strategy & Tactics.

The document describes the national democratic society as "a market-based system that encourages competition" and provides "an attractive climate for capital". It posits the role of the state as a referee between the competing interests of capital and labour. It reaffirms the status of the black economically empowered elite as an important motive force of the "national democratic revolution" (NDR).

None of this is new. All of it can be found in the 1997 S&T. What distinguishes the updated document is its explicit ideological differentiation from those whom Mbeki excoriated as "ultra-leftists" at the party's policy conference in September 2002.

Even so, on balance, the draft Strategy & Tactics marks a subtle shift in emphasis, rather than a change in substance from its predecessor, adopted ten years ago in Mafikeng.

The ultimate strategic goal of the NDR continues to be the creation of a united, non-racial, non-sexist and democratic society, in which "the liberation of Africans in particular and black people in general" takes precedence. But that mission is now analysed in the language of Mbeki's modernising agenda, which seeks to bring together "the best traditions of

a developmental state" with "the best traditions of social democracy".

The characterisation of the NDR, its motive forces and the programmes designed to achieve it remains, by and large, as before. The draft Strategy & Tactics' account of the international situation, while it offers a more sustained critique of what are perceived as the negative aspects of globalisation and devotes greater thought to the growth of international terrorism, retains its earlier flavour.

Less attention is paid to "transformation of state machinery" and the party's hold on state power. But the document reaffirms the ANC's commitment to the two central pillars of the transformational state – cadre deployment and demographic representivity. And indeed, a separate policy document on "organisational review" puts forward sweeping proposals that, if introduced, would make the ANC an alternative centre of power to the state.2

In sum, unless it is radically amended, the document that guides the next president of the ANC into what remains of the "Second Decade of Freedom" will ensure that Mbeki's legacy is kept alive.

Nelson Mandela's valedictory speech at the Mafikeng Conference in 1997 was marked by its sustained invective against "the anti-democratic forces of counter revolution". Taking his lead from the Strategy and Tactics document at the time, which devoted two whole pages to the subject, Mandela took aim at "various elements of the former ruling group" which he accused of conspiring to promote a "campaign of destabilisation" against the ANC.3

According to the Strategy & Tactics, counter-revolutionaries had attempted to create intelligence and armed networks both inside and outside the state. They aimed to sabotage the NDR through direct political activity and by aggravating social problems such as crime. Other aspects of their campaign involved wrecking the government's information systems, interrupting service delivery, and jeopardising the economy by undermining investor confidence and currency stability.

The Strategy & Tactics identified these counter-revolutionaries as the former "white ruling block and its black appendages", including "most opposition parties" which sought to "entrench the social relations of black poverty and white opulence". To this list Mandela added "foreign funded NGOs" and "the bulk of the mass media" which had "set itself up as a force to oppose the ANC".

There is no such denunciation of ideological enemies of the revolution in the 2007 draft Strategy & Tactics. However, the document makes it clear that the ANC "contrasts its own [ideological] positions" with those of three clearly identified political forces.

Firstly, it deprecates national liberation struggles that stalled at formal political independence and "achieved little in terms of changing colonial production relations and social conditions of the poor". Secondly, it berates neo-liberals who "worship the market above all else", advocate "rampant unregulated capitalism", and support a minimalist approach

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President Thabo Mbeki and the ANC Deputy President Jacob Zuma's conflict creates an interesting backdrop for Stratergy and Tactics discussions

to the role of the state and the public sphere. Finally, while describing the ANC as a "disciplined force of the left", the draft Strategy & Tactics assails "ultra-leftists" who endorse "voluntaristic adventures including dangerous leaps towards a classless society ignoring the objective tasks in a national democratic revolution".

The latter is a veiled reference to those of the ANC's alliance partners in the trade union movement and the SACP whom Mbeki hauled over the coals at the ruling party's policy conference in 2002. With the party's 51st national conference just three months away, Mbeki accused the ultra-leftists of waging a "struggle to win hegemony for itself and its positions over the national liberation movement".4

He lambasted them for wanting to "transform our continuing national democratic struggle into an offensive for the victory of the socialist revolution", despite the fact that "our movement… is…not a movement whose mission is to fight for the victory of socialism".

Mbeki's complaint found its way into a supplementary preface to the 1997 Strategy & Tactics, adopted at the national conference in Stellenbosch in 2002,5 and is reprised in the draft Strategy & Tactics. Elsewhere in the draft, the leftist "social movement" is accused of manifesting "mechanical oppositionism in relation to government" and focusing on "narrow self-interest".

It is unlikely, given the sensitivities around the succession struggle, that Mbeki will repeat his highly charged polemic against "ultra-leftists" in the months preceding the December conference. But it has left its imprint on the draft Strategy & Tactics and it will colour the contest for a new party leader.

The NDR aims to create a non-racial, non-sexist and democratic society by liberating "Africans in particular and black people in general from political and economic bondage".

The new society can only come into being if the "contradictions" generated by "colonialism of a special type" (white supremacist rule and apartheid) are destroyed by an extensive programme of state-driven socio-economic transformation. These contradictions are identified as class, race and patriarchal oppression: national oppression based on race; class "super-exploitation" directed against black workers on the basis of race; and the oppression of women based on their race, their class and their gender.

Where the Polokwane draft Strategy & Tactics diverges from its Mafikeng counterpart is in its willingness to question the racial categorisation of motive forces.

There is little to distinguish the earlier and later Strategy & Tactics documents in terms of their overall characterisation of the NDR. This is, in fact, conceded by the authors of the draft S&T, who note that "the character of the NDR – in terms of the social contradictions that it seeks to resolve – remains the same". They note, however, that the social and political environment has altered significantly, claiming advances in the transformation of the state and the implementation of progressive socio-economic programmes.

The two documents portray the "motive forces" of the NDR in a comparable way. They are "Africans in particular and blacks in general". Black workers continue to constitute "the main motive force". The black middle classes, comprising the intelligentsia, small-business operators and professionals, are recognised as "a critical resource of the NDR".

Likewise, "the black capitalist group" forms part of the motive forces, since it has a key role to play in deracialising the economy. Cognisant of the criticism that has been directed at some of the beneficiaries of black economic empowerment, the draft Strategy & Tactics is quick to add a caveat:

Because their advancement is dependent…on opportunities provided by the state, they [the black capitalist group] are constantly tempted to use corrupt means to advance their personal interests - and thus developing [sic] into a parasitic bureaucratic bourgeoisie. The liberation movement must combat these tendencies.

Where the Polokwane draft Strategy & Tactics diverges from its Mafikeng counterpart is in its willingness to question the racial categorisation of motive forces. The fact that "[v]irtually all South Africans pay allegiance to the Constitution" and that increasing numbers of whites "entertain a sense of collective belonging to South Africa" puts the question in sharp relief:

It can be argued that most in the white community have come to realise that…non-racial democracy is in their immediate and long-term interest. This, combined with the social dynamics within the middle strata and acculturation referred to earlier, brings to the fore the question whether merely by dint of being white, this community still can be defined as antagonists of NDR!

The question is not directly answered. Curiously, "voting patterns" are presumed to show that many whites "still have to realise that the poverty and inequality spawned by apartheid are not in their long-term interest, and that black people are as capable as anyone else to lead and exercise authority in all spheres of life". White opposition voters will be glad to discover, however, that their preferred political organisations are

"legitimate expressions of a school of thought that should be challenged, but at the same time accepted as part of democratic engagement".

The state must act as midwife in the birth of the national democratic society. The 1997 Strategy & Tactics expounded at length on the need to transform the machinery of the apartheid state as a precondition for pursuing the NDR.

This involved, firstly, tightening the party's control over the state by locating "the motive forces of the revolution at the helm of the state, as the classes and strata which wield real power". Secondly, it entailed changing "the doctrines, the composition and the management style of all these structures" – the civil service, the judiciary, the army, the police and the intelligence structures – "to reflect and serve South African society as a whole". Transformation of the state was to be achieved by implementing the ANC's cadre deployment policy, formally adopted in 1998, and by applying its doctrines of demographic representivity.

While the draft Strategy & Tactics suggests, by inference rather than by exposition, that there is still a need to transform state machinery through a partisan drive for political, ideological and racial control, its accent lies on transformation for a developmental state. Indeed, the entire thrust of the draft Strategy & Tactics can be summarised by its insistence that the NDR seeks to bring together:

[T]the best traditions of a developmental state, represented by an efficient state that guides national economic development and mobilises domestic and foreign capital to achieve this goal; and the best traditions of social democracy, represented by popular democracy which places the needs of the poor and social issues such as health care, education and a social safety net at the top of the national agenda.

The document argues that transformation of the state should be geared towards building the developmental state's strategic, organisational and technical capacities. The ANC's social policy is underpinned by a programme of economic reform that is presented, with a nod to the Accelerated and Shared Growth Initiative of South Africa (Asgisa), under the heading "Accelerated and shared growth". This section argues for an orthodox macroeconomic policy, redistributive fiscal mechanisms to provide a safety net for the poor, and a comprehensive social security system that includes social grants, free basic services, free education, free health care, subsidised public transport and basic accommodation.

Whether Vavi's comments on the draft Strategy & Tactics presage a bloody end-of-year showdown between centrists and "ultra-leftists" over economic policy is uncertain. Despite prognostications that the left would round on government's fiscal orthodoxy when the Strategy & Tactics was amended at Mafikeng in 1997, reports of an impending confrontation were much exaggerated.6

Of course, circumstances are greatly changed now. The battle for succession has meant that contestation over economic policy has at once meshed with and been overtaken by a bitter struggle between personalities. That struggle will leave a lasting mark, regardless of who is elected the next ANC president in December.

Whether the tripartite alliance survives will continue to be a source of much speculation. The draft Strategy & Tactics, for its part, makes a curt promise that the ANC "will continue to work for strategic unity among all components of this Tripartite Alliance, in pursuit of a national democratic society". On the surface, this seems less emphatic and more adumbrated than the several paragraphs devoted to the subject in the 1997 Strategy & Tactics. That document implicitly argued for the retention of the alliance, which it described "not [as] a matter of sentiment, but an organisational expression of the common purpose and unity in action".

What is certain is that the draft Strategy & Tactics, in its current form, is a product of Mbeki's reign. Unless it is substantially amended, it will set the tone for his successor's. The burden is on the "ultra-left" to change that.

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Curb opposition, curtail democracy

It is neither disrespectful nor negative to maintain an alert watch on our power structures and the individuals into whose care we have entrusted the government of South Africa. Indeed, not to do so is to put our young democracy in danger

By William M. Gumede

Government leaders can often get very worked up when someone says South Africa's infant democracy is still in transition, not yet consolidated, and some way from reaching maturity. On paper, South Africa has a model constitution, and elaborate democratic institutions and public watchdogs, and it holds regular elections without opponents bludgeoning each other. Supposedly then, we should now be able to conclude that our democracy has grown up? Not yet. Unless, that is, one prescribes to the blinkered view of democracy –patently wrongheaded – which argues that the conduct of regular "free and fair elections" is enough to designate a country a democracy. But one way of measuring whether a democracy is of the lasting sort is to look at whether a democratic political culture has developed.

South Africa comes from a violent, authoritarian past, which means that a democratic political culture will, like all the new democratic institutions, have to be carefully built from scratch. Furthermore, it is not a given that progressive liberation movements that fought for democracy will, necessarily, when in power, foster a democratic political culture. Sadly, more often then not, liberation movements and political movements that valiantly opposed authoritarian regimes elsewhere in the developing world, behaved, when in power, in a markedly undemocratic way. Certainly, this phenomenon must be one of the greatest disappointments for the millions in Africa, Eastern Europe, Latin America and Asia who had hoped that the wave of democratic struggles they participated in would yield successful democratic transitions.

Unfortunately, a democratic political culture won't pop up overnight. A short-hand description of a democratic political culture is one where widely shared democratic beliefs, values and commitments "shape how individuals and the society act".1 Whether or not the political culture is democratic will have an impact on how citizens experience the entire political system (the executive, legislatures, bureaucracy, judiciary, political parties and civil groups); the political process – the behaviour of parties, groups and individual citizens; and the policy-making process.2 The importance of a democratic political culture cannot be overstated. It "determines the type of government institutions, how authority is vested in government, who is given authority and power in society and government, who is allowed to participate in policy and decision-making and how citizens hold their leaders accountable".3

On evidence, those countries that neglected building a democratic political culture often backslide into ghost democracies, such as Zimbabwe, rather than fostering a quality democracy. The very obvious characteristic of a democratic political culture is that it sets ethical norms and standards of behaviour for governments, organisations and individuals. "It constraints the actions of politicians and public officials: even if inclined otherwise, they usually refrain from taking positions or from implementing policies that blatantly violate the elements of the political culture".4

It is not difficult to understand that, in countries such as South Africa, which comes from an authoritarian past, the task of cobbling together a democratic political culture – one

Opposistion should be seen as a virtue in service of the broad democratic vision not a vice.

that sets up new democratic, transparent and accountable ways for how government, leaders and individuals conduct the day-to-day governance of society – is easier said than done. But a political democratic culture is not a luxury, it is a necessity. When it is absent, society is the poorer, citizens feel alienated, and they eventually lose trust in the political system.

Take, for example, freedom of expression, described by one scholar as the "oxygen of democracy", which is one of the pillars of a democratic political culture. Only if citizens can express their views, hear the critical views of others, and then make up their minds – the so-called "enlightened understanding" – can they then evaluate government policies, decisions and actions. Deliberation, discussion and debate are crucial for citizens to be able to evaluate government policies and actions. This way they can help set the agenda of government, by holding it accountable.5 If there are limits to freedom of expression, that pillar of our constitutional democracy – participation – crumbles. Alarmingly, in South Africa quite legitimate criticism is often portrayed as disloyal, the critics being labelled racists or enemies of the state. Jeremy Cronin, the South African Communist Party (SACP) deputy secretary general, says there is a "tendency (in the African National Congress [ANC]) to present each and every political difference as a matter of life and death [which] begins to justify extreme 'disciplinary' measures, suspensions and counter-suspensions (of critics)".6 Quoting former SACP leader Joe Slovo,7 Cronin says "such paranoia resembles 'palace coups' rather than effective and mature political conduct".

The action of excluding commentators deemed to be critical of government from the SABC is also reflective of the intolerant broader political culture. Critics faced having their reputations turned into shreds by smears, innuendo and the sheer meanness of those figures in authority and their sycophantic hangers-on. As a result, many progressives bit their tongues – rather than wanting to be associated with such a shameful lot. Such self-censorship comes at an expensive cost to a developing society such as South Africa, where every skill and innovative idea matters: good policy ideas do not enter the public debate, and bad policies are not sufficiently scrutinised. The result is that society – mostly the poor – pays when bad policies fail.

Formal criticism against the stance on Aids adopted by President Thabo Mbeki and the government stance was slow to emerge from within the ANC tripartite alliance family, precisely because of that. Some ANC leaders kept mum for fear of being lumped with white conservatives bent on bashing the "inept" black government, with greedy pharmaceutical companies, and with interfering Western governments and their agencies. Only when prominent black figures, for example in the trade union movement, and prominent black scientist William Makgoba spoke out, and civil society agitated daily, was the spell broken, and could criticism no longer be boxed as white-versus-black or African-versus-the West. Robert Mugabe, in Zimbabwe, has for years played that game, blaming all Zimbabwe's economic and political problems on colonialism. Some, of course, are the result of colonialism, but most of them are the result of his abysmal mismanagement and kleptocracy. Not surprisingly, when Mbeki concurred with Mugabe, many ANC members went silent, just as in the case of the Aids debate. Thankfully, many grass-roots ANC members are now demanding the dividends of democracy, increasingly questioning and demanding accountability and delivery from leaders, as demonstrated in the spontaneous community protests over slow service delivery, official corruption and neglect and the ANC grass-roots rebellion at the movement's June 1995 national general council showed.

It is shameful when ANC leaders shout down criticism, or argue that only the opinions of ANC leaders are legitimate. It would be impossible for citizens, whether ANC members or not, effectively to participate and influence the public agenda if

the ANC leadership were the only legitimate font information on issues. Just consider the fact that throughout the dispute between Mbeki and Jacob Zuma, ANC leaders insisted everything was perfectly hunky dory – it was all a figment of the media's imagination. Or, for that matter, remember the repeated strenuous claims that the controversial arms deal was above board. Mbeki lambasted critics as "fishers of corrupt men". Now, former ANC Chief Whip Tony Yengeni and Jacob Zuma's former financial advisor, Schabir Shaik, have both been convicted of fraud and corruption related to the deal.

Moreover, in a climate where critical viewpoints are looked upon disparagingly, Mbeki's weekly online column in ANC Today is not such a good thing. In fact, instead of the debate Mbeki hopes his articles would start, the column often actually kills-off any debate, as many ANC members look at his weekly online missions as "authoritative pronouncements", as respected ANC thinker Raymond Suttner puts it, that carry the weight and legitimacy of the highest office in the country. It would be political suicide for any loyal ANC cadre to express an opinion contrary to that set out in the official organ by Mbeki or the leadership collective. Leaders who explain themselves and can be questioned, instead of merely issuing dictates and introducing policies that are beyond criticism, are far more likely to be followed than those who discourage dissent and crush debate.

One cannot have a democratic political culture unless there is a vibrant, diverse and critical civil society. Often in societies coming from authoritarian regimes, where civil groups were the mainstay of the democratic opposition and resistance to the undemocratic state, new democratic leaders are eager to "demobilise" civil movements. Juan Linz and Alfred Stepan, two leading democratisation scholars, argue that it's common, once the democracy has been achieved, for democratic leaders to say that civil society had now played its historic role, and should be "demobilised so as to allow for the development of normal democratic politics".8 Many ANC leaders argued similarly in the early 1990s, when they argued for the United Democratic Front (UDF), in the 1980s arguably the most vibrant civil movement that took root on the continent, to be collapsed.

A political democratic culture is not a luxury, it is a necessity. When it is absent, society is the poorer, citizens feel alienated, and they eventually lose trust in the political system.

During the fight against apartheid, democratic civil society groups – such as the UDF – helped isolate the apartheid regime, by creating an " 'us' versus 'them' ethical politics, of the democratic forces versus the autocratic regime".9 This was also the case with many of the resistance movements against tyranny in Latin America, Southern Europe and Communist Europe. During the liberation struggle, it was important to ensure that the progressive forces speak in one voice, and there were no internal divisions or conflict. However, if a new democracy is to be consolidated, internal differences must not be suppressed, forced away or denied, but norms and procedures must be established to regulate and manage it. Furthermore, it is important that the idea of opposition – whether inside the ANC and government or outside becomes inculcated. For that matter, former Indian Prime Minister Jawaharlal Nehru went out of his way to inculcate a respect for the idea of the opposition, even when he privately shared Mbeki's sentiment that the opposition was irrelevant or composed of the equivalent of "Mickey Mouse" parties in Madiba's words.

Civil society is important, not only to help government deliver social service, but to provide criticism as one of the checks-and-balances on the executive and government. They help keep the government accountable. Even more, they "give citizens experience in the art of political association, increase their civic competence, stimulate participation in electoral politics, recruit and train new political leaders, generate democratic norms and values, and accumulate social capital".10 Moreover, by making government responsive and accountable, and making decision-making more inclusive, a diverse and critical civil society actually builds the democratic state.11 Furthermore, an independent, critical civil society can provide alternative information, to enlighten citizens in order to make participation in the democratic process more effective, and to help influence the agenda of the government, by holding it accountable. Because parliament has now become a rubber stamp of the executive, it is important that the mushrooming opposition voices outside parliament – of civil groups, community groups and local leaders operating outside parliament – should not be ignored, nor intimidated by using intelligence agents to spy on them or destabilise them, as is often the case.

But many critical civil society groups have been demonised, such as the Treatment Action Campaign, as in the pay of "imperialists" or, in that case, of Western pharmaceutical companies. President Mbeki has criticised local civil society organisations before as pushing

The SABC'S Dali Mpofu tried to weather "blacklisting" storms.

the agenda of Western governments and NGOs. However, not only has the agitation of civil groups pushed government to reverse its head-in-the-sand policy of not treating the Aids-infected, but such groups have also consistently agitated – with whistle blowers such as the Independent Democrats' Patricia De Lille and the media – against ongoing corruption in the controversial and unnecessary arms deal. In contrast, government's response has been first to deny, then to cover up, and then to protect. If all this fails, government officials more often than not then try to discredit the whistle-blower. It does appear that to be a whistle-blower of wrongdoing in this democracy (whether in the public service or the private sector) is an invitation to be penalised. For example, during the SABC's blacklisting of commentators saga, John Perlman, who confirmed there was a practice of blacklisting at the public broadcaster, was reprimanded. In April this year, the KwaZulu-Natal government demanded to know the identity of a motorist who captured on a cell phone camera the official convoy of KwaZulu-Natal premier S'bu Ndebele allegedly speeding and illegally straddling traffic lanes. Their intention was clearly to punish the whistle-blower.

An essential part of a democratic political culture is the concept of "self-enforcing constraints on the limits of power".12 Sadly, many liberation movements and groups that fought authoritarian rule in developing countries, once they assume power, argue that now that they are in government they should have unlimited power. Did the apartheid regime not have unlimited power, some often ask? But a quality democracy means there are limits to state authority, and those limits must be enforced. It appears there is not yet a broadly shared commitment to limit the authority of the state or to "police" state behaviour. Different branches of government hold each other accountable, the so-called horizontal accountability. Parliament is supposed to hold the executive – the president, Cabinet ministers and government – accountable, for example on service delivery and their actions. Government itself must police the rights set out in our constitution. Strong legislatures – parliament, provincial legislatures and municipal councils – are needed to give ordinary citizens a say in policy-making, especially when opposition parties – as in South Africa's case – are often not speaking to the majority. However, legislatures are weak, and public representative are often more interested in pleasing party bosses and the executive. For example, ANC MPs rarely criticise the executive, and when individual MPs bravely stick their heads out, they are often chopped off. Redeployment to lowly position somewhere else is an effective deterrent. Opposition MPs look towards their seniors with the same boot-licking impulses. South Africa's proportional electoral system is in part to blame. Voters have no say in who goes to parliament, only in the parties they represent – and have no recourse to recall those MPs sleeping on the job. A change in the electoral system to give voters more power to recall slack representatives could change this.

A democratic political culture must also embed the culture of political institutions – political parties, the judiciary, public service, public auditing and oversight bodies.13 The chapter nine institutions and the audit agencies such as the Public Protector, as independent watchdogs, are crucial in the workings of the democracy. Depressingly, chapter nine institutions – supposed to keep the executive in check and to protect defenceless ordinary citizens from arbitrary action, callousness and neglect from the state, such as the gender and equality commission –have been pliant, and overly defer to the executive. Astonishingly, Public Protector Lawrence Mushwana in February complained to parliament that criticisms by opposition parties and the media that the institution's oversight role, particularly over the executive, has weakened, and that it is not protecting citizens against callous politicians and public servants or poor service delivery, was "obstructing" his job. Rightly, Kader Asmal, chairperson of parliament's oversight committee, called him to order. However, the fact remains that many of the so-called watchdog agencies are under poor leadership, defer to readily to the executive, and are hostile to public scrutiny.

Astonishingly, in January, Justice Minister Brigitte Mabandla attacked the Human Rights Commission, a chapter

nine institution, which is supposed to investigate and report human-rights violations. The commission had found that she had "violated the fundamental rights of people" by failing to process applications for presidential pardons for some Inkatha Freedom Party-aligned prisoners. But Mabandla insisted she and her department should be exempted from investigations and censure. A few years ago the presidency also lambasted the commission over its socio-economic report which criticised slow delivery of social services, ominously reminding them that the executive holds the purse-strings.

Why should political parties that receive public funding not be compelled to be run their affairs accountably, be internally democratic, and have transparent and democratic internal elections? Of course, all political parties must have a coherent programme and policies, their members must be disciplined and act as a unified force and they must be structural coherent – termed "institutionalisation",14 to give them not only stability, but to make them viable. However, political parties can also be over-institutionalised – as well as under-institutionalised. Over-institutionalised liberation movements could be imprisoned and dominated by entrenched leadership factions and their networks, controlled along either regional, ethnic, generational, or even class-group lines. For example, in countries such as Venezuela, there is such an extreme domination of political parties by select groups that they are called a "partyarchy"15 – this is not the case for the ANC yet, but the danger signs are clear. For example, there is a great danger that the ANC could be hijacked by those with lots of money – black and white establishment business. The majority of the ANC's National Executive Council (NEC) is now composed of businessmen and women, or those who have business connections. This brings with it a great danger that policies would be at the behest of the highest bidder. Furthermore, some internal ANC critics, such as the Congress of South African Trade Unions (Cosatu), have complained that the ANC is run by a small group linked to Mbeki. Fired National Intelligence Agency boss Billy Masetlha – granted he has an axe to grind – has even said only ten closely linked people run the ANC.

The judiciary's role is not only to constrain the power of the state, but also to ensure the rule of law. It is important that the judiciary is independent, adheres to constitutional values, and is not interfered with. Of course South Africa's judiciary must become more representative of the country's diverse population, and adopt a new value system based on the post-apartheid democratic constitution. Of course, it is also a given that some judges and magistrates often do not make judgements in the democratic spirit. The most obvious example is that many magistrates and judges – whether white or black – still, in judging rape cases, regard women as being responsible for being raped. Worryingly, last year supporters of the sacked former deputy president Jacob Zuma, who is fighting allegations of inappropriate behaviour, lashed out at the Supreme Court of Appeal for what was a relatively minor error in the summarised version of a subsidiary judgment.

The ANC has recently released a package of proposals to transform the judiciary, one of which proposed that the executive set court rules and control their budgets. The judiciary must indeed be transformed, not only to become more diverse, but to reflect the values of the constitution. But giving the executive the power to set court rules and control court budgets ... not only do these proposals go against the important principal of the separation of powers, but, if implemented, they will undermine the independence of the judiciary. In addition, the ANC document demands a "mindset" change in the judiciary. The country's post-apartheid constitution demands that judges and magistrates based their decisions on the values of the constitution, if not, they are subject to appeal. Although the ANC was quite clear it was not about to usurp the constitutionally entrenched principle that the judiciary should be independent, the proposals do cause legitimate worry. The proper functioning of South Africa's constitutional democracy depends on an independent judiciary.

Because of our violent past, an integral part of our democratic political culture is that civil liberties are protected, including that there is public oversight over the intelligence, security and military agencies. For example it is when society allows legitimate community protests mushrooming across the country to be investigated by Intelligence Minister Ronnie Kasrils – who blamed "agents provocateurs" and launched intelligence investigations to fish them out – that space is opened for the intelligence agencies to be used to settle political scores within the ANC, to sideline or try to discredit legitimate critics. The ANC's hoax e-mail scandal, whereby intelligence operatives fabricated e-mails to destroy the careers and reputation of political rivals and critics, is a direct result of the climate created that state institutions can be used to sideline critics within and outside the ANC.

One cannot have a democratic political culture unless there is a vibrant, diverse and critical civil society.

Furthermore, in order to instil the rule of law, which was non-existent during the apartheid era, wrongdoing will have to be censored no matter one's struggle credentials, closeness to party leaders, or amount of money. However, bad examples are set when former ANC Chief Whip Mbulelo Goniwe is fired for sexual harassment, but Norman Mashabane, found guilty of 27 counts of sexual harassment when he was a South African diplomat in Indonesia, gets a plum job in the legislature of his home province. It is not surprising, then, that some ANC members strongly believe that state institutions are being used by senior ANC leaders to sideline political rivals – as many of Zuma's supporters stubbornly insist.

The constitution demands checks and balances, not only among branches of government, but from non-government actors, such as the media, the private sector and civil society. For example, the political culture – a legacy of our past – encourages conformism, deference and uncritical trust in leaders, and unquestioned loyalty to tribe. But these attributes are anathema to building a diverse, vibrant and quality democracy, which demands questioning citizens who insist on accountability from those elected. The ANC leadership's insistence on uncritical loyalty –from both its members and individuals outside the movement – is also why it appears that many government leaders think because they are elected, they are all-powerful, untouchable, and can do what they like. They often threaten those criticising them. For example, ANC deputy president Jacob Zuma still insists he wants to sue journalists critical of him. Holding elected officials – which Zuma was, as deputy president – accountable is not a matter of critics "hating" or wanting to bring down Zuma or the government, but an important requirement of a democracy.

This undemocratic outlook is dangerous. By encouraging ANC members to accept only the pronouncements of leaders – who are always fallible – and to regard with contempt other voices, encourages the cult of the leader. Not necessary linked to this is the fact that leaders are still rewarded on the basis of past struggle credentials. But democracy demands that elected officials be held accountable for their present performance. For example, Winston Churchill, former British Prime Minister, after famously leading Britain to victory in World War 2 was kicked out of office immediately after the end of war by the voters. The British electorate set aside his past heroic war credentials, and rejected him as not good enough on current form. Perhaps we will know that our democracy has matured when actual performance today counts for more than the struggle credentials of yesterday.

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Bobbing up again

Just when it looked as though he might finally have gone too far, Africa's leaders helped Robert Mugabe stage his umpteenth comeback. Can Thabo Mbeki's intervention make a difference, this time?

By **Andrew Meldrum**

A Zimbabwean joke making the rounds asks the question: What is the definition of an optimist? Answer: Someone who thinks the situation in Zimbabwe has hit rock bottom.

This grim humour gives a pithy summation of the outlook for Zimbabwe: things are going to get worse before they get better.

Since March there has been a dramatic escalation of state torture, abductions, and arrests of opposition members, according to human-rights groups. Opposition supporters, civic leaders and journalists have been targeted. In addition, President Robert Mugabe's government has promulgated new repressive legislation, with more in the works.

The unprecedented terror and repression is widely seen as the first salvo of what promises to be a bitter and treacherous campaign waged by Mugabe to be re-elected president in 2008.

Mugabe, who turned 83 in February, announced in April that he will run for re-election in 2008. Despite unprecedented opposition within his Zanu-PF party, Mugabe succeeded in strong-arming the party's leadership into endorsing his candidacy in early May.

Although he has won another round in the political arena, even his supporters admit that the country is suffering a calamitous decline on all fronts. It is glaringly obvious that Zimbabwe will need a thorough process of reform, democratisation, justice and reconciliation when Mugabe goes.

Zimbabwe's once prosperous economy is staggering under inflation above 2 200 percent, unemployment estimated at 80 per cent, and rapidly growing poverty and chronic malnutrition. With Mugabe dictating a totally unrealistic exchange rate and profligate state expenditures, the country's economic collapse is expected to continue.

It is hard to believe that earlier this year Mugabe was confronted by serious challenges on several fronts, and that it appeared his days as Zimbabwe's ruler were numbered. In March it looked like he was boxed in by the spiralling economy, opposition inside and outside his party, and growing impatience from the leaders of neighbouring countries.

But the ever-wily Mugabe outfoxed his challengers within Zanu-PF, convinced the leaders of the Southern African Development Community (SADC) to continue supporting him, and then unleashed the violence against the opposition Movement for Democratic Change (MDC), leaving the party scrambling for a new strategy. By May, he appeared to have such a firm grip on power that he could remain in office for years to come.

Once again Mugabe skilfully manoeuvred to remain in power. But the challenges that temporarily threatened his rule remain in place, especially the rapidly shrinking economy, and may well combine in the future to unseat him.

The divisions within Zanu-PF over the succession to Mugabe have been brewing for several years, but they came out in the open for the first time last December, at the party's annual conference, held east of Harare in Goromonzi. At the annual feasting extravaganza, while so many Zimbabweans are going hungry, Mugabe put forward his proposal to extend his presidential term for two years, so that it would expire in 2010 instead of 2008. This was on the pretext of "harmonising" the presidential and parliamentary elections so that they would be held at the same time in order to save money. Mugabe fully expected the conference to endorse his plan. Such is the strength of Zanu-PF's de-facto one party state, that once Mugabe had the party's endorsement, he could expect the necessary amendment to the constitution to be passed by parliament.

Mugabe had been relying upon a united and loyal Zanu-PF, but instead he found out that his party

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Zimbabwean President Robert Mugabe stands increasingly isolated both locally and globally.

had divided into three distinct and vying factions.

The first is led by Mugabe, and is committed to unconditional support for his rule. This die-hard loyalist group is also led by Mugabe's trusted veteran, security minister Didymus Mutasa, who has repeatedly called for Mugabe to be declared 'president for life'.

Then there are two groups jostling to succeed Mugabe. The first is led by retired army commander Solomon Mujuru and his wife, Joice, who is the country's senior vice-president. The Mujurus have assembled a powerful wing within Zanu-PF, that has good ties to the army and is reputed to have the support of many Zanu-PF members of parliament. Both Mr and Mrs Mujuru boast distinguished histories in Zimbabwe's liberation struggle. Under the 'nom de guerre' of Rex Nhongo, Mr Mujuru was one of the key leaders of Mugabe's Zimbabwe African National Liberation Army (Zanla). Mrs Mujuru joined Zanla as a teenager, and legend has it that she used a rocket grenade to shoot down a Rhodesian helicopter.

She has been in Mugabe's cabinet since 1980 in a variety of posts, in which she has been relatively ineffective but steadfastly loyal to the president. Solomon Mujuru was the supreme commander of the new Zimbabwean National Army but was retired early by Mugabe. Rather than go into politics, Mr Mujuru played a clever hand by moving back to his home area, the northern town of Bindura, where he amassed a considerable fortune by buying up businesses, mines and farms. Although ostensibly out of the political fray in Harare, Mr Mujuru cultivated many political liaisons and is widely seen as the 'king-maker' in Zanu-PF. The Mujurus draw regional support from Zimbabwe's northern Mashonaland provinces.

The third group in Zanu-PF is headed by rural housing minister Emmerson Mnangagwa, who also is a hero of the liberation struggle. Mnangagwa was on a mission for Zanla when he was arrested by Rhodesian forces, convicted of treason and sentenced to death. He convinced the judged he was just 16 years old, and therefore exempt from the death penalty. Later he escaped from prison and re-joined the guerrilla forces.

After independence in 1980, Mnangagwa became one of Mugabe's most trusted deputies, serving as security minister and then justice minister. By 2000 he was widely acknowledged to be Mugabe's heir apparent, and dubbed 'the son of God' because of his closeness to the president. Mnangagwa is well connected to the army and especially to the state Central Intelligence Organisation (CIO), the notorious domestic spy network. He draws support from the central Masvingo and Midlands provinces.

But Mnangagwa committed the cardinal sin of exposing his ambitions to succeed Mugabe. He openly campaigned for the post of senior vice-president when it became vacant. Even worse, when it became clear that Mugabe intended to appoint Joice Mujuru as the top of Zimbabwe's two vice-presidents, Mnangagwa held secret meetings to build a majority within Zanu-PF against Mrs Mujuru. When Mugabe found out about Mnangagwa's clandestine plans he demoted Mnangagwa and those associated with him. The most prominent casualty was Jonathan Moyo, who was sacked from his influential post as information minister and was later expelled from Zanu-PF.

In 2004, Mugabe promoted Joice Mujuru to offset the ambitions of Mnangagwa. Now, in 2007, he has been forced to rehabilitate Mnangagwa, by appointing him to the relatively unimportant position of rural housing minister, in order to counteract the rising threat of being elbowed aside by the Mujurus. Throughout his political career, stretching back to the 1960s, Mugabe has succeeded as a master

The opposition in Zimbabwe have systematically been assaulted and hounded

manipulator, playing one side off against the other as he has with the Mujuru and Mnangagwa factions.

However, Mugabe miscalculated when he brought the proposal to extend his presidential term to the Zanu-PF conference in December. Even though Mnangagwa gave his support to Mugabe's effort, the Mujurus and others strongly opposed it. Mugabe's CIO agents at the conference informed him that the proposal was going to meet strong and vocal opposition, according to sources close to Zanu-PF. As a result, Mugabe did not press for the proposal to be debated or voted upon. The conference sent Mugabe's proposal back to the Zanu-PF Central Committee for approval. It was the first time that an effort by Mugabe was not approved by the party conference.

Thus Mugabe began 2007 frustrated, with his plan to extend his term thwarted and the unsettling knowledge that he faced significant opposition within Zanu-PF.

Mugabe's woes inspired him to take some action, after more than a year of relative inactivity. The MDC has been bitterly divided since 2005, when the party split over the issue of whether or not to participate in the elections for the newly created senate. Morgan Tsvangirai leads the largest group, which is based in Harare and draws support from the capital's townships and the labour unions. Arthur Mutambara is the ostensible leader of the pro-senate faction, although secretary general Welshman Ncube appears to be the main decision-maker. The group is smaller than Tsvangirai's and is largely based in Bulawayo, and attracts support from the southern Matabeleland provinces. The two MDC groups have about equal representation in parliament.

The MDC spent most of 2006 feuding and fighting amongst themselves. But at the start of 2007 both sides of the party began to return to their principle purpose of challenging the Mugabe government. Although the two sides have refused to re-unite, they have agreed to stand together under the banner of "Save Zimbabwe", a new campaign led by church groups which includes several prominent civic organisations as well as the two sides of the MDC.

The new campaign was designed to capitalise on the factional fighting within Zanu-PF, and the drastically worsening economic situation and plummeting standards of living.

On March 11, Save Zimbabwe held a prayer meeting in Harare's Highfield township. The prayer rally was clearly an attempt to get around the Mugabe regime's draconian security laws, which forbid political rallies without prior police approval.

Clearly rattled by the new signs of vigour within the opposition, the government pulled out all the stops to break up the rally. Armed police sealed off the football grounds where the rally was to be held. Water cannons and armoured personnel carriers were deployed to patrol Highfield's streets. Angry youths threw stones at the police, who shot one protestor dead.

Police arrested car-loads of MDC leaders attempting to go to the meeting. Morgan Tsvangirai and 30 others were herded into a fenced area at the Machipisa police station where they were savagely beaten, clubbed and tortured for hours. Tsvangirai and others were beaten unconscious. Lawyers and doctors were initially refused access to those arrested.

Two days later Tsvangirai and the others appeared in court in bloodstained clothes, with serious head wounds and arms in slings, and on crutches. Some had to be carried into the courtroom on stretchers These images of the opposition limping into court were broadcast round the world, providing compelling, incontrovertible evidence of police torture.

Suddenly Tsvangirai was thrust back into the international limelight, once again portrayed as the only political leader who would stand up to Robert Mugabe.

Even South Africa and other African countries took notice, and issued statements deploring the state violence against peaceful demonstrators. Within days, Tanzanian president Jakaya Kikwete flew to Harare for an urgently called meeting with Mugabe to express his displeasure with the situation. Mugabe was summoned to Dar es Salaam by Kikwete for an extraordinary emergency SADC summit on Zimbabwe on March 27. It seemed that Zimbabwe's neighbours finally had enough of Mugabe's repression and economic decline. Immediately after the SADC meeting, on March 28, Mugabe faced a crucial meeting of Zanu-PF's Central Committee over who would stand for president in 2008.

At that moment it appeared that a combination of forces were circling Mugabe, preparing to cut him down. The beaten but reinvigorated opposition, the exasperated leaders of neighbouring countries, the ambitious leaders within Zanu-PF – all wanted to see Mugabe go from power as soon as possible. It appeared that the combined pressure could force Mugabe to agree to retire at the end of his term.

But all sides backed down and Mugabe prevailed, yet again. The SADC leaders may have criticised Mugabe's policies behind closed doors in Dar es Salaam, but they gave him a ringing endorsement in public, blaming Zimbabwe's crisis on Western sanctions and Britain's failure to support land reform.

All who follow Zimbabwe objectively know such arguments are patently absurd. The targeted sanctions against Mugabe and 20 top officials forbid them from travelling in Europe and the US or to have any bank accounts. These sanctions are a minor irritation to those leaders, who have in any case found Asian resorts and banks to patronise, but the measures cannot in any way be responsible for Zimbabwe's crippling inflation, food and fuel shortages, and the many other vicissitudes that are making ordinary people's lives a misery.

The SADC leaders toed Mugabe's line, even when they knew it was false. Glaringly, no mention was made of growing state torture or other repression.

Waving SADC's vote of confidence in his leadership,Mugabe stormed into the crucial Zanu-PF Central Committee meeting. He caught his challengers off-guard by dropping his plan to extend his term and instead announcing that he would run for re-election in 2008, when he will be 84. Mugabe had done his homework this time, and left the meeting duly nominated as the party's presidential candidate for the 2008 elections.

Faced with the collapse of pressure from SADC and factions within Zanu-PF, Zimbabwe's opposition has also retreated. Tsvangirai and others are recuperating from their serious injuries. Mugabe has gone on the offensive, sending out hit squads that have inflicted violence and torture on more than 600 opposition supporters, according to Tsvangirai, and many other ordinary Zimbabweans.

"It is a reign of terror," said Sekai Holland, a veteran African nationalist and the MDC's director of international affairs, from her hospital bed in Johannesburg. "People are being beaten in their homes, at their workplaces. Peaceful people going to church are being dragged away to be tortured. This is terrifying and
South Africa should denounce it," said Holland, 64,who suffered a broken wrist, leg and ankle when she was beaten by police, alongside Tsvangirai, on March 11.

There has been severe repression against journalists, In April, Edward Chikomba, a well-respected cameraman, was abducted and beaten to death and three other journalists seriously beaten.

Human-rights groups recorded a dramatic upsurge in state violence in March and April and warned of continued abuses in the coming months. Mugabe is on the offensive, rolling out a campaign for the 2008 presidential election that is nothing but brutal. A further weapon for his armoury is the new law regulating non-governmental organisations.TheﬂoodofZimbabweans out of the country is expected to continue unabated. Already there are an estimated 2 to 3 million Zimbabweans in South Africa. Mugabe has turned this to his advantage by denying them the right to vote.

Mugabe is once again ascendant, but the forces that challenged him remain. The economic collapse continues and has made chronic malnutrition, disease and early death commonplace in a country that just a few years ago enjoyed some of Africa's best standards of living. The violence inflicted by Mugabe's police, army and youth brigades is not a sign of strength but an admission that Mugabe is frightened by the evidence that he is widely loathed.

A faint flicker of hope for positive change in Zimbabwe, is that President Thabo Mbeki of South Africa has been assigned by SADC to mediate with Mugabe to assure free and fair elections in 2008. Mbeki started off well, meeting with both sides of the MDC, and repeating their demands that substantial reforms in security and election laws are needed for the country to have any semblance of a free campaign and fair voting. The police and army must return to a semblance of professionalism and even-handed enforcement of laws.

"It is a reign of terror," said Sekai Holland, a veteran African nationalist and the MDC's director of international affairs, from her hospital bed in Johannesburg.

Strong arm-twisting of Mugabe will be needed to get any such reforms. Mbeki's track record of endorsing Mugabe's fraudulent elections in 2000, 2002 and 2005, does not inspire confidence.

Mugabe's continued misrule of Zimbabwe, with its abundant human-rights atrocities and wilful economic destruction, is the shame of southern Africa. Tragically, African leaders indulge Mugabe's dictatorship because of his legacy as a liberation hero. They support his anti-Western posturing even as the suffering of Zimbabwe's people grows to the point of crimes against humanity. Their decisions to overlook Mugabe's egregious misrule in the name of African solidarity does not bode well for good governance across southern Africa.

WHAT LIBERALISM OFFERS SOUTH AFRICA TODAY

Raenette Taljaard, director of the Helen Suzman Foundation, delivered the 14th Alan Paton Lecture at the University of KwaZulu-Natal on 17 May 2007. This is an edited version of the lecture

By **Raenette Taljaard**
Director of HSF

Those who have gone before me in delivering this prestigious lecture over the past 13 years all live the values Alan Paton so memorably captured in his defining quote on liberalism:

"Liberalism is not a creed of this or any century. It is a generosity of spirit, a tolerance of others, an understanding of otherness, a commitment to the rule of law, an abhorrence of authoritarianism, a love of freedom."

Paton's vision for South Africa is as powerful today in its clarion call for a united effort in our diversity as it was then::

"I envision someday a great, peaceful South Africa in which the world will take pride, a nation in which each of many diverse groups will be making its own creative contribution."

The term 'liberal' is often used to connote a badge of dishonor – a tool to undermine the credibility of those who fought for the liberation of South Africa on the basis of their own clear belief in freedom as a fundamental virtue. Worse still, it is reduced to a code-word for 'white', and judged harshly and without any justifiable reference to the complex history of liberals in South Africa, who came from all races, colours and creeds.

Indeed, as Helen Suzman herself reminded the audience at the 5th Alan Paton lecture, many opponents identify liberalism as support for particular political parties, as protection for the privilege of wealth. Liberalism may have triumphed, but liberals are still under fire.

I wear my badge as a liberal unapologetically, with honour.

A recent vicious, unprovoked attack on Nadine Gordimer by columnist Christine Qunta in The Star lumped all liberals together as "the white liberal elite" who feel "unease…when faced with a variety of African responses to oppression". One wonders whether Qunta has studied the history and dilemmas of South African liberalism in as much depth as she has studied Nadine Gordimer's writing – which she claims never to be able to finish.

In stark contrast, Defence Minister Mosioua Lekota, a former political prisoner who remembers Mrs. Suzman's many visits to Robben Island, recently reminded South Africans of the role played by liberals.

And he responded in The Star: "In attacking Gordimer, Qunta reveals shocking ignorance of the object of her derision. ... The term liberals refers to people who hold a certain political outlook – and in South Africa, that included vehement rejection of racism ...

"I am afraid that Qunta has made herself guilty of racism by simply assuming that anybody who is white and English-speaking is a 'liberal' and deserves to be verbally assaulted without any regard for the facts. Facts do not support Qunta's assertions: For example, Alan Paton ... was an uncompromising opponent of racial discrimination. Erstwhile MP Helen Suzman used her parliamentary position to improve conditions on Robben Island. Add to this younger Liberal Party members such as Harrison and Eddie Daniels, who were so angry

with apartheid that they took to arms to oppose it. It is impossible to describe such people as racist..”

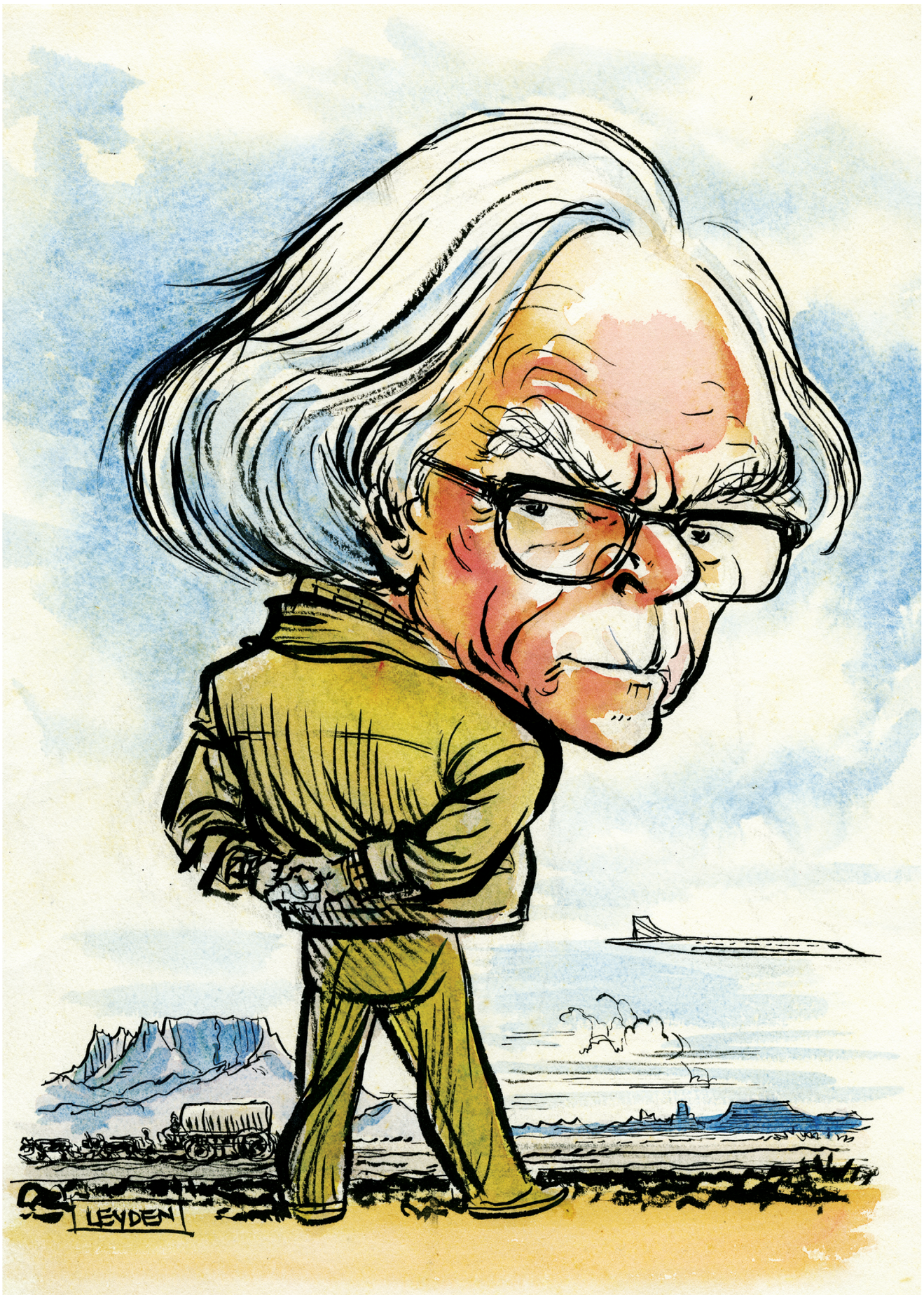
As Prof Sipho Seepe recently observed about Minister Lekota’s tribute to former DA leader Tony Leon: “…amid all the negative things happening in this country, there is a positive human story unfolding. South Africans are beginning to find each other. ”

Within the broad domain of our contemporary intellectual discourse, and in the context of the shifting political sands of a year marked by political succession struggles, liberals and liberalism face several core challenges in order to remain relevant. These include:

- Ensuring that the wonderful contributions of extra parliamentary and parliamentary liberals to our country’s history of liberation will never be forgotten;
- Ensuring a lively liberal presence in society broadly, and in civil society in particular (beyond the reach of narrow party politics), to remind us that there are liberals in all walks of life who presided over our transition to democracy;
- Demonstrating liberalism’s continued relevance in a society grappling with the legacy of apartheid and aiming to consolidate liberal democracy under a liberal democratic constitution – thereby striving to reconcile individualist-centred core beliefs with redistribution and egalitarian social justice. This would imply carving an entire new arena for dialogue between social democracy and liberalism in a society where most political parties are increasingly in the centre of the political spectrum. . ;
- Finding a sound intellectual bridge between the individual and the collective, and between freedom and equality, and applying it in practical terms to our complex society;

"Liberalism is not a creed of this or any century. It is a generosity of spirit, a tolerance of others, an understanding of otherness, a commitment to the rule of law, an abhorrence of authoritarianism, a love of freedom”. Alan Paton

- Grappling with liberalism’s blind spots and aiming at a strongly South African success story of multiculturalism that does not become absolute cultural liberty – thereby infringing on the rights of others – nor what Sen calls plural monocultaralism: “A nation can hardly be seen as a collection of sequestered segments, with citizens being assigned fixed places in predetermined segments.” Sen argues strongly for a transcending identity amidst diversity and for a rounded respect for the entirety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of an individual human being that will not result in the 'miniatuarisation' of human beings and their definition on the basis of a single character trait. Only when this effort is made could we begin to see whether South Africans can pry open our racial patterns of voting.

- Elevating tolerance and respect for dissent as a core societal value and virtue in and of itself; tolerance.
- Demonstrating, in a country with persistent legacies of apartheid and the ravages of poverty, hunger and disease, liberalism's clear understanding that freedom cannot exist when social needs are not met. This must be publicly proclaimed as core business of the liberal project in South Africa.

Prof Michael Freeden of Oxford points out that the progressive response to poverty in 1914 was already more searching, and, largely, provided the basic tenets of a more welfare-based role for the state:

"…poverty represented a denial both of humanity and of sociability; an assault both on individual and on community; and an undermining of the possibility of optimising human capacities and recognising the full range of human needs. New theories of citizenship and community transported the concept of poverty into a different dimension: away from the issues of material misery and insufficient spending-power and into the realm of the negation of human status, participation, self-control and opportunity."

Liberals therefore need to chart policy courses that directly address this matter. None of these are easy tasks, but they may result in the rousing reward of inculcating a value system infused with liberal ideas that are reconciled, whether perfectly or imperfectly, with the core tenets of the Freedom Charter's vision. crafted into the heart of the final South African Constitution. This could be the most important reconciliation between liberals and the Freedom Charter – a realisation that many of its aspects, though not all, were absorbed into our founding document.

More difficult is to convince those hostile to the value of liberalism's intellectual core. That is exactly why any blind spots it may have in our complex country must be rigorously confronted and engaged. The real challenge is in carving out a space for core values in a country where various 'isms' and ideologies, primarily 'nationalisms', stand centre-stage in different forms of 'broad church'-style political alliances.

On this score Alan Paton proved particularly prescient in his speech at the Liberal Party national congress in May 1960:

"We ourselves have prophesied that the excesses of Afrikaner Nationalism will provoke a strong counternationalism, and I do not think that we should ever delude ourselves into believing that this struggle at this stage could be converted into a struggle between Nationalism and Liberalism."

This tragic inheritance forms part of an incomplete transition not easily confronted. However, in this year of change, the opportunity may just be present to carve a new discourse between liberalism and social democracy that focuses on inclusion, multiculturalism and the eradication of poverty.

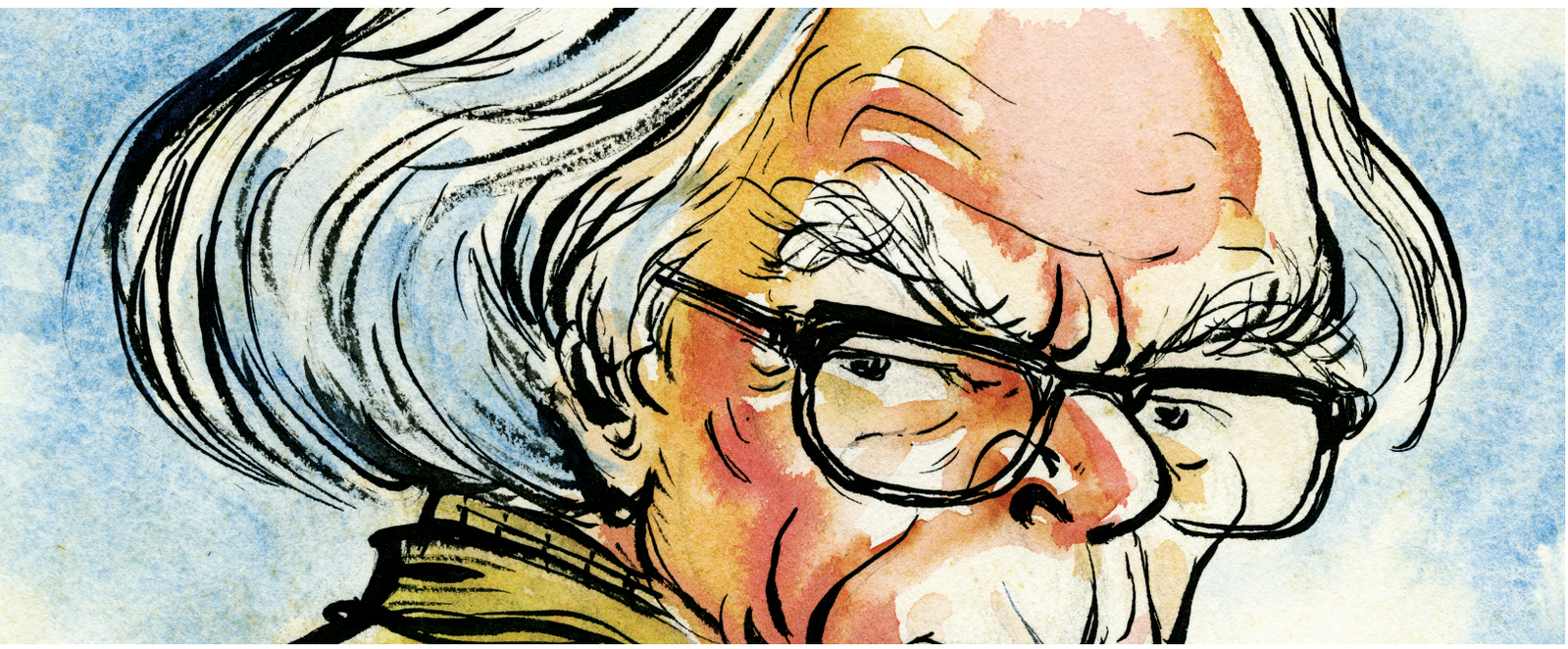
Sen argues strongly for a transcending identity amidst diversity and for a rounded respect for the entirety of an individual human being with their complex identity composites that will not result in the 'minutuarisation' of human beings and their definition on the basis of a single character trait

We need to strive to inculcate the values of the South African Constitution and carve them into the hearts and minds of entire generations of born-free South Africans.

In his remarkable book Crossing the Borders of Power, Colin Eglin states that democracy cannot be taken for granted and that 2007 will be a possible watershed year in terms of leadership.

Highlighting many of post-apartheid South Africa's achievements, he correctly points to formidable challenges that could undermine the newly forged constitutional order. He reminds us that we cannot take our constitutional liberal democracy for granted:

"There is growing skepticism about the constitutional structures owing to the failure of those operating within their framework to deliver services required by the people. There is mounting cynicism as it is noted how often individuals with political connections are being enriched,



while the poor are being left behind. The shockingly high level of violent crime ... has revealed the extent to which the entrenched values of respect for property, life and human dignity are being ignored. And the dominance of a single political party, the ANC, whose leader is head of a party, head of government and head of state, has resulted in an increasing centralisation of power and a growing intolerance of the political interaction between government and opposition essential to multi-party democracy."

Eglin further launches a strong call to create a new constituency-based system of representative governance: "The [proportional representation] system is retarding the development of a democratic culture, and there are signs of growing resentment."

There is no reason why electoral reform cannot be a top priority to ensure a new system is in place in 2009. It should be a clarion call for liberals in all parties to restore accountability through direct constituency-based elections and a consequent revisiting of floor-crossing, which equally undermines the evolution of a vibrant democratic culture that does not have naked opportunism at its core.

It is a call to all of us to secure our democratic future under our liberal democratic constitution.

To quote Frederick Van Zyl Slabbert: "The new South Africa is open enough to accommodate all kinds of liberals to help strengthen it and prevent it from becoming closed once again."

"However, 13 years into our transition the opportunity may just be present to carve a new discourse between liberalism and social democracy that focuses on inclusion, multiculturalism and the eradication of poverty".

Perhaps we can at least cultivate a more emphatic understanding of the various near-impossible choices that the repressive apartheid state forced on South Africans of all races and creeds. Perhaps we can even crack open a door to a robust exchange about our past that tries to understand, and does not simply peddle a trade in caricatures, curmudgeons and convenient logic.

President Thabo Mbeki's response to the State of the Nation debate on 15 February this year provided a fascinating indication that we could try to open a new chapter of less hostility and more effort at trust and dialogue. The President recalled his reference, in 1997, to Van Zyl Slabbert's resignation from the tri-cameral parliament and as leader of the Progressive Federal Party: "Recognising the historic importance of this decisive break with the apartheid system, by an Afrikaner, the leadership of the African National Congress (ANC)

made bold to salute Prof Slabbert as 'a new Voortrekker'."

These events are now 10 years behind us. Sadly, for many of us, such landmarks are but elements of a dim recollection of a past dwarfed by the giant heritage of today's democratic society, towards whose birth the 'new Voortrekkers' made their own, not insignificant, contribution.

To forget them is to put outside our conscious activity the task of confronting the challenge to continue interacting as South Africans, so that we evolve a national consensus about the things that will constitute the most fundamental features of the new South Africa, and thus define the path which we, as a people, must travel together.

Can there be such a thing as a national consensus on anything, except in the most vacuous sense?. Is it possible to establish a national interest to which all can adhere, regardless of partisan interests?

Or are the very concepts of national interest and national consensus nothing more than the dream of fools?

In 1986 a group of respected and engaged South African liberals held a thoughtful conference in Houw Hoek in the Western Cape. It was a period of deep introspection and reflection on the liberal tradition, organisation, and their future in South Africa.

Many of the papers presented then still ring with clarion relevance. This thoughtful collection, edited by Jeffrey Butler, Richard Elphick and David Welsh, entitled Democratic Liberalism in South Africa – Its History and Prospect, also points to a need for liberals across party lines who created our new constitutional order in the Constitutional Assembly to assemble again to review our progress, measure how far we have come, and chart a clear course for liberal values in contemporary South Africa.

Such a conference can address three specific immediate tasks:

- catalysing the social democracy–liberalism debate in a crucial period of our evolution as a nation increasingly in the centre of the political spectrum;
- crafting a credible liberal response to poverty, inequality and the legacy of apartheid that addresses affirmative action and all other redress policies directly; and
- building a clear multicultural alternative vision for society that seeks to address questions of identity directly and inclusively.

The possibility of recapturing the liberal ideal of a non-racial association and society is alive and well – this is, after all, what the struggle was about, and though they may have been divided on means, liberals and ANC stalwarts were morally fighting for the same cause, the cause of freedom.

As Alan Paton observed at the last meeting of the Liberal Party at Hambrook on 4 May 1968, in questioning why the former government had equally persecuted liberals:

"I'll tell you why. The party was small and not powerful. But it was formed to give expression to ideas that were not small, and were full of power. One of these ideas is that man is not born to go down on his belly before the State. Another is that man should live where he wishes to live, and work where he wishes to work. Another is that he should be free to move about his country, and free to take any employment for which he is fitted. Another is that if men and women of different races wish to associate together and to pursue a common purpose, it is their right as human beings to do so."

- The Alan Paton Lecture was presented by the Alan Paton Centre & Struggle Archives, University of KwaZulu-Natal, and the Liberal Democratic Association, and sponsored by the Natal Society Foundation Trust.

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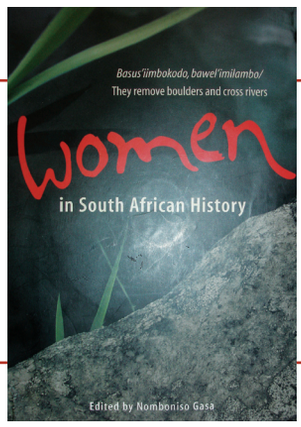


WOMEN IN SOUTH AFRICAN HISTORY
(They remove boulders and cross rivers).

By Nomboniso Gasa. (Ed) HSRCpress 2007. ISBN 978-0-7969-2174-1

FOCUS BOOK REVIEW By **Lerato Tsebe**

This book is timeously written and fits with the current political climate in the country. At a time in South Africa, where the direction and role that women will play stands in juxta-position to an emerging new political era, this book is timeously produced. The book itself is distinct, in that is provides the reader with a refreshing and new perspective for readers on South African history. The book primarily sets out to acknowledge different historical periods and locations where women have not previously been rightfully acknowledged. Essentially the book resides on the premise "Women they remove Boulders and cross Rivers". Metaphorically speaking, one could see the 'boulder' that these women are trying to remove is the marginalization of women's contribution to building a democratic state and the continued significance they and the role they continue to play.

The books begins with a thorough explanation from the editor as she mainly contests the manner in which history has been recorded. One could say that the book itself tries to promote the significance of including herstory within the annals of history. The editor states that the book's main aim is to "examine ways in which gender intersects with race/culture class and other forms of identity and location in South African history". The book primarily aims to do this by examining the role that women have played throughout different periods in South Africa. It offers the reader a plural interpretation and understanding of what has been written from a feminist perspective.

It's scope and content is wide-ranging and trans-disciplinary. It is broken into thirteen chapters and is broken into four separate parts. It covers themes such as 'Women in Pre-Colonial and Pre-Union periods', to 'Armed and mass struggles as gendered experiences' to the final section entitled the 1990's and beyond: new identities ,new victories, new struggles. Most of the chapters within the book are written by notable female academic scholars and former staunch political activists whose work is not always acknowledged within astute academic circles.

The book itself, has offered some in-depth insight in the various roles and responsibilities that women have played historically in South Africa. The book also provides deep insight into the myriad roles that women have and continue to play in South Africa today, and it contests the way in which South African history has been archived.

One such contestation lively resides in Yvette Abraham's essay entitled 'Ambiguity is my middle name'. Abraham's riveting essay contests the manner in which black women's bodies and identities have been chronicled in South African history. Abrahams research diary, speaks of her experience as well as these of many others who would strongly identify with what she has written. Her essay largely depicts the types of tribulations that she had experienced as a young coloured/African woman in this country. Abraham's story highlights the manner in which her identity has been characterized in such a manner that it dictates history in a subjective as opposed to objective way, therefore allowing certain power structures to remain in tact.

Abraham's chapter is also simultaneously a resounding praise for Sarah Baartman, as she attempts to dis-empower and deconstruct the manner in which labels, and various other constructs have been utilized to symbolize Baartman as a sexual object. Abrahams purports that Baartman's oppression is her oppression and those racial and sexual labels that have been placed upon Baartman, are hers as well. Therefore inaccurate accounts of history portraying Baartman, (e.g. images of her being sensationalized and being portrayed as exotic) continue to degrade members of that same Khoekhoe community today. The essay by Abrahams, is particularly moving in that it well correlates with the theme of the remainder of the book, in that Abrahams tries to project an anatomy of who Sarah Baartman really was, and what her life and struggle means to South African history today. In the same way, the main content of this book is well intertwined with Abraham's essay on finding identity, overcoming racial barriers and symbolically 'crossing rivers'.

This book is above all things a celebration of the accomplishments of South African women throughout this countrie's history. The diversity of the book navigates through territories that have not been previously documented with accuracy historically. Though it could be perceived as a body of feminist literature, it is a poignant and important read for all of us. The book is bountiful in substance, but furthermore highlights the work that is still needed to be done as citizens so as to be able to archive a history that is reflective of all.

Al Gore An Inconvenient Truth: The Planetary Emergency of Global Warming and What We Can Do About It

Bloomsbury 2006. ISBN 0-7475-8906-2

FOCUS BOOK REVIEW By Raenette Taljaard

Former US Vice-President Al Gore is chairman of Current TV, an independently owned cable and satellite non-fiction television network for young people, based on viewer-created content and citizen journalism. He also serves as chairman of Generation Investment Management, a UK-based firm that focuses on a new approach to sustainable investing, and is a member of the Board of Directors of Apple * Computers, Inc and a senior advisor to Google, Inc. Gore was elected to the US House of Representatives in 1976 and to the US Senate in 1984 and 1990. He was inaugurated as the 45th vice-president of the United States on 20 January 1993, and served eight years. He is the author of the 1992 bestseller Earth in the Balance: Ecology and the Human Spirit. His film documentary, An Inconvenient Truth, won an Oscar in 2007, and he has continued his environmental activism, appearing before the US Senate's Energy Committee in March 2007, and lobbying across the globe to raise awareness about climate change.

Though both this book and film of the same name were released in the United States last year, they only appeared in South African bookstores and cinemas early this year. The book is an important trailblazer in growing a global awareness of the impact of climate change, and an even more important constant trigger of consciousness about the immediacy of the challenges industry, government and individuals face.

Every policy-maker, CEO, politician and socially responsible global citizen and local villager needs to be alive to the issue of global warming and climate change. An Inconvenient Truth grips the imagination with its colourful combination of narrative and illustrations, targeted at any level of audience in an effort to expand understanding of the issues.

For the most part, the book closely tracks exactly the same subject matter as the film, and forms a print-version 'whistle-stop' tour of Gore's vivid environmental activism.

It is a stunning reproduction of arresting images of global change and of Al Gore's long personal journey, both inside and outside elected representative politics, to generate awareness and inspire behavioural shifts at an individual, organisational and country level to combat the changes already under way.

The book clearly shows Al Gore and his family's personal love of nature, and many of the pictures show the Gore family in nature. One of its most arresting aspects is the role the near loss of their son Albert played in Gore's decision to place the environment – his absolute passion – at the forefront of his public duties, despite a plethora of competing issues. He started work on his book Earth in the Balance at the time of Albert's convalescence.

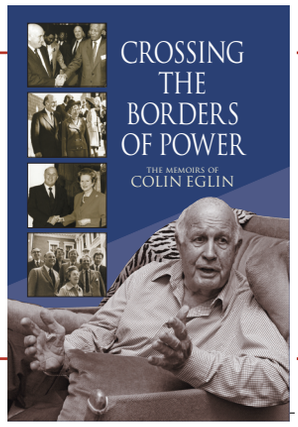
The book is packed with graphic illustrations, graphs and statistics that make an incontrovertible case for the immediacy of the challenge to manage the collision course between human civilisation and the earth. The images of hurricane Katrina are equally arresting, and generate vivid scenarios of what the earth could face if no action is taken.

It is not insignificant that it is an American that is doing his utmost to raise awareness in this fashion, given the contribution of the US to global carbon emissions and the role it inevitably must play in showing leadership in this matter, especially in the context of the upcoming G8 Summit in Germany – leadership that currently appears to be lacking. One can perhaps be forgiven for wishing that Gore could somehow be at Heiligendam during the G8 Summit to provide the leadership his country so desperately needs on a matter of global magnitude.

Indeed, as Al Gore reminds us all in the book: "We have everything we need to begin solving this crisis, with the possible exception of the will to act. But in America, our will to take action is itself a renewable resource." It is crucial that we juxtapose the non-renewable resources of nature and our environment with our theoretically renewable resource of political will. Gore's book is a powerful reminder of this distinction.

As South Africa's energy sources remain largely coal-based and energy utilities face pressures to upscale capacity. The South African government faces renewed pressures to ask long-term questions about cheap energy as a basis of the competitiveness of the South African economy. It is appropriate for all concerned parties to have on our bookshelves a silent reminder of the scale of the challenge of addressing the biggest inconvenient truth of our lifetime.

A recent executive seminar at the Prince of Wales Cambridge Programme for Industry and the Environment, which brought together various South African leaders from all walks of life, clearly demonstrated that Gore's words are not lost on South Africa's political and corporate leaders. As we turn each page of this arresting set of images, An Inconvenient Truth will remind us all to turn policy utterances into urgent action.



Colin Eglin Crossing the Borders of Power: The Memoirs of Colin Eglin

Jonathan Ball Publishers 2007. ISBN 978-1-86842-253-1

FOCUS BOOK REVIEW By **Raenette Taljaard**

One of South Africa's longest-serving MPs, Colin Eglin remains in retirement one of the country's most highly-regarded liberal minds. He served in parliament under seven prime ministers and presidents, and five constitutions. For his role in the 1996 constitutional negotiations, former State President Nelson Mandela described him as 'one of the architects of our democracy'.

It is with a great sense of humility and awe that I review Crossing the Borders of Power. When I was elected to parliament in 1999, Colin Eglin was the oldest and longest-serving member of parliament; I was but a newcomer, about to be sworn in as the Assembly's youngest member.

Crossing the Borders of Power is a book that makes a memorable impact. It departs from the normally expected, somewhat detached narrative of political biography, which seeks mostly to make way for the grand sweep of history, without sensitivity or sensibility to the humans that inhabit that historical sweep.

Eglin's memoirs are exceptionally readable and enjoyable, as they tightly knit together the grand sweep and the daily human reality, the epoch-making political moments and the poignant personal memories that formed the backdrop to his contributions as a public figure in a time of significant upheaval and constant flux.

This is a biography filled with colorful characters, unforgettable anecdotes, and moments of deep reflection about past events that continue to have resonance in contemporary politics. The deep friendships that stand centre-stage in Eglin's memoirs, among them those with Harry Oppenheimer and Helen Suzman, are a tribute to the liberal values that grounded and enriched their long journey in pursuance of their common belief system – a belief system realised in the country's final constitution, for which they all fought.

There are numerous moments in this biography that stand out as vivid and unforgettable –Eglin's recollections of his deployment in Italy during the Second World War and the realisation of a young man of the gravitas of war and the immediacy of death; the anxious moments of reflection and conflict when quite a number of liberals were elected as United Party candidates, but the Liberal Party was formed despite this; and the period of leadership, and his return to leadership in the aftermath of the sudden departure of Progressive leader Dr van Zyl Slabbert to pursue a different path outside of parliament – these are but some of the long list of fascinating points of narrative that the reader simply cannot put down.

One clear hallmark characterises Colin Eglin as politician and leader throughout his long career – a crystal clear ability to compare and contrast the short or medium-term tactical steps and the longer-term strategic objectives, and the tensions that often exist between these. Not only did he have to confront this as leader himself during his tenure, but he had constantly to act as the gentle reminder of this trade-off to numerous leaders who came after him, and whom he served loyally as a soldier for the struggle for liberal values in South Africa. This tension was most evident during the period of the Democratic Party's, and then the Democratic Alliance's, most dramatic numerical growth, from 1999 – to 2004.

Eglin's reflections on more recent events are of particular importance, as his concerns at the quality of political debate, the strength and longevity of constitutional institutions, and the serious shortcomings of the proportional-representation electoral system ring a clarion call for those who treasure their hard-won democracy to take heed of the risks to its core health.

The book is an indispensable reference work that is simultaneously an enjoyable read. It offers a window on to our past that makes it clearly evident that options existed for white South Africans to back a progressive cause, a window on to the dramatic changes that altered the political landscape of our country so dramatically, and a window on to the challenges we face going forward as a nation. These are the words of one of our country's most precious 'elders', though I can see him wince at that word, and they must be treasured and pondered for generations to come.