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Southern African Regionalism: Prospects for the Success of the Southern African Development Community (SADC)

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The African sub-continent continues to receive much attention from the international community as it strives towards economic development and integration. With the changing global economy, encouraged by the rapidly evolving process of globalisation, Southern African countries feel compelled to promote regional economic development within the Southern African Development Community (SADC) in order to achieve global competitiveness.

The question that confronts many interested in the field of African regionalism, and forms the essence of this paper, is whether SADC could achieve its economic integration objective. In short will SADC succeed?

It is imperative to begin by looking at the causes of failures of past regional integration arrangements in Africa, for SADC can learn much out of these failures.

One would argue the lack of the success of these arrangements was as a result of the following:

- A lack of effective leadership in Africa undermines the ability to formulate strategies and policies that suits the African situation.
- Continuing political instability makes the implementation of consistent and effective economic and foreign policy very difficult.
- Unwillingness to sacrifice national sovereignty seriously hampers integration progress.

- The dependence on donor aid to finance programmes places regional organisations at the mercy of donors and therefore renders them unable to determine their own programmes and thus undermines regional initiatives.
- A lack of human rights culture and democratic practices in many parts of Africa are a cause for concern for any regional project.

In the Southern African region, four primary regional groupings exist: the Common Market for Eastern and Southern Africa (COMESA), the Common Monetary Area (CMA), Southern African Customs Union (SACU) and SADC.

Following the dramatic transition to democracy in South Africa, the country joined SADC in 1994. At the time SADC itself was undergoing profound changes as the Southern African Development Co-ordination Conference (SADCC), which was formed as a result of the Lusaka Summit held in Zambia, in 1980, was being restructured to become SADC. The Conference had a rather distinctive past: it was formed out of the need for regional co-operation in response to the hostility of South Africa in order to reduce dependency on the South African economy. However, South Africa's relatively industrialised economy made it difficult for its neighbours to isolate themselves from her economy. The Conference was not entirely successful then and the end of apartheid and the continuing socio-economic problems of the region left the Conference to look for a new role for this

new situation. Out of this, SADC was born with two principal aims: regional development and trade integration.

Decades of civil wars have destroyed the region's infrastructure, resulting in an urgent need for rebuilding and development in order to achieve economic progress. Some development initiatives in the region have taken off, particularly in the areas of transport, water and hydro-power energy. The Maputo corridor, for example, linking South Africa's Mpumalanga province and Mozambique, will reduce costs and distance between the two countries, and thus stimulate development. The Lesotho Highlands Water Scheme is another initiative, which will provide a new water source for both Lesotho and South Africa. Other corridors are being constructed to facilitate trade across the Kalahari in Namibia, and from Zambia to the Indian Ocean at Nacala, Mozambique.

The SADC countries believed that the signing of the free trade protocol would facilitate accessibility to each other's markets by removing all economic barriers. The Protocol, signed in Maseru, Lesotho, in August 1996 envisages the establishment of a free trade area (FTA) by the year 2004, phasing down tariff barriers and the emergence of a new multilateral trading relationship, with the ultimate objective of creating an integrated market in the region.¹ The argument by some that the protocol is too vague cannot be disputed however, and more effort is still needed in the negotiations of the details of the trade regulations.

In view of this, South Africa prefers only multilateral regional agreements to be negotiated in the future, but bilateral deals may still be permitted. While the protocol envisages a FTA within eight years, in the meantime South Africa could be convinced to re-negotiate and extend existing arrangements with individual fellow member states. For example, Malawi, Tanzania and Zambia, not enjoying favoured trade status through SACU, have shown interest in bilateral links with South Africa. Pretoria is ambivalent about negotiating new bilateral trade agreements, perhaps preferring to leave trade relations to operate within the framework of SADC. For example, instead of granting Zambia a preferential trade agreement (PTA), South Africa proposed that Zambia's request be amended to fit the wider SACU framework.

On the other hand, now that SADC membership has been awarded to the Seychelles and the Democratic Republic of Congo (DROC) it will be interesting to see what happens to the 2004 target. Will the new members be given their own specific

time-frame or will the two countries also have to deliver by 2004?

From other emerging regional markets we can learn that particular features appear to strengthen regional ties. From MERCOSUR (the Common Market of the South), comprising Brazil, Argentina, Paraguay and Uruguay, we can learn the following:

- A high level of political will and commitment of each of the countries has contributed significantly to the success of Mercosur.
- Democracy and trade liberalisation are crucial for any integration effort.
- Its focus on the modest internal goals and progress before considering expansion to new members has without doubt led to integration achievement.

However, while many lessons could be drawn from Mercosur, one also has to be aware of significant differences.

SADC still lags behind MERCOSUR because of:

- low level of industrialisation;
- low level of trade in value-added products, both within the internal market and on the global market;
- small economies; and
- the limited extent of diversity of production structure among member states

As with Brazil's position in Mercosur, South Africa's position in the SADC region raises the problematics of regional hegemony.

It has become obvious that South Africa's participation in SADC and the region has moved from being motivated by a sense of moral obligation to its neighbours within the Front-Line states for the solidarity given to its liberation movements during the apartheid era, to an awareness that it is in its own interests to help its neighbours. South Africa realises that it cannot be an island of prosperity in a sea of poverty. However, its SADC neighbours remain wary of Pretoria's dominating role in the organisation.

When South Africa joined SADC in 1994, there were concerns from its neighbours that its policies would dominate the region, given its powerful role previously as destabiliser and its ongoing status of dominant economy. Nonetheless, Pretoria

committed itself to Southern Africa, arguing that the new government's foreign policy priorities lie in Southern Africa, and that it was joining SADC as a partner on the principle of equity, balance and mutual benefit, as agreed during membership negotiations of organisation.²

There has always been strong economic interdependence between South Africa and its neighbours. Deep economic ties between both sides have been essential. Whether as recipients or providers of migrant labour, transport services, trade,³ health and telecommunications, close relations between the region's states have been considered necessary for economic survival. Why the scepticism then?

Several reasons for this development may exist:

- (a) South Africa will benefit from trade relations as Southern Africa's markets are largely unexplored. Currently a trade imbalance in its favour exists, which needs to be addressed.
- (b) South Africa could drive regional development with its relatively large economy and provide a springboard into Africa for foreign investment.

However, SADC members could be worried about the dominant role South Africa is playing and fear South Africa's involvement in crisis resolution further north in the continent. This scepticism about South Africa's role is also reflected in the ongoing SA-EU negotiations surrounding an FTA. SADC seems to feel that South Africa is rushing ahead without considering its (the region's) needs.

The question that arises therefore, is whether South Africa should disregard the fears of the SADC states and play the role desired by the west. Many people feel that South Africa is not just another member of SADC and should expand its position however it can. It could be an 'engine of growth', exerting influence in the destiny of the entire region.⁴ Therefore, as Bongi Kunene argues, it cannot be limited to the role of a partner.⁵ South Africa, it is argued, should give some leadership in the region for the process of regionalisation to succeed. Both South Africa and its neighbours would benefit from the exercise of this leadership in the integration process.

Conclusion

Although there seems to be no consensus as yet on whether the problem of the multiplicity of regional

arrangements in Southern Africa would be tackled in the future, there is agreement on the need for a regional arrangement to promote economic development.

A factor which may help the various regional organisations in Southern Africa to co-exist and work effectively for the whole region is the involvement of the private sector, NGOs and civil society in their programmes of action. African leaders are today not alone in determining the economic agenda for SADC. This emphasises a shift away from the state as a major economic actor to a co-ordinating partner.

It is to be hoped that the failures of previous African schemes will assist SADC to avoid making the same mistakes. The success of SADC will not only benefit the countries of sub-continent, but would also give other regional schemes a workable model. Much therefore, rests on the spirit of co-operation of the people of Southern Africa and restoring democratic rule in the region.

Africans need to find a way to overcome their political differences. With dwindling foreign aid assistance to the continent from foreign donors, Africa cannot afford to allow present conditions to continue. Perhaps one could argue that responsibility in this regard rests upon the SADC Organ for Politics, Defense and Security created to oversee good government, regional democracy, peace and security, chaired by President Mugabe of Zimbabwe.

Although the region has recently enjoyed some form of political stability, more still needs to be accomplished in terms of good governance and human rights to ensure that sustainable political and economic transformations can take place.

Bearing all these lessons in mind, I would argue that, while considerable difficulties remain, and the jury is still out on whether SADC will be successful or not, the prospects for the Southern African Development Community to succeed are hopeful.

Endnotes

1. 'SADC holds Indaba on a Thorny Issue', *The Star*, August 22, 1996
2. Mvungi SEA, *Constitutional Questions in the Regional Integration Process: The Case of the Southern African Development Community with Reference to the European Union*. Friedrich Naumann Foundation, 1994, p.144.

3. Mutschler C, *South & Southern Africa: Lessons from Emerging Markets*. Johannesburg, SAIIA, 1997, p:3.
4. Mills G, *South Africa in the Global Economy*. Johannesburg, SAIIA, 1995, p.321.
5. A speech delivered by Bongi Kunene at a national workshop on the Review and Rationalisation of the SADC Programme of Action, Pretoria, 24 July 1997.

STATEMENT OF PURPOSE

The South African Institute of International Affairs is an independent organisation which aims to promote a wider and more informed understanding of international issues among South Africans.

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