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Perspectives of Regional Cooperation in Southern Africa

A European View

Since the collapse of communism in the East, Western Europe and North America are deeply involved in most costly attempts to support the reconstruction of our Eastern neighbours. There are common Western and specifically German interests. Among the former ones there is the economic, infra-structural and ecological rehabilitation of Eastern Europe and the former Soviet republics; there is the issue of the safety of the often technologically backward nuclear power-stations in the East etc... And there are extra costs covered by Germany only: the socio-economic reconstruction of the Eastern part of our country. The resettlement of some 400 000 Soviet soldiers, stationed in East Germany, and their families in the Russian Federation and other CIS-Republics and finally our support for those 2,5 million ethnic Germans who since their deportation by the Stalin-regime into scattered communities in Siberia and former Soviet Central Asia and Kazachstan are struggling against losing their German identity.

Furthermore on the German side - as on the African one! - there is disillusionment on what was achieved in the some 35 years of cooperation in the field of development. The rivalry between the two German states all over the world, and often particularly in subsaharan Africa, made the governments in Bonn and East Berlin be more active than the government of

an undivided Germany would have been in the past and will be in the future. Other than France, the United Kingdom, Belgium and Portugal Germany does not have particular interests in Africa; like German colonisers German businessmen went East, not South.

In spite of these and other odds the German minister of Development Cooperation, Carl Dieter Spranger, in a speech in the end of 1991 entitled "The Perspectives of German Development Aid for Africa after the Reunification of Germany" made it clear that Africa will remain one of united Germany's top partners in the Third World. Some 40 % of German bilateral aid goes to Africa and Germany is a very important contributor to the EC's development fund and the World Bank's African programmes. Besides asking a number of African countries to further liberalise their economic systems and to democratise their political orders, the minister insisted on the importance of intra-state cooperation. Regional cooperation he said was a *conditio sine qua non* of socio-economic progress in Africa. Apparently he - like many other Germans closely following African developments - thinks it possible that the project of an All African Economic and Monetary Union as signed by the African Heads of State at the OAU-meeting in Abuja in mid-1991, is too ambitious to have a chance of realisation as early as 2025. But Spranger, explicitly came out in favour of sober and thus more realistic approaches of regional cooperation. He and a number of other officials of reunited Germany since then have reiterated this point again and again: only by successful regional cooperation and integration can black Africa avoid to be completely marginalised. Similar support was also voiced by a representative of the EC Commission at a conference organised by the Friedrich Ebert

Foundation.¹ He was able to take up a paper the commission had presented in Kampala in May 1992² and in which it expressed its willingness to coordinate considerations of an action programme designed to promote regional cooperation in sub-Saharan Africa. The EC Commission emphasised that Africa could only meet the challenges of the 1990s if a close regional cooperation and integration of its states at long last became reality. After all, the aggregate gross national product of all the countries of Black Africa is still not greater than that of Belgium. Many of the over 50 African states hardly possess a capacity for development in their present frontiers; their economic significance is often hardly as important as that of a medium-sized town in Western Europe.

It is along those lines that the Deutsche Bundestag, the federal parliament, early in 1992 after a remarkably uncontroversial debate adopted a resolution entitled "A contribution to Peace and Development in Southern Africa through Regional Cooperation". In it the German government is asked to concentrate - within the EC frame - its foreign, economic and development policies on a further promotion of regional integration in Africa and particularly in the changing Southern Africa. In the southern sub-continent especially such projects are to be promoted that cross national frontiers; examples for this approach will be found in the fields of technical cooperation, the protection of the environment (Okavango), of transportation, energy, husbandry and structural adjustment.

¹ On this aspect, the as yet unpublished and very informative speech by Hans Carle (EC Commission) "Was kann und soll Europa leisten? Was erwartet Europa von Afrika?", presented at Friedrich Ebert Foundation conference on the subject "Democratisation in Africa - An New Start?" in Bonn, June 1992.

² Promoting Regional Cooperation and Intergration in Sub-Saharan Africa, Second Advisory Committee Meeting of the Global Coalition for Africa, Kampala, May 1992 (unpublished).

Whenever decisions are to be taken, it shall always be borne in mind that German policies shall contribute to the founding of a "Common Market Southern Africa". The Deutsche Bundestag holds the view that South Africa's abandoning apartheid and her turning into a democratic society will enable the formation of balanced and stable regional structures based on the principles of political pluralism and market economy. Finally the Bundestag states - to notice this point is an absolute must for every African leader interested in African-German cooperation! - that in times of worldwide scarce resources development aid must efficiently be invested.

It is much to be hoped that Germany's partners in Africa take the initiative "A Contribution to Peace and Development by Regional Cooperation in Southern Africa" most seriously. If it fails, the afropessimism - which is not rare in Germany these days - will gain further ground. As was stated before in face of the enormous challenges in the East of Germany, in Eastern and Southeastern Europe and in the CIS-Republics a new failure in Africa would definitely strengthen those forces in Germany - and in Brussels with the EC - that propagate a policy of cooperation with the East at the expense of Africa.

Being a citizen of a member country of the European Community and speaking to a partially African audience, I of course - in the back of mind - think of two communities that have had a very different fate: the East African Community (EAC) and the European Community (EC).

East Africans in the early sixties had something close to a political union, something we in Europe hope to achieve as a result of the member states of the European Community's (EC) signing the "Treaty on European Union" in Maastricht/Netherlands in December 1991. All over the Third World, particularly of course in postcolonial Africa, the structures of the EAC were carefully studied and in many of its universities and go-

vernments scholars, civil servants and politicians asked the question, whether the EAC with its successes and challenges could not serve as a model for their own attempts to achieve regional integration in their respective parts of the world. In Africa at the time people had many reasons to believe that they would succeed in their efforts of regional cooperation. African governments apparently had so much more in common than for instance those of Western and Eastern Europe: the overcoming of foreign domination and the realisation that only the spirit of Pan-Africanism would enable them to resist neocolonialist forces and threats to their newly won independence.

We did not have and we still do not have, what started in East Africa in 1917/27: No controls at the borders, a common fiscal policy, a common currency, one railway system, one harbour-administration, one airline and all the other elements of the East African Common Services Organisations. Maybe the greatest achievement was the common East African University, the departments of which were spread over the three capitals. So, departmentwise, the future elites of the three countries, were educated together! Is there a realistic hope that Europeans in the western part of their continent in my lifetime would achieve a similar level of cooperation?

However, things in East Africa developed very differently, in June 1977 Charles Njonjo, then Kenya's Attorney General, announced the EAC's final dissolution.

What was the main reason of this historic setback? Undoubtedly a lack of East Africanism among the elites of the three countries. In the second half of the sixties it had become clear that Jomo Kenyatta's Kenya and Julius K. Nyerere's Tanzania had chosen totally different, incompatible roads of development. Kenya had chosen the road of a politically relatively liberal order and, to quote a British satirist the name of whom I forgot, a "Marxless brand of socialism", i.e. a mar-

ket economy. Tanzania on the other side had opted for a specifically African order of a de lege one party state and ujamaa socialism. President Milton A. Obote, being philosophically much closer to Nyerere than to Kenyatta, endeavoured to take over key elements of the Mwalimu's thinking and failed. That is to say that before Obote's government was toppled by General Amin in the early seventies, the chances of the planned East African Federation had gone. And the economic cleavages between Kenya on one side and her two partners on the other deepened. During the days of colonialism the settlers' colony of Kenya had reached a higher level of economic development than the protectorate of Uganda and the League of Nations and after 1945 UN-mandate of Tanganyika. The massive flow of development funds from Scandinavian, West German, other Western and Chinese sources could not hinder Tanzania's further economic decline. The ideological differences between Kenya and Tanzania even more than the political differences between Tanzania and Uganda in the seventies had made the EAC's dissolution inevitable!

In Europe, however - despite quite a number of setbacks and crises - regional cooperation proved a success. That became particularly clear after the collapse of the communist regimes in Eastern Europe and the former USSR in 1989/91. Recently even President Nursultan Nasarbajew of Kazakhstan expressed an interest in his nation's joining the EC. Alma Ata will hardly ever get a chance but quite a number of those European nations that today knock at the EC-doors in Brussels could be successful with their applications. Apparently the EC-Commission differentiates between four groups. The EFTA members Sweden, Austria, Norway and Finland might join in about 1995; their signing a treaty with the EC on the establishment of the "European Economic Space" in 1992 will then, as was generally expected from the very beginning, only be a

temporary solution. The success of the EC (that 35 years ago started with only six members) seems to leave the EFTA countries with no other option but to apply for EC membership. As the Czech Republic and Hungary seem to have a better chance than the other former CMEA-countries to overcome the often disastrous heritage of their communist past, they are expected to be allowed into the EC by the turn of the century. Together with Poland and Slovakia, these two countries have - as a first step of their EC rapprochement - signed treaties of association. Later than the Czech Republic and Hungary, Lithuania, Latvia, Estonia, Poland, Slovakia, Ukraine, Roumania, Bulgaria, Albania and former Yougoslavian republics might successfully apply for EC-membership. Turkey, Cyprus, Malta and Iceland for different reasons have only remote chance of being admitted in a foreseeable future.

African officials have often made the point of looking at the EC as a model of cooperation and integration of their own countries. In the early 80s the officials of some 20 countries in Eastern and Southern Africa decided - of course this must also be seen against South Africa's policy of increasingly destabilising her neighbours - to institutionalise their cooperation. In 1980 - to a considerable degree at the instigation and with the help of the EC Commissioner Claude Cheysson, who was then responsible for "Lomé" - the Southern African frontline states founded the Gaborone-based Southern African Development Coordination Conference (SADCC). It was later joined by Lesotho, Swaziland, Malawi, Zimbabwe and Namibia. About a year later these countries - with the exception of Botswana - and 10 other countries of Eastern Africa set up the Preferential Trade Area for Eastern and Southern Africa (PTA) in Lusaka/Zambia. Like corresponding groupings in Western Africa (Economic Community of West African States/ECOWAS) and the Economic Community of Central African States (ECCAS), the

PTA - its foundation was initiated by the UN Economic Commission for Africa and the Organisation for African Unity - is hoped to be an interim step towards the establishment of an All-African Economic and Monetary Union by the year 2025. As is well known in mid-1991, an OAU summit conference held in Abuja/Nigeria has changed its original plan - the Lagos Plan of Action - insofar as to achieve this objective not as early as in 2000 but only 25 years later.

SADCC's approach to cooperation was not the classical one: It was not a free trade area, it was not a customs union, it was not an economic community. It was an attempt to practice close and coordinated cooperation in areas of mutual interests on a most flexible and most pragmatic basis. Cooperation was limited to the feasible. SADCC's main objectives, as laid down in SADCC's Lusaka Declaration of 1980, were:

- to reduce the members' dependence on South Africa and other foreign powers (SA's GNP being approximately three times as high as that of all SADCC-nations together, but SADCC having about twice the population of the subcontinent's powerhouse);
- the forging of links to create a genuine and equitable regional integration;
- the mobilization of resources to promote the implementation of national, inter-state and regional policies;
- concerted action to secure international cooperation within the framework of the strategy for economic liberation.

It is very much to be doubted that SADCC, in its early days an alliance of countries of very different ideological orientation, despite the existence of a common enemy, namely Apartheid-South Africa, would have survived if it had had a more ambitious agenda. In some 12 years of its existence SADCC's main achievement is the obvious improvement of the intrastate infra-structural net. But there is also main weakness: in its work

SADCC hardly managed to mobilise local funds and therefore very much depended on foreign, mainly Western aid. And for three reasons Western donors in the last three years or so have shown less of an interest in cooperating with SADCC. All countries of the West are going through a deep recession. Many of their scarce resources are needed for projects to the east of the German-Polish border. Finally there is wide spread hope in the West that South Africans will be able to settle their conflicts and that thus the Cape Republic and her neighbours could normalise their relations. In other words: Western donors see no more a necessity to lessen the SADCC-countries dependence on the Republic's infrastructure.

Maybe this change in Western attitudes played a role when in August 1992 the representatives of the SADCC-governments in Windhoek decided to transform it into the Southern African Development Community (SADC). The emphasis of SADCC was on development coordination, the emphasis of SADC is on development integration. To quote from SADCC's last annual report "Integration calls for greater policy dialogue and consultation among member states, so as to achieve synergy between national and regional policies, plans and priority programmes". SADC's three specific goals are:

- Deeper economic cooperation and integration on the basis of balance, equity and mutual benefit, providing for cross-border investment and trade, and free movement of factors of production, goods and services across national boundaries;
- Common economic, political and social values and systems, enhancing enterprise competitiveness, democracy and good governance, respect for the rule of law and the guarantee of human rights, popular participation and alleviation of poverty;

- Strengthened regional solidarity, peace and security, in order for the people of the region to live and work in harmony.

Analysing the structures of SADC - and the same is true for those of the PTA that, by the way, shall now develop into the "Common Market for Eastern and Southern Africa"/ COMESA) - it is, from a European point of view, remarkable that both treaties do not provide so-called common policies. On the other side in the Treaty of Rome the EC-members have transferred part of their sovereignty to community organs. Since the late fifties it is in Brussels and no more in the national capitals that Europe's agricultural, foreign trade and regional policies are formulated. With the ratification of the Treaty of Maastricht - signed in late 1991 - this transfer of sovereignty from the national authorities to a supranational one will be strengthened: There will be the beginnings of a common social and environmental policy. There will also be closer cooperation in the fields of internal policies including the establishment of Europol. In future there will also be an embryonic common industrial policy. And of course there is the possibility that by the end of this century there will be a common monetary policy. On the other side - contrary to what some of the European optimists hoped for - there will not really be a common foreign and security policy. It cannot be stressed enough how relevant the existence of those common policies is for the success of the EC.

The new SADC does compete with the PTA/COMESA. For its ambitious programme is often more or less identical with that of PTA/COMESA. How will the two organisations coexist besides each other? Will they be able to harmonise their respective work so that duplication will be avoided? Is it for instance conceivable that SADC inside PTA will play a role comparable to that of the Benelux-countries or today's German-French cooperation inside the European Community?

The treaties establishing SADC and PTA - like those founding ECOWAS and ECCAS - provide for an increasing liberalisation of intracommunity trade and the establishment of common external tariffs. In this context it is to be remarked that the trade within all these communities has always been below ten and often below five per cent and is much lower than it has ever been in Western Europe. The EC-countries in general are each others most important trading partners. Starting from quite a high level of intra-community trade the EC since 1957 has become the most important trading partner for most of its members, the exceptions being Denmark and Ireland. Other than Europe's national economies the African ones very often are not complimentary but competitive! What can trade be like if there are only relatively few tradable goods? And what is a free trade area good for, if there is only very little trade? Africa's important trading partners are mostly in Europe and, unfortunately, not in Africa!

But when analysing the African experiences it must not be overlooked that within ECOWAS there is the Communauté Economique de l'Afrique Occidentale (CEAO) of seven French-speaking West African States. And within ECCAS there continues to exist the much older Union Douanière et Economique de l'Afrique Centrale (UDEAC) of five former French colonies. Both the CEAO and UDEAC in the last decades have developed relatively positively. Among them there has always been - stemming from a common colonial past - quite some trade and other forms of cooperation. And other than in English-speaking East Africa this heritage from colonialism has not been wasted. To mention only the probably most important example: all the members of CEAO and UDEAC retained their common currency, the Franc CFA. What an asset in intrastate trade, to have a common - and if not a common, at least convertible currencies. It is to be hoped that PTA's Harare -

based Clearing House will really help to overcome the fact that none of the SADCC/PTA-currencies is convertible.

The collapse of scientific socialism in the Eastern part of Central Europe and later even in the USSR led - as is well known - to fundamental changes in Southern Africa as well: Namibia became independent, Angola and Mozambique gave up their systems of centrally planned economies and their one party orders. Zambia - but this could have happened without the change in the East as well - turned into a multi-party-system and adopted a market economy. Finally South Africa's key actors and less important groupings in December 1991 started to negotiate a new constitution and a new socio-economic order for their country. In East Africa, particularly in Ethiopia and Tanzania, fundamental changes took place as well. In general it can be stated that in most SADCC/PTA-countries a movement towards structural homogeneity has begun in the fields of political pluralism and market economy, probably - as was shown by the EAC's failure - a *conditio sine qua non* for successful cooperation and integration.

On the other hand both SADC and even more so PTA include members that go through an existential crisis: Angola, Sudan, Somalia and Ethiopia - as a consequence of civil war - are threatened with desintegration. Others, namely Tanzania, Zambia and Uganda, sometimes create the impression of being bankrupt. None of these countries will be a fully fledged member of SADC or PTA before it will have solved those most basic problems. African leaders who want to make these alliances a success will have to be very patient.

In a last chapter the relationship between SADC and the PTA on one side and the Post-Apartheid South Africa on the other will be briefly mentioned. As stated before South Africa's GNP is three times that of all the SADCC-members together. It is only too obvious that South Africa cannot just be taken

into the communities as Namibia was in 1990. Otherwise economically SADC and PTA would join the Republic and not vice versa. It is quite well known Nigeria's membership in ECOWAS and reunited Germany's belonging to the EC - because of their economic strength - is sometimes quite problematic for their respective partners. The last time Germans learnt about this was on the eve of Germany's reunification in October 1990. Of course German officials realised this attitude and were prepared to make concessions. The most important one seems to have been to accept the creation of an EC monetary union, which will replace the Deutsche Mark, a key element of Germany's economic strength, by the end of this century.

If we take it for granted - but I do have my doubts whether this view can actually be held - that the Cape Republic's highly developed economy will survive the end of Apartheid, South Africa's unqualified membership would have disastrous consequences for the economy of the better developed among the SADC/PTA-countries, i.e. Mauritius, Kenya and Zimbabwe. This is of course seen by African leaders. South African products would simply flood the other countries' markets. It is to be doubted that as for instance within the EC or the CEAO this disadvantages could be partially met by a compensation-scheme. Huge sums would be needed. And a Post Apartheid South Africa being confronted with the enormous tasks of reconstruction - take only the challenge the existence of a lost generation of some 4 to 7 million youngsters will pose to any new government - will not even be able to spend much smaller sums. Why is South Africa apparently quite eager to join SADC and PTA? Because of the markets in a number of economically weak countries, which in many cases will hardly be able to pay? A more important factor might be the following: Because of the strength of its exports the EC will not allow the new

South Africa to join Lomé. Thus South Africa will not directly benefit from the trade advantages and the development cooperation offered by the EC to all the other sub-Saharan states. But South Africa will try to at least in directly benefit from Lomé. All the Republic's neighbours are signatories to the Lomé Convention and Pretoria hopes to profit from this by seeking the closest possible alliance with them.

For the reasons given before it seems to be more probable that South Africa - not being taken into SADC and PTA - will continue to mainly work with its traditional partners in the Southern African Customs Union namely Lesotho, Swaziland, Botswana and Namibia. All of them might as well continue their close cooperation within the Multilateral Monetary Agreement. Besides this institutionalised cooperation there will be a most intensive bilateral cooperation between individual SADC- and PTA-countries and the new South Africa that will help the whole region to develop.