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Trust is key to UN reform

Nhamo Samasuwo

THE Four Nations Initiative on UN Management and Governance Reform (4NI) was conceived towards the end of 2005 by four UN member states: Chile, SA, Sweden and Thailand. By providing their perspective on the issues at hand, the 4NI countries are seeking to enhance efforts by the UN Secretariat and other member states to reform the UN system.

Since most of the issues on the currently stalled reform agenda have emerged from Secretariat reports that many believe to be self-serving, the 4NI hopes to produce recommendations for reform by member states themselves. The initiative was inspired by the experiences of a previous member state initiative, the Nordic UN project, which presented its final report in 1991 and became a starting point for successful reforms of the management and governance of UN funds and programmes implemented from the early 1990s onwards.

Governance and management

The 4NI focuses on the governance and management of the UN secretariat, and the relationship between these two concepts and practices. The rationale for this is that better governance improves management, and that governance is the responsibility of member states. The initiators of this project have also taken cognisance of the fact that management is the responsibility of the secretary-general and his staff. Hence, rather than focus on the overall challenges facing the UN system, the 4NI seeks to pay greater attention to how the secretariat is governed and managed, as seen from a member state perspective. However, the idea is to contribute reform proposals that will complement the current reform agenda decided on by member states as set out in the the document entitled *2005 World Summit Outcome* and thereafter carried out by the secretariat under the former secretary-general, Kofi Annan.

The *2005 World Summit Outcome* clearly identified a number of reform areas, including a call on the secretary-general to submit proposals for management reform in the first quarter of 2006. Consequently, on 7 March 2006, the secretary-general presented his report, *Investing in the United Nations*, to the general assembly. While this report was less specific on issues of governance and finance, the 4NI steering committee felt that the report should be warmly welcomed as it demonstrated the extent of some of the challenges surrounding the secretariat, and the degree to which a negative management culture had become ingrained in the UN system as a whole. For example, the report clearly showed that relations between the secretariat and member states are characterised by deep mistrust and cumbersome and time-consuming procedures, which represent serious obstacles to the UN's ability to deliver on its mandate.

More importantly, the report stated very clearly that all reform efforts required active and not just reactive participation by the member states. It therefore invited member states to provide their own perspectives on UN reform, and the 4NI is a response to this call. Encouragingly, right from the start, this initiative managed to secure the close collaboration of the secretariat not only during the last part of Annan's term in office, but also under his successor, Ban Ki-moon.

Although the 4NI is led by four countries from different regions of the world, it is far from being an exclusive club. It has already started a broad and transparent process of consultations with all interested member states, experts and other parties as well as with UN Secretariat staff. The four countries involved see themselves as initiators of a project or arena for further discussion and dialogue that will hopefully contribute to new thinking about the introduction of a new governance and management compact on UN reform. They also hope that other member states will buy into these new ideas or options. Although the 4NI is expected to come up with recommendations by September 2007, its initiators agreed from the outset that its findings would not necessarily bind any government.

Three studies

After being launched in early 2006, the 4NI divided its work into two main phases. The first phase involved the commissioning of three studies focusing on the following areas: mandate and roles; governance, accountability and transparency; and budget and finance. During the second phase, the findings of these commissioned studies were analysed and narrowed down into

a shortened consultation document, *Building Trust for Improved Governance and Management: Towards a Compact*, which emphasises the need for:

- building trust as a prerequisite for broad-based agreement on reform;
- improved governance and management involving a fundamental division of responsibilities;
- greater accountability and transparency as tools for building trust;
- decision-making, overview and evaluation involving all the major interfaces between governors (member states) and managers (secretariat); and
- establishing arenas for informal and transparent contact between member states and the secretariat.

Since its publication in January 2007, *Building Trust for Improved Governance and Management* has been widely circulated as part of a broad consultation process involving not only the secretariat but also various groupings of the UN such

Better governance improves management, and governance is the responsibility of member states



An anti-UN protest in Lahore, Pakistan ... according to the 4NI, the UN should become far more accountable and responsive to member states. AP Photo/K M Chaudary

as the Group of 77 and China as well as the EU and US. A number of meetings and seminars involving the representatives of the new secretary-general, Ban Ki-moon, his deputy, Dr Asha Migiyo, the president of the UN general assembly and, more importantly, the current chair of the G77 and China, Ambassador Munir Akram, have also been held to discuss the issues outlined in the document.

Divergent views

The initiative has been widely welcomed by UN members, and even by the secretariat itself. The chair of the G77 and China has closely followed the activities of the 4NI since its launch, and the G77 accepted an offer of a separate briefing on the 4NI. As there is some pessimism among member countries in general, this is an encouraging sign. However, given the widely divergent views of the various groupings within the UN, there is still need for caution about the degree to which the 4NI and its proposals will be accepted and supported.

In the light of the above, the 4NI may find it difficult to come up with recommendations that appeal to all member states. From the outset, most member state delegates consulted wanted to know how any 'new' recommendations would be inserted into the current process of UN reform. This is important, because most reform suggestions thus far have run into a wall of resistance simply because of the way in which they were inserted into the reform debates. Among other things, reports sent to the secretariat have been mysteriously leaked to a select group of countries within the security council before other UN members gained access to them. If this were to happen to the 4NI's report, its recommendations would be dead on arrival.

Already, the G77 and China have warned against the adoption of recommendations that show a heavy imprint of the foreign policies of some dominant countries in the UN. This factor alone poses the most serious challenge to the 4NI and the acceptability of its findings whenever they are tabled.

What is encouraging is the existence of a broad under-

standing among member states that the different challenges facing the UN can only be overcome via a widely accepted and transparent reform process, including the modernisation of the UN's archaic governance and management systems. The problems involved are not just about specific issues; they are about devising processes for managing and developing trust among various actors. There is obviously an urgent need for a broad-based compromise between the major stakeholders in order to create ownership of the reform process. It has to be acknowledged that there is no 'quick fix' for the UN's problems, even if some symptoms could be addressed in the short term. The UN is a unique organisation. However, this does not mean that it cannot learn from experiences elsewhere.

In the end, the 4NI's contribution to the reform process will depend on the co-operation of all member states. It is necessary to analyse the rights and responsibilities of member states, and the channels through which they can and should exercise influence as well as those that should not be used. At the same time, it is not enough for the secretariat itself to address these problems.

While these internal efforts to reform the secretariat are welcome, it is not obvious that an internal perspective would identify the same sorts of problems and opportunities as a member states' perspective would. Although the agenda for reform set out in *2005 World Summit Outcome* seems largely bogged down for now, it is important for the 4NI to focus its attention on the bigger picture. In fact, the arrival of the new secretary-general, changes in the delegations of key member states and political shifts in those delegations, the growing sense of wariness derived from general assembly confrontations over the last two years, and the flickering but renewed realisation of the importance of multilateralism in addressing global problems may provide a propitious setting for the proposals that will emerge out of the 4NI in 2007. ■

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AFRICOM bodes ill for Africa

The US government's decision to create a new military and security command centre in Africa has provoked intense debate in Africa and elsewhere. **Michele Ruiters** argues that, despite the extravagant promises of US policy-makers, AFRICOM is likely to have a negative impact on host countries and the continent as a whole

The notion of *realpolitik* is often employed to describe and support government decisions to act or respond in particular ways. The announcement by the US government that it intends to establish a new military and security command centre in Africa has provoked widespread debate about why it has opted to increase its military and security presence on the continent, what exactly it intends to do, and what this portends for the continent.

One of the problems is that relatively little is known about the initiative, and the information released by the US government has been cryptic, couched in rhetoric, and often ambiguous.

Before examining the implications of this initiative, it might therefore be helpful to review the US government's announcements thus far. On 6 February this year, President George Bush stated that he had decided to create a new US Africa Command, and had ordered the Defence Department to do so by end September 2008 (the end of the US fiscal year). He said the new command would 'strengthen US security co-operation with Africa', and create new opportunities to bolster the capabilities of its African partners.

'Peace and security'

'Africa Command,' he declared, 'will enhance our efforts to bring peace and security to the people of Africa, and promote our common goals of development, health, education, democracy, and economic growth.'

He added that his administration would consult African leaders on how AFRICOM should respond to 'security challenges and opportunities in Africa'. It would also work closely with its African partners to determine an appropriate location for the new command.

As pointed out in various US government media releases on AFRICOM, the Defense Department uses a series of regional commands to co-ordinate its military activities worldwide. Until now, control of US military involvement in Africa has been shared among the US European Command, the US Central

Information released by the US government has been cryptic, couched in rhetoric, and often ambiguous

Command, and the US Pacific Command. US Central Command is responsible for Egypt, Sudan, Eritrea, Ethiopia, Djibouti, Somalia and Kenya. US European Command is responsible for the rest of the countries nations on the African mainland. US Pacific Command is responsible for Madagascar, the Seychelles and the Indian Ocean area off the African coast.

Except for Egypt, which will continue to fall under US Central Command, AFRICOM will assume control over the entire continent of Africa as well as the Atlantic Ocean islands of Cape Verde, Equatorial Guinea, and Sao Tomé and Príncipe, and the Indian Ocean islands of Comoros, Madagascar, Mauritius and the Seychelles.

In an appearance before the Senate Armed Services Committee on 6 February, Defense Secretary Robert Gates described the current divided responsibility for Africa as 'an outdated arrangement left over from the Cold War'. AFRICOM would enable the US to adopt a 'more effective and integrated' approach to Africa.

According to the US media releases, AFRICOM is being set up by a 'transition team' headed by a senior navy officer, Rear Admiral Robert Moeller. They quoted Moeller as saying that the crea-

tion of AFRICOM had been motivated by Africa's growing 'strategic, diplomatic and economic importance'.

AFRICOM would focus mainly on humanitarian assistance, disaster relief and crisis response missions, Moeller said. The purpose of the command would be to 'prevent conflicts or other problems by strengthening the region'.

By creating AFRICOM, the Defense Department would be able to better co-ordinate its own activities in Africa as well as help to co-ordinate the work of other US government agencies, particularly the State Department and USAID.

'We want to work with our African partners on building their capacity to be able to deal with some of the many challenges that they face across the continent,' Moeller said. 'By having one command that is focused on the entire continent, we believe we can address those issues and those challenges much more coherently than with the three existing commands.'

Moeller said the Department of Defense 'would work closely with other US government agencies and African nations' while developing the new command. Some of its eventual missions might be driven by input from African nations. He claimed that African countries had long requested a separate US command focused on African issues.

According to Moeller, the transition team was temporarily based in Stuttgart, Germany, home of US European Command. However, it would like to be located in an African country. Officials were beginning to discuss possible locations and to determine what kinds of military forces, 'if any', would be assigned permanently to AFRICOM.

However, as numerous analysts have pointed out, AFRICOM – or the African

Combatant Command, to give it its full title in US military parlance – essentially remains a military command centre, part of the US security network covering the entire globe, and its presence in Africa can certainly be expected to facilitate rather than inhibit US military action on the continent.

It is generally accepted that governments act to protect their interests in various ways, and it could be argued that, in increasing its military and security presence in Africa, this is what the US is doing. Rational decisions about access to oil resources and geostrategic regions such as the Horn and the Middle East dominate US foreign policy decisions in a post 9/11 world, while the continent which has to host AFRICOM is vulnerable to economic and political globalisation and identity politics.

In this context, the US claims that AFRICOM will work to promote democracy, health, education, economic growth, and development. However, it is disturbing to note that these values are being tied to a military presence.

Why – and how – would a US military

and security command centre in Africa improve these aspects of life on the continent? In fact, the 'war against terror' has proven once again that military might does not necessarily produce compliance or acquiescence in a region or country, and that military interventions do not create conditions conducive to democracy. Much has been done in the name of democracy that has resulted in the destabilisation and destruction of the host country, a process that is not easily reversed.

Oil interests

In fact, AFRICOM will probably exacerbate rather than resolve many of Africa's problems. The US decision to base a military command centre in Africa – possibly in Addis Ababa – is probably a counterpoint to China's economic expansion on the continent, inducing déjà vu about Cold War tensions in Africa. US oil interests and the 'war on terror' lie behind the most recent plans, as an AFRICOM base in Ethiopia would provide the US with a launch pad into the Middle East and the

volatile Horn, also marked as havens for 'terrorists'. AFRICOM's presence in Ethiopia would raise its profile internationally, but jeopardise that country's relations with its immediate neighbours and the rest of the continent.

AFRICOM's stated ideals are commendable but have been unilaterally determined, and their linkage to a military presence or institutional framework leaves much to be desired. Military activities, whether foreign or local, create militarised communities. As Cynthia Enloe argues in *Maneuvers: The International Politics of Militarizing Women's Lives* (2000), militarisation is a process through which something becomes controlled by, dependent on, or derives its value from the military as an institution.

Despite recent indications by US officials that AFRICOM will not house a permanent military force, it will certainly house some military personnel – and the possibility that it may turn into a military base in the future can obviously not be discounted. The presence of any military

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A US Marine walks past vehicles destroyed in the bomb blast at the US embassy in Dar es Salaam in August 1998 ... AFRICOM will play a key role in the US 'war on terror' in Africa. AP Photo/Brennan Linsley

Analysts and others are increasingly punting the notion of the 'developmental state' as the best way of digging southern Africa out of its socioeconomic quagmire; however, argues **Stefan Andreasson**, this notion must be assessed in context, and southern African states largely lack the social preconditions that enabled these states in Europe and East Asia



Can the 'developmental state' save

HOPE FOR a way out of the current quagmire of underdevelopment in southern Africa is generally vested in the notion of the 'developmental state' – ie, a national, society-wide transformation in the direction of broad-based development loosely based on the post-World War 2 experiences of continental European social democracies and, more specifically, the developmental trajectories of the East Asian 'tigers'.

Corporatist context

Importantly, the European developmental project emerged in a democratic corporatist context, and the East Asian developmental trajectory (initially) in an authoritarian corporatist one. If developmental states are to emerge in southern Africa, and

if they are to draw significantly on previous historical experiences, a key question is whether they will rely primarily on democratic or authoritarian principles.

Leaders in southern Africa have been tempted to 'look East' for examples of how to successfully pursue development (and not merely to look for new sources of patronage, as in the case of the Zimbabwean government's recent dealings with China). It has been suggested that countries such as SA, characterised by uneven development and an economically powerful ethnic minority, can learn important lessons from the ways in which, for example, Malaysia's majority Malay population (the Bumiputras) managed to create an embryonic developmental state by securing political control following independence and harnessing economic resources previously in the hands of the



A squatter camp and high-tech power station in Soweto ...
SA has a relatively well-developed economy, but lacks the social cohesion needed for a developmental state. Henner Frankenfeld/PictureNET Africa

southern Africa?

ethnic Chinese minority. The resurgence of Chinese influence in Africa also suggests lessons to be learnt, and pitfalls to be avoided, by (southern) African countries attempting to emulate China's developmental 'success', as the recent IGD publications *China in Africa* (2006) and *Enter the Dragon* (2005) show.

Before considering actual strategies and policies for development, it is important to ask whether a developmental state is actually possible in contemporary southern Africa (there are no real examples of a developmental state in Africa, although some claim this in the case of Botswana). Are the expectations realistic, or does hope vested in an African developmental state risk degenerating into some form of 'cargo cult'? In this case, the cult would consist of would-be imitators creating superficial copies of East Asian developmental states – including corporatist institutions and developmentally oriented ministries

– while lacking their substance (ie, societal peace and cohesion, paternalism, and a particular historical context).

On the other hand, given the great material (not to mention emotional, spiritual, and environmental) needs in the region, there may be no acceptable alternative to a belief in the possibility of the developmental state. Indeed, some would argue that it is immoral to deny, or even cast doubt upon, the possibility of creating such a state. This amounts to an exhortation to believe in something simply because it is desirable, irrespective of whether or not it is achievable in practice. Whatever position one takes on this issue, one must reach a decision on whether the developmental trajectories of post-war Europe and East Asia hold lessons for southern African countries today. And, if not, are there grounds for believing that a distinctly African developmental state can emerge?

Three countries

Reflecting on existing research, including my own, on state-market relations in southern Africa, I will seek to make a few generalisations about prospects for development in the region as well as wager a few more specific predictions about prospects for creating the foundations for development (or lack thereof) in three disparate southern African countries.

In particular, I wish to outline and contrast the post-liberation/independence experiences of Botswana, SA, and Zimbabwe, in order to establish whether either Botswana, despite much recent criticism of its status as an African 'success story', or SA, given its internationally acclaimed post-apartheid trajectory, provide some pointers towards broad-based development in other countries in the region.

A discussion document entitled 'A developmental state for SA?' drafted by COSATU's central committee in 2005 notes that the notion of a developmental state emerged out of a 'specific effort to generalise about the industrialising states of Asia, especially Japan and Korea'. Referring to Chalmers Johnson's hugely influential *MITI and the Japanese Miracle* (1982), the document notes that the most important characteristic of the developmental state is not necessarily its economic policies, but rather its 'ability to mobilise the nation around economic development within the capitalist system'. The need for national mobilisation is crucial, and certainly problematic in the southern African context given historical domestic divisions that include large-scale violence and an uneasy post-independence consensus on economic policy (this is most obviously a problem in Zimbabwe, and least so in Botswana).

Accepting that development must be pursued within the confines of a capitalist world economy makes the discussion more complex, and is a prominent bone of contention between

'left' and 'right' within SA's ideologically incoherent tripartite alliance. Indeed, given that at least some factions in the SA Communist Party (SACP) and COSATU still advocate socialism, but that government economic policy is now entirely market-driven, recent debate on this issue has become hopelessly muddled. Perhaps the Chinese experiment in combining an official ideology of communism with an effectively capitalist economy – now including the establishment of private property rights that will entrench economic inequalities – provides alliance ideologues on the left with a good lesson in rhetorical acrobatics.

Be that as it may, in the orthodox account of the developmental state, successful mobilisation and state-led development in East Asia is contrasted with disappointing outcomes in Latin America and Africa, where – as Meredith Woo-Cummings notes – instead of a developmental state, post-independence governments pursued "showcase modernity", aimed not at self-sustaining development but at reaching a set of elite consumption patterns appropriate for developed countries ... [leading to, among other things] a consistent pattern of exuberant consumption, heavily skewed in favour of urban elite groups at the expense of the rural and low-income majorities'. This is certainly one obviously dysfunctional consequence of the current liberal growth strategy in SA, on which critiques of the last decade's developmental trajectory has focused.

Labour relations

The COSATU document effectively captures the general consensus on what the developmental state entails by arguing further that it was 'defined by both its class structure and its economic policy'. A key aspect of these class and policy dimensions, it notes, was the ability of states to be closely allied to business interests, yet maintain some degree of autonomy. Moreover, the maintenance of 'paternalistic labour relations' within large companies featured prominently in nurturing social stability and a degree of accommodation between state, business and labour without which national mobilisation would be seriously hampered.

Clearly, such paternalism is not compatible with increasingly liberalised labour legislation. If anything, business-labour relations in both SA and Zimbabwe became increasingly fraught as a consequence of the neo-liberal reforms that emerged in various guises throughout the 1990s. Even in Botswana, a country hardly noted for its vigorous civil society, paternalistic relations built on conservative tradition, deference to authority, and a link between modern government and traditional authority seem more fragile now than in the past.

And international financial institutions are still singling out 'inflexible labour legislation' in SA as a major remaining constraint on economic growth by what is conceded to be an otherwise compliant regime. The IMF's 2005 Country Report on SA notes that SA labour laws remain inflexible, particularly as regards hiring and firing (a 'Rigidity of Employment Index'

in the same report ranks developing regions from best in East Asia at 24 to worst in Sub-Saharan Africa at 56, with SA near the bottom at 52).

That consensual social relations, let alone some kind of benevolent paternalism, can emerge under such conditions of consistent global and local pressures on workers' rights and benefits – especially in Zimbabwe, where trade unions and government are in outright conflict, and SA, where serious differences of opinion exist between COSATU and leading liberalisers in government – is not a feasible expectation in a socially heterogeneous society, at least not within the confines of democracy.

Local dynamics

In 1963 the English development economist Dudley Seers criticised modernisation theory for attempting to graft models of development based on the 'special case' of industrialised and consumerist western societies on to the 'general case' of the developing world, in which persistent underdevelopment was a fact of life for most people. Instead, he argued, those wishing to think productively about development ought to emphasise the particular dynamics of, and impediments to, development in poor countries where quasi-feudal land tenure systems and the fact of economic and political dependency constituted the actual social context.

When we ponder on possibilities for development in southern Africa today, we again need to ask ourselves whether the 'special case' of a few developmental states in East Asia can be applied to the 'general case' of persistent underdevelopment elsewhere.

Most developing countries have not been able to forge developmental states resembling those of the East Asian 'tigers', leading to broad-based socioeconomic development. African countries in particular have remained mired in poverty and underdevelopment, which in terms of some indicators, notably health, have actually worsened in the post-independence era. In his 1972 article 'What are we trying to measure?', Seers argued that '[t]he questions to ask about a country's development are therefore: What has been happening to poverty? What has been happening to unemployment? What has been

happening to inequality? If all three of these have become less severe, then beyond doubt this has been a period of development for the country concerned.'

At that time, European social democracies and emerging developmental states in East Asia could point to sustained improvements across all these dimensions of development. In southern Africa today, no such comprehensive success can be identified, nor does current evidence suggest that such developments are imminent.

Thus the emergence of a developmental state would be a truly novel occurrence in Africa. This also suggests that we should not underestimate the vast differences in socio-cultural,

Most developing countries have not been able to forge developmental states resembling those of the East Asian 'tigers', leading to broad-based socioeconomic development



Harare residents queue for food outside a supermarket ... preconditions for a developmental state in Zimbabwe have been steadily eroded. Joao Silva/PictureNET Africa

economic and political developments that have produced welfare states in Europe, 'tigers' in East Asia, and nothing of the sort in Africa. Discussions of development in the global South often note that Korea and Ghana were similarly underdeveloped and dependent countries on the eve of independence, whereas Ghana is still poor, and South Korea is now a member of the OECD. However, the obvious point is that events in Africa over the last half-century or so have – unsurprisingly – resembled Ghana's post-independence trajectory rather than that of South Korea.

Tragedy in Zimbabwe

There is really no way to put a positive spin on the tragedy that has been unfolding in Zimbabwe since the late 1990s. The embryonic developmental project of the 1980s could not survive mounting indebtedness, mismanagement, and global pressures for economic reforms (structural adjustment) in the 1990s. The meltdown of Zimbabwe's economy and any pretence to democratic rule makes it the obvious southern African candidate for 'failed state' status (and, unlike Mozambique, this is a failure of the government's own creation). This is a tragic turn of events for a country with a previously well-functioning agricultural sector, a relatively high degree of economic diversification, and, following independence, one of the better educated and more democratically inclined populations in the region. Social divisions, not only between black and white but also between Shona and Ndebele, constitute a more serious

impediment to national unity and any possibility of creating a developmental state than similar racial and ethnic divisions in SA, or minimal ones in Botswana. Such divisions, exacerbated by a violent struggle for liberation where, in contrast with SA (but similar to Namibia), an actual war of liberation was fought, have resulted in serious political and societal volatility in post-independence Zimbabwe.

Insofar as Zimbabwe constitutes an example for the region, it is a negative one, showing that even a country with some developmental advantages can be undermined by a combination of domestic divisions, global economic pressures, and an erosion of accountable governance. Therefore, rather than merely pursuing economic growth, its neighbours ought to think about how to create the social cohesion necessary for the national mobilisation that is key to the developmental state.

Regional solution

Moreover, social stability does not confine itself to national borders, and thus a greater effort must be made to find a regional solution to Zimbabwe's problems, rather than simply insisting, as SA government spokespersons continue to do in the face of increasingly brutal political repression in Zimbabwe, that its problems 'should be resolved by the people of Zimbabwe' alone. In terms of obstructing development, nothing can be more fatal than what has happened in Zimbabwe.

Following SA's transition to democracy, its ANC government has presided over the most powerful economy and most sophisticated economic and technological infrastructure in Africa. To some degree, it has also drawn on the expertise of well-educated and experienced elites, a substantial number of whom were persuaded to turn their efforts from maintaining apartheid during the difficult years of international sanctions and isolation to building a developmental state. However, the persistence of what President Thabo Mbeki calls 'two nations', one rich and white and the other black and poor, despite a degree of 'deracialisation' at the top, means that social consensus across the racial divide remains tenuous.

The consequences of the government's macroeconomic Growth, Employment and Redistribution (GEAR) strategy remain hotly contested. Economic growth has accelerated, but is still not reducing unacceptably high levels of unemployment and inequality. Moreover, it is still too soon to predict whether the Accelerated and Shared Growth Initiative for SA (AsgiSA) will eventually relax some of the fiscal and monetary stringencies associated with GEAR, thereby facilitating more broadly based development.

Given the dire legacy of apartheid, and an unforgiving global economic context, the ANC government has done better than expected (especially by liberal western analysts), and its management of Africa's most important and high-profile economy is more closely scrutinised than any other on the continent. Nevertheless, neither its political will nor its superior capacity and resources as compared to the rest of Africa has allowed it to transcend the volatile mix of social ills that plague the region thus far.

Despite consistently high levels of income inequality, extreme

poverty among the most marginalised, and a rampant AIDS epidemic, conventional development literature depicts Botswana as the one 'success story' in sub-Saharan Africa. Is this an indicator of genuinely impressive developments in that country, or is the fact that a few decades of high economic growth from a very low baseline and a relatively stable democratic order count as a developmental success (certainly not according to Seers's previously noted indicators) simply a sad reflection of the desperate conditions on the rest of the continent?

Botswana's *kgotla* tradition, however imperfect, and the fact that the country did not undergo a violent and divisive struggle for independence have contributed to a high degree of government legitimacy among Botswana. The ruling elite, exemplified by the internationally respected Ministry of Finance and Development Planning (sometimes hubristically likened to Japan's Ministry of International Trade and Industry) has provided a stable environment for policy-makers, and the country has been more successful at using the proceeds of extensive diamond deposits for developmental purposes than other African countries rich in natural resources. Whatever the final verdict on Botswana's development may be, and despite concerns about elitist tendencies, excessive deference to authority, and an increasing intolerance of opposition, a higher degree of government legitimacy than elsewhere in Africa (due to greater continuities between pre- and post-independence governments) has provided more of a social base for a developmental state than elsewhere in the region.

Social cohesion

In sum, foundations for a developmental state have been washed away in the years of deepening conflict and oppression in Zimbabwe and, as a result, its future seems bleak indeed. Certain aspects of Botswana's and SA's economy and society hold some promise for promoting the developmental state. In Botswana, these include a relatively high level of social cohesion, combined with a stronger link to pre-independence forms of legitimate rule, and relatively competent post-independence policy-making. However, it has failed to diversify away from diamond exports, and thus has little in common with the industrialising patterns of the Asian 'tigers'.

In SA there is less to build on in terms of social cohesion and stability, which makes national mobilisation far more difficult. The extent of the challenge to social stability is underlined by its very high rates of violent crime (its murder rate is more than 30 times higher than in the UK, for example). It does have a relatively diversified economy, and segments of its industry, services and finance sectors are globally competitive. However, neither Botswana nor SA display the combination of social and economic characteristics that made the developmental state possible and so effective in East Asia.

If the developmental state is unlikely in southern Africa, what are the alternatives? If the status quo in the region is unacceptable – morally, socially, politically, economically and

environmentally – and the foundations for a developmental state are lacking (or at least very weak), where to from here?

In *The History of Development: from Western Origins to Global Faith* (2002), Gilbert Rist argues that, given the limits to how much industrialisation and mass consumption our biosphere can accommodate, and the narrowly distributive nature of the global economy, the promise of conventional (ie growth and consumption-driven) 'development for all' is unattainable. Yet we persist with promoting this myth – what the development thinker Majid Rahnema calls a 'deceitful mirage' – because facing up to the possibility that we cannot all be lifted out of poverty and enjoy a decent life, at least without some form of revolutionary change to the capitalist and industrial global society, seems too dangerous to contemplate. Too dangerous, that is, for those who benefit from the status quo given what the 'losers' in the current global order may do if their last ray of hope for a better future is extinguished.

Severe inequality

Scholars, activists, and politicians across southern Africa concerned with actively promoting development will discount some or even most of the doubts expressed here. Instead, they will continue analysing policy-related problems in various insightful ways, and forge ahead with new proposals and plans for development. If so, they will hopefully emphasise ways in which southern African economies and societies are different, and operate under different global constraints, from those in East Asia, where developmental states initially emerged. In particular, policy-makers and their support networks will need to gain an understanding of how national mobilisation and the channelling of growth-related dividends into broad-based development can best be promoted and sustained in a context of severe inequality, a widespread lack of skills, serious illnesses (HIV/AIDS and TB), and a legacy of social division and violence.

Attempting to find answers to seemingly insoluble problems is what optimistic individuals driven by an

urge to accomplish something concrete are bound to do, and that they should do so is entirely laudable. The remarks in this article about the weak foundations for development in southern Africa should not be interpreted as an argument for the futility of pursuing development. If the fundamental problems identified here can become part of a wider consideration of the developmental dilemma (including its historical, ideological, and environmental dimensions) by decision-makers and thinkers alike, and if such considerations can lead to more innovative approaches to development that move beyond conventional ways of thinking about archaic developmental models, the daunting task of creating a better future out of very difficult conditions will become a little easier. ■

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If the developmental state is unlikely in southern Africa, what are the alternatives?

Doha Round back on track

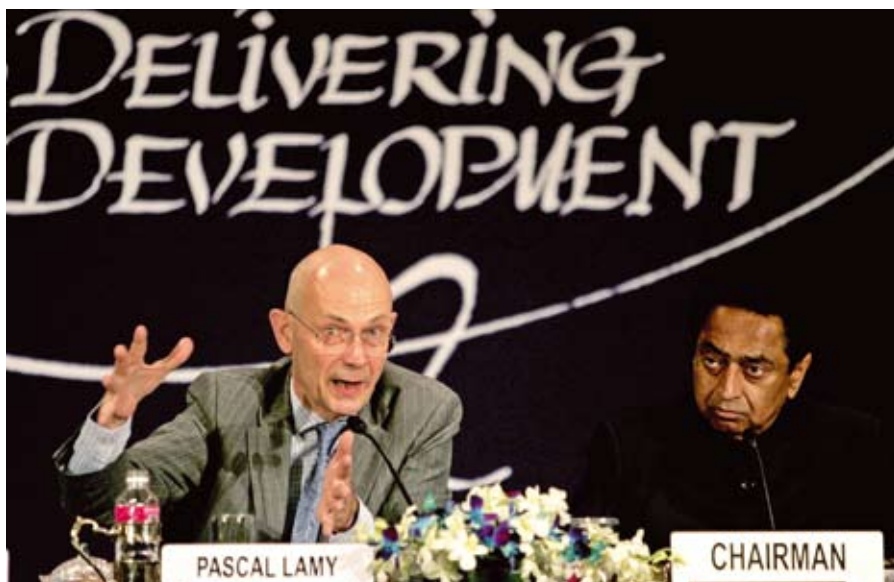
The Doha Round of trade talks has been revived. **Brendan Vickers** argues that, despite suggestions to the contrary, developing countries should continue to demand a solid developmental outcome

IN JANUARY this year, 30 trade ministers attending the annual meeting of the World Economic Forum (WEF) in Davos, Switzerland, agreed to revive the Doha Round of trade negotiations under the auspices of the World Trade Organisation (WTO) which had been suspended since July last year.

Launched in the Qatari capital in November 2001, the Doha Round purports to place the interests and concerns of developing countries at the centre of its ambitious negotiating agenda. This reflects a growing appreciation that the 'grand bargain' of the Uruguay Round, in which developing countries accepted unprecedented trade and trade-related commitments from the developed north, turned out to be a 'bum deal' for the poor.

However, six years after the launch of the Doha Round – including two major ministerial meetings at Cancún in 2003 and Hong Kong in 2005 – little progress has been made in delivering on the sanguine promises of a more balanced and equitable global trading regime. Instead, contrary to the spirit and letter of the Doha development agenda, the negotiations have been marred by rancorous politics and trenchant brinkmanship around three key issues. These are: agricultural tariffs and domestic farm support in the North (with the EU and US especially at loggerheads), and the further liberalisation of industrial goods in the South, particularly in larger developing countries such as India, Brazil and SA. In addition, developed countries, particularly the EU, are demanding more access to global services markets. These differences led to a suspension of the Round in July 2006, ironically after G8 leaders meeting in St Petersburg had pledged their political support for an ambitious conclusion to the trade talks.

With the negotiating juggernaut having been set in motion once again, it is



Pascal Lamy, director-general of the WTO, addresses a seminar on 'Saving Doha and Delivering on Development' in New Delhi, India ... the Round's revival has sparked hopes for a positive outcome. AP Photo/Saurabh Das

important to review the state of these multilateral trade talks, and highlight key issues around how to reclaim the development trajectory of the Round.

Agricultural negotiations

The agricultural negotiations are presented as the centrepiece of the Doha development agenda, since this reflects the comparative advantage of many poorer, underdeveloped nations in the global economy. These negotiations have been the most fraught, with both developed and developing countries entrenched in their positions. The talks have also been criticised for focusing inordinately on expanding global markets for exporters from developed and some developing nations, rather than addressing the growing rural crisis in many countries around the world.

The G20 coalition on agriculture, formed around the Cancún ministerial

meeting in 2003, has played an important role in trying to navigate a compromise. On market access for agricultural goods, the G20 has proposed an average tariff reduction of 54% for developed countries, and 36% for developing countries.

Agricultural market access is the key defensive interest for the EU. The 2007 Trade Policy Review of the European Communities confirms that, notwithstanding reform under the 2003 Common Agricultural Policy (CAP), agriculture remains protected by a complex tariff structure, high tariffs and tariff quotas (with unfilled quotas), and benefits from high levels of domestic support and export subsidies. Whereas the EU intends to eliminate export subsidies by 2013, it faces stronger political constraints – particularly from the French, now gripped with presidential elections – on tariff reduction. In October 2005 the EU tabled an offer of a 39 per cent tariff cut. Since then its trade commissioner,

Peter Mandelson, has intimated that Brussels may be prepared to move closer to the G20 position.

On domestic support, the G20 framework proposes to limit US domestic support to \$13bn, with disciplines to limit shifting support between different products as world market prices change. The Bush administration's October 2005 proposal – characterised by the US trade representative as 'bold', 'ambitious' and 'substantial' – largely involved the recategorising of subsidy payments from the restricted 'amber box' to the less restricted 'blue box'. This would leave actual spending virtually unchanged. An economic simulation of the US proposal indeed confirmed that its legally permissible amount of domestic spending would increase to \$22.5bn a year, from current levels of actual spending estimated at \$19.6bn.

Reflecting this protectionist domestic mood, the Democratic Congress in the US is finalising its new Farm Bill – expected in October 2007 – with little reference to Doha ambitions or outcomes. Indeed, the chair of the House Agriculture Committee, Colin Peterson, has intimated that 'I want to write a Farm Bill that's good for agriculture. If somebody wants to sue us, we've got a lot of lawyers in Washington.'

Trade litigation is now increasingly deployed against US intransigence, although Washington has been lethargic

in complying with WTO dispute panel rulings. In 2004 the dispute panel ruled that US cotton subsidies were harming Brazil's industry by suppressing world prices. The US was given until 1 July 2005 to comply with the ruling, but has yet to fully do so. Brazil has now formally requested a new WTO dispute panel to force the US into full compliance. Furthermore, Canada has now requested consultations on US corn subsidies (accounting for about 45% of total payments) – an action which SA and Mexico may reportedly join.

Special products

Besides this, US negotiators are opposed to the 'Group of 33 Proposal', co-ordinated by Indonesia, to establish a Special Products and Special Safeguard Mechanism. This proposal, supported by a broad alliance of more than 100 WTO member countries, is based on established food and livelihood security and rural development criteria. It would define appropriate mechanisms for developing countries to safeguard the majority of their populations – who are mainly farmers – from the distortions that would result from the Doha Round rules. The refrain 'All products are special products' has now become a familiar rallying cry in many developing countries seeking to safeguard their small-scale farmers. Moreover,

it is curious that SA has chosen to not join the G33, but supports its demands through the G20.

Some developed countries have similarly demanded the right to protect their own 'sensitive products'. It has been estimated that exempting just 2% of tariff lines as sensitive could block new trade flows in products of export interest unless some market-opening arrangement – such as expanding tariff rate quotas – is agreed on those products.

If industrialised countries have their way, the non-agricultural market access (NAMA) negotiations will result in a drastic reduction of tariffs on industrial goods, as well as mining, forestry, fisheries and other natural resources. In terms of the July 2004 framework, a Swiss formula will be used to cut each individual tariff line and bring individual high tariffs down, rather than reducing the average. The differentiated coefficients whereby rich and poor countries will have to pare their industrial tariffs are being intensely contested.

Developed countries, including the US and EU, are proposing coefficients of 10 and 15 for developed and developing countries respectively. This proposal translates into a 23–25% cut in bound tariffs in the North as against a drastic cut of 60–70% in the South, where 30-odd 'advanced developing countries' would undergo formula cuts. Although there are limited flexibilities for sensitive products, the adjustment costs of further liberalisation – including social dislocation, unemployment, and deindustrialisation – would certainly be heaviest among the latter countries.

Developing countries have responded defensively. At the Hong Kong ministerial in 2005, they formed the NAMA-11 coalition co-ordinated by SA (which, incidentally, is drafting a new national industrial policy). The group's position is that any further NAMA cuts should be consistent with the principles of 'special and differential treatment' and 'less-than-full reciprocity' (in the *effect* of the reduction, not the *number* of the formula); be 'balanced'; and undertaken in a 'proportionate manner'. Such a deal would settle around a coefficient of 5 for industrialised countries and 25 for developing countries (a coefficient of 6

Figure 1: Doha benefits vs NAMA tariff losses

	'Likely' benefits (World Bank) (US\$2001bn)	NAMA tariff losses (UNCTAD) (US\$2001bn)
Developed	79.9	38.0
Developing	16.1	63.4
Selected developing regions		
Middle East and North Africa	-0.6	7.0
Sub-Saharan Africa	0.4	1.7
Latin America and Caribbean	7.9	10.7
Selected countries		
Brazil	3.6	3.1
India	2.2	7.9
Mexico	-0.9	0.4
Bangladesh	-0.1	0.04

Source: Kevin P Gallagher, 'Measuring the Cost of Lost Policy Space at the WTO', IRC Americas Program Policy Brief, 20 March 2007.

and 30 would evenly split industrial tariff cuts on both sides).

In March 2007, in a historic move that has hiked the pressure on rich countries, trade unions from the NAMA-11 countries – including the Confederation of SA Trade Unions (COSATU) and Brazil's *Central Unica dos Trabalhadores* (CUT) – formed a transnational trade union alliance to defend their manufacturing industries and employment.

The NAMA negotiations directly target the 'policy space' for countries at different levels of development to optimally combine the best mix of industrial, trade and technological policies to diversify their economies, develop their manufacturing capacities and upgrade their technological capabilities.

The UN Conference on Trade and Development (UNCTAD) as well as other prestige UN panels – notably the former Zedillo commission – are at the forefront of a shifting global policy mood in favour of greater flexibilities for developing countries. This is not unimportant; as UNCTAD noted in its headline report of last year, 'The development of a strong manufacturing sector has been at the core of all successful catch-up experiences over the past 250 years'. Indeed, there is arguably no example of modern industrialisation based on the *laissez-faire* approach peddled by economic orthodoxy and its disciplinary agents today.

Contrary to claims that nations can circumvent the WTO to promote development, new research by Kevin P Gallagher and Alisa Dicaprio has found that not only do many of the rules negotiated in the Uruguay Round constrict the ability of countries to put in place aggressive development policies, but that these rules have been strictly enforced by WTO dispute panels. Indeed, more than 25% of all WTO cases between 1995 and 2005 dealt with dismantling policy space in developing countries.

Given the small gains projected to arise from a likely Doha deal (see figure 1), developing nations should exercise great caution in negotiating measures that further restrict their policy space. It is significant that even before the Hong Kong ministerial meeting in 2005, the World Bank massaged down its estimates of global gains from this Round from

\$832bn globally through \$287bn to a modest \$96bn. Developing countries can expect an uneven distribution of \$16bn. Moreover, recent studies – by the World Bank, the Carnegie Endowment, the European Commission, and the Food and Agriculture Organisation – also suggest that the majority of Africa's poorest nations stand to lose substantially from the liberalisation of both agricultural and industrial goods.

This article has focused mainly on the 'golden triangle' of agricultural market access, domestic farm support, and NAMA, as these outcomes will determine the pace of the broader negotiations and unlock the Round. But there are other areas of contention too.

Ambitious outcome

Services are a case in point. In Hong Kong, trade ministers paved the way for plurilateral negotiations, which started last year. The Mexican chair of the services negotiations has convened various 'enchilada' discussions in Geneva to move these negotiations towards an ambitious outcome, and members will soon table their revised offers. Developed countries, particularly the EU, have strongly pursued the further liberalisation, privatisation and deregulation of global services markets. This would provide commercial opportunities for their multinational corporations to profit from the provision of basic public services such as water, energy, health, and education. Some developing countries, such as India, have also been on the offensive, particularly for mode 4 services provision through the temporary movement of persons.

But the complex Doha agenda extends well beyond these areas to rules on anti-dumping, trade facilitation, intellectual property rights, regional trade arrangements, the environment, and a set of cross-cutting developmental issues (including Aid for Trade, preference erosion, and provisions for least-developed countries). These issues will all constitute part of a final Doha package.

The principal challenge for trade negotiators is to ensure that this package is indeed crafted with strong developmental contours that rebalance the global trading system in favour of poorer devel-

oping countries. At this point, however, the requisite political will appears to be in short supply. Developing countries have indicated that they are prepared to make concessions, but not at an inordinate price that would jeopardise their future economic development and diversification.

In addition, negotiators are often portrayed as chasing the clock: the US Trade Promotion Authority – which allows Congress to vote only up or down, not amend trade agreements – expires on 30 June 2007. Some Washington-based groups have already celebrated Doha's demise. Under fast-track rules, the Bush administration is required to give 90 days' notice of intent to sign an agreement after it has been finalised. The 1 April deadline for this notification has effectively passed. This means that the current fast track can no longer apply to a potential Doha conclusion. In addition, the current grant of fast track cannot be extended. A short-term, WTO-specific 'fast-track' delegation would only be possible if US-based multinationals receive expanded market access concessions from other countries *and* the Bush administration agrees to Democrats' demands to change Washington's free trade agreements (with Colombia, Peru and others).

Some liberal trade analysts caution that developing countries should temper their demands, since a collapse of the Doha Round would herald a world of predatory bilateral and regional trade pacts between rich and poor. This is a real possibility, as recent Oxfam publications confirm. According to the latter, around 25 developing countries have now signed free trade agreements with developed countries, and more than 100 are engaged in negotiations. On average, two bilateral investment treaties are signed every week.

However, we easily forget that the majors – particularly the EU and US – do need the multilateral system; it is not simply an irritation to their bilateral and regional impulses. This should give developing countries some leeway in demanding a solid developmental outcome. ■

Brendan Vickers is senior researcher: multilateral trade at the IGD.

Zwelakhe Sisulu

After a career in the SA media and corporate sector, Zwelakhe Zizulu has spent the past few years pursuing business opportunities in Africa. He spoke to **Che Ajulu** about SA investment in Africa and its potential contribution to the continent's development

Zwelakhe Sisulu started his career in 1975 as a trainee journalist for the Rand Daily Mail. In 1986 he became founding editor of New Nation, and in 1989 its chief executive. He was the founding president of the Writers Association of South Africa (WASA) and founding president of the Media Workers Association of South Africa (MWASA). Sisulu was a member of the Release Mandela Committee – Media and the Mandela Reception Committee. In 1990 he was appointed as personal assistant to Nelson Mandela.

In 1994 he was appointed group chief executive of the SABC. In 1998 he became deputy chairman of New Africa Investments Limited (NAIL), in 1999 executive chairman of New Africa Media Holdings (NAM), and in 2001 chairman of NAIL. He has spent the last few years pursuing business opportunities in Africa and has acquired business interests in the media and telecoms, agribusiness, manufacturing, and mineral and energy sectors.

Sisulu studied at Harvard University, and is a Nieman Fellow. He also completed an Advanced Management Programme at the Insead Institute in Paris. He has received numerous national and international awards for journalism and human rights.

What are your views on SA's economic diplomacy and its role on the continent?

SA business – especially the mining sector – has made very significant headway in investing elsewhere on the continent. As far as the government is concerned, the Public Investment Corporation (PIC) is spearheading a programme of consolidating African pension funds so that these can be mobilised for infrastructure development, the lack of which has been a major obstacle to the continent's devel-

opment thus far. This basically forms the two pillars of SA economic diplomacy, with government and business leading the charge.

I believe the SA corporate sector has not been as aggressive as it could have been on the continent, with the result that it is losing business opportunities. A case in point is Angola, where the hesitation of SA business has led to significant Chinese business penetration and dominance to a point where it is very difficult for continental players to enter that market. This shows that, where SA has not taken up opportunities to occupy a particular business space, other players – particularly Europeans, Chinese and Americans – will do so.

What are the linkages and parallels between SA's foreign policy and corporate activity on the continent and what, if any, influence does the government have over the conduct of the SA corporate elsewhere?

SA business does not seem to have a clear view of, or strategy for, what it wants to do on the continent. As a result, we have piecemeal and isolated efforts by individual businesses to invest elsewhere in Africa which are not as effective as they would have been if they had been collective efforts. Hence I am very critical of the slow response of SA business to opportunities on the continent. I am also critical of our businesses because where they have begun to operate elsewhere in Africa they have gone for quick returns. To use an old cliché, they have gone in for the 'low-hanging fruit'.

I can understand this from a shareholders' point of view. However, a medium- to long-term view of investment, will eventually yield better returns. SA business can now afford to make long-term investments on the continent,

given its emerging stability. For example, the successful political transition in the DRC has opened new doors and opportunities. These changes in the political landscape have all taken place largely due to the important role that the SA government has played in the continental peace agenda.

In terms of government and its economic diplomacy on the continent, I am complimentary about what government had done so far, especially on the issue of funding. The government has freed up funding institutions such as the Industrial Development Corporation (IDC) and the PIC to support projects on the continent.

Be that as it may, there definitely needs to be a change of style in SA's conduct on the continent. As I mentioned earlier, it should move away from the 'quick-return' approach, which reflects a lack of co-ordination and a common strategy. Most operations on the continent are run as individual units with a narrow focus, resulting in 'parachute' business activities. Had SA business developed a continental strategy based on a long-term view, it would have addressed some of the political tension that has emerged around its business conduct. Efforts are being made to co-ordinate a business strategy on the continent, but nothing coherent has emerged as yet. We also have to understand that this is the nature of business. Businesses seldom work collectively; they are driven by narrow interests, and they will never act in the same way as government. This is not to suggest that business should not act responsibly, but rather an acknowledgement that business does not understand the African terrain as well as the government does. As a result, there needs to be some form of co-operation between SA business and government, and, increasingly, with African businesses and African governments as well.

I believe it is not beyond the scope of SADC to begin to influence some of the business outcomes in the region. Broadly speaking, government should draw up the agenda and facilitate the entry of SA business on the continent, but should steer away from trying to control this process. From a broad empowerment point of view, SA businesses need to be sensitive to empowerment and ensure that they focus on building and empowering local partners. We seem to be sensitive to our own empowerment needs, but conveniently ignore these principles in other African countries.



Is SA business providing the much-needed impetus for development on the continent?

I don't think SA business has added much value, but there are several reasons for this. Firstly, during the first ten years of democracy SA business was preoccupied with its own internal dynamics, which took long to shape.

Secondly, we need to recognise that political instability on the continent has been a major obstacle to SA business. However, given the current emerging stability and democracy on the continent, the doors are opening now. For example, even though companies could do business in the DRC, it is only now that conditions are suitable from a governance point of view to effectively do business and have your business interest protected by law.

Thirdly, the lack of a coherent and co-ordinated strategy has limited the impact of SA business on the continent. As I mentioned earlier, SA business has seemingly adopted a short-term view of investment in Africa. Unfortunately, this approach, combined with the other factors mentioned above, has hindered SA's ability to provide the impetus for development on the continent. The impact of SA business on the continent should be understood in this broader context.

Economic growth in Africa was close to 5% for 2006, mainly due to commodity demand, especially from China. How do you view this development?

China has become a very important player globally and a source of great

Zwelakhe Sisulu (left) ... 'SA corporate sector is losing business opportunities in Africa'. *Sunday Times/Sydney Seshibedi*

opportunities for development in Africa. Unfortunately, there have been different responses within the continent to the Chinese presence. The view of China as a threat to Africa is part of a colonial legacy, and creates the impression of Africans as passive players who are likely to fall prey to exploitation.

I believe that China should be seen as an opportunity rather than a threat. Importantly, China's need for natural resources provides perfect opportunities for Africans to maximise and reap the benefits. If we want to exploit opportunities presented by China, African governments need to develop a co-ordinated approach to resource management, and use their resources as a negotiating tool to maximise the benefits in their relationship with China.

The revenues from our resources should form the foundation for continued economic growth on the continent. The effective and efficient management of African resources will therefore provide the continent with the much-needed revenue for diversifying our economies, developing infrastructure, creating jobs, and developing skills.

What can be done to promote the expansion of markets and growth of the private sector in Africa?

The expansion of African markets and growth of the private sector depends on whether we can guarantee political

stability, and on our ability to establish beneficial partnerships. In the political context, we need to ensure the deepening of democracy by strengthening democratic institutions, and cultivating a culture of transparency and respect for the law. From a business perspective, the entrenchment of democratic institutions forms the basis for greater mobility and predictability within the markets.

Africa has vast resources, and the challenge facing us is to efficiently manage our resources and use the revenues derived from this to diversify our markets. This can only be achieved if we establish beneficial partnerships and take advantage of the opportunities presented by China's presence on the continent, especially in the mining sector and oil exploration. The growth of the private sector largely depends on our ability to diversify our economies, develop skills, create jobs, and improve earning capacity, which will stimulate the desire for consumer goods.

As far as the private sector is concerned, there is an urgent need to create indigenous African multinationals; formalise African business across the board; improve tax services and business regulation by making it easier to do business; establish platforms for efficient trade; and support small businesses by funding initiatives that would allow them to trade easily.

What role can SA business play in strengthening the India-Brazil-SA process?

I have not formed of the IBSA business forum, and can't provide detailed feedback with regard to progress of the forum.

However, I believe we need to focus on consolidating the Africa agenda. This is not to suggest that IBSA is not an important forum, but it is important to pay more attention to initiatives that will contribute directly to building business on the continent. Multiple initiatives have only led to more confusion about exactly what business is doing, especially in Africa, where we have a competitive advantage. We need to focus on building African multinationals. As long as we don't have a solid business base or a co-ordinated business strategy, we cannot take advantage of opportunities on the continent, opportunities provided by China, and even opportunities provided by the IBSA process.

There is continuing debate about the potential of the Accelerated and Shared Growth Initiative (AsgiSA) to create jobs. What is your view of AgsiSA as an strategy for employment creation, skills development, and sustained economic growth?

Broadly speaking, there are two dynamics that largely explain SA's situation in respect of job creation and skills development. Firstly, apartheid laws laid the foundation for the labour crisis that we are currently experiencing. Emerging out of apartheid, it was evident that we were going to face a job creation and skills crisis.

Secondly, I believe we all misread our potential for economic growth and, to a large degree, held a pessimistic view of economic growth. As a result, we were more focused on job creation as an immediate social problem, and it was therefore not surprising that we ended up without an intensive skills development plan. That said, I think we still have great opportunities, and we must take advantage of the period between now and 2010 for skills development and job creation.

Against this background, to talk about AgsiSA in general terms is not particularly helpful: it needs to be located in the context of what is happening at the moment. Therefore, the question is not whether AgsiSA will work, but rather whether it

has worked since its inception. My view is that AgsiSA is only beginning to deliver. We also have to remember that AgsiSA was always going to deliver as long as there was growth. A closer look at the economy shows growth and significant job creation. In this context, I believe AgsiSA has been vindicated.

It is important to realise that economic policies are formulated in the context of the tripartite alliance. Within the alliance, there are certain dynamics that keep unfolding and certain tensions that exist, and the policy debates and their outcomes are informed by these factors. Indeed, I do think that AgsiSA is a phase that we are going through, and its evolution and our assessment of it will be largely informed by our rate of economic growth over the next five years, and whether it will increase or decrease. This is likely to be the deciding factor in assessing the success and failure of AgsiSA.

In general, the economic terminology might change but the objectives and the content (job creation and economic development) will remain constant. The content and objectives will not change, irrespective of whether you are on the left, center or right. Against this background, I don't believe that if we have a new President there will be substantial change; I will need to be persuaded that that would be the case.

That said, our economic growth has also exposed immediate challenges in the energy sector. As Johannesburg slowly emerges as the centre of business on the continent, the power cuts clearly illustrate the need to expedite the development of our energy capacity. To this end, I believe SA needs a regional strategy to address its energy needs because its economic growth will have an impact on the region's energy pool. A regional strategy would ensure the rapid development of the Inga Dam, which should play a major role in meeting the energy needs of our growing economy.

Black economic empowerment (BEE) in SA has been criticised as an elite-driven process. What do you think about this, and what can be done to ensure that BEE provides a platform for broad-based empowerment and wealth distribution?

The major limitation of BEE is that we have attempted to define an outcome instead of defining the capacity given. What I mean by this is that as long as there are no funding institutions to empower black people to enter business, you will not have a satisfactory outcome. It is pointless talking about the outcomes because they are dependent on the goodwill of SA business. Therefore, I would argue that the manipulation is not created by the black elite or by government. The manipulation of the system comes from white SA business, because they decide who they will partner with and how that partnership will be structured. They can afford to do that because they are basically funding the majority of these transactions.

Assuming we had a different strategy whereby the IDC or even the PIC were much more aggressive in funding the entry of black business people into the economy, the terrain would be very different, and we would not be complaining about elitism. For as long as we leave the choice of partners and funding to white business, we will not be able to control the process and get rid the culture of elitism. At the moment, the process is elitist — a look at the players clearly illustrates the elitist nature of empowerment deals. I believe we should be more concerned about funding models rather than BEE codes and quotas.

The future of BEE looks bleak. This is mainly because the issue of funding for black business is not regarded as urgent, to an extent that there is no discussion or debate on how best this problem can be addressed. Given this situation, I believe that the government should be more proactive in pushing the issues of funding. I also think the Department of Trade and Industry has failed to provide leadership on this issue. I don't think the function of government is to formulate empowerment codes that exacerbate the problem and don't address the core issues of BEE. If this situation persists, it is unlikely that the situation surrounding BEE will change soon, and I fear that unless new funding models are put in place we might even see a deepening of elitism. ■

From the outside looking in

The SADC Parliamentary Forum could play a major role in advancing constitutional democracy in southern Africa – but needs to strengthen its ability to support member parliaments and forge closer ties with SADC itself, writes **Elling Tjønneland**

THE SADC Parliamentary Forum was set up in the late 1990s to involve southern African parliaments and parliamentarians in regional co-operation and integration efforts, and to promote democracy and respect for the rule of law.

All SADC parliaments except Madagascar's are members of the forum. However, it is constituted as an autonomous institution, and there are no formal links between it and official SADC structures.

The daily management and operation of the forum is handled by a secretariat in Windhoek, headed by a secretary-general. The forum's plenary assembly meets twice a year, and is the main policy-making and deliberative body. It consists of five members of each member parliament, including their presiding officers. Significantly, in electing the other four representatives each parliament must ensure that women and political parties are equitably represented. This emphasis on including representatives of opposition parties has become a trademark of the forum.

Standing committees

The plenary assembly also elects an executive committee that manages the affairs of the forum, and directs the secretariat. The plenary assembly appoints standing committees which act as 'think-tanks' or 'clearing houses' for the forum. There are currently five such committees: on democratisation, governance and gender quality; regional co-operation and integration; inter-parliamentary co-operation and capacity development; HIV and AIDS; and the regional women's parliamentary caucus. The work of these standing committees usually flows from meetings of the plenary assembly.

The forum's current (2006-2010) strategic plan, approved by the plenary

assembly in June 2006, identifies four main activities or strategic interventions. The first is to improve institutions of democratic governance in the SADC region. The key priorities here are various activities to strengthen democratic election laws, regulations and practices, and gender equality.

The second is to help accelerate the implementation of regional integration initiatives, focusing largely on the implementation of SADC's protocols and poli-

In most member countries, knowledge of the forum is restricted to the few members of parliament taking part in its activities

cies, and establishing the forum as a parliamentary assembly under SADC.

The third intervention is to improve the performance of members of parliament and parliamentary staff. This largely comprises training courses delivered by the forum's new Parliamentary Leadership Centre.

The final area is the development of strategic partnerships and alliances in order to strengthen parliamentary co-operation. This includes co-operation with a range of parliamentary bodies and associations.

The forum receives some core funding from member parliaments, but the bulk of its income is provided by foreign donors, notably USAID (election programme), Sweden (gender programme), Norway (election programme), and the African Capacity Building Foundation (training programme). Others smaller donors include the Open Society Initiative for Southern Africa (information technology, website).

The forum is widely regarded as an

important regional institution. But how relevant and effective is it? In assessing its contribution to the regional project, it is useful to assess the organisation in three respects: its role as a forum for parliamentarians; its role in providing support to member parliaments; and its role in advancing regional co-operation and integration.

Some southern African democracies have been significantly consolidated in recent years. However, national parliaments in most countries are still relatively weak institutions. The one-party legacy; the dominance of executive branches of government; and an environment haunted by patriarchy, patrimonial relations, and discrimination against women remain major obstacles.

The achievements of the forum have to be measured against this background. It performs a very important function in providing parliamentarians from SADC member states with a place to meet and exchange information and knowledge. However, more needs to be done to ensure that the debates and discussions in and around the plenary assembly and standing committees filter down to member parliaments. In most member countries, knowledge of the forum is restricted to the few members of parliament taking part in its activities.

New centre

The forum has emphasised the need to strengthen the competence and capacities of both members of parliament and parliamentary staff. Thus far it has introduced few projects or activities that directly address these issues, but this is now changing following the establishment in 2006 of the Parliamentary Leadership and Development Centre. Based in Windhoek, it presents both regional



The Botswana National Assembly in Gaborone ... improving the performance of members of parliaments in SADC member states is a key role of the forum. Henner Frankenfeld/PictureNET Africa

and national courses, and is regarded as one of the forum's most important initiatives.

The centre's training programme and other activities are still being developed. However, it is keen to develop orientation programmes or introductory courses for new members of parliaments and parliamentary staff. These courses will focus on issues such as the roles and responsibilities of members of parliament, lawmaking, oversight, representation, and gender. It also intends to present workshops on regional co-operation and integration; subjects are expected to include the role of SADC protocols, transboundary resources, anti-corruption issues, poverty reduction, HIV/AIDS, gender, and peace and security.

The forum is in a position to make an important contribution in this area. It enjoys strong legitimacy among national parliaments, and it has the financial resources needed to implement such a programme. However, there are many organisations delivering training courses in this area, both nationally and regionally. If the forum is to succeed, and make a real difference, it must design and deliver a training programme tailored to the specific needs of individual parliaments. It also needs to prioritise

and focus its efforts to develop regional training courses. Above all, it is important to avoid a situation where a number of institutions deliver similar training courses in an *ad hoc* and unco-ordinated manner.

Election guide

The bulk of the forum's activities have been in the area of promoting regional co-operation and integration, especially in respect of gender issues and the development of regional frameworks and norms and standards for elections. Its election-related activities in particular have been extensive. In 2001 the forum adopted the *Norms and Standards for Elections in the SADC Region*, which has become the leading guide to assessing elections in SADC member countries.

A major activity has been the deployment of election observer missions in member countries. The observer teams are quite large and comprise MPs from member countries, including opposition MPs, support staff from the PF secretariat, and staff from member parliaments. The forum has observed nearly all national elections in member countries in recent years.

The observer missions have been con-

ducted in an increasingly professional manner. Team members arrive, receive proper orientation and training, meet different stakeholders and the main political parties, issue a statement, deploy in all or most parts of the country, and observe the elections according to a checklist. The team is guided by a code of conduct, debriefs after deployment, issues an interim statement and subsequently a major report that lists best practices, and presents recommendations for improvements. In a few cases – notably the 2002 elections in Zimbabwe – the forum has issued highly critical reports.

The SADC forum has also successfully established itself as an arena for debate about the consolidation of democracy, the exchange of information on election best practice, and establishing a peer review mechanism for the conduct of free and fair elections. It has not yet succeeded in boosting efforts by member parliaments to improve legislation and create a political climate conducive to free and fair elections. It has also not been successful in influencing the SADC Organ on Politics, Defence and Security Cooperation and its effort to formulate guidelines for democratic elections.

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Somalia needs genuine reconciliation process

Ethiopia's invasion of Somalia has set back hopes of a domestic settlement.

Timothy Othieno examines the options for resolving this intractable conflict, which is threatening to destabilise the entire region

THE PROTRACTED crisis in Somalia seems to have entered a new phase: an armed struggle for control of the country between Ethiopian and Somali Transitional Federal Government (TFG) forces on the one side and the Islamist militant umbrella group the Union of Islamic Courts (UIC) and other affiliated militias on the other.

On 25 December 2006 Ethiopia declared war on the UIC on the grounds that the latter posed a direct threat to its own borders, and that Addis Ababa had a right to protect its sovereignty. Ethiopia subsequently invaded Somalia three days later. This move had its roots in May 2006 when the UIC captured Mogadishu and continued attempts to assume control of the country, which came into conflict with Ethiopia's interests.

Ethiopia fears that the rise of the UIC will spread radical Islam throughout Ethiopia's large Muslim community, and cut off its access to the sea. In addition, the UIC is being financially and militarily supported by Eritrea, Ethiopia's long-time foe. Hence it came as no surprise that the situation in Somalia also created an opportunity for Eritrea to get involved in a proxy war with Ethiopia.

Islamist fighters flee

As Ethiopian troops entered Mogadishu in mid-January, the Islamist fighters fled the city and retreated south towards their stronghold in Kismayo and later entrenched themselves around the small town of Ras Komboni on the Kenyan border.

Ethiopia, however, has not been the only non-Muslim country interested in the course of events in Somalia: in January 2007 the US sent AC-130 gunships to attack Islamist positions at Ras Komboni,

in which dozens of people were killed. This act further muddled the waters and internationalised the conflict.

Although the TFG has been formally reinstalled in power, the situation in Somalia is again characterised by continued fighting and low-intensity warfare, mainly in Mogadishu. But regardless of what one regards as the cause of the current crisis – the removal of the popular but strict UIC from Mogadishu or the presence of the unpopular and weak but

Ethiopia fears that the rise of the UIC will spread radical Islam throughout Ethiopia's large Muslim community, and cut off its access to the sea

internationally recognised TFG, backed by the Ethiopian government – one needs to acknowledge the impact of the Somalia crisis on the Horn of Africa and East Africa. This article will analyse this impact and draw some conclusions about a possible resolution of the Somali crisis.

The involvement of neighbouring states in the crisis has had a negative impact on the evolution of the Somali state. Their support for certain Somali clans has contributed to internal tensions in Somalia. The Ethiopian government has been the major supporter of the Darod, who inhabit vast areas of the Ogaden region. The Darod also dominate the TFG – led by President Abdulahi Yusuf, who is a Darodian. The Hawiye, who inhabit vast areas of north-eastern Kenya, have strong support from the Kenyan government because of their influential role within Kenya's military structures. The Isaak are the dominant clan in Somaliland, while the Issa are dominant in Djibouti.

These countries' support for these clans are aimed purely at advancing their

own interests. For example, Ethiopia's interest lies in protecting its valuable access to the sea, while Kenya is concerned that the Somali conflict could engulf its northern and eastern provinces. Djibouti is trying to prevent the Somali conflict from spilling over into its own territory. Somaliland, which used to be a part of Somalia, wants to maintain its 'independence', with Ethiopia's support, while helping to safeguard Ethiopia's access to the sea, and protect its north eastern border from UIC elements.

These neighbouring states will probably keep on trying to influence developments in Somalia, particularly since the TFG in Mogadishu seems to be receptive to their interventions.

Since its return, the TFG has been heavily attacked by elements of the UIC based around the capital. The UIC fighters form part of the 3 000 UIC fighters who melted away when Ethiopian troops entered the capital. The fighting between the TFG and the UIC and their allies in Mogadishu threatens to escalate into a wider conflict with the potential to consume the entire Somalia, destabilise peaceful territories such as Somaliland and Puntland, and cause terrorist attacks in neighbouring countries.

The support given to the UIC insurgency can be attributed to the movement's role in bringing a semblance of peace to Somalia between June and December 2006. With grass-roots support, the UIC was able to remove weapons from the streets and curb violence within and among clans. The UIC's popularity also stems from the fact that their nemesis, the TFG, was brought back to power with the help of Ethiopia. The AU, on the other hand, is seen as propping up an illegitimate government. Some reports have even suggested that the UIC received material support from Eritrea, Ethiopia's



A camp for displaced persons in Mogadishu ... according to the WFP, about 1,5m people displaced by the conflict need food relief. AP Photo/Guy Calaf

sworn enemy in the region. If this is true, the Somali conflict could be turned into an international crisis and a proxy of the ongoing Eritrea–Ethiopia conflict.

Against the wishes of President Abdullahi Yusuf, the TFG is under tremendous pressure from the US and EU to negotiate with moderate Islamists in the UIC over a national reconciliation process that would end the violence and instability in Somalia. The EU, for instance, has stated that it will not disburse any funds for a peace-keeping force unless the TFG is prepared to engage with moderate Islamists about a government of national unity and an inclusive national reconciliation process. However, little progress has been made in this regard as the UIC was forced underground by the Ethiopian invasion.

The TFG's return to Mogadishu has also triggered off a massive flow of refugees to Kenya, Ethiopia and Djibouti, and thousands more people have been internally displaced. Many of this new wave of refugees need emergency aid. According to the World Food Programme (WFP), about 1,5 million people (563 000 Kenyans and 100 000 Somali refugees in Kenya, 455 000 people in Somalia, and 362 000 in Ethiopia) need assistance. These refugees have placed a heavy additional burden on recipient countries

in the form of increased insecurity and requirements for water, food, shelter, and sanitation.

Major challenge

One of the major challenges facing the TFG at this stage is the issue of how to reunify Somalia. Since 1991 various regions in Somalia have declared themselves independent and become autonomous – for example, Somaliland has been operating as a *de facto* independent state, although it remains unrecognised internationally. According to the Transitional Federal Charter, the Somali Republic includes Somaliland.

The TFG's inconclusive struggle to establish control over the capital and country has not helped matters in other regions in the Horn. In a desperate attempt to establish control, the TFG declared a state of emergency and imposed a curfew that included the self-ruling Somaliland territory. However, this complicated its relations with Somaliland. Relations between the TFG and Somaliland also have implications for the Horn of Africa since Somaliland's chief backer, Ethiopia, is also the TFG's principal supporter. Thus the TFG is effectively held hostage by Ethiopian machinations, and

Ethiopia currently seems to hold most of the cards on this issue.

Some western countries – notably the US – have depicted the involvement of Ethiopian-backed troops in Somalia as the 'liberation of Somalia' from Islamic terrorism. It seems as if the willingness of Ethiopia to tackle Islamic forces in Somalia has also prompted the US to open another front on its 'war on terror'. Since December 2006 it has emerged that the US has assisted Somali, Ethiopian and Kenyan forces with intelligence on the UIC. Other reports suggest that the US also provided advisors before conducting limited military strikes against the UIC from bases in Ethiopia, Kenya and Djibouti, and funded the AMISOM (the AU mission in Somalia) in support of the TFG.

In the clashes at Ras Kamboni in January 2007 the US used AC-130 gunships against suspected Al Qaeda operatives thought to be embedded within UIC forces. It also emerged that the US had been secretly training Ethiopian soldiers for several years in camps near the Ethiopia-Somalia border, and that many of these soldiers had participated in the Ethiopian invasion of Somalia. The same

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North Korean nuclear deal improves peace prospects

Despite obvious weaknesses, the Six-Party Agreement for managing nuclear power in North Korea offers real prospects for greater peace and stability in North East Asia, writes **Garth Shelton**

REGIONAL critics have questioned the Six-Party Agreement on North Korea's nuclear programme concluded on 13 February this year. In terms of this deal, North Korea will receive oil for energy generation in exchange for shutting down its Yongbyon nuclear facility.

In terms of the so-called Framework Agreement concluded in 1994, North Korea agreed to rejoin the Nuclear Non-Proliferation Treaty (NPT), effectively requiring it to dismantle its entire nuclear programme, in return for two electricity-generating light-water nuclear reactors. However, the Clinton administration delayed implementation of the deal and the Bush White House refused to honour it. Instead, President George Bush identified the Democratic People's Republic of Korea (DPRK) as the third element in an 'Axis of Evil' posing a 'clear and present danger' to the US in the post-9/11 global system.

Clandestine programme

Late in 2002 US officials claimed that North Korea was pursuing a clandestine nuclear weapons programme in contravention of NPT undertakings. In response, Pyongyang removed seals and surveillance equipment from the Yongbyon plant and expelled International Atomic Energy Agency (IAEA) inspectors from the country. Washington's new national security policy, announced on 17 September 2002, shifted US defence strategy to 'pre-emption' and 'prevention' as opposed to the traditional Cold War doctrine of deterrence. Both North Korea and Iran, the prime targets of the new security policy, responded by accelerating their nuclear programmes. In effect, Bush's 'Axis of Evil' speech and the new post-9/11 aggressive national security

policy provoked both North Korea and Iran into escalating their own nuclear and defence programmes.

Critics have raised a number of issues relating to the nuclear agreement, pointing out that the deal brokered by the Clinton administration 13 years ago went further than the present compromise. The agreement essentially facilitates the shut-down of North Korea's plutonium production and separation programme, but there is no clarity on a permanent closure

The IAEA has broadly welcomed the agreement, but the role of IAEA inspectors remains ambiguous

of the facility. Pyongyang's official news agency has referred to the 'suspension' of nuclear activities, while Washington clearly has a more permanent arrangement in mind.

The latest agreement does not deal with North Korea's alleged uranium enrichment programme, which operates separately from the plutonium process, and is believed to be capable of producing highly enriched uranium (HEU) for nuclear weapons. Also absent from the discussions has been North Korea's arsenal of nuclear weapons, believed to number at least a dozen.

The IAEA has broadly welcomed the agreement, but the role of IAEA inspectors remains ambiguous, with Pyongyang able to limit their access as long as it stays outside the NPT. In exchange for shutting down its nuclear reactor, North Korea will receive 50 000 metric tonnes of fuel oil, while a further 950 000 tonnes will be provided upon confirmation that the Yongbyon nuclear reactor has been 'disabled.' Pyongyang has questioned the

definition of 'disabled,' suggesting that its long-term view of the process differs sharply from Washington's perspective.

Escalation of sanctions

A former US Ambassador to the UN, John Bolton, has strongly criticised the deal, suggesting that it sends the wrong signal to would-be proliferators. According to Bolton, holding out long enough at the negotiating table and making threats will eventually be 'rewarded'. Bolton has instead called for an escalation of sanctions against North Korea and a comprehensive isolation of the country. However, the US has largely followed this approach for the past six years with no success.

The participants in Six-Party Talks (South Korea, North Korea, Japan, China, Russia and the US) have been united by a desire to promote security and stability in North East Asia, but differing national interests have impacted on the process and outcomes of the negotiation process. South Korea has for the past decade followed a policy of engagement towards North Korea, seeking through the so-called 'Sunshine policy' to moderate North Korea's security concerns while advancing a process of gradual economic reform. South Korean economic engagement, through the Gaesong Industrial Complex, the Mount Goumang tourism venture and the re-connection of railroads has significantly advanced inter-Korean trade and cross-border co-operation. For Seoul, the key objective has been to avoid war at all costs, given the so-called 'tyranny of proximity' between the front line of possible military confrontation and South Korea's population centres.

The Republic of Korea (ROK) has a long-term vision of gradual economic and

then political reform in the DPRK, leading to the eventual unification of the Korean peninsula under a federal system.

North Korea has participated in the Six-Party Talks with a view to improving its security and avoiding a possible confrontation with the US. The failure to formally conclude the Korean War through a comprehensive peace treaty has left the DPRK exposed to a hostile US, encamped in South Korea for the past 54 years. The talks have also offered Pyongyang the opportunity to bargain for concessions from the West in exchange for a moderation or final termination of its nuclear programme. Given its limited options and restricted diplomatic alternatives, North Korea has been forced to use the Six-Party Talks as a mechanism to advance its national interests.

Japan has sought to address a perceived threat from North Korea's ongoing military preparations and missile tests in the Sea of Japan. On 5 July 2006 the DPRK tested seven medium-range missiles and one long-range missile (Taepo-dong 2) over a 14-hour period. This was preceded in August 1998 by a missile test conducted over Japan itself. Historical animosities, born of Japan's colonial occupation of Korea from 1910 to 1945 and events in World War 2, also continue to impact negatively on present-day relations. The kidnapping of a number

of Japanese citizens by North Korean authorities, apparently for information-gathering purposes, has provoked an emotional response from the general public. Tokyo has refused to back the latest deal financially until the abduction issue has been fully resolved.

Economic crisis

China's interest in advancing a negotiated settlement has been driven by a desire to stabilise the North East Asian region and prevent any economic crisis in the DPRK which could create a major refugee problem. Moreover, China and North Korea have a long history of co-operation dating back to the Korean War. Beijing has played an increasingly important role in facilitating the Six-Party Talks and providing the political framework for negotiation. As a friend and ally of Pyongyang, Beijing has been a key mediator, offering realistic alternatives for a way out of the impasse. China consistently warned the DPRK not to test a nuclear device and was clearly angered by the 9 October 2006 nuclear explosion. Beijing consequently voted in favour of UN Security Council resolution 1718 on 14 October 2006, imposing a broad range of sanctions on North Korea. This was the first time China (and Russia) voted in favour of the imposition of UN sanctions.

The former USSR was a key Cold War ally of the DPRK, but has since been replaced by China. Moreover, Russia's lack of financial muscle and the decline of its military presence in East Asia has undermined Moscow's ability to exert its influence in the region. But Russia retains a keen interest in the economic development of the Korean peninsula with the possibility of benefiting significantly from new rail links from the trans-Siberian railway via North Korea to the dynamic economic hub in South Korea. Reducing regional tensions in favour of greater economic prosperity also clearly top Moscow's agenda at the Six-Party exchanges.

The US initially avoided the Six-Party process in favour of advancing more confrontational approaches based on 'regime change' or surgical air strike options. US commentators have predicted the 'imminent collapse' of North Korea since 1992, only to be repeatedly disappointed. Regime change without a massive US military intervention is clearly not a viable option in this context. At the same time, given their high level of protection, any attempt to destroy the DPRK's nuclear facilities with surgical air strikes would probably fail, and also unleash a devastating counterattack by North Korea on its southern neighbour.

Disagreement between hawks and doves in the Bush White House prevented a clear policy line on North Korea. The US eventually endorsed the Six-Party process with the stated objective of a 'complete, verified and irreversibly eliminated' North Korean nuclear programme. Washington sought this objective through threats, sanctions and an internationally imposed isolation, all of which were brought into sharp focus when Pyongyang tested its first nuclear weapon.

Weapons test

The obvious failure of US policy became evident immediately after Pyongyang's nuclear weapons test on 9 October last year. Along with a looming nuclear armed Iran, Washington began to reassess its policy of pre-emption and prevention. The outcome of this reassessment has been a significant US policy shift and a major softening of demands at the Six-



IAEA director-general Mohamed El Baradei talks to journalists before leaving for China and North Korea in March this year ... the role of IAEA inspectors remains unclear.
AP Photo/Hans Punz



South Korean activists with petitions opposing North Korea's nuclear programme a week after the Six-Party Agreement ... the agreement does not deal with some aspects of North Korea's nuclear weapons capability. AP Photo/Ahn Young-joon

Party negotiating table. The US has abandoned its demand for a verified permanent termination of North Korea's nuclear programme in favour of a more ambiguous long-term goal of 'disablement.'

Moreover, the package of US concessions has gone far further than even the most optimistic observer would have predicted. Washington has agreed to bilateral interaction with Pyongyang, the DPRK is to be removed from the US state terrorist list, future diplomatic relations are to be discussed, and a peace treaty finally ending the Korean war is under consideration. As an added immediate incentive, Washington agreed to the lifting of financial sanctions, freeing North Korean accounts in a Macao bank.

The sudden US change of course on the North Korean issue suggests a major alteration in the thinking of key policy-makers in the Bush White House. The US has begun a major strategic realignment that will shape its foreign policy for years to come. Under Clinton, the US was widely regarded as the 'benign hegemon' as Washington navigated international relations in concert with allies and multilateral institutions. Immediately post-9/11 Bush adopted what was widely regarded a 'rogue state' approach, declaring that you are 'either for us or against

us'. Thereafter, Washington moved to an even more aggressive stance, described as the 'trigger-happy sheriff', with the invasion of Iraq and Vice-President Dick Cheney's declaration that in the context of North Korea the US 'does not negotiate with evil, we destroy it.'

Policy shift

The significant and sudden policy shift on North Korea signals a new mood in the Bush White House and an apparent move back towards a more moderate position of global leadership. With no military option available to Bush in reversing nuclear proliferation in North Korea or Iran, and the failure of sanctions against the DPRK (and predicted failure in the case of Iran), along with no end in sight for the war in Iraq, Washington has no other option but to return to the Cold War policies of deterrence and massive retaliation rather than pre-emption and prevention.

Despite the obvious weaknesses of the Six-Party Agreement, a framework is in place for progress towards greater peace and stability in North East Asia. The agreement is essentially a mechanism for managing a nuclear armed North Korea, rather than reversing nuclear proliferation. At the same time, Washington's

softer diplomacy offers the opportunity for a comprehensive and positive restructuring of East Asian regional security.

The agreement is based on an innovative 'action for action' concept, suggesting that Pyongyang will be systematically rewarded for steps towards containing its nuclear programme. But, more importantly, it has produced five new negotiating subcommittees that will deal with the following issues: denuclearisation (the central focus of the process); energy (rewards for North Korea); the normalisation of North Korea – Japan relations; the normalisation of North Korea–US relations; and the establishment of a permanent North East Asian security mechanism. Thus the strategic vision of the agreement, coupled with the new US approach, offers the prospect of a lasting peace in East Asia.

The full implementation of this vision will not come without difficulties and setbacks, but the stage has been set for a more peaceful East Asian region. It is up to the key actors, especially the US, to play their part in advancing a successful conclusion to this chapter of history. ■

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Cuba at the crossroads

Fidel Castro's withdrawal from power has sparked off a new round of speculation about Cuba's future. Will his successors try to perpetuate the revolution, or go the reformist route?

By **Lyal White**

ERNEST HEMINGWAY, whose spirit lives on in Havana and who was a personal friend of Fidel Castro, once said, 'A man can be destroyed, but not defeated.' These words are resonating in Cuba where the current political debate increasingly centres on whether the revolution will die with Fidel.

Chosen heir

After nearly five decades in power, and at the age of 80, Castro is no longer at the helm. Whether he is indeed terminally ill – which the Cuban government vehemently denies – or recovering slowly, few will gainsay that Cuba is entering a new phase of leadership, and that Raul Castro (Fidel's younger brother) is the chosen heir to the throne.

These changes, and Castro's ailing condition, have placed the island under the spotlight yet again. No other country stirs up as much emotion, or commands as disproportionate a degree of leverage and influence in the international arena. Anti-Castro groups and *Fidelistas* alike are debating the future of Cuba and the legacy of a man and system that many believe is a relic of the Cold War, while others insist that the Cuban model is one of the most successful social experiments to emerge from that period.

Castro epitomises the messianic style of leadership that has come to characterise Latin America and the Caribbean. This is based less on competence than on personality and charisma. Leaders like Fidel inspire an abiding confidence in their abilities. In this way, Fidel has come to symbolise not only the Cuban revolution, but an ideology and belief that has had strongly influenced Latin America and the rest of the world for the past 50 years.

This style of leadership emerged on

both sides of the ideological spectrum in Latin America, resulting from the various kinds of dictatorships that gripped the region and redefined its political environment from the 1960s onwards. Two archetypes of this type of leadership – albeit on opposing sides – were Fidel Castro and the late Augusto Pinochet of Chile.

Michael Shifter of Inter-American Dialogue recently described them as two leaders who have defined the political history of Latin America, and moulded the landscape and agenda according to their ideals – in the case of Fidel, social equality; in the case of Pinochet, a relentless pursuit of market forces. Both are idolised by their followers but despised by their critics. And both have delivered some good to their people. Pinochet set in motion liberal reforms that have transformed Chile into the most successful

Raul lacks his brother's ability to muster and retain the loyalty of the masses

economy in the region, while Fidel has delivered socioeconomic equality and a high level of human development in an otherwise poorly endowed environment. But both sacrificed human rights in order to achieve their goals and political ambitions. Fidel has justified his actions in the name of the overarching revolution, while Pinochet felt democracy was misplaced in Chile, and chose to crush it through coercion.

The difference lies in the way in which each managed the changing global order and the wave of democratisation that swept across Latin America in the 1980s. Pinochet was voted out in 1989; Fidel retained his grip on power despite a series of dramatic changes that started with the end of the Cold War, and con-

tinued with a severe economic decline in the 1990s – ironically called 'the Special Period' – and a new phase of globalisation. He managed to do so largely because of his charisma, which has held Cuba together for all these years.

Raul Castro, Fidel's younger brother and the latter's choice as successor, lacks this key attribute. Unfortunately, it is not a characteristic that can be passed on from one leader to the next. While the communist ideology is well-entrenched in Cuba, Raul lacks his brother's ability to muster and retain the loyalty of the masses. Fidel tapped into the hopes and beliefs of the people, and galvanised them in pursuit of his vision of a better future.

But while Raul has been eclipsed by his brother for all these years, and relatively little is still known about him, he is, for now, the undisputed leader of Cuba.

Whether Fidel is terminally ill or busy recovering from illness, this opportunity has been used to place Raul in the seat of power and to give him the necessary public exposure. He has long been vice-president, and head of the armed forces, but is now 75 himself, and most critics believe he will be a transitional leader who will either usher in a process of liberal reform and plural democracy, or wait for a new generation of revolutionary leaders to organise themselves and then relinquish control.

Human rights abuses

The Cuban revolution has been praised for its social development and elimination of inequality. But critics argue that the costs of achieving this 'utopian dream', which include a dismal economic record, undemocratic governance, and severe human rights abuses, far outweigh the gains. Ultimately, the real question is whether Castro's revolutionary model



Raul Castro greets Venezuelan President Hugo Chavez at the Havana airport ... Venezuela's economic support has given Chavez unprecedented leverage over Cuba's transition. AP Photo/Alfonso Ocanda

truly benefited the Cuban people, and, if it did, still does so today.

Cuba's social indicators are among the best in the world. It is one of the top five developing countries on the Human Development Index, and ranks among the top developed countries in respect of life expectancy and literacy. It is widely recognised that the revolution brought equality, education, and health care to the masses. It has also prevented Cuba from becoming yet another Caribbean basket case or a backwater of American organised crime and unsavoury tourism, a role prevalent in the Caribbean today.

Cuba is held in high regard by a many members of the international community (especially the developing world). It has shared its expertise and progress – especially in health care – with less developed countries around the world. Today more than 30 000 Cuban doctors are practising abroad, mostly in Latin America.

Its greatest asset is human capital. Cubans are hard-working, and thanks to the revolution they are disciplined, well-educated, and service-oriented. But there is much that needs to be done (or changed) in Cuba if its entrepreneurial spirit, which formally contradicts the revolutionary ideals originally spelled out in 1959, is to be fully harnessed.

Credible economic data about Cuba is difficult to come by. While it has one of the fastest growing economies in Latin America – 8-11 per cent in 2005 and 2006 – this has followed the 'Special Period', an eight-year period of economic decline that resulted in widespread food shortages, and halted housing and infrastructure development.

Repressive policies

The Cuban economy is about 20 per cent smaller today than in 1985, and the country has yet to reach the living standards it enjoyed in 1989. Per capita income is estimated at \$10-\$15 a month, which has boosted crime and prostitution.

Repressive policies and human rights abuses provide Cuba's critics with more solid ammunition. Even those in favour of the Cuban model have pleaded with the Castro government to address these issues, but with little success. More than two million Cubans have been forced into exile (nearly 1.5 million are in the US), 77 800 have been reported dead or lost on rafts at sea (trying to escape from Cuba), and the Castro regime has carried out 5 700 executions. Add to this the long list of political prisoners (the government admits to 20 000, but estimates are as

high as 90 000), and the Cuban government has provided considerable grounds for criticism by influential groups such as Amnesty International and Human Rights Watch.

Where does Raul Castro stand on all these issues? As one of the staunchest proponents of the communist ideals that underpin the Cuban revolution, he has earned a reputation of being a strict enforcer of the revolution and the rules and policies associated with it – even to the detriment of personal freedoms and internationally accepted human rights.

But when it comes to the economy, Raul has expressed a slightly different perspective, and has shown a keen interest in the Chinese model of economic liberalisation. Over the past 25 years, China has introduced a staggered set of economic reforms aimed at promoting free trade and investment, privatisation, and less state intervention in economic affairs. As a result, its economy has grown by an average of nearly 10 per cent a year over this period – the highest level of growth of any economy in the world. Despite this, the Chinese Communist Party has retained political control.

There is a great deal of speculation about whether Raul will take Cuba down the Chinese path. But the Chinese and



Fidel Castro with his brother Raul ... Raul has long served as vice-president, but lacks his brother's charisma. AP Photo/Cristobal Herrera

Cuban economies are worlds apart. Most importantly, Cuba is closely watched by the US. History has shown that if Cuba changes its economic regime, the US will try to influence and even control this process. This reality will make the new Cuban leaders more reluctant to implement economic reforms, especially if the economy is booming and they are able to rely on allies for strategic commodities such as oil, energy and food.

Trade embargo

Cuban-US relations have oscillated between bad and worse since 1960. The 40-year-old US trade embargo (the Cubans prefer to call it a blockade) has severed the latter country from its closest and most important trading partner, and until recently an extension of this blockade – introduced by the Helms-Burton Act – also isolated Cuba from much of the international community. The embargo has never been assessed for its effectiveness or its success in initiating democratic change in Cuba.

US policy toward Cuba has been dramatically internalised over the years. Fidel Castro has outlived nine US presidents, despite various outrageous attempts

and billions of dollars spent to displace him. But despite their countries' geographical proximity, and the 1.5 million Cuban exiles currently in the US, many Cubans remain will strongly oppose any US involvement in a post-Castro transition. Even if a shift takes place towards greater personal freedom and democracy, Cubans will probably resist the imposition of American-style ideals, and choose a transitional path of their own. Even after the US congressional visit to the island at the end of 2006 – the first since Castro came to power – Cuba and the US are as far apart as ever before, and increasing moral and economic support from regional allies will ensure that Raul or any other leader will maintain this position, at least in the short term.

Ignacio Ramonet, editor of *Le Monde Diplomatique* and an ardent supporter of Castro, recently commented: 'For the first time in its history, this country [Cuba] does not depend on a preferred partner, as it depended, successively, on Spain, the US, and the Soviet Union. It is more independent than ever.'

Surely Ramonet failed to notice Cuba's increasingly close relationship with and growing dependence on Venezuela. Cuba's relations with Venezuela have

been described as the bedrock of the Cuban economy. To date, Venezuela has subsidised the Cuban economy by an estimated \$2bn. Through an 'oil for doctors' agreement, Cuba receives 90 000 barrels of Venezuelan crude a day at favourable rates in return for doctors and various related projects and operations. Bilateral trade has rocketed to \$2,5bn, \$1,8bn of this in the form of Venezuelan oil exports. In terms of strategic co-operation and security, Cuba and Venezuela have signed various bilateral agreements, and have championed an alliance of like-minded countries in the region (including Bolivia and Ecuador) which they call a 'coalition of friends' against US imperial dominance. Its members have large (or potentially large) oil, gas, and hydrocarbon reserves.

Unofficial mouthpiece

Led by Hugo Chavez, Venezuela has quickly become Cuba's most important partner. Chavez's affinity with Castro and his effective use of oil diplomacy in Cuba and across the region has given him unprecedented leverage in Cuba's transition. The visual images of Chavez beside a bedridden Castro, not to mention his role as the unofficial mouthpiece of the great leader in delivering messages of recovery to the rest of the world, are very significant.

However, the relationship between Raul and Chavez is still unclear. While they may share the same ideological point of departure, Raul certainly does not seem to share Chavez's abrasive style and confrontational tactics. Raul has, after all, been in this game far longer, is accustomed to staying out of the limelight, and has successfully avoided becoming a lightning rod for criticism.

Under Raul, Cuba is likely to remain close to Venezuela. This makes economic sense. Chavez will continue with his outspoken crusade and no doubt absorb much of the criticism directed at the radical left in Latin America, while Raul continues to focus on the internal dynamics in Cuba and its gradual integration with the global political economy.

Most analysts and observers have

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In the previous issue of *Global Dialogue* (September 2006), **Aslam Farouk-Alli** examined the mid-2006 Israeli incursions into Gaza and Lebanon in the context of a broader historical narrative about Zionism. **Victor Gordon** of the South African Jewish Board of Deputies offers a critique of Farouk-Alli's article, to which the latter responds

History behind history ignored

Victor Gordon

WHEN 23-year-old Gadi Goldwasser recently visited SA to urge anyone with a modicum of influence to help secure the release of his brother Udi, kidnapped in July by Hezbollah fighters on the Lebanon border, he predictably faced a variety of reactions that varied from sympathetic to downright hostile.

When he appeared as a guest on a Johannesburg-based radio station the lines were jammed by angry callers who asked why two Israeli soldiers were more significant than the hundreds of Lebanese victims of the recent war. As anticipated, Israel's action in this 34-day-long conflict was unreservedly condemned.

Goldwasser's answers were predictable. He cared about his brother and would do whatever he could to, if not secure his release, at least obtain information about his well-being – or whether he was even still alive. His visit had no political motive.

Fateful abduction

Gadi is no politician. He has no answers but he has some pressing questions. They are of a personal family nature. 'Is my brother alive? How is he? How is he being treated? What can be done to bring him home?'

I am reminded of how well-known film stars or dubious celebrities are sometimes asked for their opinions on worldly matters simply because of who they are, not what they know. In Gadi's case there is little he could add to the ferocious debate about the way in which Israel reacted to that fateful abduction. It happened as a direct result of a decision taken by Hezbollah, probably at the behest of Iran and/or Syria, with consequences that were tragic for all those – both Israelis and Lebanese – who found themselves in the firing line. These are the consequences of war about which the leader of Hezbollah, Hassan Nasrallah, admitted that had he anticipated the scale of Israel's reaction he would not have instigated the war to start with. Too little, too late.

While certain spokesmen within Israel have claimed that

the kidnapping was 'not the real issue' behind her reaction, it was undoubtedly the point of no return – the proverbial last straw that broke the camel's back; the single event that sparked a chain of events similar to so many other 'sparks' that have changed history in the past; pivotal points that are only recognised for their importance with hindsight, sometimes years later.

Consider the assassination of Archduke Ferdinand which resulted in the catastrophic World War 1, or the infamous Dreyfus trial that provided the seed for the Zionist movement and the ultimate establishment of the state of Israel. Of course, history provides many other examples.

When one considers the reasons behind Israel's reaction a deeper examination is essential to achieve any real understanding of a matter wrought with complexity, so much of which is often debated devoid of any essential context. Such is the case when viewing the weight of the kidnapping against Israel's ultimate decision to wage all-out war against Hezbollah, the proxy of Iran and Syria.

It is simply dishonest to ignore the history behind the history outlined by Islam Farouk-Alli in his article 'History weighs heavily on Middle East' (*Global Dialogue*, September 2006). Predictably, Farouk-Alli writes from an Arab perspective which

would be quite acceptable had he included in his overview of the historic events that resulted in the recent war a single reference from the Israeli viewpoint. In a conflict as long and complex as this, surely a true understanding can only be achieved when

one looks at both sides of the story and places such events in some sort of valid context. But Alli-Farouk makes no attempt to attain this balance, and simply ignores the cause and effect of the events under review.

One cannot, for example, simply overlook the cause and effect of anti-Semitism as it has been practised throughout Europe and the Middle East, not for decades but for centuries. One cannot simply dismiss the fact that Jews were continually and systematically thrown out of one country after the other,

**'A true understanding can only
be achieved when one looks
at both sides of the story'**



Israeli soldiers at the funeral of a comrade, Oren Lifshitz, at Kibbutz Gazit near Afula, 9 August 2006. Reuters/Yonathan Weitzman

persecuted, tortured, murdered in their millions, reduced to second-class citizens, or robbed of any form of citizenship at all while still managing to survive and continue the practice of their faith.

What other nation has had to endure such degradation and still be expected to uphold values dictated by a hostile world but without similar expectations from any other nation? There has always been one standard for Israel and another for everyone else.

The 700-plus UN resolutions passed against Israel since 1948 bear testimony to this claim when one considers that less than a handful have been passed against all the Arab states combined. Are we expected to believe that the latter are simply beyond reproach, while Israel can simply do no right?

Anti-Semitism

Having said this, Farouk-Alli's assertion that the motive for the birth of the Zionist movement was nothing more than a desire to create an exclusive Jewish state for no reason beyond that ignores 2000 years of documented history. I often wonder what the attitude would be if the positions were reversed and a minority Arab people, hounded incessantly by a hostile world, had nowhere to find sanctuary and safety. One only has to listen to the protestations of Muslims who suddenly find themselves under a hostile spotlight following 9/11 (and numerous other terrorist actions by radical elements of their faith), and who now feel the unpleasant effects of discrimination – and gas chambers are not even part of the equation.

The truth is that Theodore Hertzl's inspiration to find a homeland for persecuted Jews stemmed directly from the injustice and resultant anti-Semitism of the Dreyfus case and

not because Jews took a decision to 'rob' Arabs of their land. In fact, anyone with the honesty to face the facts knows full well that the area historically known as Judea and Samaria has been Jewish land as far back as Abraham, no matter how much this history is distorted to suit another argument.

The Balfour Declaration recognised this fact, as the UN when it voted for partition in 1947. The wheel had turned full circle, and justice was finally done.

Farouk-Alli suggests that the Jews alone mounted a 'bloody guerrilla campaign against the British administrators and the local Arab population' prior to the declaration of the state of Israel in 1948. No mention is made of the Arab riots against the unarmed Jewish civilian population, the massacre of Yes-hiva students at Hebron, and the open support that the Arabs enjoyed from the British forces in occupation. Neither is there any reference to the desperation of survivors of the Holocaust, generally unwelcome in most countries as they languished in filthy refugee camps in Cyprus or drowned as the rusty and unseaworthy boats they had hired to take them to Palestine sank after being turned away by the British blockade.

Worst of all were those sent back to Germany by the British where they had nothing left to return to, sometimes to be murdered for simply having had the audacity to survive the gas chambers. Can Farouk-Alli possibly get his mind around the magnitude of this catastrophe? It appears not. The callousness of the British in this situation in the interests of Arab oil is well known and, under the circumstances, beyond comprehension.

Indeed, the refugee problem created by successive wars is tragic and enormous. However, contrary to Farouk-Alli's contention, it is not Israel's responsibility alone. Neither is the solution, which, if one were to accept the latter's reasoning,

would result in the eradication of the very *raison d'être* for the establishment of the state in the first instance: the creation of a safe haven for Jews who are still under threat no matter where they live. One only has to consider the extreme levels of anti-Semitism that currently exist in Europe, the UK, Canada and the US to appreciate that were this threat not a reality there would not be a pressing need for an exclusive Jewish state in the first place.

Every Arab knows that the refugee problem could have been eradicated had the Arabs accepted partition in 1948 (as did the Israelis); had President Abdel Nasser not closed the Straits of Tiran, thus precipitating the Six Day War; had President Anwar Sadat not attacked Israel in 1973 (resulting in a hard-won Israeli victory, contrary to Farouk-Alli's misleading claim that Egypt emerged victorious); and had the Palestinians been encouraged to stop their incessant attacks on Israel and enjoy the benefits of peace and co-operation instead.

One has to ask oneself why there was no attempt by Egypt and Jordan to establish a state for the unfortunate Palestinians while these two powers had full control over Gaza and the West Bank from 1948 till 1967.

Israel's invasions of Lebanon in 1978 and again in 1982 are all linked to this long chain of events. Along the way mistakes

have been made by all parties. Israel does not claim perfection. However, what other country has been at a continual state of war ever since its birth? How does that effect the psyche of a people? How are you left seeing the world knowing that you are forever surrounded by millions who have been indoctrinated to hate you and work towards your destruction from their very childhood? How do you understand and cope with the hostility you face daily for simply daring to exist – and the demands that are made of you which never apply to others?

If any lesson can be learnt from the SA experience it is not the simplistic application of the sharing of common land. It is the benefits that arise from the sensible accommodation of people with diverse cultures, outlooks, beliefs and backgrounds who recognise and enjoy the benefits of moving beyond ideological hatred to rather capitalise on the sharing of expertise, experience and co-operation for the common good.

I ask Farouk-Alli to give this some thought and to try and incorporate it into his analysis of a situation made tragic and insoluble by the lack of flexibility of all parties, but aimed disproportionately at Israel alone. ■

Victor Gordon chairs the Pretoria Branch of the SA Jewish Board of Deputies and is a member of Media Team Israel.

Propaganda masquerading as scholarship

Aslam Farouk-Alli

Despite his grave academic invocation of the 'history behind the history', Victor Gordon's response to my article is nothing more than propaganda masquerading as informed scholarship. Gordon would like his readers to believe that my article is 'predictably' flawed because I write from an 'Arab perspective', and am consequently guilty of ignoring 'the Israeli viewpoint'.

Such logic can only be the product of a mind afflicted by a severe bout of binary thinking; it clearly implies that if one is not in the Israeli camp then one must be in the Arab camp. Nothing could be further from the truth; by grounding my article in historical reality, I had sought to steer away from the kind of ideological partisanship so clearly evident in Gordon's response. In light of Gordon's diatribe, one would be well justified in adding that only in Israel can nationalist mythology be so convincingly passed off as history.

A careful reading of Gordon's response reveals all the elements of Zionist propaganda. A few examples should suffice to make my point:

1. Gordon's highly emotive introduction elevates *Jewish suffering* over human suffering by drawing his readers' attention to the plight of three Israeli soldiers captured by Hezbollah,

thereby attempting to blind them to the consequences of a war in which more than 1 200 Lebanese civilians lost their lives and almost one million people were displaced from their homes.

2. He invokes *anti-Semitism* as a justification for the establishment of a Jewish state, thereby attempting to legitimise the expropriation of Palestinian land and the expulsion of its indigenous Arab population.
3. He also sweeps under the carpet more than 60 years of Israeli atrocities by *blaming the victims*: he would have us

believe that the Palestinian refugee problem is not a creation of Israel and therefore 'not Israel's responsibility alone'.

4. Gordon attempts to pass *religious myth* as incontrovertible fact by laying

biblical claims to the land, thereby effectively ignoring the historical truth that the Arab presence in Palestine stretches back by almost 1 200 years.

His indiscretions are far more comprehensive than suggested by the few examples above, but the constraints placed upon the length of this response do not allow a detailed analysis.

Fortunately, such disparities in the Zionist narrative are being pointed out by scholars not only writing from an 'Arab' point of view. There is a growing body of Israeli and Jewish scholars

'Only in Israel can nationalist mythology be so convincingly passed off as history'

writing from a revisionist perspective with the specific aim of debunking the established, authoritative master narrative that is fundamentally flawed in so many ways. Social scientists and historians such as Avi Shlaim, Ilan Pappé, Tom Segev, Benny Morris, Simha Flapan and Gershon Shafir have all written scholarly works grounded in archival research which refute much of the slanted propaganda that Gordon tries to pass off as history. (In this regard the following are relevant: Avi Shlaim, *Collusion across the Jordan* and *The Iron Wall*; Ilan Pappé, *The Making of the Arab-Israeli Conflict, A History of Modern Palestine* and *The Ethnic Cleansing of Palestine*; Tom Segev, 1949: *The First Israelis* and *One Palestine, Complete: Jews and Arabs under the Palestine Mandate*; Benny Morris, *The Birth of the Palestinian Refugee Problem, 1947–1949* and *Righteous Victims: A History of the Zionist-Arab Conflict*; Simha Flapan, *The Birth of Israel: Myths and Realities*; and Gershon Shafir, *Land, Labor and the Origins of the Israeli-Palestinian Conflict, 1882–1914*.)

It is perhaps prudent at this point to also mention a recent article by Jonathan Cook – a writer and journalist based in Nazareth – that challenges Gordon's assertion that the Lebanon war was triggered by Hezbollah's abduction of three Israeli soldiers. Cook's article (<http://electronicintifada.net>) outlines leaked testimony from the Wingrod Committee which investi-

gated the Israeli government's failures during the month-long attack. It suggests that Olmert had begun to plan the invasion of Lebanon four months before the soldiers were abducted.

Unfortunately, Gordon's response is bereft of the nuance prevalent in debates concerning the Israeli-Palestinian conflict so prominent within Israel itself: one only needs to page through an Israeli daily newspaper such as *Ha'aretz* to get a sense of this. Gordon seems content to pass fundamentalist judgements from the SA periphery while remaining totally oblivious to what is being said at the centre.

In light of Gordon's passionate espousal of the official Israeli narrative, I find it perplexing that a 'committed' Zionist such as himself would seemingly lack the courage of his convictions by sticking it out here in SA. One would have expected him to have made *aaliya* (immigrated to Israel) a long time ago. His failure is lamentable on two accounts: firstly, it puts into question his commitment to the liberation struggle in our own country by his lame attempts to defend Israel's apartheid policies; and, secondly, it denies him the opportunity to develop a fresher perspective by being exposed to the rich debate currently being waged in Israel itself. ■

Aslam Farouk-Ali is an independent political analyst.



A woman is carried from the rubble of the Bent Jbail, a small town in southern Lebanon that was virtually destroyed in fighting between Israeli and Hezbollah fighters, 31 July 2006. Reuters/Shannon Stapleton

A season of hope

Deputy President **Phumzile Mlambo-Ngcuka**

SA HAS entered an age of hope – not vain hope, but hope based on firm foundations. For the past three years our economy has grown at about 5% a year. Over the past five years, income per person has risen from less than US\$3 000 a year to more than \$5 000 a year. Over the same period we have cut taxes several times, reduced the budget deficit to virtually zero, reduced government debt to one of the lowest levels in the world, reduced inflation to 3–6%, and reduced poverty through a system of social grants that now reaches more than 11 million beneficiaries. For three years in succession we have created more than 500 000 jobs a year.

We have come a long way since 1993, the year before our first democratic elections. In that year, the budget deficit was nearly 10% of GDP, government debt was approaching unsustainable levels, and economic growth was at a standstill. Real incomes per person had declined by 15% over the previous decade. The last decade of apartheid was characterised by economic stagnation and mismanagement.

New challenge

The first economic challenges after 1994 were those of stabilising the economy and building a foundation for growth and development. This we did successfully, sometimes at great cost. However, great social and economic challenges remained. As employment began to rise in 2003, and evidence suggested that poverty rates were beginning to decline, the focus shifted. The new challenge is to sustain higher rates of economic growth, ensure that this growth is shared, and lay the groundwork for a further increase in growth at the end of this decade, if not earlier.

To this end, the government has adopted the Accelerated and Shared Growth Initiative of SA, or AsgiSA. This programme has the dual purpose of



advancing sustained as well as shared economic growth. In doing so, it resonates with our objective to institutionalise a strong and socially responsive democratic developmental state in SA.

We borrowed the concept of 'binding constraints' on the economy from prominent development economists based at Harvard University to organise our ideas and strategy. This approach targets the most binding constraints and bottlenecks in order to stimulate economic growth.

Overall, we found that our commodity sector was reasonably strong and that our non-tradable sectors – retail, services, construction, and so on – were steaming ahead, as reflected in increased employment and disposable incomes. However, our manufactures and tradable services were relatively weak. Without a stronger non-commodity tradable sector our success would remain fragile, and subject to the vagaries of international commodity prices.

The key question became: how could we use this period of strong demand for our natural resources (gold, platinum, coal, iron and steel, and so on) to build foundations for more sustainable growth?

How could we use it to bring the one third of the population who were marginalised from economic benefits into the mainstream, to both reduce severe inequalities and feed future economic growth?

The key constraints, we found, were the relative volatility of the currency; the cost, efficiency, and capacity of the national logistics system; shortages of suitably skilled labour; barriers to entry, limits to competition, and limited new investment opportunities; a overly restrictive regulatory environment, excessively burdening small and medium businesses; and deficiencies in state organisation, capacity, and leadership.

For each of these constraints we compiled a set of actions in relevant categories: macroeconomic issues; infrastructure programmes; sector investment strategies (or industrial strategies); skills and education initiatives, second-economy interventions (including small business support); and public administration issues.

First annual reports

Recently, we were pleased to present the first annual reports on AsgiSA and the Joint Initiative on Priority Skills Acquisition (JIPSA) to the SA public. Both reports indicate that we are on track towards achieving our key targets. However, in some areas – particularly industrial, sector, and second-economy strategies, and efforts to improve state capacity – much is still needed before AsgiSA can claim success. Let me briefly highlight some of the key achievements of the past year.

Macroeconomic management continues to be exemplary. The budget deficit was reduced to 0,3% in 2005–6, with a small surplus likely for 2006–7. A budget surplus of 0,6% is planned for 2007–8. This helps to contain consumption expenditure and the balance of payments deficit, as well as eliminate government

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The problem with biofuels

Despite popular impressions, biofuels are not a cure-all for the world's energy problems, writes **Annie Sugrue**, and SA should consult widely before formulating a sound, environmentally friendly and pro-poor bioenergy programme

FOSSIL fuels are non-renewable energy sources that will eventually run out. Some argue that oil production has already peaked, meaning that we will not be able to sustain current production levels. Given current market forces, fossil fuel prices will probably rise further; we have already seen oil prices rise considerably in recent times. Furthermore, scientists report that global climate change is taking place as a direct result of the burning of fossil fuels. In order to stop global climate change, humans will have to find alternatives to the burning of fossil fuels. These issues have major implications for global energy security.

Biofuel myths

Biofuels are seen as one of the most promising alternatives to fossil fuels. What could be more natural and environmentally sustainable than growing crops and using the byproducts to fuel our cars? They are renewable so long as the sun shines, and there is sufficient water. Supporters of biofuels point out that we need to seek alternatives to fossil fuels, not only because they are non-renewable and will therefore run out, but also because burning fossil fuels is causing climate change. Biofuels are thus seen as the answer or panacea to the industrial world's transport problems with its rising costs and increasing pressure to reduce emissions. But there are many issues surrounding the sustainability of biofuels that need to be addressed and investigated. These include environmental risks, food security, impacts on the socioeconomics of rural communities, and, of course, conservation.

There are several myths about biofuels. The first is that they produce no – or far less – carbon emissions than fossil fuels; in other words, that they are 'carbon-neutral'. While the stalks and flow-

ers of plants do absorb about the same amount of carbon when they grow as they release when they are burnt, such simplified assessments omit to include the energy used by modern industrial farming to produce the energy crop in the first place. There is significant embodied energy in mechanised farming equipment, in transporting farming inputs and outputs, and in direct farming inputs such as fertilisers and pesticides.

Detractors of biofuels use the energy balance argument to highlight the fact that most biofuels are not carbon-neutral, and that many energy crops barely produce more energy than they use. The energy balance of a crop consists of all the fossil and other energy (except sun energy) used to produce it, and drive the manufacturing process. The energy equivalent potential of the crop itself is then calculated, and the ratio between the two is the energy balance. A ratio of 1:1 means that you are getting no net energy benefit from the process. A ratio of 1:3 or 4 is considered a good energy balance. Energy balances vary widely from one crop to another. Crops such as maize, for instance, have energy balances of between 1:1.1 and 1:1.7, which means that they only produce about 10–70% more energy than it takes to produce them. However, sugar cane has as a good energy balance at 1:8.

The second myth is that biofuels are good for the environment. Firstly, let us acknowledge that all industrially based commercial farming is environmentally unfriendly, and that if we criticise modern industrial biofuels production we should also criticise all industrial food production. Agriculture uses 51% of all SA's water resources, and conservative estimates from a recent study show that it consumes about 12% of the country's energy as well. On top of that, irrigation coupled with the use of chemicals causes

salination in soils, and industrial farming chemicals to leach into soils and run into rivers. A major biofuel programme will result in agricultural intensification that will exacerbate the environmental issues related to this sector.

Environmental impacts

It should be kept in mind that plants are poor transducers of sun energy, and thus to harvest a lot of sun energy in the form of biofuels requires energy crops to grow intensively. The biggest criticism of US President George W Bush's latest ten-year plan is that to increase biofuel production will require more corn than the total amount currently grown in the US.



Maize under irrigation on SA's eastern highveld ... maize

The potential environmental impacts of biofuel production are already visible in Indonesia and Malaysia, where palms are grown for oil. There is no doubt that in these countries the growing of palm oil is creating a major environmental problem, as large tracts of rain forest are being cleared to make way for cultivation. Already 2m ha of land in Indonesia and 1,2m ha of land in Malaysia have been cleared for palm oil production. In 2006 Friends of the Earth reported that between 1985 and 2000 the development of oil palm plantations was responsible for an estimated 87% of deforestation in Malaysia. As the plantations extend into the swamp areas, the land is being dried out for cultivation, releasing carbon as it oxidises. Consider also that large tracts of the rain forest are burnt down, releasing years of accumulated stored carbon from massive trees that are being replaced with less vegetation. This shows up the irony of biofuels being promoted as good for climate change on the grounds that they generate less carbon, while during production they release far more than if fossil fuels were burnt.

Indonesia recently called on rich nations to pay developing nations to preserve their rain forests, a justified call in the face of economic hardship that drives poor nations into unsustainable biofuel practices that contribute to global climate change. Although SA might be spared the palm oil debacle because there is limited growth potential here for this crop, we could extend the analysis to the use of our conservation areas for cultivation, resulting in a loss of biodiversity as well as the loss of at least some of our remaining pristine grasslands and indigenous forests.

Certification

The EU recently announced its intention to increase the biofuel target in liquid fuels for transport from 5,7% by 2010 to 10% by 2020. This has outraged environmental groups in the EU, as it is the same palm oil from Indonesia and Malaysia that has provided much of the feed stock for Europe to date. The EU has countered this argument by starting a process to look at the certification of biofuels to

ensure that whatever is imported into the EU is grown sustainably. Many say that this is unworkable and almost impossible to implement; others suggest that this is a new kind of trade barrier, or that it will infringe trade law.

The potential impact of biofuels on food security adds another dimension to this complex debate. The Bush administration has announced its intention to increase biofuel production to 35bn gallons a year by 2017. This is in the face of serious reactions to increased corn prices that are badly affecting the poor in Mexico; 75 000 people marched in Mexico City in January this year to object to the rising price of corn. Mexico imports most of its corn for its staple food – tortillos – from the US, and prices have increased by 400% in recent months, largely blamed on the biofuels-driven demand for corn. US farmers themselves have complained of the difficulty of getting corn for feedstock, and prices of meat have also escalated. This shows that biofuels can impact significantly on food security, and we

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e crops produce little more energy than it takes to produce them.

Gripping account of AIDS in Africa

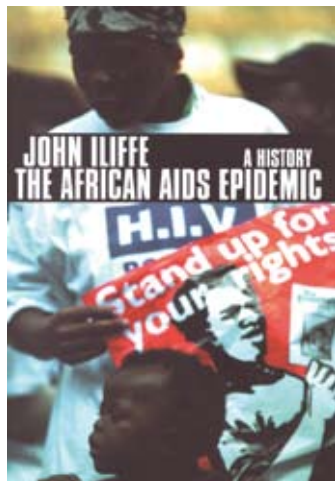
Siphamandla Zondi reviews a comprehensive new history of HIV and AIDS in Africa that helps to balance out west-centric accounts

A HISTORY of HIV and AIDS – especially in Africa, where the epidemic has hit the hardest – could help to stimulate innovative thinking about its containment. This volume, by a historian at Cambridge University specialising in Africa, is a welcome contribution in this regard. It is a difficult history to write, given the sensitivities and stigma surrounding the pandemic, the fact that it is an unfolding phenomenon, and the problem of finding adequate sources. Yet *The African AIDS Epidemic* blends an intelligent use of primary and secondary literature and insights into the general history of epidemics to provide the most comprehensive history of HIV and AIDS thus far. It covers the entire continent and the entire known chronology of HIV, and extensively reflects views from below.

In the first chapter, the author undertakes the difficult task of piecing together various perspectives, some controversial, on the origins of AIDS, to conclude that AIDS is indeed an African epidemic. Readers will find his ability to simplify otherwise inaccessible medical data and science without sacrificing credibility particularly useful. He turns the scientific analysis of the evolution of the HI virus and its transmission to humans into a compelling account, which shows, crucially, that this transmission could not have been natural. From this point the story unfolds to the end of the book.

From HIV to AIDS

The answer to the question of just how the epidemic travelled from western equatorial Africa to the rest of the continent begins in chapter 3. In this chapter, the author discusses the appearance of AIDS in the 1970s after HIV had been recorded in the region for 20 years. It explains why it took this long for the HIV to lead to AIDS, citing among other reasons, poor communications, sparse populations, and



The African AIDS Epidemic: A History
John Iliffe
(Double Storey, Cape Town, 2006)

forested environments. The observations of a Congolese physician lead the author to ascribe the transition from low-level infection to virulent epidemic to the rapid expansion of Kinshasa in the 1970s. The virus was then carried to East Africa.

In chapter 4, the author demonstrates how the natural and social environments in parts of East Africa accelerated the spread of the epidemic in the Lake Victoria basin and major cities in the region. The impact of rapid urbanisation; changing lifestyles, including sexual adventurousness; gender disparities; and improved communications on the expansion of the epidemic is demonstrated. This chapter contains a wealth of anecdotal material as well as accounts by East African medical personnel, which help to balance out western literature.

Although HIV only spread to southern Africa at a later stage, its AIDS epidemic soon surpassed those of regions further north where it had been present for decades. The evolution of the epidemic in southern Africa, the reasons for its explosion, and its devastating

impact are discussed in chapter 5. Good transport systems, high levels of urban – rural migration, and the wide wealth gap emerge as causal factors in each southern African country discussed.

In contrast with equatorial, eastern and southern Africa, the spread of HIV and the emergence of AIDS in West Africa were gradual and more limited. Iliffe ascribes this to low mobility, widespread circumcision, strict Islamic moral codes, and the low prevalence of HSV-2 associated with AIDS virulence.

Environmental factors

In chapter 7 the author enters a tricky terrain: an attempt to explain why the African AIDS epidemic is particularly catastrophic and stubborn. Knowing that this is a risky subject, and understanding the limitations of existing records, Iliffe offers a complex but lucid explanation in the form of an interplay between the character of the virus and Africa's disease environment, political economy, and demography. Many will find the explanation inadequate, and some may even find it evasive, but it is a useful basis to build upon as we search for explanations of the African AIDS epidemic.

No history of an epidemic or any other catastrophe can be complete without analysing the responses to it. Indeed, in chapters 8 and 9, Iliffe analyses responses from above and below. He reduces mountain of records on this subject to only two chapters with great skill and clarity. Interesting insights emerge on general trends in state and multilateral responses to the epidemic, chief of which is their slow pace. But the author also successfully airs the voices of ordinary Africans, especially AIDS sufferers and their relatives, demonstrating the diversity and complexity of the responses of ordinary

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The UN at 60

Paul-Henri Bischoff reviews a new volume that records and advances the renewed debate around UN reform, particularly from the perspective of Africa and the rest of the developing world

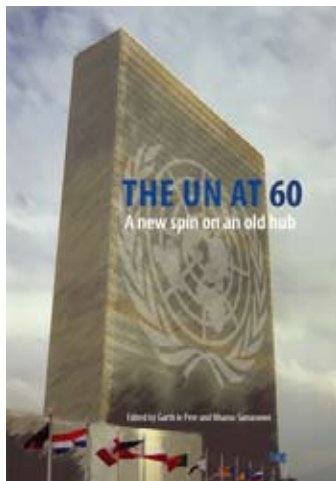
COMPRISING 13 chapters arranged in six parts, this edited work seeks to do justice to the question of how best the UN can be made more relevant and effective at a time when the memories of its gestation and the reasoning behind its composition and decision-making structures in 1946 are either dimming or no longer make geopolitical or functional sense.

Reform in and around the UN seems particularly pressing for Africa (which currently takes up three quarters of the time of the Security Council (p 9)) and other elements of the developing world. This text in part seeks to address this concern.

'Impulse for reform'

The book is informed by a 'current irresistible impulse for reform' (p 14), caused by a number of shifts in international politics and the global economy, as well as various shortcomings in the jurisdiction of the UN. One is the emergence of 'multiple centres of power', including Germany and Japan; nuclear powers outside the permanent membership of the Security Council; social movement actors; middle-level economic powers; and a new global security architecture that includes the AU (p 19). A second is the looming presence of economic inequalities and the growth in human insecurity which, it is argued, cannot be addressed by existing UN structures since decisions on key aspects of global and economic governance are simply taken 'elsewhere' out of the reach of African and developing states (p 21).

In this context, two perspectives on reform are presented (p 22), and an explanation given of why the most recent reform proposals in 2005 did not succeed (p 55). Importantly, we are told, Africa, on the basis of its numbers, argued for equality without necessarily considering



The UN at 60: New Spin on an Old Hub
Garth le Pere and Nhamo Samasuwo (eds)
(Institute for Global Dialogue, Midrand,
2006)

the overriding issues of status and influence that ultimately determine outcomes (p 58).

Reform seems to start with present circumstances: for years, Africa insisted on using its special status to justify preferential market access and was as such not used to 'cutting deals' (p 84). It now can gain under an 'appropriately managed' WTO regime that allows Africans to be drawn into the kinds of coalition politics which could do much to '...accelerate nascent development processes...' (p 85). Overall, though, and against the background of structural adjustment and the funding gap for developing countries, the need for more incisive and deep-seated reform remains a pre-eminent concern.

Even though the structural adjustment policies of the 1980s were to some extent correct, they 'totally overshot in the end', and became counterproductive (p 111). However, the funding gap for poorer countries addressed by the IMF 'effectively gave up on a pre-emptive solution to sovereign insolvency and financial crisis' (p 74). Jubilee 2000's argument for

the adoption of 'Chapter 9 bankruptcy proceedings' as practised in the US is put forward as a democratic and humane alternative (p 74). Similarly, when adopting performance-based grants these came to override social justice concerns to reproduce the top-down process for development coming from the North (pp 78, 77). Instead, suggestions are made for alternative, less state-centric structures based on social equity and accountability. This in order to put the UN rather than the US at the centre of the debate on development and, with inclusiveness in mind, to transcend conventional multilateralism (p 78). In transcending state-centred multilateralism, global civil society and the historical origins of its participation in global UN norm- and policy-setting conferences allow one to posit that the parameters of action developed by contemporary civil society can serve as a means to overcome the 'divorce between economic growth and society' (p 102).

Economic debate

The UN, it is held, must regain ground in shaping the economic debate. In the early 1990s the UN Economic Commission for Europe (ECE) with its gradualist approach for changing planned economies was sidelined. But, in the wake of economic recessions and the huge social costs incurred (p 124), the UN returned to the centre of international policy-making with its Human Development Reports and the Millennium Development Goals (MDGs) that show its usefulness in the economic and social development field (p 125).

On the security front too the UN remains a truly global security institution which has shown that it can work (p 146). Alongside the UN's interstate focus, peacekeeping as an institution to deal with subnational challenges to security has become an important new role.

However, on collective security and its enforcement at the interstate level, the advent of 'subcontracting' to 'coalitions of the willing' outside formal UN structures poses questions about the relevance of the Security Council (p 135). This body is caught in the nexus of (improbable) reform (p 144).

Notwithstanding the issue of a lack of political will (vide current events in Darfur, and the UN Secretariat being held hostage by those members who matter (p 143)), shared understandings in and around 'the international responsibility to protect' on multilateral interventions in subnational conflicts have begun to emerge (p 132). Here the recent creation of the UN Peacebuilding Commission provides a plan for innovatively creating strategies for post-conflict peace-building and recovery (p 142).

The Special Tribunals idea put in place for the former Yugoslavia and Rwanda also serves the goal of societal security (p 164). As seen in the past experiences of Africa – also to do with peacekeeping (pp 190-1) – the UN has both supported and detracted from African security (p 211). At the level of preventive diplo-

macy in particular a significant policy gap remains. This is compounded by the challenge of whether or not to give precedence to the norm of non-interference (p 165). As such, there is no guarantee that the UN could as yet prevent another Rwandan-type genocide (p 50). Overall, subsidiarity (the regionalisation of security) is not necessarily the be-all and end-all – also for Africa – it has been held out to be (p 172).

Globalisation

Overall, the current 'deficit' in global governance produced by the social fall-out from globalisation needs to be fixed. Here the UN as an important normative actor should be given more space as a co-ordinator in the economic sphere to lend the necessary weight to implementing the norms it has helped establish in non-economic areas (p 247). The book ends with brief glimpses of the relationship between the UN and the AU, as well as of the history of and issues surrounding UN peacekeeping in Africa. While problems are pointed out, there nonetheless seems to be a tangible need for a continued UN

presence on the continent (p 273).

In conclusion, the book treats some themes in far greater depth than others. Four of the six thematic parts are much shorter than the remaining two. Most weight is given to 'Perspectives on the future of global peacekeeping and the African dimension' (Part 5) and 'Towards a global consensus on development' (Part 4).

Similarly, the book could also have been more vigorously edited; contributions vary from a spirited and overtly subjective tour de force by a former practitioner who talks of having lived through ten years of 'futility' at the UN (p 60), through chapters comprising a few pages of cursory analysis, to those peppered with bulleted policy recommendations, as well as more academic and more thoroughly researched contributions.

However, the text is of interest to a wide audience of students and practitioners of international and African political economy, international relations, and international organisation. ■

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The problem with biofuels – continued from page 33

should not forget that maize is the staple diet of most South Africans.

SA can perhaps learn from Ghana. The National Land Commission was asked for permission for *jatropha curcas* to be grown on 1m ha of land. The commissioner denied the application, and asked for further studies to assess the impacts of such plantations on food security, and explore whether or not the crop could be grown on non-arable land instead. In other words, Ghana is adopting a more careful approach, recognising that there are a multitude of issues that need to be addressed and that this cannot be rushed.

Considering the push for increased targets in the EU, EU countries will probably be looking for more suppliers in the near future, and Africa is looking very attractive. A Green Party MP from the EU, Friedrich Wilhelm Graefe Zu Baringdorf, recently stated: 'Diverting scarce food resources from the dinner table to the

petrol tank will increasingly place pressure on global food prices, meaning the poorest will go hungry.'

Biofuel energy crops create more jobs than any other form of energy production, even other renewable energy technologies. From a rural development perspective, this is good news. But the kind of jobs that an industrial commercial biofuel programme will create are more of the low-paid farm labour type rather than what could be achieved if the programmes were designed differently. Such programmes need to focus on the impact that biofuels could have on rural communities and homes. Most rural homes are without modern energy services, are predominately women-headed, and face severe economic challenges that nowadays are coupled with health challenges such as HIV/AIDS. A biofuel programme aimed at this target group would focus attention on getting energy services to these homes and achieving the objectives

of the Millennium Development Goals.

Energy requirements in these homes are not just for cooking, space heating and water heating. These women also need productive energy sources so that they can produce goods and services for the local community and outlying areas. Biofuels can penetrate poverty in this sector in ways that other renewable energy technologies cannot, as most of these homes have small plots of land allocated to them on which they can grow energy crops. Even if the land is degraded or non-arable, there are many successful crops that can withstand such conditions, such as *Jatropha Curcas*, the Moringa tree, and indigenous plums, and algae can be grown anywhere. If rural women grow oil-producing crops such as these, they will be more self-sufficient in respect of energy, and may even have a surplus to sell.

But this will not happen without government support. Sadly, the SA industrial

strategy being formulated at present does not address this sector. Specific policies and regulatory mechanisms and strategies need to be designed for this sector if they are to be at all useful to the rural poor, and not simply tagged on to the existing strategy. A pro-poor strategy will go a long way towards meeting the AsgiSA biofuel objective of bridging the gap between the first and the second economies. But this is not an easy task, and will take years of dedicated and applied research and commitment.

Growing biofuels in a sustainable way is another consideration. Researchers at the Agriculture Research Centre in Pietermaritzburg have been developing methods for sustainable farming practice called conservation agriculture. Describing these technologies in any detail is beyond the scope of this article, but conservation agriculture has far fewer

negative impacts on the environment, and results in a greatly reduced usage of agricultural-related energy. Choice of energy crop can also have a big impact on sustainability, with perennial crops being more favourable than annual crops, such as maize. New energy crops whose impacts are quite small – such as algae – are being developed, and the second generation of biofuels also bring improved energy balances and efficiency. But many of these technologies still need to be developed further.

There is considerable merit in going the biofuels route, but it also raises important questions. Some of them have been addressed here, but there are many more, and each group and sector has its own view. *How* you grow the energy crops, *where* you grow them, and *what* crops you grow have a big impact on the sustainability of the end product. We also

need to ask questions about *who* gets the opportunity that biofuels bring, for what ultimate objective, and how this is balanced against risks and environmental damage.

SA could benefit greatly from greater and more meaningful consultation with the many groups involved in biofuels, from conservation and energy organisations to those involved with poverty and rural development, to name a few. They can all contribute to the development of a sound, environmentally friendly and pro-poor bioenergy programme for SA. This is not an impossible aim, but it will take commitment and effort on the part of all role players. ■

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Cuba at the crossroads – continued from page 26

misinterpreted the 'opening up' of Cuba versus maintaining the current status quo as a zero-sum game. This is simply not the case, and once again it is the experience of China that reassures us otherwise.

Fidel Castro's state of health has brought Cuba to a timely and historic crossroads. The revolution desperately needs a refreshing change, or even drastic reform. Following Fidel's abrupt withdrawal from power (and his unlikely return), Cuba has entered a period defined by a new leadership that will bring with it some political and economic alternatives.

Contrary to popular belief in the US,

and especially among Cuban exiles, this will probably not be either immediate or dramatic. There will be some continuity under Raul as well as other core leaders. But, due to internal and external pressures, this will probably give way to some gradual changes, and with the involvement of the international community Cuba will become increasingly integrated into the global economy. This will ultimately bring about political reform.

Obviously, the influence of Chavez and Cuba's dependency on Venezuelan oil suggests an alternative outcome – a more radical line in Cuba, or the rise of a Chavez-supported radical leadership outside of Raul's inner core. But this is

unlikely given the cyclical nature of oil diplomacy and the multitude of other role players in the game.

Most importantly, reform will only be introduced by a secure regime that is confident of its political control. Such control will not emanate from the symbolism associated with Fidel Castro. Rather, it will emanate from exercising true attributes of leadership in a way appropriate to a new era. ■

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From the outside looking in – continued from page 18

The forum may have to focus more on pre- and post-election activities and interventions and downplay the current emphasis on election observation. This also implies that it should consider giving more emphasis to providing assistance to national parliaments in addressing these issues. In addition, the forum may have to reduce the number of election observations and be more selective in

deciding which elections to observe and where to intervene.

The forum is an important institution, and is well placed to advance the role of parliaments in southern Africa. It enjoys strong legitimacy as an institution bringing together national parliaments and MPs representing both ruling and opposition parties. It faces two main challenges. The first is the need to strengthen

its ability to assist and support member parliaments. This applies to training and capacity-building as well as to specific issues such as improving national frameworks for elections.

The second concerns its ability to advance SADC's regional co-operation and integration programme. It must establish good working relations with SADC. This will not only strengthen the

implementation of SADC's programme of action, but may also increase popular participation and democratic control of the integration agenda. Currently, there are no formal relations or links between the forum and official SADC structures.

The forum's long-term ambition is to become a SADC parliamentary assembly,

corresponding to the role of the Pan African Parliament in relation to the AU, or the East African Parliament in relation to the East African Community. However, in 2004 the SADC summit rejected such a proposal. Furthermore, the forum has not managed to develop close relations with SADC or the SADC Organ on

Politics, Defence and Security Co-operation, although relations have recently improved. ■

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AFRICOM bodes ill for Africa – continued from page 5

or security personnel affects the way in which civilians interact with their own and foreign governments. Therefore, the only option open to communities near such centres are to interact with the latter on their own terms.

Therefore, the only option open to communities near military bases are to interact with the latter on their own terms. Military bases in Asia and South America have produced a culture and economy focused on serving and servicing that base. Local women and men become militarised as they seek to find ways and means of making a living from the presence of the military base. Closer to home, SA was hyper-militarised during the apartheid period, and is still trying to shake off its legacy of violent and aggressive political and social relations.

Militarisation also tends to entrench unequal relations between women and men. The military and its business are hypermasculine, hetero-normative, and feature power-wielding institutions that support the military apparatus. Patriarchal cultural practices disadvantage women in all spheres of their lives, and women's and men's lives are structured to support the military institution in particu-

lar ways that exacerbate these differences. As a result, a political culture emerges where a country resorts to conflict resolution through military means, where masculinity in the military is favoured, and where women become vulnerable as a result of the increased presence of the military and militaristic ideals and practices in their country.

Military bases also bring unsustainable economic development to the areas in which they are established. In countries where unemployment is rife and where most of the unemployed are women, sex work becomes a necessity when women and men need to feed their families. This results in local women and men becoming more vulnerable and dependent on a patriarchal system for their daily subsistence. A service-oriented economy does not necessarily deliver development and economic growth, as these are usually independently owned small businesses that have been established to feed a small community or a family. Women and children are the most vulnerable and should therefore be protected, but this becomes more difficult in a military-based or military-oriented economy.

In the light of the above, Africans

should oppose the expansion of US military power on the continent. The Americans have responded to African critiques of AFRICOM by arguing that its main feature will not be the establishment of a military base or military power, but rather improved intelligence about and access to the continent. Debates have emerged about AFRICOM's interests, manoeuvres and probable outcomes, but we should also examine its potential social, economic and political destabilisation of an already vulnerable continent.

The AU and the its Peace and Security Council were established to entrench democracy, promote economic development, and monitor and secure peace, but have not been allowed to develop to a point where it could deal with the continent's problems. Africa does not need more American involvement aimed at 'promoting' peace and development. AFRICOM would further destabilise an already fragile continent, which would be forced to engage with American interests formulated in military terms. ■

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A Season of Hope – continued from page 31

dissaving, all of which enhance monetary policy stability.

In addition, we have made progress in reducing the volatility of the rand. Foreign reserves have been accumulated to reduce exchange rate risks. US dollar-denominated gross reserves held by the SA Reserve Bank increased from below US\$8bn in early 2004 to US\$25,6bn at the end of 2006, supported by National Treasury funding to prevent excessive

growth in the money supply.

AsgiSA recognises that infrastructure investment is a key vector for sustaining higher rates of economic growth. In 2006 fixed investment continued to climb towards the target of 25% of GDP, reaching over 19% in the third quarter of 2006, – the highest level since 1991. Between 2003–4 and 2006–7, overall public sector infrastructure expenditure increased by 15,8% a year. The planned R415,8bn

Medium Term Expenditure Framework budget represents an average annual growth rate of 14%. Improving government capacity, particularly at the provincial and municipal level, to implement infrastructure investment programmes was prioritised in 2006, and continues in 2007.

JIPSA was launched on 27 March 2006 with the objective to create short-term but sustainable interventions to address

the skills shortages in our economy. We have made significant progress in defining the challenges, aligning stakeholders, and identifying appropriate resources to respond to these skills shortages. In its first year, JIPSA focused on town and regional planners, engineers, technologists, artisans, ICT skills, and placing unemployed graduates. Initial consultations about planning and management skills for the public health system started at the end of 2006. The remaining focus areas will be addressed in 2007. In addition, government is providing ongoing support to improve the quality of schools and teaching, and substantially increase the number of learners, particularly from previously disadvantaged groups, passing mathematics and science in the higher grade.

On industrial and sector strategies, progress has been made in respect of Business Process Outsourcing (BPO), tourism, biofuels, and the National Industrial Policy Framework (NIPF). Over the past year, we made substantial progress in defining the main constraints in all three top priority sectors, and addressing them effectively. All sectors now have clearly defined policy frameworks, approved by the responsible departments and Cabinet. However, more needs to be done if they are to contribute as expected to shared growth.

A five-year strategy for BPO, approved by Cabinet in December 2006, identified the main constraints as telecommunications costs, the need for skills develop-

ment, and competition for foreign investment on the basis of initial incentives. The Department of Trade and Industry is working with the National Treasury and the departments of Labour and Communications to address these issues.

As we prepare to host the 2010 Soccer World Cup and show our beautiful country to the world, we recognise the need for an integrated tourism strategy. This strategy accordingly includes an airlift programme; improving safety and security for tourists; building a skills partnership; support for SMMEs (to date, over 250 enterprises have been assisted); a sectoral BEE Charter; and customised incentives.

Cabinet has also approved a draft biofuels industry strategy. It predicts that biofuels – based predominantly on maize, with some sugar and other inputs – will contribute 4.5% of petroleum requirements by 2013 and create 55 000 jobs, mostly in small-scale maize production.

The NIPF will be launched in early 2007. It seeks to ensure more effective and co-ordinated sectoral interventions. It identifies – as core aims of economic policy – the diversification of the economy beyond traditional dependence on commodity exports, moving towards a more knowledge-based economy, and the promotion of more labour-absorbing and inclusive growth.

Although we have made substantial progress in identifying and initiating programmes for the second economy – including an expanded public works

programme, and support for micro enterprises and entry into formal employment – the fact remains that they are insufficient, and critical challenges remain. Public employment programmes and support for micro enterprises have generated various employment opportunities. According to the Labour Force Survey for March 2005 and 2006, about 300 000 people had participated in public employment programmes. However, the programmes most likely to address rural poverty are still in the initial planning phase, and have not reported any targets. In addition, we will have to work much harder to ensure that programmes reach marginalised youths, who comprise the majority of the unemployed.

Finally, AsgiSA targets governance and state capacity issues. To strengthen the government's economic function, the Department of Public Service and Administration investigated its capacity to implement AsgiSA. We are implementing its recommendations, particularly in respect of public transport strategy, microfinance initiatives, and the issuing of minerals and petroleum licences. We also recognise that services in all three spheres of government need to continue to improve.

Overall, there is no doubt that AsgiSA has had a considerable impact. The prospects of achieving all the objectives look brighter every day, and AsgiSA will continue to illuminate the way forward. ■

Somalia needs genuine reconciliation process – *continued from page 39*

media reports also quoted unnamed US government officials as saying that the training programme and other support for Ethiopia's government had gained momentum following the failure of a CIA effort to arm and finance Somali warlords in early 2006.

These initiatives seem to form part of the new thinking in Washington in which specially trained or 'hybrid' forces are to be used wherever the UN is 'unable' to act. In terms of this new approach, lead states provide troops while the US provides money, equipment and training. If such arrangements are to become the

new norm in peacekeeping or conflict prevention, the UN is in danger of being marginalised.

Although the US has stated that its involvement in Somalia is part of its wider 'war on terror', its real motives may be broader geostrategic ones. It may be preparing the Horn of Africa and Somalia in particular as a launch pad for an invasion of Iran and Sudan. A stable Somalia will form the regional base for the new US Africa Command (AFRICOM – see article, page 4), and could also be a base for operations to protect the Strait of Hormuz, the primary

gateway for Middle Eastern oil. Somalia has huge untapped oil resources, and US control over the Horn would also fall in line with its overall strategy to establish a military presence in areas rich in natural resources.

Somalia clearly requires major political, economic and social rehabilitation. One of the most effective ways of healing this country would be a process of reconciliation among the Somalis themselves that would produce guidelines for the reconstruction of the Somali state, and heighten the legitimacy of the TFG. This should involve the creation of a genuine

government of national unity, with wide grass-roots support. This would have the blessing of clan elders, who have thus far been left out of most reconciliation processes.

The question is whether the TFG is the most appropriate vehicle for such a process. Only an internal process will yield positive results; history shows amply that attempted military solutions have always worsened the situation in Somalia. If the UN feels that the TFG should be used as a vehicle for this, then US involvement should be ruled out as this will not only bring back dark memories but also bolster the widespread view within Somalia that the TFG are puppets of the US. Also, any use of Somali territory to attack targets in the Middle East will generate a massively adverse reaction from many groups in this volatile region.

The support of the local population and clan elders for the TFG is also important for other reasons. For example, AU member states are reluctant to back AMISOM and embark on peace enforce-

ment because of the Ethiopian invasion and questions over the legitimacy of the TFG. Consequently, Ethiopians remain on Somali soil, heightening tensions in Somalia. These issues need to be addressed soon, or the violence is likely to escalate.

The TFG faces overwhelming challenges, and only an international support effort has any chance of restoring peace to this troubled country. The TFG urgently needs to announce a credible programme of action and a timetable for elections.

As things stand, no one knows how it intends to resolve the crisis. In the meantime, neighbouring states need to take a back seat in order to allow the UN to assist. One possible solution would be to establish UN trusteeship over Somaliland, as in the case of East Timor, that will pave the way for transparent elections involving all Somalis. ■

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Book review: AIDS in Africa – continued from page 34

Africans to this devastating phenomenon, which has made death all too familiar to the African family. Iliffe also discusses the evolution of care for sufferers and the role of NGOs. However, the extended family and indigenous social networks have played a bigger role than is reflected in this chapter.

Analysts commonly argue that the AIDS epidemic reached its climax in the 1990s, relying on data that indicates a drop in new infections, general prevalence, and deaths. In chapter 12, Iliffe argues that the epidemic has in fact matured, perhaps as a consequence of multifaceted responses, greater popular awareness and behavioural change – or simply the decimation of the most vulnerable segment of the population. This is a contested terrain, and opposing views are given equal space.

Some would argue that the epidemic has declined because of the role played by international institutions, led by UNAIDS. This perspective is considered in chapter 13, and shows how UNAIDS has helped

to ensure a co-ordinated donor and state response by establishing theme groups at the national level and developing best practices at the global level, and championing the 'multisectoral developmental approach' in policy responses. But the actual impact of this development can be exaggerated, and confused with containment, as Iliffe seems to do. This thinking allows Iliffe to end on a positive note, even though he admits that the worst may yet be to come.

This book is essential reading for scholars of social and historical aspects of HIV/AIDS, and disease in general. Despite its harrowing subject it is relatively easy to read, thus also making it accessible to learners and concerned lay readers in Africa who wish – as they should – to gain a better understanding of this phenomenon that is irrevocably and fundamentally reshaping their world. ■

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