

Regional Study for Development Assistance to Southern Africa

February, 1994

Japan International Cooperation Agency

Regional Study for Development Assistance to Southern Africa

February, 1994

Institute for International Cooperation
Japan International Cooperation Agency

500
36
IIC

IIC
JR
94-09

JICA LIBRARY



1115409(3)

国際協力事業団

26690

**Regional Study for Development Assistance
to Southern Africa**

February, 1994

**Institute for International Cooperation
Japan International Cooperation Agency**

This report is based on the discussions and findings of the Study Committee for Development Assistance for the Southern African Region organized by the Japan International Cooperation Agency (JICA). The views expressed in the report are those of the members of the Study Committee and do not necessarily reflect those of JICA

Additional copies of this report are available upon written request
from:

Institute for International Cooperation (IFIC)
Japan International Cooperation Agency (JICA)
International Cooperation Center Bldg.
10-5 Ichigaya Honmura-cho,
Shinjuku-ku, Tokyo 162,
Japan

First Print February 1994

Foreword

This report is the result of a yearlong study beginning from September 1992 by the Study Committee for Development Assistance for the Southern African Region at the request of the President of the Japan International Cooperation Agency (JICA)

This single most important factor forcing us now to focus our attention on Southern Africa is that it is the region in sub-Saharan Africa most seriously affected by the tremendous changes in international relations caused by the end of the Cold War. While during the Cold War the level of commitment to the region of the superpowers, the U.S. and the former Soviet Union and their allies was very high, the end of the Cold War brought about a remarkable decrease in the strength of the commitment of the superpowers and the rapid and dramatic loss of the strategic value of the Southern African region.

Of course the end of the Cold War also affected Southern Africa in positive ways as well, such as the comprehensive peace declaration in Angola, the cessation of hostilities in Mozambique, the independence of Namibia, and other manifestations of the realization of peace in the region. (Civil war broke out once more in Angola afterwards, however.) As a result of these changes, there came to the surface new fears that it would lead to decreased levels of commitment and concern on the part of the international community towards the LLDCs and the landlocked nations of the region, which still require a significant volume of foreign aid. Furthermore, the realization of regional peace brought Angola, Mozambique, Namibia and other nations to the fore as new claimants of assistance for their vast reconstruction needs and their resumed nation-building.

On the recent development scene of sub-Saharan Africa, we can no longer overlook the obvious impacts of structural adjustment programs which have continued since the 1980s and that of democratization which has made its presence felt from the latter half of the decade until the present. Southern Africa is, of course, no exception, and every country in the region has now adapted their economic and economic development policies to the structural adjustment programs or, at least, broad sense of economic liberalization. Combined together with a number of different internal and external

factors such as the effects of the end of the Cold War and the impacts of structural adjustment programs, democratization is sweeping across sub-Saharan Africa. In Southern Africa as well, two dramatic examples of this wave of democratization may be given: the collapse of the system of apartheid in the Republic of South Africa, followed by the progress of the subsequent shift to a post-apartheid society. Secondly, the change to a multi-party system of rule in Zambia after long years of single-party authoritarian rule and subsequent acquisition of power by the former opposition groups through democratic elections. Similar trends may also be observed in the other countries of the region.

In addition to the seeping impacts of economic liberalization and democratization, attention should be paid to the region wide influence of the collapse of the apartheid regime in (i.e. the democratization of) the Republic of South Africa. The regional order of Southern Africa has been heavily influenced by every movement of South Africa, the regional superpower. Therefore, it is the overall political and economic order of the region itself, which is now experiencing structural change from the one based on South Africa versus opposition allies of neighboring countries to an order based on a cooperative relationship between them.

As should be clear from what has been noted above, the region has now reached a historical watershed decisive of a new regional order in Southern Africa and the political and economic structures of the countries of the region. In other words, the Southern Africa of the 1990s is at the stage where it must build a firm foundation, on which to construct a better regional political and economic order. It is, therefore, necessary for the international community to intensify its cooperation and assistance towards the region purposefully and without delay, at this critical time in order to support the region's efforts to realize a stable and desirable future.

While Japan's ODA to sub-Saharan Africa has played a certain role in the development of the countries of the region, it may also have possessed an aspect in which it might well have been taken as nothing more than an auxiliary with respect to the responsibilities borne by the former colonial powers in the region. Yet if one considers the trends in international aid movements, it is most likely that the importance of the role to be played by Japan in these countries will only increase in the future, and the expectations held of Japan by the nations of Africa are correspondingly large. It is

for this reason that the success of the African Development Conference, which was held in Tokyo in October 1993, with ministerial level attendants from more than 50 countries in the region, acquires a new, deeply symbolic meaning.

If Japan's assistance for the Southern African region should in the future be implemented in a form based on the recommendations made in this report, then perhaps our study may also serve to indicate a new way in which to address the issue of Japanese aid to Africa. At the same time, however, in order to conduct more efficient and effective assistance, and to provide assistance more appropriate to the region's indigenous conditions, we will be required to promptly increase the level and quality of our basic surveys and other work in the region with a view to promoting the accumulation of Japanese expertise concerning Africa.

In closing, we would like to take this opportunity to express our gratitude to all those who participated in the surveys, research, and discussions of the Committee, those who offered their cooperation during the creation of this report, and everyone on the task force, as well as to those counterpart officials and knowledgeable persons of the region, Embassy personnel, JICA experts, Japan Overseas Cooperation Volunteers, and members of staff of local JICA offices who offered so much help and showed us so much consideration during the implementation of surveys in the region, and finally to all those who were gracious enough to participate as members of the Committee task force.

It is our heartfelt wish that this report be used as widely as possible, that it contribute to the creation of effective aid policies in Japan, and that it will accordingly serve to further the development of Southern Africa and to deepen the mutual ties of friendship that link Japan and the countries of the region.

Study Committee for Development Assistance for the
Southern African Region
Hideo Oda, Chairman

Table of Contents

Executive Summary

1. The Southern African region.....	1
2. The end of the Cold War and other changes in the international environment surrounding Southern Africa	1
3. Economic stagnation and changes in the political and economic order of the region	2
4. In quest of the stability and development of the region	4
5. Management of Japanese aid	5
(1) Basic direction of aid programs	5
i. Contributing to the creation of a new regional economic zone	5
ii. Strengthening approach to regional issues	6
(2) Priorities in Japanese aid	6
i. Support for economic liberalization	7
ii. Support for issues of sector development	7
iii. Increased support for regional organizations	7
(3) The development of a scheme for the provision of aid	8
I. In quest of the stabilization and development of the region	
1. Southern Africa as a region	9
(1) Basic characteristics of the region	10
i. Differing backgrounds of the countries in the region and the economic gap between them	10
ii. Rich reserves of mineral resources	10
iii. The existence of landlocked countries	13
iv. The existence of a relatively high number of white settlers ...	15
v. Late acquisition of independence	15
(2) Historical background	15
i. The region as it existed before colonization	15
ii. The process of colonization	17
iii. Linking of the colonies triggered by the development of mineral resources	17
iv. The three roads to freedom from colonialism	18

(3) The reliance on—and opposition to—South Africa	19
i. The formation of the Front Line alliance	19
ii. The South African response	19
iii. Economic dependence	20
2. The rapidly changing international environment: Southern Africa and the end of the Cold War	22
3. The end of the Cold War and foreign aid: the effect of increased international demands for aid on Southern Africa	24
(1) The rising demand for aid to developing countries and its effect on aid to Southern Africa	24
i. Worldwide trends in foreign aid	24
ii. Trends in aid targeted for Southern Africa	28
iii. Trends in Japanese aid	30
(2) New trends in aid	34
4. Economic stagnation and the development of domestic political and economic reform: Structural adjustment and democratization ...	37
(1) A decade of economic retreat	37
(2) The introduction of the Structural Adjustments Program	39
(3) The relation of structural adjustments to democratization and good governance	42
5. Developments in South Africa	45
(1) The fall of apartheid	45
(2) The political problems facing South Africa	46
(3) The economic problems facing South Africa	47
i. The deterioration of economic fundamentals	47
ii. The need to eliminate economic inequality	50
6. The increasing fluidity of the regional order	52
(1) A description of the regional organizations of Southern Africa ...	52
i. Southern African Customs Union (SACU)	53
ii. Southern African Development Community (SADC)	54
iii. Preferential Trade Area for Eastern and Southern African States (PTA)	55
(2) The possibility for transformation of regional organizations	55
6. Toward the stabilization and development of Southern Africa	57

II. The issues of regional development	65
1. Issues related to the structural factors for regional development	66
(1) The South African agenda and the issues it presents	
for regional development.....	66
i. Overview.....	66
ii. Future issues.....	69
(1) Short- and mid-term issues	69
(2) Long-term issues.....	70
(2) Regional organizations	70
i. Overview.....	70
ii. Future issues.....	72
(3) Structural adjustments	74
i. Overview.....	74
ii. Future issues.....	75
(1) Short-term issues	75
(2) The middle and long term.....	76
1) Stimulating investment.....	76
2) Increasing the effectiveness of organizations	77
(4) Democratization and good governance.....	77
i. Overview.....	77
Domestic causes	78
International causes	79
ii. Future issues.....	80
2. Issues related to regional development	81
(1) The agricultural sector	81
i. Agriculture.....	81
(1) Overview.....	81
(2) Future issues.....	82
1) Short-term issues	82
2) The middle and long term.....	83
ii. Forestry	83
(1) Overview.....	83
(2) Future issues.....	84
iii. The fishing industry	85
(1) Overview.....	85
(2) Future issues.....	86
iv. The livestock industry.....	86

(1) Overview	86
(2) Future issues	88
(2) The industrial sector	89
i. Overview	89
ii. Future issues	93
(3) Development of mineral resources	94
i. Overview	94
ii. Future issues	96
(4) Energy	98
i. Overview	98
ii. Future issues	99
(5) The transportation and communications sectors	102
i. Overview	102
ii. Future issues	104
(6) Urban issues	105
i. Overview	105
ii. Future issues	107
(1) Short-term issues	107
(2) Long-term issues	108
(7) Human resource development	110
i. Overview	110
ii. Future issues	112
(1) Short- and mid-term issues	112
1) Education	112
2) Job training	112
(2) Long-term issues	113
(8) Health and medical care	114
i. Overview	114
ii. Future issues	115
(1) Promotion of primary health care (PHC)	115
1) Establishment of disease prevention systems	115
2) Promoting understanding of health care and sanitation through education	116
3) Early treatment of disease	116
(2) Promotion of family planning	116
(3) Fulfilling the functions of hospitals and research facilities	117

(4) Creation of infrastructure	117
iii. AIDS	117
(1) The spread of AIDS	117
(2) The social and economic impact of AIDS	118
(3) Caring for and stopping the spread of AIDS	118
(9) Environmental conservation	119
i. Overview	119
ii. Rural areas	120
iii. Urban areas	121
iv. Preserving biodiversity	122
v. Environmental preservation from a regional perspective	122
(10) Refugees	123
i. Overview	123
ii. Future issues	124

III. Management of Japanese aid

1. Basic direction of aid programs	127
(1) Contributing to the creation of a new economic zone	127
i. The need to coordinate aid efforts	130
ii. The need to provide support to South Africa	131
iii. The need to provide support to the Least among the Less Developed Countries (LLDCs)	132
(2) Strengthening the approach to regional issues	135
2. Priorities in Japanese aid	137
(1) Support for economic liberalization	138
i. Improving the capacity of the private sector	139
ii. Improving the capacity of the government	140
iii. Promoting investment	141
(2) Support for issues of sector development	141
i. Agricultural development	142
ii. Development of infrastructure in the transportation and communications sectors	142
iii. Cooperation for the health sector	143
iv. Developing human resources	144
v. Environmental conservation	145

(3) Strengthening support for regional organizations	146
3. The development of a scheme for the provision of aid	147
(1) The development of a scheme for the implementation of aid programs in response to regional issues	147
(2) Increasing the number and reach of local offices	149
(3) Training regional experts and the use of local resources	150
i. Utilization of South African resources	150
ii. Increasing the breadth and scope of fundamental surveys ...	151
iii. Acquiring qualified aid personnel	151
iv. Increased cooperation with local and international NGOs ...	152
 List of the Study Committee Members	 153
 List of the Task Force Members	 154
 List of references for Part I	 155

Executive Summary

Executive Summary

1. The Southern African region

The definition of Southern Africa given in the current report refers to the region covered by the ten nations of Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Zambia, Zimbabwe, and the Republic of South Africa. While the region displays a great deal of diversity in the existence of South Africa as a regional superpower accounting for 80 percent of the total GDP of the region and as many as five nations classified as Least among the Less Developed Countries (see Tables 1 and 2 of the current report for details), the region is also characterized by the existence of a number of nations with economies too small to ensure self-sufficiency and of as many as six landlocked nations, both of which factors have contributed to the need for an economic interdependency, which is supplemented by the shared history of colonial occupation, which has made the region into organically linked by economic and historical factors. And finally, while the nations of the region have a heavy economic dependence on South Africa, they have also joined in regional organizations such as the SADCC in the struggle against South Africa and its continued policies of racial discrimination, and thus it is possible to view the region as one ruled by an order of political opposition and economic dependence between the nations of the region and South Africa.

However Southern Africa, as will be described below, is now in the midst of a period of great historical change like none ever seen before, change in which the regional order and internal domestic structure of all the nations of the region are being forced to undergo simultaneous transformations in response to changes in the international environment surrounding the region and other causes internal to the region and its constituent nations.

2. The end of the Cold War and other changes in the international environment surrounding Southern Africa

- (1) The end of the Cold War has, in many ways, exerted a tremendous influence on Southern Africa. The first of these is its effect on the regional political order. During the Cold War, the American and Soviet

superpowers were heavily committed to the region, and the depth of that commitment meant that the end of the Cold War together with promoting a transformation of South Africa, which had more or less given form to the regional order, served as the driving force to transform the regional order by contributing to the realization of the peace for the region seen in the comprehensive peace settlement in Angola and an end to the fighting in Mozambique.

Secondly, the end of the Cold War meant the collapse of the socialist model of development, and this brought about change in the political regimes of the nations of the region which had adopted systems of single-party rule and an even greater influence on the move to democratization. And thirdly, the end of the Cold War exerted a tremendous influence on the aid policies of the United States and other donor nations.

- (2) Until now, while Southern Africa has on the whole benefited from a relatively high rate of growth in the amount of development assistance provided to the region, the lessened political importance of supporting the front-line nations and other Southern African countries in an environment where South Africa has begun to take steps towards the abolition of apartheid, the loss of the motives the Cold War provided for the supply of aid, and the role of increasingly stringent demands for assistance the midst of a dwindling supply resulting in donor nations showing greater discrimination in the selection of targets for development assistance, have all contributed to a state of affairs which could well place the nations of Southern Africa at the fringe of the group of nations currently demanding aid.

3. Economic stagnation and changes in the political and economic order of the region

- (1) The economic stagnation which has affected all the countries of the region except Botswana has presented problems of enormous dimensions as seen in the ongoing civil war and strife in Angola and Mozambique, the continuing decline of per capita GNP seen in many of the nations of the region, accumulating debts, and declines in per capita food production. These problems have forced many of the nations of the region adopt programs of major economic liberalization and to change over from

their former policy of government-led economic development to instead follow the leadership of the World Bank and the IMF in implementing their structural adjustment programs aimed at the reform of their economic policies and institutions.

- (2) The acceptance of this program of economic liberalization may be attributed to the loss of the grounds for justification of the authoritarian government regimes, and together with the stance taken by donor nations to the region this has resulted in greater attention being paid to the political aspects of development, and particularly to the issues of good governance and democratization, all of which has contributed to a state of affairs where the wave of democratization sweeping the world has reached Southern Africa as well.
- (3) In South Africa, the regional superpower which has for the most part defined the political order of the region, an end to the age of apartheid is coming and has resulted in tremendous change, and it is expected that there will be many complex political, social, and economic problems which must be solved in order to overcome the difficulties that lie therein. This is because the black majority government expected to be formed next year will be faced with the daunting task of trying to successfully settle questions of how to share power amongst black groups and between whites and blacks, organize a new government, and run the nation in a sustainable fashion. Also, the inequalities under which blacks and other oppressed groups have until now suffered have been severe and must be eliminated as soon as possible. However at the present time the South African economy is fundamentally weak, and economic reforms must be enacted to gain the vast amounts of capital that will be required to do so. This is why we believe that it will be necessary over the short and middle term for South Africa to devote tremendous amounts of attention and resources to the solution of the domestic problems currently facing the nation.
- (4) While regional organizations might serve as the medium for the mobilization of human and physical resources in the region and the promotion of regional stability, consideration of the facts that the regional order itself is under stress and more particularly that the center of the present change—South Africa—is a regional superpower allows us to conclude that even the organizations which have been given form by the existing

regional order will be greatly affected by these changes, and at the present time they are left with the task of searching for a pattern for the future.

4. In quest of the stability and development of the region

After long years of suffering under the oppression of colonialism and racism, Southern Africa has now come to a new point where it is struggling to build a new order under which it can bring its human and physical resources to bear on the problem of the economic development of the region. However in order to make that struggle a worthwhile and sustainable one, the support of international society is absolutely essential. We must also note that all of Southern Africa, including South Africa itself, is in the midst of a dramatic process of democratization that is making it possible to promote the demilitarization of the region and which allows us to say that now is a critical time in ensuring the stability of the region, and this is why a concentration of the attention and support of all the world is necessary to make the region a better one.

If one considers that at this time the stability and development of the Southern African region are integrally linked together and that the center of change will be the regional superpower of South Africa, one comes to understand that support for the post-apartheid South Africa is important for two reasons. The first is that aid to South Africa will contribute not only to the stability and development of South Africa itself, but also to that of the entire region. The second is that of the existence of the oppressed classes of blacks and coloreds who have suffered through the long years of apartheid rule. Reducing the economic inequalities born of that rule will require tremendous sums of capital, and international society must offer whatever aid it can to make it possible for these oppressed classes to participate more fully in the social and economic life of their nation.

One last thing which should be stressed is that we must continue to increase our support for the LLDCs and other nations currently receiving assistance. The end of the Cold War and the loss of the meaning of the front-line nation alliance against South Africa have introduced the possibility of reduced interests of the donor nations in the countries of this region. Yet it is these nations who stand to be the most adversely affected by this

change, and we must give particular attention to these nations where the need for aid is as great as it has ever been before. This continued attention will be necessary to ensure that the region moves towards sound development as a unit, that the new international order of the region will become a stable one, and that the regional organizations of Southern Africa may function to the fullest of their abilities.

5. Management of Japanese aid

Japan should do whatever possible to abide by the spirit of its official development assistance charter to assist Southern Africa and its move towards the creation of a democratic and demilitarized society. The Japanese government has already decided in its fifth mid-term plan that it will increase its efforts to make even further international contributions. The active support of Japan for Southern Africa, now at a critical stage for the stability and development of the region, will be deeply meaningful not only as a way of fulfilling our obligations as members of international society, but also for ensuring the stability and development of the region as well. This is why we must examine the issues involved in enacting the plans outlined below.

(1) *Basic direction of aid programs*

i. Contributing to the creation of a new regional economic zone

Southern Africa is currently at a stage where it must strengthen the foundation from which it is to develop a new regional awareness. We must recognize that now is the time when international support is truly needed and that Japan is expected to play a critical role in a coordinated initiative together with the nations of the region and other donor countries in an effort to create a concrete framework from which to build the regional economic zone the future of the region requires. To realize this aim Japan should: (1) plan and implement its aid programs with an eye towards the cooperation and coordination of assistance needed in order to solve the many problems which cannot be effectively addressed without the cooperative efforts of the donor countries and organizations at both the regional and national

level, (2) recognize the importance of South Africa to the continued development of Southern Africa as a whole and to overcome the difficulties of the processes of democratization and economic development the nations of the region are expected to face, provide aid in forms which will help to promote the participation of blacks and other formerly oppressed groups in the economic life of the nation, and to rebuild the South African economy through the support for the financial gap of the balance of payment and the development of the economic infrastructure needed to this aim, (3) continue and strengthen plans for the provision of the aid required for the development of the LLDC countries now in a post-apartheid age where they face the possibility of reduced international attention and economic assistance in spite of their continued efforts to work towards development in the midst of severe economic and political constraints, and work to develop an appropriate and effective scheme by which assistance may be provided towards the realization of all of these aims.

ii. Strengthening the approach to regional issues

There are a number of reasons why we should strengthen the approach to regional issues in Southern Africa through the implementation of aid programs which give all due consideration to regional issues of benefits and costs from the viewpoint of the whole region, and cooperation to regional organizations and other regional efforts, reasons which may be summarized as: (1) the composition of the region as an organically intertwined complex of nations with a common historical heritage tied together by the need for economic interdependence, and the resulting existence of issues which can be most effectively addressed by measures taken on a wide-based regional scale; (2) the nations of the region are making continuous efforts towards expanding regional cooperation, and we ought to support these efforts as a worthy example of collective self-help, and (3) regional approaches such as these can effectively contribute to the stability of the region.

(2) *Priorities in Japanese aid*

In describing the priorities of Japanese aid, we noted that while this implies an examination of the issues on sectoral development, it is also necessary to give all due consideration to the structural adjustment programs and other economic liberalization reforms being undertaken by the nations

of the region, which serve as a policy framework of individual sector, and define the division of responsibilities between the government and private sector. And finally we discussed the form that aid should take to the regional organizations which serve as one of the major players in developing the region.

i. Support for economic liberalization

In order to ensure the effectiveness of economic liberalization, to complement the efforts of Southern African nations to implement programs of structural adjustments, to realize the proper allocation of responsibilities between government and the private sector, and to promote economic development led by the private sector, we should (1) work to improve the ability of the private sector by cooperating to promote institution-building, (2) work to improve the ability of governments so that they can fulfill a role in keeping with that created from adjustments in the allocation of responsibilities between government and the private sector, and (3) implement programs of aid which will encourage investment and develop a scheme for the provision of aid for this purpose.

ii. Support for issues of sector development

For issues concerned with individual sectors, we should expand our programs of aid for (1) the development of the agricultural sectors which serve as a foundation for the life and the industry of the countries of the region, but inter alia ensuring an immediate and stable source of food, (2) the development of infrastructure along international transportation routes that will serve both to promote exports and as insurance against factors of uncertainty such as the instability expected to continue in South Africa for some time, (3) improvements in the poor standards of the health sector of the region through an expansion of primary health care and the implementation of badly needed emergency measures against AIDS, (4) the development of adequate human resources, and (5) environmental conservation efforts designed to deal with the environmental problems associated with the development of mineral resources and preserve the rich diversity of the wildlife of the region.

iii. Increased support for regional organizations

As a method of addressing current regional issues, we should work to support and increase the effectiveness of the SADC, PTA, and other existing regional organizations. We should also work to establish specialized regional organizations in response to the demand for institutions of advanced education, research centers, and other institutions for which while there may not be sufficient demand to justify their existence in a single country there is sufficient demand on the regional level, as well as to fully utilize existing specialized organizations and increase their levels of support.

(3) The development of a scheme for the provision of aid

In order to provide more effective aid for the region, we must develop the following systems for the provision of aid: (1) a scheme for the implementation of aid programs that will make it possible to address those regional issues which we have thus far been unable to sufficiently address from the viewpoint of individual national economies and that will prove effective for the development not only of individual economies but will also allow us to determine whether there are sufficient grounds for the implementation of a given project on the basis of the effects in terms of the benefits and costs which will be incurred upon neighboring countries as a result of the project; (2) the development and expansion of local offices and networks of Japanese aid agencies that will make it possible to gain a proper understanding of the needs of the target country or region and make it possible to respond to problems in a flexible and timely manner; and (3) a system which will make it possible to train Japanese experts on the region and make effective use of South African and other local resources.

**I. In quest of the stabilization and development
of the region**

I. In quest of the stabilization and development of the region

1. Southern Africa as a region

Southern Africa is currently in the midst of a major historical period of change, and the objective of this section, *I. In quest of the stabilization and development of the region*, is to draw a picture of the nature of that change and to examine the implications that can be derived therefrom. At the same time we will also present our reasons for taking up Southern Africa as a subject of study on the issue of aid, and we will explain why the current study committee believes that Southern Africa should be recognized as a single region.

This report will begin with a basic description of the nature of Southern Africa as a region, a description in which we will first present some of the basic characteristics of the region and then describe the historical transformations which it has experienced. We will then present a view of the region as it existed before it entered into the present period of tremendous change, a view in which we define the region as being ruled by an order regulated by an economic dependence on, and political opposition to, the Republic of South Africa, and through this description we hope to share our basic understanding of the importance of viewing this region as an integral whole.

To begin, we will first present a rough definition of what is meant by the term *Southern Africa*. In the current report Southern Africa is considered to consist of the region encompassed by the ten countries of Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, the Republic of South Africa (hereafter referred to simply as South Africa), Swaziland, Zambia, and Zimbabwe. Although, even when compared to several existing definitions of 'Southern Africa', this definition may be said to be a rather conventional one, at the same time it may be said that it is these nations which may be expected to become the basic units of change in the region when we try to foresee the future direction of that change. In other words, this classification may be said to be future-driven in the sense that it is the nations of this region which can be expected now and in the future to be strongly influenced through their interrelationships with South Africa the

driving force of the regional transformation.¹ It should be noted that, as defined here, Southern Africa becomes a region with a population less than Pakistan spread out over a massive land area that exceeds that of South Asia.

(1) Basic characteristics of the region

i. Differing backgrounds of the countries in the region and the economic gap between them

When viewed on an economic scale, the strength of South Africa in the region is overwhelming, with a gross domestic product (GDP) which accounts for 80 percent of the total for the region as a whole (see Table 1). The same is true of population, with that of South Africa, at approximately 39 million, accounting for 40 percent of the total for the region. In comparison to this the only countries other than South Africa with a population in excess of 10 million are Zimbabwe and Mozambique,² and when one considers the population of Swaziland one finds that the scale is little more than 800,000 persons. While per capita income in South Africa and Botswana is in excess of 25 thousand US dollars, there are also seven low-income nations in the region, including Mozambique, which is classified as the poorest nation in the world with a per capita income of just 80 US dollars. Five of the nations in the region classified as being severely underdeveloped, or as falling amongst the Least among the Less Developed Countries (LLDCs), thus enabling one to see a multiplicity of backgrounds and the existence of tremendous economic gaps through the differences in the economic scale, levels, and indebtedness of the countries of the region.

ii. Rich reserves of mineral resources

Southern Africa is well known as an area with one of the world's richest reserves of mineral resources, and these resources include not only precious stones and metals such as diamonds and gold, but also base metals such as copper and rare metals such as cobalt and white gold. It is for this reason that mining is extremely important to the economies of these nations—so much so that in Botswana, for example, it accounts for over 50 percent of their GDP while in Zambia and South Africa it accounts for as much as 95 and 67 percent of their total respective exports.

Table 1-1: Main economic and social indications for the Southern African region

	Southern Africa											Comparative figures for sub-Saharan Africa, LICs, and LMICs			
	Angola	Botswana	Lesotho	Malawi	Mozambique	Namibia	Swaziland	Zambia	Zimbabwe	Subtotal	South Africa	Total/Ave.	sub-Saharan Africa	Low-income countries	Lower-middle-income countries
1991 per capita GNP in US dollars	N.A.	2530.0	580.0	230.0	80.0	1460.0	1050.0	461.6	650.0	362.0	2560.0	1242.6	350.0	350.0	1530.0
Average rate of growth of per capita GNP from 1965-90	N.A.	8.4	4.9	0.9	N.A.	N.A.	N.A.	-1.9	0.7	N.A.	1.3	N.A.	0.3	2.9	1.5
Average rate of growth of per capita GNP from 1980-91	N.A.	5.60	-0.50	0.10	-1.10	-1.20	3.10	N.A.	-0.20	N.A.	0.70	N.A.	-1.20	3.90	-0.10
1991 GDP in millions of US dollars	N.A.	3644.0	578.0	1986.0	1219.0	1961.0	N.A.	3831.0	5543.0	18,762.0	91,167.0	109,929.0	164,339.0	N.A.	N.A.
Average rate of growth of GDP from 1980-91	N.A.	9.8	5.5	3.1	-0.1	1.0	N.A.	0.8	3.1	N.A.	1.3	N.A.	2.1	6.0	2.7
1991 ratio of agricultural to GDP	N.A.	5.0	14.0	35.0	64.0	10.0	N.A.	16.0	20.0	18.4	5.0	N.A.	31.0	29.0	N.A.
Percentage of change in yearly per capita food output from 1979-91	N.A.	-3.7	-1.7	-2.7	-3.1	-2.9	N.A.	-0.7	-1.0	N.A.	-1.1	N.A.	-2.0	N.A.	N.A.
1991 ratio of manufacturing to GDP	N.A.	4.0	13.0	13.0	N.A.	4.0	N.A.	36.0	26.0	17.6	25.0	N.A.	29.0	26.0	N.A.
Ratio of 1991 ODA net receipts to GNP	N.A.	3.7	18.9	22.6	69.2	3.1	N.A.	N.A.	6.2	N.A.	N.A.	N.A.	10.0	2.8	1.6
Ratio of 1991 government expenditures to GNP	N.A.	41.9	31.8	29.2	N.A.	48.2	N.A.	21.9	35.9	N.A.	33.5	N.A.	N.A.	N.A.	N.A.
1991 debt service ratio	N.A.	3.4	4.6	25.0	10.6	N.A.	N.A.	50.3	27.2	N.A.	N.A.	N.A.	21(46)	21.0	19.5

Units: All figures above are expressed as percentages unless indicated otherwise

All figures above are from reference #A-15, with the exception of those figures for per capita food production for sub-Saharan Africa (for 1980-85) and debt service ratios (for 1989, with figures in parentheses indicating preliminary scheduled estimates), which are taken from reference #A-12.

Table 1-2: Main economic and social indicators for the Southern African region

	Southern Africa													Comparative figures for sub-Saharan Africa, LICs, and LMICs		
	Angola	Botswana	Lesotho	Malawi	Mozambique	Namibia	Swaziland	Zambia	Zimbabwe	Subtotal	South Africa	Total/Ave.	sub-Saharan Africa	Low-income countries	Lower-middle-income countries	
1991 population (in millions)	9.5	1	1.8	8.8	16.1	1.5	0.8	8.3	10.1	57.9	38.9	96.8	488.9	3127.3	773.8	
Predicted population in the year 2000 (in millions)	N.A.	2	2	12	21	2	N.A.	11	12	62	45	107	635	N.A.	N.A.	
Population growth rate as a percentage of total population for the years 1980-91	N.A.	3.5	2.8	3.3	2.6	3.1	N.A.	3.6	3.4	2.6	2.5	2.5	3.1	2	2	
Infant mortality rate per 1000 persons as of 1991	127	36	81	143	149	72	110	106	48	114.1	89.9	89.9	104	71	42	
Average life expectancy as of 1991	46	68	56	45	47	58	57	49	60	50.2	55.3	55.3	51	62	63	
Percentage of school-age population receiving primary education as of 1990	95	110	107	71	58	94	104	95	125	87.0	N.A.	N.A.	68	105	100	
Adult literacy expressed as a percentage of total adult population as of 1990	42	74	74	41	33	N.A.	68	73	67	N.A.	N.A.	N.A.	50	60	74	
Percentage of urban to total population as of 1991	29	29	21	12	28	28	34	51	28	28.9	60	41.4	29	39	54	
National land area (in units of 1000 km ²)	1247	582	30	118	802	324	17	753	391	4764	1221	5985	23,066	38,828	19,309	
Population density as of 1991 (number of people per square kilometer)	7	2	57	69	19	2	44	10	24	12.2	30	16.2	21.2	80.5	40.1	
Forested land area as a percentage of total land area as of 1980	43.0	56.2	N.A.	36.4	19.2	22.3	5.9	39.2	50.6	36.7	0.2	29.2	28.8	N.A.	N.A.	
Average annual rate of deforestation over the years 1981-85	0.9	0.2	N.A.	1.5	1.2	0.3	0	0.7	0.8	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	

All figures above are from reference #A-15.

Table 2: Southern African nations classified according to their major export products and levels of debt

Primary export products	Low-income countries			Middle-income countries		
	Severely indebted countries	Moderately indebted countries	Less indebted countries	Severely indebted countries	Moderately indebted countries	Less indebted countries
Exporters of non-fuel primary products	Zambia	Malawi	Zimbabwe			<u>Botswana</u> Namibia Swaziland
Exporters of fuels				Angola		
Exporters of services			<u>Lesotho</u>			
Diversified exporters	<u>Mozambique</u>					South Africa

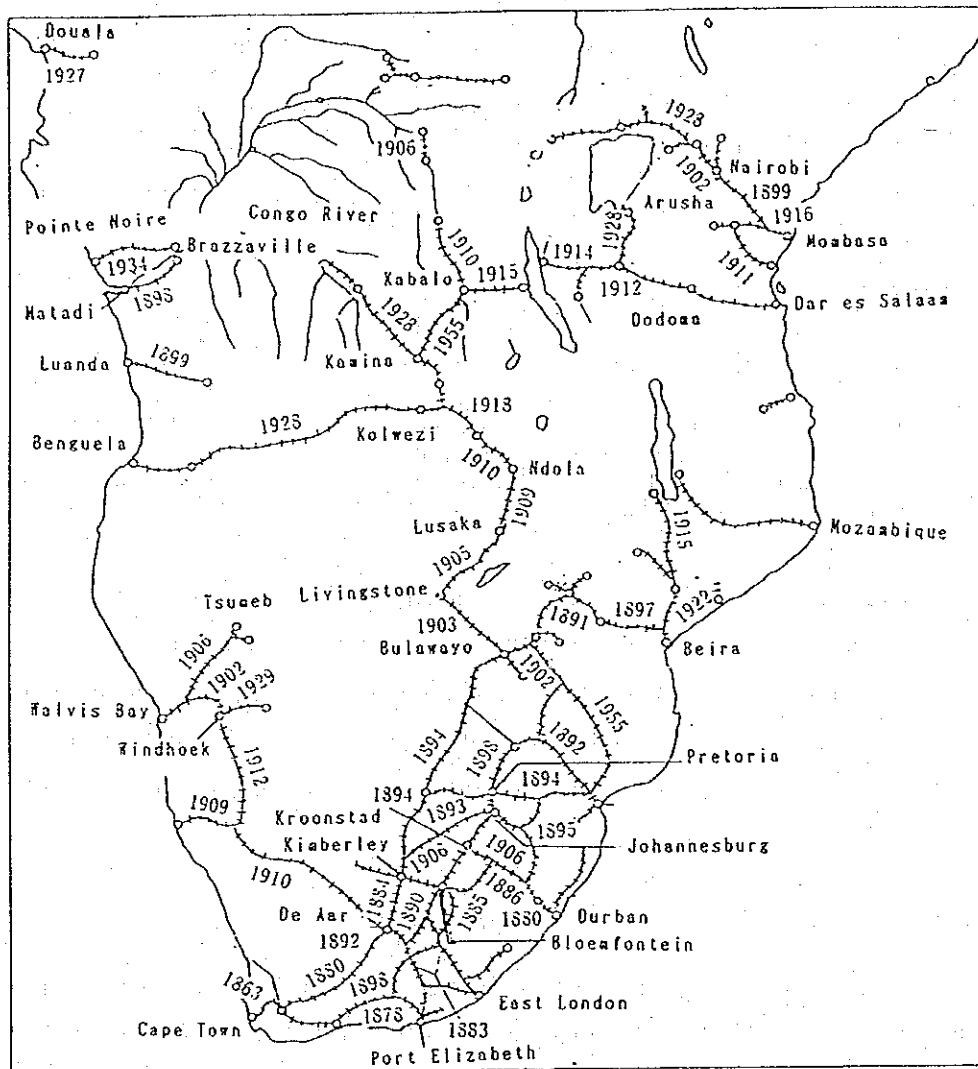
Note: Underlining indicates that the country indicated is classified as an LLDC. The table above has been compiled from data in reference #A-14, Vol. 1, Table A.VI.6. For a definition of the LLDC classification, see reference #C-20, Table 60.

The importance of mining to the area and the need to ship these resources has contributed to the construction of a transportation infrastructure that, from colonial times, has resulted in the establishment of the earliest and relatively densest railroad network on the African continent, a network which has linked individual areas within the region ever since that time. (See Figure 1 for details.)

iii. The existence of landlocked countries

Six of the ten nations in the region are landlocked countries, a condition which increases transportation costs and causes other problems which are anything but advantageous to developing countries. These countries have had to rely on surrounding coastal nations for access routes to overseas markets, and problems such as the fact that the region's most developed shipment routes lay in South Africa, a country with which the landlocked nations have been in political opposition, or the fact that the most promising of alternate routes—those through Mozambique and Angola—have been beset by the difficulties born of long years of civil war and struggles for independence, have contributed to a state of affairs where the political and economic conditions of the surrounding coastal nations have seriously affected the security of international shipping for these landlocked nations.

Figure 1: The construction of railroad networks in colonial Africa



The map above is from reference #A-6 on the basis of data taken from "Africa since 1800", Cambridge University Press., 2nd ed., 1982, by R. Oliver and A. Atomore

iv. The existence of a relatively high number of white settlers

As seen in Table 3, the number of Europeans who settled in the region is relatively high when compared to that for other sub-Saharan nations, even when excluding the large number of settlers in South Africa, and the influence of these settlers extends not only to a hold on political power in the region, but also to their continued and stable presence as pioneering farmers and mining workers who have made the region their own native land.

v. Late acquisition of independence

The existence of a privileged class of permanent white residents has transformed the problem of independence presented to the region and to international society from a simple problem of freedom from colonialism to the doubly complex issue of searching for a way to free itself from the bounds of racism.³ In addition to this, vested interests in the rich mineral resources of the region, the massive intervention of South Africa to preserve the political power of the minority white population in the surrounding nations of Rhodesia and Namibia, and the intervention of Western and Soviet forces in the area have all contributed to delays in the foundation of sovereign nations at the hands of the black peoples of the area. With the exception of South Africa, even the two nations earliest in gaining their independence—Malawi and Zambia—only achieved that goal in the mid-sixties, and Namibia, the last colony in sub-Saharan Africa, gained its independence as recently as 1990.

Furthermore, the delay in gaining independence and the existence of a class of permanent white residents has resulted in massive transformations of the traditional cultures of the black peoples of the region of an extent virtually unequaled anywhere else on the African continent.

(2) Historical background

i. The region as it existed before colonization

The greater part of the black peoples currently living in Southern Africa are descending from Bantu-speaking peoples who first began to migrate southwards from the north sometime before the beginning of the Western

Table 3: Non-black populations in African nations

		Colonizing nation	Before World War II ¹		Before independence ²	
			Whites	Asians and others	Whites	Asians and others
Southern Africa	Union of South Africa	England	2,003,512	219,691	3,088,492	477,125
	Southern Rhodesia	"	55,419	1,700	221,490	7,260
	South-West Africa	"	31,049	—	73,464	—
	Northern Rhodesia	"	9,913	176	74,540	7,790
	Swaziland	"	2,735	—	5,919	—
	Benchuanaland	"	1,899	62	3,173	248
	Nyasaland	"	1,781	1,159	8,750	10,630
	Basutoland	"	1,434	172	1,926	247
	Angola	Portugal	30,000	—	172,529	—
	Mozambique	"	10,000	5,000	65,798	17,180
		Total	—	2,147,742	228,392	3,716,081
Central Africa	Congo	Belgium	18,680	—	109,457	1,233
	Ruanda, Urundi	"	893	—	7,109	2,230
	Equatorial Africa	France	4,463	—	21,885	—
	Cameroon	"	2,257	—	13,173	—
	Equatorial Africa	Spain	—	—	7,086	—
	Totals	—	26,293	—	158,710	3,553
East Africa	Kenya	England	17,997	43,623	55,759	176,613
	Tanzania	"	8,455	23,422	20,593	76,536
	Uganda	"	1,994	13,026	10,866	71,933
	Sudan	"	—	—	6,882	12,837
	Zanzibar	"	—	14,242	507	18,384
	Ethiopia	"	5,000	10,000	15,000	44,500 ⁴
	Totals	—	33,446	104,313	109,612	400,753
West Africa	Nigeria	England	5,246	—	15,339	—
	Gold Coast	"	2,800	—	7,100	—
	Sierra Leone	"	718	—	964	—
	Cameroon	"	354	—	758	—
	Gambia	"	217	—	300	—
	British Togoland	"	43	—	100	—
	West Africa	France	19,061	8,410	62,236	35,000
	French Togo	"	418	—	1,427	—
	Sao Tome and Principe	Portugal	—	—	2,520	—
	Totals	—	28,857	8,410	90,744	35,000
Northern Africa	Algeria	France	920,788	—	910,000	—
	Tunisia	"	195,293	—	245,000	—
	Morocco	France, Spain	195,000	—	615,000	—
	Totals	—	1,311,081	—	1,770,000	—
			3,547,419	341,115	5,845,147	959,786

Units: persons

The table above is from reference #A-6 on the basis of the figures in "Statistical and Economic Review." (United Africa Company Ltd.) No. 24, July 1960; No. 25, March 1961; No. 26, October 1961.

- 1 From surveys taken in 1921, 1931, and 1935-6.
- 2 From surveys taken in 1947 and 1963.
- 3 A hyphen (—) indicates not applicable or unknown.
- 4 Figure includes 42,000 Saudi Arabians and Yemeni.

calendar, driving the original inhabitants of the region, the Khoi San, into the area around the Kalahari Desert through their settlement of the region, where until the 14th century a large and stable community developed in the eastern half of Southern Africa. Until sometime around the year 1300, a portion of these peoples formed a kingdom centered around Great Zimbabwe, a kingdom which ruled a vast area from the Zambezi to the Limpopo rivers (a region that roughly covers present-day Zimbabwe, Mozambique, and Botswana). The vast stone structure of Great Zimbabwe, built sometime around the year 1300 before the colonization of the region, is regarded as a common cultural treasure worthy of pride by all the nations of the region.

ii. The process of colonization

The colonization of southern Africa first began with the contact of Portugal with what is currently Angola and Mozambique in the 15th and 16th centuries. Both of these regions came to be placed under the colonial rule of Portugal after this time. With the exception of these two nations and South-West Africa, a protectorate of Germany (later assigned as mandate to South Africa after the First World War, now independent as Namibia), the colonization of Southern Africa expanded from South Africa under its original colonization by Holland, after which the territories were seized by England under which colonization expanded northwards until the early part of the twentieth century, by which time the colonization of the region was complete.

iii. Linking of the colonies triggered by the development of mineral resources

The discovery of diamonds in South Africa in the 1860s, that of gold reserves in the 1880s, and that of copper reserves in Northern Rhodesia (now Zambia) in the 1920s stimulated the development of natural resources in the region, and with this development began the construction of a network of railroads connecting the colonies, construction which proceeded until all the nations of the region were joined by rail by the 1920s. In addition to this, in 1910 the Southern Africa Customs Union (SACU) was formed between the Union of South Africa (now South Africa), Betschuanaland (now Botswana), Basutoland (now Lesotho), and Swaziland. The organization, which even now exists with Namibia as an additional member, was formed to provide the Union of South Africa with a monopolistic market protected by customs

duties levied against goods from outside the Union. Another agreement between the Union of South Africa and Portugal was formed in the 1920s providing for the provision of Mozambican laborers to the Union, an agreement which played an important role in developing the mining industry of the nation. Northern and Southern Rhodesia (now Zimbabwe) and Nyasaland (now Malawi) also joined together their comparative advantages in copper, mining industry, and labor respectively in a federation known as the Nyasaland-Rhodesia Federation formed in 1953. (The federation, however, was formed under white leadership, and the profits therefrom were concentrated in Southern Rhodesia, and the emergence of black power in Zambia and Malawi resulted in the breakup of the federation.) These and other efforts contributed to stimulate the growth of links between the individual colonies in the region.

iv. The three roads to freedom from colonialism

While in what was then called The Year of Africa, 1960 saw the birth of as many as seventeen newly independent nations in sub-Saharan Africa, this wave of change failed to reach as far as Southern Africa, and it was only in 1964 that Malawi and Zambia gained their independence. If we view those countries which gained their independence in the 1960s as being part of the first wave of independence, we can say that the two countries above, together with Lesotho (1966), Botswana (1966), and Swaziland (1968), made the move to African rule through a common path towards independence as all of them gained their independence through peaceful negotiations with their colonizing power, Great Britain. In contrast to these countries, however, Mozambique and Angola, both of which became independent in 1975, were only able to gain that independence as a result of a long armed struggle. It should also be noted that Angola was then placed into an even more difficult position as a result of a rift between the forces fighting for independence which caused the country to fall into a state of civil war just as it was about to gain its freedom, after which it suffered further from intervention from East-West forces and arms from South Africa. The paths leading to independence for Zimbabwe in 1980 and for Namibia in 1990 were even more tortuous than those for other nations, with the two countries attaining their independence only as a result of a complex interaction between a trinity of forces, where the trinity in the former case consisted of forces led by the colonizing power of Great Britain, those of white settlers, and those of African freedom fighters, and in the latter case of the interaction of

the United Nations, the Republic of South Africa, and the forces of black freedom fighters.⁴ The final path remaining was that leading to the freedom of South Africa—i.e., the problem of finding a way to freedom from the chains of racism.

(3) The reliance on—and opposition to—South Africa

i. The formation of the Front Line alliance

As early as 1960, the United Nations Security Council had already passed resolutions condemning South Africa for its racialistic policies and calling for economic sanctions. The Organization for African Unity (OAU) was also formed in 1963 with the objective of freeing all of Africa, and this organization also continued to work towards an end to the control of Southern Africa by white minorities. Yet it was the Front Line Alliance formed by Botswana, Mozambique, Tanzania, and Zambia in the period preceding and following the independence of Angola and Mozambique and later to be joined by Angola and Zimbabwe that began to work in their capacity as quasi-principal parties⁵ towards the freeing of Southern Africa from the clutches of racism and racist discrimination. This alliance first played a leading role in freeing Rhodesia from minority rule, and they afterwards formed the Southern African Development Co-ordination Conference (SADCC) as a forum for opposition against South Africa, with the objective of working together to build their nations in a way which would reduce or eliminate their dependence on South Africa. (With the exception of South Africa and Namibia—then under the rule of South Africa—this alliance included as its members Tanzania and all of the independent nations of Southern Africa, with Namibia joining as well after it gained its independence.) The members of this alliance also authorized the creation of bases for the African National Congress (ANC) and other black South African forces within their territories, thus working directly to support the fight for freedom and independence.

ii. The South African response

The failure of its policies of accommodation such as the outward-looking policies of the mid-sixties and the policy of détente in the mid-seventies caused South Africa to turn to an increasingly bellicose posture, and this shift was strengthened by factors such as the increasingly hard-line stance

taken by the Front Line nations and the disappeared buffer zones by the independence of Angola, Mozambique, and Zimbabwe, all of which forced South Africa to give up on policies intended merely for internal protection and turn instead from the mid-eighties to the implementation of policies aimed at destabilizing the neighboring countries. While South Africa had already at this stage participated in a major armed incursion in the Angolan civil war in the two years from 1975 to 1976, upon coming into the eighties it expanded its efforts to include the application of pressure through direct military force through the bombing of Botswana, Mozambique, Zambia, and Zimbabwe and cross-border attacks on the guerrilla havens in these countries. South Africa also worked to destabilize Lesotho and Mozambique through the active support of anti-government forces in these nations in a policy aimed at increasing its economic pressure on the surrounding nations by creating a situation where the resulting instability would force them to rely even further on South Africa for its transportation routes and for the preservation of their economies. The nations of the SADCC suffered tremendous damage as a result of this policy of destabilization, with estimates of the resultant losses rising as high as 25 billion—or according to some sources, 60 billion—US dollars.

iii. Economic dependence

As described above, the relative importance of South Africa within the region is due to its economic as much as its military strength. Table 4 below shows data illustrating the strength of the economic relationship between South Africa and the other nations of the region. While differences may exist from one country to the next, one may easily discern a state of economic dependency on South Africa, which supplies food and industrial goods (with the balance of payments overwhelmingly in the favor of South Africa), provides the ports and railway facilities needed for importing and exporting, employs laborers from throughout the region, and supplies capital for economic growth, thus giving it an enormous influence over every aspect of the economy of the region in spite of the political opposition of the surrounding nations.

Yet within this relationship of economic dependency, the data in this table show that the degree to which Botswana, Lesotho, and Swaziland depend on South Africa is significantly greater than that of the other countries of the region. And while supporting data is not shown here, the same

Table 4: Dependence on the Republic of South Africa

	Botswana	Lesotho	Malawi	Mozambique	Swaziland	Zambia	Zimbabwe
Trade	South Africa	South Africa	South Africa	South Africa	South Africa	United Kingdom	South Africa
Primary trading partner	36	negligible	9	9	42	3	76
Exports to South Africa (in millions of pounds)	17%	—	6%	5%	20%	1%	17%
(percentage of total exports)	393	286	64	59	286	64	130
Imports from South Africa (in millions of pounds)	83%	95%	36%	14%	90%	16%	22%
(percentage of total imports)							
Laborers							
Number of laborers	29,169	150,422	30,603	59,391	13,418	—	16,965
Percentage of total labor	23%	86%	8%	20%	15%	—	2%
Amount of monies remitted to home country (in millions of pounds)	21	99	11	43	9	—	20
Tourism							
Number of South African tourists	150,000	over 50,000	25,000	negligible	50,000	—	63,000
Percentage of total	67%	70%	39%	—	60%	—	24%
Percentage of supplies coming from South Africa							
Electricity	19%	100%	—	1/3	50%	—	1%
Coal	100%	100%	70%	some	100%	—	some
Food	greater part	greater part	some	some	some	some	some
Amount of trade passing through South Africa	all	all	some	—	1/3	1/3	2/3

All figures above are from African Research Limited's African Research Bulletin, September 1985.

holds true of Namibia as well. Even though these four BSLN nations of Botswana, Swaziland, Lesotho, and Namibia bordering directly on South Africa have expressed their political opposition, they are members of the SACU (as well as the SADCC), and South Africa handles all customs duties for these nations, sets common tariffs against goods from outside the region, and gains in return exclusive and unrestricted rights to export goods to the four nations. In payment for these privileges South Africa then adds supplementary funds to the tariffs collected on their behalf and pays the sum as compensation to the member nations, a sum which accounts for as much as 50 percent of the national revenue of Lesotho.⁶

It is for these reasons that the nations of the region, in spite of their political opposition to South Africa, have been forced to bend before the overwhelming economic power of the Republic of South Africa and submit to a state of economic dependency in order to preserve the very existence of their economies.

2. The rapidly changing international environment: Southern Africa and the end of the Cold War

It goes without saying that the foremost historical event of the latter half of the twentieth century is the end of the Cold War between East and West. The US-Soviet Summit which took place on the island of Malta on December 2-3 of 1989 (i.e., the Bush-Gorbachev summit) was a historical summit at which the world could finally realize that the Cold War which had continued for over forty years from the end of the second world war had finally come to an end. It was with this summit that the effort began to form a new world order to replace that which had held sway ever since the Yalta Conference in 1945.

This does not mean, of course, that the end of the Cold War had come entirely without warning. For several years before this time there were what could be called signs of the beginning of the end. The appearance of the Gorbachev administration and the beginning of the era of perestroika was one of these signs, and the new age of détente that came with the signing of the US-Soviet INF Treaty for the complete removal of all intermediate nuclear forces in December of 1987 was another, clearer one. The wave of freedom and democratization that swept the nations of Eastern Europe be-

ginning in mid-1989 then sped up the melting of the ice, serving as a prelude to an ever clearer vision of the end.

The coming of the end of the Cold War between East and West and the process by which it was realized had an immeasurable effect on the entire world, and Southern Africa was no exception.

Yet rather than saying that it was no exception, it is perhaps more accurate to say that Southern Africa was one of those regions most strongly affected by the great changes in international society brought about by the shift through the new détente to the end of the Cold War.

On the one hand, in the period from the end of the eighties to the beginning of the nineties there were positive effects brought about by the realization of a regional peace through the comprehensive peace settlement in Angola, the declaration of a cease-fire in Mozambique, and the independence of Namibia as a result of the United Nations Security Council's Resolution 435, and by a domino-effect wave of democratization which included the end of apartheid in South Africa and its move to a post-apartheid society; yet on the other hand there were at the same time negative effects brought about by the sudden and drastic loss of the strategic value of the nations of Southern Africa and the corresponding loss of a commitment on the part of the superpowers to the region, accompanied by an equally sudden and drastic increase in the speed with which Southern Africa was marginalized economically and politically from the rest of the world.

It is the latter phenomenon of the marginalization of Southern Africa, however, that contributed most heavily to the remarkable extent to which Southern Africa, to which the American and Soviet superpowers and their allies had been so heavily committed during the Cold War and even more so during the latter half of the eighties, stood out from the other regions of the world.

While these changes were taking place, the entire economic and political structure of Southern Africa as a region also began to undergo tremendous change, change in which the end of apartheid in South Africa and the resulting progress towards democratization were accompanied by a shift in which the nature of the order defining the relationship between South Africa and the surrounding nations began to change from an antagonistic to a cooperative one, an order in which the entire political and economic structure began to

change.

The regional character of this economic and political change, even when compared to the rest of Africa, is particularly evident in Southern Africa, and, when viewed in this manner, Southern Africa as a region could be said to be coming to a turning point in its history of a scale and importance never seen before. The Southern Africa of the nineties must busy itself with building the foundations of the construction of a new and better political and economic order.

It is at this decisive turning point in its history that we in the rest of the world must reach out our hands in an organized effort to offer our cooperation and assistance to the nations of Southern Africa.

3. Foreign Aid in the Post Cold War Era: the effect of increased international demands for aid on Southern Africa

(1) The rising demand for aid to developing countries and trends in aid to Southern Africa

i. Worldwide trends in foreign aid

The end of the Cold War and the breakup of the Soviet Union has resulted in the appearance of a number of new candidates either directly or indirectly demanding aid. The nations of Central and Eastern Europe, the central Asian republics, and Mongolia belong to this category. Worsening economic conditions, the end of local wars, and the loosening of tensions between nations has also resulted in an increase in the number of nations eligible for receiving aid. Cambodia, Vietnam, Iran, Jordan and similar countries fall within this category. Taking into consideration that foreign aid accounts for as much as one-third of the net capital flow to all developing countries, and that the importance of foreign aid with respect to net capital flow is even greater for low-income countries, one realizes that the rapid rise in the number of nations now calling for aid complicates the problem of allocating aid resources, sometimes so much so that it may even have a drastically adverse effect on the current recipients of aid. If one accepts the World Bank's figures estimating that 10 billion US dollars of

additional aid will be needed each year to help these new aid recipients, then from the fact that this figure amounts to 23 percent of the net total of ODA for 1991 it becomes possible to see the true importance of the problem.⁷ Finally, it should be noted that in recent years foreign aid has come to be allocated for the solution of problems on a global scale as well—problems such as those of refugees, the fight against drugs, and environmental conservation through new programs of sustainable development—and it can be expected that the demand for aid will only increase in the future.

Yet in spite of the increasing demand for aid, the rate of increase of the total amount of foreign aid provided to the developing countries in the period from 1981–91, when adjusted by dividing the figure by the developing countries' import price index, shows a rather gentle curve of roughly 4 percent (Table 5). A look at the ratio of GNP to ODA for DAC member nations shows an annual average of 0.32 for the years from 1978–82, 0.33 percent for the years from 1983–87, and 0.33 percent in 1991, amounting to little or no change at all. Furthermore, the rate of growth of nominal ODA (i.e., that based on net disbursements) provided to the LLDCs from 1987–91 comes to just 5.8 percent, and one can see that this falls far behind the rate of growth of 10.3 percent of the ODA provided to all developing nations (Table 6). The amount of aid provided by the former East-bloc nations has also fallen since

Table 5: Official concessional flows to developing country by type (1981–91)

	1981	1986	1991
ODA	24.2	27.4	42.9
Bilateral loans	9.4	7.4	6.5
Multilateral loans	3.4	4.5	6.6
Official grants	11.5	15.6	29.8
Real net ODA	28.6	34.6	42.9
Bilateral loans	11.1	9.3	6.5
Multilateral loans	3.9	5.7	6.6
Official grants	13.6	19.7	29.8

Units: billions of US dollars

Note 1: The figure shown for grant assistance are computed from the total grant amount minus that for technical assistance.

Note 2: The amounts shown are in 1991 US dollars, with real flows adjusted by deflating the nominal flows by the import price index for the developing country in question.

All figures above are from Reference #B-18.

Table 6: Net disbursements for Official Development Assistance by type (1981-91)

	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Angola		75.3	95	91.5	131.1	135.6	158.9	170.6	269.3	279.7
Botswana	101.5	103.6	102.7	96.5	102.3	155.9	150.8	159.8	148.5	135.4
Lesotho	93.4	107.7	100.7	63.3	86.3	106.2	110.9	137	142.8	128.5
Malawi	121.2	118.8	158.5	113	195	276.7	375.2	433.3	505.1	524.4
Mozambique	207.9	210.8	259.1	300.1	421.3	687.2	918.5	820.5	1008.1	1073.4
Namibia	0	0	0	6	15.6	16.5	22.5	58.9	123.2	184.4
Swaziland	28.2	33.5	29.7	24.7	33.6	44.2	37	28.3	55.1	53.9
Zambia	317.1	216.9	239.5	322.2	454.5	426	478.2	374.2	480.9	884.1
Zimbabwe	218.1	208.5	297.8	237.1	224.3	293.9	272.7	264.9	340.5	393.3
Total for Southern Africa (1) ¹	1145.4	1073.1	1283	1284.4	1664.9	2122.2	2524.7	2447.5	3073.3	3655.1
(1)/(2)	14.0	13.5	15.6	14.2	15.3	16.8	17.5	15.9	17.2	20.7
(1)/(3)	3.7	3.8	4.1	4.0	4.4	5.1	5.6	5.2	5.3	5.9
Total for sub-Saharan Africa (2)	8174.2	7961.8	8228.2	9041.9	10,910.9	12,668.7	14,444.9	15,363.1	17,883.7	17,632
(2)/(3)	26.7	28.5	26.4	28.0	28.8	30.4	32.2	32.8	30.8	28.8
Total for developing countries (3)	30,622.1	30,087	31,118.9	32,260.2	37,834.7	41,663.3	44,307	46,780.4	57,988.3	81,630.2
Total for LLDCs	7339.9	7026.3	7134.3	9169.9	10,808.1	12,617.9	13,422.5	13,656.4	15,952.8	15,807.4
Total for other low-income countries	951.2	9108.8	9459.8	8583.2	10,831.4	11,197.1	13,802	14,839.5	19,499.8	20,753.7
Total for lower middle-income countries	3420.2	3161.2	3334.5	5701.6	5815.3	6483.4	5555.4	5842.8	9734.3	10,445.8
Total for upper middle-income countries	N.A.	N.A.	N.A.	668.9	1009.6	909.8	913.8	1059.6	1344.5	1498.8
Total for high-income countries	N.A.	N.A.	N.A.	2151.7	2137	1624.8	1454.9	1470.4	1787.7	2490.9
Others	N.A.	N.A.	N.A.	666.8	892.6	976.4	968.8	980.7	910.4	929.3
None of the above	4261.4	4304.2	5218.7	5288.1	6740.5	7853.9	8789.6	8931.1	8908.9	9706.8

All figures above are from the Organization for Economic Cooperation and Development's Geographical Distribution of Financial Flows to Developing Countries CD-ROM, created December 1992.

¹ The totals for Southern Africa listed in this table are computed as the sum of all aid given to the countries of the region listed in this table, and do not include aid directed to the Republic of South Africa or aid given to regional organizations.

Table 6: Net disbursements for Official Development Assistance by type (1981-91) (continued)

	Average rate of increase from 1982-91	Average rate of increase from 1982-87	Average rate of increase from 1987-91	Share of total for 1982 ¹	Share of total for 1987 ¹	Share of total for 1991	Share of total for 1982-91 ²
Angola	18.7	17.7	19.8	5.2	6.4	7.7	7.2
Botswana	3.3	9.0	-3.5	8.9	7.3	3.7	8.2
Lesotho	3.4	2.6	4.5	8.2	5.0	3.5	5.4
Malawi	17.7	18.0	17.3	10.6	13.0	14.3	13.9
Mozambique	20.0	26.3	12.8	18.2	31.4	29.4	29.0
Namibia	77.0	65.8	82.8	0.0	0.8	5.0	2.1
Swaziland	7.5	9.4	5.1	2.5	2.1	1.5	1.8
Zambia	12.1	6.1	20.0	27.7	20.1	24.2	20.7
Zimbabwe	6.9	8.3	7.6	18.9	13.8	10.8	13.6
Total for Southern Africa (1) ³	13.8	13.1	14.6	100.0	100.0	100.0	100.0
(1) / (2)							
(1) / (3)							
Total for sub-Saharan Africa (2)	8.9	9.2	8.8				
(2) / (3)							
Total for developing countries (3)	8.1	6.4	10.3				
Total for LLDCs	8.9	11.4	5.8				
Total for other low-income countries	9.0	3.2	18.7				
Total for lower middle-income countries	13.2	13.6	12.7				
Total for upper middle-income countries	14.4	16.6	13.3				
Total for high-income countries	2.5	-13.1	11.3				
Others	5.7	21.0	-1.2				
None of the above	9.6	13.0	5.4				

All figures above are from the Organization for Economic Cooperation and Development's *Geographical Distribution of Financial Flows to Developing Countries CD-ROM*, created December 1992.

- 1 Indicates the share of each individual country expressed as a percentage of the total aid given to Southern Africa in that year.
- 2 Indicates the share of each individual country expressed as a percentage of the total amount of aid received by Southern African nations in 1982-92.
- 3 The totals for Southern Africa listed in this table are computed as the sum of all aid given to the countries of the region listed in this table, and do not include aid directed to the Republic of South Africa or aid given to regional organizations.

the latter half of the eighties, and it may be considered to have fallen even further as a result of the breakup of the communist bloc of nations.

In this way it can be seen that while the total amount of aid provided to developing nations has changed very little over the past few years, the demand for such aid has only continued to increase.

If we then have a look at the amount of aid allocated to all sub-Saharan countries, we see that a share of the total ODA given to the region out of the total amount of ODA provided to the world has reflected its need for aid, increasingly significantly over the long term. For those low-income countries suffering from heavy foreign debt, there has also been a Special Fund for Africa which was set up for the three years from 1982 to 1985, a Special Program of Assistance (SPA I) implemented over the three years from 1987 to 1990 targeted towards severely indebted low-income sub-Saharan nations, and a second Special Program of Assistance (SPA II) implemented over the period from December of 1992 to November of 1993, all of which have been established to coordinate efforts between donors and to stimulate the flow of ODA funds to those countries deemed least likely of receiving a non-aid influx of capital. (Note that Zambia, Malawi, and Mozambique were included in the 25 nations targeted under the SPA II plan.) Yet in spite of the increased attention given to this region, the prospects for the infusion of aid into the sub-Saharan region have been poor over the past few years, and, as shown in Table 6 above, the net ODA disbursements targeted for sub-Saharan Africa in 1991 were lower in absolute value than their 1990 levels, and the total share of aid according to its regional distribution also fell for two years straight beginning in 1990, falling from its level of 32.8 percent in 1989 to just 28.6 percent in 1991.

These facts seem to confirm the fears of sub-Saharan nations that the targets of aid from the member nations of the DAC, and particularly the targets of aid from those Western European nations which have been the principal suppliers of aid for the region, may come to be shifted to Eastern Europe and the nations of the former Soviet Union, and one may rest assured that the nations of sub-Saharan Africa are following the progress of this matter with a great deal more than a disinterested concern.

ii. Trends in aid targeted for Southern Africa

While growth in ODA targeted for sub-Saharan Africa has stood still

in the past few years, the amount of ODA targeted for Southern Africa, regardless whether considered as a nominal sum computed from a base of net disbursements or as the real value adjusted for the price index of goods exported to the sub-Saharan region, has continued to grow, and the average annual rate of growth in nominal ODA net disbursements for the years 1982-91 comes to 13.8 percent, significantly higher than either the total for all developing countries or that for sub-Saharan Africa as a whole. Also within Southern Africa itself, the rate of growth in aid to Angola, Malawi, Mozambique, and Namibia is higher than that for the region as a whole. Namibia in particular stands out in this regard with a significantly higher rate of growth than the other nations, circumstances which could be well explained as a natural consequence of its having only recently attained its independence. The rate of growth for aid given to Botswana, Swaziland, Lesotho and Zimbabwe, on the other hand, is lower than that for the region as a whole, and their share of aid received is also continuing to fall below that for the region. A look at the total aid given in 1991 shows that the share for Southern Africa with respect to total ODA expenditures for all developing nations is something less than 6 percent, and of this 6 percent Mozambique and Zambia have received over 50 percent of all aid targeted for the region. Finally, while one cannot see it from the statistics given here, there is also a considerable amount of aid being sent to the SADCC, South African anti-government groups, and other regional organizations.

When one looks at the amount of aid being given by individual donor organizations, bilateral aid accounts for 64 percent of all aid given in 1991, with the remainder being accounted for by international organizations. The amount of aid coming from Europe, including that from the EC, also accounts for 64 percent of the total. Looking at the amount of aid being provided by individual countries reveals that Germany is the foremost donor of aid for the region, followed in order by Sweden, the United Kingdom, the United States, Norway and Japan. Further examination then reveals that the percentage of net ODA disbursements from these principal donor nations directed to Southern Africa comes to somewhere around 15 percent for Norway and Sweden, slightly more than 8 percent for the United Kingdom, 4.6 percent for Germany, 1.7 percent from the United States, and 1.5 percent for Japan. Thus one can see that not only is the amount of aid from Northern Europe relatively high, but also that the Southern Africa is given a high priority as a target for that aid, so much so that 18.5 percent of the total

amount of aid received in the region in 1991 came from the four Scandinavian nations of Denmark, Finland, Norway, and Sweden. In bilateral aid, Sweden, which stands out even from the other three Scandinavian nations in the amount of aid directed towards Southern Africa, has declared its aid program to be directed towards the humanitarian assistance of the peoples of Southern Africa and the creation of regional programs, and it has been pursuing these goals through aid programs for the ANC and other South African anti-apartheid organizations and for the SADCC and other specific programs not included in the figures for aid assigned to specific nations. And in the same vein, the EC is also providing assistance to the SADCC in an effort to promote cooperation within the region. And finally, in contrast to this, the amount of aid from the former Soviet Union and Eastern European countries, which had formerly been concentrated on Angola, Mozambique, and other Eastern-allied nations, seems to have sharply fallen.

iii. Trends in Japanese aid

A look at the total net aid disbursements for 1991 shows that Japan, which provided a total of 164 million dollars, is the sixth largest donor for the Southern African region. This figure accounts for 1.5 percent of Japan's total ODA, and 17 percent of all that given to sub-Saharan nations. It should be noted that while the percentage of total aid directed towards sub-Saharan Africa reached a high of slightly over 20 percent in 1988, this share declined in 1989 and 1990, and began to move upwards again only in 1991.

Next, to gain an idea of foreign aid trends by type, a look at the committed amount of aid (see Table 7) reveals that grant aid (excluding technical assistance) accounts for slightly more than 43 percent, loan aid for just over 45 percent, and technical assistance for just over 11 percent of the total. Furthermore, the past five years from 1987-91 show that these figures stood at slightly more than 57 percent, approximately 13 percent, and approximately 13 percent respectively, thus representing an increase in the share of the total allocated as grant aid. When viewed by country, one sees that, at 55.9 billion yen, the amount of aid directed to Zambia in the years 1987-91 was significantly greater than that for any other country in the region. This is followed by Zimbabwe at 20 billion, and Malawi and Mozambique in next place with totals in excess of 10 billion yen.

Table 7: Distribution of Japanese aid to Southern Africa by type**1. Loan aid**

(Units: one hundred million yen)

	1987	1988	1989	1990	1991	Total Aid	Total over 1987-91
Angola							0
Botswana	28				36.61	85.61	64.61
Lesotho							0
Malawi	22		44.56			213.33	66.56
Mozambique						40.51	0
Namibia							0
South Africa							0
Swaziland							0
Zambia					170.83	666.32	170.83
Zimbabwe			52.46			118.82	52.46
Total (1)	50	0	97.02	0	207.44	1,124.59	354.46
(1)/(2) %	17.25	0.00	12.06	0.00	45.45	18.01	12.79
Sub-Saharan Africa (2)	289.83	972.67	804.62	247.84	456.45	6,244.31	2,771.41

Note: All figures above are based on the pledged amount of aid, with the exception of those for technical assistance which represent actual JICA outlays.

All figures above have been compiled from reference #B-2.

2. Grant aid

(Units: one hundred million yen)

	1987	1988	1989	1990	1991	Total Aid	Total over 1987-91
Angola		1.04		2.05	2.85	5.94	5.94
Botswana	0.11		0.72	1.04	0.73	3.2	2.6
Lesotho	1.5	0.75	1	1	1	12.59	5.25
Malawi	18.65	10.37	18.01	13.4	24.09	125.74	84.52
Mozambique	21.41	47.77	36.48	21.5	14.04	232.97	141.2
Namibia				5.5	5.53	11.03	11.03
South Africa				0.15	0.31	0.46	0.46
Swaziland			1.5	1.5	2.5	7.66	5.5
Zambia	61.97	33.25	74.38	54.76	69.72	487.82	294.08
Zimbabwe	27.47	14.88	27.98	16.94	41.3	195.19	128.57
Total (1)	131.11	108.06	160.07	117.84	162.07	1,082.6	679.15
(1)/(2) %	21.70	18.45	22.92	21.01	24.32	18.75	21.80
Sub-Saharan Africa (2)	604.06	585.63	698.39	560.99	666.33	5,775.39	3,115.4

Note: All figures above are based on the pledged amount of aid, with the exception of those for technical assistance which represent actual JICA outlays.

All figures above have been compiled from reference #B-2.

3. Technical assistance

(Units: one hundred million yen)

	1987	1988	1989	1990	1991	Total Aid	Total over 1987-91
Angola			0.01		0.05	0.07	0.06
Botswana		0.12	0.05	0.07	0.06	5.79	0.3
Lesotho	0.1	0.05	0.01	0.05	0.06	0.68	0.27
Malawi	6.56	6.53	6.4	6.51	6.98	83.44	32.98
Mozambique	0.17	0.64	0.17	0.79	0.67	3.25	2.44
Namibia				0.52	0.34	0.86	0.86
South Africa					0.05		0.05
Swaziland	0.21	0.04	0.1	0.16	0.29	13.76	0.8
Zambia	14.43	14.9	21.43	23.64	19.93	151.04	94.33
Zimbabwe	2.64	3.2	3.63	3.46	5.6	26.71	18.53
Total (1)	24.11	25.48	31.8	35.2	34.03	285.6	150.62
(1)/(2) %	19.53	18.51	20.53	21.11	24.34	18.20	20.84
Sub-Saharan Africa (2)	123.45	137.68	154.9	166.78	139.83	1,569.4	722.64

Note: All figures above are based on the pledged amount of aid, with the exception of those for technical assistance which represent actual JICA outlays.

All figures above have been compiled from reference #B-2.

4. Total ODA

(Units: one hundred million yen)

	1987	1988	1989	1990	1991	Total Aid	Total over 1987-91
Angola	0	1.04	0.01	2.05	2.9	6.0	6
Botswana	28.11	0.12	0.77	1.11	37.4	94.6	67.51
Lesotho	1.6	0.8	1.01	1.05	1.06	13.27	5.52
Malawi	47.21	16.9	68.97	19.91	31.07	422.51	184.06
Mozambique	21.58	48.41	36.65	22.29	14.71	276.73	143.64
Namibia	0	0	0	6.02	5.87	11.89	11.89
South Africa	0	0	0	0.15	0.36	0.46	0.51
Swaziland	0.21	0.04	1.6	1.66	2.79	21.42	6.3
Zambia	76.4	48.15	95.81	78.4	260.48	1,305.18	559.24
Zimbabwe	30.11	18.08	84.07	20.4	46.9	340.72	199.56
Total (1)	205.22	133.54	288.89	153.04	403.54	2,492.79	1,184.23
(1)/(2) %	20.17	7.87	17.42	15.69	31.96	18.34	17.92
Sub-Saharan Africa (2)	1017.34	1695.98	1657.91	975.61	1,262.61	13,589.1	6,609.45
Total grants:	63.89	80.92	55.41	77.00	40.16	43.43	57.35
Total loans:	24.36	0.00	33.58	0.00	51.41	45.11	29.93
Total technical assistance:	11.75	19.08	11.01	23.00	8.43	11.46	12.72

Note: All figures above are based on the pledged amount of aid, with the exception of those for technical assistance which represent actual JICA outlays.

All figures above have been compiled from reference #B-2.

As for loans, Japan has provided aid to a total of five of the countries of the region, with four of these also included in the aid provided from 1987-91. When viewed by category, this aid is principally centered around transportation and communications infrastructures, structural adjustment programs, and other similar loans designed to support these countries in maintaining a sound international balance of payments. While major fluctuations may be seen from year to year in the amount of loan aid—such as that seen in 1991 when over 17 billion yen was allocated for Zambian debt relief, thus bringing the share of total aid to sub-Saharan Africa occupied by Southern Africa to a sudden high of 44.45 percent, approximately 12.8 percent of the total aid over the five years from 1987-91, and just over 18 percent of total accumulated aid was supplied in the form of loans.

While a total of 13.1 billion yen was given in grant aid to the region in 1987, this figure rose to as much as 16.2 billion yen in 1991, and the Southern African share of the aid directed towards sub-Saharan Africa also rose to 24.3 percent. The share for the region over the past five years stands at 21.8 percent, higher than the accumulative total of 18.8 percent. By type, Japan has given social infrastructure and agricultural aid, including that targeted for use in increasing agricultural production, as well as structural adjustment support grants and further food and other emergency aid to six Southern African nations reflecting the existence of problems such as those created by armed conflicts and refugees in the region.

In technical assistance, Japanese aid has risen to 3.4 billion yen from its level of 2.4 billion yen in the years from 1987-91, and the share for Southern Africa of the total aid directed towards sub-Saharan Africa has risen correspondingly. The assistance given was directed principally towards the agricultural, industrial, and health sectors. Finally, the portion of technical assistance and grant aid so far has not been so great, what there is has been directed to South African non-governmental organizations.

In a Official Development Assistance Charter issued at a June 1992 cabinet meeting, the Japanese government addressed the need to turn our attention to the problems of economic distress and poverty throughout the world and expressed a particularly strong concern for the problems of the LLDCs. In June of 1993, a Fifth Mid-term Plan was formed in which the government revealed its plans to allocate funds for 70 to 75 billion dollars in ODA (based on net disbursements) over the five years from 1993-97, or

as much as 40 to 50 percent more than that called for under the Fourth Mid-term plan covering the years from 1988-92, thus indicating its desire to expand its ODA program and work actively towards providing assistance to developing nations. And since Southern Africa, as will be explained further below, is a region in particularly serious need of aid, it can be expected that Japan will continue to step up its efforts in expanding its aid program.

(2) New trends in aid

As noted above, Southern Africa has on the whole benefited from a relatively high rate of growth in the amount of aid given to the region. Yet it is also evident that we are coming to a time when we must give new consideration to the problem of whether or not this relative advantage will continue. The reasons behind this concern are plain: first, as noted in Section 2 above, the end of the Cold War has resulted in the loss of direct strategic motives for the United States and other Western nations to provide assistance to the region; second, as noted in Section 1.i above, the dulling of growth in the overall amount of aid provided and the rapid rise of demand for aid from all throughout the world will in all likelihood result in donor countries being more discriminating in the distribution of aid, linking its allocation to individual recipient countries to their performance in utilizing that aid; and third, the fear that the political importance of assisting the front-line nations and other Southern African countries will have been lost in an environment where South Africa has already taken irrevocable steps towards the abolition of apartheid.

If we begin by addressing the third issue, we must recognize that the racialistic policies of South Africa have become an international concern, and that developments there have become a matter that has tortured the conscience of all the world. The 1960 Security Council resolution condemning South Africa for its apartheid policy and the economic sanctions imposed on South Africa as a result of the 1962 General Assembly resolution (note that, with the exception of international aid organizations, virtually all economic sanctions against South Africa were recalled in 1991 in recognition of the end of apartheid) are an expression of this international will. A kind of international monitoring was also imposed on trade and investment rela-

tions between South Africa and the corporations of the industrialized countries, and the memory of the international criticism directed against transgressor corporations remains fresh in our minds. In conditions such as these it was, perhaps, only natural that international assistance was concentrated on the front-line nations which stood at the forefront in leading actions condemning South Africa and suffered the greatest losses as a result of South African policies aimed at their destabilization. Yet if the structure of apartheid finally crumbles and South African majority rule becomes a reality, the front-line nations will lose their very reason for an existence as leaders of this movement, and they will be forced to become what might be called just another group of developing countries, a state of affairs which could well place them at the fringe of the group of nations currently demanding aid. Of course it is also possible that international society will focus its aid directly towards the reduction of the political, economic, and social unrest that South Africa may experience during its transition to democracy.

Next, if we turn our attention to the issues related to decreased growth in the amount of aid provided and the rapidly rising demand for such aid, we can see since the end of the Cold War it has become possible for the donor nations to review those basic policies which have been ruled by cold-war diplomacy and which have united the Western nations in international action since the end of the Second World War. This means that we can finally expect for it to become possible for the donor nations to concentrate on the primary problem facing the developing countries—their economic development. Yet at the same time this also means that—presupposing slower growth in the amount of aid given—the problem of how to provide that aid in an efficient and effective manner which will truly contribute to the development of the developing nations will now become a problem of more central importance than ever before. In other words, we have come to a point where the donors of aid will start to pay greater attention to the performance of individual recipient countries in utilizing that aid, and the manner in which the countries receiving that aid deal with problems of unclear decision making process of government, inefficient administration, corruption, disregard of human rights, democratization, military expenditures, and participatory development will come to affect even more clearly the making of decisions on the part of the donors as to how to allocate their aid.

In point of fact, the member nations of the DAC have issued a joint communiqué at a 1991 high-level meeting of the DAC in which it was stated that, "Developing countries committed to market-based economic reforms, democratization, and good governance should in general be given priority in the allocation of development assistance."⁸ As for individual donor nations, President Mitterand announced at the 1990 summit of French-speaking nations that France intends to link the provision of aid to efforts in the recipient nations towards the promotion of democracy. Furthermore, in 1991 Germany declared that its 1992 budget for overseas aid would probably reflect its new policy of linking overseas aid to the levels of military expenditures in the recipient countries. And finally, in Japan as well the government announced in its four guidelines for 1991 and its 1992 Official Development Assistance Charter that it would give full consideration to moves towards democracy and military expenditures in recipient nations in examining the allocation of aid.

The fact of the matter, however, is that policies of this kind have already been implemented at the 1991 and 1992 annual consultative group meetings where in 1991 the donor countries called for political and economic management reform in Kenya and did the same for Malawi in 1992. It is also worthy of note that the commitment to providing new aid to these nations normally announced at this meeting was not made here. On the other hand, however, aid was concentrated heavily on Zambia in 1991 to promote democratization and economic liberalization in response to the new administration formed in a move from a single-party dictatorship to multi-party rule.

Thus the end of the Cold War, the present low likelihood of a significant increase in the overall amount of aid, the expectation that donor countries will become more discriminating in the distribution of their official development assistance and openly link its allocation to individual recipient countries to their performance in utilizing that aid, and the loss of the meaning of existence of the front-line nations as leaders in the struggle against apartheid have all contributed to a state of affairs in which the aid provided to the nations of Southern Africa cannot help but be affected.

4. Economic stagnation and the development of domestic political and economic reform: structural adjustment and democratization

(1) A decade of economic retreat

With the exception of Botswana, where the initiation of the mining of a rich diamond lode in 1971 gave it exceptionally high growth (an annual rate of 10 percent growth in GDP in the years 1970–91), even when compared to the other African nations, the long-term economic performance of the other nations of the region was extremely limited in scope. (Note that South Africa and Namibia, declared independent in 1990, are not treated here.) Even now civil war and armed struggles continue in Angola and Mozambique, and while Mozambique has finally reached the point where an end to its civil war is in sight, it is currently classified as the poorest nation in the world. (Note that while the existence of rich mineral resources in Angola give it a per capita income that places it in the ranks of the lower-middle-income countries, the majority of its social indices fall below the average for low-income countries.)

The remaining five countries, when viewed by per capita GNP, have all experienced negative growth over the same period, with the exception of Swaziland, a small nation which experienced a relatively strong average annual growth of 3.1 percent over the years from 1980 to 1991. The average annual rate of growth in agricultural production for all of the countries in the region over the same period was also lower than their rates of population growth, and all of these countries saw a decrease in the same period (1979–91) in their per capita food production. Added to these problems were chronic current account deficits and fiscal deficits (in 1980, those for Malawi, Zambia, and Zimbabwe were as high as 17.3%, 20%, and 11.1% of their respective GDPs), and the external debt required to finance these deficits grew until the ratio of total debt to GNP reached a peak in the mid- to late eighties and exceeded the 100 percent mark for Angola, Malawi, Mozambique, and Zambia.

The World Bank commented on the poor economic performance of Southern Africa in the eighties in its 1989 report on sub-Saharan Africa, saying that, "Despite this diversity [in the climate, culture, society, and political and economic structure of the countries of the region], there are a number of

commonalities in the problems facing sub-Saharan countries: high rates of population growth, low levels of investment and savings, inefficient resource use, weak institutional capacity and human resources, and a general decline in income and living standards.”⁹ And just as this report notes in saying that, “Africa’s generally poor performance during the past ten years has been reflected by weak growth in the production sectors, poor export performance, mounting debt, deteriorating social conditions, environmental degradation, and the increasing decay of institutional capability,”¹⁰ this phenomenon is not restricted to Southern Africa alone, but may also be seen as a phenomenon for the most part common to all of sub-Saharan Africa. In point of fact, the average annual per capita GNP for sub-Saharan Africa as a whole declined throughout the eighties, and there were more than a few countries which fell into economically dire straits as a result of the rapidly rising burden created by the repayment of their external debts.

The problem of the debt of the nations of sub-Saharan Africa is in fact a serious one. The ratio of total debt to GNP for the region as a whole, at 109.6 percent, is far higher than the 41.4 percent for Latin America and 34.3 percent for South Asia (1991 figures¹¹). Next, if we look at debt service ratios, we see that although sub-Saharan Africa has a DSR of 19.8 percent, lower than that of other regions such as Latin America (29.5%) and South Asia (25.4%), it seems likely that while this is due in part to the fact that a high percentage of low-income sub-Saharan nations’ external debt is constituted of financial inflows from international organizations and other official agencies with higher concessionality, it is also probably due to the rescheduling of large volumes of debt and the fact that the actual repayment of debt tends to be late, making the actual amount repaid less than that called for in the original schedule. (While the World Bank estimates that in 1992 the average ratio of the amount of debts actually repaid with respect to planned repayment amounts for severely indebted countries stood at 50 percent¹², if we accept that this ratio may be applied to sub-Saharan Africa the DSR for 1991 becomes approximately 40 percent.) While the Paris Club was originally established to implement the rescheduling of official bilateral debts alone, it became widely recognized that the levels of debt borne by severely indebted low-income countries had become impossible to maintain, and the group then began to work to forgive or reduce bilateral ODA debts, and the number of cases of debt forgiveness and reduction climbed sharply towards the end of the eighties. (With respect to Southern Africa, from 1980 to 1992 agree-

ments have been reached for debt relief against a total of roughly 4.7 billion dollars for Angola, Malawi, Mozambique, and Zambia.¹³⁾

Yet the primary objective of the Paris Club is to help prevent heavily indebted countries from defaulting on their debts, and while its responses have become more flexible and concessional in their nature, it was originally designed to be applicable to the solution of short-term problems of liquidity. In contrast to this, the structural adjustment program described below was designed to improve the structure of domestic economies in a comprehensive manner over the mid-term in an effort to build a foundation for long-term sustainable development.

(2) The introduction of the Structural Adjustments Program

The World Bank divides the process of development in sub-Saharan Africa into three periods based on the level of per capita GNP: the years from 1961 to 1972, when per capita incomes steadily rose; the years from 1973 to 1980, when economic growth stalled; and the period from 1981, which is classified as an economic downturn¹⁴. This period in the eighties when sub-Saharan Africa was in economic crisis—sometimes known as ‘the lost decade’— may very well be viewed as a product of the seventies, when the majority of sub-Saharan countries were newly independent and were in a monocultural economic structure highly dependent on the limited number of primary products introduced to their economies during the colonial period. Yet the fluctuations in export income for these primary products were severe, and one must say that the economic structures of these countries were from the beginning extremely susceptible to external influences. This is why the two oil crises of the 1970s and the following worldwide recession had a dramatic and serious effect on the region and wrought particularly adverse changes during the latter half of the seventies and the early part of the eighties in the terms of trade of the non-oil-producing nations of sub-Saharan Africa. (Note that conditions continually deteriorated in the low-income countries beginning from 1974; while the non-oil-producing middle-income countries did enjoy a major improvement in their terms of trade from 1975 to 1977, these terms then quickly deteriorated soon thereafter.¹⁵⁾

Yet although the sub-Saharan nations had, as described above, from the beginning economic structures extremely susceptible to external influ-

ences, even by the end of the seventies their governments failed to exert sufficient effort to adjust their economic systems and policies in accordance with economic trend, and they continued to rely instead on economic development policies dependent on high levels of foreign lending. In other words, even during the period of economic stagnation in the seventies, these systems were maintained by sheer force of will in the face of increasingly unfavorable balances of payments and worsening fiscal deficits, resulting in an accumulation of external debt which led these nations ever further into a trap of economic disarray and debt crises. This state of affairs stands in sharp contrast to the action taken by the Asian NIEs which, when faced with the oil crises, began a determined effort to adjust their industrial structures based on an export-oriented economic development policy. With this in mind, the World Bank stressed that the major cause of the economic stagnation was not due to external factors such as worsening terms of trade suffered by the African nations, but rather due to the inability of their governments to take the appropriate steps in response to worsening external conditions and enact the necessary reforms of their domestic administration and policy, and it insisted that the main causes of the problem lie in structural factors where, (1) trade and foreign exchange policies enacted to in efforts to reduce imports through a program of industrialization were overly protective of industry and served as obstacles to agricultural production and exports, (2) excessive government economic intervention served as an obstacle to free market pricing mechanisms, and (3) heavy industrial investment led to the creation of a bloated bureaucracy and a state of affairs where inefficient government-run enterprises came to account for a disproportionately large sector of the economy.

It was with this in mind that the World Bank initiated in 1980 a program of adjustment lending (i.e., Structural Adjustment Lending and Sectoral Adjustment Lending) to provide support for countries suffering from deficits in their balances of payments for those African countries that have agreed to implement those policies needed to conduct the comprehensive mid-term structural adjustments to liberalize their economies with the aim of ensuring long-term sustainable development and supporting these nations in their efforts to overcome the financial gap existing between themselves and the world outside. Since that time, an international support mechanism for the assistance for countries undertaking structural adjustments has gradually come into being. Following an agreement on the IMF

short-term program for the stabilization of their economies, an international agreement by the Paris Club member nations has been reached on a plan for the repayment of external debts, and further agreements will be reached between the World Bank and the governments of a number of developing countries on structural adjustment programs. The World Bank has also played a central role in coordinating and mobilizing aid resources of other donor countries and organizations for the promotion of structural adjustment programs, and become together with the IMF the core of the international cooperative aid mechanism that is beginning to emerge to promote the implementation of structural adjustment programs for developing countries.

African nations do criticize the details of the World Bank's Structural Adjustments Program as it currently exists, as may be seen in their criticisms noted in the United Nations Economic Commission for Africa's (ECA) *African Alternative to Structural Adjustment Programmes* (1989)¹⁶, where they maintain that programs call for excessive economic liberalization, provide timetables for the implementation of programs at a pace which ignores the capacity of a country or region to absorb changes, and show a lack of consideration for social factors and human resources development. However, one can also see in the same report the emergence of a general consensus that it is the defective character of their own policies and administrations which constitutes the principal cause of the economic stagnation.

Thus it was that structural adjustment lending to the African nations began with the first loans going to Kenya in 1980, followed by loans to a number of other countries suffering from the shortage of sufficient foreign reserves and the inability to repay their external debts, until finally in 1992 the program had spread to the point where 32 countries were receiving structural adjustment funds.

Southern Africa, of course, was included within this framework, with the first loans going to Malawi in 1981 to be followed by a total of 28 financings to a total of four countries (note that this includes sectoral adjustment lending, IMF stand-by arrangement, and other funds; see Table 8 for details), until an awareness came into being that the implementation of structural reforms had become for the region an irreversible move towards change, and the promotion of economic liberalization began to spread even beyond the borders of the countries originally included in the implementation of the structural adjustments program.

Table 8: World Bank and IMF Allocations of Adjustment Financing and Japanese Cooperative Lending

Implementation of Adjustment Financing					Japanese assistance in Cooperation with Structural Adjustment Program	
Country	Period (YY/MM)	Source of financing	Type of financing	Amount (mils. US\$)	Non-project Loans	Non-project Grant Assistance
Malawi	79/10-81/12	IMF	Stand-by			
	81/08-82/12	World Bank	Structural Adjustment Lending 1	5.0		
	82/09-83/08	IMF	Stand-by			
	82/06-88/03	World Bank	Fertilizer loan	5.0		
	83/09-86/09	IMF	Extended Fund Facility			
	84/01-85/06	World Bank	Structural Adjustment Lending 2	55.0		
	85/12-88/09	World Bank	Structural Adjustment Lending 3	70.0	Structural Adjustment Program	
	88/03-89/05	IMF	Stand-by		5.3 billion yen in 1986	300 million yen in 1987
	88/07-91/07	IMF	Extended Fund Facility		2.2 billion yen in 1987	300 million yen in 1989
	88/09-90/12	World Bank	Industry and trade policy loan	70.0	Industry and trade sector program	500 million yen in 1991
90/04-91/12	World Bank	Agricultural sector	70.0	3.8 billion yen in 1989		
Mozambique	87/06-90/06	IMF	Structural Adjustment Facility			
	87/10-90/12	World Bank	Economic Reconstruction Plan	88.6		2.5 billion yen in 1988
	89/08-91/04	World Bank	Economic Reconstruction Plan	90.0		1.5 billion yen in 1989
	90/06-93/05	IMF	Extended Fund Facility			
Zambia	81/05-84/05	IMF	Extended Fund Facility			
	83/04-84/04	IMF	Stand-by			
	84/07-86/04	IMF	Stand-by			
	84/07-88/09	World Bank	Recovery and diversification of exports	75.0		
	85/08-88/06	World Bank	Agricultural loan	35.0		3.5 billion yen in 1987
	85/11-88/12	World Bank	Industrial loan	52.0		3.5 billion yen in 1989
	86/02-88/02	IMF	Stand-by			3.5 billion yen in 1990
	86/12-90/06	World Bank	Economic Reconstruction Plan	50.0		
	91/03-92/06	World Bank	Reconstruction Credit (Structural Adjustment Lending)	237.2		
Zimbabwe	83/03-84/09	IMF	Stand-by			2.5 billion yen in 1987
	83/03-87/07	World Bank	Export and industrial policy loan	70.6		1.5 billion yen in 1989
	92/01-92/07	World Bank	Structural Adjustment Lending	175.0		2.5 billion yen in 1991

All figures above taken from References #B-19 and #B-2

(3) The relation of structural adjustments to democratization and good governance

As noted above, the economic stagnation of the African nations in the 1980s had the effect of gradually forcing them to accept the economic structural adjustment reforms urged upon them by the World Bank, bringing them to the point where a broad-based consensus began to be formed on the need for administrative and political reforms based on a policy of economic

liberalization.

Yet as this policy of structural adjustment and economic liberalization began to gain acceptance, the consistency between these economic reforms and existing political regimes in Africa began to be questioned from the following three standpoints.

The first of these was that the number of countries with a single-party rule political regime or similar systems of authoritarian government formed an overwhelming majority of the nations of sub-Saharan Africa. (In fact, Botswana, Gambia, Senegal, and Mauritius were the only countries with a continued tradition of democratic government.) A number of reasons were given as justification for this form of government, with the foremost reasons being given as the need for an authoritarian party system to suppress tribal conflict and unite the citizenry within the assigned borders of a society consisting of a mosaic of multiple tribes or peoples and the need for a government led top-down program of economic development to proceed with programs of rapid economic modernization. The economic crisis of the eighties and the acceptance of these programs of economic liberalization, however, served as proof of the failure of implementation of policies based on the latter philosophy, destroying the basis by which it could be cited as justification for its policies.

Secondly, the nature of the implementation of structural adjustment programs as something calling for change in the existing economic system brought it into opposition with vested interests, giving it a meaning that went beyond the technical details of just how to implement economic policy. This brought into question the political feasibility of implementing structural adjustment programs and resulted in the formation of a consensus that the sustainability of a continued program of structural adjustments depended heavily on widespread support, or, in other words, required political reforms which included the participation of the people in the political process and the empowerment of the citizenry which would come with democratization.

Finally, as an issue inextricably related to the question of the nature of the political regime, the administrative capacity of the governments of these developing countries to implement programs of economic reform began to be called into question. In other words, what was called into question was the ability of the ruling elite to refrain from the continued manipulation of national power for their personal benefit in an environment where no

opposing political force existed. Thus calls began to be heard for the establishment of a structure which allowed for the possibility of an orderly change of government, freedom of information, and the fair and impartial rule of law as a method of ensuring that the ruling elites would be capable of fulfilling their duty in a responsible manner. From a purely economic standpoint as well, freedom of information is also an indispensable tool for smoothing the decision-making process in a market economy, and the impartial rule of law is a critical element in gaining the trust of the private sector in the political system.

This is how the problem presented by the nature of the political regimes of the African nations, and even more the problems presented by their ability to rule and move towards democracy, came to be viewed as an indispensable element to be considered in proceeding with structural adjustments and other measures aimed at economic reform.

Furthermore, as noted above in sections 2 and 3, the international call for further African democratic reform came to be expressed through a process of dialogue between the donor and recipient countries which took place in a framework of international aid coordination like that seen in the following quote from a DAC report: "Participatory development and governance have featured prominently in the discussions at the World Bank-chaired Consultative Group meetings, along with the issues of military expenditure and human rights. Consultative Groups appear to be evolving into principal fora for discussions of these sensitive subjects by bilateral donors and their development partners."¹⁷

The wave of democratization has by now begun to sweep across all of Africa, and we believe that the reasons for this can be better understood by consideration of the above. In fact, of the thirty countries which in 1989 had either single-party rule or systems which were effectively single-party systems, twenty-nine had either changed to democracies or begun to do so by July 1993. This is true of Southern Africa as well, where in addition to Botswana, which had maintained since its independence a system of multi-party rule, Mozambique and Angola followed in 1990 with the introduction of multi-party systems, and Namibia, which gained its independence in the same year, adopted a multi-party system from the start. In addition to this, Zambia attained its goal of democratization in 1991, the government of Zimbabwe gave up its attempt to move to a single-party system of rule, and

a national vote was held in Malawi in 1993 on whether to continue with its own single-party system, all serving as proof of steady and certain move towards democratization. And of all of these there is one country which stands out from the rest for the scope of its democratic reform—the Republic of South Africa.

5. Developments in South Africa

(1) The fall of apartheid

Though it has been 340 years since 1652 when the Dutch first landed at the Cape to settle, and a policy of racial discrimination has continued in the forty years since 1948 when the Nationalist Party took power and first introduced a policy of strict apartheid, the system has finally begun to crumble. The dramatic democratic reforms introduced since 1989 when President F. W. de Klerk first took office have led to the abolition in 1991 of the Land Act, Homeland Act, and Population Registration Act which had formed the nucleus of what was remaining of the apartheid structure, and a series of policies have already been put in place to ensure that black participation in the new government to be formed will be guaranteed as a result of the national elections to be held in April, 1994 and the constitution to be drafted therefrom.

This represents the disappearance of the last remaining racially discriminatory national system of government in Southern Africa, a fact which, to the other nations of the region, represents in turn a breakup in the political order of economic dependence on, and opposition to, South Africa which had formerly ruled the region.

But, as noted above, not only South Africa but also the Front Line nations bordering it and the other nations of the region have had to pay a high price to reach this point, and their hopes for a post-apartheid Southern Africa and for a South Africa ruled by a black majority and with the potential to act as an engine of growth for the region as a whole, will be correspondingly high. The world as well is looking forward to the restoration of South Africa, with its wealth of resources and the greatest industrial power in sub-Saharan Africa, to the international community of nations where it can contribute whatever it can to the economic development of Southern Africa.

Yet South Africa remains in the midst of its transition to a democratic economic and political system, and a host of problems remain to be solved before it can act as the regional power it is to contribute to the development of the region.

(2) The political problems facing South Africa

According to the figures of a 1991 census, South Africa has a total population of 37,740,000 people (note that this does not include the population of the 'independent' homelands), of which 75.2 percent are listed as blacks, 13.4 percent as whites, 8.7 percent as coloreds, and 2.6 percent as Asians (principally composed of persons of Indian descent),¹⁸ meaning that approximately 25 percent of the population consists of people other than blacks. Thus the proportion of non-black population, even when compared to other African nations such as Zimbabwe, where a relatively large proportion of the population is white, is significantly higher than that of the other nations of the region, and one could well say that its nature is different as well. This means that even if South Africa does come to be ruled by its black majority, it must still firmly retain its character as a multiracial nation and take upon itself the burden of the questions of how to build a democratic society and bring about conciliation between its races. Other problems remain as well, such as the conflict between the party viewed as most likely to gain the ruling edge following the formation of the new constitution—the ANC—and that formed primarily of the people of the Zulu nation—the Inkatha Freedom Party, a conflict in which the ANC has been regarded as having a hidden intent to exclude the Zulus from power, and a conflict which still continues to armed intraracial strife. This conflict is seen as the most dangerous element capable of disrupting the current process of South African reform, and it deeply requires a solution together with the problems presented by fanatical right-wing white forces. As can be seen from this description, the dismantling and rebuilding of the power structure created under the system of apartheid is no easy task, and a number of serious problems such as how to share the power amongst the black peoples and among the races including the whites who have until now formed the ruling class, how to form a system of government to which all the conflicting forces can agree, and how to run the country in a stable and sustainable