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PENETRATION: A CRITICAL PERSPECTIVE OF SADC

BY

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Paper 6

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PENETRATION: A CRITICAL PERSPECTIVE OF SADCC*

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REGIONAL CO-OPERATION AND IMPERIALIST PENETRATION:
A PRELIMINARY PERSPECTIVE OF SADCC

by

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INTRODUCTION AND THEORETICAL BASIS

Regional co-operation as a third world development strategy, has received considerable advocacy among the theorists of the dependence or underdevelopment school. This school or paradigm has emerged essentially as a reaction to earlier modernisation theories - theories which perceived third world underdevelopment in dualistic terms as primarily a result of processes, socio-economic structures and environmental forces internal to these societies.¹ That is, essentially in terms of original underdevelopment.

Contrary to the modernisation perspectives, the advocates of the dependence school have emphatically refuted the view of original underdevelopment and instead taken a holistic view and pointed to the historical development of the world economic system for the sources of underdevelopment. To them, development and underdevelopment are closely related processes in which one causes and consolidates the other. Thus, they see a chain-like process in which economic surplus or potential is extracted and transmitted through a series of satellite - metropolis linkages to the world metropolitan centres. This process is seen to continuously exploit and underdevelop the satellites while developing the metropolises.² The socio-economic backwardness of the Third World is a result, in the words of Long, of "its dependent status in an international market system that favours the industrialised countries which control capital, technology and markets essential for economic growth".³ Hence the proposition of disengagement from metropolitan centres and closer socio-economic co-operation among Third World countries has been mooted for development.

Partly due to the clear appeal of the dependencia model and partly as a reaction to past experience, the past fifteen to twenty years have seen independent Africa's slow awakening to at least two inter-related realisations in her quest for socio-economic development. The first is that the generally small sizes of post-colonial states, fashioned by the deliberate effects of their partition at the 1884 Berlin Conference, have inhibited the states from standing individually as viable economic units. The second is that the persistent admonishments by the developed countries for the small new states to attain and jealously defend the so-called "national sovereignty" are guises to perpetuate their post-colonial dependence on the former for commercial, monetary, technological and other needs to the latter's detriment.

The clear and inextricable answer of regional co-operation amongst sister African states has therefore, not only been identified and vehemently advocated, but it has also increasingly received practical application through-out Africa in the last fifteen years. The proliferation of regional socio-economic groupings such as the EAC, ECOWAS, OCAMM, OCCEAC, UEAC, and more recently PTA and SADCC,⁴ is clear exemplification of the transformation in African development thinking and the commitment to action.

It seems however, that notwithstanding the enthusiasms for and action of regional co-operation among African states, the socio-economic conditions of these countries are worsening year after year, leading to even more exasperating socio-economic dependence on and subservience

to the developed metropolitan countries or former colonial powers.⁵ More critically, most of the regional organisations themselves, instead of developing internally autonomous self-reliant and self-sufficient socio-economic development within their regions, have in fact largely depended on metropolitan centres for resources, technical expertise and control for their development - thus, presumably, laying themselves bare to imperialist penetration and concomittant continuous economic exploitation and control which have become a sure recipe not only for economic underdevelopment but also as examples have shown, for the eventual demise of the organisations themselves.

This paper is a preliminary attempt to show that the SADCC, despite its members' fervent protestations to the contrary, is not escaping the complex web of imperialist penetration and control. Rather than achieving its cherished goal of co-operative strength and self-reliance, SADCC is becoming increasingly dependent upon the imperialist powers and controls which it set out to reduce in the first place.

SADCC: ORIGINS AND OBJECTIVES

Two main perspectives underly current explanations of SADCC's origins. The first, which is advocated by the SADCC members and the most ardent of its sympathisers, is that it was born out of necessity (Anglin, 1982; Weisfelder, 1983; Hanlon, 1984). In essence, the regional organisation arose out of a realisation among some member countries as early as 1975 (Hanlon, 1984, p. 2), that as a consequence of their geo-economic sizes, environments, poverty and external threats on each country, their

countries could only stay separate at their own perils. Regional co-operation in this context was seen as a national response not only to imperialist penetration in general but also to broadening the countries' geographical, political and economic sizes, so as to strengthen each country's development potential through co-operative action.

The second explanation of SADCC's origin arises out of South Africa's position vis-a-vis the SADCC countries. It is argued (Sefali, 1982; Stevens, 1982) that SADCC was essentially a reaction to the Constellation Scheme of South Africa. More than anything they argue, it was the opposition to W. Botha's grand design of the Constellation of Southern African States (CONSAS) which was seen as a discrete effort by South Africa to dominate its smaller and poorer neighbours both economically and politically. Indeed, although there have been arguments that SADCC was not a counter-constellation initiative since it started earlier than Botha's invention of the term "constellation", many of the words and actions of SADCC do emphasize the counter-constellation aspect, thus making it difficult to defend it.

These explanations notwithstanding however, SADCC's development is very clear. Following intense discussions, some proposals for co-operation were made in 1977 and 1979. But, it was at Arusha, Tanzania, 1979, that formal meetings took place among the five "front line states", namely: Angola, Botswana, Mozambique, Tanzania and Zambia together with some prospective donors to draw up the initial plans for the body. In order to allow the participation of Zimbabwe,

which was then locked into independence discussions at Lancaster House, London, detailed discussions were delayed until after its assurance of independence in 1980. The way was paved for the launching of SADCC at Lusaka on 1st April, 1980. At Lusaka, the six front line heads of state and three Ministers from Lesotho, Swaziland and Malawi, signed the historic Lusaka Declaration, entitled "Southern Africa: Toward Economic Liberation," thus inaugurating SADCC.

The Lusaka Declaration outlined four main development objectives to regulate and direct the philosophy and activities of SADCC, namely:-

1. the reduction of economic dependence, particularly, but not only, on the Republic of South Africa;
2. the forging of links to create a genuine and equitable regional integration;
3. the mobilisation of resources to promote the implementation of national, interstate and regional policies; and
4. concerted action to secure international co-operation within the framework of the strategy for economic liberation.

STRUCTURE, PHILOSOPHY AND FUNCTIONING

Perhaps the most innovative aspect of SADCC lies in its decentralised organisational structure. Rather than creating a large supranational bureaucracy to carry out its programmes, SADCC chose to leave the responsibility to member states. Thus, each member state is responsible

for coordinating one or two subject areas, providing office space and staff as well as organising the necessary technical expertise to coordinate the projects. Indeed, no project is carried out by SADCC as such, since projects located in one country are a responsibility of that country.⁶

Coordination between the nine member states takes place through several ways. Firstly, there is the Annual Conference which brings SADCC members together and with donors and through which general decisions concerning joint and other projects are reached. Secondly, there are the meetings of Ministers responsible for each subject area to oversee the technical units. Thirdly, there are regular technical meetings of government officials intended to assess progress and exchange ideas. Finally, SADCC has a handful of staff at the secretariat in Gaborone to perform secretarial and other organisational tasks but which has no power to decide on any projects.

In terms of its functioning, SADCC has opted for a step by step approach. Realising (a) the obvious disparity in interests, socio-economic positions and capabilities of the member countries, (b) that not all projects will have direct benefits to all member countries and (c) that not all projects can be done at the same time, SADCC has refused to design a detailed regional development strategy.⁷ This has meant going ahead with projects that could be done quickly and which have more obvious regional benefit or of interest to at least three member countries. It has also meant, as Hanlon (1984, p.9) notes, that SADCC states learn "to cooperate and

depend on each other initially through projects --- which do not require either party to give up anything" so that "the success of these initial projects will slowly break down the barriers built by generations of colonial, ethnic and political differences ---".

Ideally and in rhetoric SADCC has taken or espoused the position that it will not be dictated to by outsiders or foreign donors and that economic plans were going to be conceived and prepared by the members themselves. Thus, while there is a recognition that no significant development in the region can take place without foreign aid and that some aid increases rather decreases dependence and foreign control, SADCC remains adamant that programmes are drawn by it and donors are free to fund programmes they like.

And indeed, to a considerable extent, much has been done which points to the practical realisation of SADCC's noble objectives. For example in terms of raising or mobilising funds, SADCC has been extremely successful. Up to 1984, only four years after its rather skeptical inauguration, a total of US \$2.7 billion had been committed, pledged or under negotiation from donor countries or agencies (Hanlon, 1984 p. 18). The number of projects had increased by 1984 from a modest initial 99 to more than 250 projects. Even if it could still be argued that up to 50% of these projects would have come to the region anyway, through bilateral or donor agency aid, there was still 50% which came because of SADCC.

Another area in which SADCC has made considerable strides is in attracting its recognition and support world wide - even over earlier regional efforts such as the ECA sponsored Preferential Trade Area Treaty (PTA). At its 1986 Conference in Harare, SADCC attracted no less than 38 so-called co-operating Governments and 25 co-operating international agencies. For the first time, a number of Eastern block countries including China, the German Democratic Republic and the Democratic People's Republic of Korea attended the SADCC Conference (SADCC, 1986, p. 234). The goodwill generated can only lead to further pledges of aid funds to the region and the expansion of intra-regional trade.

Of limited, though important, impact has been the conscious effort to rehabilitate or expand the transport and communications facilities within the region. This, undoubtedly, has led to increased contact and a growing sense of genuine co-operation and consultation among the member countries either through the annual Consultative Conferences, Council of Ministers/ Sectoral meetings or the technical meetings of government officials from the nine countries.

SOME PROBLEMS FACING SADCC

Notwithstanding the promising initial successes, SADCC has nevertheless a horde of problems and core features which may limit and expose adverse implications for attaining its stated objectives as laid out in the 1980 Lusaka Declaration.

One feature likely to continue to provide a formidable hinderance to the probability of effective involvement by all member states lies in the differences in the geo-political, socio-economic and administrative situations and capacities of the member countries. It has been argued, for instance, that the great variability of conditions between member countries limits the impact of the decentralised structure which has been adopted by SADCC (Sefali, 1982; Weisfelder, 1983, p. 25). That is some countries are given responsibilities or subject areas in which they have had no resource endowments, experience, nor achievements, such as giving industrialisation to Tanzania and crop research to largely desert Botswana. Such decentralisation for the sake of giving every country a responsibility even where it has no capability nor resources to effectively co-ordinate its activities, can only be detrimental to the achievement of concerted, self-reliant regional development.

While it has been argued in defense that "it is better to assist weaker members gradually to attain necessary competence than to become perpetually dependent on the existing capacities of the stronger states" (Weisfelder, 1983, p. 4), it would seem that a more objective and effective subject area distribution system would be one based on comparative advantage. That is, those countries with special resource endowments, expertise and experience in dealing with a particular subject area is granted the responsibility for it. Mining for Zambia, control of animal diseases for Botswana, food security for Zimbabwe, etc. would seem more appropriate subject area distributions which would lead to more coherence in dealing with the relevant activities.

Moreover, as has often been argued, the considerably contradictory social relations of production within and among participating states, which are a legacy of colonial experience, are heavily fuelling the problems of SADCC. The attempt to overcome these contradictory philosophies determining different relations of production by leaving the administration and co-ordination of projects to the national governments, means by and large, each state having the discretion to continue with segmented national activities as opposed to a regional comprehensive structure requiring wholly standardised practices and approaches. Although problems arising out of disjointed national projects have so far been avoided, there is a real possibility that when most of the projects have been completed and become fully operational, the problems of lack of standardisation of practices, approaches and disparate rewards or benefits from certain regional projects are bound to emerge. In the short run however, the intensity of these conflicts may be tempered by the overt threat and destabilisation activities of a common enemy, South Africa.

Other writers while contending that regional co-operation in South Africa has made impressive strides towards intended objectives, have nevertheless identified a number of problems. Sefali (1982), has argued that SADCC is faced with two sets of problems, namely: technical and fundamental problems. In the first, he lists problems of manpower shortage, lack of a data base for effective planning and restricted data exchange information flows and documentation. These he sees as problems that could be easily dealt with. On the other hand he agrees with Weisfelder's arguments made above, that the more fundamental and most intractable

problems are those to do with: (a) uneven levels and forms of development among members, (b) uneven and different levels of integration into the capitalist system and (c) divergent paths of socio-political development - i.e. different ideological/philosophical standpoints.

While all these problems are clearly relevant and will have adverse effects unless they are attended to - though it is difficult for one to suggest a viable panacea - they are both a cause and a consequence of imperialist penetration and efforts to maintain collective domination of the raw materials and market of the region for mainly Western metropolitan powers. The end result of the domination is continuing dependence (politically, culturally, economically and technologically) by the region's countries together on the metropolitan imperialism to their collective detriment.

REGIONAL FREEDOM OR COLLECTIVE DOMINATION?

The pertinent questions that arise and which clearly point to the above concerns are: to what extent have the original intentions succeeded of moulding several small and economically weak countries into a formidable, co-ordinated and economically strong power group capable of resisting external exploitative forces? how far have the foundations, growth and experiences of SADC to-date concretely led to genuine "regional freedom" or economic liberation rather than, to use Sefali's term, "collective colonialism" and domination by a perceptively organised and concerted Western imperialist system? Perhaps it can be argued that this is too soon after the inception of SADC for real results to

be unearthed. However, some tale-tale signs could be observed through a critical examination of the first and main objective of SADCC, namely: "the reduction of economic dependence, particularly, but not only, on the Republic of South Africa".

Break from South Africa: The Elusive Issue

So far, most of the SADCC countries have failed to cut links from South Africa. Some members of SADCC, namely; Lesotho, Swaziland, Botswana and to considerable extents, Malawi and Zimbabwe, are the usual dumping grounds for South African agricultural and manufactured commodities and providers of cheap migrant labour to South Africa. Zambia, on the other hand, has exhibited an unending flow of private and business shoppers to South Africa looking for commodities for consumption or resell. Indeed Zambia's Airline, Zambia Airways, can still be seen gracing the runways of South Africa's Jan Smuts International Airport. About 40% of Zambia's cargo and 50% or more of Zimbabwe, the main exponents of disengagement, still pass through South Africa. Where is disengagement?

SADCC's Mr. Makoni will argue that substantial progress has ensued in SADCC's process of delinking from South Africa, citing considerable rerouting of the trade outlet lines to Dar es Salaam, Maputo, Nacala and Beira. But the overtly devastating impact of the recent border levying and general slow down by South Africa of Zambian and Zimbabwean destined cargo are clear signs of the region's continuing vulnerability and dependence on South Africa. The vulnerability and continuing dependence

on South Africa are further consolidated by that country's bullying and distabilisation incursions into SADC countries. Destruction of oil pipelines, railway lines, etc. intended to circumvent it and assisting rebel querillas fighting the legitimate governments of SADC countries are South Africa's other strategies for distabilising and weakening its neighbours and ensuring their dependence on it.

Independence from the Developed or Metropolitan World: A Pipe Dream

The collective economic and military weakness of the SADC states has perpetuated their dependence on and vulnerability to South Africa. The alternative is to look to the Western developed world to provide the wherewithal with which to wage the delinking onslaught with South Africa. The result: "jumping from the frying pan into the fire".

Thus, right from the beginning, SADC was destined to be a regional collective dependency and outpost of foreign aid donors. The SADC countries general poverty limits their capacity for development without foreign aid. Indeed, as Hanlon aptly observed, "all the SADC countries are poor, therefore no development is possible without help. Thus all the states are dependent on foreign donors and investors" (1984, p. 10). Accordingly, right from the very mootng of the idea of SADC at the 1979 Arusha summit, several Western donor countries and agencies were present. This presence, as shown below, by Western donor agencies and countries was not mainly out of genuine concern for the development of the region so as to reduce its economic dependence on either South Africa or themselves. On the contrary, it has to be seen as an effort at preserving and extending imperialist economic and political self-interests in the region.

(a) Relations with the European Economic Community (EEC)

Although omnipresent since the inception of SADCC and clearly a large contributor to the regions budget, the EEC is more concerned with economic and political interest than with the real development in the region. Indeed, as it has often been remarked, SADCC grew out of the EEC's self-interested quest for a policy which would reduce the heavy "burden Western Europe's covert support for Pretoria imposes on co-operation between ACP and the Nine"⁸ SADCC countries. It must be realised on the outset that the explicit interest or aim of the EEC has been to have access to controlled and safe markets, raw materials and general economic influence.

Furthermore, the EEC, as well as adopting a paternalistic style of relationship with SADCC which is clearly incompatible with dialogue has earned itself a "reputation for harsh sell facts in respect of its concept of North-South co-operation" (Stevens, 1982, p. 87) as also evidenced by its dealings with the ACP group. For example, the 1981 Arusha SADCC saw the EEC marshalling the USA to pledge support conditional on SADCC's not being a political forum failing which they "would reevaluate their interests" (AED, Vol. 2. pt. 47, Nov. 27, 1981). And, at the 1984 Lusaka summit, the EEC enlisted the support of the USA and the Nordic group to make donors support for agriculture conditional on changes in SADCC member states' agricultural policies, attitudes to small farmers and pricing systems. These are tactics used by Western donors to provide a united front in order to force SADCC to accede to their conditions. It would be perilous, therefore, to believe the EEC's presence with SADCC as a sign of genuine mutual co-operation than merely of efforts to subjugate and dominate.

The EEC has often been operationally interventionist in many spheres of relations with the Third World. Thus, despite SADCC's claim to "call the tune", in practice the EEC and other Western donors have twisted the former's arm either directly as shown above or subtly by dangling a carrot in front of SADCC. For example, SADCC's major programme on food security and agriculture was adopted at the insistence of the EEC and other donors during the 1981 SADCC at Arusha (Stevens, 1982, p. 87). Moreover, out of the estimated EEC annual support to national and SADCC projects of more than US \$ 180 million since 1981, the bulk has gone to technical assistance to SADCC programme studies, initial research and conference support. Since technical assistance involves a substantial deployment of EEC nationals, it is ensured not only that large junks of funds return home but also gain access to privileged information and concomittant power, thus enabling EEC influence and considerable control over the decisions and activities of SADCC.

On the other hand, the relative slowness by the EEC to release committed funds for actual disbursement may be a result of bureaucratic red tape or a sign of internal opposition within the community. It has however, surely added to the inability of SADCC to complete its programmes. What can be a better strategy to ensure SADCC's continual economic weakness and political instability, which are a sure recipe for continued dependence on and domination by both the Western World and its bedfellow, South Africa.

Finally, although the main areas of EEC - SADCC tension have been fairly resolved, namely: (a) balance between EEC external assistance to ACP and non-ACP countries, (b) EEC's initial reluctance to include so called Communist Mozambique and Angola, and (c) particular conditions regarding preferential access to the SADCC market, the EEC has maintained a somewhat ambivalent stance towards the positions of SADCC and South Africa. It is reluctant to discard South Africa as shown by its reluctance to impose punitive economic sanctions on that country. In short, it can be concluded in the words of Stevens (1982, p. 87) that the EEC is "double dealing, acting as a broker and a benefactor to both SADCC and South Africa" so as to maintain more substantial markets, investment bases and raw materials - the story of colonialism once again. Perhaps the difference between the original and the second colonialisms lying in the latter's sophistication and collegiality of both the colonisers and the colonised.

(b) Relations with other Metropolitan Countries

One of the achievements for which SADCC has been praised is its ability, within a period of only six years, to win over and attract a greater number of skeptic donor countries and agencies than even before experienced in Africa. The 1986 SADCC at Harare, Zimbabwe, was heralded for attracting no less than 63 co-operating countries and agencies apart from three Southern African Liberation Movements. Clearly, as The Courier (No. 96, 1986, p. 19) decidedly put it, there "is indeed no shortage of goodwill for SADCC. In Harare, the presence for the first time of a number of East European and African countries was duly noted by the chairman Peter Mmusi.

Table 1

Southern African Trade with the UK, France, Italy, West Germany, Japan and the USA
(\$ mn)

	Exports to						Imports from					
	UK	France	Italy	West Germany	Japan	USA	UK	France	Italy	West Germany	Japan	USA
Angola	69	1	12	1	4	948	35	84	38	43	25	91
Botswana	33	-	6	13	-	44	5	8	4	9	-	4
Lesotho	-	-	-	1	-	1	3	-	5	4	-	7
Malawi	64	4	-	29	9	16	28	4	2	11	13	3
Mozambique	14	6	4	13	19	31	43	49	41	25	24	20
Swaziland	63	3	8	7	9	14	5	-	2	1	5	4
Tanzania	71	23	29	72	19	16	94	24	40	65	75	32
Zambia	76	149	77	14	167	54	84	20	12	30	28	35
Zimbabwe	104	25	65	93	82	80	98	44	22	68	43	61
SADCC total	494	211	201	243	309	1,204	395	233	166	256	213	257
South Africa	765	586	1,300	1,078	1,587	2,099	1,111	495	474	1,946	1,740	2,129

Source: Hanlon, J. SADCC: Progress, Projects and Prospects, IIEU, 1984, p. 16.

Further developments just prior to and during the 1986 Harare SADCC consolidated the goodwill. Prior to the Conference, EEC and SADCC had signed a Memorandum of Understanding over the use of resources amounting to US \$ 100 million for regional co-operation under Lome III. During the conference, the Nordic countries and SADCC signed an agreement covering joint ventures, transfer of technology, trade promotion and cultural cooperation. Indeed the USA, an acknowledged old adversary of SADCC and ardent supporter of South Africa, boasted a contribution of some US \$ 1.2 billion to the organisation since its inception (SADCC 1986, p. 159). The Federal Republic of Germany, another ally of South Africa and known adversary of SADCC, pledged 5 million Deutschmarks for agricultural research and improvements in the Mining Sector. Donor after donor sung praises and made pledges although the Eastern block countries, including the USSR, DGR, China and Korea, made no district pledges after their praises. All in all, 400 projects were approved at the Harare SADCC at a total of US \$ 5 billion, 85 per cent of which is from foreign sources (Table 2).

What does all this mean to the cherished goals of economic liberation and collective self-reliance espoused by SADCC? The simple answer would be that the widening of the sources of loans exclusively within Western circles also means the greater the economic and political mortgage of the SADCC region. It also means greater dependence on and domination by Western imperialism. Why is this so?

Conventional wisdom has shown that aid tends to have very high costs on the receiver. The history of imperialism, especially of the capitalist

variety has shown that Western investment has gone where it reaps the highest returns (profits) for the investor regardless of the condition in which it leaves the investment environment, especially if that environment was comparatively undeveloped. The investor does not only reap a disproportionately high reward for his investment which he ships back home, he also dictates, directly or indirectly through various mechanisms, the choice of area and kind of investment as well, in many cases, as the use to which the product is to be put.

These features are identifiable in the types of projects that have received most assistance. As Table 2 indicates, by far the highest investment of foreign assistance of US \$ 2.6 billion is taken up by the transport and communications sector, while the largest sector, Agriculture, receives a total of US \$ 452 million, less than a quarter of the first sector.

Foreign investment in the industrial sector comes after the transport and communications sector with approximately US \$ 1.4 billion.

Foreign investments in the sectors, energy (US \$ 226.919 million); Manpower (US \$ 34.03 million); mining (US \$ 2.04 million) and Tourism (US \$ 145,000) are relatively modest.

The reasons for this ordering is not hard to see. Investment in the transport and communications sector is largely for the rehabilitation of the ports (Beira and Dar es Salaam), the railways (Tazara and Beira corridor), airports and installation of improved telecommunications facilities. This clearly reflects selfish interest by the dominantly Western donor countries and agencies to ensure the smooth flow of cheap raw materials to them and finished and expensive manufactured products

Table 2 :

SADCC PROJECT FINANCING STATUS BY SECTOR (US\$) MILLION

SECTOR	TOTAL COST	OF WHICH		FOR WHICH		
	US MILLION	FOREIGN	LOCAL	FUNDING SECURED	FUNDING UNDER NEG.	FINANCING GAP
AGRICULTURE						
Agriculture Research	40.8	40.6	0.2	30.62	-	10.18
Fisheries	6.658	6.658	-	5.774	0.884	-
Food Security	299.416	265.96	33.456	100.729	23.45	175.237
Forestry	35.79	32.73	3.06	25.923	6.0	3.867
Livestock Production and Animal Disease Control	116.75	99.85	16.9	65.325	13.329	38.096
Soil and Water Conservation and Land Utilisation	2.563	1.745	0.818	2.237	0.326	-
Wildlife	4.822	4.822	-	-	0.08	4.742
ENERGY	237.065	226.919	10.146	69.561	-	167.504
INDUSTRY	1619.252	1357.904	261.348	449.8508	29.622	1139.780
HANPOWER	34.187	34.029	0.158	6.909	19.083	8.195
MINING	2.04	2.04	-	1.4	0.54	0.10
TOURISM	0.145	0.145	-	0.145	-	-
TRANSPORT AND COMMUNICATIONS	2991.55	2562.45	429.1	1092.95	255.5	1643.10
	5391.038	4635.852	755.186	1851.4238	348.814	3190.801
PERCENTAGE OF THE TOTAL COST		85.99	14.01	34.34	6.47	59.19

Notes: Funding Secured covers both the local funding component of projects and the resources for which funding agreements have been concluded.

Funding Under Negotiation refers to resources for which there is a clearly identified funding source and a high probability of concluding a funding agreement within a specified period.

SOURCE: SADCC. Annual Progress Report, July 195 - August 1986,
p. 11.

to SADCC. As the Western Metropolitan centres will determine both the prices of raw materials from and finished manufactures to SADCC, the pendulum has to favour foreign donors at the expense of the receivers. The result: SADCC's continuing dependence on and domination by the same system from which it wished to disengage in the first place.

But, it may still be argued that there have been significant foreign investments in the important sectors of industry and agriculture aimed at strengthening the economies of the SADCC states. Sure! But a closer look at the types of projects in which foreign investments were made these sectors reveals the underlying point. With regard to both industry and agriculture, the bulk of investments went into research, feasibility studies and meetings and not into actual productive projects. Moreover, as was pointed out earlier, these studies are dominated by experts and technology often drawn from donor countries and agencies hired at very great expense. Thus, not only does the larger part of foreign investment return home but the donors gain invaluable knowledge of the conditions of the region which makes them powerful in influencing the actions and decisions of SADCC. The same can be said about the energy, manpower and tourism sectors.

The upsurge of interest in the SADCC by the Western countries can also be seen in terms of the East-West Cold War. Whereas in the original colonialism and subjugation of Africa, each Western nation rushed in one part of Africa to keep out the other, a process which promulgated in the Partition of Africa at the infamous 1884 Berlin Conference. In the context of SADCC, the West seems to have resolved to take a concerted entry and drown out the East from a lucrative market and controlled source of raw materials. It is no wonder the Eastern countries have not made an active showing.

(c) Relations with Multinational Corporations (MNCs) and Other Agencies

Multinational Corporations, as the history of colonialism/imperialism has shown, have the habit of being late entries often following the dishonourable departure of overt colonialism from the scene. They may claim that they are neutral operators, only interested in fair business, but MNCs have now earned themselves the reputation of being instruments of modern and more sophisticated imperialism and are therefore formidable devices for the perpetuation of Third World dependence on the metropolitan countries.

But, would this be the correct interpretation of the position of MNCs vis-a-vis SADCC? The answer is both NO! and Yes! "No!" in the sense that MNCs are not really a late entries in SADCC as such. Each of the SADCC states had a horde of MNCs operating in their countries well before the inception of SADCC. They were involved in almost every sector one could think of - industry, mining, retailing, hotelling and agriculture. Many (such as Lonrho, Barclays Group, ITT, IBM, KODAK, and General Motors, to mention a few) had bases in South Africa, therefore they resented and were hostile to SADCC because of its proclaimed strategy of disengagement from that country and have continued to relentlessly toe that line.⁹ They therefore, would continue to disrupt SADCC's efforts toward greater disengagement from South Africa by maintaining active supply chains with their branches in the region. Thus, as Hanlon (1984, p. 97) has observed, SADCC has been, and will for a long time continue to be, "unable to control the policies, activities and linkages of industries which were established in foreign hands long before their independence" or its inception.

On the other hand, the answer is "Yes!" in three senses. Firstly, SADCC did not originally seem to conceive of the importance of, and did not therefore encourage, the participation of the MNCs and the private sector in general, preferring to deal with governments. This meant that those MNCs and private companies who may have been interested in participating directly were not given a chance. Secondly, there are those MNCs (e.g. Heinz) which took time to move from positions of skepticism, uncertainty and suspicion of SADCC to the realisation of its potential as a wider, but captive, market and lucrative base for their profit making activities. Then, thirdly, there are those, such as the IMF, which have blatantly refused to have any relations with SADCC's because of its non-free market development policies.

Whichever angle the MNCs are viewed from, however, because of their well known profit motives and mechanisms of penetration and control of the lucrative investment environment, they remain a dark cloud over SADCC's programmes and the progress towards achieving its ideals of economic liberation and independence. Growing dependence on and domination by MNCs is consolidated as they are called upon by their mother countries to provide substantial financial resources, technical expertise, technology, distribute raw materials at high cost, and purchase raw materials at low cost! Indeed, experiences from Latin America, Asia and here in Africa have shown that relations with MNCs have brought more misery than "sunshine" in the countries in which they have had a foothold. It is therefore absurd, to suppose that SADCC will be any difference - more especially when it brings them together and helps them to develop a "we" feeling vis-a-vis itself.

(d) General

Amid unanimous praise for the concept, aims and objectives as well as the activities of SADCC, a looming shadow is cast by the 1986 Annual Progress Report, clearly showing the latent effects of its dependence. Already, SADCC has a regional debt of US \$ 15 billion, excluding arrears and US \$ 16.5 billion when arrears are included (Progress Report, 1985, p.5). For a region whose total budget is US \$ 5 billion, that is too large an indebtedness to engender even a semblance of economic liberation.

Indeed, the report carries this gloomy picture further and reveals that the balance of payments situation has worsened in the majority of member countries partly due to reduced export earnings and foreign exchange shortages while weaknesses in the region's economies persist and most member countries are suffering a decline in per capita food and agricultural production; the IMF is imposing disparate but unrealistic, inconsiderate but devastating and economically and politically distabilising conditions for its money. Where is SADCC's collective economic strength? Where is independence? Where is international co-operation and what has happened to the acclaimed successfully mobilised resources? It would seem too presumptions to assert that they are ploughed back into the coffers of the donors, but what alternative answer is there?

CONCLUSION: WHICH WAY SADCC?

The foregoing sketch, preliminary and rough as it may be, seems to reveal that by relying rather exclusively on the Western world and its aid, SADCC has placed itself on the perhaps irreversible road to even greater and collective dependence on, domination and underdevelopment by, the exploitative collective Western imperialism. In trying to break links from the immediate enemy, South Africa, SADCC has plunged itself into an even greater and more sophisticated web of the Western, overly exploitative, capitalist system - thus substituting, as Sefali (1982, p.22) aptly captures the scene, "new forms of dependency for old forms of dependency" contrary to its founding principles.

If SADCC has to live by its noble intentions as expressed in the 1980 Lusaka Declaration, then it has to adhere closely to the proposals of the dependencia school. That is, close off the detracting world for 30 or so years. Look inwardly. Make intense utilisation of the greatest and abundant endowments available within the region, namely: natural resources (land, minerals) vegetation, water, sun, etc.) and labour to produce first essential then luxury commodities and technologies. These may be crude and functional at first, but with experience, quality and sophistication will improve until they are ready to compete on the world market. Then open up! The Soviet Union, China, Japan and perhaps Cuba are good examples.

Perhaps there is still time for SADCC to retract its steps and follow the original path implied in the ideals of the Lusaka Declaration. It is never too late to mend.

FOOTNOTES

1. Some of the major proponents of the modernisation theories are: Talcott Parsons, Structure and Process in Modern Societies, Gloncoe: Free Press, 1960; Bert Hoselitz, Sociological Factors in Economic Development, Gloncoe: Free Press, 1960 and "Social Stratification and Economic Development", in the International Social Science Journal, Vol, 16 No. 2, 1964; J.H. Bocke, Economics and Economic Policy of Dual Societies, N.Y.: Institute of Pacific Relations, 1953; W.J. Barber, The Economy of British Central Africa, London: OUP, 1961 and Gabriel Almond et al., The Politics of Developing Areas Princeton: Princeton University Press, 1960.
2. See in particular, A.G. Frank, Latin America: Underdevelopment or Revolution, N.Y.: Monthly Review, 1969; J. Cockroft, A.G. Frank and D. Johnson, Dependence and Underdevelopment: Latin America Political Economy, N.Y.: Anchor, 1970; S. Bodenheimer, "Dependence and Imperialism: The Roots of Latin American Underdevelopment" in Politics and Society, 1, 3 May, 1971; R. Rhodes, ed., Imperialism and Underdevelopment, N.Y.: Monthly Review, 1970. Other works include H. Bernstein, "Modernisation Theory and the Sociological Study of Development", in Journal of Development Studies, vii, 2, 1971; A. Mafeje, "The Fallacy of Dual Economies Revisited", in Dualism and Rural Development in East-Africa, Copenhagen: IDR, 1973; I. Roxborough, Theories of Underdevelopment, London: MacMillan, 1979; and T. Shaw and K. Heard, The Politics of Africa Dependence and Development, London: Longman, 1979.
3. N. Long, An Introduction to the Sociology of Rural Development, London: Tavistock, 1977, page 73.
4. For historical and descriptive accounts, see especially, M. Clough and J. Rovenhill, "Regional Co-operation in Southern Africa: The Southern African Development Co-ordination Conference", in M. Clough, ed. Changing Realities in Southern Africa, Berkeley: IIS, 1982; N. Shamuyarira, "The Lusaka Manifesto", in the East African Journal, November, 1969 and also Anglin, op. cit., 1982. For policy oriented reports and studies and scholarly proposals, see a variety of SADCC reports from Arusha to the present, and also R. Leys and A. Tostensen, "Regional Co-operation in Southern Africa: The Case of the Southern African Development Co-ordination Conference (SADCC)", in RAPE, 23, 1982; A.J. Nsekela, Ed. Southern Africa: Towards Economic Liberation, London: Rex Collings, 1981 and A. Seidman, "Towards Integrated Regional Development in Southern Africa," in Development and Peace, volume 2, 1981. And for a doctrinaire, dependencist prescription see especially M. Sefali, op. cit., 1982 and many of his writings on Regional Co-operation in Southern Africa.
5. See for instance D.G. Anolin, "SADCC versus PTA: Competitive or Complementary Approaches to Economic Liberation and Regional Co-operation in Southern Africa", 25th Annual Meeting of the Southern African Association, Washington D.C., November 4, 1982 page 22-23,

and J. Hanlon, SADCC: Progress, Projects and Prospects; The Trade and Investment Future of SADCC, London: The Economists Publications Ltd., 1984. The argument was further consolidated by the recent UN Debate on Africa.

6. The following are the subject areas of the respective member states:

- Angola - Energy Conservation and Security
- Botswana - Control of Animal Diseases and Crop Research
- Lesotho - Soil and Water Conservation and Land Utilisation and Tourism
- Malawi - Fisheries, Wildlife and Forestry
- Mozambique - Transport and Communications
- Swaziland - Manpower Development
- Tanzania - Industrial Development
- Zambia - Mining and Southern African Development Fund
- Zimbabwe - Food Security, Security Printing and Information Systems.

7. However, SADCC seems to have realised or has been forced to realise the need for a coherent long term regional plan. At least an attempt was made at the 1986 Harare SADCC to draw up a Five Year Regional Sectoral Programme. It should ensure proper coordination and a base-line for measuring performance.
8. Quoted from F.A. Kornegay and V.A. Vockerodt, "Lusaka and Regional Cooperation in Southern Africa, Part 1, Sadex, vol. No. 3, May/June, 1980, p. 14.
9. Recently however, some MNCs such as Barclays, Kodak, etc. have moved from South Africa, not so much to take up the SADCC market but mainly out of pressure from the Anti-Apartheid Movement.

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