

PRESENT STRUCTURES AND FUTURE CHALLENGES OF REGIONAL COOPERATION AND INTEGRATION IN SOUTHERN AFRICA

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1. Introduction

In an introductory contribution to a special issue of the journal 'Nord-Süd aktuell' on the subject of 'new regionalism' Benno Engels distinguished two factors affecting the motivation for and background to regional co-operation: the 'traditional rationale (guided by economic theory) of regionally limited trade and co-operation promotion' and 'impetus from the current international political environment'.¹ In the South, regional groupings based on the traditional economic *raison d'être* have rarely lived up to expectations. However, approaches towards regional co-operation on other than economic grounds were being advocated in the Third World as early as the 1970s, especially against the background of the North-South conflict and the demand for the establishment of a new international economic order. The slogan of 'collective self-reliance' was primarily political in nature. Engels sees the 'new' regionalism of the 1990s as relating to the global trend towards liberalisation and opening up markets, not least of all in the context of the Uruguay Round, which has given fresh impetus to regional co-operation initiatives. As the example of NAFTA shows, the logic of the 'new' regionalism now goes beyond the traditional rationale, placing greater emphasis on the creation of a 'more comprehensive regional political order'.²

From the outset, the 'Southern African Development

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: Engels, Benno: Regionalisierung und "neuer" Regionalismus, in: Nord-Süd aktuell, Jg. 10, Nr.2, 1996, p. 252.

: Ibid, p. 253

Community' (SADC) and its predecessor, the 'Southern African Development Co-ordination Conference' (SADCC), were primarily political in nature. The conflictual relationship between the independent African countries in southern Africa and the South African apartheid regime was the principal reason for the establishment of SADCC in 1980. Today, integration policy is strongly affected in the countries of southern Africa, as elsewhere, by the global changes occurring in the world economy.³ However, priority is still given to impetus for change emanating from the regional environment. The demise of apartheid in South Africa has, in particular, created entirely new conditions, giving high priority to the establishment of new co-operation structures that include a non-racial and democratic South Africa.

In re-organising regional co-operation in southern Africa, all countries are vitally concerned to establish a stable regional order for the future. South Africa is facing massive socio-economic problems, which will prevent it from acting against its own interests in the region even after the end of apartheid. However, this does not mean that the new South Africa will take less interest in the region than before.⁴ South Africa has an undeniable political interest in regional co-operation,⁵ and the importance of African markets for South African industry should not be underestimated.

SADC/SADCC having been established on an economic basic, albeit for primarily political reasons, the organisation is now promoting regional economic integration in the sense of the traditional economic rationale. The first step has been to envisage the setting up of a free trade area. New institutional arrangements will be needed to implement the new facets of regional integration. This contribution looks at present structures and future challenges facing SADC's development in southern Africa.

2. From SADCC to SADC

The founding of SADC at the SADCC summit at Windhoek in 1992 was of decisive importance for the development of regional co-

³ See Odén, Bertil: *Southern African Futures: Critical Factors for Regional Development in Southern Africa* (=Nordiska Afrikainstitutet, Discussion Paper 7), Uppsala 1996, p 10-13; see also Mills, Greg/Begg, Alan/van Nieuwkerk, Anthoni (eds.): *South Africa in the Global Economy*, Johannesburg 1995; Baker, Paulin H./Boraine, Alex/Krafchik, Warren (eds.): *South Africa and the World Economy in the 1990s*, Cape Town/Johannesburg 1993.

⁴ As suggested by Herbst, Jeffrey: *South Africa and Southern Africa after Apartheid*, in: Harbeson, John W./Rothchild, Donald (eds.), *Africa in World Politics. Post-Cold War Challenges*, 2nd ed., Boulder, Co. 1995, p.149.

⁵ Lancaster, Carol: *The Lagos Three: Economic Regionalism in Sub-Saharan Africa*, in: John W. Harbeson/Donald Rothchild (eds.), *op. cit.*, p. 189ff.

operation in southern Africa, and at the same time a first step towards institutional reorganisation. The ten countries involved (Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia, Zimbabwe) put their signatures to a treaty⁶ converting SADCC from an organisation co-ordinating regional development projects into a development community with the aim of promoting the social and economic development of the people in southern Africa by intensifying regional integration.

A retrospective look at SADCC will elucidate the institutional changes. The organisation was founded in 1980 in view of the continued existence of the apartheid regime in South Africa for the purpose of promoting co-operation between the independent African countries in the region. Although the founding document spoke of 'forging ... regional integration', SADCC did not seek to initiate a process of trade liberalisation. The main aim of SADCC was 'the reduction of economic dependence, particularly, but not only, on the Republic of South Africa'.⁷ To this end it initiated a mechanism of development co-ordination through which functional areas of co-operation were identified and, in a separate step, support was sought from international donors for priority regional development projects.

In view of the failure of regional integration initiatives with a highly centralised bureaucratic apparatus, like the 'East African Community' which collapsed in 1977, the SADCC deliberately opted for an alternative organisational form, involving individual member states in regional development and renouncing an elaborate central structure. One of the co-founders of the SADCC, the former president of Tanzania Julius Nyerere, described the Conference's institutional particularities as follows:

SADCC is ... unusual in Africa because of its structure. It does not consist of a Headquarters and Secretariat which initiates and organises everything, with member countries trying to direct and keep budgetary control through periodic Ministerial and Summit meetings. Instead, all members are actively concerned in the initiation and implementation of all SADCC projects, with each having the responsibility for co-ordinating and promoting a particular sector. This structure enables the Secretariat to remain small and effective, while monitoring and co-ordinating the work of the co-ordinators. Even more important, this structure enhances the active involvement of all member States in both the work and the benefits of co-operation.⁸

⁶ Treaty of the Southern African Development Community, in: SADC: Declaration, Treaty and Protocol of Southern African Development Community, Gaborone 1993.

⁷ Southern Africa: Toward Economic Liberation. A Declaration by the Governments of Independent States of Southern Africa made at Lusaka on the 1st April, 1980, published in: Mandaza, Ibbo/Tostensen, Arne: Southern Africa: In Search of a Common Future, Gaborone 1994, p. 118.

This gives some idea of the degree to which this loose form of co-operation was endemic in the way SADCC saw itself. The areas of co-operation assigned to individual member countries and administered by them as sectoral units at home and under their own responsibility, including financing, are essential substantive components of the SADCC programme; but from the institutional point of view they do not strictly speaking belong to SADCC. This decentralised approach meant that precisely because the regional sectoral units of SADCC were the responsibility of individual member states, in a sense belonging to them, the countries concerned were able to develop stronger ties with SADCC.

The process of change that the region and its co-operation structures are currently experiencing began in 1990 when the white government in South Africa released Nelson Mandela and announced their intention of abolishing apartheid. Although South Africa entered the post-apartheid era only four years later after the first non-racial election in April 1994, there were clear signs as early as 1990 that the Republic would soon be one of the independent African countries. It was thus from this date that the future of regional co-operation in southern Africa began to be envisaged *with* instead of *against* South Africa.

By adopting the SADC Treaty by which the Community superseded the Conference, the member countries confirmed their determination to further co-operation in the region. In stating their goal to establish a development community, they decided to go beyond the development co-ordination as practised by SADCC to seek a higher form of co-operation on the basis of 'development integration'.⁹ In the so-called 'Windhoek Declaration', which was adopted together with the SADC Treaty at the 1992 summit, this new approach was officially confirmed. The purpose, as the declaration affirms, is to elaborate and establish a framework for co-operation:

...which provides for ... deeper economic co-operation and integration, on the basis of balance, equity and mutual benefit, providing for cross-border investment and trade, and freer movement of factors of production, goods and services across national borders.¹⁰

⁹ Quoted in: Mandaza/Tostensen, op. cit., p. 70.

¹⁰ The option of 'development integration' was presented in the theme document 'SADCC: Towards Economic Integration', which the SADC Secretariat submitted at the Annual Consultative Conference in Maputo in early 1992.

¹¹ Towards the Southern African Development Community. A Declaration by the Heads of State or Government of Southern African States. in: SADC: Declaration, Treaty and Protocol of Southern African Development Community. Gaborone 1993, p. 5.

The declaration also made important statements on institutional issues, intimating that the transition from SADCC to SADC would require fundamental organisational innovation. In particular, it was stressed that successful regional integration needed institutions at the regional level to assume responsibility for decisions previously taken at the national level. The issue thus also involved the partial shift of sovereign rights to the regional level. For the SADCC it had been a primordial goal to leave the national sovereignty of member countries largely untouched. Because of its importance, the relevant passage of the 'Windhoek Declaration' on institutional issues will be quoted in full:

Successful regional integration will depend on the extent to which there exist national and regional institutions with adequate competence and capacity to stimulate and manage efficiently and effectively, the complex process of integration.

Integration will require mechanisms capable of achieving the high level of political commitment necessary to shape the scope and scale of the process of integration. This implies strengthening the powers and capacity of regional decision-making, co-ordinating and executing bodies.

Integration does imply that some decisions which were previously taken by individual states are taken regionally, and those decisions taken nationally give due consideration to regional positions and circumstances. Regional decision-making also implies elements of change in the locus and context of exercising sovereignty, rather than a loss of sovereignty.¹¹

This declaration by the southern African heads of state and government clearly shows that, in concluding the SADC Treaty, they visualised a new form of co-operation with far-reaching consequences for the structures of co-operation in the region. The identification of areas of co-operation and their allocation to individual member countries will continue to be an important aspect of regional co-operation under the 1992 SADC Treaty. At the same time, however, new goals were set beyond the development co-ordination practised since 1980 within the SADCC context, which demand enhanced regional-level capacities if they are to be attained. The above quote from the Windhoek Declaration points out expressly that 'regional institutions with adequate competence and capacity' are needed. Neither the SADC Treaty nor the Declaration, however, give any clear indication of what form such institutions should take.

¹¹Ibid., p. 10.

3. The problem of overlapping membership

The transformation of SADCC into SADC brought to the fore an issue that had already existed but which was now seen more clearly as problematic, namely the existence of competing regional institutions in southern Africa with overlapping membership. The main grouping was the 'Preferential Trade Area for Eastern and Southern Africa' (PTA), which reconstituted itself in 1993 as the 'Common Market for Eastern and Southern Africa' (COMESA). Then there were the 'Southern African Customs Union' (SACU) and the 'Common Monetary Area' (CMA) grouped around South Africa.¹²

The approaching demise of apartheid doubtless accelerated recognition that it was necessary to clarify the relationship between the various organisations. The fact that the existing structure of regional institutions also hid conflicts of interest between regional actors made the task all the more urgent.

Most important was the relationship between SADC and PTA/COMESA; nine of the ten founding members of SADC were also members of PTA/COMESA. Like SADCC, PTA had been set up in the early 1980s. However, the regional policy approach adopted by PTA differed from that of SADCC. In keeping with traditional integration theory, it was trade oriented, whereas SADCC adopted a development orientation. In contrast to the loose and decidedly decentralised organisational form of SADCC, PTA was more highly centralised from the outset. Finally, the two organisations were the outcome of different processes, the PTA being the fruit of UN Economic Commission for Africa strategy to build up an African economic community via regional modules, and SADCC resulting from the regional conflict situation in southern Africa. Given these differences, the prevailing view in the first decade of their existence was that the two organisations would complement each other well.¹³

However, behind this façade of complementarity there was rivalry, nurtured not least of all by the issue of relations with the donor community. Since the EC had played a role in establishing SADCC, the initiators of PTA regarded this as an enterprise 'designed at best to hegemonise an African initiative'.¹⁴ Communication between the

¹² For a discussion of PTA and SACU see the contributions of Jan Isaksen and Rave Ofstad in: Odén, Bertil (ed.), *Southern Africa after Apartheid. Regional Integration and External Resources*, Uppsala 1993.

¹³ This and the following discussion of the relationship between SADC and PTA/COMESA is based on my essay: Meyns, Peter: *Regionale Kooperation im südlichen Afrika nach dem Ende der Apartheid*. in: Tetzlaff, Rainer/Engel, Ulf/Mehler, Andreas (eds.), *Afrika zwischen Dekolonisation, Staatsversagen und Demokratisierung*, Hamburg 1995.

¹⁴ Mandaza, Ibbo: *The Bases of the PTA-SADC Dispute*. in: *Southern Africa Political and Economic Monthly*, Vol. 6, No. 6, March 1993, p. 41.

secretariats of the two organisations was kept to a minimum.

Within SADCC there was no uniform attitude towards PTA. Zambia was chosen as the seat of PTA and consequently developed a strong affinity for that organisation. Botswana, by contrast, was the only SADCC member to consistently refuse to join PTA. Other SADCC members, like Mozambique and Angola, hesitated for a long time before joining PTA, and did so finally less for economic reasons than on political grounds.¹⁵ Within individual SADCC countries, the departments of trade tended to be interested in PTA whilst planning and foreign ministries tended to co-operate more strongly with SADCC.

In the early 1990s the co-existence of SADCC and PTA came under pressure. Especially the changes occurring in South Africa raised new issues, which intensified rivalry between the two organisations. The ANC - the government *in spe* of the transitional period - held out the prospect of South African membership during this phase, but even at that time pointed out, 'that southern Africa cannot afford a proliferation of institutions or a duplication of efforts and that the challenges of the future will require considerable institutional development'.¹⁶ When the SADCC countries subsequently redefined their objectives with the conclusion of the SADC Treaty, adding integration in the field of trade relations to their programme, the original differences between the two decreased markedly, with substantive overlap becoming more evident.

It was now generally agreed that the relationship between SADC and PTA/COMESA had to be reconsidered. The Zimbabwean social scientist Ibbo Mandaza explained that to meet the goal of regional co-operation and integration 'it appeared essentially anomalous - and even counterproductive to that goal - to have the two organizations exist side by side while pursuing much the same objectives'.¹⁷ The South African economist Gavin Maasdorp regretted

'... the lack of clarity regarding the future relations between SADC and the PTA: increasingly these two organisations seem to be duplicating one another's functions, and this is a vexing issue in attempting to delineate a future path for the region to take.'¹⁸

¹⁵ On the political logic of membership in regional integration initiatives see Lancaster, Carol, *op.cit.* (note 5).

¹⁶ Mandela, Nelson: South Africa's Future Foreign Policy, in: *Foreign Affairs*, Vol. 72, No. 5, Nov./Dec. 1993, p.92

¹⁷ Mandaza, Ibbo: *The Bases of the PTA-SADC Dispute*, *op. cit.* (note 14), p. 40.

¹⁸ Maasdorp, Gavin/Whiteside, Alan: *Rethinking Economic Co-operation in Southern Africa - Trade and Investment* (= Konrad-Adenauer-Stiftung, Occasional Papers on International Co-operation), Johannesburg 1993, p.40.

In January 1992, the PTA produced a surprise resolution at the annual summit meeting of heads of state and government in Lusaka, deciding 'that PTA and SADCC be merged into a single Common Market for Eastern and Southern Africa, within the Abuja Treaty for the African Economic Community'.¹⁹ The tenor of this resolution was to incorporate SADCC in the geographically more extensive territory of PTA. This would render the continued existence of SADCC superfluous. The resolution came as a surprise not least of all because the Secretaries General of the two organisations had reached agreement only a few months earlier to co-operate and co-ordinate their activities to avoid overlap.²⁰ The unilateral initiative of PTA reflected the view held at the time by the PTA Secretariat that they were in the stronger position. PTA was considered the better organised grouping. Moreover, it had expanded its programme in the late 1980s to include development-oriented areas, thus claiming that it covered the functions of SADCC. Finally, PTA covered a larger territory and thus, according to traditional integration theory, disposed of a larger market and economies of scale.

How little the action by the PTA Secretariat and the SADCC members of PTA was co-ordinated is shown by the fact that, only a few days after the PTA summit, SADCC staged its Annual Consultative Conference with its co-operation partners in Maputo, presenting the theme document 'SADCC: Towards Economic Integration', which discussed the perspective for the creation of an economic community in southern Africa. And a few months later the SADCC heads of state and government - disregarding the PTA resolution of January, which they had supported - concluded the SADC Treaty. Challenged and cornered by PTA, the erstwhile SADCC thus asserted its determination to continue as an independent institution in the guise of the SADC. There can be no doubt that the haste with which SADC was founded, precluding, for example, discussion of the draft agreement among a broader public in the member countries, was designed to forestall PTA (and the planned establishment of COMESA).²¹ As a countermeasure the PTA Secretariat now pushed ahead with the transformation of PTA, effected in late 1993 with the conclusion of the 'Treaty Establishing the Common Market for Eastern and Southern Africa' (COMESA).

Whilst there had been some justification for considering that

¹⁹ PTA, Final Communiqué of the Tenth Meeting of the Authority of the Preferential Trade Area for Eastern and Southern African States (mimeo.), Lusaka 1992, p.9.

²⁰ Agreed Minutes of the Meeting between the SADCC Secretariat and the PTA Secretariat, Gaborone (mimeo), 9th March 1991.

²¹ See Ching'ambo, Lloyd: SADC: The Rebirth of SADCC, in: Southern Africa Political and Economic Monthly, Vol. 5, No. 11, Aug. 1992.

SADCC and PTA differed in objectives and organisational structures, this was no longer the case after the transformation of the organisations into SADC and COMESA respectively. The two new organisations now shared the aims of promoting development and trade, and bringing about a higher form of regional integration.

Parallel to this development, SADC and PTA had, however, already agreed to deploy a regional team of experts to elaborate proposals for future relations between the two organisations. The initiative had been taken by SADC, but had been welcomed by PTA as well. The task of the experts was to investigate 'the harmonisation, co-ordination and rationalisation' of SADC and PTA/COMESA activities with a view to eliminating 'duplication and overlapping in the activities', and to ensuring 'the integration of activities of the two organizations where required in the interests of cost-effectiveness and improved services to member countries'.²² A joint SADC/PTA committee of six at the ministerial level was to assess the proposals put forward by the experts and to elaborate recommendations for the summit meetings of the two organisations.²³

The expert report was submitted in 1994, presenting a catalogue of six options:²⁴

Option 1: Maintenance of the status quo provided that suitable mechanisms for harmonisation, rationalisation, and co-ordination be introduced.

Option 2: The fusion of PTA/COMESA and SADC.

Option 3: The setting up of four regional sub-groups within the framework of PTA/COMESA, of which SADC would be one.

Option 4: The division of PTA/COMESA into two organisations, of which the southern African one would basically coincide with SADC.

Option 5: The secretariats of PTA/COMESA and SADC should meet to solve the issues raised by the harmonisation and rationalisation of activities.

Option 6: PTA/COMESA would be defined as the institutional framework envisaged under the Abuja Treaty for the creation of an African Economic Community.

The team of experts gave highest priority to the pan-African

²² Terms of Reference for the Joint Study on Harmonisation. Co-ordination and Rationalisation of the Activities of the PTA and the SADC (mimeo). n.p., n.d. (1993).

²³ PTA was to be represented on the Committee of Ministers by Burundi, Uganda, and Zambia, while SADC was to be represented by Botswana, Mozambique, and Tanzania. Due to the political unrest in Burundi, Ethiopia took the third PTA seat. The Secretary General of UNCTAD, K.K.S. Dadzie, was appointed neutral chairman.

²⁴ Mandaza, Ibbo: Südliches Afrika - Getrennte Wege, in: Afrika süd, Nr. 6, Nov.- Dec. 1994, p. 34. Mandaza was one of the three experts appointed by PTA and SADC.

option 6, followed by options 3 and 4. The joint ministerial committee agreed on a Solomonic recommendation along the lines of harmonisation and rationalisation as proposed in options 1 and 5.²⁵ In effect, they opted for the status quo with certain modifications. PTA/COMESA, which had previously been a strong advocate of option 2, was now prepared to accept the recommendation of the ministerial committee in favour of a slightly modified option 1 - a sign that its position was no longer as strong as it had been two years earlier. However, at its summit in August 1994 in Gaborone, SADC, which had initially advocated coexistence with a meaningful division of labour, did not accept the recommendation of the committee, preferring option 4²⁶ - a clear indication that its position had strengthened.

The decision of the SADC Summit was based primarily on the recognition that the transformation of the two organisations had rendered SADC and PTA/COMESA largely identical, and that it no longer made sense to continue to exist side by side. There was also criticism that the territory covered by PTA/COMESA was too large and complex, making the administration of a regional integration process extremely difficult. The policy of the PTA Secretariat to expand the PTA market and strengthen the organisation by accepting additional members proved a failure. The advantage of southern Africa for SADC was that, in contrast to the overall PTA/COMESA area, the region had more in common, which was doubtless an important condition for successful co-operation and integration.

SADC's argument also found support in the fact that the OAU Abuja Treaty, which in 1991 had affirmed the goal of an African Economic Community, expressly mentions five regions in Africa where regional integration initiatives should serve as components of the future pan-African economic community. In addition to North, West and Central Africa, the regions enumerated included East Africa and southern Africa.²⁷ SADC was thus also able to claim that it was acting in accordance with the strategy laid down under the Abuja Treaty.

But what gave SADC a decisive edge over PTA/COMESA was that it won the competition for South African membership. As the eleventh member country, South Africa attended the summit where the decision in favour of option 4 was taken.²⁸ The annoyance of the PTA Secretariat and the non-SADC members of PTA/COMESA about

²⁵ *Ibid.*

²⁶ Press Release (mimeo), SADC Summit, Gaborone, 29th August 1994.

²⁷ Treaty Establishing the African Economic Community, published in: Naldi, Gino J. (ed.), Documents of the Organization of African Unity, London/New York 1992, p. 204.

²⁸ Subsequently, further members were admitted to SADC, Mauritius in 1995, and the Seychelles and the DR Congo in 1997.

the SADC resolution also had primarily to do with South Africa's accession to SADC, because this enhanced the attractiveness of the SADC region for international investors, not improbably to the disadvantage of the remaining COMESA members.²⁹

Implementation of the SADC resolution had to be effected by sovereign decision of the individual member countries. It was therefore hardly surprising that there were no immediate withdrawals,³⁰ for African politicians prefer a consensual style. However, the COMESA Secretariat and the non-SADC members were not prepared to accept a consensual division of COMESA into a northern and a southern region. They suggested a joint summit of the two organisations. SADC agreed in principle, but proposed that the preparation of such a summit should be placed in the hands of a ten-member joint ministerial committee.³¹ A first meeting of the committee in early August 1996 produced no consensus on the agenda for a joint summit - COMESA wished to negotiate on the basis of option 1 and SADC on the basis of option 4 - so that SADC postponed the summit indefinitely.³²

Even if a formal separation has not taken place by early 1998, the die appears to have been cast. The prevailing opinion in the SADC is that there can be no question of harmonising activity priorities. SADC countries are concentrating on developing their own organisation and, where they are members of COMESA, are reducing their commitment vis-à-vis that organisation. The SADC member Malawi, which had taken on the presidency of COMESA in 1995, had to continue in this role in 1996 since the annual summit could not be convoked for financial reasons. Eventually Zambia did accept to take over the chairmanship and convened a further summit meeting in 1997. Nonetheless, the importance of COMESA in southern Africa is clearly declining. Its weakened position is borne out by members of its organisation, such as Mauritius, the Seychelles and the DR Congo, which can hardly be regarded as belonging to southern Africa, joining SADC.

After adopting an initial 'protocol' on shared water course systems in 1995 the SADC summit in Maseru 1996 adopted four more. 'Protocols' are implementing instruments of the SADC Treaty, intended to lay down 'the objectives and scope of, and institutional mechanisms for, co-operation and integration'.³³ These documents, which upon adoption become part of the SADC Treaty and also require rati-

²⁹ See Mandaza. *Ibbo: Südliches Afrika - Getrennte Wege*, op. cit. (note 24), p. 34.

³⁰ In 1997 it was reported that Lesotho, Mozambique and Namibia had announced their intention to leave COMESA. See *New African*, April 1997 ('COMESA totters as its boss is sent on leave')

³¹ COMESA was represented on the Committee of Ministers by Ethiopia, Kenya, Rwanda, Uganda, and Zaire. SADC was represented by Botswana, Lesotho, Mozambique, Tanzania, and Zimbabwe.

³² Communiqué (mimeo). SADC Summit, Maseru, 24 August 1996, p. 7.

³³ Treaty of the Southern African Development Community (SADC) (mimeo), op. cit., p. 19.

fication by the member countries, include the highly significant Trade Protocol, under which SADC resolved to establish a free trade area in its region.³⁴ This decision placed the issue of the future relationship between SADC and SACU, the customs union between South Africa and four other SADC member countries (Botswana, Lesotho, Namibia [since 1990], and Swaziland), on the agenda.

SACU is the oldest regional grouping in southern Africa. It was founded as long ago as 1909 prior to South Africa's becoming independent, and was reconstituted in 1969 after the independence of the BLS countries. For white South Africa, co-operation with these three independent African countries was of interest within the context of its 'outward policy', under which it attempted in the 1960s to establish political contacts with the African continent.³⁵ For this reason it was willing to concede a disproportionately high share of common customs revenue to the BLS countries within the framework of the customs union.³⁶

For SADCC, membership of the BLS countries and later Namibia in SACU was not a problem, because the structures and functioning of the two organisations were so different that there was no danger of overlap in activities. And for the BLS countries, membership of SADCC strengthened their independence vis-à-vis the apartheid regime.

However, with the founding of SADC, and especially with the resolution to set up a free trade area, the situation changed, for SADC now planned to expand co-operation in the fields of traditional economic integration, which had always been the domain of SACU.

In the transitional phase in South Africa, during which various future options for SACU were discussed, the question of dissolution was also raised. Since the abolition of apartheid, this option does not appear to be high on the agenda. Indeed, the new South African government under the leadership of the ANC has taken up negotiations with the BLNS countries on restructuring SACU. Both sides are dissatisfied with existing mechanisms. The BLNS countries want to continue to benefit from customs revenue, but they want a more democratic structure giving them greater scope for industrialisation. South

³⁴ Protocol on Trade in the Southern Africa Development Community (SADC) Region, n.s., n.d. (1996).

³⁵ See du Pisani, André: *Ventures into the Interior: Continuity and Change in South Africa's Regional Policy (1948-1991)*, in: van Nieuwkerk, Anthoni/van Staden, Gary (eds.), *Southern Africa at the Cross-roads. Prospects for the Political Economy of the Region*, Johannesburg 1991, p. 199-200; see also Mills, Greg: *The History of Regional Integrative Attempts: The Way Forward?*, in: Mills, Greg/Begg, Alan/van Nieuwkerk, Anthoni (eds.), op. cit. (note 3).

³⁶ Maasdorp, Gavin: *The Advantages and Disadvantages of Current Regional Institutions for Integration*, in: Baker, Pauline H./Boraine, Alex/Krafchik, Warren (eds.), op.cit. (note 3), pp. 239-241

Africa wishes to alter the formula for distributing common customs revenue in its favour. Nevertheless, the two sides seem to be willing to find a new common denominator for continued co-operation within the context of SACU.

Already at the beginning of the nineties, Gavin Maasdorp had argued against abolishing SACU, contending that it was seldom wise 'to discard systems which are working', and that SACU represented the most advanced stage of integration that had hitherto been achieved in the region.³⁷ If this view prevails, it is conceivable 'that the SACU and CMU represent a core around which economic integration in the wider region needs to be built'.³⁸ The SADC has yet to adopt an official stance on this strategy. Nevertheless, the present Executive Secretary of the SADC, Kaire Mbuende, has, with reference to SACU and CMU, assumed a positive attitude towards the principle of 'variable geometry', according to which 'some sub-units have closer relations among themselves and some are at a higher level of integration', adding, 'the closer relations among sub-units can serve as a basis for further regional integration'.³⁹

Further developments in this matter depend in strong measure on the new South African government, which three years after coming to power has still not definitively settled all issues of regional co-operation policy, owing especially to the competing interests existing within South Africa. After the new South Africa's efforts to join the Lomé Convention had initially been repudiated by the EU, the two sides took up negotiations, on the basis of a EU proposal, on the establishment of a free trade zone between the EU and South Africa. This produced a new problem for integration in southern Africa, primarily for the other SACU members, who are directly affected, but also for the SADC as a whole.⁴⁰ Subsequently, South Africa was accepted as a member of the Lomé Convention though without trade and other privileges. Negotiations on a bilateral EU-South Africa free trade arrangement, therefore, continued. Both SACU and SADC countries fear that, in pursuing its own trade interests, South Africa might lose sight of the

³⁷ Maasdorp, Gavin/Whiteside, Alan: *Rethinking Economic Co-operation in Southern Africa*, op. cit. (note 18), p. 40.

³⁸ Maasdorp, Gavin: *The Advantages and Disadvantages of Current Regional Institutions for Integration*, op. cit. (note 35), p. 245; also Leistner, Erich: *Considering the Methods and Effects of Regional Integration*, in: Mills, Greg/Begg, Alan/van Nieuwkerk, Anthony, op. cit. (note 3), p. 270.

³⁹ Mbuende, Kaire: *Perspectives on Regional Integration*, in: *International Perspectives* (Windhoek), Oct. 1994, p. 18. The term 'variable geometry' had already been used in an SADC document, but in a more general sense, including PTA/COMESA, and concerned with the harmonisation of the areas of activity; see SADC: *A Framework and Strategy for Building the Community*, n.s., n.d. (Gaborone 1993), p. 7.

⁴⁰ See Holland, Martin: *South Africa, SADC, and the European Union: Matching Bilateral with Regional Policies*, in: *Journal of Modern African Studies*, Vol. 33, No. 2, 1995.

regional postulate of 'regional development and integration on the basis of balance, equity and mutual benefit'.⁴¹ There can be no doubt that the creation of a SADC free trade area on the basis of the 1996 Trade Protocol will be seriously hampered by these parallel initiatives.

4. The Problem of Internal Structure

There is still no clear policy apparent on the SADC institutional framework for implementing the protocols adopted. According to the SADC Treaty, the Secretariat is 'the principal executive Institution of SADC'; the areas of co-operation that had already determined the activities of SADCC are also identified under the Treaty.⁴² Since adoption of the Treaty, the institutional structures of the organisation have hardly changed at all. It is headed by the Summit of the heads of state and government and the Council of Ministers assisted by the Standing Committee of Senior Officials. The Secretariat, headed by the Executive Secretary, is the co-ordinating and - under the broader definition of its role in the SADC Treaty - principal executive organ of SADC. Projects are organised on a decentralised basis, being entrusted to sectoral units established by the individual member countries and directed by the Sectoral Committees of Ministers. This structure is not sufficiently adapted to the future integrative tasks of the SADC, as Mandaza and Tostensen note in a study commissioned by the SADCC/SADC Secretariat:

To address concretely and effectively, both the economic and political questions pertinent to integration, will require adequate institutional machinery and procedures. Unfortunately, the existing SADC institutions are relatively weak; they frequently lack the capacity to address and manage existing problems, ... Capacity constraints also apply to both public and private institutions of the member States. It is, therefore, important to examine closely the institutional structures of SADC, and those of the member States involved in regional affairs, in the light of the new mandate and mission of integration. Institutions and other structures which are answerable to regional authority, will be needed.⁴³

The decentralised sectoral units are particularly deficient, frequently as a result of inadequate staffing and funding by the co-ordinating countries. At the 1995 Annual Consultative Conference in Lilongwe, Lesotho's minister of finance openly addressed the problems of the sector co-ordinating units. Reiterating the arguments in favour

⁴¹ Treaty of the Southern African Development Community, op. cit., p. 18.

⁴² Ibid., pp. 14, 18.

⁴³ Mandaza, Ibbo/Tostensen, Arne, op. cit. (note 7), p. 105.

of the existing decentralised structure, namely that it promoted the integration of all member countries in regional affairs and that lean administration saved the regional community expense and costs, he nevertheless raised certain objections:⁴⁴

However, the experience learned over the last 12 years of SADCC (the conference) and two years of SADC (the community) has taught us that the decentralised approach to implementation of regional programmes is confronted with several problems caused by among others, lack of capacity of national institutions, domestic political uncertainties and overall weaknesses of national economies. While it may be difficult to identify specific problems experienced by each member country over the last 14 years, invariably performance of some co-ordinating units has not been up to expectations due to resource constraints. ...

We recognise that some countries have not employed full time staff in their respective co-ordinating units and that the only sectors which show some appreciable level of success, are those that are jointly funded. Therefore, it is instructive to suggest that the low performance of existing SADC structures based on decentralisation principle clearly calls for re-examination of institutions for integration. With the foregoing in mind, I wish to propose that the debate on issues of institutions and capacity for community building revolve around the following:

1.The need to create regional institutions for all priority sectors in the Community.

2.The need to establish independent Community institutions.

Mandaza and Tostensen, too, confirm 'the undeniable need to create truly Community institutions, with sufficient capacity to carry out the very complex task of building SADC'.⁴⁵ Despite these clear words, SADC has retained its decentralised sectoral structure. The number of sectoral units has meanwhile increased to 17, distributed as follows among the individual member countries:

⁴⁴ Senaoana, M. P.: Institutions for Integration, in: SADC (ed.): SADC: Resources, Institutions and Capacity for Integration. The Proceedings of the Consultative Conference held in Lilongwe, Republic of Malawi, 1st-4th February, 1995, Gaborone 1995, p. 88-89.

⁴⁵ Mandaza, Ibbo/Tostensen, Arne, op. cit. (note 7), p. 78.

Overview of SADC Sectoral units

| Area of co-operation | Country responsible |
|--|---------------------|
| Agricultural research | Botswana |
| Food security, agriculture and natural resources | Zimbabwe |
| Inland fisheries, forestry and wildlife | Malawi |
| Marine fisheries and marine resources | Namibia |
| Livestock production and animal disease control | Botswana |
| Environment and landmanagement | Lesotho |
| Water | Lesotho |
| Mining | Zambia |
| Energy | Angola |
| Transport and communications | Mozambique |
| Tourism | Mauritius |
| Industry and trade | Tanzania |
| Investment and finance | South Africa |
| Human resources development | Swaziland |
| Labour and employment | Zambia |
| Health | South Africa |
| Culture and information | Mozambique |

Source: SADC Sectoral Responsibilities Chart, updated

Since SADC was established, several new areas of co-operation have been created (investment and finance; labour and employment; water; health), not least of all to integrate new members into the existing decentralised structure. This form of co-operation thus continues to be characteristic of SADC's organisational structure.

Within the given SADC structure and under the terms of the instruments adopted, there are the following institutional possibilities for attaining the integration goals set by the SADC Treaty:

- the sector co-ordination units,
- sector commissions,
- newly created 'regional institutions'.
- the Secretariat as 'principal executive institution of SADC'.

The establishment of sector commissions had already been possible in the SADCC context.⁴⁶ Two of the areas of co-operation listed above are organised as sector commissions: transport and communications (SATCC) and agricultural research (SACCAR). The reference by the Lesotho Finance Minister to more or less successful, jointly funded sectors is to sector commissions. In contrast to sectoral units they are regional institutions. Since as institutions they are part of the

⁴⁶ SADCC: Memorandum of Understanding, published in: Mandaza, Ibbo/Tostensen. Arne, op. cit., p. 9.

SADCC/SADC tradition, they offer a feasible possibility for the development of SADC structures. The Energy Protocol adopted by the SADC Summit in 1996, for example, provides for the setting up of a commission.⁴⁷ Nevertheless, the option of establishing new 'regional institutions' should also not be excluded where the substantive steps in the integration process so require.⁴⁸ In this regard, the SADC Secretariat would have an important preparatory role to play.

The setting-up of a SADC free trade area is clearly a supra-sectoral step in the integration process requiring the creation of a new 'regional institution'. However, the Trade Protocol provides for the sectoral unit located in Dar-es-Salaam, the 'SADC Industry and Trade Co-ordination Division' (SITCD) to co-ordinate 'the day-to-day operations in the implementation of the Protocol'. In keeping with the traditional SADCC/SADC structure, it operates under the direction of the Committee of Ministers and the Committee of Senior Officials. Moreover, the 'Trade Negotiating Forum', in which private economic interests are also represented, will also play a central role in negotiating the concrete steps towards establishing the SADC free trade area.⁴⁹

In view of the fact that SITCD is a sectoral unit, which due to deficient resource endowment has only a limited capacity to act, it can hardly be expected to handle the complex and multifarious tasks that will arise in connection with the setting-up of a free trade area. In addition, there is the more serious institutional problem that SITCD is a national institution (with a regional function) - subordinated to the Tanzanian government. As mentioned above, this structure was chosen after the foundation of SADCC in order to leave the national sovereignty of member countries inviolate. Although in 1992 the member countries decided in Windhoek that they wanted to shift greater decision-making powers to the regional level, to be vested in regional institutions, the still decentralised structures in SADC continue to operate on the assumption that national sovereignty is to be safeguarded. The sectoral units accordingly jib at the SADC Secretariat's intention to assume responsibility for the 'strategic planning and management of the programmes of SADC' given it by the SADC Treaty,⁵⁰ because they consider this to restrict their competence.

There is thus a discrepancy between the decision of the SADC to intensify regional integration in southern Africa and the decentralised practice of co-operation. Whilst the sectoral structure was

⁴⁷ Protocol on Energy in the Southern African Development Community (SADC) Region (mimeo), n.s., n.d. (1996), p. 9.

⁴⁸ See Mandaza, Ibbo/Tostensen, Arne, op. cit. (note 7), p. 78.

⁴⁹ Protocol on Trade, op. cit. (note 33), pp. 17-18.

⁵⁰ Treaty of the Southern African Development Community, op. cit., p. 14.

regarded in the eighties as an appropriate means to consolidate member countries' commitment to SADCC, it can now also be seen as a hindrance to strengthening the regional decision-making level. And the decision taken at that period to keep organisational bureaucracy to a minimum - an appropriate choice for the mode of operation envisaged - is not easy to adapt under the changed circumstances to accommodate a more strongly regional organisational structure. Without an efficient regional institution the planned SADC free trade area cannot be implemented. Rationalisation of the rampant sectoral structure would furthermore permit those areas of co-operation to be strengthened, which must be given priority for future regional integration. The SADC is facing decisions that will test the seriousness of its commitment to progress from the project co-ordination of SADCC to the development integration of SADC.

5. The SADC Organ on Politics, Defence and Security

The sovereignty issue is particularly sensitive in respect of security matters. When a special summit meeting of SADC in June 1996 decided to form a new body, to be called the 'SADC Organ on Politics, Defence and Security', this was the result of lengthy consultations to determine the appropriate form of security cooperation between the countries of the region after the end of apartheid in South Africa.

What needed to be considered after the end of apartheid was the future of the group of 'Front Line States', which had been formed in 1974 by independent African states in the region to coordinate their efforts to support the struggles against colonial and white minority rule in southern Africa. Its task has now been accomplished. The Liberation Committee of the OAU, which had served a similar purpose on a pan-African level, was dissolved in 1994, and the Front Line States faced a similar decision.

However, a need was felt within the region for future security cooperation in southern Africa taking into consideration the new context of regional relations as well as pressing problems of security in a broader sense. The Front Line States had always worked in close cooperation with SADCC/SADC - indeed, they had been instrumental in taking the initiative to establish SADCC in 1979. The main line of discussion, therefore, regarding their future role was related to establishing a closer link with SADC. In mid-1994 a SADC conference at ministerial level on 'Democracy, Peace and Security' in southern

Africa developed the proposal to form a SADC Sector on 'Politics; Diplomacy; International Relations; Defence and Security; Peace; Conflict Prevention, Management and Resolution'. Meeting in August 1994 the SADC Summit accepted this idea and proposed that all security matters in southern African should in future be dealt with by such a newly created area of cooperation within the SADC structure.

However, the establishment of a 'sector' along the lines of other SADC sectors proved to be problematic and ultimately unrealistic. It would have been allocated to a member country - Zimbabwe as the outgoing chairman of the Front Line States was seen as a likely candidate - which would then have run the sector under national jurisdiction. Issues of security belong to each country's most highly treasured area of national sovereignty which they wish to keep in their own hands. Therefore, the idea of creating a SADC sector for security could not achieve the consensus of member states, not only because of their reluctance to transfer responsibility for security matters to a single country, but also because the political level at which a SADC sector operates was not in line with the importance they attach to issues of national and regional security.

It took two further years of consultations before the problem was solved and agreement was reached on the establishment of the SADC Organ on Politics, Defence and Security at the level of heads of state and government. The new body operates independently of other SADC institutions. Apart from the identity of its composition at summit level, the SADC Organ is linked to SADC through the appointment of its chairman by the SADC summit meeting. As expected President Mugabe of Zimbabwe was elected to be the first chairman of the Organ. The initial concept of the Organ was to have a collective leadership with an annually rotating chairmanship and a leadership tria-ka comprising the elected chairman, his predecessor and his designated successor.⁵¹ Quite soon, however, an extension of the term of office of the chairman to three years was thought to be more convenient.

The basic guidelines for the operation of the Organ are centred on the principle of national sovereignty - in line with the Charter of the OAU - but do also include the possibility of military intervention as an *ultima ratio* if peace and security are in danger. The following points are included in the list of the Organ's objectives:⁵²

a) sovereign equality of all member states;

⁵¹ The SADC Organ on Politics, Defence and Security: Meeting of SADC Ministers Responsible for Foreign Affairs, Defence and Security (mimeo.), Gaborone, 18 January 1996, p. 3.

⁵² *Ibid.*, p. 1

- b) respect for the sovereignty and territorial integrity of each State and for its inalienable right to independent existence;
- c) achievement of solidarity, peace and security in the region;
- d) observance of human rights, democracy and the rule of law;
- e) promotion of economic development in the SADC region in order to achieve, for all member states: equity, balance and mutual benefit;
- f) peaceful settlement of disputes by negotiation, mediation and arbitration;
- g) military intervention of whatever nature shall be decided only after all possible remedies have been exhausted in accordance with the Charter of the OAU and the United Nations.

The SADC Organ is an inter-governmental organisation of sovereign states, similar to SADC itself. On occasion member states have intervened in other countries' affairs. Botswana, South Africa and Zimbabwe's role in solving the political crisis between the King and the Prime Minister in Lesotho in 1994/95 is a case in point. But when President Mandela of South Africa and other members of the SADC Organ tried to put pressure on the Zambian government during that country's constitutional crisis in 1996 their intervention was rebuked and their attention was drawn to each member country's 'inalienable right to independent existence'.⁵³

The initial structure of the SADC Organ showed a continuing preference of regional leaders for 'high politics' at summit level.⁵⁴ An example of this was the meeting of the SADC Organ convened by President Mugabe to Luanda in October 1996 in order to give the Angolan peace process a much needed boost with the help of the assembled regional dignitaries. Unfortunately, even their presence could not coax UNITA leader Savimbi to overcome his mistrust of the Angolan government and travel to Luanda.⁵⁵

The decision to establish the SADC Organ as part of SADC structures was a significant step towards developing a coherent regional framework in southern Africa, even if the Organ did retain considerable autonomy. Nevertheless, if we look upon SADC and the SADC Organ as representing the two principal pillars of SADC structures, one dealing with economic, social and cultural issues and the other responsible for peace and security, there are still issues to be solved as regards their relationship to one another.⁵⁶ This became very

⁵³ See Sunday Mail (Lusaka), 7.7.1996 ('Regional Peace Moves Doubted')

⁵⁴ Chazan, Naomi et al.: *Politics and Society in Contemporary Africa*. 2nd ed., Boulder, Co. 1992, p. 153ff.

⁵⁵ See The SADC Organ: Communique of the SADC Organ on Politics, Defence and Security, held in Luanda, 2 October 1996

⁵⁶ See Malan, Mark/Cilliers Jakkie: *SADC Organ on Politics, Defence and Security: Future*

visible at the SADC summit meeting in Blantyre in September 1997 when a dispute arose between President Mandela and President Mugabe. Mandela, chairman of SADC, argued that the SADC Organ should be more closely incorporated into the SADC structures. Mugabe, on the other hand, chairman of the SADC Organ - and current chairman of the OAU as well -, insisted that the Organ must retain its full autonomy. Having become a matter of personal prestige and influence consensus could only be achieved by maintaining the *status quo*. Therefore, Mugabe's appointment as chairman of the SADC Organ, which had initially been limited to one year, was extended.

6. Problems of future regional integration in southern Africa

This contribution has focused strongly on institutional aspects of the future development of SADC, letting political and economic issues fall somewhat by the wayside. In the actual development of SADC, these three levels interact and are closely interrelated. It has become clear that with the demise of apartheid in South Africa and the accession of the new South Africa to the organisation, SADC has also gained new strength. For the other countries in the region, which as the group of Front Line States had joined in supporting this goal, the liberation of South Africa from apartheid was a success as well, and bolstered their political solidarity. Moreover, the interest taken by international investors in co-operation with the new South Africa also had favourable repercussions for their co-operation with the SADC, as, for example, the two EU/SADC conferences in Berlin in 1994 and Windhoek in 1996 have shown.

The euphoria occasioned by this positive development can nevertheless not conceal the difficulties the region still faces on the path towards integration. Partly, these are of SADC's own making. The decision taken at the summit meeting in 1997 to accept the DR Congo as a member of the organisation will certainly not make progress in the integration process more easy. To extend the membership to a country which is so huge and in such an extreme state of socio-economic decay and disintegration, in a phase when the deepening of integration through the creation of a free trade area has just been put on the agenda, will inevitably delay further integration. What the purpose of the decision was beyond purely political considerations such as offering the new government in the Congo a new - anglophone -

Development (= Institute for Security Studies, Paper No. 19), Halfway House, March 1997

⁵⁷ See Gumende, António: South Africa - The Bully on the Bloc. in: Southern Africa Political and Economic Monthly. Vol. 9, No. 11, August 1996, p. 8-9

haven to support its aim of reducing its relations to francophone Africa remained unclear even to some SADC member states. There had been no prior knowledge, let alone preparation, of this significant expansion of membership by the SADC Secretariat. The main material interest SADC - and in particular South Africa as a country with limited water resources - has in the Congo is directed at the water and energy potential of the Congo river basin.⁵⁷ Only a year or two earlier SADC had argued that COMESA's weakness was the sheer size and unwieldiness of the territory it covered, and now SADC embarks on a similar road and justifies itself - as COMESA's former Secretary-General used to do - by pointing to the advantages of a larger market. For many years Mobutu's Zaire was refused entry to SADC for political reasons, now Kabila's Congo is granted membership - for political reasons. It does appear that SADC is still principally a club of heads of state for whom political cooperation and regional diplomacy are higher on the agenda than issues of economic integration.⁵⁸

Nevertheless, these same heads of state did support new integration goals for the region after the demise of apartheid. To implement these will, however, be difficult for other reasons as well. The democratisation of the 1990s has eliminated many political and ideological differences between the countries of the region, and can promote infrastructural and economic interlinkage - which in the past bore the stigma of white dominance - in the sense of co-operation between equal partners. A more important problem is the fact that the economic differences between South Africa and the other member countries of SADC remain significant⁵⁹ and constitute a substantial hurdle to co-operation characterised by 'equity, balance and mutual benefit' (SADC Treaty).

Trade relations in the region, and specifically the negotiations on the SADC Trade Protocol have, moreover, revealed a divergence of interests that should not be underestimated. Whilst the new South Africa has taken over relatively high customs barriers from the apartheid period, other countries of the region like Zambia have considerably reduced their external tariffs in the course of structural adjustment. This made it easier for South African firms to penetrate these markets, while their home market was still protected by tariff barriers. While it was therefore in the interest of SADC countries like Zambia, Zimbabwe, and Malawi to adopt the Trade Protocol as rapi-

⁵⁷ As argued by Carol Lancaster, *op. cit.* (note 5)

⁵⁹ In 1996, for example, before the Seychelles and the DR Congo joined the organisation, South Africa's GNP was four times that of the remaining 11 SADC member countries together. See Handley, Antoinette/Mills, Greg (eds.), *From Isolation to Integration? The South African Economy in the 1990s*, Johannesburg 1996, p. 8.

dly as possible, South Africa delayed agreement, because it enjoyed marked benefits from the existing situation. In the pending preparations for the SADC free trade area, these differences will doubtless complicate negotiations.

Today the SADC has reached a point where the political will of member countries to raise regional co-operation and integration to a higher level must find expression not only in high-flown proclamations but also in decisions and concrete measures aimed at achieving the 'development integration' envisaged. For this purpose, the strengthening of decision-making capacity at the level of regional institutions appears to be indispensable.

