RSW/086/0009/.6 13/01/94

DRAFT:
FOR DISCUSSION PURPOSES ONLY

RECONSTRUCTION AND DEVELOPMENT PROGRAMME

6th Draft
13th January, 1994

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Chapter One
Introduction to the Reconstruction and Development Programme

1.1 WHAT IS THE RDP?

1.1.1 The RDP is an integrated, coherent socio-economic policy framework. It seeks to mobilise all our people and our country's resources in the final eradication of apartheid and the building of our future.

1.1.2 Within this framework, the ANC will develop a policy and legislative programme of government to effectively implement the RDP.

1.1.3 The RDP has been drawn up by the ANC-led alliance in consultation with other key mass organisations. A wide range of NGOs and research organisations assisted in the process.

1.1.4 This process of consultation and joint policy formation must continue as the RDP is developed into an effective programme of government. Other key sectors of our society such as the business community must be consulted and encouraged to participate as fully as they may choose.

1.1.5 Those organisations within civil society that participated in the development of the RDP will be encouraged by an ANC government to be active in and be responsible for the effective implementation of the RDP.

1.1.6 This inclusive approach to developing and implementing policy is unique in South Africa's political history. The special nature of the ANC as a liberation movement and the traditions of the Freedom Charter make it the only political organisation capable of unifying a wide range of social movements, community based organisations and numerous other sectors and formations. Widespread and broad-based extra-parliamentary support will allow the ANC within a Government of National Unity to implement the programme.

1.2 WHY DO WE NEED AN RDP?

1.2.1 Our history has been a bitter one dominated by colonialism, racism, apartheid and repressive labour policies. The result is that poverty and degradation exist side-by-side with modern cities and a developed mining, industrial and commercial infrastructure. Our income distribution is racially distorted and ranks as one of the most unequal in the world - lavish wealth and abject poverty characterise our society.

1.2.2 The economy was built on systematically enforced racial division in every aspect of our society. Rural areas have been divided into underdeveloped Bantustans and well developed white-owned commercial farming areas. Towns and cities have been divided into townships without basic infrastructure for blacks and well resourced suburbs for whites.

1.2.3 Segregation in education, health, welfare, transport and employment left deep scars of inequality and economic inefficiency. In commerce and industry, very large conglomerates dominated by whites control large parts of the economy. Cheap labour policies and employment segregation have left skills in white hands. Our workers are poorly equipped for the rapid changes taking place in the world economy. Small and medium enterprises are underdeveloped, while highly protected industries underinvested in research, development and training.

1.2.4 The result is that in every sphere of our society - economic, social, political, moral, cultural, environmental - South Africans are confronted by serious problems. There is not a single sector of South Africa or a person living in it untouched by the ravages of apartheid. Foremost amongst the country's problems is the appalling poverty and degradation in which millions of our people live.

1.2.5 Millions of ordinary South Africans struggled against this system over decades, to improve their lives and to bring about a more just society. In their homes, in their places of work, in townships, in class rooms, in clinics and hospitals, on the land, in cultural expression, the people of our country, black, white, women, men, old and young devoted their lives to the cause of a more humane South Africa. The struggle against apartheid was fought by political organisations and a mass democratic movement.

1.2.6 This collective heritage, these common yearnings are our greatest strength and the RDP builds on it. At the same time the challenges facing South Africa are enormous. Only a comprehensive approach to harnessing the resources of our country can reverse the crisis created by apartheid. Only an all-round effort to harness the life experience, skills, energies and aspirations of the people can lay the basis for a new South Africa.

1.2.7 The first decisive step in this direction will be the forthcoming one-person one-vote elections. A victory for democratic forces in these elections will lay the basis for effective reconstruction and development.

1.2.8 But an election victory is only a first step. No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government.

1.2.9 How do we do this successfully? It is no use merely making a long list of promises that pretend to answer every need expressed. Making promises is easy - especially during election campaigns - but carrying them out as a government is very much more difficult. A programme is required that is achievable, sustainable, and meets the objectives of an improved standard of living and quality of life for all South Africans.

1.2.10 The RDP is designed to be such a programme, one that will guide South Africans out of the legacy of apartheid to a freedom based on democracy and socio-economic development for all. The RDP identifies needs and obstacles to satisfying those needs, and proposes strategies to overcome those obstacles.

1.3 THE FIVE BASIC PRINCIPLES OF THE RDP

1.3.1 Five basic principles, linked together, make up the political and economic philosophy that underlies the whole RDP. This is an innovative and bold philosophy based on a few simple but powerful ideas. They are:

1.3.2 **An integrated and sustainable programme.** The legacy of apartheid cannot be overcome with piecemeal and uncoordinated policies. The RDP brings together strategies to harness all our resources in a coherent and purposeful effort that can be sustained into the future.

This programme is essentially centred on:

1.3.3 **A people-driven process.** Our people, with their aspirations and collective determination, are our most important resource. The RDP is focused on our people's most immediate needs, and it relies, in turn, on their energies to drive the process of meeting these needs. Regardless of race or sex, be they rural or urban, the people of South Africa must shape their own future. Development is not about the delivery of goods to a passive citizenry. It is about active involvement and growing empowerment.

This programme and this people-driven process are closely bound up with:

1.3.4 **Nation-building.** Central to the crisis in our country are the massive divisions and inequalities left behind by apartheid. We must not perpetuate the separation of our society into a "first world" and "third world" - another disguised way of preserving apartheid. We must not confine growth

strategies to the former, while doing patchwork and piecemeal development, waiting for a trickle-down in the latter. Nation-building is the basis on which we build a South Africa which can support the development of our Southern African region. Nation-building is also the basis on which we ensure that our country takes up an effective role within the world community. Only a programme that develops economic, political and social viability can ensure our national sovereignty.

But to achieve effective nation-building requires:

1.3.5 **Linking reconstruction and development.** There is a commonly held view that growth and development, or growth and redistribution are processes in contradiction with each other. Growth - the measurable increase in the output of the modern industrial economy - is commonly seen as the priority that must precede development. While development is commonly portrayed as a marginal effort of redistribution to areas of urban and rural poverty. In this view, development is a deduction from growth. The RDP breaks decisively with this approach. Growth - an increase in output - is a crucial objective, but even more important is how and where this increase is achieved. Growth and development in our country are interdependent. The key to this link is an infrastructural programme that will provide access to modern and effective services like electricity, water, telecommunications, transport, health, education and training for all our people. This will meet both basic needs and open up previously suppressed economic and human potential in urban and rural areas. In turn this will lead to an increased output in all sectors of the economy, making growth and development an integrated process.

These four basic principles all depend, in turn, on a thorough-going

1.3.6 **Democratisation of South Africa.** Minority control and privilege in every aspect of our society are the main obstruction to developing an integrated programme that unleashes all the resources of our country. Thorough-going democratisation of our society is, in other words, absolutely integral to the whole RDP. The RDP requires fundamental changes in the way that policy is made and programmes are implemented. Above all, the people affected must participate in decision-making. Democratisation must begin to transform both the state and civil society. Democracy is not confined to periodic elections. It is, rather, an active process enabling everyone to contribute to reconstruction and development.

1.3.7 An **integrated programme**, based on the **people**, that **builds the nation**, by linking **reconstruction** and **development**, with deepening **democracy** - these are the five basic principles of the RDP.

1.4 THE KEY PROGRAMMES OF THE RDP

1.4.1 There are many proposals, strategies and policy programmes contained in the RDP. These can be grouped into five major policy programmes that are linked one to the other. The five key programmes are:

- meeting basic needs;
- developing our human resources;
- building the economy;
- democratising the state and society, and
- implementing the RDP.

1.4.2 ***Meeting Basic Needs.*** The first priority is to begin to meet the basic needs of people - jobs, land, housing, water, electricity, telecommunications, transport, the environment, nutrition, health care and social welfare. Achievable programmes are set out for the next five years, such as those to redistribute a substantial amount of land to landless people, build over one million houses, provide clean water and sanitation to all, electrify 2,5 million new homes and provide access for all to affordable health care and telecommunications.

1.4.3 Our people should be involved in these programmes through being part of the decision-making on where infrastructure is located, by being employed in its construction and by being empowered to manage and administer these large-scale programmes. These major infrastructural programmes should stimulate the economy through increased demand for cables, bricks steel, equipment, TVs, washing machines and many other products. In addition, the industrial sector must develop new, more efficient and cheaper products to meet our basic infrastructural needs.

1.4.4 ***Developing our Human Resources.*** The RDP is a people-centred programme - our people must be involved in the decision-making process, in implementation, in new job opportunities requiring new skills and in managing and governing our society. These processes will empower our people but this requires an education and training programme. This chapter of the RDP deals with education from primary level to tertiary level, from child care to advanced scientific and technological training. It focuses on young children, students and adults. It deals with training in formal institutions and at the workplace.

1.4.5 The underlying approach of these programmes is that education and training should be available to all from their cradle to their grave. The RDP takes a wide view of education and training seeing it not only as something that happens in schools or colleges, but in all areas of our society - homes, workplaces, public works programmes, youth programmes and in rural areas.

1.4.6 A key focus throughout the RDP is on ensuring a full and equal role for women in every aspect of our economy and society. With this emphasis and with the emphasis on affirmative action throughout the RDP, we must unlock boundless energies and creativity suppressed by racism and discrimination.

1.4.7 In training, particular attention is paid to the challenges posed by restructuring of our industries as we fully reenter the world economy. This challenge can only be met through the extensive development of our human resources.

1.4.8 An arts and culture programme is set out as a crucial component of developing our human resources.

1.4.9 The problems facing the youth are well known and if we are to develop our human resource potential, then special attention must be paid to youth.

1.4.10 This programme for the development of our human resources underpins the capacity to democratise our society, thus allowing people to participate on the basis of knowledge, skill and creativity.

1.4.11 ***Building the Economy.*** The economy has strengths and weaknesses. Mining, manufacturing, agriculture, commerce, financial services and infrastructure are well developed. At present we have a large surplus of electricity. These are strengths we can build on. But so far they have not benefitted all our people. A process of reconstruction is proposed to ensure that these strengths now benefit all our people.

1.4.12 But we also must address serious weaknesses in our economy. There are still very clear racial inequalities in ownership, employment and skills. Protectionist policies assisted in creating employment and were an important factor in developing industry but they were also accompanied by repressive labour practices, neglect of training, isolation from the world economy and excessive concentration of economic power. The result is a low level of investment in Research and Development, low and inappropriate skill levels, high costs, low productivity and declining employment.

1.4.13 In the world economy, the demand for raw materials including minerals has not grown rapidly and there is intense competition in manufactured goods production. The General Agreement on Tariffs and Trade (GATT) recently was updated to achieve substantial reductions in tariff levels. Our

economy must adjust to these pressures if we are to sustain economic growth and continue to develop a large domestic manufacturing sector that makes greater use of our own raw materials and minerals.

1.4.14 A central proposal in this chapter is that we cannot build the South African economy in isolation from its Southern African neighbours. Such a path would benefit nobody in the long run. If South Africa attempts to dominate its neighbours it will restrict their growth, reducing their potential as markets, worsening their unemployment and leading to increased migration into South Africa. If we seek mutual cooperation, we can develop a large stable market offering stable employment and common labour standards in all areas.

1.4.15 The pressures of the world economy and the impact of the operations of international organisations such as the IMF, World Bank and GATT, affect our neighbours and South Africa in different ways. In the case of our neighbours, they were pressured into implementing programmes with adverse effects on employment and standards of living. It is essential that we combine to develop effective strategies for all Southern African countries.

1.4.16 The programmes in this chapter attempt to integrate the economy by linking reconstruction and development. Many areas are dealt with: integrated urban and rural development, industry, small and medium enterprises, mining, agriculture, the financial sector, technology, telecommunications and transport, and labour.

1.4.17 ***Democratising the State and Society.*** Democratisation is integral to the RDP. Without thoroughgoing democratisation the resources and potential of our country and people will not be available for a coherent programme of reconstruction and development.

1.4.18 In linking democracy, development and a people-centred approach, we are paving the way for a new democratic order. This chapter sets out the role of the Constitution and Bill of Rights, of national, provincial and local government, the administration of justice, the public sector, parastatals, the police and security forces, NGO's and a democratic information system in facilitating socio-economic development.

1.4.19 ***Implementing the RDP.*** The first questions asked will be how will the RDP be implemented, what will it cost, and who will pay for it. These are crucial questions and the RDP is only achievable if they can be answered.

1.4.20 This chapter deals with the proposals for coordinating and planning the implementation of the RDP. This requires substantial restructuring of present planning processes and a rationalisation of the complex, racist and fragmented structures that exist. The RDP can only be people-centred if the planning and coordinating processes allow the active involvement of democratic structures.

1.4.21 In developing a programme to finance the RDP, certain key points are taken into account:

1.4.21.1 most of the expenditure on the RDP is not in fact new - rather it is the better organisation and rationalisation of existing systems and resources that will unlock resources;

1.4.21.2 we must improve the capacity of the financial sector to mobilise more resources and to direct these to activities set out in the RDP from housing to small and medium enterprises;

1.4.21.3 we must ensure that electrification and telecommunications will be self-financing;

1.4.21.4 existing funds must be reallocated and rationalisation must be effected in many areas;

1.4.21.5 improved and reformed tax systems will collect more tax without having to raise tax levels (as the RDP succeeds, more tax payers will be able to pay and revenue will rise), and

1.4.21.6 new funds will be raised in a number of areas.

1.5 CONCLUSION

1.5.1. All over South Africa, including in People's Forums, the same questions are posed over and over:

- how will the ANC create jobs?
- when will you build houses?
- how can we get water and electricity?
- what about education?
- we need a fair and effective police force
- we need health care
- what about pensions?

1.5.2 The RDP attempts to give achievable, realistic and clear programmes to answer these questions.

Chapter Two
Meeting Basic Needs

2.1 PROBLEM STATEMENT

2.1.1 Poverty is the single greatest burden of South Africa's people, and is the direct result of the apartheid system and the grossly skewed nature of business and industrial development which accompanied it. Poverty affects millions of people, the majority of whom live in the rural areas and are women. It is estimated that there are at least 17 million people surviving below the Minimum Living Level in South Africa, and of these at least 11 million live in rural areas.

2.1.2 It is not merely the lack of income which determines poverty. An enormous proportion of very basic needs are presently unmet. In attacking poverty and deprivation, the RDP aims to set South Africa firmly on the road to eliminating hunger, providing land and housing to all our people, providing access to safe water and sanitation for all, ensuring the availability of affordable and sustainable energy sources, eliminating illiteracy, raising the quality of education and training for children and adults, protecting the environment, and improving our health services and making them accessible to all.

2.1.3 With a per capita GNP of more than R8 500 South Africa is classified as an upper middle income country. Given its resources, South Africa can afford to feed, house, educate and provide health care for all its citizens. Yet apartheid and economic exploitation have created the gross and unnecessary inequalities among us. Unlocking existing resources for reconstruction and development will be a critical challenge during the process of reconstruction.

2.2 VISION AND OBJECTIVES

2.2.1 The RDP links reconstruction and development in a process that will lead to growth in all parts of the economy, greater equity through redistribution, sustainability. The RDP is committed to a programme of sustainable development which addresses the needs of our people without compromising the interests of future generations. Without meeting basic needs, no political democracy can survive in South Africa. We cannot, however, undo the effects of apartheid overnight.

2.2.2 Attacking poverty and deprivation is the first priority of the democratic government, and the RDP sets out a facilitating and enabling environment to this end. The RDP addresses issues of social, institutional, environmental and macroeconomic sustainability in an integrated manner, with specific attention to affordability. We acknowledge the crucial role of provincial governments in adopting and implementing what are described here mainly as national-level programmes to meet basic needs. The RDP is also based on the premise that user charges will take into account socio-economic circumstances.

2.2.3 The central objective of our RDP is to improve the quality of life of all South Africans, and in particular the most poor and marginalised sections of our communities. This objective should be realised through a process of empowerment which gives the poor control over their lives and increases their ability to mobilise sufficient development resources, including from the democratic government where necessary. The RDP reflects a commitment to grassroots, bottom-up development which is owned and driven by communities and their representative organisations.

2.2.4 The strategy for meeting basic needs rests on four pillars, namely:

2.2.4.1 creating opportunities for all South Africans to develop to their full potential;

2.2.4.2 boosting production and household income through job creation, productivity and efficiency, improving conditions of employment, and creating opportunities for all to sustain themselves through productive activity;

2.2.4.3 improving living conditions through better access to basic physical and social services, health care and education and training for urban and rural communities, and

2.2.4.4 establishing a social security system and other safety nets to protect the poor, the disabled, the elderly and other vulnerable groups.

2.2.5 Through these strategies the RDP aims to meet the basic needs of the South African population in an integrated manner, combining urban, peri-urban and rural development processes. The integration of the RDP strategies is explained in the chapter entitled Building the Economy. Priority areas that are considered in this chapter are job creation through public works programmes, and provision of a variety of basic needs:

- land reform
- housing and services
- water and sanitation
- energy and electrification
- telecommunications
- transportation
- environment
- nutrition
- health care
- social security and social welfare

(The RDP objectives in education and training, arts and culture, sport and youth development are elaborated in the chapter on Developing our Human Resources.)

2.2.6 A programme of affirmative action must address the deliberate marginalisation from economic, political and social power of black people, women, and rural communities. Within this programme particularly vulnerable groups such as farm workers, the elderly and the youth require targeted intervention.

2.2.7 The role of women within the RDP requires particular emphasis. Women are the majority of the poor in South Africa. Mechanisms to address the disempowerment of women and boost their role within the development process and economy must be implemented. The RDP must recognise and address existing gender inequalities as they affect access to jobs, land, housing, etc.

2.2.8 The RDP considers the present context of poverty as the primary population problem in South Africa. We must nevertheless consider the demographic impact of policies and programmes in all sectors. A population committee should be located within the RDP Commission in the President's office. It should support the development and evaluation of key indicators for measuring the success of the RDP, including women's legal, educational and employment status and the rates of infant and maternal mortality and teenage pregnancy. Policies on international migration must be reassessed bearing in mind the long-term interests of all of the people of the sub-continent.

2.2.9 The lack of accurate statistics to quantify and locate the problem of poverty underlines the need for a national unit to monitor poverty and deprivation in an ongoing manner, and guide further interventions. It is also necessary to develop a more acute demographic map of our people both as to where they are presently located and more importantly where they could move so as to facilitate supply of infrastructure and services. Monitoring and gathering of statistical data must incorporate the status of women and their economic position with specific reference to race, income distribution, rural and urban specifics, provincial dimensions, and age particularities such as women pensioners and young women. The RDP unit within the President's office must establish an information and monitoring system as an integral component of the RDP.

2.2.10 The first democratic South African government should sign and implement the International Covenant on Economic, Cultural and Social Rights (and related conventions) and establish a domestic equivalent of a high-profile Covenant review committee and reporting procedure.

2.3 JOBS THROUGH PUBLIC WORKS

2.3.1 The democratic government must play a leading role in building an economy which offers to all South Africans the opportunity to contribute productively. All job creation programmes should cater particularly for women and youth. Implementing agencies should include representatives from women's and youth organisations. Further job creation policies are identified in the chapter on Building the Economy.

2.3.2 In the short term, the RDP must generate programmes to address unemployment. These measures must be an integral part of the programme to build the economy, and must also relate to meeting basic needs.

2.3.3 Although a much stronger welfare system is needed to support all the vulnerable, the old, the disabled and the sick who currently live in poverty, a system of "handouts" for the unemployed should be avoided. All South Africans should have the opportunity to participate in the economic life of the country.

2.3.4 All short-term job creation programmes must ensure adequate incomes and labour standards, link into local, regional or national development programmes, and promote education, training and community capacity and empowerment.

2.3.5 **Public works programme.** The key area where special measures to create jobs can link to building the economy and meeting basic needs is in redressing apartheid-created infrastructural disparities. There must be a coordinated national public works programme to provide much-needed infrastructure and to link back into, expand and contribute to the restructuring of the industrial and agricultural base.

2.3.6 A further component of the public works programme must be provision of education and training and the involvement of communities in the process so that they are empowered to contribute to their own governance. Assets created by a public works project must be technically sound.

2.3.7 The public works programme must maximise the involvement of women and youth in the poorest rural households and most deprived regions to create assets such as water supply, sanitation and clinics. This must have significant socio-economic benefits, particularly with respect to production which meets women's basic needs (such as child care facilities).

2.3.8 The public works programme must coordinate with and link to other job creation and labour intensive construction initiatives. A community development fund could be set up within the context of a national public works programme to make resources available to communities. Care must be taken to ensure that disbursements from such a fund are carefully controlled and relate to local and regional development plans.

2.3.9 A national coordinating agency located in the implementing office of the RDP must ensure that the public works programme is based on the capital programmes at central, provincial and local level, give priority to job creation and training, and target the most marginalised sectors of society. Such programmes must not abuse labour standards nor create unfair competition within sectors of the economy.

2.4 LAND REFORM

2.4.1 Land is the most basic need for rural dwellers. A national land reform programme is the central and driving force of a programme of rural development. Such a programme aims to effectively address the injustices of forced removals and the historic denial of access to land. It aims to ensure security of tenure to rural dwellers. And in implementing the national land reform programme, and through the provision of support services, the democratic government will build the economy by generating large-scale employment, increasing rural incomes and eliminating overcrowding.

2.4.2 Apartheid policies pushed millions of black South Africans into overcrowded and impoverished reserves, homelands and townships. In addition, capital intensive agricultural policies led to the large-scale eviction of farm dwellers from their land and homes. The abolition of the Land Acts cannot redress inequities in land distribution. Only a tiny minority of black people can afford land on the free market.

2.4.3 The RDP must implement a fundamental land reform programme. This programme must be demand-driven and must aim to supply residential and productive land to the poorest section of the rural population and aspirant farmers. As part of a comprehensive rural development programme, it must raise incomes and productivity.

2.4.4 The land policy must ensure security of tenure for all South Africans, regardless of their system of land-holding. It must remove all forms of discrimination in women's access to land.

2.4.5 The land reform programme has two aspects : redistribution of residential and productive land to those who need it but cannot afford it, and restitution for those who lost land because of apartheid laws.

2.4.6 **Land redistribution.** The land redistribution programme will realise its objectives in various ways, including strengthening property rights of communities already occupying land, combining market and non-market mechanisms to provide land, and using vacant government land.

2.4.7 The redistribution programme should use land already on sale and land acquired by corrupt means from the apartheid state or mortgaged to state and parastatal bodies. Where applicable, it will expropriate land and pay compensation as the constitution stipulates. Land acquired from the apartheid state through illegal means must be recovered after due process of investigation. The land reform programme must include land outside of the historically black areas. All legal provisions which may impede the planning and affordability of a land reform programme must be reviewed and if necessary revised.

2.4.8 The democratic government must provide substantial funding for land redistribution. In addition, beneficiaries must pay in accordance with their means. A land tax on rural land must be based on clear criteria, must help to free up under utilised land, must raise revenues for rural infrastructure, and must promote the productive use of land.

2.4.9 Rural infrastructure, support services and training at all levels must be provided to ensure that land can be effectively utilised. Within this, water provision must take priority, followed by provision of basic health care. To this end a rural water supply programme must begin in the first year of the RDP.

2.4.10 A democratic government must ensure secure tenure rights for all South Africans by adopting a tenure policy that recognises the diverse forms of tenure existing in South Africa. It must support the development of new and innovative forms of tenure such as Community Land Trusts and other forms of group land-holding.

2.4.11 Women face specific disabilities in obtaining land. The land redistribution programme must therefore target women. Institutions, practices and laws that discriminate against women's access to land must be reviewed and brought in line with national policy. In particular, tenure and matrimonial laws must be revised appropriately.

2.4.12 The programme must include the provision of services to beneficiaries of land reform so that they can use their land as productively as possible. Assistance must include support for local institution building, so that communities can devise equitable and effective ways to allocate and administer land.

2.4.13 **Land restitution.** To redress the suffering caused by the policy of forced removals, the democratic government must restore land to South Africans dispossessed by discriminatory legislation since 1913, through the mechanism of a land claims court. This court must be accessible to the poor and illiterate.

It must establish processes that enable it to take speedy decisions. In order for this court to function effectively, constitutional rights to restitution must be guaranteed.

2.4.14 The land reform programme, including costing, mechanisms, and a training programme, must be in place within one year after the elections. The programme must aim to redistribute 30% of agricultural land within the first five years of the programme. The Land Restoration programme must aim to complete its task of adjudication in five years.

2.5 HOUSING AND SERVICES

2.5.1 The lack of adequate housing and basic services in urban townships and rural settlements today has reached crisis proportions. The urban housing backlog in 1990 was conservatively estimated at 1,3 million units. Including hostels and rural areas, the backlog rises to approximately 3 million units. To this should be added an estimated 200 000 new households each year. There is, unfortunately, little research available on the rural housing situation and the bantustans.

2.5.2 About 50 000 houses were built in South Africa in 1992. This figure could reasonably be increased to over 300 000 units each year by the end of RDP five-year programme. At minimum, one million low-cost houses should be constructed over five years. These units should be specifically targeted to low-income households.

2.5.3 The housing problems created by apartheid and by the limited range of the capitalist housing markets, have been aggravated by the absence of a coherent national housing policy. A mass housing programme can help generate employment, skills and economic activity, both directly and indirectly, and should help ensure peace and stability. A single national housing department should help to consolidate the previously fragmented approach. The private sector and civil society also have important roles to play in expanding housing delivery and financing capacity.

2.5.4 **Right to housing.** The RDP endorses the principle that all South Africans have a right to a secure place to live in peace and dignity. Housing is a human right. The RDP's first priority is to provide for the homeless.

2.5.5 Although housing may be provided by a range of parties, the democratic government is ultimately responsible for ensuring that housing is provided to all. It must create a policy framework and legislative support so that this is possible, and it must allocate subsidy funds from the budget - to reach a goal of not less than 5 per cent by the end of the five-year RDP - so that housing is affordable to even the poorest South Africans.

2.5.6 The approach to housing, infrastructure and services must involve and empower communities; be affordable, developmental and sustainable; take account of funding and resource constraints; and support gender equality. The RDP is committed to establishing viable communities in areas close to economic opportunities and health, educational and social amenities.

2.5.7 **Housing standards.** As a minimum, all housing must provide protection from weather, a durable structure, and reasonable living space and privacy. A house must include sanitary facilities, storm water drainage, household energy supply (whether linked to grid electricity supply or derived from other forms of energy generation such as solar energy), and convenient access to clean water. Moreover, it must provide for secure tenure in a variety of forms.

2.5.8 Community organisations and other stakeholders must establish minimum basic standards for housing types, construction, planning and development, for both units and communities. Legislation must also be introduced to establish appropriate housing construction standards, although such standards should not preclude more detailed provisions negotiated at local level.

2.5.9 Legislation must be rapidly developed to address issues such as tenants' rights, squatters' rights, the rights of people living in informal settlements, community reinvestment by banks, evictions, consumer

protection, land restoration, community participation in planning and development, and anti-discrimination protection. Exploitation in rentals charged and in quality of housing provided must be specifically legislated against. All legislative obstacles and constraints to housing and credit for women must be removed. The democratic government must promote and facilitate women's access to housing and to appropriate community design.

2.5.10 Administrative procedures must be simple, cheap, quick, transparent, must support community participation and must prevent corruption, with no form of discrimination of any kind whatsoever.

2.5.11 **Land.** Land for housing must be suitably located geologically, environmentally, and with respect to economic opportunities and social amenities. The democratic government must intervene to facilitate access to such land. Land speculation must be prevented and land monopolies broken up. Land planning must involve the communities affected. Land taxes and zoning should seek to promote urban development patterns consistent with RDP objectives.

2.5.12 **Tenure.** The democratic government must ensure a wide range of tenure options including individual and collective home ownership as well as rental, and facilitate a wide range of housing types. Sufficient affordable rental housing stock should be provided to low-income earners who choose this option.

2.5.13 The democratic government must support the transfer of houses to those who have been denied the opportunity to own houses in the past, especially female heads of household. The transfer of houses to long-term residents, as has been negotiated, must be completed. Fees charged by the democratic government for the transfer of private housing must be made more affordable.

2.5.14 **Subsidies.** Government funds and private sector funding must be blended in order to make housing finance affordable. A national housing bank and national home loan guarantee fund must be initiated to coordinate subsidies and financing most efficiently. Subsidies must be provided in ways which reduce corruption, promote transparency, target the poor and eliminate gender discrimination. Mechanisms (such as time limits on resale, or compulsory repayment of subsidies upon transfer of property) must be introduced to prevent speculation and downward raiding. Subsidies could apply to a variety of tenure forms, but must be paid directly to individuals, groups or community-controlled institutions. Communities must get sufficient funds in order to ensure that they are not divided.

2.5.15 **Finance.** End-user finance and credit must be made available for diverse tenure forms, community designs and housing construction methods. Commercial banks must be encouraged, through legislation and incentives, to make credit and other services available in low-income areas; "redlining" and other forms of discrimination by banks must be prohibited. Community-controlled financing vehicles must be established with both private sector and government support where necessary. Locally controlled Housing Associations or co-operatives must be supported, in part to take over properties in possession of banks due to foreclosure. Unemployment bond insurance packages and guarantee schemes with a demand-side orientation must be devised. Interest rates must be kept as low as possible.

2.5.16 **Hostels.** Hostels must be transformed, upgraded and integrated within a policy framework that recognises the numerous interest groups in and around hostels and provides a range of housing options including both family units and single people. The transformation of hostels must not deny any individuals or households access to the cities, including workers who maintain a rural base, families who desire integration into the city, and women with no security. Policies must address integration of hostels into communities, their safety and privacy (especially for women and children), and the various family living conditions in hostels. Migrant labour, a consequence of past recruitment policies, will persist in the immediate future. Some housing types should be developed to cater for migrant workers and for those who engage in circular migration between city and countryside. Privately-owned hostels must be given particular attention. Short-term repairs (including provision of basic services and a base line healthy environment) are a first priority, but must be consistent with long-term transformation. A fundamental point of departure is affordability. The democratic government must upgrade hostels where residents cannot pay costs. Hostels programmes must put appropriate dispute

resolution mechanisms in place, must be linked to programmes for the unemployed, and address the legacy of migrant labour.

2.5.17 **Rural housing.** Rural people have specific concerns around housing, such as tenure forms on trust land, the relationship with the commercial agricultural sector, inadequate or non-existent bulk infrastructure, farm workers housed on the farms, the legacy of apartheid removals and resettlements, access to land and land claims procedures and processes. In rural areas, problems of ensuring full property and home ownership rights for women are likely to be greater. A rural housing action plan must be developed to address this. While recognising that rural incomes are far lower, the democratic government must consider rural housing needs in backlogs and make provisions for gradually improving housing in rural areas. In particular, labour tenants require security of tenure, and legal defense and advice offices must be established to assist farm workers in cases of eviction.

2.5.18 All actors in the housing sector must be identified and their roles clearly defined, to enable coordinated and efficient housing provision. Role players include civic associations and other community groups, the public sector, NGOs, private sector developers and construction materials firms, financial institutions, etc. The work of the National Housing Forum should be encouraged to continue, but there must be effective public sector participation in order to enable coordinated and efficient housing provision. Duplication, inefficiency and ineffectiveness must be eliminated.

2.5.19 **Construction.** The costs of housing construction must be kept as low as possible while meeting the proposed standards. Bulk-buying facilities and other support mechanisms must be introduced in order to maximise use of local materials and to develop products that lower costs and increase the efficiency of housing provision. The building materials industries must be examined, both to improve productive output and reduce costs. Cartels, price agreements and market share agreements must end, and consideration must be given to public, worker and community-based ownership where the market fails to provide a reasonably-priced product. Community-controlled building materials suppliers must be encouraged, possibly with government subsidies to enhance competitiveness. An enforceable Code of Conduct must be established to guide developers.

2.5.20 Delivery systems will depend upon community participation. While the central government has financing responsibilities, provincial and local governments should be the primary agencies facilitating the delivery of housing and should be particularly active in the delivery of rental housing stock. Organisations of civil society should play a supportive role to local government to enhance the delivery process. The roles of various entities in the private sector (construction and supplies industry, etc.), local business concerns, local co-operatives and self-build in the delivery of housing must be examined in the light of effectiveness and local benefit. Delivery systems should aim to maximise job creation, the use of local materials and local income generation and training. Support must be provided to black/small builders.

2.5.21 **Community control.** Beneficiary communities should be involved at all levels of decision-making and in the implementation of their projects. Communities should benefit directly from programmes in matters such as employment, training and award of contracts. Key to such participation is capacity building, and funds for community-based organisations must be made available. Educational institutions must also be re-orientated to provide the skills needed for development.

2.6 WATER AND SANITATION

2.6.1 Water is a natural resource, and should be made available in a sustainable manner to all South Africans. Today, more than 12 million people do not have access to clean drinking water and 21 million people do not have adequate sanitation (toilets and refuse removal). Less than half the rural population has a safe and accessible water supply, and only one in seven has access to adequate sanitation. Communities have had little say in the provision of water and sanitation, and decision-making in the water delivery agencies has reflected broader apartheid ideology. Access to water resources is dominated by a privileged minority while the majority of the population enjoy little or no water security.

2.6.2 South Africa is a water-scarce country, with 70 per cent of the country receiving 11 per cent of the rainfall. Apartheid South Africa used its military and economic might to coerce its neighbours to act as sources of water, sometimes to the detriment of these countries' own water needs and of the sub-continental water table.

2.6.3 **Right to water.** The fundamental principle of our water resources policy is the right to access clean water -"water security for all." The RDP recognises the economic value of water and the environment, and advocates an economically, environmentally and politically sustainable approach to the management of our water resources and the collection, treatment and disposal of water-borne waste.

2.6.4 Because of geographic limits to the availability of water, there must be very careful attention paid to the location of new settlements. The long-term environmental costs of sourcing water from neighbouring countries and between provinces must be given greater consideration. South Africa is also a drought-prone country, and a national drought management system and water reserves are a priority.

2.6.5 Water management has three main goals: meeting every person's health and functional requirements, raising agricultural output, and supporting economic development. Decisions on water resources must be transparent and justified so as to reduce conflict between competing users. The use of water must be balanced with realisation of the dangers of overuse and inappropriate disposal. Community organisations must also receive training in water management and must ensure such management is integrated into overall planning.

2.6.6 The RDP's short-term aim is to provide every person with adequate facilities for health. Its immediate target is to supply 20 - 30 litres per capita per day (lcd) of clean water (a protected water point within 200m which meets WHO standards), appropriate on-site sanitation and an organised communal refuse collection system. Odourless toilet systems should be provided to all homes within the next two years.

2.6.7 In the medium term, the RDP aims to supply enough water to support economic activity. As a target, the RDP aims to provide 50 - 60 lcd of clean water (a protected water point in the yard meeting WHO standards), improved on-site sanitation and an appropriate household refuse collection system. The RDP's long-run goal is to provide every South African with accessible water and sanitation.

2.6.8 The RDP is committed to providing operation and maintenance which ensure minimum disruptions in service within two years. Particularly in rural areas, the RDP must develop appropriate institutions, including village water committees. Consultations with communities is essential in the provision of water.

2.6.9 **Tariffs.** To ensure that every person has an adequate water supply, the national tariff structure must include the following:

2.6.9.1 a lifeline tariff to ensure that all South Africans are able to afford water services sufficient for health and hygiene requirements;

2.6.9.2 in urban areas, a progressive block tariff to ensure that the long-term costs of supplying large volume users is met and that there is a cross-subsidy to promote affordability for the poor, and

2.6.9.3 in rural areas, a tariff that covers operating and maintenance costs of services, and recovery of capital costs from users on the basis of a cross-subsidy from urban areas in cases of limited rural affordability.

2.6.10 The following institutions must be restructured:

2.6.10.1 the Department of Water Affairs should be responsible for the integrated management of the nation's water resources for the benefit of the whole nation, and should take responsibility for building competent local and provincial agencies that are capable of delivery;

2.6.10.2 at a second tier, water resource management must be based on catchment-based institutions to ensure effective control and supply over water resources, which means boundaries of such institutions will not necessarily coincide with provincial boundaries, and

2.6.10.3 at local level, local governments must be made responsible for water distribution and financing, particularly in applying lifeline tariffs.

2.6.11 The RDP must undertake a process to involve all relevant parties in updating the Water Act to ensure the right of all South Africans to water security.

2.6.12 South Africa has several major river systems which are shared with neighbouring countries. Since there is likely to be a need to import water from other countries, a future democratic government must pursue a policy of mutual cooperation with its neighbours and would pursue a policy of creating bilateral and multilateral treaties which ensure the fair and adequate allocation of water resources to the benefits of the people of the region as a whole.

2.7 ENERGY AND ELECTRIFICATION

2.7.1 Although energy is a basic need and a vital input into the informal sector, the vast majority of South African households and entrepreneurs depend on inferior and expensive fuels. Rural women in particular face a heavy burden collecting wood which is an inefficient and unhealthy fuel. Urban households face high costs for paraffin and gas. Coal, where it is available, is cheap but results in severe health problems, an underpaid workforce, and the failure to assess and internalise environmental costs. Although Eskom has excess generating capacity, only 36% of South African households have access to electricity, leaving some three million households unelectrified. Furthermore, some 19 000 black schools (86%) and around 17 000 clinics are currently without electricity. Little attention has been paid to utilising sustainable energy sources such as solar power.

2.7.2 The control of electricity distribution by the system of racially separate local government has resulted in a terribly fragmented industry currently unable to finance or sustain a large scale electrification programme in an equitable fashion. At present there are around 430 electricity distributors and more than 1000 domestic electricity tariffs in South Africa. Rural electrification has been largely ignored except for commercial white farms.

2.7.3 Past South African energy policies have concentrated on achieving energy self-sufficiency at enormous cost (such as the Mossgas project), but have completely neglected the household sector. Future energy policy must concentrate on the provision of energy services to meet the basic needs of poor households, stimulate productive capacity and urgently meet the energy needs associated with community services such as schools, clinics and water supplies. Energy policies must be developed on the basis of an integration of supply side and demand side considerations. Such policies must extend to meeting the needs of neighbouring countries through a sub-continental grid.

2.7.4 **Energy sources.** Immediate policies to meet energy needs must include a low smoke coal programme, improved management of natural woodlands, social forestry programmes, commercial woodlots, and support for the transport of wood from areas of surplus to areas of need. Gas and paraffin prices must be reduced through better regulation and by bringing bulk supplies closer to households.

2.7.5 Energy efficiency and conservation must be a cornerstone of energy policies. This will involve the adoption of least-cost planning approaches; the improvement of dwelling thermal performance; the promotion of energy efficient appliances; the use of solar water heaters; appliance labelling; and the implementation of time-of-use electricity tariffs. Financial assistance to ensure households have access

to efficient appliances will be essential. Assessing the environmental implications of different energy sources must be prioritised.

2.7.6 **Electricity for all.** An accelerated and sustainable electrification programme must provide access to electricity for an additional 2,5 million households by the year 2000, thereby increasing the level of access to electricity to about 72% of all households (double the present number). Both grid and non-grid power sources (such as solar cells and generators) must be employed. All schools and clinics must be electrified as soon as possible. Communities must be involved in the planning and execution of this programme.

2.7.7 The electrification programme will cost around R12 billion with annual investments peaking at R2 billion. This must be financed from within the industry as far as possible via cross subsidies from other electricity consumers. Where necessary the democratic government will provide concessionary finance for the electrification of poor households in remote rural areas. A national Electrification Fund, underwritten by a government guarantee, must be created to raise bulk finance from lenders and investors for electrification and, potentially, for other related infrastructural financing needs. A national domestic tariff structure with low connection fees must be established to promote affordability.

2.7.8 **Energy Policy Council.** A national Energy Policy Council should be established to bring together stakeholders including the government, unions, civics, the energy industries, and consumers. This Energy Policy Council should manage the Electrification Fund and formulate energy policies.

2.7.9 Until the formulation of the Energy Policy Council the National Electricity Forum must continue to work towards agreement on the restructuring of the fragmented electricity industry. To assist with this a powerful, independent, national electricity regulator must be established to enforce public policy, ensure long-term financial viability, assure environmental sustainability, and act as an ombuds in the event of conflicts between consumers, government and the electricity industry.

.8 TELECOMMUNICATIONS

2.8.1 Telecommunications is an information infrastructure and must play a crucial role in South Africa's health, education, agricultural, informal sector, policing and safety programmes. Under apartheid the provision of telecommunications was racially distorted. For black people it is estimated that less than 1 line per 100 persons is in place compared to about 60 lines per 100 white persons. Other countries with comparable per capita wealth have 30 lines per 100 persons. The situation is far worse in rural areas.

2.8.2 The existing parastatal Telkom is restricted by heavy debt from engaging in substantial further borrowing, and an indiscriminate privatisation process has fragmented the telecommunications system. The lack of infrastructure has also restricted the provision of services to peri-urban and rural areas.

2.8.3 Telecommunications is an indispensable backbone for the development of most if not all socio-economic sectors. An effective telecommunications infra-structure which includes universal access is essential to enable the delivery of basic services and the reconstruction and development of deprived areas.

2.8.4 The RDP aims to provide universal affordable access for all as rapidly as possible within a sustainable and viable telecommunications system; to develop a modern an integrated telecommunications and information technology system that is capable of enhancing, cheapening and facilitating education, health care, business information, public administration and rural development; and to develop a Southern African co-operative programme for telecommunications. In terms of the RDP, telecommunications services must be provided to all schools and clinics within two years.

2.9 TRANSPORT

2.9.1 The policy of apartheid has moved the poor away from job opportunities and access to amenities. This has burdened the workforce with enormous travel distances and costs to their places of employment and commercial centres. Apartheid transport policy deprived the majority of people a say in transport matters, and has led to the payment of huge travel subsidies; exacerbated the lack of transport for the rural poor; exposed commuters to vast walking distances and insecure rail travel; failed to adequately regulate the kombi-taxi industry; largely ignored the country's outrageous road safety record; paid little attention to the environmental impact of transport projects; and facilitated transport decision-making bodies that are unwieldy, unfocussed, unaccountable and bureaucratic.

2.9.2 An effective public owned passenger transport system must be developed, integrating road, rail and air transportation. All privately owned passenger transport must be effectively regulated and controlled. A future transport policy must:

2.9.2.1 promote coordinated, affordable public transport as a social service;

2.9.2.2 be flexible enough to take cognisance of local conditions to make best use of the available transport infrastructure;

2.9.2.3 ensure accountability so that the people have control over what is provided;

2.9.2.4 clearly define responsibilities between the various authorities;

2.9.2.5 ensure comprehensive land-use/transport planning;

2.9.2.6 promote road safety;

2.9.2.7 review subsidies (both operating and capital);

2.9.2.8 provide funds for long-term planning, and

2.9.2.9 facilitate high density development to ensure efficient use of public transport.

2.9.3 As population increases, the numbers of travellers and the total distances travelled will also increase. The majority will be unable to afford private transport and will be dependent upon public transport. Given the need for increased mobility and the cost and environmental impact of accommodating the private motorist, the future emphasis must be on the provision of safe, convenient, affordable public transport.

2.9.4 **Public transport.** Commuters should be encouraged to use public transport, and should be actively discouraged from using cars (via parking, access and fuel levies). The funds so raised must be used to directly benefit the provision of public transport. As a first priority, rail transport must be extended. Bus lines must act as feeders to rail services, or as the prime mover if rail is not available. Taxis must act as feeders to bus/rail services or prime movers if neither rail nor bus is available. The subsidisation of parallel services along a common route will be avoided. Rural areas require more frequent public transport and improved facilities, at an affordable costs.

2.9.5 At the same time, critical "bottlenecks" in the road infrastructure should be improved so that the full capacity of the existing road network can be realised. However, the provision of primary road infrastructure must be directed towards and take cognisance of public transport needs.

2.9.6 **Transport planning.** The planning of transport for metropolitan and major urban areas must be in accordance with an urban/metropolitan growth management plan. A hierarchy of modes should guide the financing of infrastructure improvements and payment of operating subsidies for public transport.

Travel modes should not compete. In rural areas, provincial governments and district councils must present transport plans, including extensive road building and road improvement.

2.9.7 South Africa has the worst road safety record in the world. Central government funds allocated to ameliorate this situation via education, enforcements and engineering have been negligible. Road safety must be given the priority it deserves. The transport authorities must be charged with the task of reducing accidents by 10% by the year 2000 and must be given the funds to achieve that goal.

2.9.8 Often, the local authorities are not empowered to intervene in public transport provision and have thus concentrated on the provision of roads for the private motorist and some public transport interchanges.

2.9.9 For all public transport services to be fully integrated their functioning must be coordinated and financed by one organisation. That organisation should be accountable to the public and responsible for the provision, coordination and funding of all public transport and the infrastructure necessary for public transport (in cooperation with the national public works programme).

2.9.10 Provincial governments should be responsible for the provision, coordination and funding of all primary inter-city transport outside the metropolitan areas and, on request, for localised, minor improvements for towns and villages beyond metropolitan areas. Funding to be direct from central government.

2.9.11 Metropolitan Transport Authorities should be responsible for planning, coordination and provision of all "metropolitan" transport facilities within metro areas. The MTAs could undertake local authority projects on an agency basis. The MTAs must be accountable to democratically elected metropolitan governments, and all transport projects must be in accord with metropolitan plans. Funding for public transport would come both from central government and from local rates and taxes. The MTAs must be empowered to impose such levies and taxes as may be appropriate and the funds thus raised must be used primarily to promote public transport.

2.9.12 With respect to other forms of transport, international conventions and treaties will determine part of the legal framework in which sea and air transport develop. Infrastructural development must, however, be extended through democratic consultations with various stakeholders. Harmonisation of infrastructure, legal and operational aspects of regional Southern African transport must be considered a priority.

2.9.13 The needs of women and children for affordable and safe transport is important. Adequate public transport at off-peak hours, and security measures on late night and isolated routes, must be provided. Additional subsidies for scholars, pensioners and others with limited incomes will be considered.

.10 ENVIRONMENT

2.10.1 Apartheid legislation distorted access to natural resources, denying the majority of South Africans the use of land, water, fisheries, minerals, wild life and clean air. South Africa's apartheid policies, combined with the underregulated activities of local and transnational corporations, contributed to the degradation of environmental resources, including soil, water and vegetation. They encouraged the misuse of fertilisers and pesticides. They placed workers' lives in severe risk because dangerous practices and substances were inadequately monitored (mining in South Africa remains an extremely dangerous job). Poverty and environmental degradation have been closely linked. In general, existing environmental policies allow inefficient and wasteful use of water, energy and raw materials, and high levels of air and water pollution.

2.10.2 The democratic government must ensure that all South African citizens, present and future, have the right to a life of well being through sustainable use of resources. To achieve this, the government must work towards

2.10.2.1 equitable access to natural resources;

2.10.2.2 safe and healthy living and working environments, and

2.10.2.3 a participatory decision-making process around environmental issues, empowering communities to manage their natural environment.

2.10.3 Development strategies must incorporate environmental consequences in the course of planning. Measures such as land reform, provision of basic infrastructure, housing and targeted rural assistance (including extension services), and the maintenance of food security should ultimately reduce pressure on the natural environment.

2.10.4 The democratic government must revise current environmental legislation and administration with a view to establishing an effective system of environmental management. It must make use of environmental auditing, with provision for public disclosure. It must monitor the activities of industry which impact on the environment.

2.10.5 Strategies should include:

2.10.5.1 a system of waste management with emphasis on preventing pollution and reducing waste with direct controls;

2.10.5.2 participation of communities in management and decision-making in wildlife conservation and the related tourism benefits;

2.10.5.3 environmental education programmes to rekindle our people's love for the land, empower communities to act on environmental issues and to promote an environmental ethic, and

2.10.5.4 the establishment of procedures, rights and duties to allow workers to actively participate and monitor the effects of pollution, noise levels and dangerous practices both within the workplace and in its impact on surrounding communities and environment.

2.10.6 Sea resources must be managed and controlled for the benefit of South Africans who desire and need access. The fishing stock must be managed in a way that promotes sustainable yield and the development of new species. People must be assisted by the democratic government in having access to these resources. Legislative measures must be introduced to establish democratic structures for the management of sea resources.

2.10.7 **Environmental regulation.** South Africa has wide-ranging environmental legislation. However, responsibility for implementation is scattered over a number of departments (Agriculture, Water Affairs and Forestry, Health and Mineral Resources) from national to local authority level. The Department of Environmental Affairs administers only a few of the relevant acts. This has resulted in discrepancies, anomalies and ineffectiveness.

2.10.8 Fines for environmental offenses are inadequate and inconsistent. The South African legal system makes it difficult to obtain locus standi in the courts on environmental issues.

2.10.9 The democratic government must rationalise environmental legislation into a cohesive and workable form. It must legislate the right of access to information on environmentally harmful practices. It must also require compulsory environmental impact assessments for all large-scale projects. It must establish an environmental ombud and criminalise environmental offenses. It must review international conventions and agreements on environmental issues in order to seek compliance.

2.10.10 Environmental management must be transformed to promote the active participation of civil society.

2.10.11 Both local and provincial governments must play a crucial role in environmental management. Strong provincial departments of Environmental Affairs must be established.

A national Department of Environmental Affairs must ensure overall standards and financing of environmental protection.

2.10.12 A Commission on the Environment must be established as an independent body to ensure transparency and accountability on the part of agencies dealing with the environment. Such a body must facilitate the gathering, collation and publication of data on the environment, and provide a window for civil society to interface with public agencies responsible for the environment and natural resources.

2.11 NUTRITION

2.11.1 An enormous number of South African children under the age of ten years are malnourished and/or stunted. Many thousands of adults, especially the elderly, are hungry, and millions of people, young and old, live in constant fear of being hungry.

2.11.2 The RDP must ensure that as soon as possible, and certainly within three years, every person in South Africa can get their basic nutritional requirement each day and that they no longer live in fear of going hungry.

2.11.3 The most important step toward food security remains the provision of productive employment opportunities through land reform, jobs programmes and the reorganisation of the economy.

2.11.4 Short-term interventions should support the stable, low-cost supply of staple foods combined with carefully targeted income transfers and food subsidies.

2.11.5 The democratic government must ensure that VAT is not applied to basic food stuffs, improve social security payments and reintroduce price controls on standard bread. It must enhance the efficiency of marketing so that farmers receive good prices while consumers pay as little as possible. To that end, the government should curb the powers of marketing boards and monopolies, and review the effect of tariffs.

2.11.6 The democratic government should institute a National Nutrition Surveillance System, which should aim to weigh a statistically significant proportion of children under the age of five years each month to establish their level of growth and wellbeing. These simple data provide measures of food security in each area which are essential both for health planning and for targeting relief, for instance during drought. More widely, South Africa currently lacks an early warning system which can alert central authorities to threats to food and water security. The RDP should establish institutions to collect and monitor nutrition and other key socio-economic and agricultural data.

2.12 HEALTH CARE

2.12.1 The mental, physical and social health of South Africans has been severely damaged by apartheid policies and their consequences. The health care and social services that have developed are grossly inefficient and inadequate. There are, by international standards, probably enough nurses, doctors and hospital beds. South Africa spends R550 per capita per annum on health care. This is nearly 10 times what the World Bank estimates it should cost to provide basic public health services and essential clinical care for all, yet millions of our people are without such services or such care. Health services are fragmented, inefficient and ineffective, and resources are grossly mismanaged and maldistributed. The situation in rural areas is particularly bad.

2.12.2 This section of the RDP draws attention to a number of programmes designed to totally restructure the Health Care services in South Africa. The aim is to ensure that all South Africans get infinitely better value for the money spent in this area, and that their mental, physical and social health improves both for its own sake and as a major contribution to increasing prosperity and the quality of life for all.

2.12.3 A fundamental objective of the RDP is to raise the standard of living through improved wages and income earning opportunities, and to improve sanitation, water supply, energy sources, and accommodation. All of this will have a positive impact on health care. Many other policies and programmes affect health, and their implications should be explored and considered.

2.12.4 All policies affecting health must take into consideration the fact that South Africa is an integral part of the Southern Africa region and has regional responsibilities to prevent and to combat the spread of disease.

2.12.5 **National Health System (NHS).**

2.12.5.1 One of the first priorities is to draw all the different role players and services into the NHS. This must include both public and private providers of goods and services and must be organised at national, regional, district and community levels.

2.12.5.2 Reconstruction in the health sector will involve the complete transformation of the entire delivery system. All relevant legislation, organisations and institutions must be reviewed in order to redress the harmful effects of apartheid, encourage and develop delivery systems and practices that are in line with international norms and standards, introduce management practices that promote efficient and compassionate delivery of services, and ensure respect for human rights and accountability to users, clients and the public at large.

2.12.5.3 Communities must be encouraged to participate actively in the planning, managing, delivery, monitoring and evaluation of the health services in their areas.

2.12.5.4 There must be a single Minister of Health and a single National Health Authority (NHA). The NHA must develop national policies, standards, norms and targets, allocate the health budget, coordinate the recruitment, training, distribution and conditions of service of health workers, and develop and implement a National Health Information System.

2.12.5.5 Each Province must have a Provincial Health Authority (PHA). This PHA must be responsible for providing support to all the District Health Authorities (DHAs) in its region. This must include providing secondary and tertiary referral hospitals, regulating private hospitals, running training facilities and programmes, evaluating and planning services, and any other support the districts may request. The aim is to encourage high quality, efficient services through decentralized management and local accountability.

2.12.5.6 The main bodies responsible for ensuring access to and the delivery of health services must be the DHAs. Each DHA must be responsible for the health of between 200,000 and 750,000 people in a defined geographical area. About 100 DHAs will, between them, cover the whole country and their boundaries must, as far as possible be the same as the new local government boundaries. Each DHA will be responsible for all primary health care services in its district, including independent General Practitioners and Community Hospitals. It must have as much control over its budget as possible, within national and provincial guidelines.

2.12.5.7 In the first phase of the RDP the government must develop at least one model or pilot health district in each region. Each DHA must appoint a team, led by a District Health Manager and linked to a District Development Committee, to evaluate, plan and manage health services in the district, including management of the district health budget. The system must encourage the training, use and support of community health workers as cost-effective additional or alternative personnel.

2.12.5.8 The whole NHS must be driven by the Primary Health Care (PHC) Approach. This emphasises community participation and empowerment, intersectoral collaboration and cost-effective care, as well as integration of preventive, promotive, curative and rehabilitation services.

2.12.5.9 All providers of health services must be accountable to the local communities they serve through a system of community committees and through the DHAs which must be part of democratically elected local government. Other strategies must include a charter of patients' rights that will be displayed in all health facilities, a code of conduct for health workers, a programme to promote gender balance in all categories of health workers, restructuring statutory bodies, support and supervision of staff at peripheral facilities and inter-sectoral structures at district, provincial and national levels.

2.12.5.10 Once statutory bodies have been rationalized and restructured to reflect the rich diversity of the South African people they should be better able to promote and protect standards of training and of health care, and to protect the rights and interests of patients and clients.

2.12.6 Women and children.

2.12.6.1 Health care for all children under six years of age must immediately be provided free at government clinics and health centres.

2.12.6.2 There must be a programme to improve maternal and child health through access to quality antenatal, delivery and postnatal services for all women. This must include better transport facilities and in-service training programmes for midwives and for traditional birth attendants. Targets must include 90% of pregnant women receiving antenatal care and 75% deliveries supervised and carried out under hygienic conditions within 2 years. 90% of deliveries should be supervised by 1999. These services must be free at government facilities by the third year of the RDP. In addition, there should be established the right to six months paid maternity leave and 10 days paternity leave.

2.12.6.3 Preventive and promotive health programmes for children must be improved. Breast feeding must be encouraged and promoted, and the code of ethics on breast milk substitutes enforced. A more effective expanded programme of immunisation must achieve a coverage of 90% within 3 years. Polio and neonatal tetanus can be eradicated within 2 years.

2.12.6.4 One important aspect of people being able to take control of their lives is their capacity to control their own fertility. The government must ensure that appropriate information and services are available to enable all people to do this. Reproductive rights must be guaranteed and reproductive health services must promote people's right to privacy and dignity. Every woman must have the right to choose whether or not to have an early termination of pregnancy according to her own individual beliefs.

2.12.7 Mental and psychological health.

2.12.7.1 Millions of South Africans abuse alcohol, tobacco, cannabis (dagga), solvents like petrol and glue, and other harder drugs. Unless action is taken, substance abuse is likely to increase enormously. Abuse of these substances causes enormous physical, mental and social damage and costs the country millions of rands each year. The RDP must aim to reduce greatly the present levels of substance abuse and to prevent any increase. Comprehensive strategies to change behaviour must include education programmes, reduction of advertising and increasing the price of tobacco and alcohol. Stronger penalties for drug traffickers should be imposed.

2.12.7.2 The RDP must aim to promote mental health and increase the quality, quantity and accessibility of mental health support and counselling services, particularly for those affected by domestic or other violence, by rape or by child abuse.

2.12.7.3 The RDP must seek to improve community care, rehabilitation and education for all disabled people, particularly the mentally disabled, and must support their families and care-givers. It must also increase access to relaxing environments such as recreational facilities.

2.12.7.4 There are deep divisions, fuelled by mutual suspicion and lack of communication, between traditional and other complementary healers and medical and social workers. This is not in the interests of people who use all types of healers. The RDP must aim to improve communication, understanding and cooperation between different types of healers.

2.12.8 **Sexual health and AIDS.** A programme to combat the spread of sexually transmitted diseases (STDs) and AIDS must include the active and early treatment of these diseases at all health facilities, plus mass education programmes which involve the mass media, schools and community organisations. The treatment of AIDS sufferers and those testing HIV positive must be with utmost respect for their continuing contributions to society. Discrimination will not be tolerated. AIDS education for rural communities, and especially for women, is a priority.

2.12.9 **Other health care programmes.**

12.9.1 There must be a programme to ensure the prevention, early detection and treatment of specific priority diseases, including tuberculosis and carcinoma of the cervix.

12.9.2 The RDP must ensure improved access to emergency health services through the provision of more 24hr emergency services accessible to communities. Access to services must be improved by the development of emergency response centres and appropriate transport and ambulance services, especially in rural areas.

2.12.9.3 There must be a programme to provide appropriate care for chronic diseases and the promotion of healthy lifestyles.

2.12.9.4 Occupational health services must be greatly expanded and legislation to protect the health of workers must be enforced. Particular attention must be given to protecting the health of the most vulnerable including domestic, farm and commercial sex workers.

2.12.9.5 The appropriate use of technology, especially sophisticated and expensive technology, is very important. A National Advisory Board on health technology should be established and should include representatives from all levels of the NHS. The Advisory Board must develop appropriate and rational policies, devise a system of quality control, and advise on regulations governing the importation and use of expensive technologies.

2.12.9.6 An effective National Health Information System is essential for rational planning and must be introduced. This system must ensure that accurate and comparable data are collected from all parts of the health system, that data are analysed at health facility, district, regional and national levels, and that those collecting the data see it as a useful and interesting activity. Mechanisms must be established for sharing information between different programmes and sectors.

2.12.9.7 A programme of Essential National Health Research must be initiated. This should increase patient consultation, and should help to overcome the isolation and fragmentation of research efforts and to strengthen links between research, policy and action. Special attention must be directed to health systems research in order to improve the effectiveness of health service delivery.

2.12.10 **Human resources for the NHS.**

2.12.10.1 Core teams must be provided for every Community Health Centre and clinic. This will require incentives to attract staff to underserved (especially rural) areas and increased training of Community Health Workers and Environmental Health Officers.

2.12.10.2 There must be a programme of retraining and reorienting all existing health workers to the Primary Health Care approach. The aim is to train 25% of District health personnel by the end of 1995, and 50% by the end of 1997.

2.12.10.3 Redistribution of personnel will be achieved through more appropriate training, through incentives to work in underserved areas, through limiting openings for private practice in overserviced areas, and through contractual obligations for those receiving subsidized training.

2.12.10.4 Throughout the period of reconstruction and development strenuous efforts must be made to strengthen the public sector, to attract health workers in private practice back into the public sector, at least on a sessional basis, and to encourage active cooperation between the sectors with the common goal of improving the health of the nation.

2.12.10.5 One of the most important parts of the RDP in the health sector will be the complete transformation of health worker training. This must involve improving human resource planning and management systems, reviewing all training programmes, reviewing selection procedures, and developing new (and often short) training programmes to reorient existing personnel and to train new categories and auxiliary workers.

2.12.10.6 There is a particular need to train existing and new staff in the PHC approach, in management, in primary clinical care, in environmental health, in health promotion and advocacy, in occupational health and in the maintenance and repair of equipment.

2.12.11 **Finance and drugs for the NHS.**

2.12.11.1 The RDP must significantly shift the budget allocation from curative hospital services towards Primary Health Care to address the needs of the majority of the people. This must be done mainly by reallocating staff and budgets to District health services.

2.12.11.2 Within a period of five years a whole range of services must be available free to the aged, the disabled, the unemployed and to students who cannot afford health care.

2.12.11.3 Essential drugs must be provided in all PHC facilities. An essential drugs list must be established to reduce the current wasteful expenditure on inappropriate drugs.

2.12.11.4 The costs of medication in the private sector can be dramatically reduced through greater use of essential drug lists coupled with a single, nationally negotiated and well publicized price for a given quantity of each drug.

2.13 SOCIAL SECURITY AND SOCIAL WELFARE

2.13.1 Apartheid contributed to the destruction of family and community life in various ways. The present social welfare services are piecemeal responses which have little impact upon the root causes of social problems and on the disintegration of the social fabric.

2.13.2 The RDP aims to transform the existing social welfare policies, programmes and delivery systems so as to ensure basic welfare rights to all South Africans, prioritising those who have been historically disadvantaged.

2.13.3 A comprehensive non-racial unitary and democratic welfare system, including a negotiated national social security programme, must be introduced to aid the distribution of goods and services within the framework of public responsibility.

2.13.4 The social security and welfare system must be transformed within a development approach to social provision based on the principles of equality, equity, access, user involvement and empowerment, and public accountability.

2.13.5 The RDP must ensure the greatest coverage in terms of benefits to the poorest through a restructured integrated social delivery system at national, regional and local government levels. Unnecessary bureaucratic procedures must be removed and one-stop welfare centres must be developed, especially at local level.

2.13.6 The National Social Security system must be designed to meet the needs of workers in both formal and informal sectors, and of the unemployed, through:

2.13.6.1 social insurance which includes compulsory private contributory pensions schemes for all workers and state social pensions, and

2.13.6.2 criteria which entitle workers to retirement between the ages of 60 and 65, or to a social pension at 60, and

2.13.6.3 social assistance in the form of cash or in-kind benefits, to those most at risk (such social assistance could take the form of work opportunities in public works programmes, the provision of food, clothing and health care to those in need, cash in the form of disability grants, foster care grants, maintenance grants, or grants for veterans according to predetermined criteria).

2.13.7 The RDP aims to establish a national coordinating body with representation of workers, community members, the social welfare sector, the private sector, government and other appropriate organisations to review existing legislation, policies, procedures and monitor the implementation of a transformed social security system.

2.13.8 Social security measures must initially focus on the needs of those who have been historically disadvantaged such as domestic workers, agricultural workers, seasonal workers, workers who are disabled, the homeless, and families in rural and informal settlements.

2.13.9 Social welfare rights and the distribution of benefits must be guided by the principles of user empowerment and participation through community- and worker-based citizens-rights education programmes.

2.13.10 The RDP must focus on the reconstruction of family and community life by prioritising and responding to the needs of families with no income, women and children who have been victims of domestic and other forms of violence, youth offenders and drug dependents, people with disabilities, rural communities, and informal settlements.

2.13.11 A comprehensive range of social service programmes must be developed in partnership with community-based structures to respond to the specific needs of the elderly, those in chronic emotional distress, the disabled, offenders, children, women and youth.

2.13.12 The rights of children must be protected and measures must be taken to ensure that community-based and workplace care centres provided for children in need of alternate care.

2.13.13 Community-based and community-planned rehabilitation programmes aimed at meeting the needs of the most vulnerable and the democratic government must be responsible for supplying adequate resources for rehabilitation.

2.13.14 The social welfare programme must be planned, implemented and monitored by government agencies, non-governmental bodies, and programme users in accordance with accepted norms and standards.

2.13.15 The existing pool of social services workers and their conditions of service must be reviewed. The present number (approximately 7 500) of social workers is inadequate. The type of training required to respond effectively to the range of social problems in the country also requires is inappropriate. Some social workers must be retrained, and within a five year period a minimum of another 3 000 community development workers must be trained to work within regional and local government structures to aid the process of prioritisation of community needs and allocation of resources. In addition, social service managers must be trained with due regard to the need for affirmative action.

2.13.16 The relationship between social welfare, health, community development and related sectors must be improved.

Chapter Three
Development of Our Human Resources

3.1 PROBLEM STATEMENT

3.1.1 Education and training under apartheid is characterised by three key features. First, the system is fragmented along racial and ethnic lines, and is saturated with the racist and sexist ideology and educational doctrines of apartheid. Second, there is a lack of access or unequal access to education and training at all levels of the system. Vast disparities exist between black and white provision and large numbers of people, in particular, adults, especially women, out-of-school youth, and children of pre-school age, have little or no access to education and training. Third there is a lack of democratic control within the education and training system. Students, teachers, parents and workers are excluded from decision-making processes.

3.1.2 The fragmented, unequal and undemocratic nature of the education and training system has profound effects on the development of the economy and society. It results in the destruction, distortion or neglect of the human potential of our country, with devastating consequences for social and economic development. The latter is evident in the lack of skilled and trained labour and the adverse effects of this on productivity. And more importantly, apartheid education and its aftermath of resistance has destroyed the culture of learning with large sections of our communities, leading in the worst-affected areas to a virtual breakdown of schooling and conditions of anarchy in relations between students, teachers, principals, and the education authorities.

3.1.3 Under colonialism and apartheid, the culture of the majority of the population was suppressed. People and communities were denied resources and facilities to develop their own cultural expression. High illiteracy rates, the lack of an effective educational system, and extreme poverty compounded this cultural deprivation. The state, special interest groups and wealthy South Africans promoted distorted culture in order to accommodate apartheid ideology and needs, with a bias toward Eurocentric high art.

3.1.4 Women and the youth bear the brunt of these injustices, with the consequence that special attention must be given to these sectors of society in the planning and implementation of human resources development policies and strategies.

3.1.5 The challenge that we face at the dawning of a democratic society is to create an education and training system that ensures people are able to realise their full potential in our society as a basis and a pre-requisite to the successful achievement of all other goals in this Reconstruction and Development Programme.

3.2 VISION AND OBJECTIVES

3.2.1. Human resources, unlike other resources, think for themselves! People are, and must remain, the architects of the Reconstruction and Development Programme as it unfolds in the years to come. The provision of opportunities for people to develop themselves in order to develop the quality of their own lives and the standard of living of their communities is a central objective of the Programme, alongside ensuring that basic needs are met, the democratisation of the society and the growth of its economy.

3.2.2 The opportunities that must be provided include a massive expansion and quality improvement in the education and training system, artistic and cultural expression and sport and recreation.

3.2.3 Human resource development must address the development of human capabilities, abilities, capacities, knowledge and knowhow to meet their ever growing needs for goods and services, to improve their standard of living and quality of life. It is a process in which the citizens of a nation acquire and develop the knowledge and skill necessary for occupational tasks and for other social, cultural, intellectual, and political roles that are part and parcel of a vibrant democratic society.

3.3 EDUCATION AND TRAINING

3.3.1 We must develop an integrated system of education and training that provides opportunities to all, young and old, men and women, rural and urban. It must address the development of knowledge and skills that can be used to produce high quality goods and services in such a way as to enable us to develop our cultures, our society and our economy.

3.3.2 A new national human resources development strategy must be based on the principles of democracy, non-racism, non-sexism, equity and redress to avoid the pitfalls of the past.

3.3.3 The democratic government has the ultimate responsibility for ensuring that our human resources are developed to the full. Education, training and development opportunities must be provided in accordance with national standards. However, civil society must be encouraged to play an active part in the provision of learning opportunities as part of the national human resources development strategy.

3.3.4 **Mechanisms, institutions and legislation.** Success in rebuilding and expanding education and training depends on having an effective and responsive organisation to manage change. The education and training bureaucracy must be reorganised at national, sectoral and provincial levels through the establishment of:

3.3.4.1 a single national ministry responsible for education and training ministry, to set national policies, norms and standards throughout the system, to undertake planning and provide budgetary resources for all aspects of education and training, and to manage higher education and training development;

3.3.4.2 provincial departments responsible for education and training, to plan and manage all aspects of education and training provision other than higher education;

3.3.4.3 statutory bodies, based on appropriate democratic representation of stakeholders, to establish standards and advise the national ministry and provincial departments on policy and development programmes in education and training;

3.3.4.4 structures of institutional governance which reflect the interests of all stakeholders and the broader community served by the institution, and

3.3.4.5 a statutory South African Qualifications Authority with responsibility for accreditation, certification and the maintenance of national standards.

3.3.5 **Girls and women in education and training.** Girls and women are frequently been denied education and training opportunities because they are female. Furthermore, girls and women are educated and trained to fulfil traditional roles which perpetuate their oppression. Within all education and training programmes special attention must be given to the special interests of girls and women. For example, adult basic education and training programmes should give special emphasis to women trapped in the rural areas. Campaigns and information should also open up a wider range of learning opportunities and choices for women, which in turn should lead to a wider range of income generating forms of employment. Girls and women should be encouraged to pursue non-traditional subjects such as maths and science, for example. However, in addition to these, special steps must be taken to give full recognition and value to the work and skills that are traditionally done by women. Where appropriate these should be recognised within the national qualification framework.

3.3.6 **An integrated qualifications framework.** By establishing a national qualification framework which integrates all elements of the education and training system, we must enable learners to progress to higher levels from any starting point. They must be able to obtain recognition and credits for qualifications and credits towards qualifications from one part of the system to another. The system

must enable assessment and recognition of prior learning and skills acquired through experience. To this end, curricula should cut across traditional divisions of skills and knowledge.

3.3.7 **Early childhood educare.** Educare, which introduces an educational component into child care, must be an integral part of a future education and training system. The provision of educare for young children is an important step toward lifetime learning and the emancipation of women. We must expand early childhood educare by supporting an increase in private and public funding; institutionalising it within the Ministry and the provincial departments; and raising national awareness of the importance of such programmes. The democratic government also bears the ultimate responsibility for training, upgrading and setting national standards for educare providers, with the assistance of civil society.

3.3.8 **Adult basic education and training.**

3.3.8.1 Adult Basic Education (ABE) must be an integral part of a future education and training system, and represents a key step in the reconstruction and development of our society. Special provision must be made for ABE within the future national ministry and government departments at all levels. ABE must conform to standards set out within the national qualifications.

3.3.8.2 The provision of ABE must be expanded by building a partnership of all employer, labour, local and provincial government, community and funding agencies. This will establish a process to provide funding support to a national ABE programme, managed at provincial, sectoral, local, community and workplace levels, and where possible using existing educational and training facilities when un- or under-utilised, such as at night, over weekends and during holidays.

3.3.8.3 ABE must be centrally included in all reconstruction projects, and particularly programmes for the unemployed. Micro enterprises must also be given assistance with respect to ABE. Such provision should assist learners to seek related employment on completion of the specific project.

3.3.9 **Special education.** Under minority rule and apartheid, the learning needs of children and adults with physical or other disabilities and impairments suffered massive neglect. The RDP must redress this situation by establishing appropriate institutional structures and intersectoral groups, mounting a national advocacy campaign to raise awareness of the issue, ensuring that existing facilities are optimally used, and developing new programmes as needed.

3.3.10 **Compulsory school education.**

3.3.10.1 The democratic government must restructure the education and training systems to meet the needs of all. We must foster community participation and a culture of teaching and learning. We must develop a national qualifications system that should recognise learners' skills, experience and studies, allowing them to gain access to different kinds of education and training throughout their lives, and letting people re-enter education and training easily.

3.3.10.2 The democratic government must enable all children to go to school for at least ten years. The ten year compulsory general education cycle should proceed from a preschool reception year to the present Standard 7. It must phase in compulsory education as soon as possible. To achieve this objective we must rebuild and expand our schools. Classes of 50-80 or more students are unacceptable. We must ensure that no class exceeds 40 students by the end of the decade.

3.3.10.3 In addition, we must align the structure, curricula and certification with the new national qualifications system.

3.3.10.4 Education from the current Standard 8 up to the present Standard 10 must be redesigned and incorporated into an integrated post-compulsory phase of learning, coordinated at national level and resulting in a Further Education Certificate (or National Higher Certificate). This will integrate post-compulsory schooling with training and should replace the matric with a Further Education Certificate or National Higher Certificate.

3.3.10.5 The new programmes, curriculum and teaching approaches for the first four years of school must take into account the language, learning and developmental needs of young children.

3.3.10.6 The need for school buildings must be addressed by vastly improved use of existing facilities and a school building programme. To this end all schools and existing facilities are to be used to full capacity by the start of 1995 for both compulsory and non-compulsory learning, and schools must be built in sufficient numbers to meet the real demand. We must empower school communities to take responsibility for the care and protection of their schools.

3.3.10.7 Farm schools and community schools must be progressively integrated into the ordinary school system, and additional schools must be provided in commercial farming areas.

3.3.10.8 The existing curriculum bears the mark of racism, sexism, authoritarianism and outmoded teaching practices. Transformation is essential. Curriculum change takes time, but we must find points of entry to permit reconstruction to start in 1994. Major stakeholders must reach agreement through the National Education and Training Forum on the management of curriculum and examinations in the transition period. We must establish institutes for curriculum development at national and provincial levels.

3.3.10.9 Black education, in particular, suffered severe deficits in the areas of science, mathematics, technology, arts and culture. Curriculum development must therefore pay special attention to these areas.

3.3.11 **Further education and training.**

3.11.1 Further education and training is the term used in this document to refer to those education and training experiences which follow compulsory general education or its equivalent and culminates in the National Higher Certificate.

3.3.11.2 Further education must provide schooling, training and adult education as an integrated system. A balanced and flexible curriculum leading to the National Higher Certificate must be developed for all learners in a variety of learning contexts: students learning within formal institutions, workers in industry, out-of-school youth, and adults learning in community learning centres. The curriculum must seek to open learning paths consistent with the goals of lifelong learning.

3.3.12 **Higher education.** Apartheid severely constrained the higher education and training system. Governance systems are outmoded, and funding arrangements led to serious crises. Access to institutions of higher learning by black and female students must be substantially improved. All post-secondary education should form part of the overall human resources development programme. After consultation with stakeholders, the democratic government must appoint a representative and expert higher education commission to develop reforms that will enhance equity and support reconstruction and development. The final draft of the RDP will propose specific reforms in this area.

3.3.13 **Teachers, educators and trainers.**

3.3.13.1 The reconstruction of education and training requires a body of teachers, educators and trainers committed to RDP goals and competent in carrying them out. This requires that they are able to understand and respond flexibly to the challenges of the new approaches to curriculum, method, delivery and certification which an integrated system of education and

training demands. They must dedicate themselves to enhancing the quality of learning and achievement throughout the system. Teachers, educators and trainers who are inadequately educated, badly treated by their employees and poorly rewarded cannot be expected to fulfil these expectations.

3.3.13.2 For adult basic education and training the problems faced are those of insufficient and poor quality training opportunities for facilitators, non-existent qualifications and career paths and very low status. For school teachers the problems range from poor initial training, to insufficient support services and low wages and poor conditions. The reconstruction of education and training requires an overhaul of teacher/educator/trainer training and industrial relations system in line with other sectors. All qualifications earned should be recognised within the proposed national qualification framework, and ensure career paths with appropriate support.

3.3.14 **Restructuring training within an integrated education and training system.**

3.14.1 The RDP proposes a substantially restructured and expanded training system, integrated with Adult Basic Education, post-Standard 7 formal schooling and higher education.

3.3.14.2 The national qualification framework must be the mechanism by means of which this integration is given effect.

3.3.14.3 The national ministry and provincial departments of education and training must consult with the restructured bodies of civil society policy issues.

3.3.14.4 Education and training for skills development must be modular and outcome based, must recognise prior learning and experience, must develop transferable and portable skills, must have common standards, and must be integrated within the national qualifications and accreditation system. Training programmes and schooling after Standard 7 should form part of an integrated system.

3.4 ARTS AND CULTURE

3.4.1 Arts and culture embrace custom, tradition, belief, religion, language, crafts, and all the art forms like music, dance, the visual arts, film, theatre, written and oral literature. Arts and culture permeate all aspects of society and are integral parts of social and economic life.

3.4.2 Under colonialism and apartheid the culture of the majority of South Africans was neglected, distorted and suppressed. People and communities were denied access to resources and facilities to exercise and develop their need for cultural and artistic expression. Illiteracy, the lack of an effective educational system, and extreme poverty compounded this cultural deprivation.

3.4.3 The RDP arts and culture policies aim to:

3.4.3.1 affirm and promote the rich and diverse expression of South African culture - all people must be guaranteed the right to practise their culture, language, beliefs and customs;

3.4.3.2 promote the development of a unifying national culture, representing the aspirations of all South Africa's people (this cannot be imposed, but requires educating people in principles of non-racialism, non-sexism, human rights and democracy);

3.4.3.3 ensure that resources and facilities for both the production and the appreciation of arts and culture are made available and accessible to all (priority must be given to those people and communities previously been denied access to these resources);

3.4.3.4 conserve and revitalise our national cultural heritage so it is accessible to all communities (historical and cultural collections, resources and sites must fully reflect the many components of our cultural heritage, and in particular, neglected and suppressed aspects of our people's culture must be conserved);

3.4.3.5 place arts education firmly within the national educational curricula, as well as in non-formal educational structures;

3.4.3.6 establish and implement a language policy that encourages and supports, financially and otherwise, the utilisation of all the languages of South Africa, and

3.4.3.7 co-operate with educational bodies and the media in eradicating illiteracy, and in promoting a reading and learning culture.

3.4.4 A Ministry of Arts and Culture must be established to implement these objectives.

3.4.5 Existing publicly funded and parastatal cultural and arts structures, such as the Performing Arts Councils, the National Gallery, museums, libraries, archives and monuments, must be democratised. Independent commissions to investigate the structures, funding, policies and future roles of such structures must be established as a matter of urgency. These commissions should report within six months of their appointment, and complete the tasks to transformation within two years.

3.4.6 Ultimately government is responsible for the provision of cultural amenities for each community. As an immediate measure, established community art centres should be subsidised by government. In the longer term, the Ministry of Arts and Culture should work with local and regional government and community structures to form community art centres throughout the country.

3.4.7 With local and provincial government, the Ministry should establish libraries, museums, galleries, monuments and historical sites. These should reflect the many different strands of South Africa culture. Each community should have these facilities located within reach.

3.4.8 Arts education should be an integral part of the national school curricula at primary, secondary and tertiary level, as well as in non-formal education. Urgent attention must be given to the creation of relevant arts curricula, teacher training, and provision of facilities for the arts within all schools.

3.4.9 We must establish a publicly transparent and democratically constituted National Council for the Arts, along with Provincial Arts Councils and other statutory bodies. These Councils should be composed of arts practitioners, representatives of cultural organisations, and civil society.

3.4.10 The Ministry should distribute grants to Arts Councils, which in turn must be given to practising artists at arms-length from government. The criteria for such grants should be structured to ensure support for people and communities previously deprived of facilities to practise art, and to reaffirm the suppressed and neglected aspects of culture. These funds should be distributed equitably between the different provinces.

3.4.11 The Pan-South African Language Institute proposed in the Transitional Constitution must be constituted as a matter of urgency, to devise programmes and seek resources to develop all South African languages and particularly the historically neglected indigenous languages.

3.4.12 A statutory national body should be created to encourage the development of a healthy, vibrant and diverse local South African film and audio-visual industry, reflecting the realities of all the people of South Africa. This body should work to give the majority of South African viewers and audio-visual practitioners access to audio-visual communications.

3.4.13 Legislation hindering the development of the arts (eg, censorship laws) must be repealed. Legislation in line with international conventions on the arts, labour legislation protecting cultural workers, and copyright laws should be put into place.

3.4.14 The Ministry of Arts and Culture must have its own budget. This should include funds currently allocated to the Performing Arts Councils, the Foundation for the Creative Arts, and national museums, etc. Restructuring and redistributing the funds currently allocated to culture should provide much of the finance required for the RDP arts and culture programme.

3.4.15 Business and private contributions to cultural development should be encouraged through tax incentives. Tax incentives should be structured to encourage contributions in line with national cultural policy.

3.5 SPORT

3.5.1 Sport and recreation are an integral part of reconstructing and developing a healthier society. A coherent policy will be developed in the final draft of the RDP.

3.5.2 The National Sports Commission Sports Policy must be adopted. There must also be established an independent national sports controlling agency for the control of drugs in sport, as well as a national sports academy to undertake and coordinate training programmes concerning coaching, refereeing, umpiring and sports management.

3.6 YOUTH DEVELOPMENT

3.6.1 The high levels of youth unemployment require special programmes. A national youth service programme is already giving young people structured work experience while continuing their education and training. The programme should not just be seen as a job creation measure, however, but as youth development and capacity building. Care must be taken to ensure that the programme does not displace or substitute workers in permanent employment.

3.6.2 Youth development more generally must focus on education and training for youth, job creation and enabling young people to realise their full potential and participate fully in the society and their future. A national youth service programme must be established to educate, develop, train and empower youth and enable them to participate in the reconstruction of society through involvement in service projects in the community such as literacy, welfare, and improving infrastructure. All development and job creation programmes such as a national public works programme must address the problem of youth alienation and unemployment.

3.6.3 A national institution must coordinate the programme in consultation with other sectors. Areas in which the youth service programme could contribute include educare and literacy programmes, health, environmental protection, rural and urban infrastructure development and peace monitoring. The programme must also be used to enhance the awareness of the relationships between productivity, the economy and the role of science and technology in achieving the objectives of the RDP.

3.6.4 The democratic government must support the International Convention on the Rights of the Child, and the supporting Plan of Action. It must work to protect the lives of children, to promote the full development of their human potential, and to make them aware of their needs, rights and opportunities. The needs of children must be paramount throughout all programmes aimed at meeting basic needs and socio-economic upliftment.

Chapter Four
Building the Economy

4.1 PROBLEM STATEMENT

4.1.1 Under the apartheid system, the state cooperated with a handful of conglomerates to shape the economy to benefit a minority of whites at the expense of black people. This process had a profound effect on economic structure, reducing efficiency and flexibility as well as greatly aggravating inequality and unemployment. Profound socio-economic changes are required over an extensive period to restructure our economy to meet the needs of the majority.

4.1.2 Economic policy and the main economic actors in industry and agriculture systematically excluded and hindered black people. As a result, South Africa now has one of the most unequal patterns of distribution of income, wealth and opportunity in the world. The apartheid system forcibly denied blacks and women key positions in business and the public sector. It left most without meaningful education, managerial skills or access to capital.

4.1.3 Over the past decade and more, growth stagnated, investment dropped precipitously and average real incomes declined. The economy remains dependent on mineral exports and the manufacturing sector cannot create jobs, meet the basic needs of the majority or compete on world markets. A few metropolitan regions account for the bulk of national production, while some provinces can barely afford to provide basic services.

4.1.4 A critical cause of inefficiency and inequality lies in the position of labour. Rigid hierarchies and oppressive labour relations ignored the skills latent in our experienced industrial workforce. Apartheid laws denied workers their basic rights. High levels of unemployment and oppressive legislation made it difficult even for organised workers to maintain a living wage. The lack of skills forms a major obstacle to the development of a modern economy able to support a decent living standard for all our people.

4.1.5 A particular weakness of the economy, aggravated by racist policies, is the inability to maintain a dynamic small-scale and informal sector. Smaller firms, especially if owned by black people, can rarely develop productive linkages with the large-scale sector. Most people in the informal sector lack productive and managerial skills plus access to business sites, capital and markets. They face an array of repressive regulations originally designed to undermine black business and farming.

4.1.6 Only a quarter as many women as men hold jobs in the formal sector. High unemployment, the migrant labour system and the difficulties facing the informal sector hit them particularly hard.

4.1.7 All macro-economic allocations must be accompanied by social and economic impact analyses on gender, race, urban-rural dimensions, class/income distribution, regional inequalities, and age (to encompass marginalised young people and pensioners). Future budgetary allocations must concretely show the commitment of a future government to women's development and empowerment. In order for the budget to be gender sensitive it must provide details, in a social impact statement, on how budgetary allocations affect women with respect to workload, income education and career options.

4.1.8 The apartheid state's economic agencies are contradictory, secretive and subordinate to the aims of apartheid and the siege economy. The parastatals, including the Development Bank (DBSA), the Industrial Development Corporation (IDC) and the Small Business Development Corporation (SBDC), are immensely important in driving industrial and infrastructural development. Their programmes, however, do little to enhance employment or create a dynamic economy. In recent years, the apartheid state privatised or commercialised many agencies in the public sector. Often this policy, unilaterally imposed, harmed basic services to the poor or reduced the ability of the state to mobilise resources for development.

4.2 VISION AND OBJECTIVES

4.2.1 We must reconstruct and restructure our economy to meet the needs of the majority. Our central goal is to create a strong, dynamic and balanced economy directed towards:

4.2.1.1 eliminating the poverty and the extreme inequalities generated by the apartheid system and ensure that every South African should have a decent living standard and economic security;

4.2.1.2 ensuring that no one should suffer discrimination in hiring, promotion or training on the basis of race or gender;

4.2.1.3 democratising the economy and empowering the historically oppressed through the encouragement of broader participation in decisions about the economy in both the private and public sector;

4.2.1.4 creating productive employment opportunities at a living wage for all South Africans;

4.2.1.5 developing a prosperous and balanced regional economy in Southern Africa based on the principle of equity and mutual benefit, and

4.2.1.6 integrating into the world economy in a manner that sustains a viable and efficient domestic manufacturing capacity and increases our capacity to export manufactured products.

4.2.2 Our RDP requires that the democratic government play a leading and enabling role in guiding the economy and the market toward reconstruction and development. We aim to achieve a dynamic balance between government intervention, the private sector and the participation of civil society. The guiding principle must be, a significant role for public sector investment to complement the role of the private sector and community participation in stimulating reconstruction and development.

4.2.3 In the context of the reconstruction and development strategy, the role of the democratic government should be adjusted to the needs of the national economy in a flexible way. The primary question in this regard is not the legal form that government involvement in economic activity might take at any point, but whether such actions must strengthen the ability of the economy to respond to the massive inequalities in the country, relive the material hardship of the majority of the people, and stimulate economic growth and competitiveness.

4.2.4 In this context, the balance of evidence will guide the decision for or against various economic policy measures. Such flexibility means assessing the balance of the evidence in restructuring the public sector to carry out national goals. The democratic government must therefore consider:

4.2.4.1 increasing the public sector in strategic areas through, for example, nationalisation, purchasing a shareholding in companies, establishing new public corporations or joint ventures with the private sector, and

4.2.4.2 reducing the public sector in certain areas in ways that will enhance efficiency, advance affirmative action and empower the historically disadvantaged, while ensuring the protection of both consumers and the rights and employment of workers.

4.2.5 Such a mixed economy will foster a new and constructive relationship between the people, the democratic government, the trade union movement, the private sector and the market.

4.2.6 We can only achieve our economic objectives if we establish transparent, participatory and accountable policy-making procedures in both the public and private sector. The democratic government, the trade union movement, business associations and the relevant organisations of civil society must cooperate in formulating economic policy. The democratic government must review the inherited economic

departments and agencies to streamline policy-making and implementation and to define appropriate relationships with forums and the various tiers of government.

4.2.7 Economic growth is critical for sustainable improvements in services and incomes. We must shape the expansion of the social and economic infrastructure to stimulate industry and agriculture. These policies must be coordinated with the development, on a cooperative basis, of the Southern African region as a whole. On this foundation, we must establish a dynamic, integrated economy able to provide higher incomes, reduce excessive dependence on imports and compete on foreign markets.

4.2.8 All of our policies must aim to alleviate inequalities in incomes and wealth and expand productive opportunities. Critical programmes in this area include urban and rural development, industrial strategy, support for small and micro enterprise (including small-scale farming), job creation, land reform and other programmes discussed in earlier chapters. The democratic government must also create laws and institutions to end discrimination in hiring, promotion and training.

4.2.9 Our economic policies require human resource development on a massive scale. Improved training and education are fundamental to higher employment, the introduction of more advanced technologies, and reduced inequalities.

4.3 INTEGRATED RURAL AND URBAN DEVELOPMENT STRATEGIES

4.3.1 **Principles.** The RDP recognises the mutually reinforcing nature of urban and rural development strategies through, for example, the benefits of improved agriculture to the urban economy. Strategies for urban and rural development must be integrated within the RDP to ensure that the needs of all our people are met in a balanced and equitable manner. An integrated strategy is essential for the process of unifying our economy and linking reconstruction and development.

4.3.2 Macro-economic policies must take into consideration their effect upon the geographic distribution of economic activity. Additional strategies must address the excessive growth of the largest urban centres, the skewed distribution of population within rural areas, the role of small and medium sized towns, and the future of declining towns and regions, and the apartheid dumping grounds.

4.3.3 The RDP must address the geographical distortions of apartheid and the migrant labour system, especially the exclusion of people from access to resources, and their entrapment within rural, peri-urban and urban ghettoes. This requires that the RDP address inequalities between and within regions, in part by assisting people to generate economic wealth in their chosen communities through government subsidies, if necessary, for worker- and community-controlled job creation enterprises. In addition, to prevent severe job losses in many existing decentralised areas, the democratic government should maintain decentralised incentives, but only in cases where communities and workers can certify that the subsidies are being utilised in a sustainable, non-exploitative manner. Where this cannot be certified, such subsidies should be reoriented to local economic ventures in a way that promotes linkages through the rest of the local economy. In general the RDP recognises the need to break down apartheid geography through land reform, more compact cities, decent public transport, and the provision of decentralised industry and jobs, which feeds into the provision of basic needs.

4.3.4 In order to foster the growth of local economies, broadly representative institutions must be established to address local economic development needs. Their purpose would be to formulate strategies to address job creation and community development (e.g. leveraging private sector funds for community development, investment strategies, training, small business and agricultural development, etc.).

4.3.5 At provincial and national levels, development strategies must include the following components:

4.3.5.1 national economic growth, welfare and geographic settlement goals must be formulated in tandem;

4.3.5.2 coordination mechanisms must be established to ensure the necessary liaison between various government departments involved in policy-making and public spending, as well as interest groups from civil society at both the policy formulation and implementation levels;

4.3.5.3 strategies for reconstruction and development must be socially, environmentally, politically and economically sustainable and sensitive to the needs of women, and

4.3.5.4 changes in patterns of regional development require a consistent and sustained policy to be pursued over a considerable period of time.

4.3.6 **Rural development.** The RDP aims to expand the quality of rural life. This must entail a dramatic land reform programme to transfer land from the inefficient, debt-ridden, ecologically-damaging and white-dominated large farm sector to all those who wish to produce incomes through farming in a more sustainable agricultural system. It also entails access to affordable services, and the promotion of non-agricultural activities. In the "homelands", where most rural people live, social services and infrastructure remain poorly developed, and this must be remedied.

4.3.7 Development efforts must address the special position of women, as they make up the majority of small-scale farmers, and bear the brunt of poverty, overcrowding and hunger in rural areas. They take responsibility for all aspects of their families' lives, including the need to obtain food, fuel and water, often over long distances, but are excluded from decision-making structures. They are the bulk of the seasonal labour force in agriculture, but receive the lowest wages. Their priorities include accessible water, sewage, infrastructure, land rights, housing, training, local development committees, a disaster relief fund, markets for their production, and good representation in local government.

4.3.8 To correct the history of under-funding, misuse of resources and corruption, substantial transfers of funds from the central government to the rural areas will be required, targeted to meet the needs of the rural poor. The democratic government must institute a land reform process that allows people in the rural areas access to land for production and residence. It must support part-time activities, including small-scale farming, which can increase productivity, incomes and household food security. It must end the inequitable and inefficient subsidisation of the large farm sector. It must evaluate and reorganise the parastatals responsible for development in the homelands.

4.3.9 Rural communities need practical access to health, education, support for entrepreneurship (including agriculture), financial services, welfare, and police and the courts. The objective of rural development policy must be to coordinate the activities of the relevant democratic government agents, and to pass much of the control of democratic government-funded services to the rural people for whom they are intended, within the framework of national and provincial policy in each sector. This will require fundamental changes to institutions and processes.

4.3.10 The RDP must place decision-making on development issues in rural areas in the hands of the rural communities, through ensuring that democratic structures are set up through which the finances for local development activities can be controlled. There must be elected councillors at both the district-wide level (replacing the non-representative Regional Service Councils and Joint Service Boards) and local level. To advise communities of their options, the democratic government must create a cadre of Community Development Officers, with training in gender issues, who will work for the District Councils. Generally, the democratic government will support capacity building in the District Councils, Local Councils, and other voluntary community structures, such as local development forums. Measures must be taken to encourage all government officers and council officials to complement, rather than impede, the work of non-government organisations involved in rural development activities.

4.3.11 The democratic government must include a central Ministry of Rural Development and Land Reform. The Ministry should include a unit for rural data collection and an early warning system for food and water security. It must set targets for the provision of clean water to within 200 metres of houses in

all communities, health indicators (especially for socio-economic diseases such as child malnutrition and TB), adult literacy, provision of services, and reductions in poverty.

4.3.12 Training and re-training of new and existing extension workers, community development officers and officials dealing with land reform is critical to the success of our rural development and land reform programme. These training and re-training programmes must be designed within the first 18 months of the RDP.

4.3.13 **Urban development.** At the same time, the importance of urban development strategies within the RDP is based on a recognition that the urban areas account for over 80% of the country's GDP, and accommodates approximately 60% of South Africa's population. Continuing demographic shifts may increase urbanisation to over 70% of the population by 2000. The urban areas account for a significant proportion of the population and the economic base of the country. The three major metropolitan areas (the PWV, Greater Cape Town and Durban) account for 37,7% of the total population and 67,7% of the country's total manufacturing output. The PWV region alone accounts for 40% of the country's total economic output.

4.3.14 The concentration of economic activities in the cities means that ensuring the quality of life, sustainability, and efficiency of our cities will be critical in renewing growth and promoting equity at the national level. The design of a comprehensive national urban strategy is an important national priority for South Africa, in order to manage the rapidly growing urban population and to address the inequities and structural imbalances caused by the past distortions of the apartheid system.

4.3.15 The urban development strategy must also be aimed at fostering the long term development and sustainability of urban areas. Its success will be measured by the extent to which it contributes to long term development and alleviates poverty. The urban programme must therefore have several dimensions, namely creating a functionally integrated, efficient and equitable urban economy, creating effective and democratic structures of urban governance and management, and creating a social environment which contributes to a better quality of life.

4.3.16 The RDP must redress the imbalances in the level and access to infrastructure, transportation and basic services for the majority of the urban population. In this process the transformation of the apartheid city will be promoted. Housing, transport, electrification and other infrastructure and service programmes should promote access to employment opportunities and urban resources, and the consequent densification and unification of the urban fabric.

4.3.17 The environmental impact of urban reconstruction and development must form an integral part of an urban development strategy. This includes the encroachment of urban development on viable agricultural land, air pollution, water pollution and waste management.

4.3.18 At metropolitan and local levels integrated frameworks for urban development must be established. These frameworks must address the following programmes:

4.3.18.1 economic development and job creation in mixed land use areas close to transportation and higher density housing developments;

4.3.18.2 provision of infrastructure, housing and facilities on a coordinated basis so as to integrate towns and cities;

4.3.18.3 a shift in transportation strategy from motor car-based movement to providing public transport based on access to economic and social opportunities, and

4.3.18.4 a restructuring of institutional, legislative and budgetary institutions and processes (including land use planning and management systems).

4.4 INDUSTRIALISATION FOR RECONSTRUCTION AND DEVELOPMENT

4.4.1 Our economy requires coordinated and effective government support to address its structural weaknesses. Only a coherent industrial strategy can maximise expansion in efficient industrial investment and employment. It must encourage the formal sector to meet basic needs, expand international competitiveness, develop linkages with small and medium enterprises and foster regional cooperation.

4.4.2 An effective industrial strategy will require massive public investment to complement the private sector and to enhance community involvement in the growth process during the RDP. An increase in public sector investment in health, education, housing, electricity, water, roads and transport can push the GDP growth rate to about 5% annually. Combined with active labour market policies and community participation this investment can result in a possible increase of between 300 000 to 500 000 new non-agricultural sector jobs. Such a policy must stimulate domestic investment and attract foreign investment.

4.4.3 Industrial policy must have three major thrusts. It should ensure that public investment in social and economic infrastructure stimulates manufacturing. It should foster the beneficiation of minerals and stimulate upstream and downstream linkages. And it should underpin a domestic manufacturing sector capable of penetrating international markets and competing efficiently with imports in order to reduce excessive external dependence.

4.4.4 **Restructuring institutions.** The parastatals, including Eskom, Telkom, the Council for Scientific Research (CSIR) and above all the IDC, represent key policy instruments. The democratic government should transform their activities in line with a coherent industrial strategy. It should develop stronger and more representative boards of directors and management. This will require the elaboration of more appropriate business plans by the end of 1994, and publish those plans for open debate. The democratic government will, where necessary, reverse privatisation programmes.

4.4.5 By the end of 1994, the democratic government should establish a commission at Ministerial level to review all government agencies concerned with the economy. It must reshape policy-making structures to ensure that they function efficiently in carrying out industrial strategy and the RDP. The focus should initially be on the Department of Trade and Industry and the Board of Trade and Tariffs, and on agencies such as the Decentralisation Board that were established to further the aims of apartheid.

4.4.6 A National Energy Policy Council must be established as an advisory body, to oversee financing in the energy sector and to set out national policies on all aspects of energy, including liquid fuels, coal, gas, electricity, nuclear power, and other forms of energy for rural and urban consumers.

4.4.7 A democratic government must work with the National Economic Forum to ensure coordination between macroeconomic policies and industrial strategy. If necessary, it must restructure the NEF to ensure appropriate participation and powers.

4.4.8 The government must develop democratic and consistent procedures for revising tariffs and export incentives. It must simplify the tariff structure and begin a process of reducing protection in ways that minimise disruption to employment and to sensitive socio-economic areas. National agencies concerned with international trade and tariffs must be sensitive to the interests of the Southern African region as a whole. We must develop more cost-effective incentives schemes, designed to improve performance and not just the volume of exports.

4.4.9 An export bank must facilitate the provision of short-term export finance to small and medium exporters. Reorganisation of the South African Trade Organisation must ensure that it represents the interests of small and medium enterprise more effectively.

4.4.10 Stable, consistent and predictable policies as well as a dynamic economy should create a climate conducive to foreign investment. The democratic government must ensure national treatment of foreign

investors. They should abide by our laws, and obtain the advantages available to all investors. The democratic government must develop policies to ensure that foreign investment creates as much employment, technological capacity and real knowledge transfer as possible.

4.4.11 **Competition policy.** Extreme concentration of ownership and control threatens economic efficiency, equity and democracy. By the end of 1994, the democratic government should establish a commission to review the structure of control and competition in the economy and develop efficient and democratic solutions. It must review existing policy and institutions with the aim of creating more widely spread control and more effective competition. To that end, it must consider changes in regulation or management as well as anti-trust measures.

4.5 MICRO, SMALL AND MEDIUM SIZED ENTERPRISE

4.5.1 Micro, small and medium sized enterprise, particularly black business, must expand into an integral part of the national economy. Micro producers should develop from a set of marginalised survival strategies into dynamic small enterprises that can provide a decent living for both employees and entrepreneurs. Policies to that end must focus on women, who are represented disproportionately in this sector, especially as rural entrepreneurs.

4.5.2 In the context of a supportive industrial strategy, all levels of the democratic government - central, regional and local - must where possible, foster new, dynamic relationships between large, small and micro enterprises in ways that do not harm the interests of labour. They should, as far as possible, support joint marketing strategies and technological development within the small-scale sector. Local governments must review zoning and licensing regulations to end discrimination against micro and small enterprise.

4.5.3 The democratic government must rationalise and restructure existing parastatals to support small enterprise as far as their underlying purposes allow. It should reorganise the SBDC and reform the lending criteria of other agencies such as the IDC and the development corporations so that they incorporate small and micro enterprise in their plans as far as feasible, and end corruption and nepotism in their lending programmes.

4.5.4 All levels of the democratic government must review their procurement policies to ensure that, where costs permit, they support small-scale enterprise. In particular, we should explore new policies on the procurement of furniture and school uniforms, which micro producers might supply.

4.5.5 The micro enterprise sector requires special attention ranging from welfare support to activities that directly enhance competitiveness. Government agencies must provide infrastructure and skills to raise incomes and create more healthy working conditions. They must protect the rights of workers, both family members and others, and provide training in productive and managerial skills.

4.5.6 Specifically, the democratic government must double the existing number of regional service centres and satellites. These satellites will enable the democratic government to provide for rural women involved in small, micro and medium sized enterprises.

4.5.7 All agencies set up to support the informal sector should be sensitive to the needs of women, since the majority of informal sector workers are women. Laws should be improved to allow people in this sector to collect debts. Market sites must be established and access to existing sites facilitated. Land reform initiatives are important to reduce the land hunger which swells the informal sector. A specific programme must be established to ensure government support for women entrepreneurs. It must be easily accessible and include skills training and access to credit.

4.5.8 As a basis for sound policy-making in future, the statistical system must incorporate micro enterprises.

4.6 MINING AND MINERALS PROCESSING

4.6.1 South Africa is one of the world's richest minerals countries, but this enormous wealth has up to now only been used for the benefit of the tiny white minority. The minerals in the ground belong to all South Africans, including future generations. Thus we must seek the return of mineral rights to the democratic government, which should in turn give the people control over optimum exploitation of this important national resource. The high level of concentrated ownership in mining and marketing of minerals militate against direct investment and participation of our people.

4.6.2 Our principle objective is to transform mining and minerals processing industries to serve all of our people, as a depleting resource that will eventually be exhausted. This can be achieved through government intervention in output and pricing decisions. Through the use of a government minerals marketing auditor's office and a policy of national marketing of certain minerals it is estimated that another R3 billion could be realised in foreign exchange by 1997 for minerals other than gold and coal. An extra R1 billion could be earned through more and better priced coal exports. Platinum based metals could increase export earnings by 40% to R8 billion by 2007.

4.6.3 Mining and minerals products contribute three quarter of our exports and employs three quarter of a million workers, but this could be much higher if our raw materials were processed into intermediate and finished products before export. The RDP must attempt to increase the level of mineral beneficiation through appropriate incentives and disincentives in order increase employment and add more to our natural resources.

4.6.4 Democratisation of the mining sector must be facilitated through the institution of appropriate anti-trust legislation and other mechanisms which monitor the mining and marketing of the mineral wealth. The strength of the financial institutions which have some controlling shares in this sector must be used to reflect the interests of our people who have substantial investments in these institutions in the form of union pension funds and insurance policies.

4.6.5 Minerals are a vital input for numerous mineral-based industries, but these industries have difficulty in becoming internationally competitive due to the fact that the refining companies usually set higher prices for the domestic market than their export prices, a practice known as import parity pricing. The RDP must establish mechanisms to obligate companies to sell to local industries at export parity prices or profit parity prices.

4.6.6 All minerals are eventually mined out and therefore our mining industry is in long term decline. The effects of this down scaling are principally borne out by mine workers, thousands of whom have been retrenched. The RDP must put into place new mechanisms for the orderly downscaling of our mines so as to inflict the absolute minimum of suffering by workers and their families. This should include the reskilling and training of workers for other forms of employment.

4.6.7 Mining is a hard and dangerous job where our workers bear terrible conditions deep under the earth. The RDP envisages a new mining health system that maximised the protection of the health of the mine workers.

4.6.8 Mine workers are forced to live in single sex hostels and are forced to remit part of their salaries. In future all workers must have the right to live at or near their place of work in decent accommodation and must have full control over their after-tax salaries. In addition the mining companies must take some responsibility for the education, training and social needs of miners and their families as an integral part of labour policy on the mines.

4.6.9 Mining can be extremely destructive of our natural environment. Our policy is to make the companies that reap the profits from mining responsible for all environmental damage, along the internationally accepted principle that the "polluter must pay." Before new mines can start there must be a comprehensive environmental impact study.

4.6.10 The Southern African region also has enormous mineral resources that are not exploited due in part to the destabilisation policies pursued by the apartheid state in the last twenty years. In the spirit of mutual cooperation, the RDP should extend across our borders by using our considerable expertise in mineral exploration and exploitation to rehabilitate and develop the mineral potential of our neighbours. In this regard a special facility should be created to promote investment in the subcontinent.

4.6.11 Southern Africa once had thousands of small and micro scale mining operations where our people were involved in the mining and processing of iron, copper, gold and other minerals long before colonial conquest. Ever since Southern Africa was colonised mining has become the preserve of the white minority, where blacks were deliberately excluded form mining ownership. Small and medium scale ventures presents valuable prospects for the re-entry of our people into the mining industry. The approach of the RDP is to remove the two main obstacles to the increased participation of our people in this sector, which are lack of access to mineral rights and lack of a comprehensive support system including financial and technical aid.

4.7 AGRICULTURE

4.7.1 A vibrant and expanded agricultural sector is a critical component of a rural development and land reform programme. Agriculture contributes 5% of GDP and over 10% of employment. 66% of its output is in the form of intermediates and its forward and backward linkages are high. The industry is characterised by a high degree of concentration in the hands of 60 000 white farmers who own over 87% of the land and produce more than 90% of its product. Agriculture in the homelands is starved of resources.

4.7.2 For every additional unit of capital invested, agriculture ultimately yields a larger number of job opportunities than all other sectors, with the exception of construction. The RDP aims to create a restructured agricultural sector that spreads the ownership base, encourages small scale agriculture, further develops the commercial sector and increases production and employment. This includes an orientation to the provision of affordable food to meet the basic needs of the population and to an emphasis on household food security, rather than the expensive pursuit of national food self-sufficiency.

4.7.3 The present commercial agricultural sector will remain an important provider of food and fibre, jobs and foreign exchange. The RDP must provide a framework for improving its performance by removing unnecessary controls and levies as well as unsustainable subsidies.

4.7.4 Support services provided by the democratic government, including marketing, finance and access to co-operatives, must concentrate on small and resource poor farmers, especially women. This requires a shift from the current pattern of expensive and inefficient support for commercial farmers, as well as reform of the marketing boards and agricultural co-operatives.

4.7.5 Comprehensive measures should be introduced to improve the living and working conditions of farm workers. All labour legislation must be extended to farm workers, with specific provisions relating to their circumstances.

4.7.6 Efficient, labour intensive and sustainable methods of farming must be researched and promoted. To this end, extension workers should be trained and re-trained and the agricultural education and research institutions restructured. The RDP must support effective drought management by providing agro-meteorological advice to farmers rather than subsidising losses, which in the past encouraged environmentally destructive farming methods.

4.8 REFORMING THE FINANCIAL SECTOR

4.8.1 The apartheid system severely distorted the South African financial system. A handful of large financial institutions, all linked closely to the dominant conglomerates, centralise most of the country's

financial assets. They support that sector effectively and have considerable financial expertise. But they prove unable to serve most of the black community, especially women. Nor do they contribute significantly to the development of new sectors of the economy. Small informal-sector institutions meet some of the needs of the black community and micro enterprise. They lack the resources, however, to bring about broad-scale development.

4.8.2 **The regulatory framework.** The democratic government must modify regulations and support innovative financial institutions and instruments which fund the RDP. The democratic government must seek to broaden control, accountability, access and transparency in the financial sector. In cooperation with other stakeholders, it must review both regulations and regulatory system to determine which aspects prove an unnecessary impediment to the RDP. A Parliamentary oversight committee on the financial sector should streamline the process of regulation and permit on-going evaluation.

4.8.3 **Prohibition against discrimination.** A variety of measures must prevent discrimination in the financial sector without unduly raising risks. In particular, the democratic government must impose prudent non-discriminatory lending criteria, especially related to collateral; reform the laws on women and banking to ensure equality; forbid blanket bans on mortgage bonds to specific communities ("redlining"); force banks to provide reasons for turning down a loan application; establish community liaison boards; develop simpler forms for contracts and applications, and require the banks to lend a rising share of their assets to small, black-owned enterprise. The law must also require that financial institutions to report on their loans by race and gender; their assets and liabilities by subregion and sector; their staff by race and gender; the location of their branches; and defaults by neighbourhood. To enforce laws against discrimination, the democratic government must establish an ombuds for the financial sector. At the local level, ombuds structures must include community representatives.

4.8.4 **Pension funds.** Pension and provident funds should be made more accountable to their members. To that end, the democratic government must change the law to ensure adequate representation for workers through the trade unions, and move towards industry funds. It must also legislate a transformation of the boards of the Mutual Funds to make them more socially responsible.

4.8.5 **The Reserve Bank.** The Interim Constitution contains several mechanisms that ensure that the Reserve Bank is both insulated from partisan interference and accountable to the broader goals of development and maintenance of the currency. In addition, the law must change the Act governing the Reserve Bank to ensure a board of directors that can better serve society as a whole. The board must include representatives from the trade unions and civil society. In future, a stronger board of governors should emerge through the appointment of better qualified individuals. The new constitutional requirement that the board of government record its decisions, publicise them when feasible, and account to Parliament must help in developing a more professional executive.

4.8.6 The democratic government should immediately increase the resources available in the Reserve Bank and other appropriate agencies for combating illegal capital flight.

4.8.7 **Housing bank and guarantee fund.** The democratic government must establish a Housing Bank which gains access to wholesale finance for housing projects and programmes, and a Guarantee Fund which will protect private sector funds from undue risk. Approximately half the Bank's funds will come from the government in the form of recurrent housing subsidies, in order to ensure affordable bonds.

4.8.8 **Community banking.** A variety of forms of community banking are emerging. These institutions prove able of financing informal entrepreneurs, especially women, whom the older institutions systematically neglect. The democratic government must encourage community banking. It must reform regulations to foster their development. Where possible, government structures at all levels should conduct business with these institutions. The government must encourage the established banks and other financial institutions to help fund the community banks without threatening their autonomy.

4.9 TECHNOLOGY POLICY

4.9.1 Technology policy is a key component in both industrial strategy and high quality social and economic infrastructure. It is critical for raising productivity in both small and large scale enterprise.

4.9.2 Science and technology policy should pursue the broad objectives of:

4.9.2.1 developing a supportive environment for innovation;

4.9.2.2 reversing the decline in resources for formal science and technology efforts in both the private and public sectors;

4.9.2.3 enabling appropriate sectors of the economy to compete internationally;

4.9.2.4 ensuring that scientific advances translate more effectively into technological applications, including in the small and micro sector and into rural development, and

4.9.2.5 humanising technology to minimise the effect on working conditions and employment.

4.9.3 Technology policy must support inter-firm linkages that facilitate innovation. In research and development, the democratic government should support pre-competitive collaboration between local firms and public-domain efforts combining enterprises and scientific institutes.

4.9.4 Incentives should support expansion in technological capacity in both existing firms and new start-ups. A greater share of government initiatives which facilitate technological development, knowledge acquisition and training must directly benefit small and micro enterprise.

4.9.5 Girls and women should be encouraged to obtain technical and scientific skills. The Ministry of Education must establish targets in the study of science and technology in educational institutions it subsidises. Research in the science and technology arena by the democratic government, parastatals and educational institutions must cater equally to the needs of women in this area.

4.9.6 New legislation must ensure that agreements to import foreign technology include a commitment to educate and train local labour to use, maintain and extend technology. The democratic government must limit excessive payment of royalties and licence fees.

4.9.7 The democratic government must develop programmes to make university-based science more responsive to the needs of the majority of our people for basic infrastructure, goods and service. Scientific research should link up with technological advance in industry, commerce and services and in small and micro production. In particular, there must be research into appropriate and sustainable technologies for the rural areas.

4.9.8 The democratic government must re-direct military/strategic production to civilian production. Policies should encourage former employees to develop spin-offs.

4.9.9 The democratic government must develop extensive institutional support and enhance government capacities to ensure successful research foresight. Because science and technology plays a crucial role in the RDP, a strong coordinating agency in government must maintain on-going consultation with key stakeholders.

4.10 TELECOMMUNICATIONS AND TRANSPORT

4.10.1 Under apartheid telecommunications were not developed in a manner cognisant of the possibilities for expanding the economy to the lives of all South Africans. As a result, massive inefficiencies and missed opportunities characterise the sector. Information is today considered a commodity of great

significance, and South Africa must now play catch-up in order to take advantage of the changing technological and economic roles that telecommunications can play.

4.10.2 The development of an advanced information network should play a crucial role in facilitating the provision of high quality services to all the people of South africa. It must provide a significant advantage to the business sector as it reduces costs and increases productivity and serves as an integral part of financial services, commodities market, trade and manufacturing.

4.10.3 The basic infrastructural network must remain within the public sector. Certain value-added services could be licensed within the framework of an overall telecommunications programme. An integrated system of groundline, microwave, fibre optic and satellite communications must substantially enhance the overall system.

4.10.4 The RDP aims to bring telecommunications closer to all potential users. A telecommunications regulatory authority must be established, which should be separated from policy and operating activities.

4.10.5 The development of telecommunications must be underpinned by a strong telecommunications manufacturing sector. The democratic government must encourage this sector to work closely with the network operators in developing suitable systems for possible export to Africa and other developing areas.

4.10.6 The democratic government must develop a Southern African regional transport grid to benefit the region as a whole.

4.11 ACTIVE LABOUR POLICIES

4.11.1 Reconstructing and developing the economy require far-reaching changes in employment patterns and labour market policies. The democratic government must set up institutions and mechanisms to facilitate this process in order to avoid unnecessary hardships while utilising our human resources to their full potential.

4.11.2 All workers should be entitled to a living wage and humane conditions of employment in a healthy and safe working environment. Over the years workers won many struggles and made many gains in the workplace. A fundamental principle of the RDP is to safeguard these rights and to also defend the workers' basic right to organise, bargain collectively and strike.

4.11.3 The interlocking elements of the RDP, in particular the promotion of collective bargaining, minimum wage regulation, affirmative action, education and training, technological development and provision of services and social security, must all be combined to achieve a living wage for rural and urban workers. The attainment of the required levels of growth for the successful implementation of the RDP can only be achieved on the basis of a national living wage agreed upon by government, the labour movement and the private sector.

4.11.4 **Collective bargaining.** Effective implementation of the RDP requires a firm commitment to collective bargaining at national, industrial and workplace level. Reforms of institutions and mechanisms must incorporate the major stakeholders in tripartite labour market forums such as the National Manpower Commission.

4.11.5 Industrial bargaining forums or industrial councils must play an important role in the implementation of the RDP. There must be enhanced jurisdiction for these forums to negotiate:

4.11.5.1 industrial policy including the implementation of the RDP at sectoral level;

4.11.5.2 training and education programs;

4.11.5.3 job placement programs in the industry, and

4.11.5.4 job creation programmes

4.11.6 In addition to legislative reform of company, labour and tax law, the democratic government must also seek to encourage stakeholders participation in the RDP through subsidies, taxes, tariffs, tenders, etc.

4.11.7 To improve productivity and living standards, the democratic government must support programs to upgrade skills on a broad basis in terms of a national education and training policy negotiated between unions, employers and government. Its basic principles are set out in the chapter on Human Resources.

4.11.8 **Affirmative action.** Affirmative action measures must be used to end discrimination on the grounds of race and gender. Those measures must:

4.11.8.1 empower, not only individuals, but communities and groups;

4.11.8.2 establish open and fair procedures for the hiring and the promotion of workers with similar skills and jobs;

4.11.8.3 develop through collective bargaining accelerated programs for the eradication of discrimination in each and every workplace.

4.11.8.4 ensure job security for pregnant women and promote the provision of child care, discussed in the section of education, to further women's equality in employment;

4.11.8.5 ensure that the development of special expertise among South Africans take priority over the import of outside personnel (this policy should not, however, prejudice foreign investment or cooperation in the Southern African region), and

4.11.8.6 establish a strong ombud to monitor and implement affirmative action measures.

4.11.9 Legislation must prohibit sexual harassment, and education programmes must be launched to teach workers and employers about the issue and about how to lodge complaints.

4.12 SOUTHERN AFRICAN REGIONAL POLICY

4.12.1 In the long run, sustainable reconstruction and development in South Africa requires sustainable reconstruction and development in Southern Africa as a whole. The democratic government must negotiate with neighbouring countries to forge an equitable and mutually beneficial programme of increasing cooperation, coordination and integration appropriate to the conditions of the region.

4.12.2 Whilst South Africa's trade with its neighbours in Southern Africa constitutes a relatively small percentage of its total trade with the world, this trade has been growing rapidly over the past few years. In addition, a significant percentage of South Africa's exports to non-SACU African countries consist of manufactured exports. Various studies have shown that there is a great complementarity between the types of goods imported by SADC and PTA countries and the goods that South Africa is exporting.

4.12.3 However, the current trade pattern between South Africa and the sub-continent is unbalanced, as regional imports from South Africa exceed exports to South Africa by five to one. A democratic government must develop policies to ensure more balanced trade with our neighbours.

4.12.4 Developing the capacity of our neighbours to export manufactured goods to South African markets requires the democratic government to encourage and promote the industrial development of individual countries within the region. A democratic government must contribute towards the development of

regional and industrial strategies for specific sub-sectors, such as mineral beneficiation, auto components and textiles.

4.12.5 A democratic government should also encourage the development of joint, mutually-beneficial projects to develop our regional water resources, electricity and energy supply, transport and telecommunications, and agricultural and food production.

4.12.6 One element of regional policy, defended particularly in the call for social charters by trade unions, is that minimum standards with regard to rights of workers to organise be established across the region as a whole so that a process of greater integration becomes one of levelling up rights and conditions of workers rather than of levelling them down to the lowest prevailing standard.

4.12.7 A democratic government should encourage technical and scientific cooperation with our neighbours to enhance the development of expertise in the region in areas such as agricultural research and development, environmental monitoring and protection, health and other research.

4.12.8 A democratic South African government should apply for membership in the Southern African Development Community (SADC) and possibly the Preferential Trade Agreement (PTA), and should support reforms in the Southern African Customs Union (SACU) to enhance democracy and equity.

Chapter Five
Democratising the State and Society

5.1 PROBLEM STATEMENT

5.1.1 The apartheid regime has been unrepresentative, undemocratic and highly oppressive. In past decades the state became increasingly secretive and militarised, and less and less answerable even to the constituency it claimed to represent.

5.1.2 The current legal and institutional framework is fragmented and inappropriate for reconstruction and development. It lacks capacity to deliver services, it is inefficient and out of touch with the needs of ordinary people. It lacks coordination and clear planning.

5.1.3 The financing of development programmes under the apartheid state is wasteful, misdirected and mismanaged. There is corruption and many state and development institutions carry over debts from the apartheid era with which the new government must deal.

5.1.4 Apartheid patterns of minority domination and privilege are not confined to the state and parastatals. Every aspect of South African life is deeply marked by minority domination and privilege. A vast range of institutions in the private domain (in civil society) benefited from apartheid, and also actively fostered and sustained it.

5.2 VISION AND OBJECTIVES

5.2.1 **South Africa belongs to all who live in it.** The RDP vision is one of democratising power. Democracy is intimately linked to reconstruction and development. We will not be able to unleash the resources, neglected skills and stunted potential of our country and its people while minority domination of state and civil institutions persists. Without thorough-going democratisation, the whole effort to reconstruct and develop will lose momentum. Reconstruction and development require a population that is empowered through expanded rights, meaningful information and education, and an institutional network fostering representative, participatory and direct democracy.

5.2.2 Democracy requires that all South Africans have access to power and the right to exercise their power. This will ensure that all people will be able to participate in the process of reconstructing our country.

5.2.3 Empowerment means, in the first place, the enfranchisement of all South Africans - one-person one-vote - and the extension of equal citizenship rights to all. Deepening democracy will require ensuring that elected structures conduct themselves in an answerable and transparent manner.

5.2.4 Democratisation requires modernising the structures and functioning of government in pursuit of the objectives of efficient, effective, responsive, transparent and accountable government. We must develop the capacity of government for strategic intervention in social and economic development. We must increase the capacity of the public sector to deliver improved and extended public services to all the people of South Africa.

5.2.5 The defence force and the police and intelligence services must be transformed from being agents of oppression into effective servants of the community, with a capacity to participate in the RDP. The defence force must be non-partisan, with the rights of soldiers clearly defined and protected. Our society must be thoroughly demilitarised, and the defence force must be effective but small. A code of conduct for the defence force, police and intelligence services must be enforced.

5.2.6 Democracy for ordinary citizens must not end with formal rights and periodic one-person, one-vote elections. Without undermining the authority and responsibilities of elected representative bodies (the national assembly, provincial legislatures, local government), the democratic order we envisage must foster a wide range of institutions of participatory democracy in partnership with civil society on the basis of informed and empowered citizens (eg. the various sectoral forums like the National Economic

Forum) and facilitate direct democracy (people's forums, referenda where appropriate, and other consultation processes).

5.2.7 A wide-range of mass and other sectoral social movements and community based organisations (CBOs) developed in our country in opposition to apartheid oppression. These social movements and CBOs are a major asset in the effort to democratise and develop our society. Attention must be given to enhancing the capacity of such formations to adapt to partially changed roles. Attention must also be given to extending social movement and CBO structures into areas and sectors where they are weak or non-existent.

5.2.8 Numerous non-profit non-governmental organisations (NGOs) are also developing in South Africa. Many of these NGOs play an important capacity building role in regard to CBOs and the development process. NGOs are also engaged in service delivery, mobilisation, advocacy, planning, lobbying, and financing. Thus NGOs have an important future role in the democratisation of our society.

5.2.9 Deepening democracy in our society is not only about various governmental and non-governmental institutions. Effective democracy implies and requires empowered citizens. Formal rights must be given real substance. All of the social and economic issues (like job creation, housing and education) addressed in previous chapters of the RDP are directly related to empowering our people as citizens. One further area is absolutely central in this regard - a democratic information programme.

5.2.10 Ensuring gender equity is another central component in the overall democratisation of our society. The RDP envisages special attention to the empowerment of women in general, and of black, rural women in particular. There must be representation of women in all institutions, councils and commissions, and gender issues must be included in the terms of reference of these bodies.

5.3 CONSTITUENT ASSEMBLY

5.3.1 The final constitution should be drawn up by the Constituent Assembly in a way that reinforces the RDP. Special attention should be given to the introduction of second and third generation rights in the Bill of Rights. The Constitution must recognise the fundamental equality of men and women in marriage, employment and in society. There should be a continuous review of all legislation to ensure that this clause in the Constitution is not undermined. These principles must override customary law. Consideration should be given to a constitutional provision for the calling of a referendum by citizens to overturn unpopular laws or to ensure that certain laws get passed.

5.3.2 The Constitution should permit the regulation of the use of property when this is in the public interest. It should also guarantee a right to restitution for victims of forced removals.

5.3.3 The Constitution should provide for sufficient central government powers so as to effectively coordinate and implement the RDP.

5.4 NATIONAL AND PROVINCIAL ASSEMBLIES

5.4.1 The National and Provincial Assemblies must establish legislation and programmes which ensure substantive equality rather than formal equality.

5.4.2 There should be a review of the legislative procedures including a review of national and regional parliamentary sessions, operating procedures and restructuring of Standing Committees to promote an improved institutional framework for public decision-making. There should be a clear right of access to the Parliamentary legislative procedures to allow inputs from interested parties. There should be a code of conduct for members of the National and Regional Assemblies.

5.5 NATIONAL AND PROVINCIAL GOVERNMENT

5.5.1 South Africa has been divided into nine provinces. These provinces are at different levels of development and are not equally endowed with resources. The existing constitutional arrangements provided for by the interim Constitution require that provincial levels of government and the national government develop methods for working closely together to ensure the implementation of the RDP.

5.5.2 National and provincial governments have concurrent powers over many of the areas covered by the RDP including agriculture, cultural affairs, education, environment, health services, housing, local government, police, public transport, regional planning and development, roads, urban and rural development and welfare services. In these areas in particular, the provincial governments must play a leading and central role. There must be careful coordination and co-operation between the national and provincial governments to ensure that development in all these areas takes place evenly throughout the country and that minimum standards are attained.

5.5.3 Grants-in-aid strategies must be built into the RDP to ensure that all provinces receive an equitable share of revenue collected nationally. The Financial and Fiscal Commission must determine criteria for the allocation of inter-governmental grants.

5.5.4 The reincorporation of the TBVC states and the self-governing territories requires urgent attention. All government departments at national level must be rationalised to end duplications due to racial divisions. Single ministries should be created at national and provincial level in each sector of operation. At the provincial level, government institutions must be constructed and rationalised out of existing regional structures. The role, function and mission of government departments should be reviewed with the aim of introducing a clear development focus for the democratic government administration. Policies of affirmative action, development and training must be applied in all areas.

5.6 THE ADMINISTRATION OF JUSTICE

5.6.1 The system of justice should be made accessible and affordable to all people. It must be credible and legitimate. The legal processes and institutions should be reformed by simplifying the language and procedures used in the court, recognising and regulating community and customary courts and professionalising the Attorney-General's office. The public defence system must be promoted and the prosecution reformed. The pool of judicial officers should be increased through the promotion of lay officials, scrapping the divided bar and giving the right of appearance to paralegals.

5.6.2 The Industrial Court system should be restructured so that workers who have complaints against employers are able to have these disputes resolved in a cheap, accessible and speedy manner. Tripartite institutions should have a say in determining appointments to the Industrial and Labour Appeal Courts.

5.6.3 A Legal Reform Commission should be established to undertake a comprehensive review of South African legislation and the legislative process. The Commission should invite and consider submissions from interested parties.

5.6.4 A legal aid fund for women to test their rights in court must established.

5.7 COMMISSION FOR IMPLEMENTATION OF THE RDP

5.7.1 A Commission should be established to oversee the effective implementation of the RDP. The Commission should be accountable to the President and should also be publicly accountable for implementation of the RDP. The Commission must have the power to recommend directly to the President.

5.7.2 The Commission should be responsible for making proposals to transform the present institutional framework and for developing a framework appropriate to the implementation of the RDP. The Commission should develop a detailed plan for the functions to be performed by government, in

consultation with affected parties, and should consider structures appropriate to those functions. This will allow decisions to be taken about integration or the establishment of new departments. Structures could include democratic government departments, statutory commissions and advisory bodies, social councils, non-statutory forums and other agencies in civil society. The Commission should not have authority over the day to day decision-making in government institutions.

5.7.3 The Commission should also be responsible for proposing new models, procedures and mechanisms designed to make government accountable to the public and to Parliament, responsive to the needs of the population and to facilitate the process towards a development orientation for all government institutions and a commitment to development on the part of all personnel.

5.7.4 The Commission should have oversight of inter-governmental financial transfers (national to provincial, provincial to local etc.) to ensure that these are in conformity with the overall national objectives of the RDP.

5.7.5 The Commission could establish various working groups and task teams to ensure that attention is given to specific areas, including the development of an institutional framework at provincial level.

5.8 RESTRUCTURING THE PUBLIC SECTOR

5.8.1 South Africa has a large public sector with many resources. The public sector consists of the Public Service, the Police and Defence Forces, the Intelligence Service, parastatals, public corporations and advisory bodies, which are together some of the most important delivery and empowerment mechanisms for the RDP. Staffing levels in and budgetary allocations to government departments and institutions must match the requirements for service delivery, and the operational requirements for women's empowerment, within the constraints of the budget. A defined quota of all new employees should come from groups that were disadvantaged on the basis of race and gender. This should be evaluated each year to determine the progress made and identify problems which arise. By 1999, the personnel composition of the public sector including parastatals must have changed to reflect the national distribution of race and gender.

5.9 THE PUBLIC SERVICE

5.9.1 The Public Service Commission established in terms of the Interim Constitution must be responsible for matters relating to appointments, promoting efficiency and effectiveness in departments, establishing and monitoring a Code of Conduct for the public service and introducing a programme of affirmative action. The Code of Conduct must incorporate the principles of the new South African public service as outlined in the RDP. There should be a professional ethos in a positive sense, which internalises the concept of serving the people. This Code should be enforced and annual evaluation of personnel should take into account compliance with the Code.

5.9.2 The Public Service should be composed in such a way that it is capable of and committed to the implementation of the policies of the government, and to delivering basic goods and services to the people of the country. In particular, priority must be given to developing the mechanisms for implementing the policies, recommendations and directives of the Public Service Commission and the Commission for Implementation of the RDP under the new government.

5.9.3 While the Public Service must be based on merit, career principles, suitability, skills, competence and qualifications, these standards should not be interpreted to further minority interests, as in the past. An extensive programme of affirmative action must be embarked on to achieve the kind of public service that is truly reflective of our society, particularly at the senior and management echelon. Such an affirmative action programme must include training and support to those who have previously been excluded from holding responsible positions. Within two years of the implementation of the programme, recruitment and training should reflect South African society, in terms of race, class and gender. Mechanisms must be put in place to monitor implementation of the programme. A programme

of monitoring and retraining for all those willing to serve loyally under a democratic government should be instituted.

5.9.4 A Public Service Training Institute must be established within one year of the implementation of the programme. One of the priorities of this institute must be to ensure that a cadre of public servants is developed to transform the public service effectively. This institute must be provided with the necessary resources and cater for at least four levels of training: lateral entry for progressive academics, activists, organisers and NGO workers; top level management development; promotion within the public service; and retraining of present incumbents of posts.

5.9.5 A sound labour relations philosophy, policy and practice is an essential requirement for building a motivated, committed cadre of personnel who have a clear vision of their development goals. Labour relations policy must also provide for dealing systematically with corruption, mismanagement and victimisation in public institutions. Labour policy must permit the participation of public sector workers and their organisations in decision-making at various levels in this sector. This will require amendment of existing labour legislation and a review of management practice in the public sector.

5.10 PARASTATALS AND STATE DEVELOPMENT INSTITUTIONS

5.10.1 Parastatals, public corporations and advisory boards must be structured and run in a manner that reinforces and supports the RDP. Civil society must be adequately represented on the boards of parastatals and public corporations. Institutions must be transparent and open in both structure and decision-making. They should act within the framework of public policy and there must be a duty to inform the general public as well as to account to Parliament.

5.10.2 The statutory bodies must be independent of government departments in the sense that they should not be directly part of any government department. They should be controlled by general government policies and by their governance councils. The emphasis should be on creating stable long-term policies rather than volatile short-term policy. To ensure effective civil participation of these bodies governance councils should be composed of mandated representatives of appropriate organisations, not appointed individuals.

5.10.3 Democratic government and parastatal programmes must be based on nationally determined priorities in line with the RDP and appropriate priority-setting mechanisms should be established by 1996. Each institution of government should establish a national priority-setting exercise and publish five-year objectives in the relevant sector or parastatal. The objectives should be measurable, achievable, have a defined time frame and be accompanied by a plan and budget to accomplish them. The Financial and Fiscal Commission established in the Constitution could develop such national priority-setting mechanisms as a means for budgeting.

5.10.4 In order to promote greater accountability in parastatals, lines of funding and reporting must be restructured to ensure that each parastatal is directly accountable to a particular ministry - this means that funding and reporting lines must be the same.

5.10.5 All bodies must run on full cost accounting. All subsidies paid or received must be the result of an explicit and transparent decision. In addition, parastatals which receive 20% of their funding or R20 million (whichever is less) from government, should submit an annual director's report to the relevant ministry, showing how allocated funds were used given the objectives agreed to. Every ministry and parastatal should have an office that periodically reviews its activities and measures performance as well as appraising staff performance. Rationalisation of the activities and resources of parastatals should take place to promote efficiency and effectiveness. Parastatals should have a public consciousness.

5.10.6 There should be a review of the mandates of the various parastatals and development institutions. As they are key structures for the successful implementation of the RDP, such a review must be given priority. The evaluation should identify whether the body is appropriate and should continue more or

less in its present form, whether it should be significantly altered or merged or closed down. For instance, it should be considered whether there is an advantage in maintaining the science councils or whether some or all of them should be merged.

5.10.7 Control of funds set aside specifically for development purposes, (be they from contracts, the democratic government or the public domain) should vest in a competent and legitimate government agency, a Commission for Development Financing, which could include representation from civil society. Reports on progress and plans for achieving development goals should be submitted to the RDP Commission within one year.

5.10.8 There should be an independent review of the activities of all ministries, parastatals and other democratic government agencies conducted by an independent agency, either the Public Service Commission or a Performance Auditor to facilitate achievement of the goals and objectives of the RDP. The first performance audit should be carried out within six months of the inauguration of the Interim Government of National Unity. The Office of the Performance Auditor should report to the Commission for Implementation of the RDP.

5.11 LOCAL GOVERNMENT

5.11.1 Local government should be structured on a democratic, non-racial and non-sexist basis. The Local Government Transition Act provides for the start of this process with the establishment of transitional councils, and the creation of a framework for the first non-racial local government elections.

5.11.2 The constitutional and legal arrangements, which provide for councils of local unity for the transitional phase, should be removed from the final constitution to make local government more democratic. Existing local government legislation, including the Local Government Transition Act and the Provincial Ordinances, should be amended or repealed where necessary by a competent legislative authority.

5.11.3 An estimated 800 segregated local authorities must be amalgamated into approximately 300 new local authorities with non-racial boundaries. The existing grading system for local authorities should be revised to reflect needs of people, and not just existing consumption of services.

5.11.4 The demarcation of boundaries of local authorities should ensure that informal settlements on the outskirts of towns and cities, and urban settlements displaced behind homeland boundaries, are incorporated into the jurisdiction of new local authorities.

5.11.5 Elected local government, with responsibility for the delivery of services, should be extended into rural areas, including traditional authority areas. Rural district councils that incorporate a number of primary local councils must have a key role in rural local government.

5.11.6 In major urban centres, strong metropolitan government should be established to assist in the integration and coordination of the urban economies.

5.11.7 Separate budgets and financial systems must be integrated on the basis of "one municipality; one tax base." The arrears and debts of the black local authorities, estimated at R8bn, should be written off by a competent legislature.

5.11.8 All local authorities should embark on programmes to restore, maintain, upgrade and extend networks of services. Within a local authority, the total body of consumers should be responsible for the cost of the service, including capital improvements, thus allowing for cross-subsidisation of new consumers. Tariff structures should be structured on a progressive basis to address problems of affordability. Within this framework, all consumers should pay for services consumed.

5.11.9 Local authorities should be assisted to deal with the existing backlog of municipal services through inter-governmental transfers from central and provincial government, according to criteria established by the Fiscal and Finance Commission.

5.11.10 Separate local authority administrations must be amalgamated, reorganised and rationalised, after consultation between employer and employee bodies. A centralised system of collective bargaining for municipal employees should be established.

5.11.11 The Training Board for Local Government Bodies should be restructured to provide more effective training for employees of local authorities. The entrance criteria of professional bodies such as the Institute of Town Clerks and the Institute of Municipal Treasurers and Accountants should be broadened to ensure better access for all South Africans to these professions.

5.11.12 At local government level a women's portfolio should be established with powers to scrutinise local authority programmes and budgets for gender sensitivity. Local authorities can play a role in the implementation of affirmative action with the private sector through special criteria for local government contracts.

5.11.13 A developmental culture among local government administrations should be encouraged. The actions of councillors and officials should be open and transparent, with councillors subject to an enforceable code of conduct.

5.11.14 Local authority administrations should be structured in such a way to ensure maximum participation of civil society and communities in decision-making and developmental initiatives of local authorities.

5.12 CIVIL SOCIETY

5.12.1 Apart from the strategic role of government in the RDP, mass participation in its elaboration and implementation is essential. Within the first nine months of 1994 the RDP must be taken to People's Forums, rallies and meetings in communities.

5.12.2 In the course of 1994 sectoral social movements and CBOs must be encouraged to develop RDP programmes of action and campaigns within their own sectors and communities. Many social movements and CBOs will be faced with the challenge of transforming their activities from a largely oppositional into a more developmental mould. To play their full role these formations will require capacity building assistance. This should be developed with democratic government facilitation and funded through a variety of sources. A set of rigorous criteria must be established to ensure that beneficiaries deserve the assistance and use it for the designated purposes. Every effort must be made to extend organisation into marginalised communities and sectors like, for instance, rural black women.

5.12.3 Delivery or enforcement mechanisms for social and economic rights must not focus only on the constitution, courts and judicial review, but must include agencies which have the involvement of members and organisations of civil society as means of enforcing social justice. These agencies, such as Social Justice Commissions and Social Councils are more representative and democratic and can be given a tribunal role to hear selected cases.

5.12.4 Institutions of civil society should be encouraged to improve their accountability to their various constituencies and to the public at large. There should be no restriction on the right of the organisations to function effectively. Measures should be introduced for an enabling environment for social movements, CBOs and NGOs in close consultation with those bodies and for promoting donations to the non-profit sector. This should include funding of Legal Advice Centres, paralegals, and an institution to facilitate the establishment and registration of NGOs.

5.12.5 The rights of individual people should be protected and guaranteed in the processes of government. Groups and communities should be encouraged to contribute to the reconstruction and development process. Parents should be empowered through school governance, residents through residents' associations, etc.

5.12.6 Multi-partite policy forums (like the present National Economic Forum) representing the major role-players in different sectors should be established and existing forums restructured to promote efficient and effective participation of civil society in decision-making. Such forums must exist at the national, provincial and local levels.

5.12.7 Forums such as the National Economic Forum constitute important opportunities for organs of civil society to participate in and influence policy-making. Similarly they provide the democratic government with an important mechanism for broad consultation on policy matters. They need to be assisted (and sometimes restructured) to improve their effectiveness, representivity and accountability.

5.13 A DEMOCRATIC INFORMATION PROGRAMME

5.13.1 Open debate and transparency in government and society are a crucial element of reconstruction and development. This requires an information policy which guarantees active exchange of information and opinion among all members of society. Without the free flow of accurate and comprehensive information, the RDP will lack the mass input necessary for its success.

5.13.2 The new information policy must aim at facilitating exchange of information within and among communities and between the democratic government and society as a two-way process. It must also ensure that media plays an important role in facilitating projects in such areas as education and health.

5.13.3 The democratic government must encourage the development of all three tiers of media - public, community and private. However, it must seek to correct the skewed legacy of apartheid where public media was turned into an instrument of National Party policy; where community media was repressed; where private media is concentrated in the hands of a few monopolies; and where a few individuals from the white community determine the content of media. New voices at national, regional and local levels, and genuine competition rather than a monopoly of ideas, must be encouraged.

5.13.4 An affirmative action programme, consistent with the best experiences in the world, must be put into place to empower communities and individuals from previously disadvantaged sectors of society. This must include: mechanisms to avail resources needed to set up broadcasting and printing enterprises at a range of levels; training and upgrading; and civic education to ensure that communities and individuals recognise and exercise their media rights.

5.13.5 Measures must be undertaken to limit monopoly control of the media. Cross-ownership of print and broadcast media must be subject to strict limitations determined in a public and transparent manner. The democratic government must encourage unbundling of the existing media monopolies. This includes monopolies in the areas of publishing and distribution. Where necessary, anti-trust legislation must be brought to bear on these monopolies.

5.13.6 The democratic government must set aside funds for training of journalists and communities and, at the same time, encourage media institutions to do the same.

5.13.7 To ensure free flow of information - within the broad parameters of the Bill of Rights - legislation guaranteeing freedom of information must be introduced.

5.13.8 The democratic government must have a major role to play in the introduction of a new information policy. This must, however, be limited to facilitation rather than dabbling in editorial content of media enterprises. Further, a deliberate policy must be followed to prevent unwarranted state intervention in levelling the media playing field or privileged status for government information. The Bill of Rights and, if necessary, legislation will be crucial in this regard.

5.13.9 The South African Communications Services (SACS) must be restructured in order to undertake two important tasks: the provision of objective information about the activities of the state and other role players, and the facilitation of the new information policy.

5.13.10 To carry out these two functions, two distinct structures will be necessary. At the same time, the information arms of various ministries, especially those dealing with reconstruction and development, must be strengthened.

5.13.11 All these measures require institutional mechanisms independent of the democratic government and representative of society as a whole. Some of the more crucial ones are:

5.13.11.1 Information Development Trust: made up of civil society, media role players, especially community-based ones, the democratic government and political interests, to work out detailed criteria and mechanisms for assisting relevant media enterprises.

5.13.11.2 Independent Broadcasting Authority: appointed in a transparent and participatory process. Made up of persons of integrity and experts in the broadcasting field. Responsible for the issuing of broadcasting licenses and other broadcasting regulations.

5.13.11.3 Public Broadcaster Board: appointed in a similar manner to give broad direction to the public broadcaster, without undermining editorial independence.

5.13.11.4 Voluntary regulatory mechanisms: for private media enterprise, and representative of all role players, including media workers. Within broadcasting, the voluntary regulations should be within the framework provided by the IBA.

5.13.11.5 Independent unions of media workers and associations of owners of media institutions.

Chapter Six
Implementing the RDP

6.1 PROBLEM STATEMENT

6.1.1 Planning in South Africa does not meet the needs of the majority. In recent years, too, the state has proven less and less able to achieve its stated goals, and is characterised by increasing corruption and waste. Four structural weaknesses generate inappropriate and ineffective planning.

6.1.1.1 Excessive departmentalism leads to uncoordinated, sometimes contradictory, decision-making by various state agencies.

6.1.1.2 The allocation of power between the various tiers of government - local, regional and national -does not accord with practical needs. Generally, the central state and some regional governments have excessive power.

6.1.1.3 At all levels, the structures of government exclude the majority of the population from participation in decision-making. Bureaucrats do not consult with most stakeholders.

6.1.1.4 Decision-making remains largely unaccountable either to the public or to monitoring structures. Typically, civil servants act in secret. They rarely justify or explain their decisions in public.

6.2 VISION AND OBJECTIVES

6.2.1 The success of the RDP will be dependent on the establishment of an integrated planning process for the optimal utilisation of resources, appropriate structures for the coordination of the RDP, and sustainable systems for financing the RDP. The RDP thus represents a process rather than a fixed-state master plan. The RDP must seek:

6.2.1.1 to manage policy and the ability to determine spending priorities within a strategic perspective.

6.2.1.2 coordination of resources and actions;

6.2.1.3 incorporation of all major stakeholders in establishing, implementing and evaluating policy;

6.2.1.4 legislative, procedural, institutional and financial frameworks that ensure that policies can be implemented and resources really are redistributed;

6.2.1.5 understanding of what it is that must be controlled and that which must be let go of i.e. strategic, chaos management versus comprehensive control, and

6.2.1.6 recognition of conflicts that will arise over limited resources.

6.3 IMPLEMENTING STRUCTURES

6.3.1 A broader national coordinating structure must be established to ensure that the structures of civil society are involved in the programme, and to coordinate between the various ministries, parastatals, labour civic and other organisations. The RDP must link with existing sectoral and development forums at national level, in order to establish effective systems for coordination.

6.3.2 A commission in the President's office must monitor implementation of the RDP, including the elaboration of planning frameworks and coordination between departments and tiers of government.

6.3.3 At provincial and local levels of government a similar RDP unit must be established directly under the executive authority, with similar tasks in the relevant area. Within the context of a national programme, decision-making and fiscal control must be decentralised to sub-national structures.

6.3.4 For purposes of budgetary control the RDP must have a direct relation to the Ministry of Finance.

6.3.5 Regional and local development forums are an important vehicle for ensuring the participation of local communities and interest groups in the development process. Development forums must be strengthened through the provision of adequate resources.

6.3.6 The RDP recognises that access to planning procedures and information is unequally weighted in favour of an already privileged group. The central RDP agency must ensure that historically oppressed communities get the resources they need to participate meaningfully in planning processes and decision-making. Particular emphasis must be placed on the role of women in urban and rural areas and in micro-enterprises.

6.4 PLANNING FRAMEWORKS

6.4.1 In order for the RDP to succeed it must be based on a hierarchy of development strategies packaged as Reconstruction and Development Frameworks. Developing this process will require changes in existing legislation, procedures and regional powers. It should be linked closely to the budgeting and administration process and to government, and should incorporate organisations within civil society.

6.4.2 Under the RDP, Development Frameworks at national and local level must:

6.4.2.1 focus on priority development challenges, strategies to meet these challenges and 3 to 5 year programmes of action (each Development Framework must itself be made up of a series of related frameworks covering institutional/finance and management, priority sectors and physical planning);

6.4.2.2 provide the frameworks to which statutory authorities should relate;

6.4.2.3 guide work programming and priorities, development actions, participatory processes, and priority-based budgeting, and

6.4.2.4 guide both public and private investment decisions to ensure the best cumulative effects.

6.4.3 RDP planning will face a range of issues and communities with which planners are completely unfamiliar. The existing planning institutions will be stretched well beyond their capacity, both in terms of resources and expertise. If the whole system is not to collapse under the new pressures, it is crucial that new plan-making processes and approval procedures be developed. These must be simple and easy to understand and capable of speedy implementation.

6.4.4 A national system of monitoring must establish a set of key indicators and measures the impact of the RDP on these indicators. By mid-1994, the central RDP agency must develop criteria for assessing targets and time frames.

6.4.5 Every possible step must be taken to ensure that the decision makers are held accountable for their decisions. They must motivate publicly all decisions with sound reasons and interested. Affected parties must be able to appeal against planning decisions to an independent appeals body.

6.4.6 The RDP must promote appropriate and clearly defined tiering of planning functions. Each tier of government should correspond with a tier of planning. Decision-making by different governments and agencies should be related to the practical needs of designing programmes.

6.4.7 Development planning to carry out the RDP must not be blinkered by traditional disciplines or departmental boundaries. Planners must look simultaneously at transport issues, the environment, housing needs and development financing arrangements. The law should explicitly require collaborative, integrated planning and decision-making.

6.4.8 **Regulatory frameworks for planning the RDP.** A new legislative framework for development planning is required in order to make the RDP a reality. Such a framework must:

6.4.8.1 repeal the current inappropriate and unconstitutional development legislation;

6.4.8.2 define a clear hierarchy of development planning which fits with the proposals for the sub-national tiers;

6.4.8.3 establish clear principles to guide decision-making, strategy formulation and procedures;

6.4.8.4 subordinate local planning to metropolitan/district, provincial and national development planning (e.g. by reducing the status of zoning and town planning schemes to the status of local plans which are automatically overridden by higher levels of planning);

6.4.8.5 provide a basis for defining and fast tracking strategic reconstruction projects, and

6.4.8.6 provide for rapid granting of legal status to widely supported, interim metropolitan/district and provincial development frameworks.

6.4.9 This should be consolidated in the form of a National Reconstruction and Development Planning Act, and promulgated as a matter of urgency. Simultaneously a prototypical Provincial Reconstruction and Development Planning Act should be developed for consideration and adoption by each province.

6.5 FINANCING THE RDP

6.5.1 Financing the RDP presents both a challenge in managing the sequence and timing of different funding sources, and an opportunity to revive our economy and set it on a path to sustained reconstruction and development. We must finance the RDP in ways that do not cause undue inflation or balance-of-payments difficulties. Furthermore, we must finance the RDP in a variety of ways.

6.5.2 Firstly it is very important to realise that the vast bulk of the RDP will be financed by existing resources organised, rationalised and directed within the guidelines of the RDP. Additional financial needs are specifically identified. Secondly, many of the proposals are to be financed by the workings of the capital markets and do not imply a burden of government revenue.

6.5.3 **Restructuring the national budget.** Despite relatively high levels of government spending, South Africa displays a worse record than many poorer countries in meeting basic needs. This situation reflects the impact of apartheid in terms of both racially skewed spending and corrupt, unaccountable government. In addition, low growth rates and an absence of growth-promoting capital expenditure by the public sector created fiscal problems. A severe imbalance exists at present between insufficient capital expenditure and excessive consumption expenditure.

6.5.4 The RDP is, therefore, committed to a programme of restructuring public expenditure to finance the democratic government's contribution to the RDP. Given the fiscal malaise left by apartheid, careful programmes must be developed around financing increased capital expenditure, increasing the efficiency of consumption expenditure and improving the revenue recovery capacities of the government.

6.5.5 The present level of borrowing by government is around 6% of GDP. The RDP does not propose increasing this debt burden. As the economy starts to grow, the debt burden gradually decline. The overall tax burden, as a percentage of GDP, should not increase until strong growth is achieved.

6.5.6 The democratic government must end unnecessary secrecy in the formulation of the budget. To that end, it must change the relevant regulations. We must establish a Parliamentary Budget Office with sufficient resources and personnel to ensure efficient democratic oversight of the budget. Transformation of the parastatals and cooperation with forums will also help ensure more efficient and open budgeting processes.

6.5.7 Efficient and open transformation of the budget requires the development of a five-year fiscal plan as the framework for multi-year budgets. It will indicate the shares of the budget, business and civil society in funding the RDP.

6.5.8 By combining the ministries of State Expenditure and Finance to form a single finance ministry, we will reduce duplication and streamline decision-making.

6.5.9 The democratic government must make the development of effective and open performance auditing a top priority. Auditing of public institutions must broaden from its narrow focus on financial accountability to assess how well expenditures meet RDP targets. The Interim Constitution gives the Auditor General responsibility for performance auditing mandated by the President. We must begin to define the priority sectors and agencies for performance auditing.

6.5.10 The democratic government must mandate the Financial and Fiscal Commission to review the tax structure in order to develop a more progressive, fair and transparent structure. Priorities will include:

6.5.10.1 eliminating bias in tax against women regardless of marital status, and recognising women's child care costs and the unpaid labour they perform;

6.5.10.2 reviewing personal income tax to reduce the burden caused by fiscal drag on middle-income people;

6.5.10.3 rationalising company tax breaks for health, education, housing and other expenditures which may conflict with RDP priorities;

6.5.10.4 simplifying the unnecessarily complex company tax system, which is biased against small and medium enterprises and leads to low effective tax rates despite a fairly high nominal rate, and

6.5.10.5 zero-rating VAT on basic necessities.

6.5.11 Taxation policies should give incentives for institutional affirmative action programmes covering race and gender, with respect to employment and education.

6.5.12 **Mobilising new funds.** The democratic government should establish a Reconstruction Fund (possibly incorporating the wholesale financing requirements of the Electrification Fund and Housing Bank) for elements of the RDP that can generate income streams in the future. The Reconstruction Fund should include some form of dedicated reconstruction bond. In addition, it should draw on specific reconstruction levies. The design of reconstruction levies will depend on the aims of the RDP as a whole, especially in terms of promoting development and growth, but could include levies on capital transfers, land and luxury goods.

6.5.13 The RDP must use foreign funding only for those elements of the programme that can potentially increase our capacity for earning foreign exchange. Relationships with international financial institutions such as the World Bank and International Monetary Fund must be conducted in such a way as to protect the integrity of domestic policy formulation and promote the interests of the South African population and the economy. Above all, we must pursue policies that enhance national self-sufficiency and enable us to reduce dependence on international financial institutions. Further, we must introduce measures to ensure that foreign, non-governmental aid supports the RDP.

6.5.14 **Socially desirable investments.** The democratic government cannot fund the RDP without support from the private sector. Financial institutions must assist both by funding individual programmes to meet basic needs, especially housing, and by improving their services to small-scale producers and the black communities. The democratic government must modify regulations and support innovative financial institutions and instruments that will fund the RDP.

6.5.15 If excessive risk aversion in the major financial institutions prevents them from taking up socially desirable investments, the democratic government should consider some form of legislative compulsion such as prescribed assets.

6.5.16 **Other resources.** The democratic government must not be alone in accessing resources. Unemployed local labour must be mobilised, through job banks and community-based employment generation initiatives. Employed workers must be given incentives to use their skills and knowledge in the interests of society. Creative use of local resources - such as building materials - must be encouraged. The power of women in households, in production and in community structures must be fully unleashed and rewarded. Only through such grassroots-oriented development initiatives can the RDP be brought to its logical fruition as a successful programme for all South Africans.