

**EUROMONEY CONFERENCE : SOUTH AFRICA
- ITS ECONOMIC AND FINANCIAL PROSPECTS**

**Address by Mangosuthu G. Buthelezi
Chief Minister KwaZulu and
President Inkatha Freedom Party**

"NEGOTIATION FOR STABILITY AND PROGRESS"


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What I am going to say about negotiating for stability and progress^a in our country is going to be said against the background of a number of assumptions which I believe I should make explicit at the outset.

! I do not agree that Mr. F.W. de Klerk could possibly renege on his commitment to negotiations, and that the South African Government could end up with its back to the wall, because it again sought, to be a dominating racist power.

! I [^]do ~~not~~ believe that I [^]need a ~~liberation~~ army in reserve. I do not believe that the world should continue [^]penalising South [^]Africa, and I do not believe that the isolation of South Africa is [^]justified.

/ I do not believe ~~any of these things~~ because I know that apartheid is being [^]dismembered in such a way that nobody could ever put it [^]together again. The Black struggle for liberation has broken apartheid up, and we are busy throwing away the pieces.

Mr. de Klerk does not have the political, social and economic bases that his predecessor had, on which to try — and — build — apartheid. The foundations — of apartheid — have — been — destroyed. Institutionalised South Africa is throwing the pieces of those — broken foundations — away. 

Everything I say rests on the correctness — of — the assumption that the politics of negotiation in our country can now become a process, which — will — become more inclusive, from whatever base — it — may — start. Apartheid is no longer the monolithic monster, that it —  was.

was. ^{for the world} It can now be dismembered and dumped as we go. ¹

The National Party ~~does not have a central position~~ of power into which it ~~can retreat~~. It ~~does not have~~ a laager.

Black South Africans are not afraid of apartheid any more. Those I believe who continue to argue the reverse and call on the world to help them maintain armies in exile, and help them maintain economic pressure on South Africa, are not being quite honest with the world. The extension of the myth of the power of apartheid is only being used to buy that

little extra time that is needed in which ~~to~~ make assessments ~~and~~ adjustments, on how to gain ~~greater~~ organisational ~~or~~ political advantage, which ~~they~~ in fact now know ~~can~~ start tomorrow. ■

1. nowadays frequently use the expression "turn ~~the~~ politics ~~of~~ negotiation ~~into~~ a process" and I want to argue the merits of this concept ~~from~~ two points ~~of~~ view - the socio-economic point of view, and the political point ~~of~~ view. Let me start with the latter.

When one thinks about negotiations in South Africa there are a number of alternative circumstances within which negotiations can take place. I want to create the circumstances in which negotiations not only take place but keep going, and end up producing a united South Africa, with a national will, to make democracy work.

My perception of the circumstances needed to do so, preclude the circumstances which could possibly be dictated by the ANC-authored Organisation of African Unity Harare Declaration. In this Declaration the

call is for a Constituent Assembly, and the handing over of power to it, by the South African Government.

The call goes with a commitment by its authors to what one can very correctly call winner-takes-all politics. It goes with a rejection by those who authored the Harare Declaration of minority group protection, and it goes with the kind of politics which is very normative, and only to be expected from revolutionaries or ex-revolutionaries who have never been in the habit of struggling to make it possible for other Parties to win an election.

I adopt an entirely different approach. My approach to negotiations is an approach, in which I want to produce a situation in which it is going to be possible for Parties to rise and fall, and governments to come and go, through normalised electoral procedures typical of Western, multi-Party democracies.

If we could guarantee such a political situation to White, Indian, Coloured and Black South Africans, we would be able to put a democracy in place, even within a matter of months. It is fear of a future

one-Party State in which there will be no democratic checks ~~and~~ balances, that is ~~singularly~~ ~~the~~ most difficult political ~~hurdle~~ White South Africans ~~face~~.

If ~~black~~ ~~political~~ ~~leaders~~ are ~~going~~ ~~to~~ make it possible for Whites to overcome ~~this~~ difficulty, they must not ~~blandly~~ ~~and~~ ~~indignantly~~ say that ~~they~~ will produce a democracy in which there will ~~be~~ the rule of law, and ~~individual~~ ~~rights~~ and ~~that~~ ^{that} will be sufficient for everybody. However much I myself know that South Africa will be like that if we could get there, I know we will not get there while there is a

fear ~~that~~ when we get there, ~~it will not~~ be like that.

~~/~~ Fear ~~is a political reality in South Africa, and must be treated as such. Unless we now work for reconciliation, during this final phase of eradicating apartheid, and in the first phase of establishing a democracy, there just will not be the national will necessary to maintain the kind of democracy in which the guarantee of individual rights is sufficient.~~

I do not want to argue the merits of Mocambican or Angolan government politics. All I say is that both

Frelimo and the MPLA would have argued ~~that all were equal before the law, and all have the same rights before the law, and none need fear.~~ That did not stop the Renamo war; it did not stop the UNITA war. The demand to rest assured on equality ~~for all in a future South Africa will not stop the kind of backlashes in South Africa against a powerful centrally entrenched new Government,~~ that, for example, the ANC envisages.

For me negotiations must begin with the wooing of all our ~~country's population groups into the process.~~

This means for me basing my negotiating strategy on establishing the circumstances in which we begin talking about the devolution of power and the fragmentation of central State power to avoid any possibility of another monolithic State monster emerging in South Africa.

If we had a Lancaster House negotiation type situation in South Africa it will be negotiation by contest. I want negotiation by co-operation. I want negotiations to begin building up to a process in which all South Africans ever-increasingly join

together ~~to preserve the best that there is~~ in our country, while ~~we eradicate the worst that there is~~.

We ^{will} know South Africa today - warts and all. We know what ~~is wrong with it~~. ^{and} We ~~are going to fix it~~. We do not have to ~~leap into the unknown to do so~~. We do not ~~have to become way-out~~ in our ~~adventurist politics to do so~~. We have to develop a common will to do ~~so~~ and we have to work together in the known South Africa making known today the South Africa that we are going to ~~step into tomorrow~~.

I now join two thoughts ~~together that~~ I have already expressed. The ~~first is that~~ Mr. de Klerk cannot renege ~~because he lacks the political, social and economic bases from which he could do so.~~ The second is that we must turn the politics of negotiation into a process of reconciliation.

I say no to a Constituent Assembly, and I say emphatically ~~no~~ because we would be far safer in managing whatever risk there is in the politics of change - and there is always extreme risk in situations of radical change - by being secure in our

knowledge that Mr. de Klerk will do what we want him to do, if we make it possible for him to do so.

I believe that ~~change should be legislated into position~~ step by step ~~as negotiations proceed~~, and as ~~agreement is reached on what must be done soonest~~, how it must be ^{done}, and what must be ^{done} next. All we need, I say, is a Statement of Intent, which includes the acceptance of the kind of fundamental principles of democracy which are found wherever democracy really works. I am thinking of: *to follow for example*

- the sovereignty of South Africa as one country;

- total equality before ~~the law~~ and the constitution ~~with no legal means~~ of distinguishing ~~between people~~ on the basis of colour, race and religion.;
- certainly, universal adult suffrage;
- the rule of law preserved by a really independent judiciary;
- constitutionally-protected human rights of the kind ~~so~~ eloquently formulated in the Universal Declaration of Human Rights.

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Whether we end up with a federation, or a unitary State, or with a Swiss Canton-type system, — is — not that important. It is important that we end up with a democracy — a proven kind of democracy which will stand the test of time. ▮

I turn now to some socio-economic considerations which really do favour turning the politics of negotiation into a process to avoid making negotiation contests in winner-takes-all one-off final conferences.

As a Black South African I am aware of how terribly Blacks paid prices for apartheid and how courageously and consistently over decades and even generations they struggled valiantly for their liberation.

1990 is their year. It is the year in which the struggle for liberation at last came into its own to produce the kind of political compulsion in which a South African Head of State has now no option but to pursue the kind of action that the Black struggle for liberation has demanded for decades.

The Black struggle has not, however, ~~only been a~~ Party political affair, ~~with political bosses cracking~~ the political whip, ~~and dictating political pace~~ and direction.

The Black ~~struggle for~~ liberation ~~is~~ actually succeeding, because ~~of political action~~ - very definitely yes - but also because of that vast range of Black ~~opposition to~~ apartheid ~~which~~ finally mounted ~~an~~ unstoppable multi-strategy approach ~~which~~ slammed apartheid, and undermined it, in hundreds of different places, in thousands of different ways.

In this whole process of Black opposition to apartheid, the values Blacks were striving for, the situations they were demanding, fed ever-increasingly into institutionalised South Africa. The whole of institutionalised South Africa is now poised and internally geared to producing the new post-apartheid society we all want. We do not have to destroy the Reserve Bank. We do not have to dismantle the Civil Service. We do not have to destroy the country's economic infrastructure to bring about the changes that we need.

Institutionalised South Africa is there ready to give weight ~~and~~ direction to the politics of ~~change~~—as called for by Black and White ~~political~~ leaders.

Making the politics of negotiation a process will ensure that ~~politics and economics~~ in our country become two sides of the same coin!

I am quite sure that if we pursue negotiations in the spirit, in the vein and in the intentions I am announcing, we will discover common cause. Common cause can evolve as we purge the worst that apartheid

has done to South Africa, ~~while we preserve the best that is in it.~~ If we do so, we will end up producing a very strong enterprise-driven economy with that minimum of State control, which will be negotiated as necessary, and which will ~~be agreed to be necessary.~~♥

* I believe in the end we will have ~~to come to agree~~ that there will be a mixed economy in South Africa. Business itself will require that this ~~is~~ so. How far we will have to go beyond the ~~kind of~~ mixed economy which, say, Germany is today, is difficult to envisage just now. It is that kind of mix I will aim

for, with perhaps a mediating ~~first~~ Five-year Economic Development Programme. We will ~~perhaps~~ need a period in which ~~the State~~ can play out a role to assist in making manageable ~~the land problem~~ and the problem of re-distributing economic opportunity ~~in~~ such a way that it ends up re-distributing ~~the wealth~~ of the country ~~without~~ destroying ~~the~~ productive capacity ~~of the economy~~.

South Africa's economic policy should be rooted in thinking which could flow from an ~~examination~~ of what ~~there is today~~ and in action needed to overcome

the economic problems we face. We must recognise that there are barriers to economic development which have been created by:

- restrictive racial legislation;
- political boundaries drawn by race and ideology;
- over-regulation of the economy imposed by too high a level of State intervention.

Apartheid has been responsible for all these things and more but they are, I believe, artificial barriers to economic growth. They can be removed with strokes

of the pen; ~~they can be legislated out of existence.~~
When, however, we have done so ~~we will face~~ the real
barriers ~~which will have to be~~ surmounted. These
include:

- the ~~unequal~~ distribution of ownership of
physical resources;
- the unequal distribution of marketable skills;
- the unequal access to land and capital markets;
- the unequal access to markets for skills and
products in the whole field of income-generating
opportunities.

It is only in the politics of negotiation becoming the kind of process I am envisaging that we can fix the economy as we go along in politics. It is turning the politics of negotiation into a process in which there is constant discovery of common cause between South Africans, that we will be able to strike accords between the vast millions of past victims of apartheid and present victims of its aftermath. ✱

It is only in the politics of negotiation that we will be able to bring the total reliance on the informal economic sector that millions are going to

continue to have ~~for a long time into~~ the economic and political formulae that are going to be needed.

In negotiations we will be able to establish the politics in which it is not a - haves/have-nots context, not a we/they situation but ^{an} all-South African affair. We must bring Black South Africans into centre-stage politics individually and in a step-by-step manner show that right political steps pay economic dividends for individuals. We must urgently attend to:

- removing artificial barriers to entry and growth;
- establishing development and needs priorities;
- plan, co-ordinate and implement fiscal policies to raise revenue for development;
- providing financial support to State Departments and development agencies working to achieve development priorities;
- planning, co-ordinating and implementing sympathetic monetary educational and population development policies to support and reinforce

the above efforts.

I am quite convinced that South Africans are ready to negotiate a new democracy into existence. It can be done without pushing South Africa into a traumatised future because we allowed politics brute-force scope, to put the good of the Party before the good of the State, and to put no limits of any kind on the price that the Party is prepared to pay to triumph in the end, as the sole dominator.

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