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MINISTER FOR DEVELOPMENT COOPERATION  
JAN PRONK**

**12TH SADCC CONSULTATIVE MEETING**

**Check against delivery**

Maputo,  
30 January 1992



Mr. Chairman,  
Honourable Ministers,  
Distinguished Delegates,  
Ladies and Gentlemen,

It is a great honour for me to be able to address this Conference. I am pleased to do so directly after Minister Barroso, who being in the chair of the European Community, has also spoken on behalf of my country. Let me start off by expressing, to the Government and the people of Mozambique, the sincere gratitude of the Netherlands delegation for the warm hospitality and the excellent arrangements made for this meeting.

This conference is taking place at a very critical time. As the turn of the century approaches, a fundamental change is taking place in the relations between the countries of East and West. The old divisions, not only between military blocs but also between state ideologies, are fading away. Although we have welcomed and still welcome the end of the Cold War we have to fear that for many years to come Europe will remain a continent that is searching for renewed political, economical and social equilibrium. However, not only the relations between East and West are changing drastically, also the relations between North and South are in a state of transition. The frontiers between North and South are becoming less distinct. Worldwide problems, to which there is no local solution, are pushing North and South into more mutually dependent relations. Not only geographical frontiers are becoming blurred, but ideological ones too. The new situation in the world has favourable and unfavourable implications for the developing world. One negative result, which ought to be avoided, could be a diversion of development funds. Another negative effect is the present new wave of nationalism, with a great potential for conflict. On the other hand, whereas in the past regional conflicts were not seldom further inflamed by the East-West confrontation, a clear perspective on peace is arising now. Domestic policies and human rights issues can be discussed more freely, without an ideological bias. Moreover, there are new possibilities for regional cooperation in all parts of the world.

Against this background of a changing world, the Netherlands has reviewed its development policies which resulted in a White Paper titled: 'A World of Difference: a new framework for development cooperation in the nineties'. Sustainable poverty reduction and economic self-reliance of developing countries will be the central goals of the Netherlands development cooperation in the nineties. Following the UN we call this "Human development": development of, for and by people, or, in other words, investment in people, meeting basic human needs and participation of the poor in decision making processes. In our White Paper particular attention is further given to the natural environment and to gender relations in development. Also, special priority is attached to the furthering of good governance, democracy, respect for human rights, transparency, accountability and the rule of law, which we consider essential components of sustainable development.

In large parts of Africa, some countries in Southern Africa not excluded, per capita income in the eighties dropped to pre-independence levels. Moreover, agriculture stagnated and fell behind population growth. Due to a lack of social and political pluralism and to war, there was an outflow of highly skilled people from the African continent which led to shortfalls in the capacity for policy preparation and implementation. The social and physical infrastructure was seriously affected by military actions and by civil war, by man made and by natural disasters. The crisis is economic as well as political. African governments are faced with enormous



challenges in the nineties; they must not only bring about economic reform but must also ensure pluralist socio-political relations, which are crucial to achieve autonomy: autonomy for nations in taking decisions regarding their domestic economic, social, political and cultural system; autonomy for people within nations in order to give a real meaning to democracy and human rights in mutual respect.

The structural adjustment programmes of the eighties can now be seen as a first step towards reform. The limitations of those programmes are now sufficiently recognized. There are social and political conditions for economic adjustment. Moreover, adjustment should not weaken the capacity to grow nor distort the ecological balance. That is why the nineties should now become the decade beyond adjustment, a decade of transition towards sustainable development. A consensus is beginning to emerge internationally over this new policy, as was apparent at the Africa Conference in Maastricht in July 1990. Three premises are fundamental to these new strategies.

First, administrative and political reform will often result in a less prominent role for the government.

Second, in order to be lasting and sustainable, development should start with people, should be "bottom-up", and

Third, a change in agricultural policy that attaches priority to the needs of the farming population is required. With that in mind, I dare to say that the often heard pessimism about Africa is far from justified. On the contrary, recent changes in Africa show that we can trust the endogenous capacity and dynamics of this continent and have confidence in the great resilience that the African people have shown in all crises.

Allow me to comment briefly on the promising developments which have taken place in the region of Southern Africa. We have been encouraged by the increasing signs that a long overdue but now dynamic process of political change has been set in motion in South Africa. Since long the successive Netherlands Governments have repeatedly expressed their total rejection of apartheid and its associated repressive measures. We have firmly and consequently demanded the eradication of this intolerable system that for so many years has denied the majority of the people of South Africa their elementary civil, political, economic and social rights. But not only that, we have wholeheartedly adopted an active policy employing a combination of pressure and encouragement to promote the dismantling of apartheid. Although the process of change in South Africa is only beginning, the changes that come can not be merely symbolic or cosmetic. The point of no-return has been passed. CODESA will result in an interim government, in free elections, and ultimately in a new, free and democratic South Africa without racial discrimination and thus also without economic apartheid. Then South Africa will be in a position to realize its considerable potential for economic and social progress, not only within in the country but also to the benefit of the region of Southern Africa as a whole. We look forward to cooperate with such a new South Africa, also in the framework of SADCC. After having listened to the clear and impressive statement made by Mr. Sisulu of ANC on behalf of the liberation movements, in which he highlighted their views on the future position of South Africa in the region, I do not only look forward to this, but am very eager to have this cooperation to start very soon. Also for this reason we very much agree that the tenure of an interim government should be short.

More or less parallel to this process and certainly helped by the change in international relations, Namibia has become an independent and free nation. The just and successful struggle for



independence by the Namibian people has been supported by the Netherlands over the past many years. The main challenge facing Namibia now is to overcome the consequences of apartheid and 20 years of armed struggle. National reconciliation is indeed the guiding principle in this process.

In Angola the prospects for a lasting and effective peace are very promising. Both the government and UNITA have shown their commitment to the peace agreement of May 1991 and free elections will probably take place before the end of the year. We see it as crucial for the sustainability of the peace process that there will be a successful conclusion of the demobilization process and the reintegration of refugees. The Netherlands is prepared to support this process in Angola. Once the peace process is completed Angola can use in full its considerable economic potential for national reconstruction.

In many countries in this region an ongoing process towards political pluralism and democratic elections has become irreversible. So, we very much welcome the democratic character of the political changes which took place in Zambia.

However, in this crucial time of rapid changes, given the magnitude and complexity of the issues involved, it is important not only to measure the distances already covered, but also to get a clear perspective of the road ahead.

The magnitude and complexity of the issues involved are clearly defined in a number of documents which the Global Coalition for Africa has compiled in the publication which was issued last week under the title: "Documents on Development, Democracy and Debt".

The theme of this 12th Conference of the Southern African Development Coordination Conference is 'SADCC: Towards Economic Integration'. This theme is highly relevant for a conference taking stock of development policy at the beginning of the last decade of this century, at which time SADCC confronts a very different situation from the one it faced when it was founded twelve years ago. "SADCC", as President Quett Masire of Botswana put it once, "was founded on deep rooted historical, economic and political bonds of the peoples of the region, tempered by their common struggle for political independence and their total rejection of apartheid". An important fundament for the cooperation of these Southern African countries therefore was their common foreign policy aimed at the immediate and total eradication of apartheid.

Recognizing that the countries that formed SADCC were characterized by disparate socio-economic policies, SADCC focused during the decade of the 1980's on regional cooperation, irrespective of differences between member countries. SADCC did not hurry into integration but limited itself to coordinating the development of member states in certain sectors. It set itself realistic goals and programmes, thereby giving priority to projects of mutual benefit in, among others, transport, energy conservation and development, human resources, research, agriculture and food security in order to create the production base for meaningful cooperation in trade: the objective being to enable all countries in the region to share in the benefits of development and to reduce economic dependence. However, although there have been considerable successes, especially in the areas of transport and communications and food security, one cannot deny that only little progress has been made towards the reduction of the region's dependence and towards intra-trade cooperation. The fact that many SADCC member states still rely on foreign capital -



and in fact need more external development capital than they can generate themselves and even to a larger extent than twelve years ago - is hardly compatible with the notion of progress towards economic independence. Moreover, intra-regional trade remains low. Almost all these countries are exchanging more goods with South Africa than with all other SADCC partners combined.

I still consider SADCC to be of particular importance to future development of intra cooperation in the Southern African region. However, I feel that a fundamental overhaul of SADCC policies and aspirations is called for at a time that, as I see it, creates more opportunities than ever before. As the theme document put it rightly "a laissez faire approach to regional integration, in a region with gross disparities, would be inappropriate, and tend to entrench existing inequities and imbalances". Having listened to the address made by you, Mr. Chairman, I am confident that SADCC's Council of Ministers will very seriously address this need.

My view of international economic relations is coloured by the fact that my country's imports plus exports are bigger than our national income. We have experienced that an economy can only function well if it operates in an open market, both internally and externally. In an increasingly interdependent world there is no go-it-alone option. Not for developed countries and not for developing countries. Trade fosters development. It is a necessary mechanism for an efficient allocation of resources. Trade is a stepping-stone to forms of more intense co-operation and integration. It paves the way to higher levels of interregional commitment embodied in, for example, joint research and development and joint investment. It is the achievement of these higher levels of commitment that I consider crucial to the economic future of Southern Africa.

The arguments in favour of economic integration in the case of the SADCC region however, go beyond that. The countries of this region would benefit if relative advantages and economies of scale were exploited and regional competition were promoted. Policy coordination would make the member states less vulnerable, more sustainable also in terms of the natural and physical environment.

SADCC's planners, realizing SADCC's coordinating role, must choose realistic options. SADCC politicians - bearing in mind the difficulties the individual SADCC members are facing in managing their societies through the current period of transition - are now in a position to decide what form cooperation or, if you like, integration might take and how this can be achieved. Will it be a free market, a free trade area or even an economic union. Of course these options are not mutually exclusive. There could well be a gradual evolution along the road to a close-knit economic union.

Along this road of gradual evolution, cooperation in the various sectors provides concrete opportunities for joint progress and concrete action in the short term. For instance, improvement is possible in the coordination of education and training programmes. The Netherlands is a major donor to universities in the SADCC region and it is felt that an enhanced division of work and pooling of resources could bring about important advantages in terms of quality of education and research and would create important possibilities for improved allocation of scarce resources. Also, in the fields of transport, energy and food security - urgently needed not only to prevent famine in cases of drought but also well in advance when harvests are adequate - joint policy making and increased coordination of national policies could bring concrete advantages. Unity of approach and intensified consultations in all sectors could yield quick results and



savings and at the same time pave the way for increased economic cooperation and possibly integration.

SADCC's challenge is not just to continue its programme of projects - that, with international assistance, could be a relatively easy part - but to build a new region with new institutions and different policies. As was explained also by Mr. Marin on behalf of the European Commission, this task must be tackled in a pragmatic spirit. Such a process we would like to support.

Bearing in mind how fast history has moved in southern Africa in the past 24 months, a new Netherlands policy paper for the period 1992-1995 for the Southern African region has been prepared for adoption by my Government next week. It will be discussed in the Netherlands Parliament this spring and we will send you copies directly thereafter. Three sectors in this region will receive priority attention: rural development aimed at food security, education and primary health care. As far as food security is concerned, we strongly advocate the production and procurement of food in the region. In that respect we see an important role for SADCC which organisation in time could promote and prepare this kind of triangular transactions. An important part of the Netherlands support will continue to be directed towards Mozambique, Zambia and Zimbabwe, countries with which the Netherlands over the years has developed an intensive bilateral cooperation. This, however, does not prevent us from channelling substantial funds towards other countries in the region. In Namibia, for instance, a programme to assist the development of the water sector is being built up. The support for movements, organisations and aspirations of the victims of apartheid and injustice in South Africa is also continued. Assistance to the other countries in the region will be continued mainly through multilateral and non-governmental organisations. On the whole, our support to the region, through project assistance, import support, budget support as well as further debt reduction measures can be expected to grow.

For us to be the guest of the Government of Mozambique - which has committed itself courageously and decisively to a process of sincere negotiations with its adversaries in order to reach peace and real democracy in Mozambique - is an honour indeed. I would like to take this opportunity to congratulate the parties involved in the peace negotiations in Rome on their agreement late last year on two Protocols. My Government considers this agreement to be a further important step forward in the peace process. The Netherlands Government hopes that the next rounds of negotiations will be conducted in the same cooperative spirit and that negotiations will now proceed rapidly to the signing of a comprehensive cease fire agreement. In the meantime we urge all parties to display extreme moderation in the field of military actions. In that respect it goes without saying that attacks on civilians, such as the horrendous killings of women and children in some quarters of Maputo, highlighted in this morning's newspaper, are incompatible with the search for peace. I wish to reassure to the Government of Mozambique of the preparedness of my country to support the creation of a lasting peace settlement in every way possible and of the continuing commitment of the Netherlands to contribute to the post-war reconstruction of Mozambique.