MEMORANDUM FOR PRESENTATION AT A MEETING WITH MR AJ ARDINGTON CHAIRMAN OF THE SUGAR ASSOCIATION, ACCOMPANIED BY DR CJ SAUNDERS CHAIRMAN OF TONGAAT-HULETT AND MR A ZULMAN, CHAIRMAN OF BEACON SWEETS BY MANGOSUTHU BUTHELEZI, CHIEF MINISTER OF KWAZULU AND PRESIDENT OF INKATHA FREEDOM PARTY

ULUNDI : APRIL 8, 1993

Gentlemen, thank vyou for having taken the trouble to come all the way to Ulundi to meet with us today. Our meeting falls at a very crucial time and is permeated with a sense of urgency and rightness. I would say that our meeting could not have taken place

at a more appropriate and important time in South African history.

Therefore, I will not diminish the importance of our meeting by hiding problems and issues behind ceremonial and polite phrases. We have known each other for a long time and now more than ever, we owe it to ourselves to be frank, direct and totally open with each other. Accordingly, I will express to you all my concerns, and I hope that you will hear me because the time has come when we need

to know where each of us stands.

We have come a long way together and at this point in time it is necessary to determine whether we share a common future or not. As you know, throughout my political career I have been fighting the structures and the philosophy of apartheid, and I have strongly believed that the future and the prosperity of my people is intimately and inextricably connected to the prosperity and the

welfare of all the other population groups of our region.

I have identified and nurtured a commonality of interests among all

the people living in the region of KwaZulu/Natal and I promoted the

development of this commonality of interest into harmonious relations which led to the establishment of the Buthelezi

Commission and then to the work of the KwaZulu/Natal Indaba. These

two experiences proved that our region shares intense common historical ties which justify and demand a common solution which would meet in harmony and mutual respect our respective needs, wants and aspirations. The three of you made important contributions to these initiatives for which I will always be grateful.

I rejected the idea that the Zulu Nation could produce and advocate a solution for the Zulus only. I recognised the role of leadership that the Zulu nation has to exercise in our region, and for many

years I have taken the position that the Zulu Nation needs to hear and respect the needs, wants and aspirations of all the other people 1 living in this region and advance solutions which can

fulfill them. I could not be attracted even by all the blandishments of National Party governments to promote the interests of just the Zulu people, and I rejected their so-called "independence'" because of my strong convictions and principled leadership. I have always tried to give that principled

leadership, not only in the context of this region of

KwaZulu/Natal, but also in the context of the whole of South

Africa.

Since 1972 I have embraced the cause of federalism for various significant reasons which are well known to you all. Only federalism can ensure full democracy in the South African context.

A federal system will capitalise on the great diversity of our

country and will build in a system of checks and balances to guarantee everybody against the totalitarian and authoritarian tendencies and forces operating in our country. In this respect, I wish to warn vyou that any reliance on a change of heart on the ANC/SACP alliance side would be self-delusion. This can be clearly seen on the issue of the form of state where in spite of their florid and seductive language, they are still defending the notion of a centralised unitary state with some degree of devolution to what amounts to provinces, even if labelled regions. The same can

be said for the ANC \hat{a} 200\231s economic policies.

All of wus in KwaZulu/Natal need federalism to capitalise on our commonality of interests and historical ties in order to project

them into our future in the new South Africa.

Let me be very clear on one point. Left to itself the current process of negotiation is not likely to produce a federal system, and most likely will produce something in between a provincial and a regional system which will devolve to the regions only a

limited amount of powers to be exercised within the 11imits of over-riding powers maintained by the Central Government. The ANC has made this clear after their recent Conference on Regional Government. We do not have to guess or surmise what their stand on

this issue is. It has been very comprehensively articulated.

There is a tendency in talking about the ANC/SACP alliance to hear their apologists saying: '"Oh! they have shifted quite a lot." To

me this is like saying: '"This woman is not as $a\200\231$ fully pregnant $a\200\231$ as she was before." This illusion of the ANC exists whether their apologists are talking about their economic policy or about the

form of state.

As it now stands, the Government and the ANC/SACP alliance are proposing that the powers and functions of the regions be determined by a Commission. This topâ\200\224-down approach is aimed exclusively at allocating to regional governments powers and functions of local interest. The notion that we have endorsed and advocated is the notion of federalism as it has been established in the United States of America where all the residual powers are

left with member states and only those functions which cannot be

properly exercised at federal level, are transferred to the Federal Government. This approach is essential to allow our region to

develop all-comprehensive policies which protect the things that we

all care about and which represent our commonality of interests.

In fact it lis necessary to ensure that in the State of KwaZulu/Natal private enterprise and private property are protected, despite whatever may happen in the other regions of South Africa as in a federal system the regulation of property and commerce are matters left to the jurisdiction of the member State. Similarly, all matters affecting minority rights, the protection of cultural diversity and pluralism in respect of private and

collective autonomies, are usually regulated in a properly

structured federal system by state law. This type of Jjurisdiction does not fall wunder the type of powers granted to regions in a regional state.

The choice of federalism has become an imperative which neither I nor the 1Inkatha Freedom Party are willing to compromise on.

Federalism will not be brought about by the present course of negotiations and for this reason I promoted the adoption of the Constitution of the State of KwaZulu/Natal by the KwaZulu Legislative Assembly on December 1, 1992.

I was extremely disappointed when I read your comments, Mr Ardington, published in an article which appeared in The Star on

December 15, 1992. What saddened me is the fact that Mr Ardington did not seem to perceive the true meaning of the Constitution of the State of KwaZulu/Natal and its positive impact on the economy of the region. The characterisation of our Constitution, even by Mr Ardington, as an act of secession or a document which would promote the isolation of our region, is plainly erroneous.

The question I asked myself was whether this was prompted by the threats of Mr Cronin of the South African Communist Party who stated that I had been colluding with what he called \prime "sugar

barons', whom he threatened with '"roasting'" (his word).

It was not only the fact that Mr Ardington committed this error in reading the Constitution, as well as my intentions, which saddened

me. My disappointment also came from the fact that he published his comments in a newspaper without discussing this matter with me and with my colleagues before taking it to public debate. That

article was most unfortunate and very harmful for us, as it opened

the path to a string of similar articles which continued to

mischaracterise the very words of our Constitution. You need to realise that we do not have much access to the press and our replies to articles attacking the Constitution in most cases have not been published or severely censored. You, Mr Ardington, will understand my disappointment when I saw so much harm to my initiatives being done by somebody whom I considered, and I still

consider, a friend.

For this reason I think it is important as a preliminary matter today that we clear the table from any misunderstanding around this issue, and that we determine exactly what is the value and the impact of the Constitution of the State of KwaZulu/Natal as it relates to the economy of the region and to the welfare of all the people living therein.

As we do so, we need to keep in mind that the Constitution is not a document meant to satisfy the contingent aspirations of any given social or cultural or economic formation. It is a document aimed at satisfying the essential needs of all the social and cultural formations residing in KwaZulu/Natal at the present time as well as

in the future.

Therefore as we assess the value of this Constitution, we need to be farsighted and look the Constitution as a document which will project itself over a number of years. I want at the outset to

stress unequivocally that by no stretch of the imagination is the

Constitution of the State of KwaZulu/Natal anï¬\201voption to "go it

alone." On the contrary it is the first set of economic and social structures which will need to be integrated with the rest of South

Africaâ $\200\231s$ economic and social institutions.

From a strictly economic point of view, the Constitution of the State of KwaZulu/Natal does not alter the economic position of the

State within South Africa. In fact, the Constitution brings about

a segmentation of government and not of the integrity and cohesiveness of the economic system of South Africa. As far as the segmentation of government lis concerned, the Constitution recognises to the Federal Government an extremely broad and extensive list of powers which affect economic matters and will preserve the integration of the State of KwaZulu/Natal within the

economic reality of South Africa.

This is the ordinary fashion in which federal systems are organised. The Constitution does not necessarily alter the economic transfer from the central government to state governments,

or from one region of the federation to another via the central $% \left(1\right) =\left(1\right) \left(1\right)$

government. It is hard for me to understand how it could be

perceived that the Constitution would send the State of KwaZulu/Natal into economic isolation or independence, as publicly stated by Mr Ardington. It would be like saying that a federal structure of the United States of America isolates economically the State of Massachusetts or Virginia from the integrity of the US

economy, which obviously is not the case.

On the contrary, the Constitution sets forth mechanisms of a federal nature through which economic transfers and the development of national economic policies will take place. In this respect ${\tt I}$

must take exception to the statistics mentioned by Mr Ardington which ostensibly indicate that KwaZulu/Natal is economically subsidised by the rest of South Africa. On the contrary, an

independent study indicates that KwaZulu/Natal produces wealth and income and provides a tax basis which would justify far greater transfers from the Central Government and the other regions of

South Africa, than it currently receives.

From this point of view, the study points out that KwaZulu/Natal

has been carrying a heavier financial burden and contributes to the general needs of South Africa more than many other regions in our country.

I have been advised by various economists that the State of KwazZulu/Natal as a part of a Federal Republic South Africa has the potential for self-sustained economic growth. The economic growth

of the State of KwaZulu/Natal must be analysed within the broader

context of the overall economic growth of the Federal Republic of South Africa. I do agree totally that the economy of the State of KwaZulu/Natal will not be independent or self-sufficient and I have never suggested that it should, nor does the Constitution set in place any mechanism to promote such an independence. From this point of view it is important to understand the difference between a self-sustained economy within the overall economy of a federal system, and an independent self-sufficient economy. The latter in

my opinion is not an option either politically or economically.

A member State \hat{a} 200 \hat{b} 231s economy need not be independent and from what I understand no state in the USA for instance can claim to have an independent economy. The important fact of the matter is that only

through the preservation of the free market economy, which the $\frac{200}{230}$ constitution of the State of KwaZulu/Natal fully protects, will there be an integrated and balanced economy throughout all the regions and states of the Federal Republic of South Africa.

A free market economy is what holds together regional development, regional economies, and the actions of the respective governments in the economy. An additional misunderstanding in the article of Mr Ardington can be found in the issue related to the State position vis-a-vis central transfers. The fact that the State, or its regions, are responsible, for instance for education, does not prevent the Federal Government from providing financial support

through various programmes to the State \hat{a} 200\231s or regions \hat{a} \200\231 actions in

education. On the contrary, this system has been advocated in many authoritative economic publications which suggests that the entire system of transfer should work on the basis of the so-called block

grants.

Block grants require a federal structure so as to maximise efficiency. In this regard I might cite the enlightened paper presented to State President FW de Klerk by the distinguished economist Andre Spier entitled, 'And now toward the real new South

Africa."

The Constitution of the State of KwaZulu/Natal, is a complex and elaborate document which needs to be read with attention and having

in mind the stages and modalities of its implementation. I received a document from the Durban Regional Chamber of Commerce which raised many questions related to the Constitution of the State of KwaZulu/Natal which in the final analysis were due to a superficial reading of the purposes of each provision of the constitution. I have provided you with a copy of the letter of the

Durban Regional Chamber of Commerce and with the reply prepared by

our technical staff which I would suggest you read carefully.

One of the main goals of the Constitution of the State of KwaZulu/Natal is to preserve the integrity of civil society. For this purpose, the role of government is limited and the Constitution employs most of the known mechanisms to control the

unnecessary growth of government offices and functions.

For this purpose the Constitution also empowers civil society with significant functions to control and react to the growth of government. Among them are the checks and balances set to the power of government to own public property which is not necessary for its function and to impose regulatory and licensing requirements which are not justified. A specific Regulatory Relief Commission and Civil Service Commission addresses the two major modern evils of government which are inefficiency, government waste and unnecessary overâ\200\224-growth of government functions. But more importantly, the 1role of government is limited by recognising the right of the people, both as individuals as well as members of the

social and cultural formations they belong to, to organise

themselves in autonomy and autonomously administer and regulate their sphere of interests.

The other determination which is fundamental to characterise the type of Constitution is the one related to the issue of pluralism.

The Inkatha Freedom Party has taken the position that the form of

government and the institutional framework of the new South Africa

must be shaped around the principle of pluralism. Pluralism is a notion which developed between the two World Wars and has inspired the constitutional development of European and American countries

alike for over 50 years.

In Africa pluralism has become the magic word to describe the possibility of co-existence of diverse and often conflicting social and cultural realities within a unified framework. It was five years ago that a Convention of international importance was held in Dakar, Senegal under the auspices of the International Centre for the Promotion of Pluralistic Democracy in Africa. Participants from all over the world agreed that pluralism as a constitutional notion was fundamental to the development of government structures

of all African countries.

This could be of no greater truth than in the South African context. Our society is extremely diverse and we need to build

constitutional structures capable of accommodating and capitalising

on our diversity, so that it can become an element of strength, rather than a factor of weakness.

When we talk about pluralism we refer to the full range of all aspects of pluralism which include political, social, cultural and economic pluralism. In the South African context the guarantee of political pluralism needs to go beyond the pure co-existence of various political parties, and must reach into the protection of political minorities and into the concept of democratic participation at all levels. This of course is also ensured by a

federal form of government which will guarantee that different political parties can be in power in different states at the same time.

Social and cultural pluralism is closely related to the need to preserve the integrity of civil society and limiting the role of government. The IFP has constantly taken the position that

territorial autonomies are not sufficient without the full recognition of personal autonomies. In other words, the right of the people to determine in autonomy the regulation of their interests, whether they are acting as individuals or as members of

the social and cultural formations to which they belong.

Therefore we are committed to preserving the autonomy of social and cultural formations, such as churches, universities, schools, trade unions, arts and culture, mass media of communication, professional

organisations, the family, traditional structure et cetera.

Neither the State nor the government should become a replacement for the vibrant fibre of our diverse civil society, nor should the State be lin the business of determining cultural or personal

matters.

As we say this, we want to make it absolutely clear that even within this limitation, the role of government shall be such that it brings about correction of the imbalances of our society through the promotion of equal political, social and economic opportunities for all, and through special assistance for the least privileged segments of our society and for the victims of apartheid.

Federalism and pluralism go together hand in hand. Federalism will be a weak guarantee of freedom and democracy if within member states pluralism were not to be protected. Conversely, pluralism in a unitary state could not meet the demands of self-determination

arising from all corners of our country.

I want to stress the commitment of the Constitution of the State of

KwaZulu/Natal to protect the economic institutions and promote

economic development. In the first place the Constitution clearly states that the role of government should be to regulate economic matters, not to operate economic enterprises unless this is

absolutely necessary.

In this regard it is important to note that there are in the Constitution mechanisms which will allow civil society to provide inputs in the regulatory effort of government. We wish that this type of approach be replicated in the constitution of the Federal Republic of South Africa. To give a plain example, should we become the government of the future Republic of South Africa, we would be regulating matters related to air transportation. If the mechanism of the Constitution of the State of KwaZulu/Natal were established at Federal level, both the general public, as well as

the concerned industry, would have an important role to play in providing technical and policy inputs to the government to direct and control its regulatory activities.

As we are looking at the political emergence of new social classes which will become forces of government, it becomes essential that government $200\231s$ actions be conducted with the assistance of the concerned segments of civil society especially when they have

developed greater experience in pertinent matters.

There is much more in the Constitution which needs to be analysed in detail. For your convenience our technical staff has extrapolated in two documents all the provisions in the Constitution which immediately relate to the protection of minorities and what is known as the economic constitution, i.e. the provisions which affect the economy.

At this point I call your attention to the extensive protection provided in Constitution of the State of KwaZulu/Natal to all minorities. The State of KwaZulu/Natal is a relatively complex

society in which different people express different political affiliations, cultures, and social aspirations. The Constitution capitalises on that complexity rather than trying to ignore it or level it. The system of government is centred on a strong parliament where all the people are represented. The rules for the election of the llower house of the llegislature calls for the formation of small constituencies which respect existing cultural

divisions. The upper house is elected by proportional system.

The parliament has the power to control the actions of the government which is in a fiduciary relationship with the representatives of the people. This system of government promotes power-sharing in the form of governmental coalitions among the various political expressions of our society and for the protection of political minorities. The Constitution extends additional

protection to political minorities in the legislature.

In conclusion, I want to stress that the adoption of the

Constitution of the State of KwaZulu/Natal was not meant to be an

exercise in futility. The finalisation and the ratification of this document has become the last hope to have federalism in our

country. I forecast that other regions will be in the process of

adopting state constitutions modelled after the Constitution of the State of KwaZulu/Natal. Defending this constitution is the

necessary condition to defend federalism as a concept and as a

possibility in our negotiating process. There might be technical

questions which arise out of this meeting and are related the purposes and the finalities of given provisions of the Constitution. These questions may be addressed in follow-up

meetings with my technical staff.

As far as we are concerned, it is important that we decide today that the path opened by the adoption of the Constitution of the State of KwaZulu/Natal, is a path that we want to walk together.

That Constitution embodies the commitment which I have made to all

social and economic formations of the regions of KwaZulu/Natal and especially to the economic interests which have kept our region prosperous and vibrant. With the adoption of the Constitution of the State of KwaZulu/Natal, I have shown unequivocally, and I have engraved in 113 Articles, the seal of my friendship and political commitment.

As I said at the beginning, we have come a long way together and as always the last steps are the most difficult and the most committing. It is now the time of irretrievable commitment and final decisions. I think on my side I have proven that I am ready, willing, and able to stand in defence of the foundations of our

friendship and of the commonality of interests which holds

together the region of $\ensuremath{\mathsf{KwaZulu/Natal}}$ irrespective of race and colour.