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Submission From Economic Affairs

Terms of Reference of the CODESA Working Groups.

by Vivien McMenamin

Working Group 2.

General Constitutional Principles.

t A very important decision at the level of constitution building is the respective powers vested in local, regional and national government. This will need to be examined from the perspective of the extent to which state revenue collection and expenditure will be devolved from a national to a regional or local level.

a There needs to be some consensus achieved in the ANC about the extent to which socio-economic rights should be included in a general bill of rights. There was extensive debate about this issue at the Constitutional committee's conference on the Bill of Rights. These debates need to be pursued.

a On the question of property rights, it is obviously important to limit the scope of the property clause which is introduced in a new constitution. Entrenchment of private property rights with a carefully worded compensation clause can well circumscribe a future government's scope for restructuring and redistribution. (Article 16 of the Namibian constitution is instructive in this regard)

e On the question of the restructuring of the Apartheid bureaucracy it is very important that we learn from the Namibian experience. SWAPO virtually agreed to tenure for all existing bureaucrats and this has severely limited their ability to transform the bureaucracy. (See article 141)

Working Group 3.

Interim Government/Transitional Arrangements.

t There is the urgent need for agreement within the ANC and with our allies about which areas of economic management we should get involved. with during the transition. There are a number of potential areas that we may need to be involved in, for example: The Dept of Finance: The Budget, taxation etc

The Dept of Trade and Industry: tariff policy etc

The Reserve bank: Interest rate policy

t We also need urgently to clarify within the ANC, and then with our allies about what the relationship should be between CODESA, a transitional government and other negotiations forums that are currently underway. The negotiations forums that are presently underway include a housing negotiations forum, regional economic negotiations forums, a forum on the tariff policy for the textile

sector etc. The government seems to be moving towards a position of proposing that these forums are suspended and the issues dealt with in a transitional government. In the meantime obviously they want to continue to run the show unilaterally, and probably will try to restructure as much as possible.