

OPENING ADDRESS BY PRESIDENT NELSON MANDELA: PRESIDENT'S BUDGET  
DEBATE

Cape Town, 18 August 1994

Madame Speaker and Deputy Speaker,  
President of the Senate and Deputy President,  
Deputy Presidents,  
Distinguished members of parliament,  
Esteemed guests,  
Comrades,  
Ladies and Gentlemen,

I stand before you aware of the momentous times that we are traversing. These times also demand of us that we regularly account to this august assembly about the work entrusted to us by the electorate.

Much can be said about the content of the debate in the current session. On occasion, strong language has been used to drive home strongly-held belief. Within the limits of what is befitting of members of this House, this shows that we have at last a robust and vibrant democracy, with broad consensus on the most important national questions. Down the years, human society has pitted itself against the pestilences of poverty, disease and ignorance. Progress has been achieved while reverses have also been sustained. It is incumbent on South Africa to be in the company of those who have recorded more success than failure.

At the end of the day, the yardstick that we shall all be judged by is one and one only: and that is, are we, through our endeavours here, creating the basis to better the lives of all South Africans! This is not because the people have some subjective expectations fanned during an election campaign. Neither is it because there is a magic wand that they see in the new government. Millions have suffered deprivation for decades and they have the right to seek redress. They fought and voted for change; and change the people of South Africa must have. .

A hundred days ago, the President and Deputy Presidents of the new democratic republic were sworn in. Our people and the whole world marvelled at what has been variously characterised as a miracle and an epoch-making event.

Are we worthy of their trust and confidence?

Our negotiation process delivered a unique transitional mechanism which accommodates major opposition parties in a Government of National Unity. Further, we are, together, finding creative ways of utilising the talents of all other parties in the task

of nation-building.

Naturally, we are all striving to find the correct balance in this new terrain.

What is crucial, however, is that we have forged an enduring national consensus on the interim constitution and the broad objectives of reconstruction and development. This consensus is neither an imposition of one party over others; nor a honeymoon premised on the fickle whims of a fleeting romance. What brings us together is the overriding commitment to a joint national effort to reconcile our nation and improve its well-being. The unique product of our negotiations - the Interim Constitution and Charter of Fundamental Rights, and now the RDP - constitute the firm foundation for launching our nation from the mire of conflict, poverty, disease and ignorance. These agreements were reached because they were, and still are, absolutely necessary for South Africa. They are not about to fade away like a passing bliss.

This does not subtract from the fact that there are different constituencies with divergent

interests represented by our diverse parties. We should not be fearful of the obvious consequence: that there are bound to be differences of emphasis and approach on a variety of matters.

To present a facade of unity on each and every issue would be artificial, undemocratic and patently pretentious. The more these issues are aired and opened up for public debate, the better for the kind of democracy we seek to build. Handled within the bounds dictated by the interests of coherent and effective governance, such debate will definitely enrich our body politic. This applies equally to debate within parties about how

to manage this novel experience.

From the outset, the government of National Unity set itself two interrelated tasks: reconciliation and reconstruction, nation-building and development. This is South Africa's challenge today. It will remain our challenge for many years to come.

A hundred days after our inauguration, our overwhelming impression of our reality is that: that our nation has succeeded to handle its problems with great wisdom; that we have a government that has brought together bitter enemies into a constructive relationship; that our parliament and cabinet have properly focused on the task of reconstruction and development; and that we have a government that is in control and whose programmes are on COURAGE.

This is the essence of our collective success - an achievement that no sceptic can take away from our nation. In this regard, we should congratulate all South Africans for the reconciliatory spirit with which they have handled the transition, and for their patience

as the new government found its feet.

Yet there are problems that need urgent attention, such as violence in the East Rand and Natal, the wanton killing of security force members, abuse and kidnapping of children and various other crimes. Among these, the traffic in narcotics and drug abuse need the most serious and urgent attention. I have had discussions with the ministers concerned, and these matters are being sufficiently canvassed in their budget debates. There can be no argument about the need to take urgent, visible and effective

measures to eradicate these problems.

Questions have been asked about the slow pace in ending racism in some work-places. Legislation exists or is being prepared to deal with these problems. But, legislation on its own cannot change attitudes. We appeal to all South Africans to ensure that discrimination, abuse and any other backward attitudes against others, based on differences of gender, race, religion, language or other distinctions are done away with. The issue of a Truth and Reconciliation Commission has generated much public debate and some apprehension. The Minister of Justice is working to achieve broad agreement on this sensitive matter. In a nutshell, what this issue raises is how we deal with a past that contained gross violations of human rights - a past which threatens to live with us like a festering sore.

The question of amnesty for those who had done wrong is dealt with in the interim constitution. The challenge is to ensure that amnesty helps to heal the wounds of the past by also addressing the plight of the victims.

A truth and Reconciliation Commission will therefore need to operate on the basis of certain core principles:

Firstly, it will manage and supervise the process of amnesty as required by the Constitution, in accordance with the principle of disclosure and other criteria laid down by the law.

Secondly, it will make recommendations on steps to be taken to ensure that such violations never take place again; to build respect for the law; to restore the dignity of victims and their families and provide some degree of reparation.

Thirdly, such a Commission will not be a Court nor a Tribunal. In this respect, we agree with the view of many sectors, including the police services, that any prosecutions and trials should be for the Attorney-General and recognised Courts of Law to handle. Needless to say, such a Commission will have to operate in an even-handed fashion on the basis of non-partisan criteria.

We are confident that this balanced approach, based on consultation among all our people and drawing on the positive experiences of other countries, will help resolve the matter in a manner that benefits the country as a whole.

In reviewing the implementation of the Reconstruction and Development Programme, we should keep in mind the reality that the progress that we make in reconciling our nation will determine the pace at which this programme is implemented. On the other hand, reconciliation will remain shallow if it is not accompanied by thorough-going changes in all areas of life.

The RDP should, therefore, be understood as an all-encompassing process of transforming society in its totality to ensure a better life for all. It addresses both the principal goals of transformation and ways of managing it. The RDP is not a sum-total of projects, no matter how important each project may be. Among its major elements

are:

1. Socio-economic programmes to improve the lives of all South Africans. In this regard, we must ensure that ordinary people are fully involved in the planning and management of these programmes.
2. Economic growth that is sustainable, generates employment and development of human resources, and is characterised by a high degree of equity.
3. Reform of institutions, particularly the civil service and the rest of the public sector, to make them more representative, efficient and effective.
4. An educational, scientific and cultural programme which reflects non-racial and democratic principles and mores.

Underpinning these objectives is our determination to utilise all resources available to the government to their optimum without waste, duplication and mismanagement. This is best achieved by insisting on, among other things, fiscal discipline, re-organisation of expenditure patterns and careful planning.

There is broad consensus around all these issues, reflected in the policies pursued by the Government of National Unity. The process now under way, to consult widely in drafting the White Paper on the RDP, should further consolidate this consensus and ensure that the nation as a whole commits itself and acts as one to meet these objectives.

On the 24th of May, in the State of the Nation Address, we identified certain projects to be carried out urgently as a token of our commitment to reconstruction and development. We set the deadline of the 1st of September for their implementation.

We should once more emphasise that, on their own, these projects are not the RDP.

The RDP Fund directed at these and other projects is meant to initiate broader programmes of urban renewal, rural development, development of our human resources, elimination of poverty and democratisation of social institutions.

One of the most crucial indices of success is how this fund is eliciting changes in the spending priorities of government departments at all levels, while maintaining fiscal discipline. An encouraging sign in this regard is that a further large amount has been added from government departments, thus availing a much larger total for special RDP projects during this financial year. The projects identified on the 24th of May will be first

phase in ensuring the realisation of these long-term objectives.

1. Free medical care for children under six and pregnant mothers: The response has been overwhelming because this measure was sorely needed. As a result, minor illnesses that would have later presented complications are being dealt with at the primary stage. Of course, this has amplified the very real problems of overcrowding and lack of facilities and drugs. The health department, in consultation with provinces and other role players, is devising appropriate strategies of handling them.

Further, we are finalising arrangements for allocations from the RDP Fund and the

health department for a major clinic-building programme. This will go a long way in alleviating the difficulties in the most depressed areas.

We have also allocated funds for an expanded AIDS awareness and prevention campaign. The obvious must be stated over and over again. This epidemic has major social and economic implications for our nation and must be addressed with urgency.

2. Primary school feeding scheme: Preparatory work has already been finalised to cater for half of the total number of primary school pupils in areas of desperate need, particularly rural areas and informal settlements. Implementation should start by the end of September.

The contribution of this scheme to children's development and the culture of learning cannot be over-emphasised. In addition, we are examining a further allocation to the campaign to promote this culture. We are also launching major national campaigns to tackle the vast backlog in the provision of adult basic education and for the rebuilding and rehabilitation of schools.

3. Electrification programme: The electrification programme is proceeding apace. Despite problems here and there, we should congratulate Eskom and some of the municipal authorities for the excellent work being done.

4. Rebuilding townships and restoring: Plans have been finalised to start such projects in the East Rand, Cape Flats, Duncan Village, Port Elizabeth, Bloemfontein and townships in KwaZulu/Natal. Areas of focus will primarily be those affected by violence. An effort has been made to ensure balanced geographic distribution while taking into account areas where there are structures ready to implement the programme.

The biggest single programme to be funded by the RDP projects allocation is the rehabilitation and extension of municipal services and infrastructure in urban and rural areas. Combined with the outstanding initiatives with a regard to the housing programme, this project will play an important role in facilitating the development of legitimate local government structures.

An integrated rural development programme is also being launched. A very large allocation of funds to these projects has already been made, with emphasis on providing water and sanitation as well as land reform. These include:

- i Water and sanitation projects serving 1,7-million people primarily in the Northern Transvaal and KwaZulu/Natal;

- i' The restitution of land to communities, affecting about 29,000 people;

- i Land distribution, with sustainable settlement planning, which will benefit over two-thousand (2,000) families;

All these form part of land reform projects, including a programme to uplift small farmers.

As many of these projects as possible will be carried out through the National Public

Works Programme to maximise job opportunities and provide training. In addition, a special allocation will be passed on to communities by the relevant ministry for infrastructural projects.

We should admit that the projects announced on the 24th of May were more or less conceived of from the centre. We can justifiably plead pressure of time. But we should now ensure that communities take active part in the planning, execution and management of such projects.

Because of the ground-swell of requests from communities which are eager to roll up their sleeves and tackle their problems, we have earmarked a special discretionary fund of R100-million for the provinces. Its distribution among the provinces will take into account the levels of under-development.

Details on these and other projects will be given by the Minister without Portfolio. Significant progress towards a sustained take-off has therefore been made. However, this government does not claim to have all the answers. Preparation of these projects has been a valuable learning experience for us. This is even more crucial, because ours is a comprehensive programme, not an exercise in throwing money at problems.

What then are these lessons?

Firstly, the RDP Fund should be seen as a temporary measure. Funding from a special instrument should taper off as the Ministries themselves redirect their spending and give their operations a reconstruction and development character. The identified projects are now being subjected to analysis to ensure that their carry-over costs and recurrent expenditure are accommodated in the 1995/96 and succeeding budgets. Strict inter-departmental co-ordination will be crucial for their success.

Secondly, central government can only provide the framework. Implementation has to be carried out by local structures. It is for this reason that central government and the provinces have put in place mechanisms to co-ordinate their work and expedite the allocation of powers to the Provinces. The Office of the President is paying particular attention to this, as well as the matter of speeding up the establishment of transitional local government structures. Without the latter, allocation of funds and therefore implementation of many of the projects may be unduly delayed. We call on those local councils which have not already done so, to finalise the establishment of transitional structures. And we add our voice to the call for communities to pay for services that are delivered to them.

Thirdly, we are insistent that the management of all projects must follow strict guidelines, including assessment of their job-creation and training capacity in line especially with the public works programme, community involvement, fair employment practices, sustainability and so on. A proper business plan which includes procedures for performance assessment, auditing, procurement, resource costing and measures to minimise consultancy fees must be drawn up before the funds are released.

Fourthly, government and independent developmental agencies are consulting on the best mechanisms needed to utilise foreign donor aid in such a way that it enhances the

nation's development objectives in a systematic manner. We are confident that consensus will be reached on all these issues and that South Africa will provide a good example of building a strong partnership between government, the N603 and the donors around developmental assistance.

In addition to these lessons, two matters of principle stand out in bold relief. One of them is the urgent need to involve communities in a pro-active manner in the implementation of these programmes. This requires that community-based organisations must take up the responsibility of mobilising the people for this purpose. Weaknesses in this area have, for instance, delayed the introduction of the primary school feeding scheme. In this regard, the role of parliamentarians in mobilising for, and

monitoring, the actual implementation of RDP projects needs to be closely examined. The second crucial question pertains to the task of ensuring that the public service becomes a servant of the public in fact! We commend members of the public service who have demonstrated their loyalty to the new government and their preparedness to adapt to new conditions.

In line with the new reality, and within the parameters of the interim constitution, the following measures require urgent attention:

- it restructuring the service so as to make it truly representative of South African society;

- it developing links between the service and the public through various fora of consultation;

- t inculcating a culture for employees to take pride in serving in outlying and underdeveloped areas;

- t simplifying the grading system and making a public service career more challenging and attractive; and

- t restructuring the salary package, sensitive both to qualification and merit, and the unacceptably wide gap between the lowest and highest grades.

The Department of Public Administration is attending to these matters, particularly through the proposed forum between government as employer and public service organisations. A new orientation and motivation within the service will be crucial in the realisation of the nation's development objectives.

The spirit of public service needs to permeate all levels of work, including the intelligence community. The Intelligence Bills that will soon be tabled go a long way in ensuring this. What is needed is adherence to the letter and spirit of the constitution, including in particular, commitment to the protection of the country's interests and recognition of the rights of all citizens. This requires among other things the rapid dismantling of all the networks which kept members of the public under surveillance simply because they were opposed to the government of the day. I am receiving comprehensive briefings on all these matters and I will make public announcements in

due course.

All these issues emphasise the fact that we have some distance to travel to achieve the objective of transforming South African society. Government departments should be seen to lead this process.

In this regard, I should congratulate all the national and provincial departments and services - including the National Defence Force, Police and Intelligence Services - which have over the past months spent long hours and sleepless nights to bring about rapid changes in their areas of work. The reports I have recently received from national departments and Provinces show deep commitment and enthusiasm, and they give one the confidence that we shall succeed.

In line with the objectives of the Reconstruction and Development Programme, we will, by the end of the year, require clear medium- and long-term strategies from all departments and Parastatal institutions on mechanisms of shifting their operations to meet the requirements of reconstruction and development.

Many comments have been made about inadequacies in the current budget. Yet there is also unanimity that the first steps towards fundamental restructuring have been taken. The cabinet started last week to discuss guidelines for the 1995/96 budget. We are confident that more fundamental restructuring will be introduced, without undermining the requirement for fiscal discipline. In working out detailed allocations to current RDP projects, we have ensured thorough co-ordination with the Department of State Expenditure and the Central Economic Advisory Services, so that RDP expenditure is properly built into the budget process.

As indicated by the Minister of Finance, we will seek to involve parliamentary committees in the formulation of the 1995/96 budget. This will not only be democratic and transparent. It will also allow for joint responsibility among all sectors of government.

I should take this opportunity to thank Minister Derek Keys for the splendid work that he has done in meeting the challenges of the new situation. I am confident that his successor, Chris Liebenberg will acquit himself well, for the benefit of the whole country.

Many opportunities have opened up for South Africa to exceed even our wildest expectations. But this requires that we all take up the cudgels and consciously change our paradigms.

For instance, it is not enough for business to concern itself with how its interests are protected under the current dispensation. Rather business should be part of the process of determining policy, with the full realisation that this entails both gearing business towards the objectives of growth and equity and ensuring active participation in the socio-economic programmes to uplift the disadvantaged.

In the same vein, workers do have to advance their interests through the collective bargaining system. At the same time, the new situation obliges all of us to take on board the broader questions of increased investments, investor confidence and requirements of economic growth and equity.



Both the labour movement and large and small businesses should be fully involved in developing strategies for successful economic growth and equity, as partners with government. Such an understanding is fundamental to the success of the RDP, and its precise character will be explored as we work together in tri-partite structures. The critical merger of the NMC and NEF into a National Economic, Development and Labour Council will allow of such joint government, labour and business strategies to ensure a vibrant and growing economy.

The economic signs are encouraging, and the upswing is steadily consolidating. A growth rate of more than three per cent is no longer a pipe-dream. But this depends on co-operation among all sectors of the population in finding solutions to any constraints on economic growth, development and equity.

Already, the interest of the world in South Africa is being translated into concrete economic deeds. Together, through consistent policies and actions, we have gained and continue to gain the confidence of the international community. However, international support will be of value only if it helps us to set our economy on a steep and consistent growth and development path. This is the sure guarantee to the success of the Reconstruction and Development Programme.

There is no doubt that we have the capacity as a nation to realise these objectives. The people want real change for the better, and they are prepared to work for it. They expect of representatives in community structures and in parliament and government, leadership that meets the requirements of the times we live in. They have elected us into office because they trust that we will meet their aspirations. The progress made in these 100 Days bears testimony to the great potential that exists.

Let us harness the nation's energies to more rapidly develop and reconstruct our country. In this way, our society will experience meaningful and lasting reconciliation. Thank You.