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VOLUME 2B

*DRAFT RESOLUTIONS ADOPTED
WITH AMENDMENTS*



ANC 50TH NATIONAL CONFERENCE

VOLUME 2B

Draft Resolutions adopted with amendments

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Role of State and Governance

Programme of action for ANC councillors

Noting:

1. That the ANC assumed political control of the majority of municipal councils in the country by virtue of having approximately 8000 PR and ward councillors elected to office in the local elections held between November 1995 and June 1996;
2. That much progress has been achieved in the transition towards democratic, developmental local government and the extension of municipal services to all our people;
3. That many ANC controlled municipalities have, however, in many instances simply adopted the manner of operation of the previous white local authorities, without taking sufficient steps to restructure budgets; planning procedures and administrations in order to meet the basic needs of our communities, and to ensure the social and economic development of our communities;
4. That generally, therefore, the ANC cadreship in local government has not to the fullest extent possible maximised our political power in transforming the nature and functioning of the local state.

Believing:

1. That the reasons for the under-maximisation of our political power in local government can be ascribed to the nature of the local government transition process, and the fact that a new vision for a transformed and developmental local sphere of government has only recently been forged;
2. That the weakening of our branch structures since 1994, and the resulting reduction in accountability of council caucuses, has contributed to our undermaximisation of our power in local government;
3. That ANC councillors have not always had the benefit of a clear political programme of action to guide them;
4. That the new vision of a transformed and developmental local sphere of government should be utilised as a measure to guide our councillors, and to hold them accountable to their communities and uphold the principles and political programme of the ANC.

This National Conference therefore resolves:

1. To ensure that:
 - ANC councillors meet on a regular basis as a council caucus;
 - that caucus positions are taken in line with the policy guidelines of the ANC and the mandates of the relevant constitutional structure;
 - that caucus positions are binding on every ANC councillor, regardless of whether she or he was elected on a PR or a ward basis.
 - that every ANC councillor continues to be properly equipped, trained and politically educated for the role of councillor;
 - a mechanism of recall is introduced for PR councillors,
 - ward councillors who have proven themselves unworthy of ANC candidacy could be barred from re-standing on an ANC ticket.
2. That every ANC council caucus, and every ANC councillor individually, shall strive to achieve the following within each municipality:
 - regular reporting and consultation with the local community, and local ANC structures and membership;
 - the urgent drafting, consulting and implementation of Integrated Development Plans and the completion of land and asset audits;
 - the spatial de-segregation of our residential areas and the rectification of the distorted racial and economic settlement patterns in our localities in a broad consultative process;
 - the extension of service delivery and infrastructure to the poorest of the poor; the stimulation of social and economic development of the community;
 - the eradication of gender discrimination within the council and administration, the empowerment of women councillors, and the re-direction of municipal resources to meet the specific needs of women and children;
 - the empowerment of SMME's, emerging contractors, NGO's and CBO's in regards to the consideration of different options for service delivery;
 - the reorientation of local governments operation to the needs and interests of the disabled amongst us;
 - the promotion of local economic development as a key component in the attack on poverty and inequality;

- the drafting and adoption of municipal budgets that reflect the imperative to extend and cross-subsidise service delivery to the poorest of the poor;
- the introduction and maintenance of proper systems of financial management;
- the running of municipal finances in order to achieve redistribution, economic growth, sustainability and poverty alleviation;
- the building of the Masakhane campaign, national unity, and the ethos of a progressive constitutional democracy;
- the collection of service payments from those individuals, businesses and communities who can reasonably afford to pay for services received;
- the promotion of clean administration and the prevention and eradication of all forms of nepotism and corruption within municipalities;
- the strategic appointment of progressive and well-equipped individuals to positions within the administration to achieve racial and gender representivity and maximum efficiency;
- the review and repeal of all by-laws and standing orders that obstruct the council to fulfil the political programme of the ANC and the mandate of the community;
- the application of the principles of co-operative government in regards to relations with national and provincial government departments and other municipalities;
- the active construction and maintenance of progressive relations of cooperation, learning and sharing between municipalities.

Accountability for performance within the Public Service

Noting that;

- Misconduct is widespread within the public service, and
- There is a general lack of discipline,
- A culture is evident where individuals lack accountability and responsibility for the performance of their jobs,

This conference resolves that;

- Disciplinary measures be put in place within the Public Service which enable fraud, corruption and misconduct to be dealt with promptly, and
- Such acts (which undermine the state and work against the people) must be punished appropriately.

Relationship of political and administrative heads within government

Noting that;

- There is poor definition of the different roles of political and administrative heads,
- Such confusion results in good governance being undermined by the political activities of administrators, and
- Such confusion may also result in the interference in administrative activities by politicians,

This conference resolves that;

- The roles of the Political and Administrative heads be clearly defined,
- Processes are put in place to ensure that such roles are observed by all stakeholders,
- A protocol is adopted to regulate the relationship and lines of accountability between Ministers, Premiers, MECs, HODs, DGs and CEOs

Policy coordination within government

Noting that;

1. New policies are often set at national level without consideration to:
 - organisational,
 - financial,
 - service delivery,
 - human resource capacity,
 - implications in provinces and local spheres,

2. There are gaps in communication of policies between national departments and their provincial counterparts, and that,
3. Many national and provincial departments are not monitoring the performance of services they deliver,

The conference resolves that;

- (a) National departments provide clear leadership to their provincial counterparts
- (b) National departments cost the implications of new policies and phase in implementation to allow provincial departments to incorporate new priorities into their activities and budgets, **and further resolves that...**
- (c) National and provincial departments continually monitor their performance against policy and financial objectives,
- (d) The Coordination and Implementation Unit in the Presidency be reviewed to ensure it fulfils the function of coordinating and monitoring the implementation and achievement of national policy priorities. This structure must be duplicated at provincial level.
- (e) The Cabinet Secretariat should be strengthened to manage Cabinet business.

Traditional leadership

Noting:

1. That the institution of traditional leadership was an integral component of the historical form of social organisation of the African people prior to the colonisation of the South African territory.
2. That the colonial oppression of the African people, and the violent acquisition of land by colonial forces, had an immensely disruptive impact on the social forms of organisation of African communities.
3. That the initial colonial forces, and later the apartheid state, consistently used the institution of traditional leadership to control, divide, repress and rule African communities.
4. That many traditional leaders were indeed co-opted and corrupted by the colonial forces.
5. However that some traditional leaders played a heroic role in leading African communities in the struggle for freedom from colonial oppression.
6. That the strengthening of the Apartheid state and the rapid building of the capitalist economy in the 20th century, fundamentally and irrevocably altered the manner in which African communities lived, and accordingly the role that traditional leadership played prior to colonisation.
7. That the institution of traditional leadership has continued to play a role in, specifically, the rural areas of our country.
8. That women in many traditional African communities do not enjoy equal rights in such matters as community decision-making, marriage, divorce, inheritance and land allocation.
9. That the lack of clarity on the definition of roles has been the primary cause of the friction between certain traditional leaders and democratically elected local councils in rural areas.
10. That the ANC was voted into power by, amongst others, the overwhelming majority of African people, and that it was mandated to further implement the programme of the national democratic revolution within the framework of a democratic constitutional state and a Bill of Rights, founded on the principles of freedom, equality, nonracialism and non-sexism.
11. That the vision of an African Renaissance demands of us to construct a progressive African state with a democratic form of governance that is indigenous to our land and our continent.

This National Conference therefore resolves:

1. That the institution of traditional leaders needs to be transformed so as to achieve full legitimacy, democracy, and accordingly respect and acceptance by all the people of our land; and that as such it has an important and integral role to play in the building of our new constitutional order.
2. That while the Constitution entitles any individual to stand for political office, the institution of traditional leaders should not enter the party-political arena, and should strive to build unity.
3. That local government in rural areas will be restructured in order to achieve a clear definition of roles between elected councils and legitimate traditional leaders in a manner that eliminates existing uncertainty and friction, that allocates the performance of municipal functions to elected local government; that upholds the principle of democratic government and that extends the notion of democratic governance to include the constructive role to be played by legitimate traditional leaders.
4. That national legislation should provide for a possible "ceremonial" role for traditional leaders in municipal matters and a constructive and full role in consultative processes on local development matters.

5. That traditional leaders have a particular role to play as custodians of culture and custom, the promotion of unity, the promotion of consensus around development projects and plans, and the administration of justice in democratically transformed community courts. These traditional culture and customs should be subject to the provisions of the Constitution, in particular the principle of gender equality.
6. That the communal land tenure system be reformed in order to meet the following objectives: ensuring the legal recognition of rights by the actual users of the land, the attraction of investment to those areas; ensuring that local government can access land for development; and ensuring that local government can play the necessary regulatory and planning role over land.
7. That an audit be conducted as to the status of women in communities where traditional leadership is practiced, so as to ascertain, for example, their access to land and the extent to which they are subjected to discriminatory and sexist conduct.
8. That the Council and Houses of Traditional Leaders should advise and assist the national and provincial government respectively on matters that have a bearing on traditional communities, and that these institutions conduct their affairs in manner transparent to the public.
9. That those traditional leaders deposed by the apartheid regime be reinstated to their previous position.

Transformation of Local Government

Noting:

1. The great advances made in the democratisation and stabilisation of local government since 1994;
2. That the current system of local government continues, however, to be essentially based on what was inherited from the minority regime;
3. The extreme poverty, inequality and backlogs in service delivery in historically underdeveloped areas, specifically in the rural areas; and
4. The racially and economically skewed settlement patterns, spatial segregation and disparities between towns and townships, and the urban sprawl that continues to scar the living environment of our people.

Believing:

1. That the fundamental transformation of local government into a democratic, developmental and accountable component of state is not yet complete, and that the current system contains dysfunctional characteristics that are at odds with our political principles and programme;
2. That the imminent ending of the "interim phase" of the local government transition, and the current drafting of the Local Government White Paper process, grants us a unique opportunity to transform the local state;
3. That a transformed and developmental system of local government ultimately needs to function as truly accountable, effective, efficient sphere of government that plays a key role in the war on poverty, the guaranteeing of equality in municipal service provision, and the active promotion of the social and economic development, and spatial integration, of our communities;
4. That the transformation of local government must be understood as an integral component of the democratisation and transformation of the South African state, and the overall implementation of the principles of people-driven and integrated development.

This National Conference therefore resolves:

To ensure that the following objects guide the local government transformation process:

1. the creation of a developmental, and restructured sphere of local government, the formulation of minimum requirements for the establishment of individual municipalities, and accordingly a substantial reduction in the number of municipalities from the existing number of 842;
2. a system wherein councillors are sufficiently remunerated and assisted administratively, and a concomitant substantial reduction in the number of councillors from the present approximately 11 000;
3. the adoption of human settlement patterns as the point of departure in the design of different types of municipalities;
4. the establishment of a single tier of local government in metropolitan areas, with the aim of ensuring a far greater level of integrated and co-ordinated planning, service delivery, infrastructure development, and redistribution within our metropolitan areas, with the understanding that where necessary, this new system needs to be phased in appropriately;
5. the creation of a new type of district government, to ensure integrated and co-ordinated planning, service delivery, infrastructure development, and redistribution within specifically the rural areas of our country;
6. the establishment of three different kinds of municipality on a primary level within the districts, namely urban, rural and amalgamated municipalities, depending on the particularity of the locality;

7. the restructuring of municipal budgets and administrations so as to meet the basic needs of our people, in particular the poorest of the poor;
8. the rigorous implementation of steps to ensure the financial health and sustainability of municipal finance generally;
9. ensuring that municipalities have the necessary sources of revenue to fulfil their functions, and that, amongst others, consideration be given to the introduction of an agricultural land tax in the rural areas;
10. finalisation of a predictable inter-governmental grant system based on a calculation of the equitable share of revenue raised nationally, which should take into account the functions local government is constitutionally obliged to perform, as well as the differing levels of poverty within our society; as well as the possible establishment of national and provincial equity funds to assist municipalities in addressing service backlogs;
11. the strengthening of integrated development planning as a tool to achieve integrated service delivery;
12. that no unfunded mandates shall be devolved to local government by national or provincial government;
13. a clearer definition of roles between national, provincial and local government as regards the meeting of basic needs and the stimulation of economic growth;
14. the establishment of mechanisms by which local government can participate in provincial legislative and budgetary procedures insofar as they have impact on local government;
15. a well defined set of procedures whereby national but specifically provincial government can intervene in the functioning of a municipality when it does not, and cannot meet its constitutional obligations;
16. the further development of a policy and legislative framework defining the role of the private sector and community based organisations in the delivery of municipal services in a manner that ensures public accountability and control over service delivery, affordability, and efficiency, consultation with all stakeholders and the avoidance of job losses;
17. the restructuring of the electricity industry in a manner which does not detrimentally affect local government finances, local government current responsibilities to ensure delivery, or capacity to implement credit control measures;
18. the development of a national tariff policy setting out national guidelines for the development of locally adopted subsidisation policies, provided that proper consultation take place with other spheres of government prior to tariff increases;
19. the promotion of a system of inter-municipal co-operation, aimed at the sharing of good practice, skills, resources and experience;
20. a more vigorous intervention by municipalities in addressing the legacy of racially segregated and economically unviable living environments;
21. a performance measuring system to ascertain whether individual municipalities are restructuring their budgets, planning procedures and administration to meet the basic needs of their communities and fostering social and economic development within their localities;
22. the holding of local elections to take place on the same day throughout the country; and that if feasible, the election day to be declared a public holiday;
23. the continued combination of direct and proportional electoral systems of representation, and the employment of the PR component to ensure appropriate levels as regards gender representation;
24. the empowerment of councillors to politically lead municipalities and municipal administrations; the promotion of the principle of collective leadership; the clear definition of the role of municipal administration in order to ensure accountability to the council; and the merging of the role of the chair of the executive council and the mayoral position;
25. the drafting of a progressive code of conduct for councillors and municipal employees aimed at ensuring the implementation of the constitutional principles of public administration within local government; and the introduction of a recall mechanism as part of such a code of conduct;
26. the prioritisation of human resource development and training for both councillors and personnel to meet the needs of Reconstruction and Development;
27. the appointment of all CEO's and senior officials on a contract basis.

Building the ANC

Political boundaries and structures

Noting:

- That the boundaries of ANC structures below provincial level do not presently correspond with the boundaries of local government structures, thus creating problems of coordination and accountability.
- That the present boundaries of local government will be redrawn after the completion of the White Paper process and that there may be close to 400 local government structures.

Believing

- That the ANC has the responsibility to transform society and ensure good governance, and that the ANC should be structured in such a manner to ensure effective coordination.
- That therefore the boundaries of our structures should correspond with those of government and that this should be implemented as soon as the new local government boundaries are finalised.

That this conference therefore resolves to:

Instruct the incoming NEC to ensure that ANC structures correspond to government boundaries and set up an appropriate mechanism that will ensure effective coordination and interaction between ANC structures and the people who are deployed in government.

Elections

VOTER OUTREACH AND DEPLOYMENT

Noting that:

- The victory in the 1999 elections is essential for sustaining the national democratic revolution upon which we have embarked; and that
- The campaign for the 1999 elections must start now as part of our ongoing programme of transformation.

We hereby resolve:

- That the ANC immediately embarks on a coordinated voter outreach programme. All ANC MPs, MPLs, and councillors must link their constituency work to this programme;
- That constitutional structures must be an integral part of driving this programme.

ID DRIVE AND VOTER REGISTRATION

Noting that:

The possession of ID documents and voter registration will be a key requirement for voter eligibility in the 1999 elections

We hereby resolve:

- To immediately embark on an ID drive;
- To insist that the Department of Home Affairs begins immediately to make the application process for ID documents accessible, user friendly and efficient. This includes using mobile units and keeping offices open on the weekends;
- To work hard to ensure that all our supporters are registered.

WINNING ELECTIONS WITH AN OVERWHELMING MAJORITY

~~Noting that~~ the transformation of South Africa is a task that requires a government with a clear and strong mandate from the electorate.

Therefore resolve that:

The ANC mobilises all its structures and alliance partners to win an overwhelming majority in 1999 elections. Greater emphasis must be placed in the provinces where the ANC is either in opposition or does not have a strong majority.

COMMUNICATIONS AND MESSAGE

Noting that there is a need for the ANC to consolidate its support base whilst seeking to win new ground and new support;

Also noting that negative perceptions about the progress of transformation are created,

Therefore resolve:

- To return to our traditional methods of communications such as people's forums, targeted meetings, home visits and door-to-door work;
- To ensure that the ANC and the alliance have a common message throughout South Africa;
- That all ANC structures develop strategies for using all forms of media;
- All provincial and national ANC media structures consciously develop and build a media capacity towards elections. The SGO must monitor this process.

National Question

This Conference notes:

1. The general approach of the "Nation-formation and National Building: The National Question in South Africa" Conference Paper is valid.
2. The ANC reaffirms its irrevocable commitment to non-racialism. It recognises that the content and practical meaning of non-racialism will undergo change in a post-apartheid context.
3. South Africa as an important country on the African continent that plays an increasingly important role in continental affairs, should appropriate its African identity and consistent with the historic traditions of our movement, propagate an inclusive meaning to the term 'African' that embraces all those who have made this continent their home.
4. That the national question is a complex of socio-economic and political power relations, which cannot be properly addressed except by attending the material inequalities in our society which inextricably links it to the implementation of the RDP and the political and economic emancipation of the black people in general, and the historically most expressed and exploited, conventionally referred to as the African people.

Acknowledging that:

5. South Africa's nation-building project is unfolding in the context of globalisation, under circumstances in which national sovereignty and nationhood are increasingly under threat; and
6. owing to a host of historical reasons the identities accepted by the people of South Africa are rooted in ethnic, racial, linguistic, cultural and regional factors, accept that a fundamental re-ordering of the socio-economic and political power relations undergirding racial oppression will alter the form and content of the national question especially those aspects related to governance and the allocation of public goods and services in an equitable manner, can be substantially resolved. Other aspects, especially around identity, are far more elusive, and will constantly confront us in new contexts, contents and forms.
7. It is important that we come to terms with the significance of ethnic and racial identities both in our movement and in the country as a whole. These identities are not necessarily divisive. They have progressive aspects that can certainly be harnessed as part of our nation-building project. As the ANC, we must seek to provide people with the space to express their multiple identities in a way that fosters the evolution of a broader South Africanism as their primary identity.
8. Consistent with our view that the working class leads the national democratic revolution, we have to secure the greatest possible unity of the working class across ethnic and racial lines.
9. Increasingly we are beginning to use the term "African" in two senses in our movement. In the broad sense, "African" applies to all those who have a sense of identity with this country and the African continent and are committed to the upliftment of the people of this country, particularly the poor. However, the term "African" as historically used in our movement to refer to the most oppressed under apartheid is also endorsed. We reaffirm the ANC's continuing commitment to the national liberation of Blacks in general and Africans in particular.

Therefore resolves

1. The debate on the National Question must be an important part of the political education programme within the general membership of the ANC, and particularly new members. This debate should be located within a political, social and economic context.

2. The incoming NEC, as a matter of urgency, must develop policy on the Commission for the Promotion and Protection of Cultural, Religious and Linguistic Communities, which was established in terms of the Constitution of the country. If not approached properly, this Commission can encourage ethnic and racial tensions and undermine national unity. On the other hand, if approached appropriately, the Commission can be an invaluable mechanism in creating ethnic and racial understanding and advancing our nation-building project. We have to immediately develop appropriate policy to ensure that the Commission serves this key latter role.
3. Cosatu has members of all ethnic and racial – and should be approached to more actively contribute to the nation-building project.
4. While acknowledging the many difficulties, we have to continue to seek to draw Coloured, Indian and White people on to the side of the National Liberation Movement and ensure their maximum contribution to the national democratic transition. In reaffirming its commitment to non-racialism, the ANC recognises a need to expand its membership and support among all the communities that make up South African society.
5. A workshop on developing a strategy on the issues in point 4. above should be held within three months in preparation for the 1999 elections.
6. The ANC and government should develop a programme around Heritage Day which celebrates diversity and promotes respect for cultural differences in a manner that contributes to welding a sense of nationhood among our people.
7. The Constitution of our country should be popularised in a way that contributes to creating a sense of patriotism. The national anthem and flag should also be used in this context. The NEC should review the acceptability of the current national anthem.
8. A programme contributing to greater awareness of our unity in diversity and the need for common South African patriotism has to be sensitively introduced in schools after the fullest consultation with the relevant stakeholders.
9. There is an urgent need for a campaign to ensure that television and other mass media more adequately reflects the use of all our official languages. Clear guidelines should be provided to the Pan South African Language Board so that it can more effectively promote the different languages of our country. Civil servants and other government representatives must foster greater respect for the different languages and this must be identified as an aspect of the delivery of services, particularly at local government level.
10. As part of the RDP, affirmative action should be more rapidly implemented. It should focus primarily on the poor and disadvantaged, who are mainly African – and this should include the poor from other communities. Affirmative action can certainly be applied in a way that enhances nation-building – and this should be our objective.
11. The ANC must develop programmes to guide the evolution of the emerging black bourgeoisie in a way that fosters nation-building. Black economic empowerment should serve to benefit a range of different strata and not be equated only with the creation of a black bourgeoisie.
12. While recognising the significance of ethnic and racial identities, we unreservedly condemn mobilisation on ethnic and racial grounds in order to secure leadership positions in the ANC, government, state, civil society or any other arena.
13. The employment patterns and practices within Ministries and government Departments should be monitored to ensure that they reflect the demographic aspects of our population and contribute to national building.
14. As part of a human resources development programme, civil servants must be trained to deal with the public in a way that is sensitive to the diversity of our country and need to weld national unity. Those working in the private sector who interface with the public should also be encouraged to develop similar skills.
15. The determination of the boundaries of ANC branches and local government wards should take into account the need for integration and non-racialism.
16. The development of the provinces has both negative and positive aspects. A narrow provincialism that serves to undermine national unity has to be discouraged.
17. Gender considerations in our nation-building project are constantly underemphasised. This aspect of the national question has to be considerably strengthened.
18. The proposals set out above must be implemented within four months and monitored by the NEC.

Violence against women and children

Noting that:

- Comrade Madiba's call for our moral renewal of our country and his analysis of the "disrespect for human life and the inviolability of individual person and the easy resort to the use of force in the ordering of the inter-personal relations".
- The endemic levels of violence against women within their families, workplaces and in society as a whole.

- The efforts made by the ANC led government to transform the criminal justice system so that it is better able to deal with crime against women and children.

Conference resolves:

- The ANC amends its code of conduct to treat violence against women and children as one of the “serious crimes”.
- The code of conduct should include clear definitions of violence against women and children such as sexual harassment, rape, domestic violence which embraces emotional physical, sexual and psychological abuse.
- Ensure investigative and disciplinary structures that gender representative, that is, at least 50% women and gender sensitive.
- Ensure that our political education covers compulsory education for all ANC members on violence against women and children and that the sexual harassment code presently in NEDLAC should be adopted by February 1998.
- Ensure that men who have
 - (a) interdicts against them because of abuses towards women;
 - (b) been accused or convicted of child abuse or their conviction was stayed because of a technicality;
 - (c) outstanding maintenance for their children, will not be allowed to stand for or remain in public office in any ANC or government structures.

Social Transformation

Infrastructure

Preamble:

Thoroughgoing Reconstruction and Development will be achieved through the leading and enabling role of the state, a thriving private sector, and the active involvement by all sectors of civil society which in combination will lead to sustainable growth and development.

With the adoption of the RDP in 1994, the ANC laid the foundation for all subsequent government policy. The successful implementation of the RDP has ushered in new insights, challenges and demands for both our movement and government, and of society as a whole.

The basic vision of achieving the objectives contained in the RDP remains valid today because the enormous inequalities that we have addressed since 1994 remain rooted in the structural legacy of the apartheid regime.

Therefore, the developmental role of the state remains key to infrastructure delivery. In order to overcome poverty and inequality, promote economic development and employment there must be integrated development planning and implementation.

Noting that:

- the continued structural inequities resulting from the Apartheid legacy has bestowed a particular pattern of development which entrenches segregated cities, overcrowded and impoverished homelands, fragmented and scattered settlement patterns, lack of road and transport infrastructure, insufficient access to water especially in the rural areas, absence of electricity, non existent telecommunications and information infrastructure as well as inadequate demographic information. In financial terms the infrastructural backlog is estimated to be R170 billion;
- the ANC has been charged in 1994 with the responsibility of transforming the South African society;
- the adoption of the RDP in 1994 by the ANC provides the foundation for the programmes and policies aimed at transforming South Africa and improving the life circumstances of all its people;
- the concrete experiences of the past three years have shown that the ANC needs to define infrastructure in the broader sense of the word, thus adjusting our approach to delivery and the upgrading of infrastructure and re-examining the institutions that regulate, facilitate, finance and monitor delivery;
- the key area where special measures to create jobs can link to building the economy and meeting basic needs is in redressing apartheid-created infrastructural disparities. There must be a coordinated national public works programme to provide much needed infrastructure, to repair environmental damage, and to link back into, expand and contribute to the restructuring of the industrial and agricultural base;
- government institutions, such as parastatals, have not been effectively accountable to government and the public.

Further noting that:

In the past three years government has undertaken a number of separate but interdependent infrastructural development programmes. These programmes include the following :

1. Municipal Infrastructure Programme

- the MIP is aimed at developing the local government's capacity to deliver services and promote transformation;
- the MIP is linked to a major training programme and Project Liquidity which is aimed at assisting municipalities to improve their financial management systems;
- the MIP delivers six main type of infrastructure, namely water, sanitation, roads, refuse removal, electricity, and community health facilities;
- these services are delivered in both the rural and urban areas.

2. Housing provision

- housing is delivered mainly through a subsidy regime system;
- after initially experiencing delivery bottlenecks, delivery has picked up substantially to the extent that 400 000 subsidies have been allocated to the beneficiaries;
- different tenure options are available to beneficiaries, including special tenure provisions for people in the rural areas living on tribal land;
- the absence of rental housing is being addressed with the adoption of the rental policy by the housing ministry;
- a policy around the provision of housing for vulnerable groups is still being developed;
- some housing product units are seldom acceptable to communities in terms of size, quality and level of services;
- there is insufficient delivery in the rural areas and in well located areas of cities and towns.

3. Electrification

- the centrality of electricity in the infrastructure delivery strategy, especially in rural areas;
- electrical connectivity is being impeded by, amongst other things; obtaining financial resources, allocating these financial resources to appropriate projects, ensuring that capable utilities are in place to implement the programme.

4. Telecommunication and information infrastructure

- the significant steps taken to broaden the service areas incorporating especially schools, clinics and community centres;
- the advances in technology, using lines of sight rather than telegraph lines have ensured an appropriate and affordable alternative to delivery of infrastructure;
- information technology and the use of modern systems, such as the Internet and other sources are important tools in the development of our country;
- the marked improvement in Telecommunication delivery to previously disadvantaged areas, for example since 1994, close to 800 000 lines had been rolled out.

5. Water Supply

- the RDP enjoins the ANC-led government to adopt a developmental approach to the management and use of water resources so as to meet the basic human needs of both rural and urban communities, support urban industrial mining power generation and agricultural activity;
- the unparalleled success of the community water and sanitation services programme, which is delivering services to millions of previously unaccommodated people;
- the provision of water is closely linked to the development of skills and capacity at local level, as one of the competencies of local authority;
- the national water conservation campaign includes educational and promotional activities to raise consciousness about the value of water resources.

6. Transport

- transport infrastructure plays a central role in stimulating investment, economic activity and providing jobs;
- transport infrastructure can, in the urban context, integrate segregated communities;
- in the rural context, prioritization by government at national and provincial level for the delivery of road infrastructure will open access to remote areas for economic activity such as farming, tourism and the supply of goods and services;
- concomitantly, access to schools, clinics, police stations and other relevant amenities including development centres will improve the life circumstances of many rural communities;

- at the same time, initiatives such as the Maputo corridor can stimulate the economy of both South Africa and the Southern African region.
- thousands of kilometers of social roads remain untarred.

7. Public Works

- we have inherited an economy totally unable to generate the growth rates needed for sustainable job creation as well as substantial measures for poverty reduction;
- the National Public Works Programme aims to reduce unemployment through the creation of productive jobs;
- in the last three years there has been minimal roll out in terms of national public works programmes;
- the inherited regulatory regime for the construction industry is totally unsuited to the present situation where accelerated delivery of material development is required, whilst the construction industry provides fundamental infrastructure integral to development;
- the community based public works programme is immediately aimed at alleviating poverty and creating short-term jobs through delivery of much needed community assets that go a long way in the fight against poverty and providing skills and capacity building programmes for disadvantaged communities.

8. Clinic and School Building Programmes.

- Both the Department of Health and Education have made tremendous strides in providing clinics and schools especially in those areas previously excluded. These programmes should be intensified.

Believing that:

- the economic policy must be dynamic and evolve to meet the overall growth, development and redistribution challenges;
- the definition of infrastructure delivery include inter alia, infrastructure funded by public, private and or public private partnerships;
- infrastructure delivery must play a central role in the consolidation of the ANC's social base.

This Conference therefore resolve that:

1. Minimum Programme

- The ANC should develop a visible and implementable minimum programme, in line with the principles of the National Public Works Programme; which identifies specific sectoral programmes amongst other: electricity, roads rehabilitation, telecommunications, health education and welfare facilities, public transport facilities, school building programmes, water provision, housing

2. Integrated development planning

- To ensure that there is integrated development planning and implementation, at all levels of the movement and government

3. Overall Coordination

- To establish an integrated committee on infrastructure as a full subcommittee of the NEC;
- that the brief and composition of the committee should be defined and clarified by the incoming NEC. In particular this committee should ensure that the ANC continuously:
 - assess its different policies and how they impact on each other
 - develop policy and monitor the effectiveness of the implementation strategies.

4. Existing Development programmes

- That there must be effective coordination of resources and programmes directed at infrastructure;
- that there must be closer inter-ministerial direction of inter-departmental planning, programming and implementation;
- that this coordination should be reflected at all levels of governance, as well as at an inter-governmental level.

5. Role of government institutions

- That appropriate institutional arrangements must be found and established to regulate the role and functions of government institutions;
- that where necessary, legislation is amended and or repealed to facilitate the refocus of government institutions' priorities in relation to the delivery of basic infrastructure;
- that the ANC led government should communicate government institutional delivery success as part of ANC government commitment to delivery.

6. Land-use policies

- Need to develop land policies that are in line with the spatial development and planning;
- to speed up the delivery of houses by developing a special land price for low cost housing;
- to review the existing land reform programmes in order to include and prioritise an infrastructure delivery strategy.

7. Effective Communication Strategy for Delivery

- That the ANC led government should adopt a communication strategy to highlight on a continuous basis government delivery successes, as part of the ANC commitment to delivery;
- to reinforce the constitutional provision of communication units, with a specific focus on effectively communicating existing successes to address distorted perceptions around infrastructure delivery;
- to enhance communications at all levels of government to avoid unnecessary bottlenecks in order to strengthen the sustainable progress that are already under way.

8. Standards for Infrastructure delivery

- That the ANC clearly and explicitly define the elements of a minimum standards policy guiding our strategy for delivery, for example in terms of housing the quality and size of top structures and services.

9. Tenure options

- To endeavor to ensure that tenure provisions and procedures do not create unnecessary bottlenecks;
- to incorporate alternative tenure procedures, such as rental housing, in the existing tenure provisions.

10. Funding

- The budget allocation needs to be realigned to prioritise the needs of the infrastructure development, economic growth and employment creation programmes;
- that the ANC exhaust all avenues and adopt the principle of public/private partnerships to acquire the necessary funding to facilitate speedy delivery.
- explore various options for appropriate tax rebates to encourage participation in infrastructure provision.

11. Rural Delivery Strategies

- As a matter of urgency develop an integrated rural development strategy;
- to reinforce the importance of infrastructure delivery in rural areas;
- to augment the delivery capacity of local government structures in rural areas;
- to engage traditional authorities as a key component to delivery programmes in rural areas, as part of an integrated delivery strategy.

12. Empowerment and Job Creation

- To reaffirm the commitment of the ANC of providing infrastructure to previously disadvantaged communities and areas, especially in the rural areas of our country where poverty is most stark;
- to reaffirm the support for small, medium and micro enterprises, Community Based Organisations (CBOs) and Non-governmental Organisations (NGOs) in the context of the affirmative procurement policy of the government;
- to ensure that in the process of the provision of the infrastructure delivery, the principles of the RDP and the National Public Works Programme, as a vehicle of job creation within the construction industry, are adhered to at all stages of the infrastructure delivery cycle;
- to reaffirm that human resource development in both public and private sectors is an integral part of empowerment and job creation process.
- reaffirm the people centred development approach in all delivery of infrastructure and encourage sweat equity.

Science and Technology

Noting:

The important contribution that science and technology can make towards human resource development, to the quality of life, and economic development and transformation,

Noting further the necessity for raising public awareness on the importance of science and technology and the government's initiative in declaring 1998 as the year of "Science and Technology", which launches a five year public awareness campaign in Science and Technology.

We resolve to;

- support the government's campaign for public awareness of Science and Technology;
- call on government to ensure that programmes, as well as the broader efforts to restructure the country's science and technology infrastructure, benefit the poor and the rural poor in particular;
- encourage the private sector to support the development of science and technology;
- ensure that the campaign is also linked to the education campaign on Culture and Teaching and Service;
- call on the ANC policy department to establish a monitoring mechanism to measure the impact of the campaign and that the NEC receive annual reviews of the campaign for its duration of the five year campaign.

Arts and Culture

Noting that;

- The department of Arts, Culture Science and Technology has developed a comprehensive national policy on arts and culture

Believing that;

- Arts and culture can play a crucial role in nation-building, reconciliation and the development of a new national identity and ethos reflective of our new democracy;
- arts and culture play a pivotal role in the moral renewal of our society;
- arts and culture has the potential to make a significant contribution to economic development and job creation.

We therefore resolve that;

- the movement should support the government's efforts to correct the distortions and imbalances in our heritage landscape through the creation of new monuments, museums, the naming of places, and generally affirming the neglected history and culture of the majority of South Africans;
- the movement should support government efforts to encourage, promote and support all cultural activities that celebrate the rich and diverse cultural heritage of all South Africans;
- the movement should support the government's efforts to establish viable and sustainable cultural industries; the development of cultural tourism; and the support of cultural practitioners, and especially for the benefit of the urban and rural poor;
- the movement should encourage the private sector to support the development of arts and culture;
- the movement should support, at all levels, the government's efforts to implement policies that relation to arts, culture, science and technology.

Tobacco, alcohol and substance abuse

This 50th ANC national conference, noting:

1. The sterling work done by the department of health in making communities aware of the health and social hazards associated with tobacco and smoking;
2. The serious effect of alcohol abuse and alcoholism on:
 - 2.1 Family and social life
 - 2.2 The health system by creating an unnecessary burden on the financial and human resources.
 - 2.3 the economy of the country.
3. The increase in the availability of harmful drugs and the consequent demands made on the health and criminal justice systems.

Conference hereby resolves to:

1. Commend government on creating greater awareness on the health and social hazards of smoking and the abuse of alcohol and drugs;
2. Support initiatives aimed at curtailing the availability of drugs and discouraging smoking and abuse of alcohol;
3. Support rehabilitation programmes for victims of such abuse with a view to reintegration into society;
4. Promote a healthy life-style by supporting anti-smoking campaigns and to declare all anc and government buildings to be smoke free zones; and
5. Urge all anc structures and alliance partners to participate in and lead the campaigns against substance abuse.

Free and Compulsory Education

Noting:

- Our commitment in the RDP to provide free and compulsory education to all for the first ten years of schooling;
- The advice given to the Ministry of Education by the Hunter Committee and international education economists, namely that the vastness of the gap between the rich and the poor do not make it advisable to implement this policy fully at this stage as this might have negative effects on the quality of public schooling;
- That nevertheless, the Ministry has developed norms and standards for the exemption of poor parents from an obligation to pay fees as a first step in the implementation of this policy position, and that the Schools Act prohibits the exclusion of children on the basis of their parents' inability to pay;
- The over- expenditure in education which has resulted in serious cutbacks in the delivery of services and the termination of contracts of temporary teachers throughout the country and the potential of this situation leading to serious destabilisation of education;

Further noting:

- The launch of the Campaign on the Culture of Learning, Teaching and Service (COLTS) launched by the Ministry of Education;
- The fact that is increasingly becoming more expensive for learners to acquire quality education;

Believing that:

- the ANC's policy position of free education for the first ten years remains critical to the attainment of the ANC's goal of opening the doors of learning and culture to all;
- the ongoing transformation of education is fundamental to the social and economic restructuring of our country and that we should achieve real progress and consolidation of our achievements in this sector as we approach the new millennium.

Therefore resolves:

- To recommit ourselves to the attainment of this RDP goal, to urge all parents to contribute in whatever manner to the enhancement of quality in our schools and to engage our allies and the public at large to ensure that they support the spirit and thrust of the norms and standards on funding of schools.
- To convene a summit of alliance partners and progressive forces to consider a strategic approach to budget for the education and social sector as a whole.
- Such a Summit must also ensure that the government continues consultation with teacher unions to avoid retrenchments and negative effects.
- To participate in the campaign to build the Culture of Learning, Teaching and Service, to urge our structures to actively work towards the transformation of our schools into centres of quality educational activity and call on all structures of civil society, especially business, to support the schools in whatever manner possible.

Higher Education Transformation

Noting that:

- The importance of the transformation of the higher education system to meet the developmental and growth needs of the country and the continent;
- The passage of the Higher Education Act, which is crucial to this transformation that we seek;

Further noting:

- That Higher Education Institutions continue to be faced with a crisis of non-payment of fees, resulting in large debts and calls made to government to assist institutions to deal with this student debt;
- That government has established a National Student Financial Aid Scheme to assist needy students;
- The historical use of language as a tool for exclusion of students to higher education and the historical disadvantage of certain languages in Higher Education; and that there are still tertiary institutions in our country that continue to use language to discriminate against disadvantaged students, excluding students in total disregard of the spirit and letter of the Constitution,
- That the Higher Education Act directs the Council on Higher Education to immediately investigate and advice the Minister on a framework for language policy in higher education.

Therefore resolves:

- To urge the speedy implementation of this Act and to develop with our allies a coherent approach and strategy as well as ongoing monitoring and evaluation mechanisms to assist this process.
- To encourage the management of institutions to enter into discussions with student representatives to find mechanisms for dealing with the payment of fees, to call on all students who can afford to pay fees to do so and to explore possibilities to eliminate the need for financial exclusions and to urge government to maintain or increase the level of funding to the National Students Financial Assistance Scheme.
- To advise the incoming ANC working committee to look into the possibility of meeting with student organisations and management of institutions to discuss how the enhancement of the academic programme can be achieved;
- To ensure that institutions of higher learning stop discriminatory practices of denying access to students on the basis of language;
- To adopt affirmative action policies for the empowerment of previously marginalised African languages within the broader context of a language policy which seeks to provide access to all, affirmative action for previously disadvantaged languages and relevance to the developmental needs of our country and the Southern African region.

International Relations

Arms exports

This conference**Noting:**

- That South Africa's commitment to respect human rights and international peace and security is evident in the Constitution, foreign policy statements and the ratification of international covenants which deal with these matters.
- That the White Paper on Defence expresses this commitment in relation to arms exports by providing, for example, that "South Africa shall not transfer arms to countries which systematically violate or suppress human rights and fundamental reforms".
- That the cabinet has set up the National Convention of Arms Control Committee, comprising members of government department and ministers to regulate and limit arms sales.
- That these commitments have given rise to difficulties in some cases.

Believing:

- That the pursuit of economic benefits from arms sales at the expense of human security, freedom and life in other countries is contrary to the values of our country, party and people.
- That a less discriminatory approach to arms sales will undermine South Africa's foreign and national interests in the long run.
- That any assessment of human rights and international peace and security concerns necessary entail the exercise of subjective political judgment.

Resolves:

- To call on government to continue its strong commitment and adhere to Policy on international and national arms control.
- To call on government to strengthen the policy of transparency and oversight in a way consistent with recognition of the need for commercial confidentiality that will allow for informed parliamentary and public debate on arms exports.
- To call on government, as a matter of urgency, to amend apartheid era arms control legislation.

Further Resolves

That the ANC and government should deal severely with mercenaries activities involved in the sale of military related services which operate against or intended neglecting and leading to violation of human rights in foreign countries.

Economic Transformation

Economic transformation

1. INTRODUCTION

- 1.1 Economics is about people, their work, their ownership of productive assets or lack of it, their share of what they produce, what they buy and sell, their accommodation, their recreation, in fact every element which we describe as quality of life, flows from the structure and management of the economy. Therefore, from the premise that the mission of the ANC continues to be the fundamental transformation of the South African economy in order to empower black people, especially Africans, (as communities and as individuals); eliminate poverty and the extreme inequalities generated by the apartheid system; generate productive employment opportunities for our people at a living wage and ensure balanced South African economic development. The ANC does not underestimate the problems that we inherited and acknowledges that we will not overcome these in a short period. Progress has been made in the provision of basic services and in the macroeconomic stabilisation. However, we have a long way to go, particularly, in the transformation of the economy.
- 1.2 In shaping our policies it is imperative that we be mindful of both trends in the global economy, within which South Africa is a small player and of the limitations in the availability of resources. Globalisation brings important opportunities but also real dangers and constraints to the economy. In integrating South Africa into the global economy, we need to struggle for an effective regulatory system that will promote development and equity. Taking account of all of this, our economic policies should be geared towards:
 - 1.2.1. A competitive, fast growing and developing economy which creates sufficient jobs for all work seekers;
 - 1.2.2. A redistribution of wealth, income and opportunities in favour of the poor and the historically disadvantaged;
 - 1.2.3. A society in which sound health, education and other services are available to all;
 - 1.2.4. An environment in which homes are secure and places of work are productive.
- 1.3 In pursuing these objectives the emphasis will be on four critical areas of work. These are central to the implementation of the RDP. The first is the promotion of investment for sustainable job creation (sustainable in the economic and environmental sense). The second is to ensure the continuous link between growth and development. The third is to ensure that we establish new social and economic relations that empower the black community in general and African people particular. The fourth is to integrate all components of the economy urban/rural, women/youth and families into sustainable and meaningful economic activity. The extent to which this work succeeds and the extent to which we succeed in attaining each of these four objectives is the measure of the impact of our economic policies on transformation.
- 1.4 The need to reassert the importance of rural development cannot be over emphasized. In 1992, in Ready to Govern we stated that Apartheid has distorted the social and economic environment of the rural areas and accordingly the new democratic state must implement a policy to redress these distortions and create opportunities for rural people through balanced and sustainable development.
- 1.5 The issue of gender is fundamental to the social and economic transformation. Accordingly all policy programmes must be able to clearly identify and integrate this important issue in their transformation agenda. Activities must be focused both where women are in the majority and are under-represented.

2. THE DEVELOPMENT OF ANC ECONOMIC POLICY

- 2.1. Thinking on economic policy in the ANC has been influenced by the political positions of the movement developed over many decades of struggle. One document stands out as the most comprehensive expression of the ideals of the movement, and that is the Freedom Charter. A number of the core ideas have been through various stages of development. Each of the noted National Conferences at Morogoro (1969), at Kabwe (1985), in Durban (1991) and in Bloemfontein (1994) have added to these particular ideas. In addition, special policy initiatives such as the Ready to Govern conference (May 1992) and the drafting of the Reconstruction and Development Programme (February 1994) greatly expanded the scope and detail of economic policy.
- 2.2. Since the elections, and the formation of a democratic ANC led government, we have started implementing the policy framework, often with different outcomes. Furthermore, particular areas of policy have been emphasised to deal with particular focal areas of government. The National Executive Committee, has also discussed and decided economic policy implementation from time to time.
- 2.3. The tradition of ANC economic policy is thus the strand which links all of these initiatives over the past four decades. It is important that this conference recognises that we are not starting anew, we are building on a

tradition. This Conference's task is to reconfirm the trend which has emerged through that important set of policy elements, including the basic framework of the RDP.

3. SECTORAL POLICY ISSUES

- 3.1. Of the four objectives of economic policy outlined above, each merits special attention. The areas of work set out to essentially involve the interaction of various sectoral policy initiatives thus the objective, of a competitive, fast growing economy which creates sufficient jobs for all work seekers, requires a focus on trade policy, competitions policy, industrial policy and labour markets policy, but these sectoral policies also require stable macroeconomic policies to ensure that appropriate signals can be sent to prospective investors and to ensure that we achieve a real rise in living standards. Hence, whilst we are required to dissect the detail of sectoral policy, we need an understanding of how they interact and must therefore be integrated to produce the desired results. In addition, we need to understand that government does not possess all of the instruments, for example, there are limitations on the amount of investment capital that government has at its disposal, and this reality will impact on the time frames for implementation.

3.2 Macroeconomic Framework

- 3.2.1. This policy deals with a particular set of ratios in the economy. The RDP base document (at 6.5.7) states: The existing ratios of the deficit, borrowing, and taxation to GNP are part of our macroeconomic problem. In meeting the financing needs of the RDP and retaining macro stability during its implementation particular attention will be paid to these ratios. The emphasis will be on a growing GDP, improved revenue recovery, and more effective expenditure in order to make more resources available. In the process of raising new funds and applying them, the ratios mentioned above must be taken into account.
- 3.2.2. The emphasis in the RDP on macroeconomic balance has been a consistent part of ANC policy and has been mentioned in every policy document since 1990. The strategy for Growth, Employment and Redistribution (GEAR) aims at creating the environment of macro-economic balances required for the realisation of the RDP. In this therefore, the GEAR does not seek to displace the RDP.
- 3.2.3. A particular element of macroeconomic policy is Fiscal Policy which deals with the raising of taxes and the management of expenditure. Effective fiscal policy requires that government raise the maximum amount of resources possible and frees the maximum resources for tangible transformation efforts; ensures that resources are allocated towards the implementation of the RDP; and ensures that the available resources are efficiently managed to realise the policy objectives. To this end, the ANC must interact with fiscal policy implementation to ensure:
- 3.2.3.1. the release of resources for maximum transformation. This task will include the minimisation of the costs of the state in order to free up resources.
 - 3.2.3.2. that ANC policy objectives are realised by the most appropriate allocation of limited resources.
 - 3.2.3.3. that capacity is built in government to ensure that only the highest standards of management are tolerated.
 - 3.2.3.4. Monetary Policy is by and large the outcome of a number of other economic policies. It also has a significant impact on other areas of economic policy. Therefore, monetary and fiscal policies must be consistent, mutually reinforcing and complimentary.

3.3 Industrial Policy and Trade Policy

- 3.3.1 We are convinced of the continued central role of industrialisation as the mainstream of growth world-wide. Rich countries are more industrialised than poor countries. Not only is industry responsible for creating sustainable employment, it is also the key generator of resources for further economic development, opens opportunities for industry related services, promotes structural and technological changes, and enhances global linkages across economies through trade and investment. Accordingly, industrial policy lies at the heart of our economic transformation programme and must rest upon four key objectives:
- 3.3.1.1 Economic growth must be sustainable, both economically and environmentally.
 - 3.3.1.2 Investment must create jobs. There should be a strong bias towards labour intensive investments and must emphasise small business development and human resource development. Investment must contribute toward growth and development in the economy.
 - 3.3.1.3 growth must increasingly be based on the ability to export and compete on the world market in products.
 - 3.3.1.4 empowerment of the historically disadvantaged citizens must be a continuous thrust of all economic programmes.
 - 3.3.1.5 it is important to stress that our objectives will be achieved by a well designed package of policies.

- 3.3.2 In pursuit of these objectives the following policy instruments will be employed:
- 3.3.2.1 Trade Policy will remain within South Africa's commitments to the World Trade organisation. Efforts to increase the economic integration of the Southern African region will be pursued, particularly through the establishment of a free trade agreement within SADC within a fixed period of time on the basis of principles of mutual benefit, equity and balance. We will maximise South Africa's interests in regard to existing traditional trading partners such as the European Union. If appropriate, the benefits of a free trade agreement will be pursued.
 - 3.3.2.2 Our policy in regard to Africa on trade and investment is a central component of the African Renaissance
 - 3.3.2.3 Tariff policy, the management of tariffs will be carried out in a consultative and transparent process within a broad framework of economic policy and with regard to the specific features of industries and sectors and employment consequences in industries.
 - 3.3.2.4 The promotion of Industrial Development will include the use of state incentives which will continue to move away from demand side to supply side measures. Incentives are designed to generate investments in productive activity that will create employment and growth. The state's Industrial Development Corporation will continue to be reoriented towards linking upstream capital intensive industries with downstream possibilities and more labour intensive industries whilst giving increasing attention to black entrepreneurs, women, the disabled and rural communities. The development of industrial strategies will be tackled by, amongst others, facilitative processes such as sector and cluster collaborative initiatives designed to help firms meet the new challenges in collaboration with the constellation of players in their sectors. In this way, the potential of many manufacturing sub-sectors can be fully developed
 - 3.3.2.5 Spatial Development Initiatives in regions identified as having high potential for economic growth and high needs will be pursued. These are investment promotion strategies that are financed from four sources: fiscal transfers; loans sources from the development finance institutions in particular the Development Bank of Southern Africa, the Industrial Development Corporation and the private sector. Coordination will take place through a special committee of Ministers (Cabinet Investment Cluster).
 - 3.3.2.6 Human Resource Development will be pursued through cooperation between the state departments and the private sector in targeting, developing and funding training programmes.
 - 3.3.2.7 Export growth will be facilitated by incentives and sectoral strategies rather than subsidies.
 - 3.3.2.8 Small, Medium and Micro Enterprises will be helped by improving access to finance, training, management, strategy development and assistance with technology transfer.
 - 3.3.2.9 Government should continuously review SMME strategy with the aim of enhancing its impact and involving more role players, especially in the private sector. The banking sector should be engaged in order to influence its lending patterns and services in support of the historically disadvantaged communities. Public sector institutions involved in provision of financial support should also focus this support on these communities and need to enhance its targeting to ensure maximum impact.
 - 3.3.2.10 The Local Government has an important role to play in job creation and Local Economic Development. To this end Local Authorities should ensure the development and implementation of SMME specific programmes.
 - 3.3.2.11 Anti Trust Policy, Corporate Governance and Fair Trade Regulation can play a very important part in opening up participation in our economy and ensuring fairness, transparency and the rule of law. Current competition policy is neither clear nor effective. Corporate law is also not sufficiently transparent or user friendly and there are many areas where consumer protection is inadequate. Accordingly a major initiative of reform is being started to address these interrelated areas of law. It is envisaged that the necessary legislation will be processed in 1998.

3.4. The liquid fuels and energy industry

- 3.4.1. The liquid fuels industry contributes a large share of GDP (7%) and is a strategic sector in the South African economy. The current policy dispensation was inherited from the previous government which was driven by military strategic imperatives. This requires adjustment to meet the needs of a transforming South Africa. Currently the industry is characterised by a high level of regulation inextricably mixed with a number of voluntary agreements among various stakeholders resulting in considerable complexity. Liquid fuels production has an important interface with petrochemical production. Uncertainty among investors in the industry is emerging and needs to be addressed by clarity in government's policy trajectory.
- 3.4.2. The ANC will adopt a clear long term vision for the industry. Implementation will follow two phases. Phase one should focus on clarifying, tightening up and implementing the current dispensation. In Phase two, to be

implemented in the medium term, government should manage the transition to a governance framework for the longer term. This should include, more open pricing of fuels, an independent industry authority, the creation of level playing fields among competing business interests whilst advancing the interests of small and medium enterprises, a social plan for displaced labour, facilitating the entry of historically disadvantaged communities, acknowledging the role of the state as a legitimate player, and optimum cooperation with state oil companies in SADC countries.

- 3.4.3. In the transition process, soundly mandated government negotiators will give due recognition to the vested interests and the voluntaristic nature of certain elements in the existing dispensation.
- 3.4.4. Although energy is a basic need and a vital input to both the formal and informal sectors, the vast majority of South African households and entrepreneurs depend on inferior and expensive fuels. Rural women face a heavy burden from collecting fire wood from far away distances with negative environmental consequences. Urban households face high costs for paraffin and gas. Coal, where it is available, is relatively cheap but results in severe health problems and extensive environmental damage. The ANC remains committed to the electrification of South Africa as outlined in the RDP.

3.5. Mining and minerals strategy

- 3.5.1. Mining is a key sector for employment and foreign exchange earning. Mineral resources are inputs into many important value adding industries. Mining provided the basis for capital accumulation in South Africa's economy. Although the gold sector is mature and experiencing difficulties, high potential remains for more wealth creation from South Africa's extensive and diversified resource base and the technology and expertise that has been developed to tap it.
- 3.5.2. The main obstacles to sustainable access to the country's mineral wealth include the inherited legal and administrative system of mineral rights and prospecting information; a century of racism that has blocked access to skills and failed to develop the human resource base of the mining workforce and a state administration that has focused on regulation.
- 3.5.3. To modernize and transform the mining industry the following steps need be taken:
 - 3.5.3.1. Our minerals functions need to include a vigorous promotion function in order to develop and sustain the industry to attract exploration and investment.
 - 3.5.3.2. Access to mineral rights should be promoted by encouraging an efficient market in privately held mineral rights. A mineral rights tax that would be deductible against exploration expenditure should be applied to privately held mineral rights to promote their use. Such mineral rights not explored, retained or sold would be surrendered to the state. Security and continuity of tenure must be assured to promote access with stability.
 - 3.5.3.3. For state held mineral rights, a system of licenses should be introduced consisting of exploration and mining licenses of defined duration and work commitments in order to promote the turnover of exploration properties.
 - 3.5.3.4. All exploration information should be lodged with the state and shall be made available on expiry of the exploration license.
 - 3.5.3.5. Human resource development in the minerals industry particularly in the area of adult basic education and training should be facilitated. Affirmative action policies need to be implemented and all vestiges of racism rooted out.
 - 3.5.3.6. Small scale mining should be encouraged and managed through a comprehensive system of support and appropriate regulation to facilitate financially viable mining and to maintain standards of safety, health, working conditions and environmental protection.
 - 3.5.3.7. Beneficiation of mined raw materials via specific supply side measures and the active investment of state enterprises should be promoted. Raw materials pricing should favour local fabrication. Research and Development for beneficiation should be encouraged.
 - 3.5.3.8. The State should develop a detailed systematic social plan to deal with the negative consequences of restructuring in this sector and others. This should be done through consultation with government, labour, business and affected communities.

3.6. Agriculture

- 3.6.1. Agriculture makes an important contribution to the economy, some 45% of GDP and about 10% of exports. It is a high employment sector and makes a major contribution to rural livelihoods and food security.
- 3.6.2. However, agriculture has in the past been characterised by large inequalities in the access to land in terms of both race and gender and large subsidies to commercial, largely white, enterprises. The advent of democracy and globalisation requires that the sector undergo considerable restructuring.

- 3.6.3. A detailed ANC Agricultural Policy document was adopted at National Conference in 1994 which provides an important starting point for further policy development.
- 3.6.4. Our vision of the agriculture industry incorporates:
 - 3.6.4.1. A radically changed ownership, by race and gender, of productive resources.
 - 3.6.4.2. Improved productivity, efficiency and international competitiveness in the sector.
 - 3.6.4.3. Increased market access both locally and abroad.
 - 3.6.4.4. Expanded access to land to assist those who lack resources to get established in agriculture.
 - 3.6.4.5. A sector guided by the principles and ethics of sustainable development.
- 3.6.5. Key Objectives and Strategic Areas of Policy Focus are:
 - 3.6.5.1. Maximising agriculture's contribution to economic growth through scientific innovation, elimination of structural inefficiencies especially in markets whilst concentrating on comparative advantages.
 - 3.6.5.2. Addressing inequities through land reform; targeted programmes to support and resource poor farmers and black farmers generally; human resource development within the sector; improved access to markets, services and resources (including extension and credit).
 - 3.6.5.3. Maximising Employment in agriculture remains a key focus for ANC policy. To this end land reforms resulting in smaller farming units will be pursued as they are less capital intensive and will result in more jobs per unit of land. Greater employment will also be achieved by leveling the playing fields between capital and labour intensity. This will be done by removing subsidized interest rates and tax concessions on capital purchases. Employment gains will also be pursued by linking production and trade promotion programmes.
 - 3.6.5.4. Enhancing household food security remains a priority. Our policies, including land reform, trade and marketing policies and shifts towards greater international competitiveness must result in greater availability and accessibility of food at a household level. Policy will thus shift from food self-sufficiency to an emphasis on household food security in accordance with our commitment to the elimination of hunger and malnutrition in our country.
 - 3.6.5.5. Human resource development and capacity building in the form of farmer training, the development of institutions, improved extension services and easier access to finance will continue to be undertaken. Efforts will be made to strengthen coordination of cooperative governance between national and provincial departments.
 - 3.6.5.6. Strategies for the development and restructuring of agro-processing industries will be developed to accommodate the changing nature of agricultural output.
 - 3.6.5.7. Infrastructure Development will focus on investments in marketing infrastructure to give black farmers in rural areas better access to markets.
- 3.6.6. These strategic imperatives will inform the national agricultural policy initiative currently underway.
- 3.6.7. Land is a productive asset that has a significant influence on economic development. Our policy on land reform and redistribution still remains a principle guide, however there is a need for an accelerated programme that will deal with:
 - a) the transfer of ownership through redistribution, restitution and tenure reform
 - b) the creation of agricultural opportunities for the poor and the previously disadvantaged
 - c) the creation of opportunities for direct investment and increased employment through improved land use planning, fair access to land and good practice.

3.7. The marine fisheries sector

Although marine fisheries is a relatively small resource based sector, it is extremely important for the livelihood of the coastal communities. The dual challenge is to ensure both the sustainable utilisation as well as more equitable access to the resources. The industry should be restructured to give a far greater share of the resource to marginalised communities who depend on fishing for their livelihoods. The system of quota and permit allocation under apartheid denied opportunities to black entrepreneurs and systematically impoverished fishing communities. A phased but determined programme of reallocation of quotas and permits must be implemented. This programme should take into account international agreements. However South Africa's interests must be protected and promoted in all international fishing negotiations. All existing agreements will have to be carefully revised with a clear point of departure and begin to address the needs of our people. The conference instructs the NEC to develop an access rights policy that will enhance job creation, security, economic growth, advancement of our coastal communities, implementation of RDP/IDRC recommendations and maintain the role of the state as custodian of the resource (ITQ, INTQC, CNTQ and other policies.) In main the policy must prevent biological or economic collapse of fisheries. Our policy should be integrated with policy development of Southern Africa.

3.8 The tourism sector

- 3.8.1. Tourism is an important sector for job creation. It needs to be prioritized and adequately supported to enhance its performance and job creation in the economy. The strategy to realise the potential of the tourism sector is government led, private sector driven and community based. It aims to create synergies involving the provinces, towns and local communities; the accommodation sector, the transport sector, the hospitality sector, conservation authorities and the principal marketing agency, SATOUR, to aggressively project South Africa in the existing and new markets as an attractive, affordable and safe destination for tourists in search of a unique experience.
- 3.8.2. There is a need to increase the tourism infrastructure if we are to succeed in attracting the increased number of tourists that we have targeted. It is also essential that tourism enhances our cultural diversity and that it takes place within a sustainable environmental policy. Within the Spatial Development Initiative the role of the tourism projects is proving to be very important.

3.9 Science and Technology

- 3.9.1. Technology is increasingly playing a strategic role in rapidly developing economies the world over. This is taking place in the context of the trend towards the globalization of our economy. Accordingly the ANC formally recognises, as a key factor in national development policy, the importance of technology, as well as research and development in fostering and sustaining new technologies. It is also critical that we put in place an effective science and technology system.
- 3.9.2. Fostering public appreciation of science and technology must be a key concern of our organisation. This will contribute to the recognition of the importance of developing sound innovation policies aimed at increasing the level of economic activity within the environment of international competitiveness. It is this that will facilitate sustainable employment that is required.
- 3.9.3. The increasing convergences of science, telecommunication information technology, broadcasting and multimedia technology is leading to the emergence of an info-communications sector as the leading edge of a global information economy.
- 3.9.4. The ANC should ensure that as part of the African Renaissance, Africa becomes part of the Global Info-Society. A clear strategy for building a communications infrastructure and its content based on concrete projects should be developed.
- 3.9.5. The ANC needs to take creative steps to fund info communication strategy that ensures universal access to modern technologies, software engineering and the public access to the Internet.
- 3.9.6. The ANC should head the campaign to popularize 1998 as the year of technology and to ensure that we catapult our society into the 21st century.
- 3.9.7. The ANC should lead efforts to ensure that the "millennium bug" phenomena which threatens to collapse computing systems across the economy and public sector is effectively addressed by government.

4. CROSS SECTOR POLICY PROGRAMMES

4.1 Employment strategy

- 4.1.1. Unemployment remains a scourge in the South African society. It is highest among blacks and within this group youths and women fare the worst. Unemployment has multifaceted causes which cannot be solved at the stroke of a single policy pen. Therefore, coordination and alignment of government policies and initiatives should ensure maximum possible impact on employment levels.
- 4.1.2. The Alliance must develop a co-ordinated employment strategy which interprets all aspects of government policy around which the Alliance forges a common approach in advance of the Presidential Jobs Summit.
- 4.1.3. Simultaneously government will consult and negotiate with its social partners an Employment Strategy which will be cemented at a Presidential Jobs Summit. The elements of this Strategy will lie within the following:
 - 4.1.3.1 Adopting policies which are neutral for labour and capital intensive forms of production with a possible bias in favour of those activities with greater employment generating capacity. This will be complemented by a set of disincentives to discourage shedding of labour.
 - 4.1.3.2 Pursuing policies designed to increase access to productive assets (such as land and credit) especially in favour of previously marginalised groups stimulating the level of demand and investment.
 - 4.1.3.3 Reducing transaction costs for labour mobility.
 - 4.1.3.4 Improving social capital for previously marginalised groups
 - 4.1.3.5 Reducing the cost of wage goods
 - 4.1.3.6 Promoting increased total factor productivity and international competitiveness to generate increased resources for reinvestment

- 4.1.3.7 Engaging in public works campaigns to generate mass employment
- 4.1.3.8 Resolving labour market and pre-labour market discrimination
- 4.1.4. The Employment Strategy should have policy components which embrace: a sectoral dimension on enterprise specific dimensions; a labour market segment dimension and a spatial dimension.
- 4.1.5. Pursuit of such an Employment Strategy will require:
 - 4.1.5.1 Reprioritisation of government expenditures away from nonproductive activities and toward directly productive activities which generate sustainable employment;
 - 4.1.5.2 Ensuring a strong linkage between recurrent and capital expenditures;
 - 4.1.5.3 The strategic use of foreign aid;
 - 4.1.5.4 The strategic promotion of foreign investment;
 - 4.1.5.5 The continued promotion of the Masakhane ethos so that continued investment, service delivery and the rebuilding of our communities can take place;
 - 4.1.5.6 The popularisation of a savings and investment culture amongst a large section of our people.

4.2 Rural development

- 4.2.1. Economic activity which takes into account special programmes for development and job creation in rural areas is necessary to ensure the development of the economy as a whole.
- 4.2.2. The strategy to create jobs, boost production, improve living conditions and establish a social security system must be pursued in such a way so as to ensure an integrated approach that links urban, peri-urban and rural development processes.
- 4.2.3. Over and above the physical and social infrastructures which should be developed in rural areas, specific forms of public sector intervention, for example with regard to human resource development, extension services, market information and appropriate financial mechanism and institutions must be budgeted for.
- 4.2.4. Rural communities need practical access to health, education, water, support for entrepreneurship (including agriculture), financial services, welfare, local government centers, and police and the courts. The objective of rural development policy should be to coordinate the activities of the relevant government agencies and pass much of the control of the democratic government-funded services to the rural people for whom they are intended within the framework of provincial and national development programmes. This requires continued fundamental changes and adjustment to institutions and processes.

4.3. Restructuring of state assets

- 4.3.1 The restructuring of state assets is an integral part of the transformation of the economy. The objectives are to enhance:
 - 4.3.1.1. Sustainable growth and development and employment creation
 - 4.3.1.2. To increase the rate of development of infrastructure to meet basic needs and strengthen our economic potential.
 - 4.3.1.3. To promote the development of our human resources.
- 4.3.2. Within the overall RDP and industrial strategy the restructuring of state assets will be effected through the development of sectoral strategies followed by the specific case by case consideration of the individual state enterprises within the context of that sectoral strategy. The structures of the National Framework Agreement (NFA) are charged with overseeing the process of interaction between government and labour.
- 4.3.3. Increased emphasis will have to be given to the government's capacity to effectively manage and coordinate the activities of the state owned enterprises. This will require a comprehensive strategy for the development of the human resources and the management of cadres.
- 4.3.4. In the process of restructuring of State Assets, firm agreements on employment, skills development, training and delivery should be implemented.
- 4.3.5. In the process, there will have to be a prioritisation and sequencing of policy implementation in order to ensure the most effective means of achieving the objectives of the restructuring of the state assets.

4.4. National Empowerment Policy

The ANC should clearly articulate a National Empowerment Policy that will focus on those who have been historically disadvantaged and particularly black people, women, youth and the disabled and rural communities. The empowerment process must constitute part of a more radical and profound change in social relations. Changing ownership and workplace relations are part of this wider process of empowerment.

- 4.4.1. Within the National Empowerment Framework government should establish a National Empowerment Fund which must lead to the stimulation of saving, shift people from the informal to the formal sector, and from predominantly retail to more manufacturing SMME's.
- 4.4.2. The ANC government should ensure the implementation of a vigorous affirmative procurement policy which will ensure that government and parastatals facilitate awarding of tenders to our people through approved mechanisms

5. THIS 50TH NATIONAL CONFERENCE RE-AFFIRMS AND RESOLVES THAT:

- 5.1. The basic economic and social transformation framework of the ANC is the Reconstruction and Development Programme.
- 5.2. Conference confirms that successful economic transformation requires a set of economic policies that are mutually reinforcing, as outlined above, and which as a package begin to address the structural problems in the economy. The RDP policy implores us to focus on: growing the economy and ensuring development, promoting investment in productive job-creating capacity and infrastructure, reprioritising government expenditure, restructuring the economy for international competitiveness and redistribution of opportunities, income, wealth and opportunities. The RDP further states that in meeting the financing needs of the RDP government must do this in a way that maintains macroeconomic stability.
- 5.3. Conference reaffirms that our macro-economic framework policies must be directed to advancing the RDP. We are not pursuing macro balances for their own sake, but to create the conditions for sustainable growth, development and reconstruction. The strategy for Growth, Employment and Redistribution (GEAR) is aimed at giving effect to the realisation of the RDP through the maintenance of macro balances and elaborates a set of mutually reinforcing policy instruments.
- 5.4. Conference confirms that taken together these package of policies are designed to build the economy in the manner envisaged in the RDP, and generate the levels of sustainable growth and job creation which is the key to the transformation project which the ANC has embarked on.
- 5.5. The Conference endorses the basic objective of macro-economic stability. The GEAR provides a basis for achieving such stability. Like other policies it will be reviewed, monitored and adjusted as required by analysis through the policy processes adopted in this conference and in the Alliance Summit.
- 5.6. Conference resolves that the National Executive Committee is mandated to instruct the Economic Transformation Sub-Committee to develop a detailed programme of economic transformation which will serve as a basis for systematic implementation and evaluation of progress made in this regard. Such a programme should give priority to an employment creation strategy.
- 5.7. In order to give effect to it's programme of fundamental economic transformation, the ANC commits itself to developing a programme of further legislative changes and clear timeframes with deliverables and an implementation plan.
- 5.8. Further, Conference mandates the NEC through its Economic Transformation Sub-Committee to organise discussions on all economic policy issues across the broadest cross-section of members and within the Alliance to build and deepen consensus as an integral part of the political work of the movement.
- 5.9. Recognising that effective development and delivery of services requires that the government frees the maximum resources for tangible socio-economic transformation, Conference resolves to ensure that the highest standards of management and ethical behaviour are promoted. Accordingly, the ANC and it's Allies should spearhead a national campaign to fight against waste and corruption in management of public resources.