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STATEMENT BY MINISTER ALFRED B. NZO

FOREIGN AFFAIRS BUDGET DEBATE

HOUSE OF ASSEMBLY : 7 MAY 1998

Madame Speaker,
Honourable Members,

On 27 April, huge and representative rallies comemorated the 4th anniversary of our transition to democracy. Since that day in 1994 we have expanded and consolidated our relations with the global community, given us and opportunity to project a dynamic universalist foreign policy.

We have established, as a result of our unique experience, a truly South African identity which has determined our foreign policy direction : We have avoided becoming embroiled in the traditional, ideologized politics which originated in the Cold War, and have suggested appropriate and innovative solutions to political deadlocks which had for so long paralysed certain important global debates.

Our objectives are:

- To seek to prevent conflicts and promote the peaceful resolution of disputes;

- to promote democratisation, disarmament, and respect for human rights;
- and to advance environmentally sound sustainable development and poverty alleviation.

This originates in our belief in the right of humanity to live in a world free of want and of war, a world where every person can achieve their full potential.

The primary point of departure of the Government remains in the simplest terms, to create a better life for all of our people. South Africa's foreign policy must therefore be focused on achieving material benefits for all of its citizens. In fact, our foreign policy objectives are therefore essentially an outward projection of South Africa's domestic imperatives - that is, economic and social development, as well as the promotion of peace and stability.

Madam Speaker, if we are to assist in liberating our people from the effects of poverty and neglect, the question of economic growth becomes paramount. In fact, economic diplomacy is fast becoming the major focus of our activities. I am pleased to state that the Departments of Foreign Affairs and Trade and Industry have increased their cooperation, resulting in better utilisation of resources. This is already contributing to the effective promotion of South Africa's economic interests at home and abroad. Since 1994, a total of R32 billion in new direct foreign investment has entered South Africa. Direct foreign investments are of an enduring nature, and make a tangible contribution to long term economic development. Portfolio investment has also grown significantly in this period.

In this sphere of our activity, there is an obvious need for our Missions to be provided with the very best human and material resources, since we are in direct competition with more than a hundred other countries in a world increasingly characterized by the ceaseless search for comparative economic advantage, economic bloc formation and dwindling resources. All this poses a major challenge to the interests of developing countries.

The demands on our Missions by government, the private sector and by the volume of high-level visitors have increased dramatically. During a Ministerial visit to a Latin American country last year, our Embassy arranged 310 separate appointments for the 50 business representatives who formed part of the delegation.

In another context, Madam Speaker, we have had to discharge additional responsibilities as Chair of the UN Human Rights Commission, Chair of the Oslo landmine conference and Vice Presidency of the UN General Assembly.

The international theatre of operation has undergone dramatic change and continues to do so. The new order is fraught with uncertainties and threats such as international crime, drug-trafficking, the spread of AIDS, environmental problems and weapons of mass destruction. Economic globalisation and competition, whose operating rules have not yet been firmly established, constitute some of the new challenges that face the Department of Foreign Affairs on a daily basis.

Institutions such as the United Nations and the World Trade Organisation now play an enhance role, and we have to ensure that we participate actively in the process of restructuring

them so that they become more democratic and responsive to the demands of the new world order.

Madam Speaker

South Africa cannot hope to flourish if its neighbours suffer from conflict and poverty. Prosperity cannot be fostered where strife prevails. In this knowledge we have sought, both bilaterally and together with our African and multilateral partners, the peaceful resolution of conflict situations.

South Africa sought to assist with a peaceful transfer of power in what is now the Democratic Republic of the Congo, in order to spare the continent further bloodshed; we continue to oppose arbitrary detention and repression in Nigeria and encourage its return to democracy; and we have participated in the observation of many elections in Africa under the auspices of the OAU. South Africa's commitment was illustrated by the visit which the President and I undertook to Angola last week. This visit gave added momentum to the peace process which is in the vital interest of the entire sub-continent. Also, the inclusion of a large contingent of South African business people in the President's delegation will assist in the economic reconstruction of Angola, South Africa, and the region.

Our efforts have not been limited to Africa. The initiatives of President Mandela in support of the United Nations' involvement in the intractable East Timor issue led to a meeting between the President and the prominent imprisoned leader, Xanana Gusmao. A further meeting with Mr Gusmao took place when Cabinet Secretary Gerwel and I visited Jarkata last month. Indeed, throughout the conflict

in East Timor, access to him has only been accorded to South African leaders.

In the Middle East, the peace process has this week again occupied world attention, as Palestinian and Israeli leaders met in London in an effort to resolve key issues delaying implementation of the Oslo Accords. Unfortunately, progress was yet again thwarted by Israeli intransigence and a refusal to meet even the most modest demands of their peace partners. This has led to the virtually unprecedented development where even Israel's closest ally, the United States, has publicly endorsed President Arafat's flexibility and expressed frustration with Prime Minister Netanyahu's hardline positions.

Over the past year, as a result of South Africa's policy of active support for, and endorsement of, the Middle East Peace Process, there have been occasions when we have had to seriously criticise the Israeli Government's efforts to refocus implementation of the Oslo Accords. The international community cannot permit the peace agreements already signed to be changed so as to legitimise Prime Minister Netanyahu's unacceptable aim of retaining ninety percent of Palestinian territory in the name of Israeli security. It should be noted that, even in Israel, there is no national consensus on this goal.

Our commitment to the Oslo Accords and criticism of the Netanyahu Government's policy, has been characterized by some critics as quote anti-Israel unquote. This is not so. South Africa continues to embrace the peace-makers of the region, both Israeli and Palestinian, and we publicly support and endorse their efforts to bring the hope of peace to this region.

It is clear that the Middle East Peace Process is currently at a crucial stage and the international community should do everything possible to ensure its success.

Madam Speaker, it is evident that the lessons to be drawn from our unique and successful transformation have not been lost on other States and groups involved in specific conflicts. Delegations and researchers from many countries have visited South Africa to share our experience. In this regard, South Africa's consistent support for the peace process in Northern Ireland needs to be mentioned. We believe that the visit to South Africa by all the major political players in Northern Ireland in 1997, during which South Africa shared its experiences with them, made a constructive contribution to the peace process.

Madam Speaker, in many parts of the world, after conflict ends, thousands are still maimed, and fields lie fallow because landmines, and not crops, have been planted. That is why we have been at the forefront of the international campaign to ban this indiscriminate killer. We were the third state to sign the treaty to ban landmines in Ottawa in December 1997, and demonstrated our commitment by the early unilateral destruction of our stocks of anti-personnel landmines. Two days ago, this House voted to enable South Africa to be amongst the first states to ratify the Treaty, and to hasten its implementation. We have also, Madam Speaker, assisted our neighbours in Angola and Mozambique in reclaiming mine-infested areas for agriculture, and we are also training their citizens in mine-clearing techniques. Our demining technology is recognised as being amongst the most cost effective in the world, and has attracted great international interest.

Honourable Members, it is one of our goals to develop strong relationships with the countries of the South, because we are indeed part of the South. None of us can, by ourselves, achieve that which we strive for, particularly in the new globalised environment.

If we look across the Indian Ocean, 60% of the world's population lives in Asia, and this region accounts for 46% of the World's Gross National Product. The recent visits by the President and the Deputy President emphasised the importance of Asia for our country.

Across the South Atlantic, Latin America and the Caribbean, with a total population exceeding 460 million, and a Gross Domestic Product in the vicinity of US\$ 2000 billion, has made remarkable advances in the last decade. Our trade with this region has grown by 30% to an amount of R7 billion in the last year.

Within the framework of our South/South relations, the Department of Foreign Affairs has the following priorities:

- To forge bonds along strategic lines in the developing world with key countries of the South.
- To generate a great number of links between Asia, Africa and Latin America in air and sea transport, telecommunications and regional trade.
- To strive, jointly with our partners, to negotiate improved terms of trade for developing countries in view of growing trade barriers, crushing debt burdens and increased marginalisation.

Naturally, these efforts are complementary to the priority we place on our relations with SADC, and the policies of cooperation and coordination which we are implementing with our SADC partners. Together, we are pursuing the rationalisation of the SADC Programme of Action which will further improve the efficiency of our organisation.

Madam Speaker

President Mandela has urged that we seek to make the 21st Century the "African Century". Important world leaders have recently emphasised the need to place Africa firmly on the world agenda.

In this context, we place special importance on the United Nations Secretary-General's recent report on "The causes of conflict and the promotion of durable peace and sustainable development in Africa". This has been released at a critical moment for our continent. It recognises that global change can be accelerated through African development; that good governance is a prerequisite for effective and sustainable development; and that the promotion of inter-African relations and trade would assist development. These are all issues which have been, and remain, at the core of our foreign policy. I have arranged for a copy of this important report to be placed in the library.

The President and I will be attending the OAU Summit in Burkina Faso at the beginning of June, which will provide an opportunity for discussion on these matters.

Madam Speaker, it is clear that the African reawakening to which the Deputy President frequently refers, is well underway. After the horrifying images of bloodshed, and the

resultant plight of refugees, there have lately been new signs that, across our continent, guns are falling silent, and there is a fresh willingness to pursue peace, democracy and economic development.

During the present decade, more than 25 sub-Saharan countries have established multi-party democracies. All of these signs augur well for a new era of peace and stability.

There are other signs which fill Africans with renewed confidence: During 1996, the continent maintained the upward economic trend which began in 1994, and recorded the highest average growth rate since the start of the decade of 3.9%. Eleven States recorded growth rates of better than 6%. However, we should bear in mind that, just to keep pace with the population increase, Africa will have to create nine million new jobs each year. Clearly, additional multilateral efforts will be required by the international community to improve economic prospects for the continent. At present, Africa receives only 1% of the total of world fixed direct investment, and our continent only accounts for 2% of total world trade.

During recent high-level meetings between South Africa and other countries and institutions, one of the principal themes has been that Africa represents an enormous development challenge to the world. Essential aspects of people's daily lives, such as education, health care, welfare services and the emancipation of women, are all areas that require serious redress in order to achieve sustainable development, eradicate poverty, and ensure long-term peace.

The challenges confronting the developing world, and therefore Africa, feature prominently on the agenda of the

Non Aligned Movement. We are honoured to host the XII NAM Summit later this year when we shall assume the Chair for the next three years into the new millennium. It will provide an opportunity for South Africa to enhance the profile of Africa in the global arena. We should not forget that Africa is NAMs largest constituency. A major challenge for the Movement for the next millennium will be to ensure the adoption of a realistic programme of action which will assist the sustained development of our continent and other NAM members.

South Africa will seek to promote unity and solidarity among developing countries on issues of fundamental importance to the Non Aligned Movement. Furthermore, it will give us the opportunity to interact collectively with important northern role-players and adopt an innovative and realistic action plan to strengthen global programmes aimed at debt relief or cancellatio;; the empowerment of women in development; poverty eradication; environmental protection and conflict prevention.

In addition to our strong commitment to develop all round relations with the South, Madam Speaker, it is vital that we consolidate and expand our sound relationships with the industrialised North so that we can collectively promote our objectives of reconstruction and development. A great number of high-level visits to South Africa have taken place over the last twelve months during which our political and economic relations were significantly strengthened. They further served to expand investment and trade.

We also receive valuable technical and other assistance from individual governments and international institutions in a host of fields which touch our daily lives. For example,

experts have been made available to assist in the formulation of our National Crime Prevention Strategy and efforts to stem drug trafficking. Furthermore, the Department's active participation in multilateral deliberations, together with the Department of Environment, has enabled us to obtain financial commitments of over R80 million for environmental projects alone.

Since 1994, South Africa has received offers of assistance amounting to some R9,6 billion. I am confident that the House recognises the crucial role played by our diplomatic Missions in this very important sphere. We will not be able to maintain present levels of investment and assistance if we have to decrease the efficiency and capacity of our diplomatic Missions.

Diplomatic representation is critical since it facilitates dialogue, promotes understanding, and assists in supporting the efforts of our private sector and civil society. We are cognisant of the need for national stringency, and the Department is seeking to do more with less. The reduction of our budget has, however, already forced the closure of ten Missions in the coming months, as well as the reduction of staff components in many of the remaining Missions. I must emphasize that we have not been able to open Missions in specifically identified priority areas in Africa and Asia.

But this is not all. In order to meet the Medium Term Expenditure Framework appropriation, the Department, instead of expanding its representation, will have no alternative but to consider the closure of additional Missions, and other cost-cutting measures. We will continue to provide as effective a service as we can to South Africa, but I must point out that we simply cannot continue to

reduce our operations in the international field so severely, and still expect to pursue our national interests effectively. Overall staff reduction also has serious implications for the implementation of our affirmative action policy.

In conclusion, Madam Speaker, a country's foreign policy must necessarily evolve in response to domestic, regional and international circumstances. In view of dramatic global changes, South Africa has to reassess continuously its foreign policy priorities on an ongoing basis.

The House will agree that the Department has, through its objectives and achievements, made significant progress in determining the most effective means of protecting and advancing the interest of South Africa and all its citizens.

Thank you