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TOWARDS A GREATER SOUTH AFRICA  
A BUSINESS PERSPECTIVE  
THE CONCERN .

I believe that for the political negotiation process to be successful it is necessary that it be underpinned by a strong and vibrant economy and right now there is a vital need for strong Economic Direction to give the Political Process a chance of succeeding.

If the economy falters (as it is now showing signs of doing) due to the combination of a poor gold price plus business uncertainty and consumer anxiety about the future, we will see:-

a) Black unemployment increasing with hope for the future turning to despair and a possible turning to violence and anarchy.

b) A White backlash against President F.W. de Klerk with a strong swing to the Right Wing.

c) Possible disillusionment with the ANC and a splintering of Black political alignments and greater polarisation.

d) A general hardening of attitudes toward the possibility of a Reconciliation and Working Together for the Future

.' with a serious risk of Black/White violence erupting where attitudes and unemployment are at their worst.

If the downward cycle continues to feed on itself, the ultimate result will be a Lebanon-type situation with the world writing South Africa off as a hopeless case - as has happened in many areas where the change process, initially assisted by the Super Powers, has subsequently come off the rails.

The loss of life and other devastation in South Africa and the implications for Southern Africa as a whole will be truly terrible.

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#### THE OPPORTUNITY

The vast majority of South Africans want:-

- i) peaceful change
- ii) a "normal" society with understanding and good relationships between races
- iii) to be accepted back into world organisations, world trade and world sport in a free and unfettered manner.

I sense that the World is now well disposed to and encouraged by the change they see happening in South Africa and would like to assist the process in a positive manner but as yet they have not received too much encouragement - understandably from a Black viewpoint.

We are therefore now very "relevant" in world affairs which is not something we can take for granted for too long. The World, and especially the U.S. "attention span", is very limited. Today it'll be South Africa, tomorrow the focus will shift, and is shifting, to Eastern Europe, then Russia, China and the Middle East, etc.

#### THE CHALLENGE

To develop a vision and to develop a strategy for the Economy of Greater South Africa which will have positive influence in South Africa, Africa south of the Sahara and the World, thereby ensuring that the process of change has the best chance of success - because few people will want it any other way. We need a vision of the Economic Future which will excite the vast majority of South Africans to work hard together for that future. We need a strategy which will in its overall execution address the major problems of education, housing, unemployment and poverty.

Merely to put a programme into action to try and solve the education crisis, the housing crisis or the unemployment problem, achieves little because these problems cannot be solved in isolation (eg. It is no good building a man a house which he then can't afford to live in because he loses his job or has no job. It is no good educating a man only for him not to have a job when he is qualified.)

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. i A holistic approach of a Greater South Africa is needed which excites people to want to participate and therefore to get educated, to build houses, to create jobs and wealth and to participate and become

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empowered. Creating a favourable environment, hope for the future and opportunity for People's energy and creativity is what it is all about. The converse is the downside risk of a slide into a situation where the only negotiation is through the barrel of a gun. For everybody's sake, this must be avoided. Positive, constructive joint action is the only answer that I see and is THE CHALLENGE. '

THE KEY TO THE CHALLENGE

. Because of its credibility and support both within South Africa and especially in the World, the ANC is a key player supported by Business and the Government.

Up to now, the ANC approach and policies have understandably been that of a Liberation Movement. The Challenge and the Key to the Future is now to change that approach to one of wishing TO BUILD, CONSTRUCT AND DEVELOP for the future - with everyone participating because they want to build a Greater South Africa which will fulfill its role in Southern Africa and take its place again in the World.

The fact that the ANC is the major catalyst to achieving this is a huge . negotiating point and will greatly facilitate the ANC's negotiating i strength and the process at the same time - at grassroots as well as at top level. If the ANC can show its strength in this regard, it will not only reverse the current polarisation - it will make Right Wing Whites irrelevant and will surely combine all Black opinion behind it as a Party that is able to deliver. Merely to revoke the Armed Struggle and to lift Sanctions is not going to be enough; 'it will merely create a vacuum. We need to put something very positive and constructive strongly in place to get people thinking and working together for the future.

THE TIMING

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From an ANC viewpoint, the temptation must surely be to say it will do

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' ali-the above when we have "one man - one vote" etc. However, the timing of any action is critical. I believe it is 22! because the Norid is ready for if and the ANC is in a position to take the initiative and show its leadership. The economy is deteriorating rapidly due to a cyclical downswing and the absence of a vision for the economic future and the ANC needs to act before lay-offs, unemployment, violence and disillusionment set in to sabotage the political process. Whites are concerned and are looking again at the Emigration option. Blacks are expectant and hopeful. i

We need to deliver.

#### THE STRATEGY

There are five main building blocks which need to work together. They are totally interlinked and are based on the COMMON GROUND factors of South African society. We need all five of these blocks to operate to be successful. They are:-

##### 1) SPORT

Sport is a massive potential industry today creating jobs, entertainment, tourism and wealth with the possibility of full Black empowerment and participation.

The plan should be to develop the South African Sport Industry by taking the following steps:-

##### i) FOOTBALL

a) Invite the Cameroons and West German Football Sides to South Africa for a series of Exhibition Games and Matches - also with South African Sides, coaching sessions, township visits, etc..etc. Needless to say, we will have a massive increase in the popularity of football amongst Blacks and Whites, especially the youth, with vastly increased contact across colour lines and development of sports resources, etc. especially if ..

b) we let it be known that we want South Africa to join FIFA and to apply to hold the WORLD CUP in 1998. We have the necessary expertise and infrastructure. What a vision

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for every sport Tover to set their sights on.

What a strong "bonding factor" for every South African.

RUGBY :

Dr. Mandela once made a statement which certainly warmed the heart of every Rugby Tover when he said he Tooked forward to the day when the Springboks woqu take the field against the ALL BLACKS again. If we were to have an All Black Tour in 1991 or 1992, it would help to render the Right Wing Whites irrelevant. The World Cup Rugby Series could be heid in South Africa in 1995. Another great psychoiogicai boost for South Africans and something to work for and look forward to. This deveiopment woqu greatiy heTp Mr. de Kierk in maintaining White support so that the ANC have a trusted negotiating partner.

CRICKET

A West Indies Tour of South Africa would be a huge boost for sport, for non-raciaTism and as weTT as another "bonding factor" to bring ail South Africans together and to further boost the sport business at aTT levels of our society. South Africans of all races need to see just how good those West Indian Cricketers are. There is aTso scope for deveiopng the sport industry in many . tho; .

other disciipiines eg. athleticsljn'Eerticuiar.

THE OLYMPIC GAMES

The UTtimate Prize.

Never before her on the African continent.

Let us negotiate the Games for South Africa for the Year 2000.

I have seen what is involved in budeing a modern Oiympic Games infrastructure in Barceiona for the 1992 Games - the job creation investments, skiTTs requirements and wealth creation is enormous.

To pTan and build an OTympic City - because that is what is required today in terms of accommodation, sports faciTities, restaurants and services, stadiums for the various sports is all of 8 to 10 years and a huge number of jobs are created and it Teaves in place an infrastructure which can be put to good use for ever thereafter. The Tourist potential is huge and long Tasting.

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- CULTURE (especially Music)

This is another great industry that coqu be opened up with considerabTe Black empowerment in the business. It is also a natural "bonding factor" between South Africans with enormous potential for TocaT taTent deveiopment as well as further enhancement through an ALE AFRICA MUSICAL Festival plus the invitation to Overseas Groups, etc.

There is enormous scope ranging from BaTTet Groups, PhiTharmonic Orchestras to Pop Stars.

TOURISM

South Africa is one of the richest nations in terms of its environment as weTT as its diversity of cuTture. Huge potentiaT exists and incorporated in whatever pTans are deveioped should be African Restaurants, MusicaT Groups, Crafts, MateriaTs and CuTture. A huge service industry can be deveToped around TOURISM and in fact the potentiai is there for indigenous White "tourism" to BTack areas if the right climate is created. This woqu be a very natural redistribution of weaTth at the same time!

EXPORTS

For a nation to develop and for its people to grow in prosperity, it must be outward Tooking and trade aggressiveTy with the woer. This is a fundamental ruTe of economics - export what you do best; import what others can make more cheapTy and better than you - and the nation prospers. IsoTate yourseTf and you stagnate and decline.

The potential to bude our exports if we can produce quaTity at the right price and be seen as a reTiabTe sugglier (not disrupted by strikes and stoppages) is very important. We must be outward looking and deveiop WORLD CLASS companies in terms of skiTTs, standards and achicement of results. With a strong formal sector, it is then easy to develop a flourishing informal sector which is where the major employment opportunity Ties - a major weaTth creator.

THIS BRINGS ME TO .....

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5) A VISION of the FUTURE SOUTH AFRICAN ECONOMIC SYSTEM

This needs to be debated and agreed so that we can do everything possible to attract much needed foreign investment, training and development and technology transfer.

South Africa and the South African economic system should not be viewed as an entity by itself. Whatever system develops must be able to compete in the world and must be able to attract investment and skills and retain what we have. Our major companies must be in a position to compete with the rest of the world.

We need to see ourselves as the engine room of Africa, eg. we can develop through ESKOM a powergrid linking the rest of Southern Africa, thereby bringing huge economies of scale and cheap electricity to all South Africans. We can develop bilateral trade and develop the economies of our neighbouring states just as is happening between West and East Europe right now.

There is an urgent need for a South African Economic Union.

We cannot stand alone and hope to develop our people.

THE OPTION

Risk the political process being derailed completely through neglecting the economic opportunity, thereby allowing South Africa's people to slide into polarisation, violence and anarchy ... A

OR ...

. Construct, develop and build a future which all thinking South Africans will get so excited about that our huge problems of unemployment, housing and education will naturally be taken care of through the will and industry of the PEOPLE of the nation. At the same time, Black economic empowerment and the political negotiation process will be greatly strengthened and will happen quite naturally through the WILL of the PEOPLE.

I BELIEVE THE TIME TO ACT IS NOW ...

PETER M. SEARLE

PMS/Miss S. Ross

23rd July 1990.