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Phaseal: Anrimpartial referee

Tricam legislates

Independent non-partisan

commssions

Electoral Commission

Media Commission

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Foreign Relations MPC

Local government MPC

Elections for Constituent Assembly

E Tricam Parliament i

: NP Cabinet :

: TBVC and other :

i homeland governments u

interim structures in this phase will be charged with the task of levelling the playing field. They should ensure equal treatment for all organisations. especially in the election campaign.

1.

Three categories of structures will be needed:

Independent commissions appointed by

Codesa and non-partisan in their composition:

Electoral Commission - made up of South Africans of integrity to organise and supervise elections. It will have sole and exclusive control of the electoral process, with powers to validate or invalidate election results.

Media Commission - made up South Africans of high standing to ensure fair and balanced reporting. Emphasis will be on an

Independent Communications Authority

which will take charge of all state broadcasters and appoint new boards. This will also cover the TBVC territories. (See page 45)

Multi-party Committees to take charge of the most important areas: security, the budget. foreign relations and others such as 10k government. They will have complete control over these areas.

3. Interim Government Council: A body made up of parties in Codesa which oversees the tri-cameral parliament, the NP cabinet and structures in the TBVC and self-governing territories. It can veto as well as initiate legislation. Tri-cameral parliament to dissolve itself when elections are declared or when the Constituent Assembly is elected.

The international community should be intimately involved at various levels. In particular organisations which were represented at Code 1 should help supervise elections. Preferably they should be integrated into at least the Electoral Commission.

Attention needs to be paid to the place and role of socio-economic forums. (See page 29)

The period between the legislation

Codesa decisions and elections should not exceed six months.

Phase II: a
Sovereign structures
ELECTIONS
Constituent Assembly
i Appoints

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as constitution-making body I n t e r i m l

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Cabinet
Main task
Draws up
new
constitution

1. The Constituent Assembly (CA) will be elected on the basis of proportional representat
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South Africans 18 years-old and above will be eligible to vote. Some form of identificati
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need to be agreed upon. Parties which receive 5 per cent and more of the vote will have s
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a proportional basis in the CA.

2. The CA will operate both as a constitution-making body and as a legislative assembly.
When it operates as a constitution-making body (the main task) it will take decisions by
a two-
thirds majority.

As a legislative body it will pass legislation relevant to the transition and operate on
the basis of

consensus. It will also appoint an interim cabinet, preferably from all the parties in th
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interim cabinet will also strive to operate by consensus.

3. The constitution-making process sh0uld not exceed nine months. Incentives/penalties sh
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worked out to ensure that this is adhered to. This should apply to all parties.

6. The constitution could include "sunset" clauses to help ease the country into full-blo
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MAGINE that, on coming to power, a democratic government discovers plans to invest the equivalent of the annual national product in an electricity plant. Suppose the project's long-term interest and construction costs would ultimately double the price of electricity, that it would aggravate a regional oversupply of electricity, causing a reduction in trade; and that it would endanger the environment.

In short, imagine that this enormous project would serve, not to raise living standards on a broad scale, but essentially to enrich a coal supplier - one of the conglomerates that already owns much of the economy.

Finally, suppose the new government declares it would realise the project nonetheless, above all because of contractual obligations to foreign lenders that the previous regime had entered in its final days.

Does this scenario sound artificial? Does it underline the absurdity of the ANC's fears about the state's current quest for foreign loans? Alas, no. It merely describes the position of the Zimbabwe government, which inherited the debt for the Wankie power plant from the previous state at a disastrous cost to the economy and hoped-for social improvements.

The ANC's anxiety over foreign debt was learned in a hard school. For the past 15 years, ANC economists have watched the appalling deterioration of social and economic infrastructure throughout the Third World, and especially in southern Africa, as a result of the struggle to repay international loans. It is chilling, then, to watch the current government get unnecessary foreign credits at exorbitant effective interest rates - estimated by Nedbank's economists at more than 26% if devaluation keeps pace with inflation. The ANC's position on foreign debt is hardly radical. It never said it would repudiate all S.A.'s loans. Rather, it has warned lenders not to take advantage of state agencies that want to go on international capital markets before a democratic government takes over. This warning is coupled with the reassurance that the ANC will respect all debts incurred before 1985, and renegotiate only specific loans made thereafter. For any economist who has studied international credit markets, the ANC position is prudent and responsible. It means foreign creditors can easily assess their risks. If they will wait a few months or years, they can invest safely in the myriad development projects a democratic govern-

ment will certainly pursue. If they find the high interest rates on loans to state agencies today offset the risks of renegotiation in future, that is their prerogative. They may not like the choice, of course, but it will not deter future lending.

Research shows low international creditworthiness typically results from inconsistency and poor economic performance. Even if couch in radical rhetoric, stable policies in a relatively prosperous country rarely scare of lenders. Through the mid-1980s, Angola's avowedly Marxist regime enjoyed a higher credit rating with many international financial institutions than Malawi's true-blue capitalist semi-dictatorship.

From this perspective, the nature of ANC debt proposal

Will not hurt South Africa's future credit rating

NEVA SEIDMAN MAKGETLA

of reporting on ANC proposals may prove a greater threat to future creditworthiness than the proposals themselves. All too many reporters and leader writers sensationalise open-minded discussion, even mere differences in phrasing, as inconsistencies in policies. Democratic debate, in their eyes, becomes a conflict that could even derail Codesa. These commentators seem oddly intent on pushing the democratic movement into the adoption of policies ahead of research and discussion - hardly the way to establish effective or durable programmes.

All too often, the tenor of replies to virtually any ANC proposal to change the status quo is oddly uncivil, more the reproof of a Victorian pater familias to unruly children than an input into a conversation between equals. The intolerance of South African leader writers may sell newspapers, but it accords ill with civilised discourse. The need to learn the language of democracy obviously extends far beyond the people fighting in Soweto streets.

In this case, the ANC is damned whatever it does. If it proposes policies to improve services to blacks, it is criticised for potential fiscal imprudence; if it condemns overgovernment borrowing at recklessly high interest, it is blamed for scaring off investors.

Analysis of the agencies seeking foreign loans - the Independent Development Trust and the Development Bank of Southern Africa - underlines the dangers of allowing the current state to pile up debts. These institutions hive off welfare and development functions normally assumed by the central government. If, thanks to foreign funds, they remain

semi-autonomous in future, crucial aspects of national policy will fall outside democratic control. Experience already shows that neither agency can respond adequately to community needs. They spend extraordinary amounts of time and money on bureaucrats, consultants and local politicians. (The Development Bank alone employs more than 600 people.) Flying a liberal flag abroad while failing to deliver the goods at home scarcely justifies an increase in foreign debt. It would make more sense to wait until a democratic government can establish agencies to transmit resources to communities in a responsible way. Let us not forget, either, that money is fungible. If government agencies raise funds abroad they free up resources for the state. Yet that state has repeatedly demonstrated its unwillingness to spend as much on blacks as on whites - witness the failure to bring about an integrated educational system, substantially improve infrastructure in black areas, or even equalise pensions. Moreover, the present state has already come under pressure to provide golden handshakes for constituents and employees. The generous retirement pay granted to white teachers unwilling to teach black pupils provides an early warning. Under these circumstances, this government must be tempted to raise foreign loans at any price - after all, it will not have to repay them. If we are truly concerned about international creditworthiness, we should ask why SA has had such a poor rating in recent years. The answer, of course, lies in the system that disempowered and impoverished the majority to the point where, until recently, they saw open revolt as their only option. Insiders at Chase Manhattan Bank say the bank withdrew its loans in 1985, causing a disastrous credit crunch, not because of political pressure or some abstract belief in democracy, and certainly not on expert advice. Rather, according to a senior Chase official, the vice-president responsible saw a television news report on unrest, decided it looked like pictures from Iran just before the Shah fell - and ordered an immediate end to loans to SA. If the lack of democracy and prosperity for the majority causes a poor credit rating, no ANC statement can make SA attractive to foreign lenders. Only a rapid transition to a democratic state committed to a growth path that will benefit all South Africans can provide a solution.

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of the ANC'. economic policy
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DATE: 2 September, 1991

NO. OF PAGES: One

SENTBY: Department of Information, Gill Marcus

MESSAGE Distribute BPR i Immediate Release

ANC PRESS STATEMENT ON REPORTS OF MEETING WITH INKATHA

The African National Congress wishes to correct recent press reports and Inkatha statements that indicate the National Executive Committee of the ANC is to meet the Central Committee of Inkatha Freedom Party. This matter is presently under discussion in regions and branches of the ANC, and a decision on such a meeting will only be taken after such consultations and discussions are complete. The ANC has communicated with Inkatha to clarify the position.

We look forward to the signing of the Peace Accord on 14 September, and fervently hope that the peace process it represents will enable all political organisations to seriously address the terrible violence afflicting our country.

AFRICAN NATIONAL CONGRESS
DEPARTMENT OF ARTS & CULTURE

AN STATEMENT ON THE VI IT FTHE EOR IAN
DAN E MPANY TO N ITY-RELEA ED BY THE DAC

An agreement was reached among Sun International, South African Music Association and the Department of Arts & Culture of the ANC that Sun International will not engage international performing Acts; that instead they will be involved with local South African performing Acts.

This agreement arose out of the fact that in the past Sun International in engaging International Acts, isolated the Cultural Boycott as put forward by the ANC. it was on th is

basis that the DAC in wanting to put the past behind us, and in cultivating friendly and new working relations with Sun international, we supported two events which not only proved succesful, but confirmed that it was possible to have a fresh start in preparation for a non-racial, non-sexist, democratic united South Africa.

in recent days, we have come across advertisements to the effect that Sun International is hosting a Georgian State Dance Company. This in the first place is in breach of our agreement, in that, we expected that Sun international will consult with us as to whether to engage this international dance company or not, secondly, this issue violates the very spirit of our new relations which were manifested by Sun International's organisation of "Mango Groove" and "Nights Journey into Jazz" which the DAC supported.

The DAC does not support the presence and performance of the "Georgian Dance Company". We were not consulted prior to the coming of this company, although as pointed above, we have created proper channels of communicating with Sun International. We therefore also want to disassociate ourselves from the widely publicised performance of this company at Sun City, which is a total violation of the Cultural Boycott as put forward by the United Nations the OAU, the ANC and the broad democratic Cultural Movement in South Africa.

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issued by the Department of Information and Publicity, ANC

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a for the
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PRESS RELEASE

The National Working Committee of the PAC and ANC and AZAPO, each led by its National President (PAC- Clarence Makwetu; ANC Nelson Mandela; AZAPO Pandelani Nefholowhodwe) met today, 10 September 1991, in Johannesburg.

The meeting was cordial and frank and dealt with a wide range of issues both substantive and preparatory relating to the process leading to transfer of power and democratization of our country as well as the formation of a Patriotic Front. The meeting agreed that the Patriotic Front will be held in Durban on the 25-27 October 1991.

A special committee has been established to draft specified working documents for the Patriotic Front Conference and the National Preparatory Committee has been charged with the duty of finalising all agreements relating to the Patriotic Front Conference.

Issued by: Dikgang Moseneke (PAC); Joe Soeka (AZAPO)

Ebrahim Ismail Ebrahim (ANC).

Administration Committee Members

Mark Shinnon, Mosebylno Mains! - PAC; Ebrahlm Ismail Ebrahlm, Josie Jola - ANC; Lybon Mabasa. Steven Peter - AZAPO.

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There are apparently still a few A N O political prisoners who haven't signed the indemnity application forms, but signing an application form is not a prerequisite for identification as a political prisoner or for release. It is unacceptable for the Government now to try and use this as an indicator of the number of political prisoners. There are also provisions for administrative releases and not all the prisoners who qualify for that have been released.

Of special concern is the situation of the 31 political prisoners who are still on deathrow. There is no moral justification for commuting Strydom's sentence and to leave them there. Added to the already sentenced prisoners there are also 219 ongoing political trials which involves 1 500 accused. We don't recognise the Bantustans and all the political prisoners who are being kept there must also be released.

The new category for the release of prisoners will clearly help to get a number of people released, but it must be pointed out that the Pretoria Minute does not mention anywhere serious Injury or death as problems to release a political prisoner. However, this is not enough for the Government to meet the April 30th deadline, it is important for us to convey that message clearly to the world. The general amnesty of 6 months for all prisoners is no compensation for political prisoners who must be released immediately.

The A N C entered into the agreement on the release of political prisoners because we wanted to believe in the Government's good faith. But unfortunately they are now turning the Groote Schuur and Pretoria Minutes that are political documents into a legal quagmire. There is absolutely no reason why the deadline cannot be met; De Klerk must use his executive powers to release all political prisoners immediately. What he does in the next few days will reflect on his and the Government's integrity. If the target date is not met the A N C will have to assess all the relevant issues (the release of political prisoners is not the only obstacle) and then make a finding on how to act.

Summary of briefing by Carl Niehaus (Department of information and Publicity - A N C), 26 April 1991.

WASH

W

The National leaderships of the ANC/COSATU/SACP alliance met today. The meeting condemned in the strongest terms the present outbreak of violence and expressed its condolences to the families of all those killed. The Alliance fully endorsed the church and business sponsored peace process, and expressed its general support for the draft Peace Accord.

Regarding VAT, the Alliance believes that the government is trying to push through a tax system which hurts the people of South Africa before negotiations start on the future of our country. The meeting rejected this. Mass popular resistance to the government's implementation of VAT will shake investor confidence far more than a delay in VAT. The Alliance calls on the government to ensure that bona fide negotiations take place with the co-ordinating committee on VAT. The meeting also agreed to Tripartite co-ordination of negotiations on a broad spectrum of political and economic issues. This decision in principle gives effect to the ANC Congress decision to set up specialised task forces for negotiations.