SOUTHERN AFRICA: A CASE FOR LESS DEPENDENCE ON SOUTH AFRICA

BY

MAJOR GENERAL BRUCE MANYOZO

DISTRIBUTION STATEMENT A: Approved for public release; distribution is unlimited.
A study of the situation in Southern Africa in relation to the goals of the Southern African Development Co-ordination Conference (SADCC), which emphasize less dependence on the Republic of South Africa. In analyzing the political and, more importantly, the economic trend in the region from preindependence period of the states which make-up SADCC; these are Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe; it could be clear as a conclusion to state that the solution of the problem of dependence could be realistically attained with improved conditions in the two former (con't).
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SOUTHERN AFRICA: A CASE FOR LESS DEPENDENCE ON SOUTH AFRICA

AN INDIVIDUAL STUDY PROJECT

by

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ABSTRACT

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For a long time, in the pre-independence period, countries in Southern Africa (Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe) had been close together in many ways. Close ethnic background, common culture and strong traditional links had a great influence in fostering social and economic exchanges which in turn influenced the pattern of trade and infrastructure in the region. Due to South Africa's economic prosperity, many people from the neighboring countries were attracted to go and work in South Africa. Along with this, the trade routes developed in such a way that South Africa became the hub. The railways and main roads were all linked to the South African system and its international ports. In spite of the economic attraction, South Africa had always been in bad taste because of the apartheid system which all Africans in the region lived to hate up to the period leading to political independence of the neighboring countries. The only other countries with sea ports outside South Africa's jurisdiction are Angola, along the Atlantic Ocean on the western coast, and Mozambique, along the Indian Ocean on the eastern coast.

The era of independence of territories in Southern Africa brought about an awareness of danger, as perceived by the developing independent states themselves, which pointed to their vulnerability in their existence with South Africa, the most developed economic giant of the region; but also the owner of the most notorious political philosophy, apartheid. The early sixties were marked by a wave of nationalism which culminated in the birth of new governments transitioned from former colonial powers. The break-up of the
Federation of Rhodesia and Nyasaland in 1963 was the first event that changed the state of affairs in the region. The three territories which formed the federation had a lot in common with South Africa, particularly economic interdependence. The Federation was formed in 1953 and consisted of the two Rhodesias (Northern Rhodesia; now Zambia, and Southern Rhodesia; now Zimbabwe), and Nyasaland; now Malawi. The Federation was later dissolved in 1963 following the secession of Nyasaland. Ironically, the formation of the federation was viewed suspiciously as a sell-out move by Britain of the countries, to new imperialist forces with similar intent with that of South Africa. In effect, the federation awakened people's concern for the spread of apartheid to other parts of the region.

The newly independent countries recognized a common need to distance themselves from South Africa. The very thought of such a move, however, would likely jeopardize the coexistence and interreliance, which was a well established norm in the region. The strong economic structure of South Africa had an enduring influence on the newly independent countries. While this was the case, on one hand, apartheid on the other hand, was a matter which people of the region had always detested. This was one of the main issues that prompted the formation of the Southern African Development Coordination Conference (SADCC). The formation of SADCC became possible after Zimbabwe's independence in 1980, whose economic potential made it a key asset to an economic coalition of Southern African States. Following a number of preliminary meetings in 1979 and 1980, held under the personal initiative of Botswana's late President, Sir Seretse Khama, SADCC was formally instituted in Lusaka, Zambia at an April summit of its nine members: Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe. The
Lusaka gathering issued a declaration entitled "Southern Africa: Toward Economic Liberation," which enunciated four goals for the new organization:

- A reduction of external dependence, especially dependence on South Africa.
- The creation of operational and equitable regional integration.
- Mobilization of domestic and regional resources to carry out national, interstate and regional policies to reduce dependence and build genuine regional coordination, and
- Joint expedition to secure international understanding of and practical strategy.

Denunciation of apartheid in world and other political forums, however, has not been effective in influencing meaningful change in South Africa's attitude. Even those neighboring countries which voiced loudly in favor of sanctions were themselves compelled by economic necessity to deal with South Africa, proving that reality rules over ideology. Pragmatic action only could bring about meaningful results. SADCC's hope, therefore, was to create economic initiatives which would gradually reduce dependence from South Africa's formidable economy.

SADCC in its eight years of existence has obtained some western aid and sponsored various transportation, communication, mining and agricultural projects. The organization and its members continue to face major problems. These include a membership with adverse economic philosophies and policies toward trade, the private sector and foreign investment; insufficient funding, and hesitation on the part of its members to remove tariff barriers. Some of these concerns are debatable pending increased production within states and achievement of a secure and effective transport system. Overlooked in all this is the extent to which South Africa in turn is dependent on, or at least
benefits from, its neighbors. According to United Nations Industrial Development Organization (UNIDO), South Africa took 17 percent of total SADCC exports in 1982. By comparison, total intra-SADCC trade was only five percent of the $14 billion of total SADCC trade. Figures for 1985 indicate even closer trade relations with South Africa, given the regional importance of South African companies in other services, including technical services and repairs. At least 50 to 60 percent of trade of Malawi, Zambia and Zimbabwe; and 80 to 100 percent of Botswana, Lesotho and Swaziland (BLS countries), goes through South Africa's rail, road and port systems, to and from world markets.

A key reason for SADCC's transport dependence on South Africa is the continued disruption of railroads in Mozambique and Angola due largely to the activities of South African backed insurgents. Significantly, the two former Portuguese colonies become a focal point in determining success or failure in SADCC's goals. Angola and Mozambique are uniquely situated with direct access to landlocked Botswana, Malawi, Swaziland, Zimbabwe and Zambia; and apart from Tanzania, they hold access facilities to the sea. A focus on these two countries reveals the key cause for concern by SADCC as well as South Africa. Should the security situation in Angola and Mozambique improve, allowing a restoration of the railroads, it would certainly result in loss of the present monopoly which South Africa has on the handling of Southern African imports and exports.
CHAPTER II

THE PROBLEM: ECONOMIC DEPENDENCE ON SOUTH AFRICA

Angola's potential to enable SADCC reduce its dependence is great but, not without constraints. Two factors influence the situation; the war and the economy. The interrelation of these two factors is crucial. Over the past 27 years Angola has seen two wars. The first was the 1961 guerrilla operations against Portuguese colonial rule, up to 1974, when the Portuguese regime was overthrown; some 300,000 Portuguese departed when Angola became independent in 1975, taking much vital equipment with them and sabotaging what was left behind. Because Portuguese educational policy had not encouraged the development of African managerial skills, those aspects of the economy in the wake of independence were often mismanaged. Even before formal independence, the prospects of economic recovery had been further dimmed by the onset of the country's second war; a civil struggle between the new MPLA government in Luwanda against two other movements, with which it had allied in the common rebellion against Portuguese domination. By 1984, National Front for the Liberation of Angola (FNLA) was absorbed into the MPLA after they were already responsible for plummeting Angola into economic decline, Jonas Savimbi's National Party for the Total Liberation of Angola (UNITA) remains a more enduring threat, increasingly disrupting the southern third of the country. The vital Benguela railroad, designed to carry Zairian, Zambian and Angolan goods has been largely nonoperational since 1975. In 1984, the railroad carried only one-tenth of its pre-independence traffic serving only along a relatively short stretch between Huambo and the coast. The formerly lucrative diamond industry has also been damaged by repeated UNITA attacks. The alleged occupation of Cuando Cubango province by South African Defense Force in 1986 threw the economy further into disarray. The war situation was even more
complicated by Cuban troop build-up in Angola to back up the MPLA government in 1975. According to the Washington Post, the latest level build-up stands at 40,000 troops stationed in Angola by January, 1988.

Mozambique also holds vital fate in SADCC's transportation goals and in comparison to Angola, Mozambique has twice the length of coastline. Beira, Nacala and Maputo are among the best ports in the region. These ports are traditional outlets to the Indian Ocean for landlocked Swaziland, Botswana, Zimbabwe, Zambia, Malawi and to a certain extent, South Africa. But like Angola, war and economic underdevelopment are crippling the country's potential. The pattern of transition was similar to Angola's. The guerrilla war which the Front for the Liberation of Angola (FRELIMO) waged in rebellion against the Portuguese domination from 1963 to 1974, disrupted the country's railroads and economic base. On granting independence in 1974 the Portuguese took away with them valuable machinery, and, due to Portuguese educational policy of not encouraging development of African managerial skills, the economy at the start of independence was largely mismanaged. The war continued after independence as President Samora Machel, leader of the government party FRELIMO, faced an internal rebellion within the party which led to formation of Mozambique National Resistance Movement (MNR, or RENAMO). Due to disruptive activities by MNR, which persisted until the death of President Machel on October 19, 1986, Mozambique now under new President Joaquim Chisano, continues with the war. Mozambique is approaching mass starvation and financial bankruptcy. The country's military has constantly been in danger of losing control of several provinces and vital regional transport routes to anti-government guerrillas. Formidable economic and military pressure by South Africa have been on the increase.
Mozambique got into economic trouble through a combination of inappropriate economic policies, natural disasters, and the impact of MNR activities over the past half decade. Immediately after independence from Portugal in 1975, FRELIMO began to implement conventional socialist policies. Priority was placed on collectivized state farms, and help to peasant production was focused on those who joined the largely unpopular "Cooperatives." This trend of state control produced failures in agricultural production. The rural distribution network of consumer goods, marketing organization and industrial activity which survived government deficiencies fell victim to escalating war in the countryside. MNR disruption of railroads to ports of Nacala, Beira and Maputo has severely reduced income from transport service payments, which traditionally account for between one-third and one-half of the nation's foreign exchange earnings. As a result of South Africa's 84 percent reduction of cargo shipments through Maputo since independence, and due to guerrilla sabotage, Maputo handled in 1985 under one-sixth of the tonnage it processed a decade earlier.
CHAPTER III

WHAT CAN BE DONE

Mozambique

Mozambique is plagued by instability and economic difficulties which are largely attributed to the tension caused by South African backed MNR. There is need for Mozambique to work towards a dialogue with the anti-government MNR in order to work out a way to end the war. An end to the war would go a long way in helping Mozambique restore peace and create chances for restructuring the economy. Mozambique should adhere to the Mkomati Accord in order to normalize relations with South Africa. Mozambique should demonstrate faith in Malawi's commitment to cooperate with her in a recently established security commission which, among other things seeks to improve security along the railroads from her ports to the hinterland, the Nacala corridor in particular. Efforts should continue to render transport corridors and ports safe for operation.

External aid from Western countries such as the United States, Britain and other European countries should be wisely utilized to rebuild the economy. In this regard, Mozambique needs to adopt a more pragmatic approach as seems to be demonstrated already by President Chisano by appearing to take a pro-West attitude of late. The economy requires capitalistic management, and work incentives should be offered to the private sector, especially the peasant farmers. The Cabora-Bassa hydroelectric project on the Zambezi River is vital and should be revived so that Mozambique and other members of the region can benefit from a relatively inexpensive power source so important to a generally power-starved region.

With stability restored in Mozambique, it could be expected that the transport routes to its neighbors would be rehabilitated and make them
operative. The railroads linking Malawi with the ports of Nacala and Beira, if opened, could boost Mozambique's income and provide employment opportunities. Zimbabwe, Botswana, Swaziland and Zambia need the services of the transport routes to and from port facilities of Beira and Maputo. Mozambique's required contribution to SADCC transportation lies in willingness and ability by Mozambique to open these traditional trade routes. On his first press conference as President on December 4, 1986, Chisano promised major economic reforms. He was also adamant in his refusal to negotiate with MNR. It could be expected that the reality of the present situation will urge his wisdom to do what is in the best interest of the people rather than stick to ideology.

**Angola**

Angola holds the key to the Western trade routes from the Atlantic Coast into the hinterland. If SADCC is to count on Angola to work out something then, like Mozambique in the East Coast, she must be made to realize the needed urgency to end the war. A dialogue with UNITA's Jonas Savimbi should be sought with emphasis on making the Benguela corridor free of fighting. Rehabilitation should be taken up and the route open to traffic for the benefits of Angola's local interests and SADCC's opening to the sea.

Angola is responsible for energy matters within SADCC, and has the potential to supply much of the SADCC region if transport routes were secure. Energy potential in Angola consists of coal and hydroelectric power. An end to the war might permit further diversification of Angola's economic relations away from the Eastern Bloc. The socialist countries that have significant toeholds in certain sectors of the economy have so far effected progress which does not work to Angola's benefit. The above illustration demonstrates the complexity of SADCC's hope to utilize Angola's position in the needed effort
to reestablish the vital transportation corridor to the Atlantic Coast. The
dream if realized, would pay-off very well, but the means is not so easy, and
SADCC members do not have much choice. The opening of the railroad is a vital
goal. It would provide SADCC with a western transport corridor. For Angola
herself, the opening would allow a needed resumption of local and
international traffic with a resumption of port services at Lobito Bay which
would attract revenue for passage of goods for Zambia, Zimbabwe, Malawi, and
Botswana. Zambia's border city of Ndola to Angola's Lobito Bay is 1,200
miles, half the distance to South Africa's Port of Durban; a tremendous cost
saving. Zambia would also serve as a central point for transiting cargo for
Malawi, Zimbabwe and Botswana.

Malawi and Zimbabwe have the advantage of an alternative access to the
sea through Zambia on a distance of 1,600 miles. Malawi's existing railroad
to the Zambian border would be justified; and would attract the need for
Zambia to hasten the linkage of her railroad network with Malawi's. Distance
to Angola's Lobito Bay would cut down transportation costs for Malawi by half
compared with the almost 2,000 miles distance to South Africa's nearest Port
of Durban. Zimbabwe would obtain a welcome alternative route to the sea, and
never have to rely on South Africa only for external passage. Botswana's
opportunity for diversion would be enhanced if the Western corridor opened up.
By utilizing her northern linkage with Zambia, Botswana would take little
effort to maximize the opportunity; at least it would have an alternative to
the traditional routes through South Africa. In a way the opening of the
route in Angola would provide some political ammunition against South Africa's
handling of the independence of Namibia. Ironically, South Africa does not
wish to promote progress in Angola in order to provide a good reason for her
over-cautious moves towards granting independence; using the Cuban presence in
Angola as an excuse. South Africa's control of Walvis Bay in Namibia provides her with extra leverage in the control of transportation assets in the region.

Other Sub-Regional Countries

In a record time of six months, Malawi and Tanzania, under SADCC built a road for Malawi north to the Tazara railroad in Tanzania which extends to the port. Dar-es-salaam is undergoing a major refurbishing. Tanzania has already offered the port totally for its SADCC neighbors for she could use Mtwara and Tonga for its own trade. Zimbabwe, Tanzania and Malawi are assisting Mozambique by committing troops to operate with FRELIMO in the security of transportation routes. Positive actions like the above illustrate the commitment that SADCC members have in pursuing policies of economic liberation from South Africa. What is required is for every member country to maintain project momentum. Zimbabwe's involvement in the Beira Corridor project should be encouraged. With this project SADCC wants to deflect interest from the routes to the south by soliciting direct involvement in the corridor. This is a viable move with popular support among businesses within Zimbabwe. Malawi's commitment in the security and rehabilitation of the Nacala Corridor should be complemented by Zambia. She must link up her railroad network in the Western Province of Chipata with Malawi's eastern border terminal at Mchinji. The Benguela Corridor in the west should be supported by Zambia and Zaire in security and rehabilitation of the railroad. The opening of this corridor should provide SADCC with flexibility in transportation of its economy. Also in this area, Zambia and Zaire could use their political influence to foster dialogue between the ruling Angolan government and the anti-government forces.

Until the early 1960's most of the external trade of Southern Africa's neighbors was carried via routes through Angola and Mozambique. In recent years these routes, together with the newer Tanzanian road and rail links
between Tanzania and Zambia, have deteriorated. Guerrilla attacks have closed the Benguela railway through Angola and have severely affected the routes through Mozambique (Beira, Limpopo and Nacala). As a result, most SADCC states depend heavily on South Africa, to which their common rail system is linked. South Africa's transport routes now carry 80 percent of their trade tonnage. This dependence costs SADCC states heavily in foreign currency. Mozambique has been particularly affected. Prior to 1976, 70 percent of its foreign exchange earnings were generated by transit traffic along the main rail routes. SADCC member's top priority therefore, is the rehabilitation of their own transport network. In this effort Britain, among other Western countries, has provided financial aid; reflecting her long-standing association with Commonwealth countries in the region and recognizing the pressing needs of countries like Mozambique, badly affected by internal conflict, drought and famine. In 1986, Britain provided aid worth $171 million to individual SADCC states. Since SADCC's formation Britain has contributed $1,310 million in bilateral aid to SADCC states; $56 million was pledged to SADCC organization's projects, most of which goes to vital transport infrastructure. Britain is also contributing $167 million to SADCC and its members through the European Community (EC) between 1986 and 1990.

Bilateral aid to individual SADCC countries 1980-86 was as follows:

- Angola $ 1,372,800
- Botswana $128,254,400
- Lesotho $ 50,105,600
- Malawi $169,518,400
- Mozambique $ 53,934,400
- Swaziland $ 62,993,600
- Tanzania $289,252,800

* Bilateral aid to individual SADCC countries 1980-86 was as follows:

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Over $48 million of $56 million allocated by Britain to SADCC projects is being spent in the transport sector:

- $22 million for the Limpopo Railway which runs from Maputo via Chikwalakwala to Zimbabwe.
- $12 million for providing dry cargo facilities at Dar-es-Salaam and Mbeya, to improve Malawi's transport links to the Indian Ocean.
- $3 million for the container and steel berths and the sugar terminal at Maputo port.
- Funding for emergency rehabilitation of the Nacala and Beira railways.

Other funding sources include:

- International Development Association (IDA) involving 31 donor countries which makes about $6,000 million available to African countries.
- European Community allocated to SADCC states on the Lome Convention (1986-90) provision $896 million, and $126 million to SADCC projects.
- World Banks Special Facility for Africa; $120 million.
CHAPTER IV
CONCLUSION

The real issue for SADCC is existence of its members (all within reach of South African power), as proudly independent African states. Through SADCC they try to loosen the current dependence on South Africa's economic, transportation, and communication structure, and to increase their self-reliance through regional cooperation. From 1981 South Africa has attacked SADCC projects and sanctioned SADCC members. These attacks are SADCC's short term challenge and underline the political component to economic development in SADCC. According to SADCC's statistics, it is well known that for the first five years of existence, the cost of South African aggression conservatively totaled $70 per capita or $4 billion, for a region whose average GNP per capita is $500 per year. SADCC also estimates over 200,000 dead and five million displaced persons, mainly inside Angola and Mozambique, both with increasing numbers of refugees from both countries crossing into Malawi, Zambia and Zimbabwe. These costs to SADCC are more than all the development aid that entered the region. For the past seven years, South Africa has regularly delayed or blocked goods travelling through South Africa. Determined effort by SADCC members with special emphasis on rendering Angola and Mozambique from their current handicap; and, with properly coordinated assistance by aid donors, there is every hope for the sub-region to realize reduced dependence on South Africa.

Under a new United States initiative in Southern Africa declared in 1987, the current $175-$200 million annual program to SADCC was due for an increase, to develop a multiyear initiative for economic progress in South Africa. This is a welcome move which would provide support for the rehabilitation of important transport and regional port facilities; it would also help fund
mechanisms to facilitate trade among SADCC states and between them and the rest of the world. Economic aid from donor countries will strengthen SADCC countries' self-sufficiency, so reducing their dependence on South Africa. This is in line with the approach which African governments endorsed in their "African Priority Programme for Economic Recovery" presented to the U.N. Special Session on Africa in 1986. Economic aid to SADCC countries should be well targeted to concentrate in those areas of projects which will help to free them from their economic dependence on South Africa, and be able to take full advantage of their trade and investment opportunities. Along with the noble goals to work for peaceful dialogue in South Africa leading to the elimination of apartheid and its replacement by a nonracial, representative system of government; to help promote the peaceful, stable and prosperous development of all states in the region; along with these should be the realization to continue to do all that is possible to promote the movement towards economic self-sufficiency.


5. Map of the SADCC Region (attached).


Regional Map of Southern Africa
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