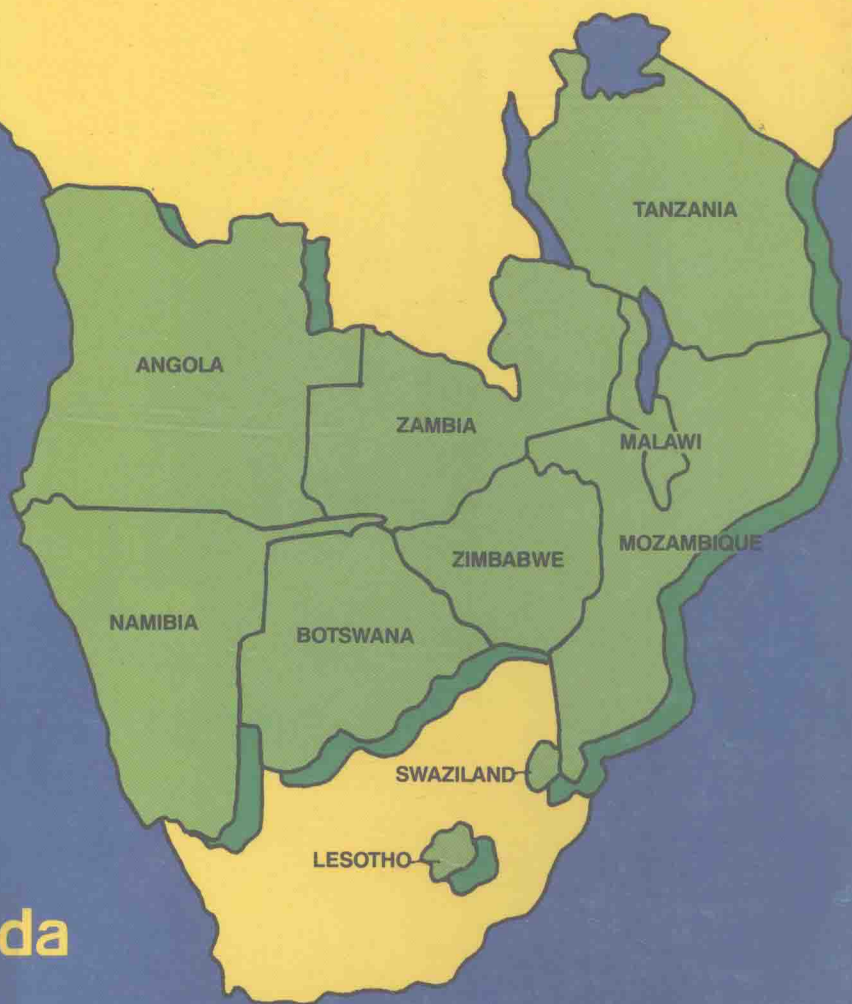


SADCC

A Political and Economic Survey
by Tom Østergaard



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Danida



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Preface

Nambia on 21 March 1990 attained its independence. Namibia's position within the SADCC Programme of Action has not yet been finalized. It may be mentioned, however, that SADCC's next annual conference is expected to be held in Windhoek, capital of Namibia. The chapters in this book deal with the nine original SADCC countries and Namibia is treated only marginally as are the latest historical events in South Africa.

Danida in May 1990

Facts	Angola	Botswana	Lesotho	Malawi	Mozambique
Area, KM ²	1,247,000	582,000	30,000	119,000	802,000
Date of independence	1975	1966	1966	1964	1975
Government	Republic One-party state Marxist-Leninist	Republic Parliamentary democracy	Kingdom Military Council since 1986	Republic One-party state executive lifetime president	Republic One-party state socialist
Population mill. (1987)	9.0	1.1	1.6	7.9	14.6
Annual growth of population, percent (est. 1987-2000)	2.8	2.3	2.6	3.5	3.2
Gross domestic product, mill. US dollars (1987)	4,800	1,520	270	1,110	1,490
Per capita income US dollars (1987)	533	1,050	370	160	170
Imports	1,060	852	342	281	486
Exports	1,280	1,582	25	264	89
Mill US dollars (1987)					
Main exports 1986/87	Crude oil (90%) Petroleum, coffee, diamonds	Diamonds (84%) Copper-nickel meat	Diamonds (35-40%) Wool, mohair livestock	Tobacco (61%) Sugar, tea coffee	Prawns and lobster (29%) Cashew nuts (16%) tea (11%)
Percent of labor force in agriculture	74	70	86	83	85
Official languages	Portuguese	English	Sesotho, English	English Chichewa	Portuguese

Facts	Swaziland	Tanzania	Zambia	Zimbabwe
Area, KM ²	17,000	945,000	753,000	391,000
Date of independence	1968	1961	1964	1980
Government	Kingdom Monarchy No political parties permitted	Republic One-party state, Socialist democracy	Republic One-party state	Republic Becoming a one-party state
Population mill. (1987)	0.7	23.9	7.2	9.0
Annual growth of population, percent (est. 1987–2000)		3.4	3.5	3.0
Gross domestic product, mill. US dollars (1987)	487	3,080	2,030	5,240
Per capita income US dollars (1987)	690	180	250	580
Imports	351	1,165	745	1,055
Exports	267	348	869	1,358
Mill US dollars (1987)				
Main exports 1986/87	Sugar (35%) Woodpulp (21%)	Coffee (48%) cotton (9%) Cashew nuts, cloves, sisal,tea	Copper (80–90%)	Gold (19%) Tobacco (18%) Ferro-alloys (11%) cotton (5%) nickel (4%)
Percent of labor force in agriculture		86	73	73
Official languages	English Siswati	Kiswahili English	English	English

1. Introduction

For several decades Southern Africa has been one of the political hot-spots of the world. In the 1960s the majority of the Southern African states attained independence through peaceful means, but protracted liberation wars were fought in Angola, Mozambique and Zimbabwe. Angola and Mozambique attained independence in 1975. The independence of Zimbabwe in 1980 permitted the formation of the Southern African Development Coordination Conference, SADCC. SADCC's main goals are to foster greater economic cooperation between the nine member states (see map) and to reduce their dependence on the outside world, particularly South Africa. Indirectly, this should exert some pressure on the South African regime to dismantle the abhorrent system of apartheid.

At present, on its 10th anniversary, SADCC is considered one of the most effective of the roughly 35 regional groupings in the Third World. Despite global recession in the early 1980s and increasing hostility and destabilization from South Africa, SADCC has survived, consolidated its organization and achieved international recognition. In particular, SADCC has done remarkably well in terms of mobilizing resources through foreign aid. However, SADCC has made only modest progress towards the reduction of dependence, its primary objective.

The question is to what extent the SADCC states at all can extricate themselves from the web of economic dependence on South Africa? The stark realities of Southern Africa's geography, history, politics and economic crises argue against it.

The nine SADCC countries occupy a vast land area of nearly five million square kilometers. This is more than four times as much as the combined area of Denmark, Finland, Norway and Sweden. In relation to its size, the region is thinly populated. Apart from concentrations in some major urban areas, the 75 million inhabitants are scattered throughout the region. It is illustrative to consider that while the total population of the SADCC region is equal to that of West Germany and the Netherlands combined, these two countries cover an area only half the size of Botswana, or six percent of the SADCC region. Coupled with the inadequacy of the existing infrastructure, the low population densities make it extremely difficult to create a regionally integrated economic system. Yet it remains the only viable way to reduce economic dependence on South Africa.

History has not made this an easy task. At the day of independence, the colonial heritage imposed severe limitations on all SADCC states. In Angola and Mozambique the liberation wars left the productive sectors shattered, colonial repression meant that almost 90% of the African population was illiterate, and the

exodus of Portuguese settlers made these countries devoid of skilled manpower. Botswana, Lesotho and Swaziland were integrally linked with the South African economy, serving primarily as a migrant labor reserve to this. Malawi and Zambia, via their membership in the Central African Federation, also served as migrant labor reserves, not to South Africa but to Southern Rhodesia (now Zimbabwe). The main feature of the Zambian economy, however, was the almost total orientation towards copper mining, controlled by South African capital. Only Zimbabwe inherited a fairly developed industrial sector, albeit also dominated by South African capital. Moreover, the Smith regime's racial policies had resulted in gross inequities in the distribution of Zimbabwe's land and wealth. By contrast, Tanganyika (now Tanzania) inherited an almost undeveloped economy with few known natural resources. In summary, the colonial heritage provided an extremely difficult starting point for economic development and regional cooperation.

As indicated in the profile of the SADCC countries in the front of this book, the governments of the SADCC countries have rather different development ideologies. This is likely to become a thorny issue in the formulation of regional projects in the productive sectors. For example, what should be the guiding factors when decisions are made on which countries should benefit from SADCC's efforts to influence the allocation of industries? What should be the role of foreign companies, and what should be the balance between types of output, e.g. consumer goods, intermediate and capital goods?

The economic crisis facing most of the SADCC countries is, at the same time, both a reason for regional cooperation and a major constraint on it. Measured in terms of per capita income, three of the SADCC countries (Malawi, Mozambique and Tanzania) are among the ten poorest countries of the world. All except Botswana have persistent balance of payments deficits and rising debts. Furthermore, most of the SADCC states rely on exports of one, or just a few, commodities or raw materials. The well-being of their economies is thus at the mercy of the ups-and-downs of commodity prices on the world market. The economic crisis clearly hampers the pursuit of regional self-reliance.

As already indicated, the past and present influence of South Africa is probably the most inhibiting factor in the development of the region. South Africa wants to dominate all of Southern Africa and ensure the survival of white minority-rule at home. As a result, since SADCC came into being, South Africa has escalated its military and economic sabotage against the SADCC states, many of which support the liberation movements in South Africa. This has affected Angola and Mozambique the most, but all except Tanzania (due to its geographic location) have experienced South African attacks, kidnappings or sabotage. These

actions have wrecked havoc in Angola and Mozambique and placed severe burdens on the other SADCC states in terms of imposing inappropriately large defense budgets and increasing transport costs. With the independence of Namibia, the South African withdrawal from Angola and the developments in early 1990 towards a democratic South Africa without apartheid, more peaceful times may be ahead.

These are the central factors that limit the realization of SADCC's objectives. This book begins with an elaboration of these problems, placing them in a broader context. The aim is to provide the basic understanding necessary to evaluate SADCC, its results, problems and latest developments. That is the scope of the second part of the book. As already indicated, foreign aid has been of paramount importance in the life of SADCC. The Nordic countries provide almost one third of the Western bilateral aid disbursements to the SADCC states. And in terms of regional SADCC projects, the Nordic countries as a group is the unrivalled donor; their commitments account for one-quarter of the funds secured for SADCC's projects. The third, and major, part of this book examines the Nordic aid to the SADCC region, its background, results and the Nordic/SADCC Initiative. Particular emphasis is given to Denmark's aid commitment to the region.

2. Geography and Population

Area and climate

The total area of the SADCC region has already been placed in perspective. The nine member countries vary tremendously in size, ranging from Angola, the second largest country in sub-Saharan Africa (29 times the size of Denmark), to Swaziland, one of the smallest countries in Africa (not even half as large as Denmark). Six of the SADCC countries are land-locked, with no direct access to the sea.

The SADCC region, if not every country, is characterized by great climatic and geological differences. Most of the region has tropical savanna climate and a large part has sub-tropical, dry steppe climate. Despite the tropical location, most of the land area has moderate temperatures due to altitude. Angola, Botswana, Malawi, Tanzania, Zambia and Zimbabwe are situated on high plateaus, with altitudes averaging between 900–1,200 m. Two-thirds of Lesotho is very mountainous with elevations from 2,400–3,350 m. In winter, frost occurs throughout Lesotho. Swaziland and Mozambique each have roughly even areas of high and low lying plateaus.

Rainfall varies tremendously, both from country to country and from year to year. The driest country is Botswana, most of which is semi-desert. Average annual rainfall in Botswana ranges between 130–635 mm. At the other end of the scale, Lesotho gets no less than 1,905 mm per year. Rainfall vary considerably in the other countries. Their annual averages fall within the range of 400–1,400 mm. By comparison, Denmark's average annual precipitation is 660 mm.

Soils and vegetation

Widely different soil conditions prevail in the SADCC region. The range includes the Kalahari sands, which cover most of Botswana, the bleak mountains of Lesotho, large areas of poor and infertile soils in Angola, Zambia and Zimbabwe, and less extensive areas of very fertile soils in Malawi and various other places.

Vegetation vary generally according to climate and soil conditions. The most prevalent type of natural vegetation is dry tropical scrub and thorn forest, found throughout the central parts of the SADCC region. Steppe (short grass) and savannah (grass and scrub) cover most of the remaining area. There are also lesser areas of tropical rain forest along the coasts of Tanzania and Mozambique, the Zambezi river and in north-western

Angola. Desert vegetation is found in Botswana, Angola and Tanzania. Arable land under cultivation amounts to only 5% of the total land area of the SADCC region.

Infrastructure

Intra-SADCC transport networks are limited and frequently unreliable. Most of the existing infrastructure was built during the colonial period in order to link areas that produced raw materials, or were identified as markets for manufactured goods, with the metropolises. No deliberate effort was made to promote cohesive national or regional transport systems to promote local trade.

The pattern of railways depicts this colonial legacy. At present there are no direct links between the following SADCC neighbors: Tanzania and Mozambique, Zambia and Angola. Instead, the railway lines run to the east, in Tanzania and Mozambique, and to the west in Angola, linking those countries' ports to export commodity producing areas. The important exceptions to this are the well-developed railway system in South Africa and the Tazara railway, built with Chinese assistance in the 1970s, which links the copper producing areas in Zambia with the port of Dar es Salaam in Tanzania. The total length of railway lines in the SADCC region is about 20,000 km. The following deep-sea ports serve the railway system of the region: Dar es Salaam in Tanzania, Nacala, Beira and Maputo in Mozambique, and Mercedes, Lobito and Luanda in Angola.

The dominant means of surface transport, however, is road transport. The total network of the SADCC region is estimated at 300,000 km, of which only 30,000 km are tarmacked. By comparison, Denmark has 70,000 km of tarmacked road on an infinitely smaller area. As with the railways, inter-country road links are far from adequate. Malawi conspicuously misses road links to Nacala Port in Mozambique, which is nearest to it, and there are no road links between Zambia and Angola, nor between Tanzania and Mozambique.

The SADCC countries are all operating their own small airlines, and all have international airports. According to SADCC's own magazine, *The Southern African Economist* (April-May 1988), in 1987 the regional fleet of 68 passenger planes was utilized only a third of the flying time required to break even. Through losses and subsidies the SADCC airlines each year cost a net foreign exchange drain of about USD 200 million. The airline situation is not a colonial legacy but rather a costly edifice of national pride.

Population

Characteristics

In 1987, the total population of the SADCC region was esti-



Cattlemen in the Kalahari Desert. Botswana is thinly populated; less than 1 million people inhabit an area 13 times larger than Denmark.
(Photo: Anders Gunnartz)

mated at 75 million. The number of inhabitants in each country varies significantly, ranging from 712,000 in Swaziland to 24 million in Tanzania. Population growth rates are quite high, over 3% per year in the more populous SADCC countries. The World Bank estimates that by the year 2000, the SADCC region will have a population of about 113 million; that is 50% more than in 1987! A major characteristic of the population is, and will increasingly become, its youth. Around half of the population is currently under 15 years of age.

The problem of feeding an additional 3 million mouths a year almost defies imagination. However, population pressure need not necessarily become a food problem in the SADCC region. In Angola vast areas of arable land are not currently under cultivation; Mozambique, Tanzania, Zambia and Malawi also have large areas of suitable land still to be cultivated. Moreover, food production is insufficient because governments so far have done relatively little to develop the agricultural sector. Augmented food production may be achieved through the application of new agricultural systems and techniques designed for Southern Africa's soils and climates, and appropriate to its cultural, educational and financial conditions, as well as appropriate agricultural policies. Nonetheless, the question of food security is more than a matter of supply. It is a question of entitlement (access, purchasing power) to food.

Although the SADCC region as a whole is thinly populated, there are sharp diversities in population density. Among the SADCC members, Angola (0.15 inhabitants per km²) is an outright underpopulated country, whereas Malawi, at the other end of the spectrum, is one of the more densely populated (66 inhabitants per km²) countries in Africa. There are also sharp discontinuities in population density within most of the countries: In Botswana 80% of the population live in a thin strip in the east of the country, in Lesotho the western strip carries 70% of the population, in Zambia 80% is concentrated in urban areas along the "line of rail", and in Tanzania population densities are highest in the upland areas and along the coast. Human settlements are determined primarily by the agricultural potential as well as the presence of diseases.

Over the last 20 years, the growth in urban population has been more than twice as fast as total population growth. In Tanzania and Mozambique, some of the most rapidly urbanizing countries in the world, the average annual urban growth rates have been in excess of 10% since 1980. But Zambia, due to its huge copper mining industry, is by far the most urbanized SADCC country; with 53% of its population living in urban areas Zambia is the third most urbanized country on the African continent. In the other SADCC countries between 13–29% of the population live in urban areas. The largest towns and their approximate numbers of inhabitants are Dar es Salaam (1.5 million), Maputo (1 million), Harare and Lusaka (900,000).

The population of the SADCC region is a complex ethnic mosaic. There is typically great ethnic variety within each country. Tanzania, for example, has more than 120 ethnic groups, and Zambia has more than 70. Most of the ethnic groups are of bantu stock, but others, like the Maasai (Tanzania) and the Bushmen (Botswana), are found in lesser numbers. As a result, a large number of different languages are spoken, often within the same country. Over 80 languages are used just in Zambia. Swahili is the language of Tanzania and Kenya.

Health

At independence all the SADCC countries inherited health care systems with services mainly concentrated in the larger cities. The majority of the rural population was not provided for. Most countries have endeavoured to redress this situation. Between 70% and 89% of the population in (increasing order) Tanzania, Zimbabwe, Zambia, Malawi and Botswana now have access to health services. In Angola and Mozambique, due to the warlike situation, this share is less than one-third. In some countries, such as Botswana and Zimbabwe, the role that traditional healers may play in primary health care is recognized, and cooperation between traditional and modern medicine has been encouraged. Malaria continues to be one of the most serious

diseases in many countries. The main causes of child mortality (respiratory infections, diarrhoea and malnutrition), however, are closely related to access to clean drinking water and sanitation. In Angola, Lesotho and Mozambique less than 20% of the population have access to safe drinking water; in the other SADCC countries the share is about 50% (in Botswana it is as high as 75%). It is estimated that only one-quarter of all rural Africans have access to excreta disposal facilities.

AIDS is rapidly becoming a severe problem in several SADCC countries. Reliable statistics do not exist for most countries, but some of the indicators give cause for alarm. According to the number of AIDS cases reported to WHO, the most afflicted SADCC countries are Tanzania: 1,608 cases (February 1988), Zambia: 1,892 cases (August 1989) and Zimbabwe: 380 cases (February 1988). Based on an analysis of four countries, WHO states that the actual figures may be ten times higher than those officially reported. In 1989 a testing of a representative group of 10,000 adults in Lusaka (Zambia's capital) showed that 32% were HIV-positive. The highest number officially recorded was in Bukoba, Tanzania, where a study in 1989 showed that 40% of the adult women were HIV-positive. In Zimbabwe, AIDS is already the single most common cause of death in the children's ward at Harare's central hospitals.

As shown in Table 1, since 1965 infant mortality has fallen and life expectancy increased significantly in most SADCC countries, but considerable variation remains.

Table 1. Infant mortality and life expectancy

	Infant mortality (under one year)		Life expectancy	
	1965	1987	1965	1987
Angola		20%		43
Botswana	11%	7%	47	59
Lesotho	14%	10%	48	56
Malawi	20%	15%	39	46
Mozambique	18%	14%	37	48
Swaziland		13%		55
Tanzania	14%	11%	43	53
Zambia	12%	8%	44	53
Zimbabwe	10%	7%	47	58
Denmark	2%	1%	73	75

Source: World Bank, World Development Report, 1989.

Education

Education has been one of the key areas in the development effort of most SADCC countries. The better-off of the SADCC economies, Botswana, Zimbabwe and Swaziland, spend the largest proportions of the total government expenditure on education. In 1987 they spent respectively 18%, 20% and 24%. The other SADCC countries spend 8–15% on education. All countries have emphasized education at the primary level. In 1965 none of the SADCC countries provided primary education for all its school-age children; by 1986 five of them did. Only Angola, Malawi, Mozambique and Tanzania did not, but enrollment in these countries ranged between 64% and 82%. The proportions in secondary schools vary much more, and generally in accordance with the income level of the country. Tanzania, Malawi, Mozambique and Angola had (in the stated order) from 3% to 13% of the age group in secondary school, in Zambia and Lesotho, the share was around 20%, and in Botswana, Swaziland and Zimbabwe, the share was from 31% to 46%. Tertiary enrollment (colleges and universities) does not exceed 4% in any country (in Denmark this share is 29%). Due to its priority since 1967 on the eradication of illiteracy, Tanzania currently has the highest literacy rate (about 85%) of the SADCC countries. It is also relatively high (60–70%) in Botswana, Lesotho, Swaziland, Zambia and Zimbabwe. But in Angola, Malawi and Mozambique the literacy rate is only around 30%.

Women

The SADCC area is predominantly an agricultural region; about 80% of the population is engaged in agriculture, most of it subsistence production, i.e. production for own consumption.

Throughout the SADCC region it is the women who carry the heaviest load. In rural Africa as a whole, women typically spend 10 hours a day on production for subsistence, 2 hours on water and fuel collection and 4 hours on family care and cleaning. In Botswana, Malawi and Tanzania women do 80% or more of the agricultural work. Traditional family structures are breaking down as men are drawn to the cities and into the cash economy. Yet for women “economic development” often means more work and less control of resources. While husbands are freed from traditional male domestic responsibilities, women are expected to assist in their husband’s cash crop production in addition to maintaining their own family plots. Normally, however, women’s agricultural labor is not given much consideration in agricultural development schemes. In Africa, only 5% of all trained agricultural personnel are female and in Swaziland, for example, women represent fewer than 5% of all agricultural students.