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## **South Africa in Africa: In whose Interest?**

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Listening to Mr Dlamini, I say to myself: is Africa ready for colonization by South Africa? It sounds that's the argument that Mr Dlamini is offering and I suppose argued quite forcefully. I don't know how many Africans are ready to be colonized by South Africa but let me begin. Steve thank you very much for the opportunity to speak and thank you very much ladies and gentlemen for this opportunity.

Let me begin by outlining - I think we need to understand the key fundamental issue before we move to understanding the role that South Africa can play and indeed the benefits that Africa can get from South Africa's presence on the continent. I want my point of departure to be the liberation struggle of South Africa. I think it's fundamentally important that we understand that role and the role of Africa in the liberation struggle of South Africa, and my point of departure there is that Africans all across the continent took ownership of the struggle against apartheid in South Africa and made it their own struggle. Africans across the African continent, the political leadership invested in an effort in political and diplomatic efforts to ensure that South Africa was indeed liberated: that there were tremendous sacrifices from common people all across the continent, more so in Southern Africa for the liberation of this country; that there was military support that was rendered and offered to South Africa - the African National Congress and to some extent the PAC – to enable South Africa to enjoy the kind of freedoms that it enjoys. For me it is fundamentally important for us to understand the relationship that then develops thereafter or the lack of relationship that develops. Is it a symbiotic relationship? Is it a win-win relationship like it had been said here or is it a one-way street kind of relationship and does history support that kind of relationship moving forward? Indeed there were financial sacrifices made by the African continent: The Organization of African Unity's Liberation Committee did outlay financial resources and indeed individual African countries did offer similar assistance to the liberation struggle.

Why did Africa do this? Why did Africa invest so much: financial resources, human resources, policy resources, military resources, for the liberation of South Africa? Was it out of self-interest?

It depends on how you define that self interest but I'd tend to think that the biggest force that was behind Africa's totally unambiguous support for the liberation struggle was the moral and political opposition to apartheid. Apartheid had to end. If you look at it that way, you say to yourself "was there a self interest there?" Maybe self-interest, an enlightened self-interest, did come up down the road but at that particular moment what was important was what was across the road could not be justified, could not be allowed to exist and it had to be exterminated.

Africa could not to all intents and purposes - at least this was the doctrine of the Organisation of African Unity, whilst it existed - be considered to be free, with apartheid still in practice in South Africa. So there was in my view total commitment from Africans that there should be the emancipation of South Africans. The entire African people indeed was convinced that it was worth investing military, human resources and financial resources to ensure that South Africa join the civilized world, the civilized community; and then I ask the question was this an investment by Africa and is it payback time now from South Africa? Did Africans invest to liberate South Africa? Is Africa paying back South Africa now by allowing South Africa to get onto the continent and colonize it - to capture Dlamini's sentiments.

I shall try and answer these questions as I move forward. Before I move forward, I want to ask the question does South Africa know and understand Africa. I have my doubts about that. I think there's a large degree of ignorance about what Africa represents from South African business, from South Africa citizenry and to a certain extent from the South African political class. The complex nature of African politics is not an issue that South Africa is totally at home with at the present moment and I think it's also important at this particular moment to realize that the impact of apartheid on South Africa and its understanding of Africa was very negative because South Africans, particularly black South Africans, were made to feel and believe that they were not African; and in many instances I come across frightening ignorance of what lies beyond the Limpopo river. More so when it comes from business men and I get absolutely annoyed as I do so often when I hear South African business men and indeed my black South African colleagues, talking about having come from Africa standing right on the African continent.

Then I say to myself what does this mean? That's the psyche of the product of the psychological damage that came from apartheid, which told black South Africans that they were not Africans. They didn't belong in Africa and indeed that they were better than the Africans across the Limpopo river and that Africa was another place in another world and that indeed being in South Africa was a privilege because you were not subjected to the kind of chaos that is across the Limpopo. The danger with this is that it instilled a superiority complex on a lot of South Africans, both black and white, and a superiority complex that said Africa is synonymous with corruption, mismanagement and all the negative things that are associated with the dark continent; and that this tip at the bottom here was not part of what is taking place at the top there, and I think that's a fallacy, but a fallacy which is reproduced almost every day - when reading newspapers, when

you're talking to people - the sense that this lower bottom here is very different from the one at the top, from the rest of the continent at the top there. It is one that in my view could stand in the way and indeed does stand in the way of better relations and indeed better economic relations with the rest of the continent.

The other thing that I need to point out in this regard is that whilst there's the issue that Mr Dlamini has pointed out which I quite agree with is - the excitement about Africa from business in South Africa - you find that the white immigrants that have come to South Africa are better accepted than the black immigrants that have come from the continent. From the people that want to go into the continent and do business with the continent and you find that their own black brothers are not welcome in South Africa because of a variety of reasons, which perhaps if we have time I shall try and get into. So at the end of the day I'm saying there is a disjuncture of some sort between the public pronouncements of wanting to have closer relationships with the rest of the continent and what is taking place on the ground - the fact that at that level that white immigrants are treated better far better than black immigrants coming from the continent and these are the same people that you want to go to tomorrow and do business with. I have difficulties with that kind of thing.

I think at the end of the day what I'm trying to say here is that the high level of xenophobia which is a major issue in South Africa, flowing from the belief that anybody coming who's darker and comes from beyond the Limpopo is inferior. To me it poses problems and challenges in terms of African business - South African business going into the continent to do business with the African continent. There is a perception that Africans are taking jobs and economic opportunities from South Africans - from the same people that want to go and do business in Africa. I find that a major contradiction. There is a sense that indeed the Africans that come into South Africa have no business being in South Africa. That they are running away from the destruction which they partly caused and they really don't have any business being around here. For me it's important that we sketch that, so that we don't discuss this issue outside a vacuum and we don't theorise this thing. I think the advantage that I have is that I'm neither an academic nor a historian - I'm not an economist, I don't know what you'd call me.

Let me move on now to an issue where I think Africa does stand to benefit from South Africa and that's the issue of peace and security. I think - and there's a danger indeed of speaking after Mr Dlamini's eloquent presentation of me repeating what he is saying but I'll try and stay clear of certain things that he has made very obvious to all of us - but I think the miracle of South Africa's transition is peaceful transition. It's political, military and economic power has raised great expectations on the continent in terms of can South Africa help us get to grips with the challenges that are facing the continent and I think those great expectations to some extent have been fulfilled but perhaps it's early days yet for us to pass judgement. I would say the jury's out in terms of the peace initiatives that are taking place, but nonetheless let me venture to say that all

of us agree that South Africa, I think, is playing its big brother role in a way that is benefiting the continent as far as peace and security issues are concerned, and that South Africa has indeed invested quite heavily and does have the political commitment to ensure that peace and security does prevail on the continent, but again you know, as Mr Dlamini, asked: one does want to ask the question, with what in mind, what's the end game in all this? South Africa has invested quite a lot of financial and human resources in ensuring that peace and security does prevail on the continent. Indeed military and diplomatic efforts have been expanded in this regard and I think the efforts of firstly President Nelson Mandela, President Thabo Mbeki and Deputy President Jacob Zuma are issues to note as far as peace and security advances are concerned.

There is also the issue of the democracy project, what I want to call the democracy project, on the continent and that is to say that President Nelson Mandela and later President Mbeki have provided leadership on the question of democracy and accountability. I think to a large extent I want to say that the desire by the African continent to deal with coups is a phenomena that the African continent started dealing with, with the advent of South Africa as a democratic country and I think for the first time Africa is now prepared to take a very dim view of incidences of coups on the continent. I think the latest example of what is happening in Togo is an indication that we live in a different world altogether and indeed that is a benefit of the relationship that Africa enjoys with South Africa. At the end of the day insecurity and political instability, as Mr Dlamini did point out, are a threat to business and the more security you get the more you have economical development taking place at the end of the day. So what I'm saying is that Africa is benefiting from the democracy project that is taking place in South African by the spread of democracy and by the spread of peace and security.

Let me move on also to another area where I believe there's been success and that is - part of the democracy project - which is the African Union, NEPAD and the African Renaissance and I believe that in my view when we look back as history always does, we'll find that NEPAD, the African Union and the concept of the African Renaissance actually constitute South Africa's biggest contribution to Africa's future in terms of allowing democracy to take root, and in terms of allowing conditions that allow for economic growth and economic development to take place.

So I'm not just critical of what has taken place in South Africa. I do realize that there is certain benefits to be gotten from the kind of democracy that is blowing across South Africa. South Africa of course has played a leading role in promoting the democracy agenda as I've outlined and indeed that democracy agenda ensures that there is economic development and I think one thing that's fundamentally important that has flown from that democracy project is the respect of human rights and the transparency and accountability as far as politics is concerned. One important factor also flowing from that, from NEPAD is, imperfect as it might be, is the peer review mechanism which I think is a good start in promoting transparency in accountability on the continent which can only be good for the continent all across the board in terms of politics, in

terms of social development and economic development. I think the African Renaissance and NEPAD have seen a paradigm shift in the way Africa perceives itself. I think for the first time what Africa has lacked for a long time, is what somebody called the vision thing and the continent has lacked the vision thing and the African Renaissance, NEPAD and the African Union now possesses the vision thing. It's not completely bought. It's not completely purchased by everybody else but at least there is something that the continent is hanging on to.

Let me move on now to the benefits to be gotten from the economic investments that are taking place as Mr Dlamini has outlined. Indeed it cannot be disputed that we've seen retailers, mining companies from South Africa, the telephone industry, power generation, transport and transport logistics, the service industry, hotel and tourism, medium and the financial services going in full force to invest in the African continent. I would say in the majority of instances with positive results and what are those positive results. Here I do concur fully with Mr Dlamini that what it has done is that it has increased economic activity and provided much needed investments on the continent and above all created jobs on the continent which were suffering from the diminished direct foreign investment coming into the African continent.

It is the presence of South African investment on the African continent which has obviously increased the tax base for the African Government – it is another question how those taxes are used but nonetheless the tax base has been expanded and indeed I do concur with Mr Dlamini that these investments have resulted in improving the standards of living on the African continent but the question remains which is a perception issue and the tendency for people to associate arrogance on the part of South African companies, they don't quite understand the terrain in which they're operating. I don't know whether you're aware of the Nando's story. Nando's tried to take Nando's chicken into Angola. I use that as example because it was a total disaster. Portuguese flavour and Nando's flavours don't go hand in hand and Nando's was forced to close down. I used that as an example to say to us what works in South Africa does not necessarily work on the continent. The Nando's experience might have worked wonders for the South African environment but it doesn't mean that you can duplicate it throughout the continent and make it a success.

What I'm saying by that is that it's fundamentally important for South Africans to study the African market. Let's never assume that you know the market because South Africans doesn't know the market and that Nando's example that I'm using is proof that South Africa doesn't know the African market and that was a huge embarrassment. There's an interesting story of Vodacom and MTN in South Africa. Two companies, one that has clearly read what the Nigerian market is all about and what African business and politics are all about - that there is certain things that you have to do in Nigeria which you can't do in South Africa for your business to be successful.

MTN clearly understood the culture of the business in Nigeria and has been a success. Vodacom

tried to understand the way of doing business in Nigeria and we all know what happened. It's a total disaster; a huge public relations fiasco at the end of the day. So I'm raising these points to answer the question that I've asked at the beginning: does South Africa know Africa and I think you make up your mind. I think in certain instances the evidence is there but South Africa does not indeed understand Africa in that South Africa needs a bit less haste and more time in understanding the psyche of the African market and how Africa behaves. Indeed the Africans will embarrass you, like it happened with Vodacom, if you get in there rushing, assuming that what was a success in South Africa can be made a success in the rest of the continent and there's a legion of examples to address that point.

Then we move on to an issue - I think is part of the investment thing but I thought I should pull it out and deal with it as a separate thing - and that is the story of South African Airways and to me it's a positive story. It's a story that follows the collapse of African National Airlines and Regional Airlines, Air Afrique, the Central African Airlines, and the West African Airlines and indeed the collapse of Zambian Airways and other airlines. South Africa has stepped in and occupied that space and occupied that void with pretty exiting, phenomenal results and what South African Airways has been able to do is to help open the continent which is absolutely great and very important to continue business together as Africans.

South Africa has helped improved the flow of good and services across the continent and in so doing saving money and time which has been invested in travelling. South Africa has been able to make, I think, Africa much more attractive than it's been. As some of you will know we no longer need to travel to France to get to West Africa. We don't need to travel to London to get to Southern Africa and I think it's a huge success. I remember talking to my good friend at Anglo American when he was still at MTN saying when he was trying to open the Nigerian market he had to fly to London to get to Lagos and that was before South African Airways opened but now South African Airways has done wonderful things and I think it's a story that had not been told in the manner that it should be told. So that's a huge benefit for Africa. Unfortunately South African Airways in certain routes now have a mere monopoly and whilst opening the market is a plus, it has become very expensive to travel from Angola for instance, because South African Airways basically has captured that market.

I don't now whether some of you know that it's much more expensive to fly to Angola than to fly to New York because of the grip that South African Airways has on that market. Whether that becomes a benefit or a loss at the end of the day it's up to you to judge. I mean if you are able to travel to Angola it's better than when you have to fly via Portugal or Brazil to get to Angola to do your business. I think also closely linked to that is SA Airlink and BA Comair which also have extended the penetration of the continent.

Let me then conclude by asking the question. It's very interesting that you and I compare notes

on this one, because I'm going to ask the question: is South Africa behaving like an imperial power, conquering, using trade and investment on one hand, and politics and diplomacy on the other? The British came with a bible, salt and sweets to seduce the African people. South Africans are coming with trade and investment and they're talking peace, democracy and prosperity and like Mr Dlamini did clearly state if South Africa has paved the way for democracy, South Africa has the right to claim the democracy dividend at the end of the day. Is that is going to happen? I think at the end of the day, we need to ask ourselves how sustainable is that strategy in the long term.

Is it not going to arouse negative sentiment that could hinder progress in the long term? I think there's sensitivities there which in the excitement of the moment South Africans tend to be blind to, in the excitement of the investment and everything else, people tend to be insensitive to some of those questions. Is Africa South Africa's sphere of influence and if so, with what in mind and I think Mr Dlamini did answer this question - yes indeed Africa is South Africa's backyard but again I want to caution us rushing in there without being sensitive to the feelings and the sentiment on the ground.

South Africa has in a way become an investment launching pad for western countries. I think that's another thing that we need to look at - South Africa's partnering with western countries. Is this a South African project? Is it a South African / western American project? That's the question that needs to be asked. If it's South African companies going into the continent it's something else but if it's South Africa aiding the western countries to get hold of the African market that's a different thing all together and there's sensitivities there which needs to be looked at. You know that NEPAD for instance, has been contested in certain areas because it's seen as a western imposition rather than as an African project as it were.

So to me those are signs to say let's be careful if we move forward in terms of how we fashion this and how we roll it out. Another thing is the worrying trend that South Africa knows it all and is the solution to Africa's problems; the worrying notion that South Africa has little to learn from in the continent. South Africa is going to be out evangelising the African continent and the negative sentiment and perception that comes out of that. Is South Africa's political and economic leadership role sustainable in the long term? By that I just want to revisit the xenophobia issue that I talked about; the lack of understanding of the African continent.

We do have a leadership at the present moment that is passionate about Africa. President Thabo Mbeki cannot be faulted about his passion for Africa. Do we have the leadership behind President Thabo Mbeki which is as passionate about Africa as he is? I doubt it. I doubt it very much. I think this African project might falter as a result of that. I see it likely as a one-man project and if that happens and it fails what is going to happen to these investments that we have on the continent. Thank you.

