

Notes for an address to the annual convention of the South African Chamber of Commerce

Cape Town, 24 October 2000

I have decided that I will not use my written speech in addressing you today because I want to talk about the concern amongst us all as South Africans regarding the reduction in levels of confidence in this country's future.

It is clear that part of the problem relates to what is happening on the rest of our continent. It is often said that the value of the currency is negatively impacted on by events inside South Africa but also in good measure by what happens outside the country.

I am sure we would all agree that we couldn't detach ourselves from the rest of the continent. It follows that what happens on the rest of the continent should surely become a matter of concern to all of us.

There has been considerable pressure from within and outside the continent that South Africa should play a role in determining its future. As government, we have decided to participate in the struggle for peace, stability and democracy on the continent. It is an obligation that I believe we cannot run away from.

I want to point out a few examples of our participation.

One is our participation in the efforts to find a solution to the war in the Democratic Republic of the Congo. We hope that through our collective efforts this very important African country will establish a democratic order and thereby remove one of the elements that communicate a negative picture about our continent.

Recently, all the region's governments with troops stationed in the Congo asked us to convene a meeting which would lead to the implementation of a cease-fire and withdrawal of troops. The Defence Minister this week hosted a meeting of Defence Ministers of the region to develop a practical plan for ending this conflict.

Another example concerns the military coup in the Comores. We were asked to participate in the restoration of democracy to the Comores. We have begun engaging in this matter with the view that as the Comores restores democracy we will remove yet another element conveying a negative picture of Africa and which therefore feeds the Afro-pessimism that we all speak about.

We also sit in a committee of ten countries that was asked to deal with the issue of the military coup in Cote d'Ivoire, where over this weekend Presidential elections were taking place. It was the view of other countries on the continent that this was a matter that South Africa has to participate in.

South Africa is involved in trying to bring the war in Angola to an end. We continue to engage the Angolan government and the UN Secretary-General to see what contribution we can make.

I mention these details as examples of what has to be done if we are to address this matter of confidence practically.

There are some implications. I have heard a complaint that I spend too much time out of the country and too little attending to national issues. I must say to my critics: I am afraid that these issues form very much part of our national problems and remain something that we must address.

Apart from peace, stability and democracy, as Africans we need to attend to economic growth and development of the African Continent.

We will need the co-operation and participation of the developed world in that process. Many issues have already arisen on the world agenda such as the foreign debt which many poor African countries cannot afford to service and which, if not removed, makes talk of development idle.

In the discussions about debt there has been general agreement in principle, that the least developed countries should, in the context of the WTO, be allowed to enter their exports into all markets, including developed markets, duty free. While this principle is generally accepted, its actual achievement remains a challenge.

We have spent some time talking to other governments on the continent about African growth and development.

It is clear that old economic policies followed in many independent African states have failed. Governments are now grappling with how best to engage with issues like globalisation in a way that will impact positively on our economies.

Governments are asking what they can do to address corruption and to stop the export of capital by Africans themselves when that capital is required in Africa for development.

We need to adopt a particular stance to demonstrate our own commitment as Africans to Africa's growth and economic development. Then we will be in a position to invite the rest of the world to join us in the effort to grow our continent, described by the World Bank, as the biggest development challenge in the world.

We have been talking to many developed countries, including the USA, Japan, the Nordic countries and the European Union, to try and find a practical way of working together to resolve these issues of the development of the African continent.

This is part of the reason why we have had to spend so much time out of the country. Happily, everybody we have spoken to thus far has understood and agreed that they should not be able to stand by and watch as the continent got left further and further behind.

I want to relate a story I read, about the strongest British garrison in the east; a naval garrison built in Singapore during World War II. It was meant to stop the Japanese invading from the sea, but the Japanese came by bicycle and on foot. They came from behind the big guns and the garrison fell without a fight. The developed countries that have been making great progress could easily be tempted to build a fortress around themselves against the poor ones. Let us remember the 58 people whose bodies were discovered in Dover, England, having traveled from China. They had come, as it were, by bicycle and on foot.

It is important that the developed world should take on the challenge of supporting us as Africans in this challenge of poverty and underdevelopment.

Fortunately, the response has been very positive. We have as a consequence been invited to present a proposal for consideration and engagement even amongst organisations like the WTO, the IMF and the World Bank.

Hopefully with these two processes - one to promote peace and stability, the other to address the development challenge - we will see movement.

None of us can guarantee quick results but I sense a commitment, on the African Continent to move both these processes. This will help push back Afro-pessimism about the future, part of which, whatever we do here, spills across our borders.

In that context, let me talk about the most immediate challenge: Zimbabwe. Twice in Zimbabwe, I said publicly that land redistribution needs to be addressed but that it had to be done in a manner that will serve the interests of all Zimbabweans, both black and white, and that it had to be done within the context of the law, without violence, respecting the fact that people do have property rights.

On one of the occasions our public broadcaster, the SABC, was there. On my return to South Africa, I was asked why I had not said anything about this issue. On enquiry, we discovered that while I was making these remarks in front of the press, they had run out of tape.

I say these things because we continue to engage with the Zimbabwean government in the context of the framework I am outlining. It is quite obvious that we cannot allow a situation in this country where people occupy the land of others illegally - this can not be allowed. It won't happen here.

We will continue to work with the Zimbabwean government because we are concerned about the situation in Zimbabwe. We have as South Africans offered help to the Zimbabwean government because we cannot welcome the collapse of the government in Zimbabwe.

The British government announced the readiness of plans a few months ago for the evacuation anybody who could claim British citizenship. But the fact of the matter is that those people will be unlikely to go to London. They will come to Johannesburg. It would never be in our interest to witness the collapse of Zimbabwe.

We have continued to engage everybody concerned with regard to the land question, including the British government, the UN Secretary-general and others.

We are also dealing with the Zimbabwean government on other questions including the fuel crisis, energy and their relations with the World Bank and the IMF. We do so in order to assist Zimbabwe and Zimbabweans and not the ruling party, as has been reported. It is clear that we must deal with this issue of Zimbabwe, in order to deal with a negative perception related to what I am told is the "fear of contagion." Before the Zimbabwean elections, the Secretary-general of the ANC met with the MDC in Zimbabwe, to convey our willingness to assist in ensuring that the elections were free and fair. He then committed himself to talk to ZANU-PF to convey the same message. Zanu-PF representatives undertook to come to South Africa for the meeting. Yet media reports portrayed this second meeting as if the South African government and the ANC were expressing support for one party over the other in Zimbabwe.

If all of us are agreed that there is a linkage between ourselves and the rest of the continent, then it should become part of our national tasks to contribute to the resolution of the conflicts and the advancement of the continent as a whole.

You can see as you travel around the continent, the impact that the South African private sector has had on many African countries. People are beginning to notice the good work many of our companies are doing and interpreting it as a contribution by Africans to their own development.

As far as South Africa is concerned, we must continue to address peace and stability in our own country. The land problem in South Africa must be addressed in the context of the constitution and the law. It is being addressed in co-operation between government, Agri-South Africa, provincial agricultural unions amongst others. This is the only way to address it and we will persist in this way.

Clearly we have to continue to focus on the issue of crime. Here in Cape Town it is a particular challenge: we are dealing with urban terrorism. Progress is being made if one looks at the number of trials taking place. I am quite certain from what I am told by the law enforcement agencies that we will make more progress.

Another complaint has been around the delay of the date for the announcement of the local government elections.

The reason for the delay was because we are pursuing very consistently the objective of peace and stability. It was necessary to address the concerns of traditional leaders, even if it meant delaying the announcement of the date for a few weeks. This would reduce the threat of violence or instability arising out of dissatisfaction amongst this sector of the population.

On the matter of the economy, there should be no doubt about the government's commitment to the macro-economic goals that we have set, stated in our documents and pursued in practical results. The government deficit has, for instance, dropped to below 3 per cent in a few years. We have fortunately been able also not to reduce delivery of social services.

We have started discussion with the very big business sector and we will be coming back to SACOB to look at what specific steps are needed to encourage higher rates of investment in our economy.

We must continue to address the social inequalities in our country. There are training programmes to raise skills levels but we must at the same time create better possibilities to reduce social inequalities. We must not become a society in which affirmative action policies result in some incompetent people being put in place merely for employers to show by numbers how they are reducing the imbalances.

We must implement government's rural integrated development strategy. We must develop infrastructure with money allocated from the government employees' pension fund, directed by law into these sorts of investment.

Recently the Minister of Health reported to Cabinet about World Health Report 2000 of the WHO which ranked South Africa 175 out of 191 countries around the world, and last in Africa, in terms of a criterion they call "effectiveness of health expenditures". In fact they are measuring disparities between those who have access to modern health care within the country and those who have not. Surely that must be part of a common national agenda we are addressing! In that context, let me say that we have been very pleased with the decision by SACOB and NAFCO to address the question of unity within the business community. We need to lend our various strengths to one another and as government we will do whatever we can to contribute to the success of that process.

We are confident that we will make progress in all of these areas - indeed we are making progress in all of these areas - including issues that might be outside our borders.

But I think we would make better progress if we agreed among ourselves as South Africans to pull together to address the issues that need addressing.

One of these is the critical matter of higher growth rates and the development of the economy. This should be seen as a common objective, and practical steps should be found to work together on achieving it.

The reduction of social disparities in our society is another. The fact that progress is being made on this matter is something that should be communicated to the masses of our people as a national task. And then we should work out practically what we must do to make further progress.

The general state of health is another challenge, including HIV. We need to ask ourselves what we can do to impact positively on the lives of our people.

Lastly, we need to ask ourselves what we are doing to project a more positive image of our country. We should not be the first to project gloom. We should be the ones to admit that there are problems but this should not translate into gloom.

Let me end by telling you a little story.

A few weeks ago, I was in East London to launch the new Mercedes Benz production plant there, built following a decision to shift all the C-class production to South Africa. The CEO of Daimler-Chrysler told me a very inspiring story.

He told of a discussion in Germany that centred on the marketing of the vehicle to other countries, including Japan. The debate considered whether customers would buy the car if they knew it was made in South Africa.

They took a decision that they would say it was made in South Africa. They wanted to make a statement conveying their confidence in the determination of this country and this continent to overcome our problems.

Therefore this car is made in South Africa.

Thank you very much.