POLICY BRIEF

FOREIGN



IN POST-APARTHEID

SOUTH AFRICA

SECURITY, DIPLOMACY, AND TRADE





Leviathan on The Limpopo: South Africa's Post-Apartheid Foreign and Trade Policies

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1. Introduction

The University of Johannesburg's (UJ) Institute for Pan-African Thought and Conversation (IPATC) and the Friedrich Ebert Stiftung (FES) co-hosted two strategic engagements at South Africa's Department of International Relations and Cooperation (DIRCO) and its Department of Trade and Industry (DTI), both in Tshwane, in April and June 2018, respectively.

The engagements had two key objectives. First, to contribute strategically to policy development and dissemination of policy recommendations on South Africa's foreign and trade policies based on a 23-chapter book, *South Africa's Post-Apartheid Foreign Policy After Two Decades: Security, Diplomacy, and Trade* (I.B. Tauris, 2018), edited by Adekeye Adebajo and Kudrat Virk. About 100 copies of the book were disseminated to policymakers at DIRCO and DTI. Second, both meetings sought to promote more qualitative dialogue between policymakers, academics, and civil society for mutual benefit. These goals were pursued in order to bridge the gap between theory and practice, as well as to encourage policymakers and academics to engage more constructively with South Africa's foreign and trade policies.

The two strategic engagements were attended by 125 officials, and covered three broad thematic areas: Key Issues in South Africa's Foreign Policy; South Africa's Key Bilateral Diplomacy and Trade Relations in Eastern and West Africa; and South Africa's Key Multilateral Trade and Diplomatic Relations involving the Southern African Development Community (SADC); the Southern African Customs Union (SACU); the African Union (AU); the African, Caribbean, and Pacific (ACP) Group; the United Nations (UN); the European Union (EU); and the World Trade Organisation (WTO).

The two policy meetings further sought to contribute to strengthening the research capacity of senior policymakers in South Africa's foreign and trade ministries. A major objective of both engagements was to craft more clearly defined, articulated, and supported foreign and trade policies that could help the South African government to promote domestic political consensus for achieving its policy goals, and harness its foreign and trade policies closer to the key goal of promoting socio-economic development at home.

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THE EXTERIOR OF THE DEPARTMENT OF INTERNATIONAL RELATIONS AND COOPERATION BUILDING IN TSHWANE, SOUTH AFRICA.

IMAGE SOURCE - World Architecture News.com LINK - http://www.worldarchitecturenews.com/ project-images/2010/14228/tc-design-architects/dirco-department-of-international-relationsand-cooperation-in-pretoria.html?img=3

2. The Historical Context of South Africa's Foreign Policy

South Africa's post-apartheid foreign policy has been shaped by a combination of its internal and external contexts. Given its destabilisation role across Southern Africa that resulted in over \$60 billion in damages and one million deaths in the 1980s, the post-1994 Nelson Mandela administration sought to prioritise a foreign policy based on human rights, and promoting security and trade across Africa.

In 1993, incoming president, Mandela, outlined five key priorities for South Africa's foreign policy: advancing human rights; promoting democracy; universalism based on respect for international law; the pursuit of peace through non-violent mechanisms; and international cooperation to promote economic development. Thabo Mbeki (1999-2008) also focused on five key priorities: restructuring the Organisation of African Unity (OAU, now the African Union) and SADC; reforming regional and international organisations such as the UN, the WTO, the World Bank, and the International Monetary Fund (IMF); hosting major international conferences; promoting peace and security

in Africa and the Middle East; and fostering ties, and devising a global South strategy with the Group of Eight (G8) industrialised countries. Mbeki further prioritised peacekeeping, deploying about 3,000 troops to Burundi and the Democratic Republic of Congo (DRC).

President Zuma's external relations (2009-2018) largely reflected a national interest-oriented foreign policy, and what critics described as a mercantilist trade approach that sought to position South Africa as the "gateway to Africa". Zuma's foreign policy also reflected continuity with the Mandela and Mbeki eras in advancing South Africa's peacemaking role. Unlike during the Mbeki presidency when Nigeria was South Africa's most important geo-strategic and trade partner; during the Zuma era, Angola became the country's most strategic partner in Africa. President Zuma further secured South Africa's entry into the Brazil-Russia-India-China-South Africa (BRICS) grouping by 2010, while China became South Africa's largest trade partner by 2017. South Africa's current president, Cyril Ramaphosa, noted, in August 2018, that Beijing does not seek a colonial relationship with Africa.

Tshwane's leadership role has further been evident in its election to a third two-year term, in a decade, which South Africa won in 2018, to become a non-permanent member of the UN Security Council in 2019-2020. Tshwane is also the only African member of the Group of 20 (G-20) major economies, the BRICS countries, and the only African strategic partner of the European Union's 11 global partners.



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THE UNITED NATIONS SECURITY COUNCIL MEETS AT UN HEADQUARTERS IN NEW YORK, US, IN MARCH 2018.

IMAGE SOURCE - Reuters PHOTO CREDIT - Reuters/Mike Segar LINK - https://www.reuters.com/article/us-mideast-crisis-syriaun/u-n-security-council-to-meet-on-monday-after-syria-attackidUSKBN1HFOTU

3. South Africa's Key Bilateral Diplomatic and Trade Relations in Eastern and West Africa

South Africa's bilateral political and economic relations with countries in Eastern and West Africa build on its historical ties. Tshwane sought to export "liberal" peace to the African continent through important peacemaking and peacekeeping roles in the Great Lakes region. This involved working closely with Tanzania to address the deepening insecurities in the DRC in 2003, as well as efforts to end the war in Burundi in 2005. South Africa's peacemaking role has also been visible through Mbeki's efforts to mediate disputes between Sudan and South Sudan, and the role played by then South African deputy president, Cyril Ramaphosa, that sought to mediate a dispute between warring parties in South Sudan between 2014 and 2017.

Over the years, South Africa's bilateral engagement with Eastern Africa has, however, been constrained by this subregion's internal dynamics. First, the dual membership of Tanzania within SADC and the East African Community

(EAC) has presented a challenge to other member states in the EAC such as Rwanda and Kenya. Beyond Tshwane's peacemaking efforts, South Africa has also engaged in bilateral corporate and commercial diplomacy with individual countries in Eastern Africa.

However, political and economic tensions between Tshwane and Nairobi have been evident, particularly during the Mandela and Mbeki presidencies. The differences between the two countries are embedded in a historical context in which Nairobi had economic and political ties with apartheid South Africa. In the post-apartheid era, there was general resentment of South African businesses and their expansion into the subregion, leading to the widely publicised "beer wars" in which South African Breweries (SAB) entered the Kenyan market in 1996, but withdrew within four years due to a hostile local reaction. The tensions between the two countries have also revolved around South Africa's visa regulations imposed on Kenyan citizens. It was only during the presidencies of Jacob Zuma and Uhuru Kenyatta after 2009 that relations between the two countries improved.

South Africa's bilateral ties in West Africa have revolved around the subregion's three largest economies: Nigeria, Ghana, and Côte d'Ivoire. These relationships have built on historical ties. Nigeria attended summit meetings of the Frontline States (FLS) and chaired the UN Special Committee Against Apartheid. The salaries of Nigerian civil servants were also deducted to contribute to a "Mandela Tax" to support the liberation struggle, while South African students received Nigerian government scholarships.



Firms such as Mobile Telephone Networks (MTN), Shoprite, Standard Bank, and Protea entered the Nigerian market of 180 million consumers.



MTN HEAD OFFICE OFFICE IN LAGOS, NIGERIA

IMAGE SOURCE - The Nerve Africa LINK - https://thenerveafrica.com/15447/mtnconfirms-ipo-nigeria-in-2018/

The hanging of Ken Saro-Wiwa and his eight fellow environmental campaigners in November 1995 led to a serious breach between the Mandela government and General Sani Abacha. In contrast, the era during the presidencies of Thabo Mbeki and Olusegun Obasanjo (1999-2007) was the golden age of the bilateral relationship, as both leaders sought to manage African conflicts and build the institutions of the African Union. South Africa's corporate activities in Nigeria also expanded, with the number of companies increasing from four in 1999 to 120 companies by 2016. Firms such as Mobile Telephone Networks (MTN), Shoprite, Standard Bank, and Protea entered the Nigerian market of 180 million consumers. However, the relationship between Mbeki and Obasanjo was not institutionalised, and progress stalled once both leaders left office.

Tensions erupted around the difficulties experienced by Nigerians in obtaining visas to South Africa. This prompted Abuja to impose stricter visa requirements on South African citizens. Xenophobic attacks on Nigerian citizens in South Africa in 2008, 2015, and 2017 further increased friction between both countries.

After Nigeria, Ghana is South Africa's largest trading partner in West Africa. Bilateral relations between Tshwane and Accra have mainly focused on commerce. South Africa's AngloGold acquired a 50 percent share in a \$1.4 billion merger with Ghana's largest mining company, Ashanti Goldfields, in 2004. Within 12 years, the company had become the world's third largest gold producer.

Côte d'Ivoire was the third West African country that South Africa prioritised in the post-1994 era. By 2001, Abidjan was Tshwane's third largest bilateral trade partner in the subregion after Nigeria and Ghana. South African companies like Randgold and MTN established a strong presence in the Ivorian market. Between 2004 and 2006, Thabo Mbeki engaged in energetic peacemaking, but was ultimately unsuccessful in mediating an end to the civil conflict in Côte d'Ivoire.

4. South Africa's Key Multilateral Relations in Africa: SADC, SACU, and the AU

Despite earlier indications that South Africa's post-apartheid foreign policy would prioritise its relations with SADC, some of its leaders and opinion-shapers argued that South Africa's foreign policy should focus on its own domestic socio-economic challenges. Others argued, more pragmatically, for a foreign and trade policy that could help reduce these social and economic inequalities at home. South Africa assumed the chair of SADC in 1996. Under Mandela's leadership, Tshwane unsuccessfully mediated the Congolese crisis in May 1997. South Africa, however, led SADC's efforts to manage political tensions in Zimbabwe, Lesotho, Madagascar, and Zimbabwe between 1998 and 2013. The country's policymakers have often complained that Tshwane deserves more credit for helping many African countries to increase their productive capabilities. South Africa's value-chain approach - which emerged from its trade ministry - sought to contribute to Africa's socio-economic development.

If the Southern African Customs Union – involving Botswana, Swaziland, Namibia, and South Africa - were to cease to function, some of the countries in SACU might also cease to exist, as funding from South Africa has been channelled towards the development needs of other SACU countries. South Africa's contribution to transforming SACU was also demonstrated by the shift in its headquarters from Tshwane to the Namibian capital of Windhoek by November 2015.

South Africa accounts for about 60 percent of Southern Africa's economy. These subregional states have, however, argued that South Africa's corporate expansion into the subregion has often not facilitated balanced trade, and that these firms have instead pursued a mercantilist approach. For example, Botswana and Namibia have complained that South Africa has obstructed their industrialisation efforts. Tshwane was, however, instrumental in creating a new tripartite free trade area (FTA) comprising SADC, the EAC, and the Common Market for Eastern and Southern Africa (COMESA). Nevertheless, many of these regional bodies remain donor-dependent and under-funded, while intra-African trade is still a partly 12 percent.

South Africa has also spearheaded the transformation or development of new regional institutions across the continent. Seeking to realise the vision of an "African Renaissance", Thabo Mbeki played a critical role in transforming the OAU into the AU, an organisation which was born in Durban in 2002. Mbeki was also instrumental in establishing continental bodies such as the New Partnership for Africa's Development (NEPAD) in 2001, the African Peer Review Mechanism (APRM) in 2003, and the Pan-African Parliament (PAP) in 2004, though these institutions remain fledgling and under-resourced.



South Africa's contribution to transforming the Southern African Customs Union was also demonstrated by the shift in its headquarters from Tshwane to the Namibian capital of Windhoek by November 2015.

IMAGE SOURCE - Namibia Architecture Awards of Merit 2017 LINK - https://naam2017.wordpress.com/portfolio/new-headquarters-building-windhoek-for-southern-africa-customs-union/

THE SOUTHERN AFRICAN CUSTOMS UNION HEADQUARTERS IN WINDHOEK, NAMIBIA.

5. South Africa's Global Multilateral Relations: The UN, the WTO, and the EU

South Africa's post-apartheid foreign policy transcends continental territorial boundaries. Since 1994, its foreign and trade policies have been based on building its credibility and influence abroad. Importantly, Tshwane's relations with global multilateral institutions such as the UN, the WTO, and the EU have largely been driven by the country's domestic need to address South Africa's own socio-economic development challenges.

Since its readmission to the UN in 1994, South Africa has further taken up key leadership roles in order to contribute to the global body's security, human rights, and development efforts. Tshwane served as a non-permanent member of the UN Security Council between 2007 – 2008 and 2011-2012. More recently, South Africa was elected to the Council in 2019-2020. During the Mbeki presidency, South Africa advanced the "African Agenda" in order to strengthen and institutionalise the security relationship between the UN and the AU. Tshwane also pushed for a division of labour between the UN and Africa's regional bodies.

South Africa's commitment to multilateralism has also involved its participation in the WTO in an effort to bridge the gap between emerging powers and diverse groups of developing countries. Tshwane played a key role in supporting processes around the new round of trade negotiations in Doha from 2001. Between 2002 and 2003, South Africa also pushed for agreement in the areas of property rights and public health, while prioritising trade and agriculture.

Due to the long-standing relationship between South Africa and the EU, the country's post-1994 foreign policy focused on consolidating this key relationship. South Africa's foreign policy has also been informed by the need to have access to the European market, as well as to strengthen South-South ties through the 79-member African, Caribbean, and Pacific (ACP) group of states, which still depends on Brussels for half of its operating budget.

Since its readmission to the UN in 1994, South Africa has further taken up key leadership roles in order to contribute to the global body's security, human rights, and development efforts.



THE SOUTH AFRICAN DEPARTMENT OF TRADE AND INDUSTRY IN TSHWANE, SOUTH AFRICA.

IMAGE SOURCE - Pinterest LINK - https://za.pinterest.com/ pin/583286589210056130/?lp=true

Tshwane further contributed to negotiating the SADC Economic Partnership Agreement (EPA) in order to strengthen regional integration in Southern Africa, preserve the integrity of SACU's common external tariff, and ensure coherence in Southern Africa's diverse trade agreements.

Policy Recommendations

The following seven key policy recommendations emerged from the two strategic engagements held at South Africa's foreign and trade ministries in April and June 2018.

- 1. First, in order to encourage further strategic engagement between government, academics, and civil society; South African government officials should participate more actively in policy dialogues, as well as publish more in academic and policy publications;
- 2. Second, the role of the media in South Africa's foreign and trade policies is critical. Diplomats in Tshwane should engage more effectively with the media, and seek to obtain regular feed-back from the general public;

Tshwane should move towards a legally-binding instrument that enforces the regulation of the conduct of South African companies to ensure accountability and to minimise bilateral tensions with other African countries.



THE PROCESS PLANT AT RANDGOLD RESOURCES' TONGON MINE IN CÔTE D'IVOIRE.

IMAGE SOURCE - Mining Review Africa LINK - https://www.miningreview.com/randgoldresources-troubled-start-at-tongon-in-2018could-impact-production/

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- 3. Third, since a code of conduct to regulate the actions of South African corporations operating in the rest of the continent has been crafted by South Africa's trade ministry, Tshwane should move towards a legally-binding instrument that enforces the regulation of the conduct of South African companies to ensure accountability and to minimise bilateral tensions with other African countries;
- 4. Fourth, South Africa and Nigeria account respectively for 60 and 70 percent of their subregional economies, and must thus lead regional integration efforts in Southern and West Africa;
- 5. Fifth, due to the personalised relations developed during the Thabo Mbeki and Olusegun Obasanjo's presidencies, there is an urgent need to institutionalise bilateral relations between Tshwane and Abuja to ensure the continuity and stability of policies; people-to-people relations must also be urgently strengthened;
- Sixth, in line with South Africa's foreign policy, Tshwane should explore the changing wave of leadership dynamics in Southern Africa – particularly in countries such as Botswana, Angola, and Zimbabwe – as a potential opportunity to revisit issues such as reviving the SADC Tribunal; and finally,
- 7. There is an urgent need for South Africa to expand bilateral relations with countries in Eastern and West Africa, as well as in the Great Lakes region. Given Tshwane's critical role in peacemaking and the reduced interactions with Eastern Africa, South Africa should work more closely with the EAC to promote a more institutionalised engagement.