

UNITED PEOPLE FRONT

SUBMISSION TO CODESA WORKING GROUP 4 SUB-GROUPS ON

THE ADMINISTRATIVE, FINANCIAL AND PRACTICAL EFFECTS OF REINCORPORATION OF TBVC STATES. 30 MARCH 1992

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1. INTRODUCTION

The United People's Front takes as its point of departure the fact that the TBVC states are creatures and structures of apartheid which must go and that any attempt to justify the continued existence of these states together with the self-governing states is tantamount to perpetuating the apartheid system and contrary to the contents of CODESA declaration of Intent.

The UPF, therefore, views the reincorporation of the TBVC states into South Africa as part and parcel of the process of dismantling apartheid in all its ramifications.

Further more, UPF wishes to record the fact that as the South African government unilaterally declared these states 'independent' without consulting or testing the will of the people, the reversal of the process must follow the same path i.e. testing the will of the people is an unnecessary, expensive exercise which will serve to endorse the obvious path to be followed in dismantling apartheid.

Similarly, the South African citizenship should be restored to people in these states en bloc, following the way it was unilaterally removed from them.

## 2. GENERAL COMMENT

The following can be pointed out from information submitted to CODESA Working Group 4 Sub-group 3 by the SATBVC states and other instances as well as what is known about the TBVC states:-

- 2.1 The survival and existence of the TBVC states depends on the RSA as over 60% of their revenue comes from direct budgetary assistance, transfer payments and loans from the RSA central government.
- 2.2 The non-recognition of the TBVC states by the international community makes their survival solely dependent on South Africa - hence their loans come from no other country than South Africa.
- 2.3 The TBVC states land areas which are scattered all over South Africa render them geographically and economically tied up to the South African economy and as such it is an illusion for any of the TBVC and self-governing states to view themselves as economically viable. They in fact, contribute very little to the total GDP as they were designed by apartheid to be dependent on the RSA.
- 2.4 As CODESA is not engaged in an academic but political exercise, there is a need for the establishment of independent commissions after CODESAC and during the interim government phase to attend to the modalities and mechanisms of implementing all CODESA agreements.
- 2.5 The continued existence of the TBVC and self-governing states is administratively, financially and practically an expensive exercise which emanates from duplication of structures and services.

### 3. RESPONSE TO TERMS OF REFERENCE OF SUB-GROUP 3 OF WORKING GROUP 4

#### 3.1 Retention of Business Confidence in the TBVC states.

The different and lower tax system in the TBVC states which tend to benefit company owners and not the poor working class need to be harmonised with those of the RSA. An independent Commission need to be appointed to work out smooth harmonisation during transition. The immediate reincorporation of the TBVC states will make them part of the interim government, reduce labour unrests in the whole of the new South Africa and enhance business confidence.

#### 3.2 LAND TRANSFERS

There should be a moratorium on land transfers to suspend transfer of state-owned land between SA and the TBVC states.

#### 3.3 DISPOSAL/TRANSFER OF ASSETS

On reincorporation all TBVC states assets will be taken over by the new SA government. The modalities of the whole transfer exercise should be worked out, during transition, to avoid disruptions.

#### 3.4 OPTIMAL USE OF EXISTING INFRASTRUCTURE

These are public and welfare structures such as education, health, unemployment insurance programmes which are recommended to continue functioning during transition until they are replaced by new rationalised infrastructures negotiated by independent commissions.

#### 3.5 REVIEW OF DEVELOPMENT PROJECT PRIORITIES

It is recommended that an independent Commission be established after CODESA II to investigate and determine revised national priorities which will ensure an equitable allocation of resources,

devoid of the present duplication of services and discriminatory allocations based on race. It shall be the responsibility of the interim government to implement the new priorities.

3.6 GOOD ADMINISTRATION DURING TRANSITION

Existing structure in the TBVC and self-governing states should continue to function under an interim government until they are smoothly substituted by rationalised structures, including a rationalised Public Service Commission, worked out by an independent Commission.

3.7 APPROPRIATE MEASURES DURING TRANSITION

Multilateral commissions at all levels of the interim government should be set up to ensure smooth harmonisation and the minimisation of disruptions.

3.8 FUTURE OF THE CIVIL SERVICE

Steps should be taken to ensure that no public servant lose his/her job benefits because of rationalisation and integration of services.

An independent commission should be established after CODESA II to negotiate the smooth formation of one decentralised civil service.

3.9 SERVICING AND REPAYMENT OF TBVC DEBTS

The interim government should take over the repayment of all debts incurred by the reincorporated TBVC states. The fact that the TBVC states have no foreign loans other than those from South Africa makes solving this problem easier.

#### 4. CONCLUSION

The importance of the immediate reincorporation of the TBVC states cannot be over-emphasized to make them part of all interim arrangements made to bring about one undivided, nonracial South Africa - this will enable these states enjoy all the benefits of the new South Africa from the beginning of the end and not be initially excluded, only to get remnants as late-comers.