

Submission to
Working Group Three
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E c o n o m i c s P a r l i a m e n t
f o r f a s t d e m o c r a c y

SUMMARY

The quickest way to bring democracy to South Africa is to have a universal election for an economics legislature to take over all state-side levers of the economy from the current parliament.

While this will not immediately bring democracy to every facet of life in our country, it will place the majority in political control of what is of most importance to them. Only through the economy can the great body of the majority achieve their aim of entering the First World.

This method will be quickest because it:

- starts from the indisputable fact that we have an integrated economy;

- does not summon up immediate Afrikaner fears that black nationalism will rampage through society in the same way theirs did after 1948;

- will be elected as a permanent institution instead of first an interim constitution-making body and then a new parliament under a new constitution.

Once the economics parliament is in operation, it will have an enormously healthy effect on mutual respect and co-operation. Democracy will then be much more easily widened, with every group more inclined to give priority to economic growth.

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TO THE MEMBERS OF WORKING GROUP THREE -

Development of the thinking summarised on page 1 has from the start come about through journalistic efforts. I present the story of that development as a description of those efforts.

In 1973, I was a writer of radio news bulletins at the SABC and handling a great deal of material dealing with Britain's entry to the EC. I became convinced then, and remain convinced, that this vast exercise in the separation of economic administration from the ordinary political type has meaning for our country.

Simplistic

Initially I took the simplistic line that -- as in the EC -- the application of the principle would mean co-operative structures between a number of sovereign states. An article in The Star on August 23 1973 was headlined "ECSA better than a federation" (ECSA standing for Economic Community of South Africa), and for many years that was the basic cast of my thinking.

However, an article published in the Christian Science Monitor in the US in 1983, under the headline "Can business sense save South Africa?" foreshadowed a fundamental change which would come about after Mr Nelson Mandela's release from prison in 1990.

Part of the article read: "Down at the southern tip of Africa is an associate of Western Enterprises Inc that is turning over some \$70 billion a year. At constant prices, turnover has risen 20% since 1975.

"Of course, most people -- including South Africans -- don't think of the country in those terms. To outsiders it is preeminently the country in which 4,5 million whites subjugate five times as many people of other races. To its inhabitants of all races, it is their homeland about which they think in fierce (and opposite) nationalistic terms.

"For the Afrikaners, the largest group among the whites, it is forever the land of the Voortrekkers, Paul Kruger the victim of the British, and gradual Afrikaner ascendancy until the declaration of the Republic of SA in 1961. For blacks, it is the land of which their forebears were deprived, and land of dead Steven Biko and imprisoned Nelson Mandela, the land which could one day be Azania.

"There is truth in all these views. But whereas the others have enormous emotional support from millions of people, the business-oriented view mentioned in the first paragraph has none at all. This is a serious indictment of people who live by the free enterprise system and who have sat at the feet of Adam Smith and Peter Drucker.

"... Adam Smith would surely have pleaded for the use of all manner of ingenuity to safeguard SA's production capacity against wanton alienation between the country's peoples, which must (particularly after the Pretoria bomb-blast this year) lead to further outrage and counter-outrages, a damaging lack of common objectives, and a potential flight of capital and expertise. Writings of Peter Drucker speak of what can be achieved if men bring their organisational ability to bear.

"What South Africa needs above all is a new view of the role of each of its peoples, and the interaction of those roles.

"Show the descendants of the Voortrekkers who founded the Boer republics that history has made them political managers of the West's most successful production offshoot in Africa. Persuade the 'Azanians' that, provided they move carefully, this same production capacity can uplift them more swiftly than any other Africans will be uplifted ... "

Response to black view

In the nature of our politics in the early Eighties, I had little opportunity to respond directly to black views. However, such an opportunity presented itself when the then president of Azapo, Mr Lybon Mabasa, took a swing in the Rand Daily Mail at the capitalist system after the signing of the Nkomati Accord in 1984.

My article in response began: "Although the view of SA that Mr Lybon Mabasa presented in the Opinion article in the Mail on March 16 is raw and unsophisticated -- and without the slightest appreciation of the economic production (and employment) unit that white entrepreneurs have set up here, there seems some hope that he could be persuaded towards a more mature one.

"... Aren't we all aiming at a SA which will be the biggest and most efficient production unit we can make it?

"It is only such a SA that will give all our descendants the export earnings and internal markets, and hence the living standards, they deserve.

"In that case, we should become much more managerially-oriented in our thinking, giving importance to harnessing the effort of every section of the population to the great task.

"Afrikaners should become aware the independence of national states as they are today falls far short of satisfying the legitimate political aspirations of the people who must necessarily have the largest role in that economic future.

"Blacks should become aware that whites will not give of their best after any rationalisation which does not take into account the desire of many of them to continue a distinct nationhood ... "

"... His (Mr Mabasa's) people, too, are moving into modernity. They will appreciate a solution here derived from some of the best thinking (such as that of the designers of the EC) the world has to offer.

"... equality of economic opportunity will mean equality in every other way.

"It will also pay everyone to keep in mind that, while historical imbalances in SA have to be redressed, in the modern world it is not possession of territory as such which gives wealth; it is mainly skill and work which do so, as the Japanese example shows so clearly.

"Prosperity is not won by guns, and as much as Mr PW Botha should remind whites of that, so much should Mr Mabasa and other black leaders remind their people ..."

Greater sophistication

My application of the lesson of the EC took a much better direction in 1990 after the release of Mr Nelson Mandela.

In a letter published by The Times, London, on July 9 under the headline "ANC role in a new southern Africa", I said:

" Sir, It is excellent that Mrs Thatcher and Mr Nelson Mandela appeared to 'find' one another at their meeting (report, July 5), but is it not time thinking people -- and Europeans in particular -- started urging South Africa's black statesman in a new direction?

"At a time when the quest for effective politico-economic systems is universal, shouldn't the ANC aim higher than to govern a still unitary South Africa? Should it not aim to lead, in South Africa in the first place, a system which Western investors would hail as a regional replica of the EC?

"The opportunity exists for it to side-step administrative occupation of Pretoria and rather insist on black leadership based in South Africa own economic capital, serving other sub-continental countries in addition -- for Brussels read Port Elizabeth, Durban or Cape Town? One can barely imagine a scenario more inviting to foreign investment, since the country's black people will have shown a sure grasp of modern reality -- and a willingness to concede management-experienced whites a (much-reduced) 'homeland'.

"The New South Africa needs not just a black de Klerk or Margaret Thatcher, but a chief co-ordinator of sub-continental economic co-operation, with local status much higher than that of M Jacques Delors in the EC. The multi-lateral council or commission he chairs will direct the sub-continental economy and infrastructure as widely as peoples wish to share in the dispensation.

"Imagine the praise historians would heap on a Mandela who became much more than the leader of his people to liberation; who became a 'Delors-plus', putting an entire sub-continent firmly on its path into the First World."

I followed that up later in the same month with an open letter to Mr Mandela himself in The Pretoria News, under the headline "High Road to an SA 'Brussels':"

"Sir, South African history was made as an EC summit debated your view on sanctions and you put it to the president of the world's most powerful nation. There are, of course, plenty of people who will that, in Clem Sunter's terminology, sanctions are part of a Low Road to black liberation -- liberation before economic progress!

"However, I write to suggest that you have before you not just a High Road in that debatable context but another, leading to a unique niche in history.

"This High Road certainly bypasses the failed experiment now exposed in Eastern Europe. But, more than that, it rises on the sort of solid ground which is in place in Western Europe as the EC moves towards 1992.

"Naturally, long-held inclinations within your liberation movement are towards building a nation-state as the vehicles for a successful economy and the satisfaction of the people's great needs. The very members of the EC developed that way.

"But we are blind if we don't see that the existence of the EC gives another opportunity. History could hail you as the first leader-to-independence to take his people not just to nationhood but to the primary role in an economic community.

"For if we look at South Africa honestly (including the tradition of different capitals for different roles), it lends itself to an EC-process in reverse -- jointly agreed demotion of Pretoria and the rise of a black-dominated 'Brussels' with much greater influence. There can be a takeover of all Pretoria's most significant power without the physical occupation of it so feared by our country's Piet Rudolphs (and Treurnichts, etc).

"Integrated monetary and other systems already in place -- while eastern Europe still aspires to them -- can pass under black control without serious confrontation.

"And an economic community drawing wide foreign investment can direct industrialisation to where our largest conurbations should be -- in the well-watered eastern-seaboard regions.

"In an open letter to Piet Rudolph in The Pretoria News on April 25, I said his actions (in raiding the SAAF armoury) had been a disservice to the 'Boer' contributors to Africa's most sophisticated economy. What a coup for common sense if you should deny him his cause -- and also quite possibly end ANC-Inkatha rivalry -- by opting for the High Road of a real modern statesman."

Finally ... the economics parliament

The approach of Codesa moved me away from the "Brussels" theme to what is really at the heart of the EC's maturation -- a powerful role for its parliament at Strasbourg. From there, it was only a short step to seeing the function that an economics parliament could play for us.

In The Star, under the headline "SA needs to follow W. Europe's path for growth", I wrote:

"Daily we witness increasing fractiousness among South Africa's population as majority rule approaches. On the Left, it stems from the fear that that rule won't be complete enough; on the Right from fear that the Afrikaner heyday will turn into subservience.

"It seems the best approach towards achieving a peaceful transition lies in focusing on our greatest joint asset, the economy.

"In Europe an economics administration has gradually taken over certain reins of sovereignty from 12 different nation states. Here, the equivalent would be for the current, white-dominated parliament to transfer economics administration to a majority-dominated economics parliament.

"Economics administration could be defined as everything which has a direct bearing on the functioning of the economy, and should include taxation, initial allocation of revenue, control of the macro-infrastructure and industrial relations legislation.

"Envisage, then, that the ANC has the majority in the economics parliament and an ANC Cabinet or commission is the executive arm of the parliament. This can be achieved even before the passion-arousing issues of language, flag and anthem are dealt with.

"On coming into power in this way, the ANC must act in the best way possible to, at last, manage the economy in the interest of its long-suffering constituency. However, as in Europe, there will be no question of turning against the (in our case, electorally) vanquished, but rather an effort to get the best out of everyone.

"The spirit of Adam Smith, the canny Scot who first delineated how a free-enterprise economy works, will surely cheer. It is a sad reflection on Codesa 1 that nobody there invoked the name of Smith. His legacy routed Marx and Lenin and caused even Western European nations to alter their course for the sake of better economic achievement.

"Putting the economy under majority rule as quickly and smoothly as possible is something foreign investors will applaud. And the far Right and far Left will be under increased pressure to participate in the parliament."

The forthcoming whites-only referendum shows up in a poor light when one has adopted such thinking.

Just before I started writing this submission, I drafted this letter to the Editor of The Times:

"Sir, The South African referendum and the imbroglio over it between the National and Conservative Parties are still more evidence that no-one is yet giving priority to our integrated economy, which serves everyone.

"It is in calling everyone to safeguard and expand the economy that the best chance lies of every section of society getting an even-handed deal. If it could speak, the economy would be neither grasping nor vindictive, but merely wish to see each section fully productive.

"In preference to an unproductive 'showdown' in White South Africa, it would surely call for full democracy, first, in its own running. What a healthy atmosphere could stem from a universally-elected legislature to take over all the state-side levers of the economy from the current parliament.

"Such a parliament might not be to the taste of the white Right but can hardly be seen as harbinger of the deaththroes of Afrikanerdom. At the same time, real power will pass to the representatives of the majority (probably the ANC, with Nelson Mandela then truly able to lead his people into the First World).

"In the final years of the 20th Century, contemporary history advocates a system avoiding a nationalist march through our society like the National Party's in mid-century. An economy-driven system will be the best liberation of all."

That last sentence is an excellent one with which to rest my case. It certainly completes the journey from a very different position -- similar to that of the Boerestaters -- which is not acceptable in terms of either history or justice.

Let me conclude by saying that that when a government offers change in a national dispensation, it naturally must put up for negotiation the constitution under which it governs. It is also understandable that liberation movements will think of liberation in terms of that constitution being amended.

It is true that, in the final event, a constitution is necessary to give effect to peoples' rights.

But that does exclude there being, on the path to that constitution, mechanisms by which power may be transferred in a very real way -- and much faster than would otherwise be the case. An economics parliament is such a mechanism --and may, indeed, be one we need to avoid civil war.

I shall hope for a hearing before your Working Group so that we may together analyse the thinking presented here.

Yours sincerely,

Ron Schurink