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Book Review

G. Marcus Cole

Notre Dame Law School, gcole2@nd.edu

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BOOK REVIEW

Towards a Post-Apartheid Future: Political & Economic Relations in Southern Africa, Gavin Maasdorp and Alan Whiteside, editors, New York: St. Martin's Press, 1992.

*G. Marcus Cole**

Towards a Post-Apartheid Future may be the most unique effort in the history of constitution-drafting, presenting the people of South Africa an opportunity perhaps never before afforded an emerging nation. The book is the culmination of a project undertaken by the Economic Research Unit at the University of Natal. The purpose of the conference at which the component papers were presented was to examine the likely business and political environment to emerge in the region from the rubble of apartheid. The result is an insightful and timely font of raw material to fuel the formation of a new government in South Africa, and new relationships throughout the region and the world.

Alan Whiteside and Gavin Maasdorp have compiled what is possibly the most significant basis for understanding the political and economic context for constitutional change in Southern Africa since Walter William's seminal work, *South Africa's War Against Capitalism*.¹ It must be stressed here that *Towards a Post-Apartheid Future* is primarily concerned with the political and economic relationships throughout the region of Southern Africa. Nevertheless, the aspiration of this review is to evaluate the potential significance of this project as a source of social scientific data and analysis for the crafting of a constitution upon which new legal and commercial relationships might be based. Accordingly, the substance of each individual contribution is discussed with an eye toward its import for the birth of new political structures. Next, the project as a whole is distilled to a common theme. Finally, this observation is used as a basis for suggesting how this project might inform negotiations and deliberations over a new constitution in South Africa.

* B.S. Cornell University, 1989; J.D. Northwestern University School of Law, 1993.

¹ WALTER E. WILLIAMS, *SOUTH AFRICA'S WAR AGAINST CAPITALISM* (1989).

I. THE POLITICAL AND ECONOMIC ENVIRONMENT
OF SOUTHERN AFRICA

Whiteside and Maasdorp provide an excellent introductory chapter, outlining the book's elements, contributors, and aspirations. They forthrightly and immediately apologize for the project's most glaring yet understandable shortcoming: the lack of timeliness in the chapters on the political environment of change. The book grows out of a project launched in 1988, and the contributions arose from papers presented at a conference in 1989. While the contributors had some chance to amend their papers after that, the sweep of events both in South Africa and the world at large have rendered much of the political analysis obsolete.

Although many of the succeeding chapters mention President F. W. de Klerk's earth-shaking speech before the South African Parliament on February 2, 1990,² it is clear that all of the papers were substantively complete before that event. As a result, many of the previously unimaginable events that occurred during the book's publication process go unaddressed. This shortcoming is particularly apparent in the contributions made by the political scientists on the history and current political context of the region. These chapters simply did not wear well with time.

The chapters on the condition of and prospects for the South African economy are timeless, however. The introduction outlines exactly what has been attempted by the contributors in this regard. The editors here cannot resist revealing some of the more astonishing findings of these studies. Yet these peeks provide only a minor glimpse of what is to come in the very readable yet informative analysis of an economy that serves as the fulcrum of change.

Whiteside and Maasdorp give us a very complete picture of both the goals and the achievements of this project. This chapter succeeds as a necessary introduction to what may accurately be described as a very accessible primer for anyone interested in gaining a grasp on present and prospective economic and political conditions in the region.

A. The Political Landscape

Unlike much of the other political discussion in the book, Robert

² In his speech to open Parliament on February 2, 1990, President F. W. de Klerk announced the removal of the ban on the African National Congress (ANC), the South African Communist Party (SACP), and the Pan Africanist Congress (PAC), and also declared that his government was firmly committed to pursuing negotiations with the leaders of majority groups. Robert Schrire, *White Politics and Strategies in the 1990's*, in *TOWARDS A POST-APARTHEID FUTURE* 10 (Gavin Maasdorp and Alan Whiteside eds., 1992).

Schrire's contribution, "White Politics and Strategies in the 1990's,"³ is primarily historical, and as a result, unshaken by the passage of time. This historical perspective should not, however, lull anyone with even the most extensive familiarity with South African politics into skipping this piece. Schrire's analysis can only be described as "surprising," and simply should not be overlooked.

Schrire outlines the forces that came together to paint White South Africa into its current corner. First he describes the recent historical developments leading up to the crisis within the White political machinery. Next, he explains the ascension of F. W. de Klerk, and the political landscape he inherited. Schrire then lays bare the cold political logic behind de Klerk's decision to move toward negotiations with representatives of the majority population. Finally, he provides a now obsolete analysis of how the negotiations might have taken shape.

Schrire asserts that apartheid could remain viable only so long as four conditions existed: (1) international indifference with respect to South Africa's domestic structure, (2) a growth oriented domestic economy, (3) the acquiescence of Black South Africans to White rule and policies, and (4) a united and cohesive White minority. He further asserts that all four elements of this artificial imbalance unravelled under President P. W. Botha. Revolts by Blacks erupted nation-wide. These were met with declarations of states of emergency, which led simultaneously to a loss of confidence by major Western banks and other business concerns, as well as international scrutiny. The combination of political instability and global sanctions weakened the economy drastically. These developments led to a disintegration of the final condition necessary for the maintenance of apartheid: White cohesiveness.

The splintering White minority was suddenly confronted by another stunning development when Botha resigned as National Party (NP) leader in February 1989, following a stroke. F. W. de Klerk emerged from very hotly contested caucuses as his party's leader, and after a lengthy power struggle, he forced Botha out of government. Flight to the Conservative and Democratic Parties (CP and DP, respectively) was enough to reduce the NP to a minority of white support for the first time in thirty years, but was not enough to deny de Klerk control of the reigns of government. But the political winds led him to two very painful conclusions: (1) that a "business as usual" or even an "incremental change" approach would cause the NP to lose panicked White voters to *both* the far right CP and the liberal DP; and (2) that the "big leap forward" was the only way the NP could stay in control of a society confronted by

³ *Id.*

changes which were inevitable. According to Schrire's interpretation of the election results, de Klerk's decision to pursue negotiations with representatives of the Black majority was simply a logical extension of the NP's desire to remain atop the White minority political machinery. This startling conclusion renders Schrire's discussion about possible negotiation formats as anticlimactic as it is outdated.

Paulus Zulu's contribution, "The Extra-Parliamentary Opposition in South Africa,"⁴ outlines the source of power of the Black masses in the changing political environment of South Africa. Zulu compiles a glossary of the organizations that spearheaded the extra-parliamentary opposition during the period through which Black political organizations were banned. Zulu's explanation of the various positions held and roles played by the various organizations is both concise and informative. However, he treats these organizations as some neatly orchestrated concert, in complete contravention of the descriptions he himself provides. While Zulu recognizes the significance of the opposition in the events leading up to the current negotiations, he sees the extra-parliamentary opposition as having outlived its purpose. As a result, Zulu argues that its constituent groups should be disbanded.⁵

What Zulu fails to recognize in his own description is that the extra-parliamentary opposition can be characterized as a spontaneous order which developed from the political environment created by the White minority government. This order filled an artificial vacuum. As the need arose, so did the extra-governmental bodies to address that need. These organizations are likely to continue to thrive, Zulu's recommendation notwithstanding, as long as the demand for outlets of political expression persists. Banning political activity among an oppressed people appears to have been analogous to banning drugs in most western democracies; laws do not stem supply and demand, they merely alter the routes by which they find each other.

Unlike many of the other political observers contributing to this collection, Zulu's analysis has not suffered obsolescence with the sweep of events in South Africa. While this piece does not dwell extensively on the prospects for the future, it provides a foundation necessary for any understanding of the roots of the power that threatened any hope the White minority might have held of maintaining the apparatus of apartheid.

Hasu Patel, in "The SADCC States, the International Environment

⁴ Paulus Zulu, *The Extra-Parliamentary Opposition in South Africa*, in *TOWARDS A POST-APARTHEID FUTURE* 29 (Gavin Maasdorp and Alan Whiteside eds., 1992).

⁵ *Id.* at 43.

and Change in South Africa,"⁶ provides a succinct blotter on the important political developments in the neighboring states of the region. This entry furnishes the reader with a cursory understanding of the regional context in which the changes within South Africa occur. Patel takes each neighbor, state by state, and details the recent history of both the respective relationships with South Africa, and the domestic events which impacted these relations.

While Patel masterfully constructs the framework necessary for a full understanding of the circumstances in South Africa, his piece suffers, more than any other in this collection, from the rapid pace of events which occurred during the publication of this book. Surprisingly, it is the analysis and not the report of the climate that has been left behind by the sweep of time. The respective national reports bring us only up to the dramatic de Klerk speech of February 1990. However, it is the earlier events that appear to be of most significance anyway. What is troubling about Patel's analysis is how wide of the mark it has proven to be with the hindsight afforded by the lag in publication. He appears to find it impossible to envision any resolution to the conflict within South Africa without the direct involvement of the United States and the Soviet Union. While there may have been strong support at the time for the idea that such intervention might be necessary, it appears that Patel had taken it to be a foregone conclusion.

This shortcoming, however, should not overshadow the fact that Patel provides a concise yet complete outline of key political developments in the region over recent decades. In fact, it is unlikely that a comparable treatment of the region's history could be found anywhere else. This aspect of Patel's contribution provides important and necessary background information for the rest of the book.

B. The Economics of Race

Ronald Bethlehem's contribution must be considered the cornerstone of this collection. In "Economic Development in South Africa,"⁷ Bethlehem spells out precisely the extent of the degradation of the South African economy over the last few decades, with statistical simplicity. It becomes unmistakably clear upon reading this chapter that the driving

⁶ Hasu H. Patel, *The SADCC States, The International Environment and Change in South Africa*, in *TOWARDS A POST-APARTHEID FUTURE* 45 (Gavin Maasdorp and Alan Whiteside eds., 1992). The Southern African Development Coordination Conference (SADCC, commonly pronounced "sadecc") is an economic cooperation association made up of Swaziland, Lesotho, Botswana, Mozambique, Zimbabwe, Malawi, Zambia, Tanzania, Angola and Namibia. *Id.*

⁷ Ronald Bethlehem, *Economic Development in South Africa*, in *TOWARDS A POST-APARTHEID FUTURE* 62 (Gavin Maasdorp and Alan Whiteside eds., 1992).

force behind change in South Africa has been the near "free fall" decline in economic growth accompanying the efforts to buttress apartheid. While growth has been marginally positive, Bethlehem demonstrates that this was "more in spite of apartheid than because of it."⁸

He characterizes the necessary policy goals of any future government as diametrically opposed. He asserts up front that South Africa has two principle long-term needs: job creation and competitiveness in export markets.⁹ Domestically, a population growth rate of 2.5 percent (2.9 percent among Blacks) has created pressure for job creation.¹⁰ However, he also asserts that any government to emerge from the current conflict must also be concerned with the maintenance of South Africa's competitiveness in the export markets in which it participates. This goal, he maintains, requires capital-intensive investment, which he finds to be generally inconsistent with job creation or labor intensive investment.

Bethlehem spends much of the remainder of his piece describing the current state of the South African economy. First, he details the structure of the economy, with agriculture and mining accounting for 11 percent and 10 percent of gross domestic product (GDP) respectively.¹¹ Perhaps the most surprising statistic here is that exports account for 55 percent of the country's production.¹² This dependence on exports, he contends, situates South Africa uniquely in the dubious position of being ultra sensitive to fluctuations in the world economy.

Next, Bethlehem asserts, without further explanation, that the government's efforts to reduce the wage gap between Whites and Blacks and to accommodate union demands have ironically led to completely unintended results. In fact, such policies have resulted in "the relative cheapening of capital and, thus, also to an aggravation of unemployment."¹³ Third, he starkly represents the disparities in wealth and income distribution, in part through the use of "the Gini coefficient."¹⁴ "The Gini coefficient measures income inequality on a scale from naught to one, independent of population size or average income level."¹⁵ Bethlehem contrasts South Africa's Gini coefficient of 0.68 with coefficients in Western industrialized countries of between 0.35-0.41 and in "semi-industrialized countries" of between 0.50-0.60.¹⁶ Alternatively, 5 percent of the

⁸ *Id.* at 64.

⁹ *Id.* at 62.

¹⁰ *Id.*

¹¹ *Id.* at 64.

¹² *Id.* at 63.

¹³ *Id.* at 69.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

population owned 88 percent of the wealth in 1975.¹⁷

Bethlehem finds these statistics important for two reasons. First, he points out the reduced pool for entrepreneurial participation. Second, and perhaps more significantly, the political ramifications are large. Bethlehem sees the disparity in income as the key factor fueling the push toward redistributive approaches to state reform. But he cautions against such approaches, noting the devastating impact such a move would have on any economy, including the threats to capital retention and productivity.¹⁸ Bethlehem importunes business leaders and stakeholders to address factors impacting income disparity in order to avert the political pressures for state-sponsored redistribution.

From here the picture only gets worse. Bethlehem unveils an economy characterized by a surplus of unskilled workers for skilled positions which go begging, and a stifling concentration of industry. Financial sanctions imposed in 1984 stemmed the steady flow of much needed imported savings. Then the dam burst. Capital flight in the 1980's resulted in a net capital outflow almost three times the real net capital inflow for each of the three preceding decades.¹⁹ Bethlehem characterizes this development as "the single most serious threat posed to the future development of the country."²⁰

Bethlehem employs this gloomy foundation to outline the political possibilities confronting interested decision makers. He correctly characterizes the role of the state in the economy as the central issue beyond the establishment of popular sovereignty, and identifies four possible functions of government: (1) social regulator, (2) producer, (3) entrepreneur, and (4) "macroeconomic stabilizer."²¹ The varying degrees to which these functions are pursued is the backbone of the ideological struggle underlying the transfer of power. The ruling National Party, as well as the socialists that are well represented in the Black opposition, advocate extensive state involvement in the economy. This coincidence was at the heart of Walter Williams' expose, mentioned earlier.²² Liberals, on the other hand, hope to limit the size and involvement of the state in the market. This ideological struggle has been complicated by the recent worldwide disillusionment with state intervention.

At this point Bethlehem points to the most threatening possibility confronting decision makers in South Africa. This is the fact that many

¹⁷ *Id.*

¹⁸ *Id.* at 70.

¹⁹ *Id.* at 72.

²⁰ *Id.*

²¹ *Id.* at 74.

²² See WILLIAMS, *supra* note 1.

of the proponents of popular sovereignty view moves toward privatization and deregulation as mechanisms by which the White minority can maintain control of economic power. Privatization is viewed as a veiled transfer of wealth from the public sector where White control has become untenable, to a private sphere where majority political forces might find their reach limited. Deregulation is viewed as a means by which the White minority might wield its amassed economic clout to fend off historically handicapped Blacks.

While Bethlehem acknowledges both the legitimacy and reasonableness of these fears, he sends a caution to those decision makers who might use these concerns as a basis for maintaining or even increasing the role of a post-apartheid state. Even the more doctrinaire socialist governments of the world have come face to face, he argues, with the shortcomings of central planning and its complete inability to direct complex market forces. He admonishes the new order to not lose sight of the benefits of free, decentralized, private markets. Prosperity need not entail continued minority control of economic factors, nor extensive government involvement.

Bethlehem concludes his contribution with a somewhat dated analysis of potential outcomes of negotiations to transfer power. He sees South Africa's future as dependent upon which of three possible scenarios characterize the resolution of the current crisis: (1) "conflict resolved," (2) "muddling on," or (3) "mandatory sanctions."²³ He details what he believes will happen to growth, employment, inflation, and the balance of payments under each of these possibilities. The progress toward free and open elections in April 1994, however, appear to limit the relevance of his discussion to the "conflict resolved" scenario. In any event, Bethlehem's contribution is unquestionably the most significant for constitution drafters, if for no other reason than his well-stated admonition against reactionary resistance to market approaches.

Raphael Kaplinsky gives a more technical analysis of the region's economic environment in "The Manufacturing Sector and Regional Trade in a Democratic South Africa."²⁴ Kaplinsky gives a multidimensional explanation for the decline in South Africa's growth rates. In his view, four factors have contributed to the decay: (1) the costs of apartheid, (2) sanctions, (3) the decline in commodity prices, and (4) the "Dutch Disease."²⁵ All but the latter are self-explanatory.

²³ *Id.* at 76.

²⁴ Raphael Kaplinsky, *The Manufacturing Sector and Regional Trade in a Democratic South Africa*, in *TOWARDS A POST-APARTHEID FUTURE* 83 (Gavin Maasdorp and Alan Whiteside eds., 1992).

²⁵ *Id.* at 89.

The Dutch Disease occurs when a country has a natural resource with a high rent component, such as (in the case of South Africa) gold.²⁶ The effect is to raise the exchange rate to a level that is higher than would be the case in the absence of the resource. This, in turn, makes imports more attractive than domestic production and reduces domestic currency receipts.²⁷ The result is a decline in manufacturing, and the threat of an inability to maintain economic growth once the natural resource is depleted.

Kaplinsky devotes much more discussion to the possibilities for post-apartheid industrial policy. Here, he advances the Marxist concept of "the Enabling State,"²⁸ and its potential for resurrecting the South African economy. This concept represents Kaplinsky's concession that state ownership of the factors of production probably cannot serve as a workable alternative to private management of factors of production. However, he sees the failure of socialized institutions around the world as no reason to proscribe heavy involvement by an "enabling state," legitimized through such interventionism. Furthermore, he sees the high concentration of ownership of the factors of production to be inimical to real progress in industrial policy. Accordingly, he believes that the ownership structure of South African industry must be changed. How he might effect this restructuring is left unanswered.

An analysis of the regional economy of Southern Africa is undertaken by Anthony M. Hawkins in "Economic Development in the SADCC Countries."²⁹ Hawkins focuses his study on the membership of the Southern African Development Coordination Conference (SADCC).³⁰ He finds five factors influencing policy change in the region: (1) conservative Western donor strategies, directing aid funds towards private sector and privatization programs; (2) the success of the Asian rim example; (3) the increase in conditional, policy-based lending; (4) the collapse of the ideology of the command economy around the world; and (5) the recognition by African governments of the abject failure of their own efforts at state planning and ownership. As a result of these factors, all SADCC states except Botswana and Swaziland have moved to introduce market-oriented reforms.

The recent changes in economic policy among SADCC members comes none too soon. Hawkins portrays the existing economic environ-

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.* at 94.

²⁹ Anthony M. Hawkins, *Economic Development in the SADCC Countries*, in *TOWARDS A POST-APARTHEID FUTURE* 105 (Gavin Maasdorp and Alan Whiteside eds., 1992).

³⁰ *Id.* at 105.

ment as very bleak. Agricultural production has declined in each of the SADCC states throughout most of the 1980's.³¹ Manufacturing has fallen as a percentage of gross domestic product over the same period. By 1984, SADCC's share of sub-Saharan productive output has dropped off by almost half from mid 1970's levels.³² Mining activity, which accounts for almost all imports for three of the most important SADCC member states, has fallen by almost half from 1976 to 1988, due in large part to depressed international markets and the concomitant reduction in extraction investment.³³ Hawkins attributes much of this decline to the heavy-handed role of SADCC governments that was in vogue over the period.

Next, Hawkins assesses the policies that led SADCC to its current position. The Lusaka Declaration of April 1980 focussed on four broad objectives: (1) the reduction of economic dependence, (2) equitable regional integration, (3) efficient resource mobilization, and (4) international cooperation toward economic liberation.³⁴ These well meant but misguided goals have been all but discarded. The realities of the market have led all of the nine SADCC members to abandon the rhetoric of Lusaka. The idea that SADCC's "trade arrangements should not be at the mercy of free market forces or foreign companies"³⁵ has given way to individual member efforts to embrace both, in large part because of the havoc resulting from the failure of central planning.

The central focus of Hawkins' analysis of a post-apartheid future is the possibility of a broadened and deepened role for SADCC in the regional economy. By the term "broadening," Hawkins refers to the expansion of the reach of SADCC to other states in the region, as well to other regional economic institutions. Alternatively, "deepening" refers to increasing the level of economic coordination and cooperation. Hawkins sees deepening as the more controversial of the two concepts, and holds little hope that SADCC will experience it in the 1990's for four reasons: (1) members fail to see a need to cede autonomy to a central authority; (2) members maintain a strong desire to control economic institutions; (3) deepening is technically complex, and members lack the expertise necessary; and (4) divergent policies at various levels will frustrate attempts at coordination.

With the conviction reflecting his sympathies with the "centrists" of the European Communities, Hawkins insists that deepening is necessary

³¹ *Id.* at 108.

³² *Id.* at 109.

³³ *Id.* at 110.

³⁴ *Id.* at 115.

³⁵ *Id.*

for growth in Southern Africa. He lists various policy priorities ranging from increased domestic savings and investment, to renewed emphasis on manpower development, to import liberalization. Additionally, he identifies key industries deserving special focus. What he fails to identify, however, is the role federalism can play in regional economic development. Like the leading voices in the European Communities, Hawkins appears to value central coordination over the competitive discipline exacted by a federal relationship between neighboring states. This ideology tends to attribute all of the success of systems like that of the United States to "open borders" rather than "open competition" for economic activity through political and economic freedom. This bent, however, should not overshadow the true value of Hawkins' contribution: the fact that he documents the about-face of a group of governments from a position firmly committed to resisting market forces, to one reluctantly but energetically recognizing and embracing them. There is a profound lesson here for the people of the new democracy emerging in South Africa.

Gavin Maasdorp follows Hawkins's analysis of SADCC with a more generalized treatment of "Trade Relations in Southern Africa."³⁶ Maasdorp explains the very existence of SADCC as a product of apartheid; normal relations between South Africa and its neighbors has been impossible. His focus here, however, is on the value of "SADCC the regional trading block" as a vehicle for the growth of a new South African economy.

Maasdorp gives a very thorough explanation for the growth of regional trading blocks. He employs the Marxist concept of "regional economic hegemony,"³⁷ and asserts that "macroeconomic policies and management . . . are the crucial determinants of a country's progress."³⁸ He points to the three large trading blocks of Europe (the EC), North America (NAFTA), and Asia (Association of South-East Asian Nations, or ASEAN) as evidence of the wave of the future. With the transformation of the centrally planned economies of Eastern Europe, Maasdorp fears that unless Southern Africa responds with a trading union of its own, investment resources will be diverted away from the region.

From here Maasdorp departs on an involved description of economic integration theory. He compares four levels of economic integration, from lowest to highest degree of integration: (1) a free-trade area, (2) customs union, (3) common market, and (4) economic union. The different forms vary on the basis of the: (a) mere elimination of internal

³⁶ Gavin Maasdorp, *Trade Relations in Southern Africa - Changes Ahead?*, in *TOWARDS A POST-APARTHEID FUTURE* 132 (Gavin Maasdorp and Alan Whiteside eds., 1992).

³⁷ *Id.* at 133.

³⁸ *Id.*

tariffs; (b) establishment of a common external tariff; (c) freedom of factor movement; and, finally, (d) harmony of economic policies. Maasdorp's simplified but thorough explanation of the differences makes the concepts clear to even the most uninitiated observer.

Maasdorp then applies these concepts to the current economic groupings in Southern Africa, and assesses the viability of each as a vehicle for regional development. The Southern African Customs Union (SACU), which allows the duty-free movement of goods between Botswana, Lesotho and Swaziland (BLS), South Africa, and Namibia, is viewed by Maasdorp as the most promising economic grouping because it is currently the only economic integration arrangement in Southern Africa. SADCC is less promising because of its much looser organization focussed on facilitating cooperation in various sectors and undertakings. The Preferential Trade Area for Eastern and Southern Africa (PTA) is an Organization of African Unity (OAU) initiative comprised of eighteen countries and is designed to promote trade through reduced trade barriers in the hopes of eventually forming a common market for Africa. Maasdorp questions the benefit of this avenue for South African membership since a post-apartheid South Africa would continue to recognize quality and price advantages with respect to most of its African neighbors, and would gain little from PTA membership.

If Maasdorp's assessment suffers from anything, it is the degree to which it reveals his attachment to the concept of economic integration. In this fashion, his analysis reflects much of the shortsightedness concomitant with the centrist ideology championed by Hawkins only a chapter earlier. Decision makers in a post-apartheid South Africa should not, however, be side-tracked by his unquestioned attraction to economic groupings. Economic policy decisions will be difficult enough with the internal complexities of the South African economy. Maasdorp's analysis, if nothing more, provides an excellent "warning label" detailing the difficulties awaiting any attempt to restructure economic groupings in Southern Africa.

In "Labour Flows, Refugees, AIDS and the Environment,"³⁹ Alan Whiteside contributes what may easily be considered one of the most unique economic studies ever undertaken with respect to any region. Whiteside gives a very technical yet readable account of the pattern of labor movement throughout the region over the past twenty years. Over the period, both worker movement and the percentage of female workers

³⁹ Alan Whiteside, *Labour Flows, Refugees, AIDS and the Environment*, in *TOWARDS A POST-APARTHEID FUTURE* 155 (Gavin Maasdorp and Alan Whiteside eds., 1992).

moving into South Africa has dropped off by almost half.⁴⁰ Simultaneously, the percentage of migrant labor employed in mining has increased significantly. According to Whiteside, these trends are a result primarily of South Africa's unemployment crisis. Workers in surrounding states continue to seek employment in South Africa, while South Africans seek preferential treatment with respect to the limited jobs available.

AIDS has had an interesting impact on labor flows as well. The South African government's insistence on testing workers from Malawi for exposure to the HIV virus caused the closing of a migrant worker employment office there. But incidents like this are dwarfed by the fact that the virus makes economic planning and forecasting impossible in a region where the incidence of AIDS might reach over fifty percent of the population.⁴¹ Whiteside identifies two main costs with respect to AIDS: the direct cost of treating patients, and the indirect cost of premature mortality. According to the World Bank, as much as 80 percent of the cost of AIDS is of the difficult to measure indirect variety. Health care budgets and training expenses are a few of the items that expand with the spread of the disease. With as many as 200,000 victims by the turn of the century, AIDS may prove to be one of the more difficult concerns of a post-apartheid South Africa.⁴²

C. The Politics of the Future

Andre du Pisani adds very little for decision makers and constitution drafters with his contribution, "South Africa and SADCC: Into the 1990's."⁴³ It is exactly at the point at which du Pisani begins to focus on the future of regional relationships that he loses focus altogether. He agrees with Maasdorp on the difficulty of accomplishing economic integration anytime soon after a majority government takes the reigns in South Africa, and that the recent developments in Eastern Europe and the Soviet Union mean competition for scarce development resources from the west. His chapter, however, must be recommended for its useful historical background, should a reader choose to wade through a short but obvious analysis of South Africa's position with respect to SADCC.

A much more interesting contribution is found in "External Pressure for Change in South and Southern Africa,"⁴⁴ by Peter Vale. This

⁴⁰ *Id.* at 156.

⁴¹ *Id.* at 167.

⁴² *Id.* at 171.

⁴³ Andre du Pisani, *South Africa and SADCC: Into the 1990's*, in *TOWARDS A POST-APARTHEID FUTURE* 174 (Gavin Maasdorp and Alan Whiteside eds., 1992).

⁴⁴ Peter Vale, *External Pressure for Change in South and Southern Africa*, in *TOWARDS A POST-APARTHEID FUTURE* 197 (Gavin Maasdorp and Alan Whiteside eds., 1992).

short but compelling chapter systematically documents the global crucible in which South Africa's current climate has been formed. Vale asserts that South Africa was nearly immune to pressure from the outside for much of the cold war era, due to five factors: (1) the country's relative prosperity with respect to an otherwise impoverished continent, predicated largely on the nation's mineral wealth, (2) a sophisticated industrial and technological base, (3) an articulated, staunchly anti-communist ideology, (4) special ties to the United States, and (5) a safe distance from international attention due to other global priorities. However, as the country eventually learned, none of these factors could shield apartheid indefinitely.

These historical observations, however, are only the tip of Vale's iceberg of insight. His concluding observation is that South Africa is about to confront a new, altogether different form of external pressure. Ironically, it is a pressure to respond to economic opportunity and the void in regional leadership. This stands in stark contrast to the recent pressure to comply domestically with basic standards of human decency.

Vale laments that, regardless of how the issues concerning the transfer of power are resolved, sanctions will linger over South Africa for some time to come. This is for two reasons. First, although the actual sanctions themselves have been lifted, they have decimated the landscape of the South African economy. Second, many sanctions "have developed a life of their own,"⁴⁵ the complexities of which may never be fully understood or remedied. Vale concedes, however, that sanctions may have been both necessary and surprisingly effective at bringing apartheid to its knees.

II. TOWARDS A POST-APARTHEID LEGAL ORDER

Despite its minor flaws, this project must be recognized as both a significant contribution to the literature on the South African question, as well as a potential tool for the drafting of a new constitution. To understand how this project might inform decision makers, it may be helpful to first consider exactly what the architects of the country's future might be working toward. Through this lens, a common theme that runs throughout the book may be identified to inform the constitution drafting process.

If there is one resource that South Africa has had in short supply over the past decades, it is freedom. All South Africans, to varying degrees, have lacked the fundamental liberty to pursue ends unencumbered by the resolve of a system of government to sustain itself. Black South

⁴⁵ *Id.*

Africans have been deprived of the most basic demands of human dignity. Ironically, even the most racist, right wing Afrikaner has been enslaved to her racism, her fears, and a government that monopolized the mechanism of protection against the "Black threat." All of the castes in between have similarly confronted the Faustian bargain of Malcolm X's "house negro:"⁴⁶ toleration of, and even aspiration to second class citizenship and its concomitant "bread crumbs" may be an understandable result of the realization that third class status is much worse.

With all South Africans deprived of some form of freedom, a constitution that guards this scarce commodity might be the first order of business. However, as many of the contributors to *Towards a Post-Apartheid Future* have warned, protection of liberty may be furthest from the minds of the soon to be empowered majority. Having been deprived of so many things during the reign of apartheid, liberty may not be at the top of the list of items to secure on Independence Day. Instead, economic control, which was equally absent in the lives of Black South Africans, may be the first thing seized, and possibly at the expense of all else. The leaders of the new South Africa may find the temptation to capture and redistribute the wealth and resources of the *ancien regime* irresistible.

If the contributions to *Towards a Post-Apartheid Future* agree on one point, it is that control of tangible assets is transitory. White South Africa built an empire on the hope that it could forever control the resources of this resource rich land. This empire now lies in ruins. Nationalization of resources was the means by which White South Africa thought it could wrest control of South African society from both Black South Africa and the leveling forces of the market. However, instead of maintaining control of the pie, the Nationalists saw it shrink through their fingers. The very same mistake can be made by a newly empowered majority. The lesson is that if South Africans, rather than protect resources from one another, protected the freedoms of each other, the value and wealth of resources might grow. This is exactly the point Ronald Bethlehem tries to make in his contribution.

Towards a Post-Apartheid Future informs the framers of the new democracy in South Africa that the protection of liberty, particularly economic liberty, is fundamental to any hope of future prosperity. A post-apartheid constitution, therefore, should be especially fortified against one thing, among others: The majority should avoid excessive state intervention in the economy, particularly in the form of "quick fix" redistribution or state ownership of resources. Centrally managed

⁴⁶ Malcolm X, *The Old Negro and the New Negro*, in *THE END OF WHITE SUPREMACY* 87-9 (Imam Benjamin Karim ed., 1971).

redistribution efforts would only temporarily skew resource allocation, and defeat the market mechanisms equipped to accomplish more permanent equilibrium and effective wealth distribution. This lesson has been learned by the centrally planned economies of Eastern Europe and the Soviet Union, as well as by the outgoing National Party in South Africa.

The new leadership should note that, although the contributors to this project represent the most disparate of ideological perspectives, even the most Marxist of these authors shy away from advocacy of resource redistribution. In short, *Towards a Post-Apartheid Future* warns the people of South Africa that grabbing the "pie" will only leave all parties equally hungry. The principled protection of liberty and property will, however, effectuate a slower but more lasting wealth allocation that will benefit all South Africans. While these safeguards do little to arrest the racism and social division that will continue to plague the South African people, such measures will help to ensure the resources necessary to provide basic human dignity, true equality and a higher standard of living for all South Africans.

CONCLUSION

Towards a Post-Apartheid Future may prove to be a useful tool in the construction of a new constitution for South Africa, one perhaps never before used for such a purpose. The book has value to the architects of freedom in South Africa in three primary dimensions. First, as can be seen from the preceding discussion, its pages are a font of raw material. Many of the questions decision makers might ask are answered here. Both hard economic data and objective historical documentation are drawn together from the most disparate sources. Second, the book introduces even the most involved of freedom fighters to facets of the situation of which he or she may be unaware, or with which he or she might have little expertise. Finally, the contributions appear to converge on a common warning for decision makers of the potential pitfalls that lie ahead. The authors alert the people of South Africa to the idea that resources do not promise freedom; rather, it is freedom that results in more resources for all. In this way, the project removes the blinders with which the struggle may have been successfully fought, and stimulates the thought with which victory might be savored and not squandered.