

Reviewing South Africa's Foreign Policy

ANNUAL ADDRESS TO THE SOUTH AFRICAN INSTITUTE OF INTERNATIONAL AFFAIRS (SAIIA) BY THE MINISTER OF FOREIGN AFFAIRS, DELIVERED BY THE DEPUTY MINISTER OF FOREIGN AFFAIRS, Mr Aziz Pahad, 18 April 2002

Today, I have the privilege to deliver the Foreign Minister's Annual Address on behalf of Minister Nkosazana Dlamini Zuma. This annual event has become an important opportunity to enunciate South Africa's foreign policy perspectives and to stimulate public debate on policy issues.

We live in an era of profound change, distinguished by globalisation. Brought about by the following factors:

- * Technological revolution
- * Foreign exchange liberalisation in the early 1970s
- * Financial and trade liberalisation
- * Lowering of cost of transportation as well as increase in speed
- * Rapid advances in Information and Communications Technology (ICT)
- * Unprecedented development of biotechnology

Some manifestations of globalisation that have a profound impact on the global economy and international relations are inter alia:

Flows of capital have increased dramatically in the past twenty years:

In 1980 cross-border transactions in bonds and equities (shares issued by companies) were equivalent to 8% of Japanese GDP; in 1998 the figure was 91%. During the same period it increased in the US from 9% to 230%, in Germany from 7% to 334% of GDP.

The global bond market is terrifyingly big. Between 1982 and 1997 it increased in size by a factor of 6, to around US\$25 trillion. By mid-1999, the total value of bonds outstanding had reached US\$34 trillion. That exceeds not only the total capitalisation of all the world's stock markets (US\$27,5 trillion in 1999) but also the total GDP of all the world's countries (US\$30,1 trillion in 1997).

Governments or other public sector agencies issued more than half of all bonds in 1999. And just under half of all bonds were of US origin. The daily turnover on the world's foreign exchange markets rose from US\$1,6 trillion in 1995 to US\$ 2 trillion in 1998, implying annual flows of more than US\$400 trillion (SA's approx. R11 billion per day or approx. US\$1 billion)

It is vital to have a new financial architecture to manage the unprecedented flows of capital, which can have a devastating impact on our economies. Minister Manuel represents SA in the Committee of 21, which is looking at this matter.

Growing concentration of financial and economic power.

In 1997, around 90% of total bond issuance was issued by just 20 firms (of which Merrill Lynch, Morgan Stanley and JP Morgan accounted for around a fifth). Clearly, we have moved from a world which once was marked by governments with control over resources to one where little wealth is common or public. We live in a world where inequality of wealth and opportunities are growing. This is not only a phenomenon between countries - in the USA, for example, the inequality based on falling real wages for low-paid workers is unparalleled since the Great Depression.

Advances have been made, but it is grossly uneven. Nearly 1,3 billion people do not have access to clean water; one in seven children of primary school age is out of school; an estimated 1.3 billion people live on incomes of less than 1\$ a day. Can we sustain a stable world order when it has been estimated that a 4% levy on the world's 225 most well-to-do-people would suffice to provide the following essentials for all those in developing countries: adequate food, safe water and sanitation, basic education, basic health care and reproductive health care. The growing inequalities between countries is even more stark - one fifth of the world's people living in the highest-income countries have:

- * 86% of the world's GDP - the bottom fifth have a mere 1%
- * 82% of the world's export markets - the bottom fifth just 1%
- * 74% of the world's telephone lines - the bottom fifth just 1.5%

OECD countries with 19% of the global population have 71% of the global trade in goods and services, 58% of foreign direct investment and 91% of all Internet users.

Weakening of democracy and politics

Power is much more diffuse than in the past. Power is no longer exclusively concentrated in governments. Erosion of state power. Non-state actors such as Bretton Woods institutions, financial institutions and monopolies have become increasingly important. Multilateralism is becoming increasingly important to solve problems (e.g. transnational crime and terrorism).

Globally accepted standards and practices have developed in terms of political, economic and corporate governance. What are the implications of this?? Monopolisation is taking place at an unprecedented pace. Nobody is immune, not even the large multinational companies. For example: of the Fortune 500 top companies of 1980, 60% of them had disappeared by 1994 (either bankrupt or merged with other companies); volatility in global financial markets, e.g. Asian melt-down, Latin American crisis. It will become worse, before it becomes better, e.g. The Rand's inexplicable fluctuations - despite the fact that the IMF and World Bank declared that SA has one of the best macro-economic policies of the "emerging markets".

As I said earlier, there is an urgent need for a new financial architecture to manage the unprecedented flows of capital, which can have a devastating impact on our economies.

Degradation and depletion of natural resources

Increasing inter-dependence as the impact and repercussions of migration, financial upheaval, environmental disaster and military confrontations now ripple quickly over the entire planet. Growth of neo-liberal and neo-conservative ideologies, which confuse market economies with market societies and argue that the ideological debate about the nature of political economy has ended. The neo-liberal paradigm gives little consideration to concerns about representative democracy, human rights and social justice, environment, and views globalisation as a deregulated process of being able to do anything anywhere in order to maximise profits.

The historic Millennium Declaration is an alternative perspective that guides our policies, states: " We believe that the central challenge we face today is to ensure that globalisation becomes a positive force for all the world's people. For while globalisation offers great opportunities, at present its benefits are very unevenly shared, while its costs are unevenly distributed. We recognise that developing countries and countries with economies in transition face special difficulties in responding to this central challenge. Thus, only through broad and sustained efforts to create a shared future, based upon our common humanity in all its diversity, can globalisation be made fully inclusive and equitable. These efforts must include policies and measures, at the global level, which correspond to the needs of developing countries and economies in transition, and are formulated and implemented with their effective participation". This clearly underscores the growing reality that: " If a free society cannot help the many who are poor, it cannot save the few who are rich " and secondly, " Development that perpetuates today's inequalities is neither sustainable, nor worth sustaining ". In the context of NEPAD, our foreign policy objective would be to ensure that the Millennium targets, inter-alia: halve the world's very poor by 2015 primary education for all by 2015 reduce maternal mortality by three quarters and under 5 mortality by two thirds, also by 2015 halt and then reverse the spread of HIV/AIDS, malaria and other major diseases by 2015, will be met.

Chairperson, we seek to achieve our objectives, which, since 11 September 2001, have to grapple with the consequences of the heinous terrorist attacks in the US on global security - which was immediately condemned by South Africa in the strongest terms. As a consequence of these attacks, the Global Coalition Against Terrorism has come about. Differences between major powers and regional powers have been put aside to address the new common enemy. New terminology has been born such as the "Axis Against Evil", the language of which is a reflection of the extraordinary times we live in. The world has been divided into one of: "either with us or against us!"

Certain foremost international relations analysts refer to the new emerging world order, which they speculate would stretch at least over the next two decades, as comprising a new Rome with three other major power centres orbiting it, i.e. USA, EU, Japan and China. There is also intense debate among diplomats and academics about the nature of power in this global information age - that is to say: hard versus soft power or a combination of both. Professor Joseph Nye, Dean of Harvard Kennedy School of Government, has recently argued (The Economist, March 23 - 29, 2002) that power resembles a three-dimensional chess game: On the top chessboard, military power is unipolar with the USA dominating.

On the middle chessboard, economic power is multipolar with the USA, Europe and Japan representing two thirds of world production, with China's dramatic growth likely to make it the fourth big player. The bottom chessboard is the realm of transnational relations that cross borders outside government control. Here power is widely dispersed

amongst actors as diverse as bankers and terrorists. According to Professor Nye, it is a three-dimensional game that one will lose if you focus only on one dimension and fail to notice the vertical connections among the three dimensions. How to make hard and soft power reinforce each other, are the key foreign policy challenges!

Unfortunately, since the tragic events of 11 September, there has been a growing contradiction between unilateralism and multilateralism. On the one hand, the Global Coalition against Terrorism is clearly a recognition that the transnational and complex nature of terrorism can only be dealt with successfully through as many as possible countries co-operating to combat it. On the other hand, there is a growing trend towards unilateralism when it comes to the use of hard power, i.e. military force or the threat thereof. There is a debate on whether the latter approach will lead to a new world order that is characterised by more tension, conflict and instability and whether this will impede the endeavours to establish a just and equitable international political, financial and economic system. The South African Government's principled belief in a democratic world order and multilateralism dictates that we continue to fight for the transformation and democratisation of the multi-lateral institutions, including the Security Council and the Bretton Woods institutions.

Notwithstanding the fundamental changes to international relations after 11 September 2001, my contention is that the global challenges affecting humanity are precisely the same as those before 11 September 2001! If anything, these challenges have taken on a new urgency. There is growing consensus internationally in support of South Africa's persistent view that in order to defeat terrorism, a holistic approach must be adopted in dealing with the root causes thereof. The Secretary-General of the UN, speaking in the UN General Assembly, echoed these very same sentiments when he said *inter alia*: "Let us remember that none of the issues that faced us on 10 September has become less urgent...." These challenges are, *inter alia*: eradication of poverty, communicable and pandemic diseases; ensuring sustainable development; combating the negative consequences of globalisation; preventing global warming; containing the threats to global peace and security, amongst others, the current conflict in the Middle East; eradicating racism, xenophobia and other forms of intolerance; combating transnational crime and terrorism.

It is in these intricate international realities that South Africa has to conduct its foreign policy. Simplistic foreign-policy solutions are often prescribed to the South African Government with good intentions. But as the philosopher Daniel Dennett observed, "for every difficult question there is a simple answer - and it's wrong". The eminent Nigerian novelist Chinua Achebe, author of *Things Fall Apart*, considers himself an optimist today. He says that his country, and for that matter Africa, has seen such horrors, "the excesses of bad government which lie like a curse on the continent", that he now believes these nightmares will serve as correctives for the future. "We're not good students, but in the end we do pick up pieces here and there. This is the hope, the only hope, perhaps", he writes.

It is dangerous to underestimate Africa's normalisation. Let me give you an example of the challenges we face. In a recent *Finance Week* article, Helena Barnard writes that she once had to explain to an American that the South African flag is not the African flag and that Africa is a continent with a large number of countries, languages and cultures. She thought that Africa was at least on their radar screens, until she saw a map that is part of a typical university textbook, the 6th edition of Madura's *International Financial Management*, published in 2000 by International Thompson Publishing. Thousands of Americans apparently use this book to learn how to do business internationally.

Right at the end of the book there are two world maps, and Africa is not on either one. The one map shows export markets for US companies while the other shows direct investments of US companies. Not a word is said about why Africa has been cut, but you can imagine it is because there is so little trade between Africa and the US. For many Americans, Africa is indeed not on the map. That's why President Thabo Mbeki's efforts to enhance Africa's image are so necessary. The more positive general perceptions of Africa, the more benefit to South Africa's economy. Chairperson, I am of the firm conviction that the hope of the 21st century as the African century has already begun. The long walk to peace and prosperity in Africa has commenced with the first major steps. This is indeed the thrust of my message today.

Nepad, African Union

South Africa, together with its partners, has made remarkable progress in preparing the groundwork for the revitalisation of Africa and prevention of the further marginalisation of the continent. For the purposes of giving further momentum to the considerable progress already made, the South African Government has identified the following foreign-policy priorities for this year (2002): Ensuring a successful transition from the Organisation of African Unity (OAU) to the AU; implementing the NEPAD; hosting of the World Summit on Sustainable Development (WSSD); strengthening sub-regional efforts of the SADC and the SACU; furthering peace, stability and security; and enhancing bilateral economic development and co-operation.

Chairperson, the year 2002 is one of the most important in the history of South Africa's foreign policy, indeed for the whole of Africa. Future generations will look back at this year as one of the defining moments in Africa's history. Exciting challenges lie ahead for us and I will endeavour to provide a glimpse of what can be expected.

South Africa is honoured to be hosting the Inauguration Summit of the AU in South Africa in July 2002. As Chair, South Africa will seek to play a constructive role to ensure that the core structures of the AU commence functioning smoothly, namely the Assembly of Heads of State and Government, the Executive Council, the African Parliament, the Permanent Representative Committee of Ambassadors and the Commission, and other structures of the AU which will be established later. The first year of the AU is crucial for us to set the pace and direction of the organisation for subsequent years.

I would like to assure you all, especially the Afro-pessimists, that the AU will be fundamentally different from its predecessor, the OAU. It is not merely the "O" that falls away as certain detractors would scorn. The transition to the AU reflects the continuation of Africa's own unwavering determination to deal with the legacy of colonialism and underdevelopment. The future focus will also be on meeting the basic needs of people with regard to socio-economic development, achieving peace, security and stability, and the protection of human rights, democracy, good governance and the rule of law. There will also be important limitations on the principle of sovereignty. The AU will place particular emphasis on conflict prevention, management and resolution and instruments in this regard are being strengthened. According to initial plans, the Central Organ of the Mechanism on Conflict Prevention, Management and Resolution will be changed to an AU Peace and Security Council (PSC), comprising fifteen member states.

It is envisaged that membership of the PSC should be based on a set of agreed criteria which will be predicated on the capacity and interest of a country to assume and discharge the responsibilities, and include commitment to uphold the principles enshrined in the Constitutive Act of the African Union. It is proposed that the PSC should be in permanent session for it to address the daily security challenges facing the continent. Moreover, the PSC should meet at the level of Permanent Representatives, Ministers and Heads of State and Government respectively. The chairmanship of the PSC should be delinked from the chairmanship of the AU. The questions of permanent membership and veto rights for such members are, however, still under discussion. It is foreseen that there should be a close working relationship between the PSC and the UN, on the one hand, and sub-regional mechanisms, on the other.

Discussions and consultations are also taking place on the establishment of a Council of the Wise, comprising highly respected African personalities, to complement the efforts of the envisaged AU Peace and Security Council.

Chairperson, NEPAD is seeking fundamental transformation regarding political and economic governance. Given the realities of our continent, we have no illusion about the difficulties and indeed opposition from vested interests that we will face in implementing the objectives of NEPAD. NEPAD is about genuine partnership and not paternalism. We also start from an understanding that NEPAD is not an event but a process.

Impressive progress has already been made and a detailed implementable NEPAD Programme of Action will be presented to the G8 Summit in Kananaskis in June 2002 and to the Inaugural AU Summit in South Africa in July 2002. The NEPAD Steering Committee, together with the G8 Personal Representatives Committee have been meeting at regular intervals and are focusing on the following themes, namely: Governance, Peace and Security, Education/Knowledge and Health and Economic Growth and Private Investment.

Strong support has already been received from each of the G8 states, with various states expressing specific interest in particular areas of NEPAD. For example: The USA announced an additional US\$ 5 billion per annum for development assistance over the next ten years; the EU has committed itself to raising its development assistance to 0,39% of GDP over the next nine years; and Canada has decided to increase its ODA contribution by 8% over the same period. The implication is that much of this will benefit the NEPAD process. Unfortunately there are suggestions of "collective punishment", i.e. NEPAD will be held hostage to events in any one country. Surely this cannot be right. Africa understands the importance of "good governance" politically and economically.

The NEPAD Implementation Committee of Heads of State and Government, at their meeting in Abuja, Nigeria, on 26 March 2002, adopted the Draft Report on Good Governance and Democracy, as well as an African Peer Review Mechanism (APRM). The Draft Report on Good Governance and Democracy spells out in detail commitments and obligations such as: strengthening of the democratic process, promotion of good governance, protection of human rights, press freedom and enhancing institutional capacity. New initiatives worth underscoring are: the establishment of a portfolio, in the AU, of a Commissioner to be responsible for Democracy, Human Rights and Good Governance; expansion of the OAU position on Unconstitutional Changes of Government by expanding the yellow/red card-principle to include patently undemocratic and unconstitutional behaviour, as well as gross violations of human rights by governments in power; examining of a series of reforms to improve the effectiveness of the Charter system, including amendments to the Charter and strengthening the Commission and the Court of Human and People's Rights; establishing an effective African Peer Review Mechanism (APRM). The APRM is designed, owned and managed by Africans so as to demonstrate that African leaders are fully aware of their responsibilities and obligations to their peoples and are genuinely prepared to engage and relate to the international community on the basis of mutual respect.

The purpose of the APRM would be to:

- * Enhance African ownership of its development agenda.
- * Identify, evaluate and disseminate best practices.
- * Monitor progress towards agreed goals.
- * Use peer review to enhance adoption and implementation of best practice.
- * Ensure that policy is based on best current knowledge and practices.
- * Identify deficiencies and capacity gaps and recommend approaches to addressing these issues.

Each NEPAD-participating country is expected to define a clear time-bound programme of action for meeting the said commitments, obligations and actions. Once a Government has pledged to these commitments, a concomitant is that the state in question is to be reviewed every three years. Upon receipt of country reports, the Heads of State and Government of participating states could consider a number of actions at sub regional and/or regional level, inter alia: using the yellow/red card approach currently utilised by the OAU. The Heads of State will decide on appropriate measures on a case-by-case basis. Country reports and the Heads of State findings are to be made public.

Conversely, committed states should be assisted to overcome deficiencies and capacity constraints in meeting their commitments and obligations. The monitoring and review process could be utilised to identify these deficiencies and limitations and to assist in securing the necessary resources to overcome them. Incentives (political, social and economic) must be created for emerging democracies that are committed to maintaining and entrenching their achievements. It is necessary to support good leadership on the continent. Good governance, political and economic, demands appropriate conditions, especially eradication of poverty and underdevelopment. This requires, inter-alia, support in the form of increased market access, debt relief, increased flow of investment and ODA, removal of agricultural subsidies in OECD countries (\$360 billion a year), technological transfer and bridging the IT gap.

It is proposed that members of the APRM team, as well as their terms of reference, be recommended by the Council of Ministers for the approval by the Heads of State and Government Implementation Committee. Such an approved team would be comprised of an eminent African personality and nominees of the envisaged African Commission for Human Rights, Peace and Security Council and the Pan-African Parliament.

The Abuja meeting the NEPAD Implementation Committee also approved eight Draft Codes and Standards for Economic and Corporate Governance for Africa were approved. These are:

- * Code of Good Practices on Transparency in Monetary and Financial Policies;
- * Code of Good Practices on Fiscal Transparency;
- * Best Practices for Budget Transparency;
- * Guidelines for Public Debt Management;
- * Principles of Corporate Governance (business ethics);
- * International Accounting Standards;
- * International Standards on Auditing; and the
- * Core Principles for Effective Banking Supervision.

NEPAD objectives will inform our strategic bilateral relationships. In the case of the USA, South Africa is encouraging the extension and deepening of the African Growth and Opportunity Act (AGOA) as well as the development of Africa's capacity to take full advantage of its benefits. Southern African Customs Union (SACU) is exploring the possibility of a comprehensive trade agreement with the USA. South Africa will continue its focused political dialogue with strategic partners in Europe. We will further emphasise NEPAD objectives during high-level institutionalised meetings, notably with Germany, UK, France and Spain and at the upcoming Nordic-South Africa Summit.

South Africa is looking forward to working closely with Japan for the preparations for the TICAD III conference early next year. In addition, we will also continue to encourage China to synchronise policies towards Africa in line with NEPAD. India can be a significant partner for NEPAD with her substantial experience in democracy, the promotion of peace and stability and economic development. Chairperson, I would like to underscore that partnerships for NEPAD are not restricted to the G8, but also include smaller developed countries and countries of the South. No one is excluded who can make a contribution!

NEPAD is also about partnerships between governments, the private sector and civil society. In the end NEPAD's success will largely depend on the involvement of the private sector and other elements of civil society. South Africa has already launched an Outreach Programme to inform and popularise the AU and the NEPAD. This Outreach Programme is co-ordinated by the Presidency and involves the African Institute of South Africa, Departments of Foreign Affairs, Arts, Culture, Science and Technology, Government Communication and Information System (GCIS), NEPAD Secretariat and the South African Chapter of the African Renaissance.

The corporate world is starting to show a keen interest in NEPAD as evidenced by the attendance of about 900 business people at the NEPAD Financing for Developing Conference held in Dakar, Senegal, this week. Corporate leaders included representatives from Microsoft, Hewlett Packard, IBM, Chevron, Shell, Petronas, Coca-Cola and Eskom. NEPAD will also be the main topic of discussion between governments of Southern Africa and the private sector at the upcoming World Economic Forum Southern African Summit to be held in South Africa later this year. South Africa's interaction with the continent must also primarily be through its membership of SADC. Given the political and economic instability in certain SADC member countries, some "experts" have suggested that South Africa should "ring-fence" itself from the rest of the region. This can never be a policy option for this Government! Instead of this view, South Africa's foreign policy is a principled one based on the view that South Africa cannot be an island of prosperity in a sea of poverty and that the concept of regionalism is becoming increasingly important in order to compete globally.

Broadly South Africa's vision for the Southern African region is one of the highest possible degree of economic co-operation, mutual assistance and joint planning of regional development initiatives, leading to integration consistent with socio-economic, environmental and political realities. SADC, through various protocols, has laid the basis on which regional planning and development in southern Africa should be pursued. At the SADC Summit held in Blantyre, Malawi, in August 2001, attention focussed on the implementation of the restructuring of the operations of SADC institutions. This restructuring is expected to give the organisation the institutional framework required to support NEPAD. The decision-making within the organisation has also been re-examined with proposals that decision-making operate on a troika basis. This will undoubtedly create better conditions for the consolidation of democracy in our region. Good governance, democracy and the rule of law, are the foundations on which SADC must develop.

SADC also provides the desired instrument by means of which member States should move towards economic integration. Thus SADC, together with the Economic Community of West African States (ECOWAS), the Arab Magreb Union (AMU), Economic Community of Central African States (ECCAS) and the Common Market for Eastern and Southern Africa (COMESA) form the five Regional Economic Communities (RECs) recognised as building blocks of the African Economic Community. Another important development in SADC this past year was the signing of the Protocol establishing the Organ on Politics, Defence and Security in Blantyre on the 14th of August 2002. All countries in the region are in the process of ratifying the Organ Protocol. A Draft SADC Declaration on Terrorism has been formulated and will be signed later this year. The Declaration recognises the effects terrorism has had on the region and unites the region against this scourge. SADC member states are called upon to ratify the OAU Convention on Terrorism.

Chairperson, South Africa is committed to bring about peace, security and stability on the African continent and will continue to be seized with the Middle East conflict. Peace, stability and security are preconditions for sustainable development and by implication for the success of NEPAD. If we can secure peace in the DRC, Angola and the Sudan, all three resource-rich countries, the prospects for economic development in Africa could be realised. Needless to say, SA will continue to be actively involved in seeking solutions to conflicts in Africa and the Middle East.

Chairperson, we are very much aware that the many conflicts in Africa have their roots in the abject poverty that is pervasive on the continent. The statistics in this regard are well known to everyone here. The number of Africa's poor has grown relentlessly and Africa's share of the world's absolute poor increased from 25% to 30% in the 1990s. Not to mention the devastation caused by HIV/AIDS, malaria and tuberculosis. It is because of these objective realities that NEPAD must succeed! Poverty, poor governance and conflict constitute a vicious cycle that must be broken at all cost. Therefore, the sine qua non for development, and by implication the success of NEPAD, is peace and stability. Because of this reality, South Africa is committed to conflict prevention, management and resolution on the African continent, as well as the Middle East. I am convinced that many conflicts in Africa are in the process of being resolved. For example:

In Burundi, the Transitional Government is gradually gaining the support of the majority of the population. The deployment of the South African Protection Service Detachment (SAPSD) constitutes a significant confidence building measure. However, the situation remains fluid and volatile. The signing of the cease-fire agreement between Angola's armed forces and the UNITA rebels on 4 April 2002 represents a major step forward to bring about peace and stability in the region. South Africa looks forward in assisting Angolans with post-conflict reconstruction.

South Africa has seven officers deployed as observers to the UN Mission to Ethiopia and Eritrea (UNMEE) and two deployed as part of the OAU Liaison Mission (OLMEE). South Africa is urging both countries to co-operate with the UN in abiding by and peacefully implementing the Border Commission's decision on the demarcation of the 1600km border. We are also in support of the release of the remaining prisoners of war as a matter of priority. With regard to Sudan, South Africa continues to recognise IGAD as the principal mediator for peace in the Sudan and supports the process. South Africa was appointed by the OAU as the Co-ordinator of the Countries of the

Region in June 1998 to address the constitutional and secessionist crisis that had arisen in the Comoros. Foreign Minister Dlamini Zuma, as Chairperson of the Committee of Ministers, has been actively involved in resolving the crisis.

With regard to Lesotho, a number of remarkable achievements have been made and consensus has been reached on an electoral model. Elections will now take place on 25 May 2002. South Africa has allocated R3,1 million for election assistance (R1,7 million for ICT training and equipment for the IEC, and R1,4 for participation by the South African component of a SADC observer team). Furthermore, South Africa is committed to assisting Lesotho to move out of its classification of a Least Developed Country (LDC) and a number of project proposals of Lesotho are currently being considered. South Africa also strongly supports the OAU's efforts to mediate a solution in the grave constitutional crisis besetting Madagascar as a consequence of the recent disputed presidential election.

Concerning Zimbabwe, South Africa together with Nigeria, in accordance with the Commonwealth mandate, will continue to work towards national reconciliation and economic reconstruction. A priority is the alleviation of serious food shortages facing approximately 900 000 Zimbabweans and to end the increasing polarisation and to create conditions for an economic recovery. Initiatives such as the one embarked upon by the Secretary-General of the ANC, Mr. Kgalema Motlanthe, and the Nigerian academic, Prof. Adebayo Adedeji, provide meaningful interactions to bring about these aims. Inter-Congolese Dialogue (ICD) - latest developments. The Non-Aligned Movement (NAM) Committee on Palestine mandated the Chair, President Mbeki, to interact with the various influential forces in the Middle East.

Chairperson, the South African Government believes that the conflict in the Middle East constitutes a serious threat to international peace and security. The Government of South Africa unequivocally condemns the continuing attempts by the State of Israel to destroy the infrastructure of the Palestinian National Authority, its legitimately elected leadership and the loss of many innocent lives. Similarly, we strongly condemn the actions of the Palestinian suicide bombers against civilians. Like the rest of the world, it is impossible to insulate ourselves from the deepening crisis.

The death and destruction of both Palestinians and Israelis must stop. Violence only begets more violence. Both groups have the right to live in conditions of safety and security. Fundamental to the resolution of the conflict is the establishment of an independent Palestinian state. The incontrovertible reality is that the conflict will not end until this objective is achieved. No amount of violence directed at the Palestinians will stop their struggle for the establishment of their own independent homeland. We unequivocally support this objective of the Palestinians and will continue to support international solidarity and endeavours in this regard. South Africa will also make particular efforts to create and exploit opportunities to strengthen pro-peace lobbies, even beyond Israel and Palestine, in follow-up to the successful Spier Presidential Peace Retreat Initiative.

Simultaneously, we unreservedly recognise the right of the Israelis to live in their own state within secure borders. South Africa welcomes the proposal made by Crown Prince Abdullah of Saudi Arabia that Israel should withdraw to the 1967 borders in exchange for recognition by the entire Arab world, as well as the decision taken by the Arab League in this regard. This proposal creates the possibility for an historic process that could end the tensions and conflict in the Middle East. Everything humanly possible must be done to restart the political process to find a negotiated settlement of the fundamental causes of this conflict. The argument that there will be no substantive negotiations until peace is achieved is unsustainable. Peace negotiations are necessary to end the conflict and violence!

The peoples of Palestine and Israel are condemned by history to live together and they have no choice but to succeed or live in perpetual conflict together. The leaders of Israel are repeating the same costly mistakes made by the apartheid leaders. During the apartheid struggle, the uprising of our people was attributed to so-called agitators and terrorists. The apartheid regime did not want to recognise the reality that the people had risen against oppression. Resolution 1402 and 1403, which calls for the immediate withdrawal of Israeli troops from all occupied Palestinian territory, must be implemented immediately.

World Summit on Sustainable Development

Chairperson, with regard to the World Summit on Sustainable Development (WSSD), we are proud to host the largest international conference ever with approximately 65 000 people attending. The success of this conference will lay a solid basis for us achieving our foreign policy objectives. Three broad themes reflect the essential prerequisites for moving towards sustainable development, namely alleviating poverty and promoting sustainable livelihoods, realising sustainable consumption and production, and protecting the integrity of life-supporting eco-systems.

Certain important issues for the WSSD include:

- * Establishing the link between global security and development, and strengthening the international commitment to global peace and security and the need for increased multilateralism;
- * strengthening the system of international governance for Sustainable Development by developing smart partnerships aimed at poverty eradication;
- * ensuring that all stakeholders are committed to the improved implementation of Agenda 21.

New issues to be addressed at the WSSD include the biotechnology revolution, combating HIV/Aids, tuberculosis, malaria and other pandemic diseases, as well as the explosive growth in information and communication technologies.

Chairperson, in Johannesburg the world will aim to arrive at a comprehensive, frank and useful review of the development agenda of the past ten years and reinvigorate, at the highest political level, the global commitment to Sustainable Development. Issues that will be addressed at the WSSD are of vital importance to the whole world, and particularly so for developing countries and NEPAD objectives.

In conclusion I would like to quote from the President's State of the Nation Address in Parliament on 8 February 2002. President Mbeki said, "The nations of the world elected to come to our country because they understand and appreciate what we have done in the last seven-and-a-half years to address within our own borders precisely the same questions that constitute the global agenda. They chose to convene in South Africa because they are convinced that we have something of value to contribute to the building of a new and more equitable world order that must surely emerge."

Together in partnership, let us make it happen!