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INTERNATIONAL POLITICAL TENSIONS AND GEO-STRATEGIC
INTERDEPENDENCE : SOUTH AFRICA AS MICROCOSM OF THE
MACROCOSM OF THE FIRST AND THIRD WORLDS

In an attempt to get a clearer understanding of the tensions within South Africa and of the tensions between South Africa and the rest of the world, I want to present South Africa as a microcosm of the macrocosm of the First and Third Worlds or as a pocket edition of the dictionary of the modern world.

The populations of the First, Second and Third Worlds are approximately 700m, 1300m, 2100m respectively. As an ex-colonial world the Third World is still part of the Capitalist World System or Pax Americana. If we do not take the Second World into account, the First World's population is $\frac{1}{4}$ and the Third World's population $\frac{3}{4}$ of the Capitalistic World System.

South Africa's population is approaching 28 million. We can regard 7 million as First World people and the remaining 21 million as Third World people (in different stages of development). This also gives us a ratio of $\frac{1}{4}$ to $\frac{3}{4}$. Defined in this manner South Africa is 1/100th of the macrocosm. From a development point of view a remarkable set of structural similarities exists between the First and Third World "sectors" (or between the "core" and the "peripheries") of the micro- and macrocosm respectively. Because of these structural similarities South Africa is not only in quantitative terms a microcosm of the macrocosm, but also, and especially, in qualitative terms. As a qualitative replica of the macrocosm the South African microcosm represents in philosophical terms the structure and dimensions of the macrocosm and has become a kind of focal point for the problems of the world of tomorrow. In this sense the microcosm defines the urgency of the problems of the macrocosm in a concentrated and transparent way. If one takes a bird's-eye view of the structure and problems of the microcosm it is as if it becomes a crystal ball in which one can "see" the structure and problems of the bigger world of tomorrow.

If one looks into the crystal ball the inevitability of a structural change to a new order in both cosms seems rather clear cut. This is perhaps one of the most important similarities between them. The only difference in this connection is that the timespan in which such a structural change can be brought about in a peaceful way is considerably shorter in the case of the South African microcosm.

In both cases the "cores" are highly industrialized, with high agricultural productivity, a highly schooled and mainly White population, a high level of

per capita income and a low level of population growth. Both the "peripheral sectors" are relatively unindustrialized, with low productivity in agriculture, a mainly non-White population, a relatively low level of education, low levels of per capita income and very high population growth rates.

The fact that the microcosm is a single Nation State (if we do not take the Transkei and Bophuthatswana into account), whereas the macrocosm is divided into more than 100 different Nation States of different scales and strengths is an important difference between the two. Because of this difference some people dispute the value of any comparison between them. I want to argue that this difference is not so fundamental. As a matter of fact an important similarity is hidden in this difference. In the South African microcosm the Black people are kept "outside" the privileged world of the Whites by the so-called Apartheid system, while in the macrocosm the Third World people are kept "outside" the privileges of the First World by means of the Nation State idea and the immigration policies of the First World countries. When a comparison is made between Apartheid and the Nation State idea the following interesting questions (and answers) come to mind: Does a similarity exist between Apartheid as artificial "wall" or an "international boundary" on the one hand and national boundaries as a hidden form of "apartheid wall" on the other hand? Does room still exist for a strong inward looking policy of national interest if one takes both the judicial and the socio-economic aspects of the Human Rights Declaration in terms of its true universal meaning? Few countries, to my knowledge, interpret and maintain their national interest in such a selfish and inward looking way as the Americans. At the same time the President of the United States is the strongest proponent of Human Rights. Is not this form of hypocrisy worse than the moral objection against Apartheid? Perhaps the world will one day acknowledge this although, of course, two minuses do not make a plus in this case.

But let us concentrate on other and perhaps more interesting similarities between the two cosms. In spite of the policy of decolonisation, the Third World has remained economically dependent on the First World. A new and indirect form of imperialism - often called neo-imperialism - has been substituted for the old direct form of (political) imperialism that had its heyday from say 1870 till 1950.

Originally the debate on the lack of development in the peripheral or under-developed world concentrates on either the disrupting effect of external factors (such as imperialistic exploitation) or internal factors forming barriers against change (such as traditionalism). In the last 20 to 30 years the development problem has become involved with the role of multi-

national corporations and the international flow of capital. Two opposite approaches can be distinguished.

1. According to the (optimistic) transnational model the international flow of capital (in terms of the neo-classical theory) will in due time integrate the underdeveloped periphery into a transnational kind of world economy. This interpretation regards the actions of multinational corporations as beneficial to the Third World countries in which they operate.
2. According to the (pessimistic) dependencia-model the Third World is integrated in the world economy in a way in which its dependence is perpetuated and its underdevelopment is accentuated. It is mainly the effect of capital intensive technology and the Demonstration effect that intensifies the dependence of the Third World on the First. This interpretation regards the multinational corporations as a vehicle that enables the First World to exploit the Third World in a rather hidden way.

While the transnational model claimed that multinational and the international flows of capital cause a flow of wealth from the core to the periphery, the dependencia model claims a flow of wealth in the opposite direction. Which one of these models gives a true picture of the real state of affairs? This is a terribly important question. Although both models are too simplistic, both contain an element of truth. But what matters in the end is the direction in which the net wealth of the world is flowing: Is it flowing from the core to the periphery or from the periphery to the core?

If one compares the political, economic, technological and organisational strength and sophistication of the First World with that of the Third, the asymmetric power relation leads to the conclusion that the net flow of wealth is most probably from the periphery to the core - i.e. that neo-imperialism is indeed an exploitive system.

In the last decade the North-South dialogue had developed into a North-South confrontation. The Third World has become more and more militant in its demands towards the First World. The Third World demands a New International Economic Order. The driving forces behind this demand for a NIEO are twofold. On the one hand it originates in the desperate poverty and starvation in the Third World. On the other hand it originates in the conviction that the periphery is still the victim of neo-imperialistic exploitation and in the growing awareness that the developmental problems of the Third World are insoluble without a fundamental change in the structure of the capitalistic world order. It is important to note that the demand for a NIEO is not only a demand for a large scale redis-

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tribution of political power in international decision making bodies. The Third World wants more political power to influence both the flow of wealth and the flow of wealth creating powers in their favour. The Third World is actually demanding a kind of imperialism-in-reverse as the only possible solution for their poverty and developmental problems.

The growing confrontation between the North and the South has been articulated in several scholarly publications in the last few years. The Hammar-sjold, the Rio- and the Brand reports (and several other publications) emphasize the shrinking of the planet and the growing interdependence between nations - especially between the First and the Third World. All these reports contain a severe warning that the world will collapse catastrophically if it is not possible to find one or another kind of global solution that will change the structure of the international order in such a way that the net flow of wealth will be from the core to the periphery.

But let us turn to the South African microcosm. South Africa has become the polecat of the world because of the alleged racial discrimination and the legalized system of exploitation of the Black majority by a White minority. The relation between White and Black in South Africa is very complicated and it is not easy to prove the fact or the extent of Black exploitation. Much wealth flows from the White to the Black world but at the same time much wealth is also flowing in the opposite direction. The world likes to believe that on balance the relation between the White and the Black worlds is one of exploitation by the Whites. I am not going to dispute this belief. It is now officially acknowledged by the South African government that the present political structure cannot be maintained and the government is developing instruments to create a New Political Dispensation. There can be no doubt about the necessity of a fundamental restructuring of the South African political, social and economic system. We desperately need a New Political Dispensation in which the Blacks will take part in the decision making process and in which the net flow of wealth will be from the White core to the Black periphery.

The real challenge in South Africa is therefore twofold:

Firstly a political challenge to bring about structural changes in a peaceful or mainly peaceful way.

Secondly an economic challenge to bring about structural changes in such a way and at such a pace that the modern sector of the economy (i.e. the core) will not be overstrained.

The political challenge to create a New Political Dispensation in a peaceful (or mainly peaceful) way, will be a formidable task. It is more or less axiomatic that the National Party Government is the only institution that is in a position to bring about the necessary structural changes in a peaceful or evolutionary way. In this connection the government finds itself in a kind of "catch 22 situation". On the one hand the National Party Government is today the only institution with the legitimacy, the power and the organisational apparatus to bring about change in a peaceful way. In all probability the National Party Government (or the greater part of the Party) will in the next decade or two still be the only institution with this kind of legitimacy, power and organisational apparatus. On the other hand, changes can only be of the necessary structural nature if the National Party Government is prepared to abandon its principle of "no power sharing" with the Black population groups and allow at least a certain minimum of Black, Coloured and Indian representations in the central Parliament. It is indeed difficult to see how the government can drop the principle of "no power sharing" as long as the right wing of the National Party is still part and parcel of it. However, the mounting pressure for structural change from outside and from within South Africa may either force the government to accept a scenario about the inevitable developments in South Africa that will convince it to bring about fundamental changes or may cause such tensions as to split the party. Such a split may start a chain reaction that can be instrumental to the necessary structural changes. Even in the eventuality of a split the greater part of the National Party may turn out to be still the only instrument for a mainly peaceful change in South Africa.

This dilemma of the National Party Government - its "catch 22 situation" - has an obvious parallel in the situation of the national states of the First World. It is likewise axiomatic that a structural change to a New World Order in the macrocosm can only be brought about in a peaceful way if the Nation States of the First World are prepared to take the initiative to create it. They are the only ones with the legitimacy, the power and the institutional apparatus to do it. But at the same time the structural changes will necessitate a sacrifice of a considerable part of the sovereignty and wealth of the First World. Is the First World prepared to make the sacrifices? This is going to be the main challenge confronting the "core" in the decades ahead.

The second challenge facing the Whites in South Africa is the economic challenge to bring about the structural changes at a rate that on the one hand will be sufficient to meet at least moderate Black demands, but will

on the other hand not be at such a rapid pace that it will overstrain the modern sector of the South African microcosm. This challenge may turn out to be even more difficult than the political challenge. To succeed it will not only require all the wisdom of King Solomon, but also the maximum support from First World countries.

With or without political changes we will have to broaden the "welfare state" or the supply of collective goods gradually (but at an increasing rate) to all levels of the South African population. Increasing amounts will have to be spent on the education, the housing, the medical and welfare services of the different Black groups. Such spending is indispensable for the socio-economic upliftment of the Blacks, for the creation of more equitable opportunities and for closing the income gap between Black and White. Such spending is also essential to defuse some of the discontent and hostile attitudes in Black circles and to prepare the Black to play a greater, a more productive and responsible role in the South African economic and political systems of the future. The broadening of the "Welfare state" will put heavy burdens on the White tax payers, on White generosity and may even strain the growth potential of the modern sector of the economy. It is quite possible that the living standards of the Whites will have to be scaled down if an average growth rate of at least 4 per cent cannot be maintained. The scaling down of living standards of the politically dominant group on behalf of the socio-economic upliftment of the rest of the population is not the easiest thing to accomplish - as every European ought to know. I want to repeat my convictions namely that both the microcosm and the macrocosm can only be stabilized and the necessary economic development only be accomplished in both cosms if structures can be created to bring about a net flow of wealth from the "cores" to the "peripheries". On both levels it will put heavy strains on the "cores".

In my capacity as an economist I fear that a broadening of the "welfare state" to the Black groups may overstrain the modern sector of the South African microcosm much more easily than is generally appreciated - especially in Western countries. This argument is valid irrespective of whether there is a White or Black government in South Africa. Although the modern sector in South Africa is the largest and strongest in Africa, it is not large enough and also does not have the tax capacity to support a more or less equitable "welfare state" system for 28 million people.

The other side of the same coin is the obvious fact that the higher the long run growth rate of the South African economy the easier it will be to bring about structural changes in the constitutional system and to broaden the

"welfare state" to a greater extent to the Blacks. When one considers the possibility and the strategy of a high growth rate from a long term point of view, it becomes quite evident that the maintenance of a high growth rate is not possible without the active support of the Western World. I want to put it categorically that economically South Africa cannot pursue this strategy alone. We desperately need trade, investment, technological and cultural relationships with the Western World and especially Western Europe. By increasing these relationships with South Africa, Western Europe can make a considerable and indispensable contribution to step-up the process of structural change in the South African microcosm.

In conclusion I want to stress a very important point. I take it for granted that because of the North South dialogue and reports like the Brand report, the people in the First World are fully aware of the extent and the severity of the development problems of the Third World. If one looks at the South African problem from the perspective of the North South dialogue, it is important to realise that South Africa is an important - and perhaps one of the most important - growth poles in the Third World. Or to put it differently: The importance of South Africa for the Western World is normally stated in terms of three factors, namely the South African mineral resources, the Cape Sea Route and the beneficial trade and investment possibilities. I want to add a fourth - and to my mind a more important - factor namely the strategic value of a growing modern sector in South Africa for the development process in the South African periphery and in the whole African subcontinent south of the equator. If the South African economy were to collapse it would have a devastating effect on the whole of the subcontinent. In the case of such an eventuality the subcontinent would degenerate to one of the most ugly poverty and conflict areas of the world. Sooner or later it would place an unbearable burden on the Western World. From the perspective of the North-South dialogue, and on behalf of an improving relationship between the core and the periphery in the macrocosm and in the microcosm, it is highly commendable to support the "core" in the South African microcosm. This may in the long run not only be to the benefit of the "periphery" of the microcosm, but also to the benefit of the so-called frontline states in Southern Africa.

To bring about the necessary structural changes in South Africa will not be an easy task. To succeed with it is not only in the vital interests of South Africa but it shall also be of tremendous importance to the Western World. In a certain sense of the word the challenges that face us are so formidable that we can not do it on our own. In our attempts we need not only the empathy of the Western World but also their "pressure" and "support" - or, to put it differently - we need outside "sticks" and the "carrots". Yes, I have no objections when "sticks" are used towards South Africa as long as its effect is not disruptive. But on the other hand we - and especially the so-called Enlightened wing of the National Party Government - need also "carrots" or support every time it make meaningful progress on the way of bringing about structural changes. From my side I can only express the sincere hope that the Western world will have the wisdom not only to use the appropriate "sticks" and "carrots" towards South Africa but to use them in the correct proportions. To have this wisdom it will be necessary to understand and to interpret the South African problem in its true structural dimensions.

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SEPTEMBER 1981.