The Southern African Development Community: Solid Achievements and Future Challenges

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Key Points

• The Southern African Development Community (SADC) acts as a forum in which member countries can discuss and resolve economic and political challenges.

• A major achievement of the SADC is its regional Free Trade Agreement, which was inaugurated in 2012.

• The organisation faces many future challenges, however, including overlapping national memberships and, in a number of its member states, poor human rights records and the potential for instability.

Summary

The Southern African Development Community (SADC) acts as a forum for the countries of Southern Africa to overcome the economic and political challenges that they face as a region. The SADC membership encapsulates a varying range of economic strengths, which can prove to be a challenge as the member states work together to increase trade and raise living standards. Even as the SADC vows to promote peace and democracy while reducing the potential for political instability, the potential for turmoil in a number of its member countries may pose significant future challenges to the organisation. Despite those concerns, the SADC has significantly increased trade among its members.
Analysis

Evolving out of the Southern African Development Co-ordination Conference (SADCC) that was formed in 1980 as a nine-country grouping comprising Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe that had the primary aim of co-ordinating development projects in an attempt to the economic dependence of those countries on apartheid South Africa. Since then, it has grown to become a trade-focused intergovernmental organisation with the goals of developing the Southern African region through the alleviation of poverty, ending human rights violations and encouraging economic growth through the reduction of trade barriers, to ultimately improve living standards across the region. The Declaration “Towards the Southern African Development Community” that was adopted by the Heads of State of the SADCC countries in 1992, called upon the people of Southern Africa to develop ‘a vision of a shared future, a future within a regional community’ and created the SADC. Since expanded, the SADC now consists of sixteen member states: Angola, Botswana, Comoros, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.
Having added seven more member states since 1980, the SADC has increasing the regional market from an initial population of 60 million to just under 281 million in 2011. According to the SADC Major Achievements and Challenges Handbook, published in 2005, the ‘region has made considerable efforts to maintain continued political stability to attract cross-border and foreign direct investment’. Foreign direct investment has increased, with official statistics stating that inflows were at US$51.5 billion ($67.2 billion) in 2011, the most recent available year, and a significant increase in only five years, having grown from US$2.9 billion ($3.7 billion) in 2006. One of the most effective of the SADC’s achievements to date was the creation of a Free Trade Area in August 2008. In removing the barriers to trade between the signatory countries, the SADC Free Trade Area has resulted in a significant increase in intra-SADC trade. Between 2000 and 2009, intra-SADC trade grew from about US$13.2 billion ($17.2 billion) to US$34 billion ($44.7 billion), an increase of 155 per cent. Maximum tariff liberalisation was achieved in January 2012.

Despite that progress, the SADC does face a number of significant future challenges, in particular to the goal of economic regional integration. The organisation has a record of setting overly ambitious targets, including the SADC Trade Protocol in 2000, which aimed to liberalise 85 per cent of intra-state trade by 2008. That was missed by eight months and had a trickle-down effect on other goals. The ambition of establishing a customs union was postponed from the original target date of 2010 to 2013, due to ‘capacity constraints within the SADC Secretariat at the implementation of the Regional Indicative Strategic Development Plan’. As of today, an SADC customs union has still not been established. The goal of creating a common market has also been postponed, due to the complications caused by the delay in the customs union. The original projected date for this milestone was 2015, but has since been considered a ‘long-term goal’. The establishment of a monetary union and single currency have also both been delayed, due to the complications caused by the postponement of the common market.

One of the biggest challenges to the creation of a customs union is the overlapping membership of SADC member states in other intergovernmental networks. Namibia and Swaziland are both members of the Southern African Customs Union (SACU), as well as the Common Market for Eastern and Southern Africa (COMESA), and both participate in the Regional Integration Facilitation Forum (RIFF). The majority of SADC states are also COMESA members. A customs union cannot be established as long as countries are members of two or more regional economic communities (RECs) at once. Furthermore, overlapping membership can be costly, as governments must negotiate in a number of different forums, possibly agreeing to the implementation of potentially conflicting policies.

The simultaneous membership of more than one REC can also force states to accept measures that may not necessarily be in their best interests. A pertinent example is that cited by Mapuva and Muyengwa-Mapuva¹ of the SACU, to which South Africa, Namibia, Botswana, Lesotho and Swaziland all belong. South Africa has already negotiated a Trade and Development Co-operation Agreement with the European Union (EU), as well as with

the SACU. Hence, the terms of any agreements concluded must also include the other SACU members. Another concern created by overlapping membership is the potential for policy inconsistencies. Mapuva and Muyengwa-Mapuva provide another example, in the dual membership that Zambia holds of the SADC and COMESA. Under the SADC’s free trade agreement, Zambia is required to exclude any trade barriers in the form of tariffs when dealing with any other member state. That is offset by the agreement made with COMESA, which requires the imposition of a common external tariff regime for any non-COMESA member. In the case of South Africa, which is a member of the SADC but not of COMESA, Zambia is forced to reject one of the agreements it has made with either of the two REC}s if it aims to increase its trade with South Africa.

If the SADC-EAC-COMESA Tripartite Free Trade Area (TFTA) is successfully established, it would help to overcome the challenges posed by overlapping memberships, as it aims to create a free trade agreement between all the SADC, COMESA and East African Community (EAC) member states. The involved states were not able to reach the deadline of June 2016 to settle any outstanding negotiations on trade remedies and tariff offers, however, and, as a result, Phase II negotiations were unable to commence. Subsequent attempts have seen progress, albeit slow, and more states, most notably South Africa, have now signed on to the TFTA. Once implemented, though, the TFTA agreement will be unable to influence issues concerning outside organisations, such as the EU. Although all of the SACU member countries are also members of the SADC, the EU has negotiated with them separately. The SACU was able to organise economic partnership agreements with the EU without reference to the SADC, creating a divide within the SADC member states.

The member states of the SADC are characterised by the significant economic imbalances that exist among them. Those imbalances further hinder the members’ ability to more effectively integrate their economies and help to create a situation in which the stronger economies, such as South Africa, effectively hold a balance of power and often have the ability to dictate terms when negotiating with smaller counterparts. South Africa accounts for over 60 per cent of all intra-SADC trade, as well as 70 per cent of the total SADC gross domestic product. Given that South Africa possesses such a comparatively stronger economy than the other SADC members, it also holds less commitment to regional integration, because it has a commensurately greater ability to attract interest from other trading partners around the globe. Furthermore, as the largest and most developed SADC economy, South Africa has benefited from the economic imbalances within the organisation, and, in that sense at least, it is not unhelpful to Pretoria if that imbalance were to continue.

In another challenge for the SADC, a number of its member states have unenviable human rights records. Human Rights Watch World Report 2016 pointed out that the ‘political spaces for voices critical of the government have been narrowed in the past year’. ‘Opposition parties, journalists, and rights activists have come under renewed pressure in several SADC countries,’ said Dewa Mavhinga, senior Africa researcher at Human Rights Watch, ‘... all SADC countries need to do more to end political repression in the region’. Human Rights Watch calls for the reinstatement of the failed collective justice system, the Southern African

\[2\] Ibid.
Development Community Tribunal, which was established under the Treaty of the Southern African Development Community in 1992. It was inaugurated in 2005, but was suspended in 2010 after it was unable to prevent the Zimbabwean Government from breaching human rights in the cases of Mike Campbell (Pvt) Ltd and Others v. Zimbabwe (2008) and Barry L.T. Gondo and Others v. Zimbabwe (2010). Human Rights Watch pointed out that Angola, the Democratic Republic of Congo, Swaziland and Zimbabwe were the key countries of concern in 2015. Also on the list that year was South Africa, due to concerns regarding police brutality, the treatment of migrants and refugees, and numerous reports of xenophobic violence. South Africa has also played an inconsistent role in addressing the rights of gay, transgender and bisexual people.

If the SADC is to prove its legitimacy as a genuinely effective regional organisation, it will have to find workable solutions to the potentially problematic domestic political concerns that are at play in a number of its member countries. In South Africa, for instance, the governing party, the African National Congress, is facing a number of corruption claims concerning its leader, Jacob Zuma. A survey conducted in April-May 2017 found that sixty-five per cent of respondents wanted President Zuma to resign, while he maintained an approval rating of just 20 per cent. Also in 2017, a series of e-mails were leaked uncovering Zuma’s close links with the wealthy Gupta family and its influence over political appointments, evidence of embezzlement, and the hijacking – or “state capture” – of higher public administration. In Angola, outgoing President José Eduardo dos Santos chose, in September 2017, his successor, party stalwart and former defence minister, João Lourenço. Meanwhile, his party, the governing People’s Movement for the Liberation of Angola (MPLA) continues to use state resources to suppress any protests to its rule, undermining any chances of real democracy in that country. Zimbabwe’s Robert Mugabe, at 93 years old, is expected to leave a power vacuum after his eventual death, with the potential for violence to break out across the country. In the Democratic Republic of Congo (DRC), there is also the potential for the eruption of violence, as President Joseph Kabila remains in office despite his second term finishing in December 2016. In the DRC, the constitution stipulates a two-term limit. If Kabila continues to remain in office, even if the delayed election is eventually held on 23 December 2018, an already tense situation could turn deadly. The SADC may have little choice but to involve itself in these domestic disputes, as the Treaty of the SADC states that members must be ‘mindful of the need to involve the people of the region centrally in the process of development and integration, particularly through the guarantee of democratic rights, observance of human rights and the rule of law’.

In August 2014, Lesotho faced an attempted coup that forced Prime Minister Tom Thabane to flee the country. As a result, the SADC granted South African military forces a mandate to assist Lesotho’s leaders in decreasing tensions, stabilising the country and eventually reopening the parliament. South Africa, Namibia and Zimbabwe were able to assist Lesotho in holding a free election in February 2015, with Thabane’s government ultimately losing power to a coalition led by former Prime Minister Pakalitha Mosisili. In a short-term sense, the success of those elections is a major achievement for the SADC but, in the longer term, the desired outcome was not achieved, as Lesotho has since spiralled back into political instability. In September this year, the SADC sent a technical assessment team to Lesotho, to ‘assess the security situation in the Kingdom, and determine the requirements and prepare
modalities for deploying a multidimensional SADC Contingent Force by 1 November 2017’. The SADC is likely to deploy only 250 personnel – far less than the 1,200 troops originally envisaged – to Lesotho to act as that contingent force. The markedly smaller deployment may make it more difficult for the force to meet the objective of advising the key players in the Lesotho political sphere with the aim of convincing the military to cease its involvement in politics. If the SADC is successful in neutralising the unrest and violence in Lesotho’s political culture, it will be able to mark the result down as a major achievement in regional stability.

In 2017, the SADC welcomed its newest member, the Union of Comoros, while rejecting the application from Burundi. The rejection of Burundi may have been due to that country’s lack of economic and political improvement after joining the EAC in 2007. Prior to its inclusion into the EAC, Burundi’s poverty levels were at 65 to 70 per cent of its population, yet in 2016, World Bank figures ranked it as 180 out of 186 on the human development index, with nearly 65 per cent of its population still living below the poverty line. The country’s security and intelligence forces were responsible in the killing, rape, torture and disappearance of numerous Burundian citizens, as armed opposition members targeted ruling party members. In the Comoros, there are still a number of challenges that may confront the SADC, including the country’s unsettling record of twenty military coups in its forty-two year history as an independent state. Despite that, if the benefits of SADC membership prove to be a stabilising force in the island country, it should boost the reputation of the SADC as the region’s premier international organisation and promoter of democratic values.

The SADC has a number of significant challenges that it must overcome if it is to stamp itself as an effective regional grouping within the international system. Despite the increase in trade flows that it has helped to achieve, the human rights conditions in many SADC member states are a weakness that is in desperate need of improvement. Perhaps its biggest challenge, however, is combatting the potential for instability or violence within its member states, primarily due to the domestic policies of those country’s leaders. The SADC will have a challenging future, as it seeks to complete its economic partnership goals and encourage development and political stability across Southern Africa.

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