S A D C   2 0 I 5   S C E N A R I O S

SADC 2015 SCENARIOS

CONTENTS

INTRODUCTION

The SADC 2015 Scenarios project was initiated in 2002 as part of a CSIR initiative to explore ways to engage and contribute positively to the vision of the New Partnership for Africa's Development (NEPAD). The exercise, which was carried out over about six months, involved the building of four possible scenarios for the Southern Africa region in the year 2015. The scenarios are offered in this publication, not as definitive or conclusive outputs, but rather as a platform for engaging with other interested stakeholders. The authors therefore look forward to further input, discussion, debate and exploration. This kind of engagement will be critical in helping us define and take responsibility of our shared task of contributing to Africa's future.

Background to NEPAD

NEPAD is a holistic, comprehensive and integrated strategic framework for the socio-economic development of Africa. It is a vision and programme of action for the redevelopment of the African continent, conceived and developed by African leaders. NEPAD aims to promote accelerated growth and sustainable development, eradicate widespread and severe poverty, halt the marginalisation of Africa in the globalisation process, and accelerate the empowerment of women.

NEPAD recognises that the existing large structural gap in infrastructure constitutes a serious handicap to economic growth, trade, competitiveness and poverty reduction. NEPAD also acknowledges that, if infrastructure is to improve in Africa, private-sector (domestic and external) financing will be required to complement public resources and development assistance.

The CSIR Infrastructure Thrust

In April 2001, the CSIR responded to this challenge by aligning resources to form the CSIR Infrastructure Thrust. The Infrastructure Thrust is drawn from the CSIR's units of Building and Construction Technology (Boutek); Roads and Transportation Technology (Transportek); Water, Environment and Forestry Technology (Environmentek); and Information and Communication Technology (icomtek). To date, the CSIR has dedicated about 20 researchers to this initiative.

The core of the Thrust's research is the establishment of a macro infrastructure development framework methodology to assess the gap between current infrastructure supply and demand and, ultimately, where infrastructure development should take place in the context of the broader socio-economic development objectives of NEPAD.

In parallel, the Thrust is exploring the criteria and indicators required for a comprehensive monitoring and evaluation system to support the infrastructure programme from planning through to implementation.

The long-term nature of the NEPAD programme, the complexity and volatility of a regional and continental planning context, and the realities of resource constraints require both short- and long-term strategic approaches and responses to infrastructure provision. In support of this, the Thrust has developed scenarios for SADC up to the year 2015 which provide a range of plausible futures for socio-economic development. These scenarios are a key input into the infrastructure development framework in their consideration of possible future strategic opportunities and challenges in the regional context.

Scenario Planning Methodology

The scenario-planning methodology is frequently referenced to early military applications, and was popularised by Shell, which developed scenarios in the 1960s as a way to manage risk for possible alternate and unpredictable futures that would impact on the oil industry in different ways. Over time, the Global Business Network has played a significant role in defining the processes of the scenario activity through its network of remarkable people. The scenarios approach – or "the art of the long view" – gained popularity in South Africa in the 1980s when scenarios played a role in forging social cohesion and encouraging cooperation in social change to avoid or pre-empt potential negative scenarios as South Africa emerged into democracy.

Scenarios are stories about the future and, because visions of the future will vary from person to person (based on variables such as personality, experience and access to information), there are no good or bad scenario stories. The stories can be considered to be as valid or plausible as the process undertaken – factual data, history, trends, trajectories, experience, open-mindedness and instinct are all examples of important inputs in a scenario building process.

The SADC 2015 Scenarios

Based on rigorous research and analysis of qualitative and quantitative data from both conventional and alternative sources, the scenario planning team of the CSIR Infrastructure Thrust developed four stories that present views of what the Southern Africa region may look like in the year 2015.

The four scenarios are:

- Global Rules! – The Fat-Cat Haven
- Hands across the Divide – The Rift Valley
- The Uneven Field – SADC Giants
- One for One – SADC in Disarray

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GLOBAL RULES!
THE FAT-CAT HAVEN

PROLOGUE
AT THE END OF 2015, SOME DARK CLOUDS ARE ALREADY GATHERING ON THE HORIZON OF THE SADC ECONOMIC MIRACLE. FUELLED BY A THIRSTY ELITE, THE REGION HAS SEEN UNPRECEDENTED LEVELS OF ECONOMIC ACTIVITY AND TRADE WITH THE REST OF THE WORLD. SIMULTANEOUSLY, THERE ARE ALSO LEVELS OF DEPRIVATION THAT MATCH OR EXCEED THOSE SUFFERED BY PEOPLE IN THE EARLY 1990s.

THE BALANCE BETWEEN APPEASING THE GLOBAL MARKETS AND PROVIDING BENEFIT TO AS MUCH OF THE CITIZENRY AS POSSIBLE IS BECOMING INCREASINGLY DIFFICULT TO MAINTAIN, AND THE FIRST RUMBLINGS OF A SHAKING OF THE POLITICAL ORDER ARE LOOMING. HOWEVER, DEPLETED BY YEARS OF STASIS AND MARGINALISATION, CIVIL SOCIETY AND LABOUR MOVEMENTS NEED MUCH MORE THAN GENERAL DISCONTENT TO ENSURE MUCH NEEDED REFORMS IN PUBLIC GOVERNANCE AND ADMINISTRATION. THIS, COUPLED WITH THE NUMEROUS TRIUMPHS OF THE ALLIANCE BETWEEN POLITICAL AND CORPORATE LEADERS OVER THE PAST DECADE, MEANS THAT THE STATUS QUO HOLDS AND REFORM IS DEFERRED TO SOME FUTURE UNSPECIFIED POINT IN TIME.

For the frequent traveller to the region, the SADC of 2015 looks very different from the SADC of the 1990s and the early 2000s. Inspired by the peaceful political transition in South Africa in the 1990s, and the ensuing steady economic growth of the country's national economy in the 2000s, the region has been swept along by a wave of successful regionalisation and a smooth integration into the global economy.

The end of the major wars in the region – notably in Angola and DRC – by 2005 allowed SADC to focus greater attention on fostering coordination and cooperation

among its member states in trade, security and economic matters. Efforts to implement political and economic integration have now reached an advanced stage, and are well supported by the concurrent AU institutional arrangements which have been built upon and provide weight to regional economic structures. The AU peer review mechanism, now well entrenched on the African landscape, ensures accountability, benchmarking and self-assessment among and within governments.

While the initial impetus for achieving regional cooperation and integration was primarily the political and security considerations, the more recent drivers of regional integration are predominantly motivated by an economic agenda. This is partly due to the success of initiatives geared at mobilising the developed world to invest in Africa and remove the factors inhibiting access to world trade markets.

The SA Customs Union (SACU) has grown to incorporate all SADC member countries and its preferential trade agreement has succeeded in improving trade within the region. SADC is thus moving firmly towards becoming a common monetary union and free trade area. With its strong economic imperative, SADC speaks with one voice when it engages the world in international economic affairs. It has a strong presence in the WTO, and is maximising the benefits of freedom from trade barriers and sustained preferential trade agreements (e.g. the US's AGOA extension for developing country commodities in world markets, which emanated from the DOHA Development Round).

SADC has strengthened trade links with both the developed and developing worlds through trade agreements such as SADC/EU, SADC/China, SADC/Mercusor, SADC/Oceania, SADC/USA, and SADC/Americas. SADC and

individual member countries are also active in groupings such as the Commonwealth, non-aligned movements (NAMs), and the OECD.

Bolstered by its economic successes, SADC

"...SADC enjoys an unprecedented era of stability..."

enjoys an unprecedented era of stability, allowing it to apply sufficient resources for the development and improvement of conflict-prevention and resolution strategies and programmes. One of the first products of this is the establishment of a regional security and peacekeeping force, funded proportionally by all member states and trained by advisers drawn from countries across the globe. The regional force is commanded by a new generation of military leaders who are professional and concede to political oversight of their role and functions.

The separation of military from political power becomes possible only because of the new generation of political leaders now governing many of the SADC states. These leaders are unfettered by the excesses and abuses of their counterparts of old, as seen in their commitment to principles of good governance and constitutional supremacy. In addition, they recognise the value of a properly functioning public administration in building confidence in their countries. They preside over governments characterised by efficiency, effectiveness, transparency and accountability. Being more in tune with the global economic order, these leaders actively drive programmes that seek to deliver their national economies from the historical dependency on natural resources. Value

addition and beneficiation are the new mantras, and scholarship and mid-career programmes are launched to train a whole new breed of market-oriented public service managers in universities in the developed world.

The precedent set by political leaders is actively followed by the private sector. Companies continue to make significant investments in human capital to improve worker productivity and production capacity. At a specific level, this is evident by the number of companies that focus on targeted capacity building for specific sectors. More generally, it is also evident that secondary and tertiary education is increasingly informed and directed by industry needs and demands.

In line with economic development objectives, the region implements an aggressive R&D agenda. Successes in regional cooperation and integration enable the development and implementation of a comprehensive regional R&D strategy. The strategy is dictated by economic and security agendas, spearheaded by the private sector and government. R&D investment of about 0,7 to 2% of regional GDP is injected into human capital, targeting research in specific sectors such as biotechnology and mining. The focus tends to be more towards technology importation and adaptation for commercial enterprise and targeted private-sector initiatives. A proportion of R&D investment is spent on infrastructure development to improve physical connectivity in the region. This includes transport infrastructure, energy, and telecommunication with the private sector, capitalising on opportunities for cross-border expansion.

The close working relationship between political and corporate leaders has produced many positive spin-offs. The economy of the region has diversified considerably, although

much of the diversification is taking place in the larger economies, and there too within particular sectors. Diversification is most evident in industries such as mining (value addition), agriculture (integration of harvesting

"Diversification is most evident in industries such as mining..."

and value addition), medicine (telemedicine and indigenous knowledge systems (IKS) and conventional medicinal research), tourism (trans-boundary ecotourism ventures), and energy (reducing dependency on thermal energy by investing in renewable energy – e.g. hydrological, wind, gas and solar power). The close collaboration between the private and public sector is most evident in the energy sector, where companies negotiate

discounted rates from parastatals which still dominate the energy landscape.

Investment in infrastructure has also accelerated towards developing major cross-boundary transportation systems for trade purposes to ensure smooth logistics for the transportation of raw materials and delivery to market of finished goods.

National economies in the region still carry the hallmarks of some of their historical peculiarities, such as the dominant sectors (e.g. resource-based industries). However, in the region information and communications technologies (ICTs) and ecotourism have emerged as the two main contributors to the rapid growth of the regional economy. These are closely followed by energy.

ICT is a universal economic enabler that drives manufacturing, financial services,

mining, transportation logistics, etc. With a fast developing and sound infrastructure backbone, the SADC economy is poised for a period of continued stable growth of between 3 and 6%.

Eco-tourism on the other hand continues to capitalise on the natural assets of the region, including its biodiversity, culture and people. The completion of far-reaching agreements on trans-frontier park and conservation projects ushers in a renewed interest in leisure and recreation in the region, with foreign tourists flocking from Europe and the Far East. The increase in foreign tourism has a positive effect on the SMME sector, particularly in the areas of arts, craft and hospitality. Suddenly, it is fashionable for foreigners to seek the authentic African experience, with a minimum degree of available "developed world" infrastructure, of course!

The economic marvel that is the SADC of 2015 is tempered by the reality of a small developing region struggling to find a niche in the global economy. Despite its many successes, SADC has not accomplished everything it set out to achieve in the early rounds of regional consultations and agreements of 2003-2007. For instance, despite the best political and corporate will, SADC still falls short of being a genuine free-trade area. This is mainly because:

• Countries such as South Africa in particular, and Angola and Zimbabwe to a lesser degree, appear to dominate regional trade. While progress has been made in the regulatory environment to normalise trade, the reality is that the stronger economies dominate exports while importing little from the rest of the region.

• The overall regional consumer base is not substantial as a result of the stark

inequalities between the haves and the have-nots, coupled with the non-existence of a viable middle class. With little or no disposable income, the urban and rural poor have limited purchasing power and

"...the urban and rural poor have limited purchasing power..."

rely on subsistence activities.

- The economy of the region depends mainly on international markets. As a result, products are tailor-made for international markets and high-profile local markets and manufacturers tend to disregard local demand and preferences.
- Imported technology and products overwhelm the region. Those who can afford to buy products prefer imported to local merchandise, which puts further strain on local trade and production

The overwhelming focus on conforming to the dictates of the free market is not without other pitfalls. While political leaders are toasted in the hallways of global corporate power, there are rumblings of discontent at home. Governments in the region are accused of succumbing too easily to purely capitalist economic models in anticipation of investment and trade, without always and thoroughly considering the effects of such acquiescence on poor communities. Indeed, apart from the elite that emerged on the back of the numerous empowerment deals of the 2000s, there is little to show for the economic miracle touted as an exemplar to other developing regions around the world.

Notwithstanding the various social compacts

that national leaders entered into with their electorates, it became clear by around 2010 that the social development agenda was not much of a priority for politicians, certainly not much beyond the extent to which it impacted positively on the economic agenda. For ordinary people, life was far from the rosy picture painted by politicians at election rallies and on slick television adverts and promotions. If anything, the specific trajectory adopted by leaders to ensure economic growth for the region has exacerbated rather than diminished levels of inequality in individual countries. This inequality is glaringly obvious in the urban areas, where the wealthy live cloistered behind security walls while the poor trawl the streets, anxiously avoiding the menacing advances of the public order officers.

In essence, the resources of the state are increasingly channelled towards protection of private property and the wealth of the elite. For the poor, state structures such as the police are viewed as defenders of the select few rather than protectors of the public. The level of under-investment in state services intended to service the poor, such as social security and health, increases each year.

Further afield, the chasm between rich and poor is increasingly characterised by the urban/rural divide. The economic miracle of the region is largely confined to the economic nodes that are generally of urban character. However, there is still a fairly large rural population which relies primarily on women-driven subsistence farming on marginally productive land. Ecotourism presents some limited opportunities for suitably located populations.

Ironically, the poor suffer most from the economic successes claimed to be for their

benefit. For instance, considerable collusion between the private sector and energy parastatals results in large businesses benefiting from cheap energy, while poor and rural communities are burdened with

"...high economic activity in the region increases the consumption..."

the social and environmental costs of this cooperation. The number of poor people without access to fuel for heating and cooking increases. In winter months, the number of people with severe burns from fires who are admitted to an already overburdened health service increases dramatically.

The high economic activity in the region increases the consumption of natural resources

to support industries such as mining and manufacturing. There is also an increase in energy and water demand for industrial use. Fossil fuels, which remain the mainstay of energy production, continue to take their toll on the environment, with thermal plants increasingly being located in areas where constituencies are already disempowered and hence less likely to protest. In the meantime, the number of people without access to potable water and sanitation is still high (the WSSD targets for 2015 have not been met). Civil society calls for restrictions and regulation of water use by industry, while government is challenged to consider water use trade-offs.

The failure of the social development agenda becomes the catalyst for a new generation of social movements. Moved by the blatant neglect of people by their governments, civil society structures begin to mushroom, and civil society itself discovers a new, enhanced role and mandate.

The emergence of civil society organisations is bolstered by a closer collaboration with the labour movements, who have themselves been battered by over a decade of suppression at worst and marginalisation at best. Part of the reason for the demise of the unions lies with the unions themselves and their failure in the early 2000s to redefine themselves in the context of the rapid integration of their countries into the global economy. Politicians were quick to capitalise on this indecision, and a decade later the unions suffer the ravages of a declining membership and a workforce reluctant to invest their future in organisations that appear toothless and ineffectual.

While few workers are now unionised, an even smaller number heeds the many calls for industrial action. This has dealt a blow to organised labour in general, opening avenues for labour abuse. Labour

and civil society in general is marginalised, but selected cooperatives, organisations, SMMEs and entrepreneurs are given support (e.g. regarding access to capital, business and financial management, marketing and advertising), based on their indifference to or support of government policies and ideologies. In essence, the social compacts of the 1990s are long dead and disempowered civil societies struggle for relevance and credible voices.

The increasing inequality between the haves and have-nots results in varying levels of human development across communities. Those who can afford it have access to good social services, including healthcare, education, service infrastructure, and recreational facilities. They also have access to preventive interventions and medication for HIV/Aids and other communicable diseases. The poor, on the other hand, live

a different reality. They do not have access to land and shelter, they live in sub-standard conditions with no services, and health and hygiene issues are serious problems. Where shelter is available, there is a breakdown

"...health and hygiene issues are serious problems."

of service delivery (i.e. inadequate and unreliable services). Access to healthcare is very poor and communicable diseases such as cholera are prevalent. HIV/Aids prevalence is high; 25 to 30% of the regional population is estimated to be HIV-positive. People do not have access to protective contraceptives and medication, resulting in an increase in Aids-related deaths.

The loss of parents to HIV/Aids changes the family structure quite dramatically, with the burden of parenting passing to the elderly and/or the young. For those unfortunate enough not to have an older person to care for them, the option is even worse: crowding state institutions such as homes and orphanages. For the elderly or young left with the burden of the household, life gets more desperate as household and family expenditure is increasingly diverted from education and food towards medical costs.

On a national and regional scale, the depletion of the economically active population erodes the investment in human capital, productivity and economic growth. Alarmed by the potential impact, the private sector tries to mitigate some of these effects by investing in social development for a select few beneficiaries, such as its own employees and special communities covered by legal

mitigation regulations, such as those in mining towns. While this addresses the plight of those particular people and communities, it sparks an outcry in areas falling outside such schemes and causes resentment towards government, the private sector and the selected beneficiaries. Civil unrest characterised by protests, violence, vandalism and invasions is sparked in various parts of the region, most notably in countries such as South Africa and Angola.

Existing tensions in the region around land ownership and tenure become aggravated, especially as the poor in rural areas grow increasingly impatient with the slow pace of land reform. External influence also complicates issues as governments in the region are pressurised to adopt specific economic structures, systems and policies. They are also compelled to adhere to global environmental protocols. Although

the region may gain little benefit from these undertakings, they have adopted a tiptoeing approach to their foreign counterparts and other prominent global role-players.

The threatening social crises are exacerbated by the accelerating climatic changes, as evidenced by the increasing frequency of phenomena such as El Niño and La Niña. The region suffers frequent wet and dry cycles that result either in floods, destruction and the displacement of people, or in drought, loss of agricultural yield, famine and destruction of infrastructure. In both cases there is significant loss of biodiversity, loss of life and economic setbacks.

Government has implemented coping strategies for earmarked conservation areas and in the interests of the private sector, but remains seemingly indifferent to the plight of the rural poor who are particularly

affected by these phenomena. Malnutrition and starvation increase the impact of disease in these communities. In the face of government's continued indifference, their only hope is the intermittent food

"Malnutrition and starvation increase the impact of disease..."

dumping by international donor agencies. In many instances, this is genetically modified (GM) food that is not considered fit for consumption in the developed world.

HANDS ACROSS THE DIVIDE-
THE RIFT VALLEY

PROLOGUE

SADC HAS COME A LONG WAY SINCE THE EARLY DAYS OF THE OLD ANTI-APARTHEID SADCC. ENCOURAGED BY KEY SUCCESSES, ESPECIALLY IN SOUTH AFRICA AND ANGOLA, THE REGION HAS BEEN ABLE TO SUCCESSFULLY TURN DIVERSITY INTO ITS GREATEST STRENGTH. IT HAS ACHIEVED THIS BY RECOGNISING AND ENHANCING THE CENTRAL ROLE OF REGIONAL AND CONTINENTAL INSTITUTIONS IN REGULATING TRADE AND POLITICS, AS WELL AS PEACE AND SECURITY.

HENCE, WHILE A "GLOBAL" CAMP MAY SIT ON ONE SIDE, IN OPPOSITION TO AN "AFRICANIST" CAMP ON THE OTHER SIDE, THE REAL SADC OCCURS IN THE FLOOR OF THE VALLEY WHERE THE FORMER HELPS LEAD THE REGION OUT OF A FORTRESS MENTALITY, AND THE LATTER HELPS TEMPER THIS OUTWARD FOCUS WITH AFRICAN RATHER THAN WESTERN VALUES. THIS IS THE REAL SADC SUCCESS: THE ABILITY TO EMPLOY DIFFERENCE AND DIVERSITY AS A MEANS OF DEVELOPMENT AND GROWTH RATHER THAN AS A VEHICLE OF CONFLICT AND DISINTEGRATION.

The coming of the 21st century heralded many new challenges for the region. The 20th century ended on some positive and some negative notes. On the positive side, South Africa enjoyed a relatively peaceful transition from apartheid to democracy, its successes considerably strengthening the region and its voice in the global economy. On the negative side, conflict in the DRC, Zimbabwe and Angola continued to fester, with concomitant implications for social and economic development. Yet, on the positive side, the emergence of the newly established Africa Union at the turn of the century generated new hope for the cessation of conflicts and the promotion of growth, development

and democracy. The region also began to confront the enormous implications and challenges of rapid globalisation. It was globalisation, more than any other single factor, which was to shape the landscape of the region most notably.

In the early 2000s there seemed to be little disagreement over the shared vision of SADC to "achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the people of Southern Africa and support the socially disadvantaged through regional integration". Neither was there any disagreement that the means towards this end was sound regional cooperation and integration. If anything, the remarkable successes achieved by the AU in this region, particularly in the facilitation of cessation of conflicts in Zimbabwe, Angola and the DRC in the first decade of the new century, prompted SADC to accelerate its

institutional building and strengthening. This in turn encouraged it to consolidate its position in relation to the rest of the continent and the world. It was here, however, that the first signs of ideological divergence began to emerge.

In essence, it was the great debate over globalisation and how to engage with it that provided the catalyst for the divergence. On the one side stood countries such as South Africa, Mozambique and Angola, which readily embraced globalisation and conformed to the agendas of the Western world, while on the other side stood countries such as Zambia, Malawi, Zimbabwe and Namibia, who resisted the spread of globalisation in the variant that would see the demise of their own cultural traditions. There were signals in the early 21st century when these latter countries took particular stances on a range of issues, including political

sovereignty, self-determination, access and equity, and ownership and control of means of production. Their intractable positions are what began to set them aside from the countries that were more amenable to global

"...equity, and ownership and control of means of production."

conventions and pressures.

The globalisation debate was understandably also cast as a tension between "Northern" and "African" values, with countries that embraced the agendas of the North being seen as too eager to compromise traditional and modern African values, while those who rejected the agendas of the North being considered as anachronistic. There were also tensions between the different approaches to how development would be prioritised in Africa, and by whom. For one camp, the most direct path to development was via rapid integration into the global economy, together with the adoption of political and economic policies defined by the Washington Consensus. This, it was believed, would ensure that the goal of rapid development was easily attained. For the other side, development was viewed more qualitatively, as the nurturing of people while simultaneously preserving their heritage, cultural values and norms. In this case, economic development was seen as being more gradual and incremental.

Those countries with a predilection towards global powers and agendas seem to benefit from global financing and benevolence from Northern leaders. This makes them the darlings of multilateral agencies and multinational companies, a relationship

supported by governments' economic policies that have promoted and enabled greater foreign investment and activity in national economies. Within these countries, the perception is that their policies, and the support and acceptance they enjoy from global role-players, have benefited both the economy and the people of the region. Their GDP growth rate ranges from 3 to 6%, and they enjoy significant levels of foreign direct investment. These countries are also benefiting from the restructuring of trade agreements. They continue to take advantage of preferences offered by the Cotonou Agreement, AGOA and the EU's "Everything but Arms" initiative.

For countries on the other side of the equation, the GDP growth rate is around 2%. Contributors to economic growth in these countries include high levels of domestic investment, a focus on inter- and intra-

regional trade, and increasing successes in cultural and ecotourism. These countries are also involved in trade relations with countries outside Africa, including India, Cuba and other Asian and Latin American states.

A distinguishing factor for these countries is their belief that they have defined their own development agenda and the basis for their engagement with the global economy. This sentiment is based on a powerful sense of African identity, and specifically the need to ensure that local priorities are not compromised in favour of integration of global values, agendas and needs.

Fundamental to the values of these countries is the recognition and development of the potential of their people as a collective. Social infrastructure is therefore a key development focus as a way to empower the people. The ability of these states to improve the

quality of infrastructure is complemented through greater recognition, utilisation, and development of indigenous systems to deliver basic services such as health and education. The role of the state in the other countries

"...there is a strong diffusion and sharing of ideologies."

has tended to be less direct, primarily being confined to administration and finance, while allowing for heavy private-sector involvement in social infrastructure delivery. However, this reduces the level of accountability of government for the delivery of social infrastructure and social development, and is constraining management and delivery while increasing costs.

As oppositional as these camps may appear to be, the reality is that the divergence is not necessarily conflictual in nature. Key to note is that all the countries in the region are interacting with the global economy, albeit within different frames of reference. Thanks largely to the strength of the SADC institutions, ably supported by well functioning AU structures, these differences are maintained as healthy tensions rather than dysfunctional conflicts. Hence, throughout SADC member states there is a strong diffusion and sharing of ideologies.

Although individual countries disagree on certain issues and approaches, the reality is that most countries have big overlaps and a lot of engagement occurs – metaphorically at the base of the rift, in the "valley." Within the valley, entrepreneurs, the scientific and research community, civil society, and labour unions are collaborating and cooperating.

They are developing and testing new models of engagement and development, borrowing from the rest of the region.

The African Union is also playing an important role in facilitating dialogue and moderating differences amongst SADC member states. Continental programmes are being supported and implemented by all countries in the region, and are proving to be workable despite differing agendas amongst certain countries. NEPAD was an example of such a programme. There is an acceptance of the diversity of ideologies in the region, which promotes stability and security, even though competition and tensions do exist. Because of clear political commitment to chosen development agendas, leadership and governance structures within countries are improving.

In essence, what could easily have been a major

fault line in regional politics is contained by strong and effective regional and continental institutions, and SADC soon begins to benefit rather than suffer from the diversity within the region. As indicated, much of this benefit is derived from the melding of these different postures and positions. Taken together, they offer the region the opportunity to accelerate development, while being sensitive to cultural legacies and traditional strengths.

Evidence of the strength of the region is to be found in the high levels of cooperation on environmental treaties and protocols, and in trans-boundary resource management and tourism. Many of the river basins in the region are shared. SADC's Shared Watercourses Protocol, which has been in force since 1998 when it was ratified by the requisite number of member states, affirms a commitment by the signatory states to the agreed principles for access to water from shared rivers. The

protocol provides procedures for applying the principles in practice, and is serving to structure orderly bi-national and multinational relations in the SADC region as relates to water issues.

"...scarcity of water in the region is expediting the need for political relations..."

The scarcity of water in the region is expediting the need for political relations, especially between basin states. These relations are managed strategically and, whereas in the 1990s they were triggered by operational requirements to increase and manage supply, today they are necessitated by the high demand for water. Water scarcity in the region is ensuring that water is used as economically as possible, and conservation is a priority.

The production of grain, timber and energy is located in the well-watered areas, which then trade with the arid areas. The migration of people and skills to well-watered districts, peri-urban and urban areas, and certain industrial hubs, is occurring throughout the region. This has increased pressure in those areas to provide access to water through reticulation.

Water and energy to take forward the social and economic interests have been the major areas of cooperation within the region. In South Africa, Angola and Mozambique, economic development is following an industrialisation model that requires huge energy inputs which, in some instances, is leading to the pollution of water sources. This creates tensions because of the negative environmental impacts of the industrial development model followed by these countries. This development drive is focused

largely on energy-intensive and polluting industries like aluminium-smelting plants that increase foreign investment, but have brought little benefit to local communities who share only in the environmental costs. The majority of job opportunities are for skilled technicians and engineers, and these usually favour foreign workers. Besides creating resentment within local communities, the situation causes added social pressures. In these countries, economic growth is not filtering down to the people on the ground, and the gap between the rich and the poor is increasing.

Countries like Tanzania, Swaziland, Zambia, Malawi and some parts of nations like South Africa are using age-old African traditional practices and indigenous knowledge to maximise the use and beneficiation of natural resources. This is supported, where necessary, by modern science. These practices favour the employment of local people. Skills are

transferred from generation to generation, and have been included in the formal education curriculum.

New products are developed for the international market using local knowledge. For example, the marula tree, hemp plant and reeds are being manufactured into goods that are in great demand internationally because of a swing towards natural materials and products following the huge reliance on synthetic materials in the 20th century. Traditional livestock farming is being combined with game farming for both commercial and tourism potential. Local African banks and micro-financing institutions are supporting farmers with finance and technical assistance in a fast-growing game-ranching industry that is earning much-needed foreign currency.

Natural resources such as land are perceived as being for the benefit of the people, and

this is demonstrated through assertive land-reform programmes.

The high level of resource consumption for economic gain in some countries

"...a demonstrated commitment to seeking more sustainable solutions..."

has a significant negative impact on the environment. While there is some level of environmental management to mitigate these impacts and to ensure compliance with legislation, the levels of proactive responsibility (e.g. a demonstrated commitment to seeking more sustainable solutions) are inconsistent and subjective. This translates to a global problem, even though it is experienced more acutely in the

countries that are industrialising rapidly.

Traditional practices in the DRC, Angola and Mozambique have in some cases contributed to environmental degradation (e.g. slash-and-burn agriculture), while in other cases they have optimised the use of natural resources (e.g. rotation cropping and the use of wild seed varieties). The introduction of genetically modified organisms (GMOs) in some parts of the region has created a range of environmental problems in the SADC region.

In Botswana, South Africa and Angola, the need to be internationally competitive is promoted through the adoption of new technologies and licensing agreements with global partners. The diversification of exports and value addition to primary commodities, particularly mineral and agricultural products, is promoted.

Infrastructure is an area of necessary and valued cooperation in the region, especially where land-locked countries like Botswana, Lesotho, Swaziland and Zimbabwe rely on coastal nations for access to ports to receive and send goods. ICTs are also aggressively developed as a key strategic economic driver for the region.

In the SADC region, civil society has become a stronger player within South Africa, Angola and Mozambique because it is in these countries that the development agenda does not have an adequate social focus. This strong civil society movement is playing an important role in assisting to counter the effects of the decreased provision of social infrastructure and services in these countries. It has also served to apply pressure around the issue of land reform which has been dragging on for years.

HIV/Aids is another example of how civil society has filled a gap left by government. Following the peak in infection rates reached in 2010, HIV infection rates are starting to decrease (down to below 25%), but the impact of the Aids pandemic is still manifesting itself in the region. Civil society in these countries is setting up hospices, sourcing international finance, and has successfully negotiated cheaper drug prices. Within Tanzania, Swaziland, Lesotho, Zambia and Zimbabwe, the traditional African family structure is still intact and is assisting in caring for victims. However, there is poor access to funding, treatment and drugs within these countries because of poor relations with global funders and drug companies, who are being accused of profiteering from the global Aids pandemic. Nevertheless, regional partnerships are being established where R&D is undertaken by global institutions with facilities in Africa.
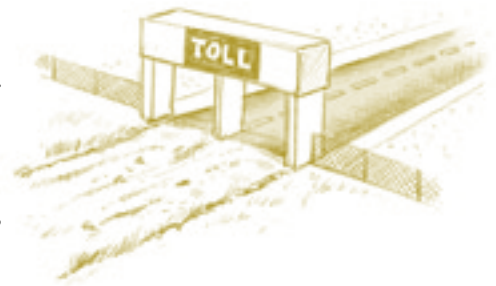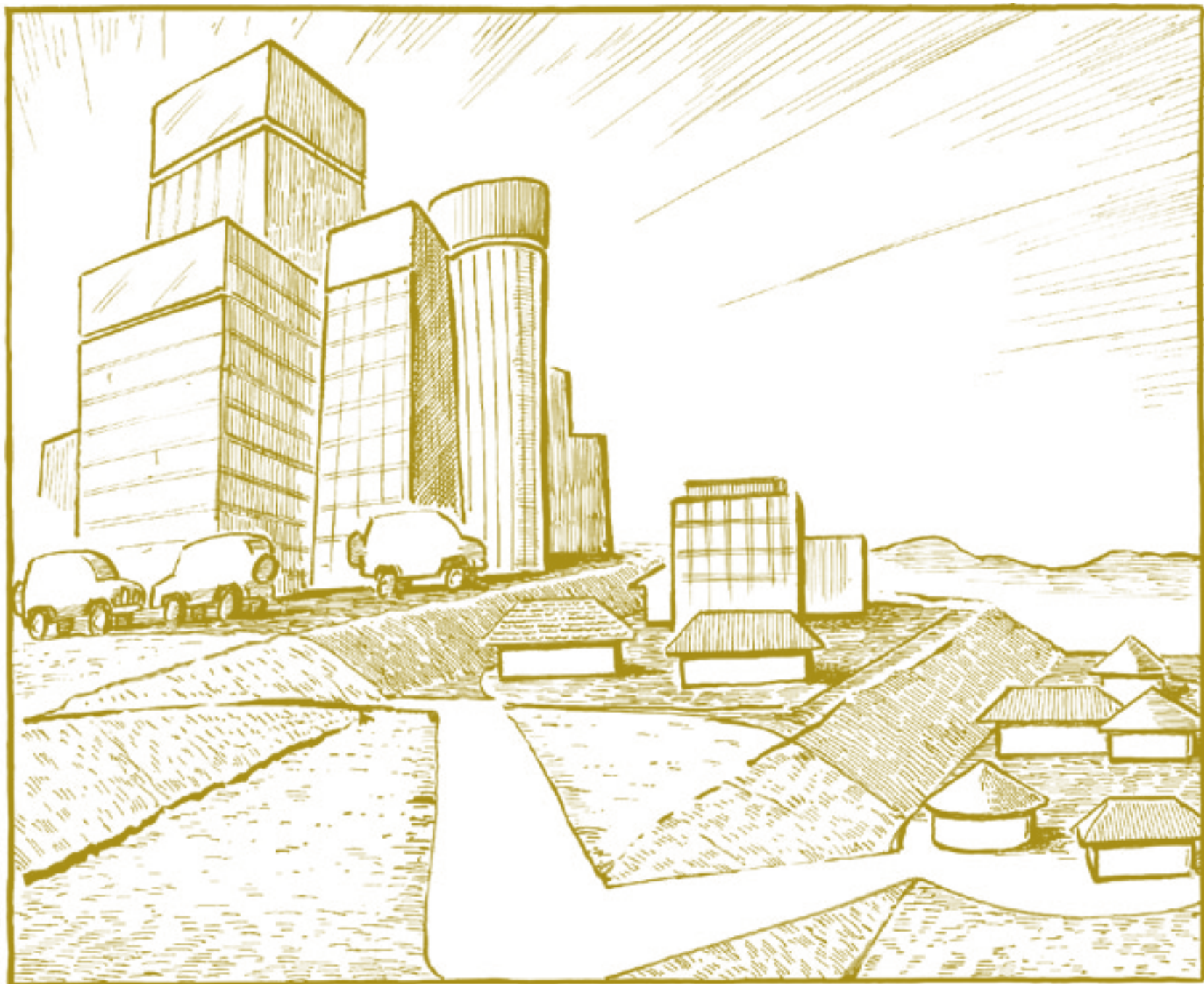
Despite differing agendas, the objective nature of scientific and technical matter is allowing for a significant degree of collaboration in the region in the "valley", and is promoting innovation due to the

"...promoting innovation due to the interaction between researchers..."

interaction between researchers schooled in different approaches.

THE UNEVEN FIELD - SADC GIANTS

PROLOGUE

IT BEGAN WITH NOBLE INTENTIONS AND PROMISED MUCH FOR THE PEOPLE OF THE REGION. INDEED, IN ITS EARLY DAYS SADC SEEMED TO HAVE GOT THE FORMULA CORRECT. HOWEVER, THE IMBALANCES INHERENT IN THE REGION PRIOR TO THIS BOOM PERIOD WERE NEVER REALLY PROPERLY ADDRESSED, AND THEIR IMPACT CONTINUES TO BE FELT TO THE PRESENT DAY.

CAPITALISING ON THIS HISTORICAL ADVANTAGE, THE GIANTS OF THE REGION WERE QUICK TO ENSURE THAT THE SADC OF THE TIME WOULD BE A SOUND VEHICLE FOR THE DELIVERY OF WHATEVER THEY CONSIDERED TO BE IN THE INTERESTS OF THE REGION. THE ARGUMENT WAS A SIMPLE IF CRUDE ONE — THE VALUE OF EACH STATE WAS DETERMINED STRICTLY BY ITS ECONOMIC CLOUT AND STRENGTH, AND HENCE THE PLAYING FIELD, UNEVEN AT THE START, CONTINUED TO MAINTAIN ITS SKEWNESS, FAVOURING THE STRONG AGAINST THE WEAK. WHILE MUCH OF THE REGION'S DEVELOPMENT DID ENSUE FROM THE DOMINANCE OF THE GIANTS — THE "PREMIER LEAGUE STATES", IT IS CLEAR THAT MUCH OF THE UNDERDEVELOPMENT OF THE "FIRST DIVISION STATES" AND "AMATEUR DIVISION STATES" COULD ALSO BE LINKED TO THE ROLE OF THE GIANTS THEMSELVES.

The early 2000s were a good time for Southern Africa. The launch of the African Union at the turn of the century coincided with the end of two devastating wars in the region, one being the protracted civil conflict in Angola and the other being the brutal war in the DRC. Encouraged by the rapid cessation of these conflicts, the region became the first regional economic community (REC) in Africa to capitalise on the newly established African Union. A surge in regional negotiations in many different

areas, notably peace and security and trade and economic cooperation, began to rapidly transform SADC into a coherent and effective organisation. SADC thus became a model for the African Union, showing the way for other RECs in its commitment to long-term peace, stability, growth and development. The positive developments have not gone unnoticed by the rest of the world, and SADC begins to flex its muscles as it enters into and concludes various political and economic agreements with other regions around the world.

However, closer scrutiny of the region reveals that the picture painted externally may not be an accurate reflection of what is really going on in the region. Notwithstanding its many successes, by around 2010 it was evident that SADC was not the level playing field that it was originally intended to be. In fact, within the region three distinct tiers or states could be identified. At the very top of the hierarchy sat what are referred to metaphorically as the Premier League States (PLS) – South Africa, Botswana, the DRC and Angola. The middle tier, otherwise known as the First Division States (FDS), is occupied by countries such as Mozambique, Zimbabwe, Zambia and Tanzania. On the lowest tier are found the rest of the SADC states, such as Lesotho, Namibia, Swaziland and Malawi, and these are disparagingly referred to as the Amateur Division States (ADS).

Although history will show that it was not the explicit intention of the PLS to subordinate the others, today it is clear that they hold the strongest political voice in the region and have the greatest capacity in economic, financial, military, infrastructural, disaster-management, and R&D matters. They are also the conduits for global power relations with the region. The Premier League

does try to be as egalitarian as possible in its dealings with the other states and, though the imbalances are not a source of any significant insecurity or disjointment in the region, there is a sense of underlying tension and mistrust

"...an era of democratic leadership, ably supported by significant mineral wealth..."

as the less powerful nations are increasingly sensitive to the domineering behaviour of the more powerful states.

How did things get to be this way? How did the much-vaunted "New SADC" vision of the early 2000s result in the current systemic hierarchy? Well, it was clear to any observer that the baseline for the states in the region was never going to be the same,

or indeed level, in any way. In fact (and with the benefit of hindsight), it is now clear that the imbalances that existed at the outset would distort the future regional landscape in predictable ways. The PLS were always those with greater economic potential, being in possession of goods and services sought by the rest of the world, and well steeped in the global security and political apparatus.

South Africa, for example, emerged from apartheid in 1994 and launched itself into an era of democratic leadership, ably supported by significant mineral wealth, a diverse economy, an established infrastructural base, strong international relations and sound fiscal policies and principles of good governance. In this way, it continued along a positive path of economic growth, easily positioning itself as a key player on the continent. Angola emerged from many years of conflict and strife in 2002. Its economy was already fairly strong and built

on a stable base of exports in agri-forestry products, oil, and minerals. In addition, Angola also held the key strategic advantage of having valuable water resources. Through a rigorous programme of rapid nation-building, reforms in governance, regulation of economic activity, and learning from the experiences of its neighbours, Angola quickly established itself as a force to reckon with.

For similar reasons, the DRC also held a position of advantage by the time it emerged from its own years of conflict later in the decade. Its key resources included water, forestry and mineral wealth.

There were a number of key commonalities characterising these three countries at the beginning of the 21st century. They all occupied significant, strategically placed landmasses in regions rich in natural resources. They had all emerged as nations in the late 20th / early 21st century from horrific histories (apartheid, civil strife and regional wars), and all enjoyed significant involvement with external international and continental interests. In reaction to their troubled pasts, they focused significantly on good polity and sound governance as the fundamental principles upon which to build their nations. The continuing external interests also played a role in supporting the transition and growth of these countries.

Botswana, the fourth member of the PLS, was not hampered by a similar troubled past, and continued along a stable path with a strong economy based on mineral wealth and sound economic governance. This mineral wealth had been further enhanced by South African investment initiatives into Botswana, such as in the strengthening of the electricity supply. In addition, Botswana has been recognised as having one of the highest telecommunication operational
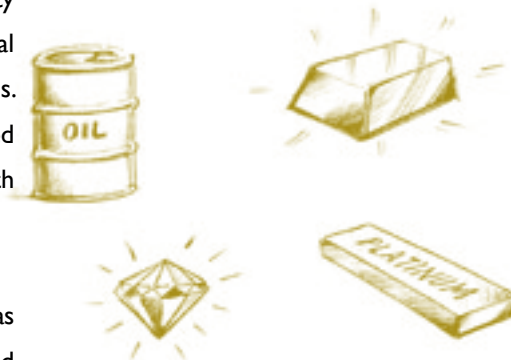
capabilities within the African continent, and is a global player in the financial services sector. Its stability and steady growth within these flagship sectors have assisted in strengthening Botswana's economic position within SADC.

"This strong influence has generally resulted in a positive and coherent focus..."

Although leadership in SADC's structures is rotated to ensure balance, the clout of the PLS has meant that their voice has held strong within the region, particularly in matters where the four states actively collaborate on specific agendas. This strong influence has generally resulted in a positive and coherent focus on key regional imperatives, such as the need to develop the necessary protocols and regulatory frameworks for trade and investment in the region, peace and security initiatives, the development of economic infrastructure, environmental management, and the protection of indigenous knowledge from unmitigated external exploitation. Accomplishments in these areas further legitimised the PLS as representing the interests of the region, both to other states within the region that experienced the positive benefits of these accomplishments, as well as to other global stakeholders (e.g. the AU, EU, G8, WTO, UN and donor agencies) to whom the PLS became even more visible. Increasingly, these bodies deferred to the PLS for input, endorsement and political support for interactions and interventions with the region.

This strong external support and recognition essentially clinched the dominance of the PLS. The dominance, however, had earlier been built by exploiting the relative weaknesses

of the First and Amateur Division states. The relative disadvantage of the lower divisions was typically either because they were land-locked like Lesotho, Swaziland and Malawi which rely on the transport infrastructure and ports of the PLS for resources or access, or because they were compromised by socio-political factors (such as the problematic governance issues in Zimbabwe, Namibia, and Zambia during the early part of the century, including accusations of restricted political and civil rights, and corruption). The Seychelles and Mauritius have largely been silent partners due to their remoteness, and they continue to trade more closely with Europe than with the region. In time, they drift further and further away, and eventually relinquish their membership to SADC.

So what of the First Division States? Why did they fail to reach the heights of the PLS, even though it had appeared at one time that they would? The answers in fact lie in the individual states themselves.

For instance, Mozambique had seen consistent improvement and growth of its industrial and agricultural sectors in the early 2000s. This, coupled with its provision of easy port access for South Africa, saw its GDP growth leap into double figures. However, the country did not possess a strong human capital or infrastructure base, and this, together with its continued reliance on donor aid, served to retard its growth somewhat. Moreover, the simmering civil unrest within the country, especially between north and south, continued to flare up with greater frequency, disrupting development and infrastructure projects.

On the other hand, Zimbabwe has had a strong human capital base and has contributed a significant part of the region's

skilled and unskilled workforce. However, its global relations continued to be strained as Zimbabwe slid deeper into a series of political and socio-economic crises, from which it would take years to recover. Tanzania

"...improving infrastructure primarily provisioned through external funding."

had grown steadily under good governance, improving infrastructure primarily provisioned through external funding. The nation's agricultural sector benefited from its dual COMESA and SADC involvement, and Tanzania increasingly plays a role in regional food security.

All three nations (Mozambique, Zimbabwe, and Tanzania) today have moderate levels of

high-value commodities and a well-developed infrastructure base.

As for the Amateur Division States, their fates were sealed by virtue of their initial and continued dependency on the PLS. Landlocked Swaziland and Lesotho continued to grow ever more reliant on South Africa for trade, trade access, and the supply of necessary goods and services. Their futures were further compromised by internal strife and tensions, predominantly around political governance. Swaziland entered a tumultuous period when civil society sought to overcome the vagaries of its monarchical system of governance, while in Lesotho the failure of the Interim Political Authority resulted in the delay of free and fair elections for over a decade. Malawi, plagued by chronic food shortages and struggling to develop its economic potential, continued down a slow and steady road to economic and social decline.

The effects of this three-tiered structure in SADC are varied and numerous. While the economic dominance of the PLS has been catalytic in creating greater political stability in the region, there is also a prevailing sense that policies and regional protocols have become instruments of unfair advantage for the PLS. Efforts to enable and enforce stability and security in the region are directed at protecting economic interests, the benefits of which accrue by default primarily to PL states.

As can be expected, the actions of the PLS are driven (or at least constrained) by their own self-interest. They champion trade agreements and relations that benefit their economic interests, leading to a situation where they achieve greater entry into the weaker states, using them as markets, labour pools and resource bases. Still-imperfect controls on private-sector activity result in poorly regulated market activity and exploitation.

Private-sector interests from the dominant countries are strong and visible in the other states. As major investors, they hold high stakes in those countries, in some cases replacing European interests and controlling much of the business sector, including crucial sectors such as utilities and manufacturing.

Regional regulatory frameworks give extraordinary protection to the major economic sectors. This protection, which is justified by an imperative to facilitate strong economic potential in the interests of the region, gives free rein to corporate interests. This results in negative social and environmental repercussions including an inadequate focus on social development, and unsustainable levels of natural resource exploitation.

Poor populations in the region are generally relegated to small and micro-scale informal

economic activities, and there is zero tolerance for their interference with big business which is understood to be key to regional economic growth. The poor, especially in the rural areas, have to continuously rely on the natural

"Rural populations face significant levels of poverty..."

environment for sustenance. This has led to increased deforestation and environmental degradation in significant parts of the region. Although there are significant efforts at proactiveness in environmental management, the effects of climatic change still threaten the region, leading to increasingly severe natural disasters.

Across SADC as a whole, there are varying

levels of human development. Social infrastructure and access are skewed towards major centres of economic activity. There is access to basic services in urban and peri-urban areas, but rural – and particularly deep rural – areas continue to have poor access. Rural populations face significant levels of poverty as a result of minimal economic viability and pro-urbanisation policies. Concerns around land reform in the early part of the century gradually lost momentum and the crucial issue of land tenure was never effectively addressed. As a result, landlessness continues to contribute to high poverty levels.

Civil society structures strengthen over time, playing a significant role in social services and developmental programmes. CBOs, NGOs and faith-based organisations become strong lobby groups on behalf of the urban and rural poor. These efforts are primarily financed through official development assistance

(ODA), which is largely channelled through the PLS. These are central to the region's development programme and become "gatekeepers" for development assistance.

In the wealthier PLS, major social support programmes are established as "safety nets" for the poor, but they also become a barrier to development as they foster greater dependency and create a cycle of poverty in both inner cities and rural areas.

Interventions to address HIV/Aids and communicable disease are inconsistent. Those with money get better access to care and protection, while the poor are neglected. This is seen on both national and household levels. With their significant R&D capacity, the PLS put in place measures to address the HIV/Aids pandemic in the early 21st century. Their international linkages give them the benefit of exposure to new discoveries in

the field of HIV/Aids and other diseases, while their stronger economies enable public funding support for HIV/Aids care and treatment programmes.

The impact of HIV/Aids has the region in the difficult position of dealing with a serious decline in the economically active population. This has resulted in high mobility of labour, which has its own associated challenges.

There are negative reactions, mainly in the PLS, to the increasing influx of labour in pursuit of economic opportunities. This results in occasional, small-scale ethnocentric clashes. However, there is also a growing recognition that the immigrants form a crucial part of the systems of production in their willingness to accept lower wages and more stringent working conditions. Immigration also results in the gaining of intellectual capacity from states without the economic or

R&D infrastructure to absorb highly skilled professionals, particularly in the science and technology sector, but where education systems or legacies and competitiveness may still be producing valuable human resources.

"R&D is primarily driven by external and private-sector investment ..."

Overall, SADC's R&D agenda is championed by the PLS. R&D is primarily driven by external and private-sector investment through the PLS, and is therefore inevitably focused on economic development and maximising exploitation that mainly favouring the interests of the PLS.

Although R&D budget allocations have increased to reasonable levels in many countries, there is little to no innovation or effort towards addressing social problems. Investment in human capital is increasing; however the brain drain from the weaker economies continues, with the migrants heading for the PLS or abroad. Technology diffusion is poor, particularly in rural areas.

SADC is increasingly exploiting, protecting and preserving indigenous knowledge systems (IKS), although regional trust in pooling IKS is still low, partly because of the dominance of the PLS.
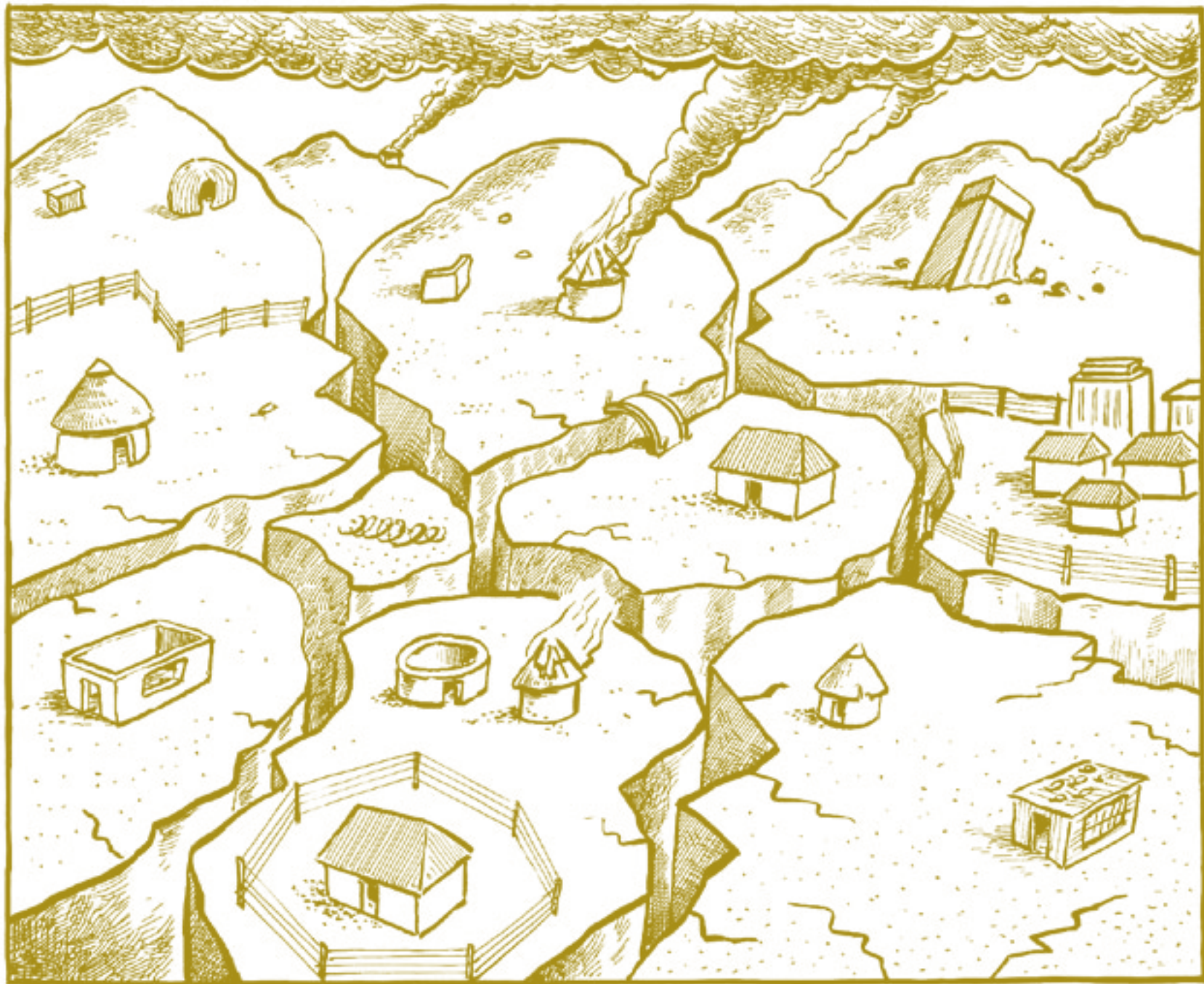
ONE FOR ONE - SADC IN DISARRAY

FOR THE CITIZEN OF THIS REGION, NEW YEAR'S DAY IN 2015 BRINGS LITTLE REASON TO CHEER. FOR THOSE WHO WERE ADULTS AT THE START OF THE NEW MILLENNIUM, ALL THEY HAVE AS A SALVE TO THE HARSHNESS OF THEIR PRESENT LIVES IS THE MEMORY OF A PAST THAT, HOWEVER IMPERFECT, WAS HAPPIER THAN THE PRESENT BY A CONSIDERABLE MARGIN. FOR THOSE TOO YOUNG TO KNOW THE PAST, THE SENSE OF HOPELESSNESS IS EVEN MORE PALPABLE.

MARGINALISED FROM THEIR NEIGHBOURS, OVERLOOKED AND ABANDONED BY THE REST OF THE WORLD, THEIR ONLY HOPE IS IN THE GROWING REALISATION THAT THE CURRENT SLIDE TOWARDS CHAOS WILL INEVITABLY PRODUCE A CATACLYSM THAT WILL RESTORE THE REGION TO A SENSIBLE PATH. THAT DAY, HOWEVER, CURRENTLY SEEMS REMOTE.

The reality of SADC today is far from what was envisaged 15 years ago in the heady days following the end of apartheid in South Africa, the end of the civil war in Angola, and the promise of peace in the DRC. While at that time a considerable amount of political capital existed that could be harnessed towards developing and strengthening the region, the promise has not been realised. Instead of collective engagement and collaboration among SADC countries in pursuit of integrated socio-economic development in the region, pronounced nationalism prevails. The degree of fracture is so sharp and so pronounced that many global observers are moved to question the success of the African Union itself.

Not so, counter the leaders of the AU. While SADC represents a signal failure in the AU, the

other RECs are making reasonable progress towards steadier nation-level development and regional cooperation. However, with SADC representing the biggest portion of the sub-Saharan economy and a significant component of its infrastructure and human resources, it's not that easy to discount the impact of a failed SADC on the nascent AU.

The decay of SADC began with a surge in conflict characterised along ethnocentric (primarily religious and ethnic) lines. The degree of conflict varied from civil wars (reminiscent of the FRELIMO/RENAMO and UNITA/MPLA conflicts in Mozambique and Angola), to regional conflicts (as in the DRC), and struggles over access to resources (such as land and water), and ethnic clashes, persecution and growing intolerance in society resulting from stark inequalities.

The AU, through diplomacy and its

peacekeeping structures, attempted to intervene in the region's conflict but was ineffectual and lost credibility in the process. The African Peer Review Mechanism introduced in the early 2000s was unsuccessful, and has since been abandoned in this region.

At the root of the region's problems are the following: skewed economic development which perpetuated dependence; dominance by successful economies such as South Africa's, which generally determined the region's economic agenda; growing levels of inequality within states, entrenching a mix of developed and underdeveloped world qualities within individual countries; a vicious cycle of poverty and poor human development, making it difficult for people to empower themselves; and reckless economic opportunism.

Trans-boundary issues have also spurred

conflict in the region. One example is the South Africa/Namibia border, which has long been a source of tension over the Orange River. Angolan-Namibian relations are strained because of quarrelling over the

"...countries looking for opportunities in the wake of slow economic recovery..."

spoils of the DRC war. The South Africa/Zimbabwe, Botswana/Zimbabwe and South Africa/Mozambique borders have also been problematic, with illegal immigrants entering more prosperous countries looking for opportunities in the wake of slow economic recovery and conflict at home.

The presence of economic superpowers in the region – South Africa, Botswana and

Angola – has further complicated inter-state relations. The smaller countries have been forced to choose sides whenever there are disputes, leading to fluid and transient alliances in which erstwhile partners are pitted against each other. The limited cooperation in the region is driven by country-specific needs. South Africa and the DRC are, for instance, collaborating in the generation of hydro-electricity in the waters of Inga in the DRC to satisfy South Africa's electricity requirements, with the reciprocal benefit of infrastructure investment in the DRC. Talks are already far advanced for a similar deal to address South Africa's water requirements, as the country is facing critical water shortages as the Lesotho Highlands Water project reaches its maximum supply capacity.

Zambia and Malawi maintain good relations with Mozambique (and with Tanzania to a lesser extent) in order to have access to

ports for trade purposes (just as Lesotho and Swaziland need South Africa's ports).

The integrated regional development envisaged by SADC initiatives in the early 2000s is a distant dream.

At intra-state level, the state of regional disarray is manifest both in urban and rural settings. The high rate of urbanisation, which began in the late 1900s, has continued to soar. In today's cities, urban poverty owing to unemployment, poor access to economic opportunities and an inability to meet the high cost of living, have created a society that is increasingly marginalised in terms of economic activity, political participation and access to social services. This has resulted in the emergence of a strong civil society that resorts to civil disturbance and disobedience as a mechanism to get government's attention. In South Africa this is evident in the land invasions by the homeless, and in the protests from the labour unions and the unemployed. In Zimbabwe, riots and looting are rampant in urban centres owing to people's frustration with the slow process of economic recovery. In Angola, demobilised soldiers have sporadically attempted coups and hijacked government officials, demanding jobs and social welfare for war veterans. Attempts to transform and improve urban centres in Angola have also resulted in a combination of inner-city gentrification and peri-urban slums.

In rural areas, people are living in a state of abject poverty. They are economically and politically marginalised, and have little or no access to social services. Many rural households survive at a subsistence level, generating minimal income by selling small wares and produce in fledgling local markets.

The region has recently experienced an

increase in floods and droughts owing to climatic change, which has adversely impacted on food security in these areas. The low-lying areas of Mozambique are the most affected by floods. South Africa and Zimbabwe have

"...causing ethnic and other forms of internecine violence."

been accused of compounding the effects of the floods in Mozambique through their flood-management programmes. People have at times been forced to relocate from vulnerable areas to safer places, increasing population densities in some areas. With people finding themselves in survivalist mode, theft of livestock and the burgling of local businesses increase, causing ethnic and other forms of internecine violence.

Countries such as the DRC and Mozambique, which are still struggling to emerge from a prolonged history of tensions and civil war, are preoccupied with internal issues and are therefore even less concerned about the overall region than the other countries. They invest state revenue in defence, policing and economic activities. Swaziland and Lesotho experience problems such as a decline in trade, owing to the inward focus of other countries. Their citizens express anger at the apparent failure of their governments to take control of the situation. This results in sporadic unrest. Compounded by rising dissatisfaction with the status quo, the situation deteriorates into anarchy and governments lose control. Tense relations with South Africa result due to the spatial and economic relationship between the role-players. Political refugees spilling into South Africa create further political, micro-economic and ethnocentric instability.

The informal and non-formal economies become key drivers of trade in the region. A large proportion of people caught up in conflict rely on the informal sector and the black market to access goods and services. Much of the informal activity occurs in the local context. However, certain goods such as food, fuel, and counterfeit merchandise experience stable cross-border demand. In countries such as Malawi and Lesotho, the informal economy becomes the only functioning economy, such as for the supply of food and fuel. Unfortunately, there is always a thin line between an informal economy and illegal economic activity, particularly in the absence of effective policing. Gun-smuggling appears to be on the increase and some of the agencies contracted to dispense humanitarian aid are found to be selling consignments for profit. Diamond smuggling in the DRC, Angola, Botswana and South Africa is posing a serious threat to the economic viability of

diamond operations in the region, following the crumbling of the Kimberley Agreement.

Foreign governments, multinationals and the private sector see opportunities for business in SADC, in spite of – or in some cases because of – the present conflict. Self-contained mineral ventures allow investors to make "point" investments into their own mines, which can then be closely guarded. Any surrounding conflict is held at bay through intricate security systems and pacts with government to protect the extraction and removal of the precious resources.

Investment in infrastructure, primarily by private-sector and multinational donors or conglomerates, is driven by perceived economic gain. Governments are pressurised into signing away the rights to certain key resources (particularly productive land and mineral rights) in return for military support,

financial investment and protection of economic areas.

Investment comes with strong conditionality, such as the use of foreign contractors in

"...opens up opportunities for exploitation in the work environment."

infrastructure projects, use of inappropriate foreign technologies and the freedom to import skills where deemed necessary. Local civil society is very vocal in opposing the situation, but government finds its hands tied and cannot act. This fuels local unrest and a growing dislike of private-sector or foreign-based projects. Foreigners increasingly become victims of xenophobia and cases of sabotage are reported.

The state of conflict presents opportunities for high consumption of natural resources by industry. This is compounded by minimum compliance with environmental and occupational health and safety standards by the private sector. Labour importation opens up opportunities for exploitation in the work environment.

Since regional cooperation and integration seem to be a thing of the past, countries such as South Africa and Angola decide to "go it alone" in the global economy. Angola is particularly successful in securing an oil-supply deal with the USA (France and Portugal also want in on the deal). South Africa has historically traded successfully with Europe as well as the USA (back in 2002, the EU was South Africa's number one trading partner, with Germany being the principal player). Owing to its highly diversified economy, trade opportunities come streaming into South

Africa, particularly in manufacturing, services and tourism. In addition, South Africa trades with countries such as China, India, Australia and Brazil.

The disintegration of SADC has dealt the region a blow, because a collective engagement of the region in the global economy would have carried more international weight. The AU might have facilitated this, but its attempt to emulate the EU economic model has failed due to a lack of common vision, leadership focus and resources. The smaller economies and markets in the region would have stood a better chance working together, which was the rationale behind the initial attempt at regional cooperation and integration. In addition, the world is making decisions based on its view of the southern African region and not necessarily of the individual countries, and the regional disintegration and local conflicts create negative perceptions of the whole region, impacting on trade opportunities for all countries within SADC.

Some foreign governments encourage regional cooperation for the preservation of trans-boundary natural resource areas, as well as an intra-state commitment to preserving protected natural environments. They even provide protection and funding for ecological projects within SADC, ostensibly in the interest of preserving biodiversity. While this seems a noble motive at first glance, it is soon apparent that the funders want to hold the region to ransom for its natural resources, which will be used to meet the demands of sustainable development (e.g. emissions trading).

In reaction to inter- and intra-state conflicts, governments boost investment in defence and the economy, seriously cutting back on social expenditure. There is a net inward focus on

intra-state issues. Some government officials see opportunities to defraud the state and enrich themselves. Certain governments can barely function any more and governance has devolved to local levels. In the absence

"...the only hope for the unfortunate is assistance from richer communities."

of funding allocations for social services, governments become ineffective and civil society is reactively strengthened. Foreign assistance is metamorphosed from direct investment by foreign governments and multinationals to grant assistance by NGOs and humanitarian agencies. Civil society is used as a vehicle to channel such funds to the needy.

Since such assistance cannot reach everyone, the only hope for the unfortunate is assistance from richer communities. However, the richer communities have formed local cocoons in an effort to protect themselves, their rights and their possessions. They are not willing to get involved in anything outside their designated area. Civil society in poor areas insists that people should not exist as islands within countries, and continues to knock on the doors of the richer communities. Two scenarios are unveiled. In the first, the rich in certain areas agree to assist poorer communities in their vicinity. This brings some relief, and gradually expands to a more regional (provincial) context. In the second scenario, richer communities are not willing to help, and civil society calls for the invasion of the richer communities. This aggravates the unrest, with casualties on both sides.

In the midst of this civil unrest, the poor are plagued by ill health, poor living conditions and violence. Diseases such as tuberculosis and cholera are again reaching epidemic proportions, as in the 20th century. Primary health care is ineffectual and clinics wait for weeks for medical supplies. Hospitals endure random power cuts, as copper cables are stolen to produce some income.

There are increasing incidences of crime, aggravated by substance abuse, social disintegration, and frustrations and instability experienced at household level. HIV/Aids is spreading at an increasing rate, partly because of the lawlessness and violence. Health and social systems are losing the battle to curb mother-to-child HIV transmission, and anti-retroviral drugs are beyond the reach of most-at-risk mothers. Children experience trauma and shock, and seek momentary comfort in drugs, which introduces the risk of HIV transmission through needle-sharing. The problems compound, resulting in Aids-related deaths which destroy human capital, radically alter family life and structures, and impact negatively on the economy.

In certain areas, municipal services become infrequent, infrastructure maintenance is neglected and people stop paying for services. This impacts negatively on any remaining municipal budgeting and service delivery. Municipal workers cannot be paid adequately and decide to down tools. Municipal debts to water suppliers mount and water supplies are eventually cut off with dire consequences because of unsanitary living conditions. The lack of waste management and proper sanitation, compounded by water cut-offs, causes outbreaks of diseases like cholera, affecting children, the weak and the elderly in particular.

The scenario methodology provides some important inputs in addressing strategic management challenges in society today and into the future. With reference to NEPAD, the use of scenarios in strategic planning is critical because of the scope and complexity of the challenges that African nations are seeking to address through the initiative. This particular process identified a number of key uncertainties and predetermined elements about the SADC region in 2015. Regional cooperation and integration, resource management, R&D capacity for innovation, human development, and trade and diversification are defined as the key drivers of the SADC 2015 scenarios. These become a useful set of high-level issues that can be used in conceptual mappings of the future regional landscape on the basis of the set of considerations arising from this exercise.

It is important to note again that these scenarios are neither predictions nor plans. The outputs of this exercise are intended to provide a framework for testing development-planning methodologies that could be applied in NEPAD, as well as to test the robustness of infrastructure plans.

Further engagement of the range of role-players will be necessary in order to draw these considerations into systems of planning. The CSIR has embarked upon early processes to explore implications for infrastructure in relation to these possible futures. This has included consideration of what the demand profile for infrastructure may be, and what the modalities and challenges/opportunity for infrastructure delivery would be. It is anticipated that similar exercises into other development sectors might be supported through further interrogation of the SADC 2015 scenarios.

ADS	Amateur Division States
AGOA	African Growth and Opportunity Act
AMU	Arab Maghreb Union
AU	African Union
CBO	Community Based Organisations
COMESA	Common Market for Eastern and Southern Africa
DOHA	Defence Office of Hearings and Appeals
DRC	Democratic Republic of Congo
ECOWAS	Economic Community of West African States
EU	European Union
FDI	Foreign Direct Investment
FDS	First Division States
FRELIMO	Front for the Liberation of Mozambique
G8	Group of Eight (Canada, France, Germany, Italy, Japan, Russia, United States and United Kingdom)
GDP	Gross Domestic Product
GM	Genetically Modified
GMO	Genetically Modified Organism
HIV/Aids	Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome
ICT	Information and Communications Technology
IKS	Indigenous Knowledge Systems
MPLA	Movimento Popular para a Libertação de Angola

NAM	Non-Aligned Movement
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OPEC	Organisation of Petroleum Exporting Countries
OECD	Organisation for Economic Co-operation and Development
PLS	Premier League States
R&D	Research and Development
REC	Regional Economic Community
RENAMO	Resistencia Nacion al Moçambicana
S&T	Science and Technology
SACU	Southern African Customs Union
SADC	Southern Africa Development Community
SADCC	Southern Africa Development Co-ordination Conference
SMMEs	Small, Medium and Micro Enterprises
UN	United Nations
UNITA	National Union for the Total Independence of Angola
USA	United States of America
WSSD	World Summit on Sustainable Development
WTO	World Trade Organisation