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## BRIEFING

### Corruption Index reveals an improved African image

In Transparency International's 2002 Corruption Perception Index (CPI), African countries have fared relatively well by global standards, with nine countries improving their previous year's scores and only five showing signs of decline.

SA has performed relatively well over the past year. While its score did not change (4.8 out of 10), it moved up two places from 38<sup>th</sup> to 36<sup>th</sup>. Among African countries, Tanzania and Ghana performed the best by shifting up nine places. The index attributes this in part to the NEPAD initiative, with its focus on promoting good governance.

The 2002 CPI indicates, however, that levels of corruption are worsening, with 70 out of the 102 countries surveyed scoring below five out of a possible 10. Corruption is dangerously high in poor countries where bribery and corruption are sometimes the only means of wealth creation.

The worst scoring country—ranked at 102—is Bangladesh, followed closely by Nigeria, Paraguay, Madagascar and Angola. Finland is the least corrupt, followed by Denmark and New Zealand.

Latin American countries have dropped the most in the CPI. Argentina is at the forefront, plummeting from 57<sup>th</sup> in 2001, to 70<sup>th</sup> in 2002—the worst performer over the past year. Interestingly, Chile, ranked at 17<sup>th</sup>, breaks the mould of the stereotypical Latin American country and is ahead of Germany, Belgium, Spain and France.

### Swaziland's democracy dilemma

*While the focus of the world and the Southern African Development Community (SADC) has been on Zimbabwe little attention has been paid to political developments in Swaziland. The mooted political reform is yet to materialise, while political and civil society opposition to the monarchy is suppressed.*

Although democracy is by no means consolidated in other SADC states, the Swazi Kingdom remains an absolute monarchy to this day.

The 1973 Royal Decree, suspending the 1968 constitution, outlawing all political party activity, and concentrating all power in the king, continues to be the basis upon which the country is governed.

In recent years the tension between those favouring greater democratisation and liberalisation and those supporting the retention of an absolute monarchy has increased. The opposition comprises trade unionists, pro-democracy activists and members of banned political parties. These groups have demanded that the monarch allow free political activity and political reforms.

In 1996 the King established a Constitutional Review Commission (CRC) to examine the suspended 1968 constitution, determine citizens' wishes regarding a future system of government, and make the necessary recommendations on the drafting of a new constitution.

The CRC, however, has been a source of controversy. Its members were appointed by the King and his brother, Prince Mangaliso Dlamini, headed it. Ordinary Swazi citizens were not represented and submissions could only be made by individuals and not through political parties and groups.

The CRC submitted its findings to the King last year. Its report concluded that most Swazis want a continuation of the status quo, a strengthening of the King's powers, a continued ban against political parties, a greater emphasis on traditional law and custom, and stiffer penalties for those who speak against the state. However, no record of any of the submissions made to the CRC have been released, nor is it known how many Swazis presented their views to the Commission.

In August this year, the pro-democracy movement presented a draft alternative constitution, which would see the powers of the King significantly reduced. He would continue to be head of state, but his executive authority would be exercised in consultation with an elected prime minister, whose government would determine policy. The King would have no legislative or judicial powers.

There is no doubt that at this stage the King would not consider these alternative proposals, given the purported consultative nature of the CRC's recommendations. In addition, the King's promulgation of the Internal Security Act, which seeks to reinforce a royal ban on opposition political activity, has raised concerns that it could jeopardise much needed trade and investment flows, as well as provoke economic sanctions from abroad. In 2000 Swaziland came close to being excluded from access to the US market in terms of the Africa Growth and Opportunity Act (AGOA) because of a repressive labour bill, which the government subsequently withdrew. (Exports to the US under AGOA totalled \$14.8 m in 2001.)

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While international and domestic human rights organisations document the government's crackdown on political dissent and ongoing violations of human rights, the Swazi High Court acquittal on a charge of sedition in August of Mario Masuku, the leader of the People's United Democratic Movement, an opposition party, was a positive development for judicial integrity and the forces of democratisation.

Should SA be concerned? As chair of the African Union and a key driver of the New Partnership for Africa's Development (NEPAD), Pretoria has a moral obligation to promote democratic systems of governance.

If not properly handled, Swazi developments may affect South

African and regional stability. However, Pretoria is approaching developments there cautiously. Both Pretoria and Mbabane have established a Joint Bilateral Commission for Co-operation (JBCC) to discuss the political situation in Swaziland. Herein lies an opportunity for Pretoria to work closer with Mbabane on encouraging liberalisation of the political system. This will not be easy especially given the recent strengthening of relations between Swaziland and Libya (a state that is unlikely to make economic assistance dependent on greater political liberalisation).

Apart from official ties, however, there are also ties between the Congress of South African Trade Unions (Cosatu) and the Swazi labour movement. Cosatu has come out strongly in support of calls for

democracy in Swaziland—unlike its more muted relationship with the opposition Movement for Democratic Change in Zimbabwe, which has its roots in the labour movement.

In the short to medium term the biggest challenges facing the Swazi monarchy will be satisfying the demands of an increasingly vocal pro-democracy movement and attracting foreign investment so as to reduce its 40% unemployment rate. These are not mutually exclusive. Swaziland is a small country, but the challenges it faces in transforming from a traditional absolute monarchy to a modern democratic state should not be sidelined within SADC and the AU, if Africa's commitment to promoting good governance and democracy is to be advanced.

*Sipho Seakamela*

## **Will Namibia and South Africa do a Zimbabwe-style land grab?**

*Namibian President Sam Nujoma's recent vocal support of, and SA's 'quiet diplomacy' approach towards, Zimbabwe's controversial expropriation of white-owned farms have raised fears amongst observers that these two countries will undertake similar land grabs.*

At the WSSD, Namibia's President Sam Nujoma came out in support of Zimbabwe's expropriation of white-owned farms. Whilst the Namibian government later stated that it would not deviate from its compensation-driven willing buyer/willing seller approach, many farmers expressed grave concerns about their future. In SA, President Mbeki's 'quiet diplomacy' on Zimbabwe's crisis of governance, has raised alarm amongst SA's political opposition and commercial farmers whilst leading to more strident calls from certain civil society groupings for either faster land redistribution or Zimbabwean-type expropriation of land without compensation.

Ironically, at independence, Zimbabwe had a far smaller proportion of land in white hands (41%) than Namibia (44%) or South Africa (72%) and arguably has been far more successful in redistributing this land.

What lessons for land reform can be learnt from the experience of other countries in the region?

In Swaziland, one third and in Kenya 40% of land in white hands

was redistributed, with the assistance of aid from the UK and other donors. Both countries used a willing seller/buyer approach. Kenya later appropriated abandoned or mismanaged farms that had been seized. In Malawi a process has recently started to acquire foreign-owned farms for redistribution. In Mozambique, farms nationalised in 1975 have been leased to commercial enterprises on a 99-year title, including to former SA farmers. These policies appear to have paid off in terms of the relative stability of these countries, even though in Kenya and Swaziland the process took a long time.

Zimbabwe and SA initially adopted a redistribution policy on a willing seller/buyer basis aimed to improve the lot of the rural poor. After the first redistribution phase, both countries emphasised the development of a black commercial farming sector. Namibia's land distribution programme has promoted black commercial farmers and the rural poor.

The table on page 3 indicates that Zimbabwe redistributed significant amounts of land to the

rural poor in its first phase of land distribution (1980–90) and consequently the most complete data on the impact of redistribution exists in Zimbabwe. Studies reveal that Zimbabwe's first land reform was generally successful with those who had been resettled acquiring assets and increasing their productivity substantially over time. However, the cost-benefit efficacy of this programme was limited by conditions imposed by government. Those resettled did not have title and experienced uncertainty and constrained access to credit. They could not expand or diversify as there were limitations on the number of assets they could acquire, as well as prohibitions on remittances from migrant labour or temporary work. In the period 1996–2000 government assisted with only three redistribution transfers, whilst in this period 86% of transfers of 226,504 hectares to black farmers were acquired with mortgages or cash. Not only was the market more effective at this time, it has been suggested that land acquired privately was worth more.

	<b>Zimbabwe 1980-2000 Prior to 'land invasions'</b>	<b>Namibia 1990-2000</b>	<b>South Africa 1994-2002</b>
Land area	1,221,000 sq km	824,000 sq km	391,000 sq km
Target/s set for redistribution	<b>1981:</b> 9 million ha. for 162,000 families in 5 years <b>1990:</b> 5 million ha. for 100,000 families	<b>1990:</b> 150,000 ha. for 14,000 people <b>1995:</b> 554,000 ha. for 90,000 people in 5 years <b>2000:</b> 9.5 million ha. in 5 years	<b>1994:</b> 30% of agricultural land redistributed from 1994–1999 <b>2000:</b> 15 million ha. to be transferred by 2005 (Minister of Land) <b>2000:</b> 30% to be transferred in 15–20 years (Dept. Agriculture)
Land redistribution in first 6–10 years after transition	3.3 million ha. redistributed to 52,000 families from 1980–90	500,000 ha. acquired for redistribution. 300 black farmers granted loans to buy farms from 1990–2000.	29,534 ha. redistributed to urban dwellers and farm-workers. 820,000 ha. redistributed to rural poor.
Land redistributed by second 10 years after transition	3.6 million ha. redistributed to 75,000 families but owned by state. 400,000 ha. leased to 4,000 black farmers. 350 black farmers bought own farms.	–	–

These statistics have led academics to suggest that the government's commitment to land reform was motivated largely by political concerns, such as continued control of those resettled, particularly opposition supporters (e.g. Ndebele) who were settled in ZANU–PF supporting areas. Instead the Mugabe government cites problems such as inflated prices for land, the withdrawal of UK support for its land distribution policy and legal challenges by white farmers as the most important factors that led to major financial constraints on the programme.

### Lessons for Namibia and SA

The Namibian and SA governments have articulated similar concerns and frustrations to those of Zimbabwe about the slow pace of land reform. If the ANC and SWAPO obtained a sufficient majority in government, they could change the constitution to allow for appropriation of land without compensation. The white agricultural sector, whilst vocal, is politically marginalised. Many civil society actors that supported the liberation struggles are largely

in favour of expropriation without compensation provided it is carried out non-violently in terms of the law. In SA, the pro-poor lobby is becoming increasingly active in opposition to government's perceived neo-liberal policies.

A number of factors do militate against a Zimbabwe-style solution in Namibia and SA. In SA, these would include historical and political factors such as the negative experience of forced apartheid resettlement and the need to assure the success of NEPAD. In Namibia, it is likely that more land will become available for redistribution as high numbers of white farmers are defaulting on their loans.

An important factor in the land distribution process is the role of the international community. The international community's attention span with regard to crises in Africa is arguably limited. If the Zimbabwean government was to end electoral and human rights abuses, once the redistribution process was a fait accompli, the international community might assist in supporting resettled farmers. However, the question remains for Zimbabwe and other

states in the region whether the political and social benefits of the 'land grab' experiment will offset the economic consequences in the long term of decreased domestic and foreign confidence, investment and aid. In addition the outcome of the current redistribution policy is still undecided. Will redistributed land be utilised in an economically viable manner?

What is clearly needed in both Namibia and SA are:

- Flexible state interventions aimed at the rural poor that focus on greater productivity rather than subsistence.
- White agriculture in Namibia and SA needs to be pro-active in negotiating voluntary transfers of quality lands and entering into partnerships, whether related to capacity building or other support.
- The international community should reconsider its policy of not funding capital for land acquisition and/or considerably increase funds or technical support to resettled farmers, provided that governments have clear policies and transparent systems of accountability.

*Gail Wannenburg*

## Mozambique: Ten years on

*It has been ten years since Mozambique signed the Rome Accords. By all accounts, the transformation from war to peace has been a phenomenal success, compared to the other Lusophone country in Southern Africa, Angola, which until the beginning of this year was still at war, although its peace process had started early in the 1990s.*

Mozambique's economy grew at an annual average rate of nearly 10% from 1996 to 1999, fuelled by large inflows of foreign direct investment and private sector funds. Notwithstanding the devastating floods in 2000 and 2001, which affected over a quarter of the population, destroyed most of the infrastructure and slashed growth from 10% to just 4%, the economy is recovering well and investment continues. But the country still depends heavily on donor funds. Over 60% of the government's annual budget is derived from foreign aid.

Mozambique has been at peace since 1992. Its relative political stability, infrastructural development and co-operation with its more powerful neighbour, SA, have been largely responsible for its economic regeneration. Two of the most important projects in this regard are the Mozal aluminum smelter (a joint project between the Mozambican government, Billiton and Mitsubishi of Japan) and the Maputo Development Corridor linking Gauteng, in SA and Maputo. The Mozal aluminum smelter contributed close to 50% of the country's gross national product in 2000, while the Maputo Corridor has helped cement a partnership with SA—its main trading partner and the biggest foreign direct investor in Mozambique.

Nevertheless, Mozambique faces significant challenges and its success may soon begin to unravel

if these are not addressed.

*First, socio-economic delivery:* The country's phenomenal economic growth has not yet improved the lives of ordinary citizens and seems only to have benefited a small political elite. Some 60% of the rural population is still estimated to be living below the poverty line. In addition, there are huge disparities between the northern and southern parts of the country, which have taken on political overtones. In the south poverty levels are now far lower than in the north.

*Second, consolidation of democracy:* Mozambique has achieved a fragile peace and has yet to consolidate its democratic institutions at all levels of government. The eruption of political violence soon after the second round of national elections in 1999 is indicative of this, as is the concentration of power in the executive and the president. For example, the president appoints provincial governors even in provinces won by the opposition and local government institutions have only being consolidated in 27 municipalities throughout the country. The manner in which the next municipal and national/presidential elections in 2003 and 2004 are carried out, could well impact negatively on the precarious confidence of the Mozambican population in its fragile democratic institutions.

*Third, corruption:* There is widespread corruption involving senior officials, but little has been done to address this problem. The

assassination of Carlos Cardoso, a high-profile investigative journalist, in 2000 following his investigation of a serious banking corruption scandal involving senior members of the government, was allegedly to cover up these revelations. Coupled to the government's unwillingness to address corruption is a weak court system that rarely delivers justice to ordinary Mozambicans. Many perceive the ruling elite to be out of touch with the needs of the population.

Despite clear successes more should be done to consolidate democracy in Mozambique. The last national election highlighted the fairly even numerical distribution between the two main parties. Yet this result is not reflected in Mozambique's political institutions. The over-concentration of power in Frelimo hands has led to the development of a highly polarised polity. Only the development of a more participatory democracy ensuring more effective popular participation at all levels of government can address this anomaly. The continued exclusion of the opposition from key positions of power combined with Mozambique's vast socio-economic challenges will continue to create doubt about the real value of the peace dividend among the marginalised and excluded groups. This raises uncomfortable questions about the long-term future peace and stability of Mozambique.

*Erick Makhubela*

### Calendar of Events

19–21 October	UN Economic Commission for Africa meeting on NEPAD	Johannesburg
20–25 October	International Bar Association, 2002	Durban
29 Oct–1 November	State visit by President Stephanopoulos of Greece	South Africa
25–28 November	Meeting of the ACP Members of the ACP-EU Joint Parliamentary Assembly and 5th Session JPA	Brussels
7–8 November	EU–SADC ministerial meeting	Copenhagen
Nov–December	76th Session of the ACP Council of Ministers	Brussels