

## **Ensuring South Africa's foreign policy is the vanguard vehicle for economic growth**

*By Fred Phaswana, national chairperson of the South African Institute of International Affairs*

Record levels of unemployment, high poverty rates and persistent inequality still define South Africa 25 years after democracy. In his state of the nation address in early February, President Cyril Ramaphosa conveyed two key messages: restoring the bonds of trust in our society and reigniting economic growth. It is a huge task, not least because our history, the legacy of apartheid, still permeates our economy and our society.



Our blueprint for development, the National Development Plan 2030, aimed to reduce the unemployment rate from 24.9% in June 2012 to 14% by 2020. By 2030 we should have reduced it to 6%, with total employment at 24 million. These targets are a far cry from where we are today. Our unemployment rate is 27.5% with 6.2 million unemployed; only 30% of working age South Africans have a formal job, while more than half of our youth have yet to enter the labour market, according to StatsSA. If you add discouraged work seekers, just over 37% of South Africans are unemployed.

But what do these two challenges of trust and economic growth mean for our foreign policy? I want to answer this question by asking three additional questions, to which I will try to respond.

First, what is the most pressing national interest that should be our foreign policy's laser-like focus?

Second, how can we pursue it in the current fraught global environment?

Third, must that come at the expense of our values?

Just under a year ago, the minister of international relations and cooperation established a panel to review South Africa's foreign policy. The last substantial

reflection was set out in a 2011 foreign policy white paper. Such a review is a welcome initiative and I would like this to be a contribution to the panel's reflections.

Our foreign policy must be fundamentally about improving the welfare of our people. Of course we know that foreign policy is always about more than just economic diplomacy, but South Africa's current challenges make economics the absolute priority.

So to answer the first question I posed, the most pressing national interest is an economy that can create jobs, especially jobs that can absorb some of the lower-skilled work seekers. Foreign policy's role in this is to leverage our international partnerships strategically – from increasing trade and investment to joint development initiatives locally and regionally, and cooperation on science and technology.

Yet, this is easier said than done in the fractured global system we live in today. Populism, nationalism, and protectionism driven by short-sighted and narrow national interests have eroded international cooperation and created greater animosity among nations. More than in previous decades, smaller, less powerful countries are at the receiving end of strong-arm tactics of dominant global powers.

South Africa's foreign policy has been motivated historically by solidarity with those that have shared experiences of colonialism or oppression.

This approach has always been bold and an irritant to some. More recently, for example, more combative actors such as the US do not shirk from taking impulsive decisions. This requires South African policymakers to pause and reflect how such actions may impact on our core interests. There will be times when we will have to decide whether certain pronouncements on matters that are not material to our particular interests are worth the trade-offs they give rise to.

Last year, South Africa's request to be exempted from US steel and aluminium import tariffs was rejected by the Trump administration, while other countries

such as Argentina, Brazil and Mexico received an exemption. Furthermore, as the clock on AGOA begins to count down to 2025, when the current agreement expires, South Africa and the other members of SACU will need to begin considering what a post-AGOA trade relationship with the US will look like and when to start preparing for such negotiations.

At the same time, an economically focused foreign policy requires an enabling domestic framework that supports both local and foreign investment and enhances trade. And policymakers, business and labour need to share a common vision on the revitalisation of the economy and how SA's economic foreign policy can support this objective.

This does not imply an approach that is value-free because that would go against the grain of what South Africa has tried to advance on the international stage since 1994. The values that South Africa aspires to will be in the spotlight over the next two years during the country's non-permanent seat on the UN Security Council until 2020. Matters that come before the Council will require SA to declare its value stance. In this it should be guided by the rights-based approach embedded in its constitution.

Finally, values also include the way in which SA's political leadership acts as a responsible steward of the country's welfare and prosperity. In that regard, the SA government's actions taken in the last year to counter corruption and state capture at home are both essential for this welfare, and send a strong signal to the rest of the world about the type of society we aspire to be.

The president's message about the need to foster trust and economic growth underpins the assumptions of our foreign policy: A common vision among all SA stakeholders for the region requires a shared understanding built on trust, while our economic growth cannot be achieved without an effective, clear-sighted and coherent foreign engagement.

As we prepare for the general elections, my hope is that the new administration will take these messages to heart and make foreign policy the vanguard vehicle of a more prosperous South Africa.