Building a Post-Apartheid Future: 
IDRC and South Africa

The victory of the "yes" vote in March's all-white referendum has placed South Africa on the uncertain path toward democracy. After decades of apartheid and repression, South Africans appear ready for reconciliation and real negotiations aimed at building a post-apartheid society. While maintaining this optimism for the future, difficult questions must be addressed. How will these negotiations take place given the enormous imbalance in human and technical resources between the democratic movement and the South African government? Where will the democratic movement obtain the necessary research and information to formulate alternative policies for negotiations? How will the democratic movement prepare itself to play an important role in governing South Africa? These questions are critical in view of the negotiations now taking place on a playing field that is profoundly uneven.

IDRC's South Africa program is engaged in supporting the efforts of the democratic movement to prepare for and engage in negotiations. Since 1988, IDRC has been funding research in South Africa in accordance with the Centre's South Africa policy. This policy directs support to those three critical areas: economic restructuring, urban governance, and health.

The articles in this issue of IDRC Reports elaborate on some of the research initiatives in these sectors.

The importance of research and policy analysis for the future development of South Africa has prompted IDRC to expand its South Africa program to include areas such as education, land use/land reforms, restructuring of the research system, and regional integration. To guide the program's implementation, the IDRC Board of Governors recommended that a new IDRC office be established in South Africa. The office is now located in Johannesburg.

During this critical period in South Africa's history, it is of paramount importance that the international community play a positive role in facilitating the transition process. The Centre believes that IDRC is playing such a role. It will continue to do so until the transition process is over, at which time it plans to reassess its involvement in South Africa.

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Arms raised in unison. Does this symbolize South Africa's post-apartheid future?

and capacities between those in the present South African government (and white businesses) and those of the prospective democratic government. The weak economic performance of the South African economy in recent years — low investment, low growth, rising unemployment, and high rates of price inflation — has not helped either.

DEVELOP POLICIES

Despite these difficulties and uncertainties, it is now critically important that economic policies be soundly and carefully formulated within the democratic government, particularly by the ANC, and that they be credible within both the business community and the wider community, in South Africa and abroad. Solid economic policy is a sine qua non of effective government. Next to constitutional negotiations, the primary attention in the transition to democratic government must be given to economic analysis, policy-formulation, and capacity-building to this end. There is much to be done.

Many of the necessary skills and experience for this effort can readily be found in today's South Africa, but very few are currently available to prospective policymakers in a democratic government. Highest priority should be assigned to the construction of institutional mechanisms (supportive networks, task forces, committees) to permit the ANC (and others) to use the available talent so they can prepare for effective policy-making.

Some policy areas require immediate attention: the assignment of responsibility for economic policy to a "shadow" cabinet in the ANC and other opposition political groupings; the strengthening of the monitoring and analytical capacity of the ANC and other non-establishment groups preparing for a democratic future; the creation of a flexible system for undertaking timely and policy-relevant macroeconomic research for "governments-in-waiting"; and the preparation of an agreed upon and credible macroeconomic framework for the use of the ANC and other policymakers.

There is also an urgent need for detailed studies in potential tax reforms and the feasible restructuring of central and local government expenditures. Innovative means of meeting pressing needs for housing, public health, and education must be introduced along with improvements in the functioning of the financial system and appropriate employment and income policies. Only of slightly less immediate priority are independent analyses of trade and industrialization policies, balance of payments management, agricultural and rural development schemes, the appropriate role of the state, and future relations with other countries in southern Africa.

There must be mechanisms for mobilizing independent local research and analytical capacity in these areas for those who are likely to form a government in a future democratic South Africa. Such efforts will require external support, not so much to undertake this analysis with foreign expertise (the World Bank will, in any case, be "parachuting in" lots of economic policy advice), but to free local personnel and institutions to do it themselves. The capacity of opposition groups must rapidly be built in order to undertake indigenous analysis and to assess the value of external advice.

To meet immediate and long-term demands, there is an obvious need for greatly strengthened training and capacity building for those in the black community — both formal training and development of experience in actual work situations. The record of South African business and government in this area has been grossly deficient. Much more can also be done in this sphere by friends of the democratic movement outside South Africa.

The formulation of workable and credible economic policies can ease the transition in South Africa from an inefficient, repressive society to a post-apartheid, democratic country. The international community can, and should, work quickly toward the support of indigenous efforts in this crucial sphere of change in South Africa.

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