RECASTING FOREIGN POLICY

AgangSA’s Plan to Restore South Africa’s Place in the International Community
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1. Introduction

South Africa has in the past earned international recognition on the basis of its own intellectual and normative weight. It has always championed multilateralism, offered innovative ideas on vital global governance issues and demonstrated leadership in conflict resolution, peace-building and post-conflict reconstruction in several parts of Africa. Moreover, the country has over the years developed a fluent narrative of global development, especially on the imperative of bridging the North-South chasm.

Regrettably, however, South Africa has lost that conceptual clarity, diplomatic finesse and self-assurance. South African foreign policy under the African National Congress (ANC) government has not only been characterised by a moral decline, it has also failed to keep pace with the dynamic and rapidly evolving international environment.

As a result, there is an urgent need to restore South Africa’s standing in the global arena and articulate a clear strategy for the country’s international political, diplomatic and economic engagements in an increasingly complex global environment.
2. Key Developments in the Global Political Economy

A number of international political and economic factors have shaped the contemporary world economy in the past two decades. Principal among these factors have been growing opposition to the forces of globalisation; the emergence of a multipolar world trading system; global financial instability emanating from the global financial crisis; the rise of resources nationalism; and the reinstatement of the state as a driver of economic development. Acting together, these factors have served to engender growing uncertainty within the global economy, with important implications for South Africa.

2.1 Anti-globalisation sentiments are on the rise

Despite the rapid pace of globalisation in the international economy and the attendant clamour towards liberalisation of the global trading regime, the past few years have seen a rise in cynicism and anti-globalisation sentiment in certain quarters. Much of this has been fuelled by the rise of China and other emerging powers as major players in the world economy. In the context of increasingly open and contested markets that are a feature of the globalised international economy, competition from these influential emerging economies is regarded as a threat by many industrialised countries. In practical terms, this has manifested in growing opposition to further trade reform in many countries, and is underlined by the failure to conclude the Doha Round of multilateral trade negotiations.

Aside from trade, some critics of globalisation have also raised concerns relating to the burgeoning role played by sovereign wealth funds (SWFs) – operated by countries such as China, Russia, Kuwait, Saudi Arabia, Singapore and South Korea – within the global economy. SWFs have come in for criticism for lacking transparency and for tending to target industrial sectors with links to national
security considerations. Sceptics have also voiced concerns that the operations of these funds are motivated principally by foreign policy priorities rather than commercial interests.

2.2 There has been increasing polarisation of the world trading system

The meteoric rise of emerging powers in the global economy has had major repercussions for the structure of the world trading system. Spearheaded by China, India and Brazil, these emerging powers have challenged the traditional dominance of the United States (US), the European Union (EU) and Japan, leading to increasing polarisation of the global trading system. This has seen a historically bipolar world trading system give way to an increasingly multi-polar global trading environment.

The ascendancy of countries such as China in international trade has been accompanied by growing clout in world affairs. China’s actions on the global stage, for instance, have been influenced by her geopolitical and foreign policy objectives, which are enshrined within the country’s broader vision to become a world power. This has sparked fears among several industrialised countries (particularly the US) relating to the potential economic and security challenges that are likely to accompany China’s economic rise.

Alongside China, India and Brazil have also played important roles in shaping the contemporary global economy. All three countries are in favour of open overseas markets to support their export-oriented growth policies, while seeking to maintain restrictions on access to their own markets. These countries have also shown a general disdain for liberalising their economies through reciprocal free trade agreements (FTAs), and are members of comparatively few FTAs themselves. Finally, these three emerging powers have favoured the use of industrial policy as a
key instrument in advancing their commercial objectives, both domestically and on the international stage.

2.3 The global financial crisis has undermined confidence in the international financial system

The financial turmoil sparked by the global financial crisis has caused considerable damage to the global economy. The resulting financial instability, which precipitated a global economic crisis, has affected both industrialised countries and developing economies, with the latter hamstrung by anaemic international credit markets, falling foreign investment flows and declining exports. More generally, the causes of the global financial crisis and its debilitating effects have undermined the legitimacy of the international financial system.

2.4 Resources nationalism is on the rise

At the same time, resources nationalism has grown in popularity in recent years; and is seen as a key mechanism to advance national development in several resource-rich countries from both the developed and developing world. By definition, resources nationalism involves an active role for the state in the functioning and regulation of markets. It also often manifests in the deployment of resources as a tool of foreign policy in the pursuit of political objectives. The global oil market is a case in point, where conventional market forces are subservient to political machinations and bargaining power.

2.5 Resurgence of the debate about the role of the state in economic development

Concerns about the existing model of globalisation have prompted calls for the state to once again play a prominent role in the regulation of markets and, ultimately, in
driving economic development. According to this school of thought, which reflects a significant ideological shift away from the central tenets of the Washington Consensus, unfettered markets have limitations, and, in recognising these limitations, government policy functions have an important role to play in shaping markets amid the contemporary forces of globalisation.

Given this changing international context, it is worth asking whether South African foreign policy under the ANC government is adequately equipped and tailored to deal with current global realities.
3. The Contemporary State of South Africa’s Foreign Policy: Achievements and Failures

In the post-apartheid era, the ANC government has successfully developed sound normative foundations – based on the ideals of fairness, justice and human rights – from which to shape South Africa’s foreign policy approach. In the period immediately following the onset of democracy in 1994, South African foreign policy reflected a desire to integrate the country into the global system. In line with this, South Africa became a strong advocate for multilateralism.

At the same time, South Africa’s foreign policy mindset has remained sensitive to the country’s chequered history, which has manifested in a strong desire to establish an image as an internationally responsible actor, a conduit between developed and developing countries, and a representative of Africa’s interests in global affairs. As a result, the overriding emphasis in South Africa’s foreign policy doctrine has been on the country’s “soft power” capabilities.

One of the active champions of the African Union and New Partnerships for Africa’s Development (NEPAD), South Africa has played a pivotal role in reshaping the security discourse on the continent. This has been evident, for example, in the Southern African Development Community’s Protocol on Politics, Defence and Security Cooperation. This protocol sets out a security agenda spanning politico-military threats as well as non-military threats, including: inter-state war; internal war; large-scale human rights abuses; war crimes; crimes against humanity; genocide; food security; mass movements of refugees; illegal migrants; humanitarian and natural disasters; disease (particularly HIV/AIDS and malaria); poverty and underdevelopment; and ecological degradation.
One of the crucial challenges that confronted the emerging South African democracy was the extent to which its foreign policy would reflect the ethical and democratic values that underpinned the anti-apartheid struggle. This explains why the cardinal tenets of South African foreign policy during the Mandela presidency were the advancement of human rights, democracy, justice and international law.

Post-apartheid South Africa, especially under the leadership of Thabo Mbeki, assiduously tried to cultivate a position as a ‘natural’ leader of the African continent. Under Mbeki’s presidency, the South African government actively championed NEPAD and expended enormous financial and diplomatic capital on efforts to end conflicts in several African countries. South African foreign policy assumed a strong multilateralist thrust: the emphasis was on working with other countries to fashion common solutions to global and regional concerns. South Africa sees itself as a bridge between the developed and developing worlds. As such, foreign policy became more geared towards bolstering South Africa’s international profile and towards using multilateral institutions to promote human rights and democratic global governance.

In this context, the apartheid-era policy of regional destabilisation made way for a policy that emphasised dialogue and mediation as the key means of conflict resolution in the region. The new policy, which South Africa sought to export to the rest of Africa, focused on finessing political solutions to conflicts and sponsoring initiatives designed to limit regional insecurity. For example, in recent years South Africa actively championed a negotiated settlement to the Congolese conflict, and its mediation efforts resulted in the conclusion of the Inter-Congolese Dialogue initiated under the Lusaka Ceasefire agreement. South Africa has been involved in mediating an agreement between Burundi’s warring factions in that country’s civil war. Moreover, South Africa has committed material and human resources to bring peace and stability in Eritrea, Ethiopia, the Comoros and Cote d'Ivoire.
However, in spite of its solid normative underpinnings, South African foreign policy under the ANC government experienced moral decline and remained static, failing to keep pace with the dynamic and rapidly evolving international environment. As a result, there are currently several clear limitations to the government’s foreign policy approach.

Firstly, our country has lost the moral authority and international respect it enjoyed when it became a democracy. This has largely to do with a failure to understand the complexity of formulating foreign policy positions in an inter-connected world. The most serious flaw in our foreign policy stances is the country’s failure to consistently align policies with the human rights principles of the Constitution. In recent years, South Africa has taken positions in the multilateral arena on vexed issues such as Zimbabwe, Darfur and Myanmar that are at variance with our human rights principles.

South Africa’s global standing has also been diminished by the surrender of our country’s national sovereignty to appease foreign powers such as China, as the case of the Dalai Lama’s unsuccessful visa application to visit our shores showed. Moreover, South Africa’s international influence has been undercut by a foreign policy that has failed to define a coherent strategy for our country’s external engagements.

Secondly, South African foreign policy has failed to articulate a clear policy approach that is aligned to South Africa’s normative values, her developmental role, and her commercial interests. With respect to the latter, South Africa’s existing foreign policy doctrine lacks strategic intent to pursue commercial opportunities in Africa. By failing to view the country’s participation in the global environment from the perspective of enhancing national prosperity, South Africa is losing out in Africa to
the efficient diplomatic and commercial machinery of emerging powers such as China, India and Brazil. This issue is not confined to South Africa’s foreign policy agenda in Africa. South Africa’s current foreign policy approach does not recognise the need to utilise foreign policy tools – including diplomatic missions and trade and investment promotion activities – for the country’s own economic benefit elsewhere across the world.

Thirdly, the damage done to South Africa’s image during apartheid has continued to have a disproportionate influence on the country’s foreign policy agenda. In relation to Africa, this has manifested in a belief within the ANC that South Africa owes an historical debt to the continent. As a result, the ANC government has been loath to publicly express its leadership intentions in Africa, while also shying away from criticising the actions of other African governments. An indirect consequence of this overly cautious approach is that South Africa has largely ignored the role that foreign policy can play in furthering the country’s economic interests in Africa.

Fourthly, the ANC government’s foreign policy provides little evidence of any fundamental shift in South Africa’s foreign policy thinking. For one, it does not provide any indication of the government’s thinking in terms of how foreign policy will be positioned to advance domestic socio-economic and developmental needs. Moreover, it does not even make reference to key economic policy frameworks such as the New Growth Path and the National Development Plan. In essence, the absence of a clear link between South Africa’s foreign policy and its economic development policies and strategies places considerable limitations on the extent to which foreign policy can be utilised as a tool to promote national prosperity.

Lastly, at a fundamental level the ANC government’s foreign policy thinking and pronouncements have been dominated by radical views and populist rhetoric rather than real substance. For example, the White Paper on Foreign Policy implies that
the ANC government prefers a foreign policy approach that is grounded in exclusive multilateralism, which itself is suggestive of opposition to the West. This suggests that the foreign policy thinking is framed in accordance with a narrow conceptualisation of the world as structured along traditional North and South divides. This neglects the fact that, in reality, the international political economy is more dispersed in nature, with many countries sharing interests that straddle the traditional North-South paradigm. At the same time, as an indirect consequence of this narrow-minded approach, South Africa’s foreign policy is overly optimistic about the prospects for agreement in South-South arrangements and through multilateral processes and club diplomacy.
4. AgangSA’s Foreign Policy Principles and Approach

4.1 Principles to govern South Africa’s foreign policy

AgangSA’s approach to foreign policy is based on the following core principles:

- Foreign policy must embody and reflect the democratic and human rights principles of our Constitution, and it must promote international justice and law.

- South Africa’s international engagements should be guided by a commitment to international peace and accepted international instruments for resolving conflict.

- Foreign policy must promote South Africa’s domestic socio-economic and developmental needs and fundamental interests.

- Foreign policy must be aligned to South Africa’s normative values, her developmental role, and her commercial interests.

4.2 AgangSA’s foreign policy objectives and approach

Within this framework, our approach to foreign policy is designed with the following objectives in mind:

- Understand the rapidly changing global context and its ramifications for our foreign policy.
• Ensure that South Africa’s foreign policy is in tune with our economic diplomacy efforts.

• Use foreign policy as a tool to advance national prosperity. In particular, utilise foreign policy tools – including diplomatic missions and trade and investment promotion activities – for South Africa’s own economic benefit on the continent and elsewhere across the world.

• Develop a clear strategy for prioritising South Africa’s bilateral relations as well as participation in multilateral processes and clubs.

• Develop a strategic approach to migration.

• Protect South Africa’s sovereignty and territorial integrity.

• Protect and promote South Africa’s national interests and values.

• Develop a robust free trade agreement strategy to further South Africa’s global trade aspirations.

• Exploit opportunities in developing and emerging economies to advance our national economic interests.

• Use South Africa’s strong position as an African country to provide leadership on the continent.

• Manage the risks stemming from structural shifts in the global economy.
Alongside these broad objectives, rather than adopting a generic approach to international engagement, AgangSA favours a nuanced foreign policy approach that takes into account South Africa’s strategic interests and opportunities in specific regions of the world. This allows for a prioritisation of South Africa’s diplomatic efforts at the regional level. To this end, AgangSA will place particular emphasis in our foreign policy agenda on Africa, the EU, the United States (US), the BRIC countries and the Middle East.

**Africa**

Africa’s economic potential is already well documented. Expanding and increasingly affluent populations, a rapid shift towards urbanisation, the swift adoption of global technological advances, an abundance of natural resources, and financial deepening facilitated through maturing financial services industries are driving impressive economic growth in many countries on the continent.

Capitalising on South Africa’s advantageous position as a gateway into Africa, and the enormous opportunities for trade and investment on the continent, we will place the African continent at the forefront of our foreign policy agenda. Central to this will be a focus on strengthening South Africa’s bilateral relations with African states and developing a sophisticated commercial and economic diplomacy machinery to boost South Africa’s trade and investment with other African economies.

In the Southern African Development Community (SADC), we will take the lead in driving the regional integration process. A key focus in this regard will on removing the remaining barriers – both tariff and non-tariff barriers – to intra-SADC trade.
In the Southern African Customs Union (SACU), we will prioritise the implementation of the provisions of the revised SACU agreement. In particular, we will give priority to the treaty obligations relating to developing policy convergence in areas such as agriculture, industrial policy, competition policy, infrastructure development, as well as cooperation on trade and investment promotion.

*The European Union*

The EU is the single largest investor in South Africa, and currently accounts for roughly 77% of all foreign direct investment flows into the country. The EU is also South Africa’s largest trading partner. Bilateral trade between South Africa and the EU has expanded by around 128% since 2004. In 2012, the value of trade between South Africa and the EU exceeded R500 billion. Despite this, relations between South Africa and the EU have soured in recent years.

Recognising that the EU is of considerable strategic importance to South Africa as a trade and investment partner, we will prioritise efforts to improve relations between South Africa and the EU. To this end, we will focus on resolving ongoing tensions around the negotiation of Economic Partnership Agreements in the region and the current imbalance in trade between the EU and South Africa, and the recent difficulties around bilateral investment relations.

*United States*

The US is one of South Africa’s major global trading partners, accounting for 15% of our country’s exports. We will push for a strengthening of political, diplomatic and economic relations with the US. In particular, we will campaign for a renewal of the African Growth and Opportunity Act, from which our country has benefited enormously, beyond its expiry year of 2015.
BRICS

Cultivating strong relations with the BRICs is not only important, it is also in South Africa’s interest. We believe that South Africa’s engagement with the BRICs must be guided not by ideological whims, but by a strategic paradigm that is grounded in our country’s domestic needs and fundamental interests.

Our focus in engagements with the BRIC countries will be on boosting South Africa’s trade and investment with these emerging market giants. The focus in trade, in particular, will be on boosting South Africa’s exports of value-added goods to the individual BRIC markets.

That said, we believe that strengthening links with the BRIC countries should not be our country’s all-consuming foreign economic policy goal. In particular, the emphasis on boosting trade and investment with our BRIC counterparts should not come at the expense of our trade and investment relations with other key growth economies and regions in the world.

The Middle East

We recognise the importance of peace in the Middle East. In keeping with our commitment to the normative foundations of international peace, human rights, democracy and justice, we will strongly support efforts to negotiate a peaceful settlement to the ongoing conflict in the region.
5. AgangSA’s Plans to Restore South Africa’s Place in the International Community

South Africa’s foreign policy must be recast, both to restore our country’s battered international image, moral authority and international respect, and to ensure that we meet 21st century global political, economic, security and diplomatic challenges. In order to do so, AgangSA will undertake the following.

- **USE FOREIGN POLICY TO ADVANCE NATIONAL PROSPERITY:** We will establish a clear link between South Africa’s foreign policy and the country’s economic development policies and strategies. We will use foreign policy to promote domestic socio-economic and developmental needs and to exploit opportunities in developing and emerging economies to advance our national economic interests.

- **FORGE STRONG, MUTUALLY BENEFICIAL RELATIONSHIPS IN AFRICA:** We will take a leadership role in driving regional integration on the continent. We will also improve South Africa’s capacity for commercial and economic diplomacy in order to ensure that foreign policy is used more effectively to further South Africa’s economic interests in Africa.

- **ADOPT A TARGETED APPROACH TO BILATERAL ENGAGEMENT AND PARTICIPATION IN MULTILATERAL PROCESSES:** We will develop a priority list of countries with which to deepen bilateral relations and in which to maintain diplomatic representation based on a strategic calculation of South Africa’s domestic priorities. This will ensure that there is measurable value flowing from South Africa’s diplomatic presence in other countries.
• **BOOST THE CAPACITY AND EFFECTIVENESS OF SOUTH AFRICA’S DIPLOMATIC MISSIONS:** We will appoint career diplomats with the requisite skills and experience. In doing so, we will root out the current practice of using diplomatic missions as a vehicle for extending patronage to politicians and other politically connected individuals.

• **DEVELOP A STRATEGIC APPROACH TO MIGRATION:** Our approach to migration will be based on the need to attract and retain skills to boost South Africa’s economic competitiveness. We will improve protections at our borders against an uncontrolled influx of economic and political refugees and focus on providing asylum to deserving refugees.
Sources


