

REGIONAL FEATURE

A Regional Economic Development Forum has just been set up in the Western Cape by a broad coalition of 'establishment' and 'liberation' forces. ALAN HIRSCH* reports on this promising regional initiative.

“Growing the Cape”:

‘Establishment’ and ‘Liberation’ forces in regional co-operation

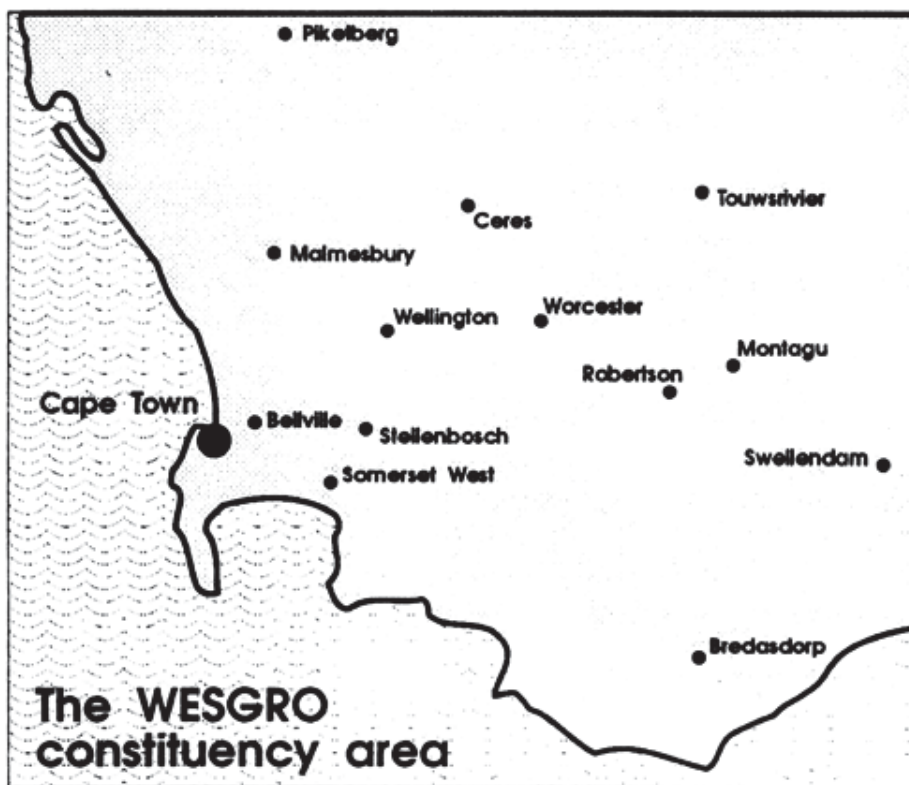
In November 1990, the ‘Growing the Cape’ project was launched in Cape Town. Its objective was to identify strategies that would enable the Western Cape to grow economically as quickly as possible, while improving the quality of life of the inhabitants of the region.

While it was born in a South Africa moving, however shakily, towards democracy, it was initially very much the child of the old South Africa. Its funders were the Development Bank of Southern Africa, the Regional Development Advisory Council for Region A (an arm of central government), three Regional

Development Associations, the municipalities of Cape Town and Bellville, the major (largely white) regional business chambers, and WESGRO. The last had been set up a few years before by many of the same sponsors, to attract investment and trade to the Western Cape.

The steering committee of the project reflected the same composition, and it was chaired by David Bridgman, the WESGRO executive director (who had a few years previously been an economic advisor in Lennox Sebe’s Ciskei government).

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ture, and its relative lack of dependence on the mineral driven economy of the interior.

- Those economic activities that offered better than average growth prospects in the Western Cape of the future**. The report pointed to several branches each of light manufacturing and services as likely focuses of development. More importantly, it pointed to the need for a more careful analysis of potential growth areas.

Incidentally, consultants were drawn from a wide range of sources, including several

who were close to the liberation movement and/or trade unions. Clearly, that was not only because those consultants were competent, but also because they began to draw in new and vital constituencies.

The third and final stage of the 'Growing the Cape' project was envisaged as the phase of implementation. What exactly that meant nobody really knew at the outset of the project. It was thought to imply a series of meetings that would develop strategies in response to growth challenges.

The first step of this phase was the large workshop on 1 April, at which the results of the first two phases were presented, and at which it was hoped that interest groups would mobilise to form committees to take forward the strategising process.

Involving the democratic community

The main motivators behind the 'Growing the Cape' project, David Bridgman and Wolfgang Thomas (a development economist based at the

Yet, on 1 April, the project held a large meeting hosted by the City of Cape Town, attended by white business and government as well as delegations from the ANC, PAC and local civic organisations. There was also a large and vocal contingent from COSATU and its affiliates and a smaller one from NACTU and some of its affiliates.

Moreover, all the groups still present at the conclusion of the one day workshop agreed to the formation of a new steering committee to investigate taking the 'Growing the Cape' process further through a Regional Economic Development Forum. How did this happen and where is it going?

The two earlier phases of the project focused on research to identify:

- The main characteristics - and strengths - of the Western Cape affecting its growth potential*. Some of the region's strengths noted are its maritime location for access to world markets, its relatively educated labour force, backed up by a strong educational infrastruc-

* Summarised in a useful little book called (cheekily) 'South Africa's leading Edge? A guide to the Western Cape Economy', by David M Bridgman, Ian Palmer, & Wolfgang H Thomas (eds), WESGRO, Cape Town, 1992.

** which resulted in a second report, as yet unpublished, called 'Focus of Growth Sectors and the Development Process'

Small Business Development Corporation), felt that for the process to work the main actors of the region - the 'old establishment' on the one hand, and the broadly defined 'liberation establishment' on the other - had to be present at the workshop, and ought to participate in whatever further processes were agreed on.

Both the ANC and COSATU in the region debated the issue before deciding to participate, and COSATU organised a two-day workshop to consider the project. In the weeks before the workshop, alliance members attended several meetings to strategise their involvement. Some feared the forces behind the process might simply want to co-opt the alliance for its legitimacy, and deny the unions, civics and liberation movement any real power to set the agenda.

For COSATU unionists, in particular, it was difficult to contemplate getting involved in a process that was initiated by the bourgeois establishment, and which would require them to give up an element of their dearly-won sovereignty by going into a very broad-based coalition. Some union officials felt the forum ought to be seen as an extension of the national negotiating process between capital and labour.

Eventually it was agreed amongst alliance members that they would participate - on the understanding that whatever structure(s) emerged out of the workshop should bear the strong imprint of the alliance, or participation in the process would be suspended.

Regional Economic Development Forum

In the event, it was some of the Cape municipalities that withdrew on the very day of the workshop, after several militant unionist speeches. However, the remaining groups agreed to pursue the creation of a 'Regional Economic Development Forum'.



The twin objectives of the forum would be job creation and improvement of the quality of life of the residents of the Western Cape. The agreed steering committee included substantial representation from the unions, civics, and the ANC and PAC, as well as the three tiers of existing government, and the business community. It is due to meet in early May.

The role of the forum within the region is a rather tricky issue. The Western Cape region identified by WESGRO (which runs north just beyond Piketberg, north-east to the Worcester valley, and east as far as Swellendam) is one of the most bountiful regions in South Africa, and the only real magnet within the vast 'Region A' (Knysna to Springbok).

Already there is an initiative to create a parallel 'Growing the Cape' project in the hinterland of Region A. But how much more is it than just a hinterland? In other words, what sense does it make having separate planning initiatives for the relatively rich core and the poorer periphery?

Regional and National negotiating processes?

Even though agreement was reached, differences still remain about how deeply organisations should commit themselves to the

process, and to what extent the regional process should be driven by the national economic forum initiative rather than be relatively autonomous.

The commitment of COSATU to participation in such forums - taken at its Economic Policy Conference, held days before the workshop - no doubt strengthened the hand of those who had fewer reservations about the process. Nevertheless, it was made clear, several times, by COSATU union speakers at the workshop that commitment to forming a steering committee did not necessarily mean commitment to whatever the steering committee produced.

It is difficult to try to locate the initiative in terms of national negotiating processes. As far as the content of the proposed regional forum is concerned, it is explicitly connected to the interests of the region. Indeed its rationale is that there may be common regional interests which supersede many differences within the region.

The forum probably would not enter national political discussions directly. However, its regional character, as well as the processes developed to resolve conflicts, could have some influence on the national political process.

Where to from here?

It is hard to imagine that the initiators of the 'Growing the Cape' project guessed, when they started, what a broad base their initiative could develop.

Where exactly the process will move from here is not at all clear. The steering committee could fail to reach agreement, which would lead to the fragmentation of the initiative. Certainly, at this stage, the support of the 'liberation establishment' is crucial.

However, even if some of the Western Cape municipalities, or other tiers of government, do not get on board (and some have already withdrawn), the initiative looks likely to go forward nonetheless. The steering committee might

- simply facilitate the convening of interest groups on education, poverty, black busi-

ness, or whatever; or

- evolve into a forum in its own right; or
- begin to usurp the powers of existing governmental structures, and prefigure future metropolitan or regional tiers of government.

Incremental processes and 'right plans'

It is hard to answer at this point many of the questions posed. Perhaps one of the lessons that we are learning, on the left, is that planning is not a one-off process. You don't sit in front of your computer thinking, until you come up with the right plan, and then go out and get the masses to implement it.

Economic development planning and policy-making are incremental processes, and exercises like the 'Growing the Cape' project would seem to have the potential to provide one of our first opportunities to get hands-on experience. ☆

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