

SOUTH AFRICA'S GLOBAL ECONOMIC STRATEGY

**Presentation by Peter Draper, at the
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the dti

THE STRATEGIC FRAMEWORK

1. Context: “Globalisation”
2. DTI Policy Foundations
3. Global Integration
4. Multilateral strategy
5. Africa
6. Regional and bilateral strategies

1. Context: “Globalisation”

a. Some characteristics:

- i. Rapid resource flows (finance, FDI)
- ii. Transnational production networks
- iii. “New economy”?
- iv. Global governance?
- v. Marginalization of Africa

b. Policy constraints:

- i. “Golden straitjacket”? “Washington consensus”?
- ii. Decline of the nation-state?

2. DTI Policy Foundations

- a. Integrated Manufacturing Strategy
 - i. Promoting competitiveness
 - ii. Sector selections
 - iii. Employment
 - iv. Market access
 - v. Regional integration
- b. Strategic concerns
 - i. Africa (NEPAD)
 - ii. Southern Africa
 - iii. South-south relations

3. Global Integration

- a. Financial integration and volatility
 - i. Impact on the “real economy”?
 - ii. DTI influence?
- b. Southern African Customs Union
 - i. Trade strategy autonomy
 - ii. Tariff Review Process
 - iii. Trade remedies

4. Multilateral strategy

- a. Equitable “rules-based” system
- b. “Development” at the centre
 - i. Incorporate into existing and new agreements
 - ii. Special and differential treatment
- c. “Structural adjustment” in the north
 - i. Industrial tariffs (peaks and escalation)
 - ii. Agriculture (subsidies and domestic support)
- d. “Lock-in” and deepen domestic reforms
 - i. Services negotiations
 - ii. Singapore issues?
- e. Secure meaningful African participation

5. Africa

- a. Development agenda
 - i. NEPAD and the AU
 - Continental integration?
 - ii. Meaningful WTO participation
 - iii. Regional integration (SADC and SACU)
 - iv. Building bilateral relations
- b. Advancing our interests
 - i. Projects (harnessing development needs)
 - ii. Market access agenda
 - SACU-Nigeria Free Trade Area (FTA)

6. Regional and Bilateral Strategies

- a. Relations with the “north”
 - i. SA-EU Trade, Development and Cooperation Agreement
 - ii. SACU-EFTA (European Free Trade Area) process
 - iii. SACU-US FTA proposal
- b. “South-south” relations
 - i. SACU-Mercosur FTA process
 - ii. SACU-India FTA proposal
 - iii. SACU-China FTA process