

DECLARATION OF JOHANNESBURG

THE HIGH LEVEL AFRICAN EMPLOYERS CONFERENCE ON ECONOMIC LIBERALISATION AND ITS SOCIAL IMPACT IN AFRICA

(29 - 31 January 1997)

We, Presidents and Chief Executives of African employers' organizations, meeting in *Johannesburg* on 31 January 1997, under the aegis of Business South Africa (BSA), the Pan-African Employers' Confederation (PEC), the International Organisation of Employers (IOE) and the International Labour Organization (ILO), acknowledge that our organizations have a duty to contribute to the progress of our continent by participating in the formulation of strategies for sustainable development.

1. Economic liberalization and globalization constitute the dominant features of a new world order, with profound implications for the working and living conditions of millions of people world-wide. The trade component of economic liberalization offers both opportunities and challenges to enterprise growth and development everywhere.
2. The competitive environment unleashed by globalization is accelerating the pace of the world economy by providing the motivation for innovation and creativity and by enhancing opportunities for global distribution networks and greater access to productive capital.
3. For African countries, the major concern is that globalization must not lead to the widening of the gap between the industrialized and developing nations. Strategies must be put in place in order to ensure that Africa takes its rightful place in this global economy.
4. The adverse political, social and economic environment in which enterprises in Africa operate undermines their capacity to compete internationally. Indeed, while there is growing interest in privatization and economic reform which augurs well for Africa's economic transformation, the limited capacity and lack of political will to implement reform continues to frustrate development.
5. The employers' organizations of Africa are willing to collaborate with, and support, the ILO in promoting fundamental human rights. With the aim of enabling African enterprises to be competitive, we insist on the need to accelerate the process of privatization, to relax and simplify the administrative, fiscal and social regulations and to ensure greater labour market flexibility under the structural adjustment programmes being carried out in most African countries.

6. Regional and sub-regional integration is important to promote sustainable development in the context of globalization. In this regard, intra-African trade is an important element for supporting economic growth and social development. The first step in the integration of the continent into the global economy should be the strengthening of intra-African trade. Africa imports 90% of its requirements from outside the continent; if the major portion of this were to be resourced from within Africa, it could generate substantial wealth and employment for the continent
7. The major obstacles to increased intra-African trade and growth lie with domestic economic systems, macro-economic imbalances, poorly developed transportation and communication infrastructure, shortfalls in education and training and inappropriate regulatory regimes. Indeed, cross-border unrecorded trade has become prevalent in Africa because of rigid regulatory systems which exist in various countries of the region.
8. Employers' organizations have a responsibility to collaborate with governments and organised labour so as to contribute the practical experience of their members to the formulation of workable macro-economic strategies that will incorporate scheduled implementation plans. Employers' organizations should also embark on formulating strategies to put structures in place to service the needs of their members. This process should make the maximum benefit of the assistance offered to employers and business organizations by the IOE, ILO, PEC, WTO and ITC, not only in developing these strategies, but also in order to promote tripartite agreements on a national and international scale.

In order to accelerate progress on these important issues, members of PEC agree to:

- Formulate country strategies, with measurable goals and time frames, to ensure that continuous and meaningful progress is made on the objectives of this Declaration.
- Put the necessary structures in place in order to implement and to monitor the progress of these implementation plans.
- Keep a frequent and open dialogue between members so that experiences can be shared and so help increase the rate of development on the continent.
- Develop effective communications networks which will allow for active tripartite dialogue, both within countries and between countries.
- Utilize the expertise and good offices of the IOE, PEC, ILO, WTO and ITC to foster this dialogue process.

The IOE, PEC and ILO agree to:

Act as the co-ordinating bodies which will encourage countries to develop open communications strategies so that information and experiences can be shared for the benefit of all. This could include facilitating meetings and other events to promote this communication.

