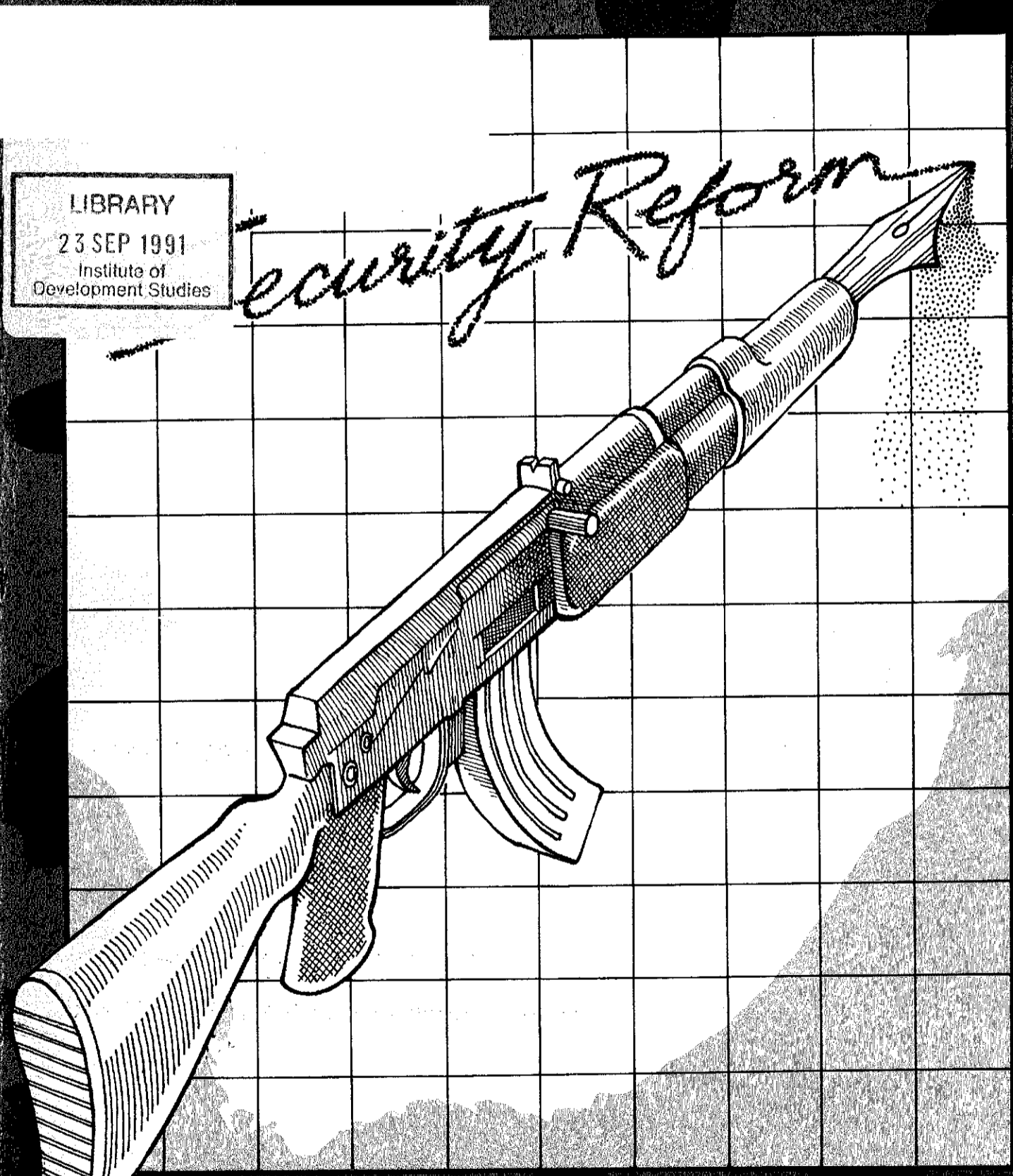


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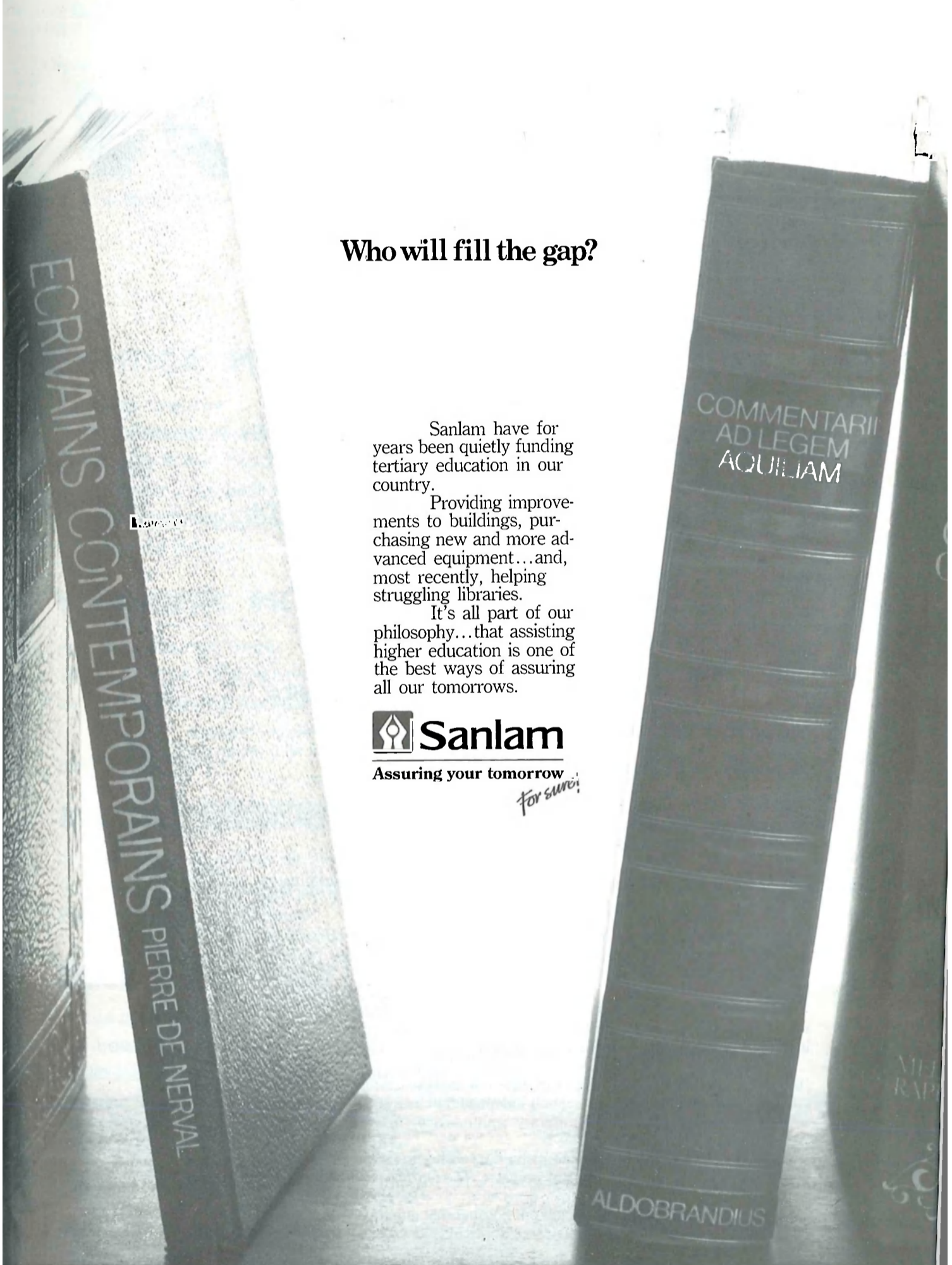
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# INDICATOR SOUTH AFRICA QUARTERLY REPORT

# VOL.8

# №4

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# EDITORIAL NOTES

The momentum of rapid change in South Africa continued unabated in the third quarter of 1991, with each week springing further surprises on a society in great flux. In the political life of a nation undergoing reform and renewal, there is rarely time for evaluation as we move from one momentous issue to the next. We cannot stop the clock.

In recent months, a positive chain of events has led to the final repeal of apartheid laws, the collapse of sanctions, an end to South Africa's isolation and a tentative national peace accord. On the negative side, intense civil violence continues, the right-wing is up in arms, and political interventions by the security forces have led to a crisis of faith in negotiations. The outcome of the balance sheet of change remains uncertain at this stage.

The full consequences of the dramatic mix of good and bad news probably will be revealed only with the hindsight of history. In the interim, this important edition of *Indicator SA* attempts to analyse the facts and trends that lie beneath the surface of South Africa's maelstrom.

Our cover articles put the spotlight on security reforms in South Africa. The revelations of the 'Inkathagate' scandal in late July 1991 led to a major cabinet reshuffle, with the removal of Ministers Vlok and Malan from the key portfolios of Law & Order and Defence, respectively. As importantly, the security crisis has led also to a new set of arrangements intended to constrain and monitor the role of the security forces in civil violence and transitional politics.

The exciting new research into security strategy and policy by social scientists breaks a taboo of sorts in South African politics. The national climate of open debate and disclosure allows fuller discussion of what hitherto has been one of the bedrock conflict issues in our society. For the role of the security establishment under apartheid undeniably has been an area shrouded in secrecy and controversy.

It would be impossible to present the cross-spectrum of perspectives on the wide range of security issues in a single edition of our quarterly report. In future editions, *Indicator SA* intends to monitor and publish other points of view on South Africa's future security needs. We would welcome further contributions from

representatives of the security establishment, the political actors and our readers.

Our special focus on security reforms makes available for the first time the findings of several new research investigations. Prominent contributors bring together an invaluable combination of academic expertise and practical experience:

- Laurie Nathan and Mark Phillips, leading researchers on militarism and human rights campaigners, evaluate the six major shifts in security policy under FW de Klerk's administration;
- Clifford Shearing, international criminologist and architect of police reform in Canada, assesses the new ombudsman system proposed in South Africa's draft peace accord;
- Simon Baynham, NATO consultant and security analyst with the Africa Institute, speculates on the likely shape of an integrated national defence force in South Africa in the 1990s;
- Janine Rauch, a senior researcher with the Wits Project for the Study of Violence, looks at the impact of the institutional restructuring of the SAP underway at present;
- In a second, short case study, Laurie Nathan, who is also co-ordinator of UCT's Project on Peace and Security, contrasts police-community relations in Namibia since independence with South Africa today.

Will the pen be mightier than the sword in contemporary South Africa? Many South Africans passionately hope that it will prove to be, in the interests of reaching a peaceful, negotiated settlement to the violence and conflict in our society. But as the contributors to *Indicator SA* emphasise, the political actors will first have to depoliticise and monitor the role of the security forces in the critical transition to a new order.

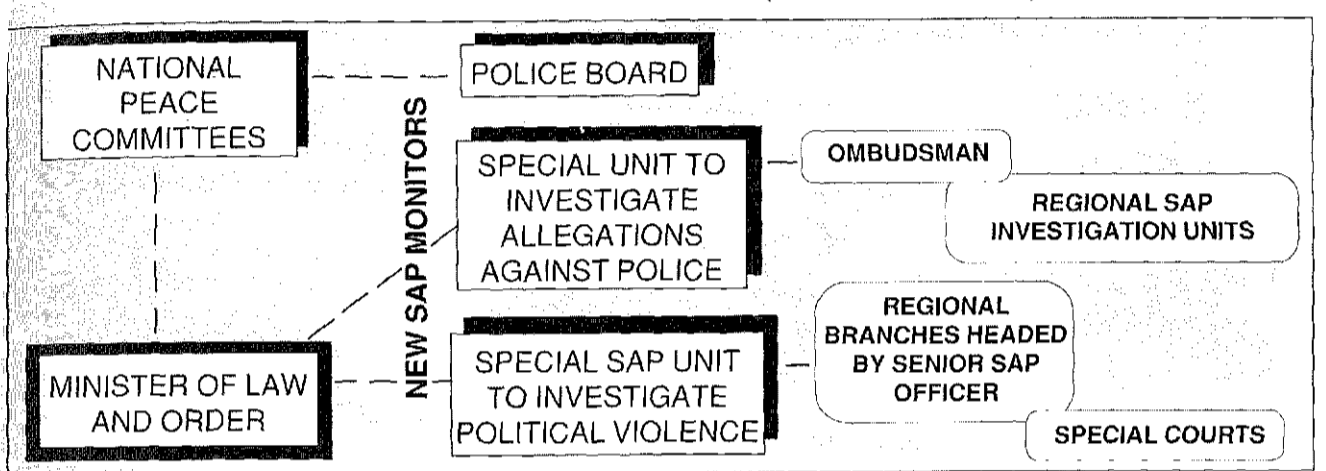
The security focus and many of the other articles published here were written shortly before going to print, to bring our readers the most up-to-date commentaries on current affairs. The marvels of desktop publishing technology means *Indicator SA* is able to meet expectations of instant information and analysis! Also watch out for our new graphics programme which brightens the pages of even the most pessimistic predictions!

Graham Howe,  
Editor, September 1991

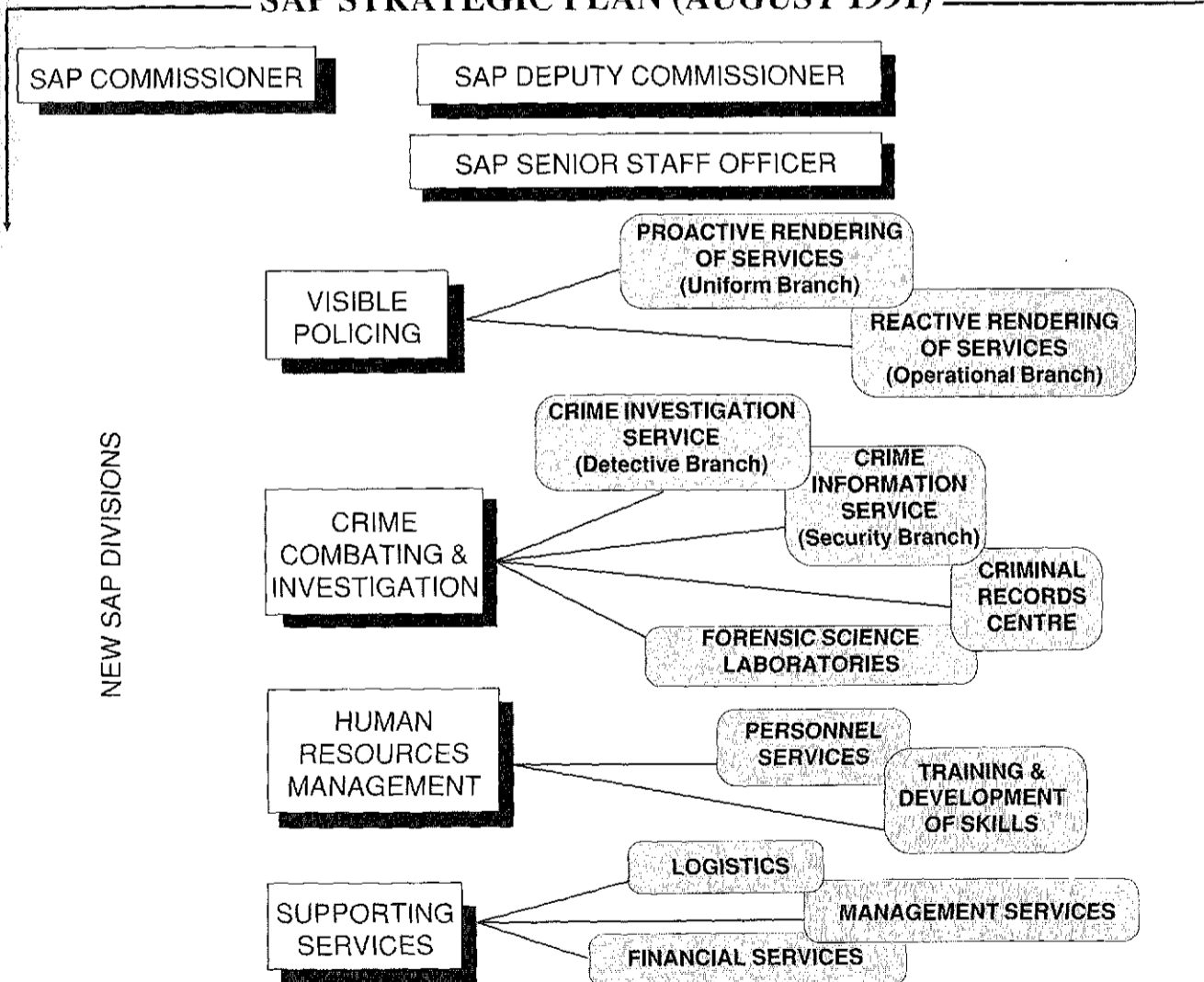
# POLITICAL

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## DRAFT PEACE ACCORD (AUGUST 1991)



## SAP STRATEGIC PLAN (AUGUST 1991)



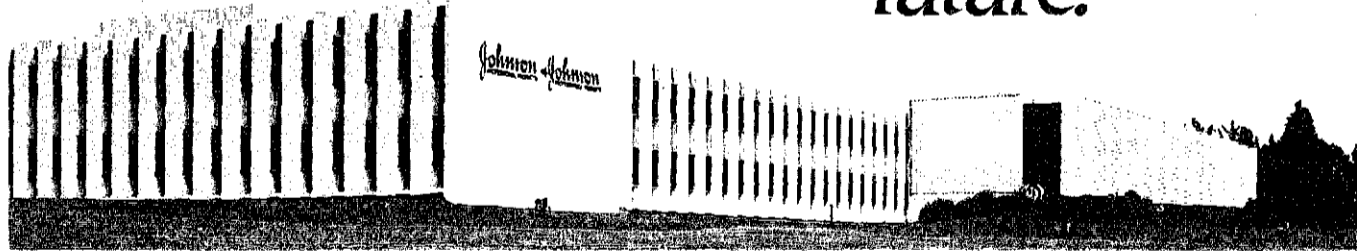


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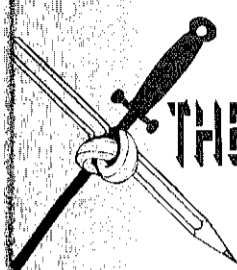
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## SECURITY REFORMS

### THE PEN AND THE SWORD

By Laurie Nathan and Mark Phillips

*This overview of security reforms in South Africa analyses the role of the security forces and the changes in security policy since late 1989, when President de Klerk took office. The authors argue that a contradictory picture emerges of security trends in the context of transitional politics: a mixture of real reform and liberalisation in conjunction with the repressive measures and partisan conduct that characterised earlier National Party administrations.*

South Africa today is a society in transition, moving inexorably away from a notorious form of authoritarian rule. The situation is one of intense turmoil as the major protagonists remain locked in struggle and the 'rules of the game' change rapidly and fundamentally. The level of violence in many parts of the country and the prospects for a negotiated end to minority rule are, simultaneously, greater than ever before. Between January 1990 and July 1991, more than 3 500 people died in political violence in South Africa.

The SAP and the SADF, collectively known as the security forces, are pivotal institutions in South Africa's cauldron of violence. For decades the armed defenders of white rule, they continue to play a controversial role, at times unwilling to contain the conflict in black communities and at other times provoking and exacerbating it. In the interregnum between apartheid and democracy, the SAP and the SADF are not merely instruments of government policy but actors in their own right; they are an unpredictable factor, with the potential to seriously disrupt the transition process.

*There are three possible explanations for the apparent contradiction between liberalisation and repression in security policy in the transitional period.*

First, the de Klerk government has a mixed political agenda that is being pursued through a combination of different strategies. It is committed to ending minority rule via multi-party negotiations and to this end has relaxed many of the restrictions on opposition politics. It is determined though to control the

negotiating process so as to ensure the most favourable outcome for the white community; it has consequently attempted to undermine its main negotiating partner, the ANC, by limiting the movement's ability to organise freely and mobilise support.

Second, some of the leadership and many of the rank-and-file members of the SAP and SADF are ideologically opposed to de Klerk's reform programme and remain implacably hostile to the ANC. Third, the tactics, training, weaponry and organisational culture of the security forces militate against the use of minimum force in situations of heightened conflict and violence.

#### Six Policy Shifts

There have been six major changes in the South African security environment in the course of 1990/91. First, there was a substantial easing of restrictions on opposition politics in 1990. The government unbanned the proscribed liberation movements and internal political parties; lifted the national State of Emergency imposed in 1986; released ANC leader Nelson Mandela and other political prisoners; granted indemnity to hundreds of anti-apartheid activists in exile; and relaxed many of the prohibitions against political activities such as public demonstrations and marches.

Second, de Klerk reclaimed civilian control of the state from the security establishment. The State President's Office and the cabinet replaced the State Security Council (SSC) as the locus of state power; the SSC, renamed the Cabinet Committee for Security Affairs, was relegated to its original status as one of four standing cabinet committees and its decisions were made subject to cabinet endorsement. The National Security Management System (NSMS) was replaced by a National Co-ordinating Mechanism and the Joint Management Committees (JMCs) were replaced by Joint Co-ordinating Centres (JCCs).

According to government officials, these new bodies are intended to co-ordinate the activities of state departments, have only advisory status, are headed by civilian and not military officials, are orientated towards welfare and not security functions and fall under the control of the State President's Office rather than the SSC.

Important changes also occurred within the intelligence establishment. The National Intelligence Service (NIS), linked to the Department of Foreign Affairs, replaced Military Intelligence and the Security Police as the central intelligence agency within the state and assumed control of the SSC secretariat from the SADF and SAP (*Cape Times*, 27/4/90; *Sunday Times*, 7/10/90). These moves signified a shift from a tactical to a long-range strategic approach to intelligence and planning, as well as a civilianising of those functions.

Third, de Klerk undercut the status and influence of the military in a number of other ways. He excluded SADF and defence ministry officials from his negotiating team, reduced the length of compulsory military service for white youth by half and cut the defence budget by 16 per cent in real terms in 1990/91 and by a further R1,5bn in 1991/92. While not significantly affecting the SADF's operational capacity, the cuts had severe repercussions. More than 2 000 Permanent Force members have been retrenched and an estimated 50 000 of Armscor's personnel are expected to lose their jobs because of cancelled or scaled down weapons projects and the threatened closure of up to 1 000 private sector sub-contracts (*Star*, 5/12/90).

Fourth, the government amended certain aspects of security legislation. In May 1991 de Klerk announced the scrapping of 'those elements (of the Internal Security Act) which obstruct the democratic process': the restriction and preventative detention of persons; the banning of publications and restriction of newspapers; the barring of certain people from standing for parliament; and the prohibition against promoting communism; while the period of detention-without-trial for the purposes of interrogation was reduced from 90 days to 14 days (*Cape Times*, 3/5/91).

Fifth, de Klerk sought to curb the excesses of the security forces. He appointed judicial commissions of inquiry into alleged SAP and SADF assassination squads, ordered an official investigation into the covert actions of all security branches and merged the security and detective divisions of the SAP into a new crime division (see Rauch's review). In August 1991 the government agreed to the church and business sponsored national peace accord which proposed that regional ombudsmen should be appointed to ensure the proper investigation of complaints against the police (*Sunday Times*, 18/8/91).

De Klerk also explicitly addressed the new role required of the police in the transition period. He repeatedly stated that the government wanted to take the SAP out of the 'political arena'. In January 1990 he told 500 senior officers in a confidential briefing that the police would no longer be expected to play a 'control function connected to a specific political policy' but should concentrate instead on 'the prevention of crime' (SAPA, 27/1/90).

In consequence of the government's stated intention to 'depoliticise' the SAP, the Ministry of Law and Order announced that police personnel and reservists could no longer be members of a political party. The move was primarily directed against the successful recruitment of white police by the Conservative Party and the potential recruitment of black police by the ANC.

Sixth, Pretoria's regional policy underwent major change, a process that began towards the end of PW Botha's reign. In 1988 the government concluded a

peace accord with Angola and agreed to the implementation of UN Security Council Resolution 435 for Namibian independence, leading to the withdrawal of South African troops from both countries. De Klerk's internal political initiatives have been accompanied by an ambitious programme of diplomatic and economic outreach to African states. Overt acts of SADF aggression in southern Africa have ceased, although allegations of covert support for Unita in Angola and Renamo in Mozambique persist (*Weekly Mail*, 7/6/91).

*These six sets of changes amount to a significant liberalisation of state security policy. The process has not been consistent or complete, however.*

### **inconsistent Conduct**

The government responded to the high level of violence in black communities since the unbanning of the ANC by imposing 'mini-states of emergency' in townships, conferring sweeping powers on the security forces and subjecting township residents to curfews and roadblocks.

The ANC alleged that these measures were designed as much to limit its capacity to organise and mobilise support as to end the violence. The allegation was strengthened by the government's reluctance to ban dangerous Zulu 'cultural weapons' used in attacks on township residents, its restrictive interpretation (subsequently broadened in mid-1991) of its pledge to release political prisoners and indemnify activists in exile, and its narrow definition of what constituted 'normal' political activity. Cabinet ministers repeatedly warned that ANC mass actions, such as marches and demonstrations, were tantamount to violence and a breach of the movement's commitment to suspend armed struggle.

There was also suspicion that the NSMS had not been as thoroughly reorientated as claimed. In Alexandra township, for example, the local NSMS committee changed its name but remained comprised of military and police personnel. Secret minutes of committee meetings indicate precisely the kind of political involvement by the security forces that the government pledged to end (Minutes of 11/4/90). In October 1990, the Cape Town City Council refused to participate in the new JCC system on the grounds that it too closely resembled its discredited predecessor (*Cape Times*, 1/11/90).

Finally, de Klerk was unwilling or unable at this stage to fully rein in the SAP and SADF (see below). For example, he exonerated the Defence Minister and senior police and military officers who, in the Harms Commission of Inquiry and a subsequent court case, were implicated in the murder of anti-apartheid activists (*Argus*, 14/11/90). Most importantly, de Klerk failed to exercise sufficient control over the role of the security forces in the violence that has wracked the country since the unbanning of the ANC.

*The conduct of the SAP and SADF in 1990/91 mirrored the inconsistencies in the government's approach to security. On the one hand, there were several positive developments.*

The reaction of the police to protest gatherings was at times considerably more restrained than in the past. On several occasions armed right-wingers were arrested for attempting to disrupt anti-apartheid marches or anti-reform protests. In certain areas the SAP met with black community leaders, many of them previously in detention, to address situations of local conflict. Some of these meetings led to the establishment of structured liaison relationships between the police and ANC-aligned township organisations to help prevent or diffuse violence (Pretoria Minute, August 1990).

Even in Natal, where allegations of security force misconduct and collusion with the Inkatha Freedom Party persisted, new trends were noticeable. For the first time in the history of conflict in that region, Inkatha 'warlords' were arrested and put on trial for murder and the SADF disarmed people on both sides of the internecine battle.

Other positive developments included the partial disarming of the white militia-type commando system in rural areas, a noticeable reduction in the overt repressive activities of the security police, the racial desegregation of police training and the ending of crude 'know your enemy' courses in the SADF. In addition, the black municipal police, previously regarded as a law unto themselves, were finally brought under the SAP's control.

On the other hand, despite these positive trends, the security forces generally continued to act in an aggressive and provocative manner. Police frequently used lethal force to break up peaceful demonstrations; from February to April 1990 they shot dead 139 people and wounded at least 1 500 (*HRC Update*, April 1990). In March 1990 police opened fire on a group of demonstrators in Sebokeng township, killing 18 and injuring over 200; a judicial commission of inquiry into the incident found that the shootings had been 'indiscriminate', 'unjustified' and 'lacking in control and discipline' (*Cape Times*, 3/9/90).

The SAP was also repeatedly accused of acting in collusion with armed groups opposed to the ANC, notably Inkatha and conservative vigilantes, and of failing to protect black communities when under attack. These accusations were made not only by the ANC but by journalists, church leaders, independent monitoring groups, the DP, the International Commission of Jurists and the human rights organisation, Africa Watch. On several occasions, international television crews filmed police escorting armed Zulu men to and from Inkatha rallies, and standing by as the men assaulted and killed township residents (*Africa South*, June 1991).

In July 1991 the government was rocked by the

exposure of classified documents revealing that the security police had paid R250 000 to Inkatha to organise rallies and other anti-ANC activities after Nelson Mandela's release from prison. The government was forced to admit that it had also given the Inkatha-affiliated trade union, Uwusa, R1,5m over a four year period. The scandal resulted *inter alia* in the removal of Minister of Law and Order Adriaan Vlok and Defence Minister Magnus Malan.

### The Third Force

By far the most serious allegation made against the security forces was that conservative elements among them, described by Mandela as a 'third force', were engaged in a clandestine campaign to disrupt the negotiating process by committing acts of terror and fuelling sectarian township violence. Mandela claimed that the 'third force' had orchestrated the fighting between black squatter communities and Zulu hostel dwellers that erupted in the Transvaal in mid-1990 and continued into 1991.

In September 1990, after 26 people were killed when a gang of armed men boarded a commuter train in Johannesburg and opened fire indiscriminately, President de Klerk conceded that 'the outbreak of violence is being used by some or other force. It is not impossible that [this violence] may come from within the ranks of the fighting factions themselves. Alternatively, it might come from forces as yet unknown to us' (*Sunday Times*, 16/9/90).

There is mounting evidence that the 'third force' is in fact located within the Directorate of Military Intelligence (DMI) which plans and oversees the operations of SADF special forces. In the course of 1991 a number of former soldiers broke ranks to reveal details of the covert plans and actions of these units since President de Klerk assumed office. The dissident soldiers claimed that DMI and special forces were funding and arming Inkatha, training members of Inkatha and Renamo in urban warfare at secret camps, and dispatching hit teams to massacre civilians and kill ANC members (*New Nation*, 14/6/91; 19/7/91; 26/7/91; *Cape Times*, 20/07/91).

Although the allegations were strongly denied by the SADF they were given substance by two phenomena in the spiral of violence: the assassination of at least 25 ANC activists after the unbanning of the organisation, and a spate of apparently unmotivated massacres of black civilians (*Weekly Mail*, 28/6/91; 5/8/91). Many of these incidents appeared to have been carried out by professional teams in military-style operations.

Further evidence is suggested by the history of special forces, which functioned as 'hit squads'. In November 1990 a judicial commission of inquiry under Mr Justice Harms found that a special unit known as the Civil Co-operation Bureau (CCB) had committed acts of violence against anti-apartheid

organisations, murdered an activist and conspired to kill several others. Harms summed up the culture of special forces in general when he said that the CCB operated as a law unto itself, had its own political agenda and did not recognise the authority of the State President (*Argus*, 14/11/90).

Major Nico Basson, a former military intelligence officer, alleged that the activists of the 'third force' were part of an elaborate plan, codenamed Operation Agree, that was drawn up by the SADF and the Department of Foreign Affairs in 1988 to manipulate the 1989 Namibian elections and future democratic elections in Angola and South Africa (*Independent*, 11/6/91). This allegation was also rejected by the authorities but it was substantiated in part when the 'Inkathagate' scandal erupted in mid-1991 and the Minister of Foreign Affairs admitted that his department had given R100m to fund anti-Swapo parties during the transition to Namibian independence.

### Double Agenda

The contradictions in state security policy are consistent with the government's double-edged political agenda. On the one hand, Pretoria is committed to multi-party negotiations leading to a new political dispensation based on universal franchise. This fundamental shift in state strategy has necessarily required a substantial relaxation of restrictions on opposition politics.

On the other hand, Pretoria is determined to ensure the long-term preservation of white privilege and the system of free enterprise by restricting the future government's capacity to effect significant social and economic reform. The envisaged institutional means of attaining this objective as outlined in the NP's new constitutional proposals (*Cape Times*, 28/8/91), are the protection of 'minority rights' in the new constitution, devolution, multi-party control over a new cabinet, and the retention of white control of the security establishment after apartheid (*Weekly Mail*, 31/8/91).

The government's success in realising these goals depends on three inter-related strategies in particular: controlling the form, content and outcome of constitutional negotiations, limiting the ANC's ability to organise and mobilise support, and forming an electoral pact with conservative black groups to contest non-racial elections. Given the ANC's overwhelming popular appeal relative to other parties, these strategies require the maintenance of key elements of state security policy and practice.

There are other reasons for the government's reluctance to move more decisively in the security sphere. It fears alienating the security forces through a reform programme that undermines their ideological world view and institutional interests. De Klerk has similarly had to reassure the white

community that he has not sold out to the ANC and become 'soft on security'. Finally, the high level of violence since the unbanning of the ANC, whatever its causes, has militated against further liberalisation of security legislation.

To some extent, the aggressive and partisan conduct of the police and army in 1990/91 was consistent with the government's frequently stated commitment 'to maintain law and order' in the transition period and its unstated desire to weaken and destabilise the ANC. Yet the security forces' role was such that it undermined the thrust of de Klerk's initiatives, not least because it weakened domestic and international confidence in the prospects of a successful negotiated settlement. A leading human rights activist, Max Coleman, was prompted to ask: *Are we witnessing a revolt against the new reform policies or simply knee-jerk reactions by security forces unable to break old habits?* (*Weekly Mail*, 31/8/90)

There are three answers to this question. First, in terms of their training, weaponry and tactics, the police and army are not equipped to deal with high levels of conflict and violence in a restrained manner. The SAP has historically been geared primarily towards an internal counter-insurgency role (see Baynham). The SADF is similarly ill-equipped to defuse internal unrest with restraint.

Second, the partisan nature of the security forces is so deeply entrenched that its rank-and-file members will not easily adapt psychologically and politically to the changed circumstances in South Africa. The problem is exacerbated by the fact that a substantial number of soldiers and police align themselves with the Conservative Party - an estimated 60% of junior military officers (*Weekly Mail*, 5/4/91), and 75% of white police in the Transvaal and Orange Free State (*Weekly Mail*, 9/2/90).

Third, many political analysts believe that sections of the military and police leadership are themselves resistant to de Klerk's new policies. The International Commission of Jurists insisted after a fact-finding mission to South Africa in November 1990 that 'strong forces inside and outside the security establishment seek to undermine the government's commitment to restore peace' (*Weekly Mail*, 9/11/90).

*To conclude, if constitutional negotiations are to occur in relatively peaceful and stable conditions in South Africa, mechanisms of control over the police and military will have to be found. Since the government is itself a partisan player in the political arena, such mechanisms ultimately lie in independent review or multi-party control of the security forces in the transition period.* IDPA

#### Background

Laurie Nathan is senior researcher of the Project on Peace and Security, based at UCT's Centre for Intergroup Studies. He is the co-editor of *War and Society: The Militarisation of South Africa* (David Philip, 1989). Mark Phillips works for a human rights law firm in Johannesburg and is the author of numerous articles on the South African security establishment.

# POLICING THE POLICE

## THE OMBUDSMAN SOLUTION

By Clifford Shearing,  
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Professor of Sociology & Criminology, University of Toronto (Canada)

*A criminologist takes a provocative look at the current problems besetting the South African security forces in policing transitional politics. Drawing on firsthand experience in formulating security policy for the Canadian police force, Prof Shearing evaluates aspects of the draft peace accord negotiated by some of South Africa's major actors (Sunday Times, 18 August 1991). He debunks current fashionable theories about the non-political role of policing and the potential to reform what he calls 'cop culture'.*

The security forces are once again at the centre of the South African political stage. The ministers responsible for the Police and the Defence Force were removed from their portfolios on 29 July 1991 amid yet another scandal over the use of the security forces by the government for partisan purposes. The public revelations have led to a renewed call for non-political policing and to a draft national peace accord between the main political parties which aims *inter alia* to monitor the policing of political violence (see diagram).

In seeking to guarantee a specific political order, the South African security forces, including the military to the extent that they have assisted the police in maintaining domestic order, are no different to the police anywhere. This is precisely what police forces do and are meant to do. All police forces are political because all order is ultimately political. In this sense the suggestion that the police should be non-political is patent nonsense. The police are and should always be partial to a political order.

The problem with the South African Police (SAP) is not that they are political but that the order they have sought to guarantee has been oppressive, the government they are responsible to is illegitimate and the methods they have used to maintain it have been brutal.

What is being called for by those who question the evenhandedness of the SAP and their commitment to protect all South Africans is not a non-political police in the general sense but a democratic police who act to promote the interests of a legitimate government, who serve all communities equally and whose methods are humane.

### New SAP Instructions

The de Klerk government has publicly committed itself to maintaining a transitional order that will promote free and fair negotiations and elections, and serve and protect all South Africans. As part of this commitment the government has promised that the police will change their ways. This promise requires a complete about-face on the part of the SAP who have for decades been recruited, trained and organised to act very differently.

President de Klerk set out his vision for a new SAP in a speech to senior police officers in January 1990 in which he acknowledged that they had traditionally been employed as a political weapon of a white supremacist government and appealed to them to adopt a new stance. His words are worth repeating:

*Up to now the police have been required to perform two types of functions. The one is to handle typical crime situations - murder, rape, theft, etc - the task of a police force all over the world. But you also had other tasks to fulfil, and that was a control function connected to a specific political policy and the execution of laws. Let us take swimming for example. It is not a crime to swim on a beach, but it is one to commit murder. It is not criminal to swim but it is to steal. You don't harm someone when you swim but you do when you commit fraud ...*

*You will no longer be required to prevent people from gathering to canvass support for their views. This is the political arena and we want to take the police out of it. We don't want to use*

*We need a democratic police who act to promote the interests of a legitimate government, who serve all communities equally and whose methods are humane*

*'Cop culture' in South Africa directs police officers to act to preserve white domination in everything they do and in every way they can*

*The failure of police reform is the single most important obstacle to peace, negotiations and any hope of free and fair elections*

*you any more as instruments to reach certain political goals. We as politicians must take the full responsibility for politics. We must stop requiring of the police to lay in the first line of trenches in the political battles ...*

*As ordinary citizens policemen have the liberty and freedom to vote for the party of their choice. But in the execution of their duties they must ensure that normal activities - whether it is swimming or holding political meetings - take place in an orderly and lawful fashion. This is the direction we are taking and I want you to make peace with this new line.*  
(SAPA News Bulletin, 27/1/90)

President de Klerk's comments on a non-political police should not be taken literally but as a call for a non-oppressive police committed to the protection of all citizens and to keeping the peace during the present transitional period. Whatever one might think of de Klerk's ultimate intentions, a police force that expressed this 'new line' would be a vast improvement.

Eighteen months later, however, we now all know that this call has not been heeded. Since de Klerk's speech to the SAP there has been remarkably little change. Indeed, the situation may have become worse. The police have continued to act in much the same way that they always have. They have continued to target the democratic movement and seem to be even less concerned than ever with the protection of black communities.

In calling on senior police officers to promote a new style of policing, de Klerk explicitly acknowledged that a reformed police was critical to the negotiation process. The fact that this reform has not taken place has become the single most important obstacle to peace, negotiations and any hope of free and fair elections.

The fact that South African policing has not been transformed since de Klerk made his initial plea is not surprising. Police forces, like most organisations, are difficult to change. You cannot carefully create an ethos and structure that will promote brutal oppression and expect it to change at the flick of a switch so to speak. Much more has to be done.

For organisational change to take place one has to change the organisation's culture and the structures that facilitate its expression. This is not easy but it can be done.

## Changing Cop Culture

If the police organisation can be structured to support one set of actions, then it also can be structured to support another. If police can be persuaded to act oppressively, they can be persuaded to be humane. Making the SAP more humane and evenhanded presents a challenge to all those South Africans who want to end the violence and guarantee fair and free negotiations and elections.

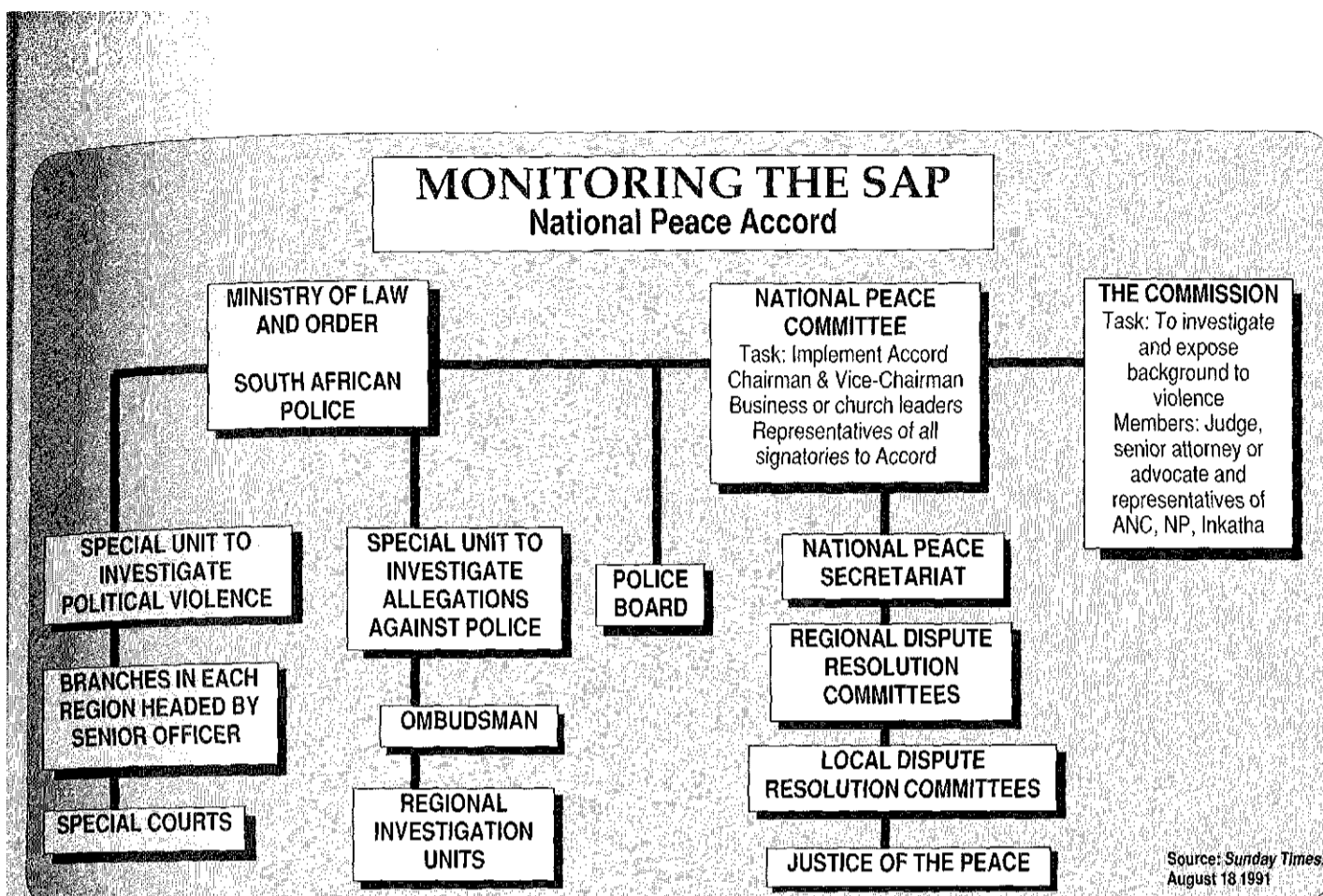
To maintain that the SAP can be humane is not to deny the fact the police everywhere have a tendency to use more force than they should. As the saying goes, 'If you give someone a hammer everything begins to look like a nail.' Nonetheless, police officers can be motivated to act in ways that minimise the use of force - they do not have to be brutal and they do not have to be oppressive. Police access to force can be employed to promote safety and security, democratic processes and liberty. Indeed, this is the essence of democratic policing.

At the same time, it is worth remembering that this outcome is never automatic and it is seldom, if ever, fully realised. Policing everywhere is a terrain of struggle. Democratic policing is a goal, an ideal, that can be approximated but to do so requires effort and vigilance.

Effort and vigilance is required now in South Africa if we are not to live out the pessimistic predictions of a new Lebanon that the present violence is threatening to realise. If negotiations are to be successful and if they are to produce a framework for governing that will not simply entrench minority privilege under another name, it is essential that the SAP be transformed, and transformed quickly.

One source of the problem is a deeply entrenched culture, that promotes ways of seeing and experiencing the world which are conducive to oppressive and brutal policing. This ethos enables, indeed requires, police officers of all hues to see blacks, and the movements that have fought for their liberation, as enemies that deserve brutal repression.

'Cop culture' in South Africa directs police officers to act to preserve white domination in everything they do and in every way they can. It is expressed and reinforced on an almost moment-to-moment basis through the anecdotes and jokes that police share with each other, in the justifications they offer for their actions, and in their actions



themselves. It is as pervasive as the air they breathe and is experienced as being just as natural and acceptable.

The other source of the problem is structural. The organisation of the security forces in South Africa has encouraged and promoted this 'securocratic ethos' by providing it with the organisational space it requires to operate. This has been done through the establishment of special squads, secret funds, laws that have outlawed the most basic civil liberties, systems of internal sanctions, a supportive judiciary and much more.

The net result is that officers who embrace the ethos have been rewarded and protected while those who have balked at its directions have been penalised.

So long as the securocratic culture and structure of the security forces work together in this mutually supportive way, South African policing will continue to be oppressive no matter how often appeals for change are made and no matter how many times ministers are shuffled in and out of their portfolios.

### The Ombuds Review

How can this situation be changed? How can a new style of policing be established? Three things are required - first, a new

ethos must be articulated; second, those who act in accord with it must be rewarded and supported; and third, those who do not must be penalised and discouraged.

To achieve this will take time. However, there is something that can be done now, that will address each of these requirements, and bring about immediate change. Namely, the creation of an external review body. It is for this reason that the proposal in the draft national peace accord (see diagram), unveiled by the *Sunday Times* on the 18 August 1991, for the establishment of *ombudsmen* to oversee the police is so welcome.

The ombuds idea has its origins in Europe in the early nineteenth century. In the Swedish court, the King employed an ombudsman to keep a watchful eye on his government and civil service. Since then the idea of an ombuds body, as a mechanism for watching over the affairs of government, has been adopted all over the democratic world where ombuds bodies have been established as watchdogs on behalf of the people.

Ombuds bodies constitute a sort of 'supervisory shadow' that operate to keep officials on their toes by ensuring that they will be required to answer to the electorate for their actions. Watchfulness or scrutiny is the nub of the ombuds idea. In addition, it includes three other essential features:

*The proposal for the establishment of ombudsmen to oversee the South African police is most welcome*

*The draft peace accord unveiled in mid-August must restore public confidence in the security forces and end the violence*

- First, ombuds bodies hold governments accountable to the people by measuring their action against standards that define both the duties of government officials and the limits within which they are required to operate.
- Second, where problems are identified ombuds bodies are required to intervene by making recommendations to right past wrongs and to prevent future wrongdoing. They may not compel officials to act as this would shift responsibility for governing from the government to them. If this were to happen ombuds bodies would cease to be watchdog and would become part of government.
- Third, the ombuds idea is the principle of impartiality. As ombuds bodies act on behalf of the people as a whole they cannot be politically partisan. It is their impartiality that gives ombuds bodies the legitimacy their mandate requires.

It is this combination of scrutiny, accountability, remedy and impartiality that has made the ombuds idea attractive internationally as a strategy for reviewing the activities of security forces. If this success is to be repeated in South Africa it is vital that the peace accord express in its final form all the features of the ombuds idea because it is the combination of these ingredients that is the source of its efficacy.

*An ombuds body is not an alternative to a legitimate government - it requires one*

### August Peace Accord

If the draft peace accord unveiled in mid-August is to restore public confidence in South Africa's security forces and end the violence it must ensure that their actions, and the instructions they receive from government, are known to the public.

This means that the ombuds body (one body with local branches would be better than separate entities) must be required to make public its findings. Further, effective scrutiny requires that the ombuds body accept and process complaints and that it act on its own initiative. Its watchdog role also requires that it have its own investigative capacity and that it be granted full and complete access to whatever evidence it requires.

If the very evident shortcomings of South Africa's police forces are to be remedied it is essential that an ombuds body be

authorised to recommend action to every level of command and that it be able to move rapidly up the chain of command where recommendations are rejected at lower levels. A lesson from the experience of the United Nations monitoring body that watched over the Namibian transition is that their inability to prevent problems seriously jeopardised their credibility and effectiveness (author interviews with Untag at the UN).

In making judgements about the adequacy of policing the ombuds body will have to apply democratic standards and encourage the police to adopt a style of policing consistent with them. This will require a carefully crafted code of conduct that will express the central principles of democratic policing. It will also require the employment of persons by the ombuds body who can competently apply them.

If an ombuds body is to be able to perform its review function on behalf of the people of this country, it will have to be recognised as impartial by the majority of South Africans. Given the level of mistrust that exists within South Africa, creating an impartial ombuds body is going to be extraordinarily difficult. For this reason the parties to the draft peace accord should be encouraged to carefully reconsider their apparent decision not to include an international element within their plan.

International involvement must, however, be accompanied by local expertise. Here too the Namibian experience is relevant, for while the presence of international monitors went a long way to legitimating the transition process in that country, the absence of local expertise and experience proved to be a major disadvantage.

Finally, the success of an ombuds body will depend on the presence of a legitimate body that will accept ultimate responsibility for the actions of the security forces. An ombuds body is not an alternative to a legitimate government - it requires one. **IPDA**

### Background

*The author was the research director for a Commission of Inquiry into the Royal Canadian Mounted Police which prepared proposals for the federal police ombuds system and the code of conduct now used in Canada. He is presently undertaking a project based at the University of the Western Cape on 'Policing for a new Democratic South Africa'.*



# Police **Community** Relations

## LESSONS FROM NAMIBIA

By Laurie Nathan,  
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Courtesy: Africa World, Vol 20, No 2, 1990

*The transitional security arrangements proposed by the National Peace Committee (Sunday Times, 18/08/91) have highlighted the need to reform the SAP in the longer term. With security reforms now firmly on the South African agenda, it is worth looking at Namibian efforts since independence to transform their police force. This report draws on firsthand observations and interviews in Namibia with senior and rank-and-file members of the security forces.*

In mid-1990, Archbishop Desmond Tutu summed up the central challenges facing the South African Police (SAP): *They ought to be using normal international standards of policing. They should not only be impartial but be seen to be impartial. We really need a police force that enjoys the confidence of everybody.*

Outside government circles, there is broad agreement that the SAP does not meet these criteria. It is overwhelmingly partisan, it lacks the support of the majority of citizens, it is geared more towards counter-insurgency than crime prevention and it has a deep-rooted culture of violence and disregard for human rights (see Shearing, Rauch in this issue).

### New Objectives

When the South West African People's Organisation (Swapo) came to power in Namibia in 1990 it disbanded the colonial army but not the police. The leadership and structure of Swapol formed the basis of the Namibian Police (Nampol). The definition of Swapol's role - to prevent, detect and investigate crime and to maintain internal security and law and order - was also retained.

Established by Pretoria in 1981, Swapol displayed the same features and limitations as the SAP and played a similarly repressive role. The new Namibian government is determined though to transform the character of the police and the way it fulfils these functions. The overriding

objective is to establish a conventional police force that serves the entire population. Specific aims are to civilianise Nampol, improve public relations and re-orientate its focus from counter-insurgency to crime prevention.

Namibia's Ministry of Home Affairs, which is responsible for policing, has sought to realise these aims through a new weapons policy, the replacement of military-style uniforms and vehicles, a crime prevention programme, a new training programme and a campaign to promote public co-operation with the police.

The government regards the building of sound police-community relations as the main ingredient in successful crime prevention. It is an essential objective if Nampol is to be seen as the 'friend of the people' and not their enemy.

Towards this end, Public-Police Relations Committees (PPRCs) have been formed throughout the country. The committees comprise representatives of Nampol, major public organisations, employer federations, trade unions, political parties and church, sport, student and community groups. *They are intended to provide a forum for discussion on policing matters and 'the fostering of proper relations'.* They also aim to encourage community involvement in the prevention and combating of crime.

Nampol officials believe that the PPRCs have improved public co-operation with the police and lowered the crime rate in certain areas. The officials acknowledge though that there has been less success in the northern Ovambo region, where the majority of people still mistrust the police.

Black residents in southern towns share the positive aspects of this assessment. They note that 'troublemakers' in Nampol have been replaced by *more sympathetic officers, the police have become more responsive to requests for assistance, they are no longer 'rude' and 'rough', and they now consult community leaders and social workers on a regular basis.*

The introduction of PPRCs in a post-apartheid South Africa would be a worthwhile innovation as they are more than

simply an exercise in public relations and crime prevention. The committees also provide a direct line of communication between the police force and the people they serve, with the result that policing is likely to become more accountable and more effective.

### Demilitarised Police

When the Namibian government came to power it was confronted with an acute shortage of trained police. It consequently recruited a substantial number of new personnel, roughly one-third of whom were previously in Swapo's military wing, the People's Liberation Army of Namibia (Plan).

The government has also prioritised the retraining of all police members to facilitate the reorientation of Nampol and to ensure that the institution is capable of serving all sections of the population in a professional manner. The new training programme, devised and supervised by a British advisory team, is geared towards the detection, investigation and prevention of crime. It includes instruction on the handling and use of firearms, courses on human rights and public relations.

As a result of the shortage of police at independence and the length of time required to train new recruits, two units comprised of former soldiers - the Presidential Guard and the Border Guards - were deployed without proper training. These units were repeatedly accused of undisciplined and unlawful behavior.

There are two outstanding lessons from this experience for South Africa:

- Firstly, a future South African government dare not integrate members of the liberation movements into the police without adequate training.
- Secondly, there would be great value in inviting a police advisory team from abroad to assist in the retraining of the SAP. In Namibia, the British team has made a vital contribution towards the adoption of internationally accepted standards and practices.

South Africa could also learn much from Namibia's efforts to demilitarise the police. The Swapo government believed that the para-military character of Swapol had instilled fear in the population and was wholly inappropriate to conventional policing.

Since independence the Ministry of Home Affairs has replaced military-style uniforms, vehicles and rank-designations. Riot-control training, which was previously extended to all police personnel, is now restricted to a special task force. The notorious counter-insurgency police unit, *Koevoet*, was disbanded in 1989 and has not been replaced.

The Ministry has also devised a new weapons policy. Police may now only draw their firearms if their lives or those of the public are threatened. Unlike before, weapons may no longer be used in the apprehension of criminals or the prevention of crime if these circumstances do not prevail.

The government's success in civilianising Nampol is most evident in the Ovambo region, previously known as the Operational Area. Under colonial rule, the police were scarcely distinguishable from soldiers with their brown uniforms, military vehicles and heavy weaponry. Today the police wear light blue uniforms, travel in land cruisers and in most circumstances do not carry guns.

### Post-Independence Tensions

In early 1990 the Minister of Home Affairs announced that the leadership of Swapol would not be expelled from the police; he insisted that these officers were all 'sons and daughters of Namibia'.

This decision is not as surprising as it initially appears. It was based on the policy of national reconciliation which guarantees that former members of the colonial administration and security forces will keep their jobs, and on the fact that Swapo had no police experience of its own.

Currently, the top echelon of Nampol is comprised almost exclusively of white former members of Swapol. This includes the chief of police and the heads of all line functions. The sole exception is the deputy police chief who was a commander in Swapo's military wing, Plan.

Although this situation stems from sound policy considerations, it has given rise to considerable tension. The Swapo Youth League has called for the dismissal of the 'white thugs' in Nampol and Swapo newspapers have accused the police leadership of attempting to destabilise the government.

Furthermore, black officers have publicly called on the police chief to address the racial composition of Nampol's command structure. They claimed that 82 per cent of the officers at and above the rank of Inspector were white, and threatened to resort to legal action to correct this 'unconstitutional imbalance'.

The Namibian experience highlights a predicament that South Africa will undoubtedly face. The post-apartheid government will be compelled to retain the majority of white senior and middle-level officers in the SAP. It will consequently have to deal with both a conservative police leadership and with criticism from black citizens and rank-and-file police.

### Policing Philosophy

Although the changes that the Namibian government has made to its police force are all worthwhile in themselves, their real value lies in the fact that they are part of an endeavour to effect a fundamental transformation of the police. At the heart of the Namibian government's approach is the desire that Nampol comes to be regarded by its members and the public as a 'police service' rather than as a 'police force'.

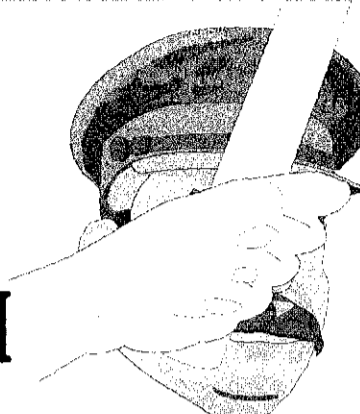
If the SAP is ever to meet the essential requirements identified by Archbishop Tutu - impartiality, credibility and compliance with international standards - the South African government similarly will have to develop a new philosophy of policing.

Above all, this philosophy demands that the police are accountable to the public at both a parliamentary and grassroots level, that they serve all sections of the population in a fair, unbiased and efficient manner, and that their leadership and membership ultimately reflect the ethnic composition of the nation. **UPQA**

#### Background

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# CRISIS OF LEGITIMACY THE LIMITS OF POLICE REFORM



By Janine Rauch,

Project for the Study of Violence, Wits Psychology Department

*Dramatic developments in South African politics since mid-1991 have put the spotlight on the critical role of the security forces in a transitional period of reform. Recent issues include media revelations of collusion between the security establishment and Inkatha, biased policing of the violence and the reshuffle of the key Law & Order and Defence portfolios. To complement Clifford Shearing's review of the draft Peace Accord unveiled in August 1991, Janine Rauch evaluates recent institutional reforms within the SAP.*

Recent disclosures about the involvement of the South African Police (SAP) in covert funding to Inkatha have focused public attention on the political role of the SAP and the urgent need for police reform. The veil of secrecy in which police operations have traditionally been shrouded is beginning to lift, but access to information about the SAP is still regarded as a privilege, rather than as a public right. Little is known about the structures of the SAP or the homeland police forces.

In 1988, the ex-Commissioner of Police, General De Witt, was appointed by the SAP to conduct an investigation into the restructuring of the force. The current regional structures of the SAP, which are a result of the recommendations of the De Witt Commission, and more recent changes to Head Office and Branch functions, are probably the most significant changes to have taken place within the SAP since its formation in 1913 (see diagram:5).

The major recommendations of the De Witt Commission centred around a decentralisation programme for the force. Further restructuring was motivated by the changes to the political environment which followed State President de Klerk's landmark speech on 2 February 1990. These changes (SAP Strategic Plan), which took effect in August 1991 are aimed at improving police-community relations by improving the SAP's image, service and organisational efficiency. However, the tradition of rigid hierarchies and militaristic

style within the police force continues to delay real improvements in service delivery.

Below the Commissioner of Police, the General Staff is the highest decision-making body in the SAP. It currently consists of over 50 members with the ranks of General, Lieutenant-General or Major-General. These Generals are the heads of all the departments of the force, the Regional Commissioners, and the 'Super-Generals' who head each of the four new arms of the SAP (see diagram:5).

## Line Functions

During the first half of 1991, extensive changes to the old SAP Branch structures were announced. Despite these structural changes being slow to alter the practice of policing, they are an indication, at one level, of the SAP's eagerness to depoliticise its operations and distance itself from National Party control. The operations of the force have been divided into four new arms.

### ❑ Invisible Policing?

On 1 April 1991, the Detective Branch was officially merged with the Security Branch (SB) to form the *Crime Combating and Investigation Division*. In the context of the unbanning of the liberation movements and extra-parliamentary opposition groups (which had been the main target of SB activity), this merger was motivated as part of de Klerk's stated intention to take the SAP out of the sphere of political activity.

*Despite the structural changes being slow to alter policing, they are an indication of the SAP's eagerness to depoliticise and distance itself from NP control*

*The merger of the Detective and Security Branches was motivated to take the SAP out of the sphere of political activity*

However, in practice, the creation of the new division did not substantially alter the existence, structure or operation of the old Branches. Despite official statements that members of the SB are now engaged in conventional crime-detection work, there is evidence to suggest that the SB is still functioning, in the post-de Klerk period, to police political organisations.

A variety of questions raised by the Inkatha-gate scandal about SB operations remain unanswered. Some of these have important implications for the policing of the political activity during the transition period. Officially, the brief of the SB was to monitor 'illegal' political activity. With all political parties now unbanned, and snowballing evidence of Security Police involvement in covert political operations, the role of 'the Branch' requires radical re-assessment.

New names and structures (the old SB is now known as the 'Crime Information Service') have not yet taken effect at local level; due, in part, to poor internal communications processes, and to resistance from the lower echelons of the SB. Public confidence in the SAP has always been influenced by perceptions about the SB, and nothing less than complete openness to scrutiny will convince the public that the role of the Security Police is really changing.

#### □ **Visible Policing**

The *Visible Policing Division* came into operation in August 1991 as a result of the merger of the *Operational* and *Uniformed* Branches. The work of this division will centre on crime prevention and will consist of a proactive and a reactive policing service.

The old Uniform Branch will be responsible for *proactive* policing, including crime prevention. The *reactive* service, the old *Operational* Branch, will react to public order policing needs such as riot control. Despite official commitment to proactive policing, police stations in townships around South Africa continue to operate as fortresses, barricaded against the very community they are supposed to serve.

After basic training, police constables are generally posted to the Uniform Branch. However, their training for community-style policing and crime prevention is practically non-existent. Despite the fact that the police station is, in the current context, the most crucial point

of police service delivery, the tendency has been for the most promising local cops to be removed from this area of work and trained for a commissioned position in one of the other branches or in the management hierarchy.

The *Uniform Branch* also included the *Reserve Police Force* (civilian volunteers) and the *Police Reserve* (ex-members of the SAP) which formed a crucial part of defence capabilities under the state's former 'Total Strategy' framework. Both the Reserve Forces have been used in township duty in recent years, particularly during the elections in September 1989. Tighter control and role-definition of these units has not been addressed in the SAP's new structure.

The *Operational Branch* was created in 1989 to take responsibility for active political policing such as riot control and counter-insurgency operations. Its official function was 'to deal with all tasks in respect of security in the RSA'.

Following the report of the Goldstone Commission of Inquiry into police behaviour in 1990, the SAP commissioned an internal inquiry into its crowd and riot control techniques. This consisted of members of the SAP, SA Defence Force, National Intelligence Service (NIS) and Department of Constitutional Affairs.

The recommendations of this Commission flow from its conclusion that 'in cases where the actions of the Police fell short of the mark, this could not be ascribed to defective training but to a lack of proper supervision and control, and to a deficiency in the number of trained personnel available' (Annual Report of SAP Commissioner, 1990).

The result is that, rather than being scaled down in the post-Emergency period, the *Riot Unit* has been strengthened and diversified, with a large proportion of its members now based in 'Unit 19' at Pretoria. This is a newly formed rapid-response Riot Unit with a large membership that can be deployed anywhere in the country.

#### □ **Black Bobbies**

The *Operational Branch* also previously included the *Special Constables* (now known as Police Assistants) and the black *Municipal Police*. Introduced in 1986 with the recruitment of 3 000 black constables, the 'kitskonstabels' (instant cops) were to be a black force for deployment in

*Yet the evidence suggests that the SB is still functioning, in the post-de Klerk period, to police political organisations*

unrest-ridden townships. This strategy, born at the height of the State of Emergency, has appropriately been dubbed 'black-on-black policing' (UCT Institute of Criminology: 'Kitskonstabels in Crisis', 1990).

The absence of formal educational qualifications for entrance to the Special Constables and the limited training provoked much criticism. Together with the reputation this unit quickly acquired for lawless behaviour in the townships, these factors prompted the SAP to reform by improving the training and raising the entrance requirements.

The *Special Constables* account for approximately 10% of the actual membership of the SAP, and plans for their integration into the new structure is not yet clear. Although other race groups are now recruited into these units, the diversion of black recruits into the Special Constables is evidenced by the fact that 3 400 black special constables were trained in 1990, as compared with just over 1 000 black student constables for the SAP itself (SAP, *Op Cit*, 1990).

The *Municipal Police* were introduced during the 1986 State of Emergency, ostensibly as 'bobbies on the beat' for black townships; but in fact deployed in protection and support of the Black Local Authorities (BLAs). At the time of the launch, the Municipal Police were employed by the BLAs and were not part of the SAP.

In 1989, the Municipal Police were incorporated into the SAP, partly in response to their reputation for abuses of power and resistance to police authority, and partly to bolster membership figures for the SAP, to help reduce a severe manpower shortage. There are approximately 10 000 Municipal Police, who make up over 12% of the police force, and one-fifth of the black membership of the SAP.

### Comment

While there is no doubt that the work of the Uniform Branch in police stations and that of the Operational Branch in riot control are both highly 'visible' forms of policing, the new division is made up of two branches which, in policing terms, are strange bedfellows. The Operational Branch represents the opposite extreme of militaristic 'fire-brigade policing' from the locally based patrol work of the Uniform Branch.

Far from being demobilised, the Riot Units are being strengthened, both in terms of manpower and technology; and will continue to play a vital role in the SAP's management of the transition period. With the further burden of co-ordination of *Emergency Services* and *Special Units* falling to the Operational Branch, it seems unlikely that the vital transition to a coherent style of 'community policing' will develop in this division in the near future.

### Staff Functions

The new *Human Resources Management* division will take responsibility for all training and personnel functions, including personnel administration, recruitment, social welfare and training. *Training* in the SAP currently consists of mandatory Basic and in-Service Training; and optional academic training in Police Science. The basic training, currently under review within the SAP, will continue to be racially segregated until the end of 1991.

Not only is the basic training woefully inadequate in terms of preparing trainees for the real tasks which face them in police stations across the country, but the style of management and teaching in the Police Colleges is archaic. Of the total number of SAP basic trainees in 1990, 71% were white, and 14% were women (SAP, *Op Cit*, 1990). The Special Constables and Municipal Police are trained at separate institutions, for shorter periods, with different course material. Training for homeland police forces also consumes a sizeable proportion (40%) of the SAP's resources for basic training of black staff.

Lastly, the new *Supporting Services* division incorporates the remaining management, logistical and administrative functions. It is responsible for administering many of the changes implemented as a result of the De Witt Commission, such as the decentralisation of certain administrative and financial functions, and the goals of the new Strategic Plan in relation to cost-effective management.

Many administrative functions are now reproduced at regional level - public relations, recruiting, logistics, research, and legal services. Although removed from 'active policework', many of the units in this division play key roles in police-public interactions - for example, the *Public Relations* department and the *Legal Services* teams.

*It seems unlikely that the vital transition to a coherent style of 'community policing' will develop in the near future*

*The Riot Units are being strengthened and will continue to play a vital role in the SAP's management of the transition period*

*The extent of political reform will ultimately determine the extent to which more normal policing will be possible in South Africa*

### Comment

The chaos and disorganisation which are evident in the SAP at the moment are substantially the products of the restructuring of the force which has been ongoing since 1989; and, secondly, the changes to the national political reality which have required the police force to fundamentally redefine its role.

In some senses, changes to the administrative functions have caused more severe disruption within the force than changes to the line functions. The upsurge in political conflict and violence has put further pressure on an already overstretched force; and it is clear that the SAP are not able (and possibly, at some points, not willing) to deal with the current situation to the satisfaction of all parties. This inability to deal with the violence is not the product of an inadequately staffed or under-resourced force.

As the State's 'first line of defence' (see *Indicator SA* Vol6/No4:53/57, 1989), the SAP has always had ample access to resources; and the 1991 Budget shows a major shift in funds from the SADF to the SAP. Rather, the inability and possible unwillingness of the police to deal with the violence is a consequence of their historical alienation from black communities, the narrow ideological framework within which they have trained and a history of ineffective management practices.

The new Strategic Plan and restructuring of the SAP need to be understood both as responses to the profound crisis of legitimacy which the force continues to experience, and as evidence of a real commitment, in some ranks at least, to a process of depoliticisation and change.

The broad strategies of the SAP in the post-1990 period are limited in their potential to address the vital problems of internal communication and accountability. Already, it is obvious that official changes in policy and practice have not filtered down to the lowest ranks. Even at the simple structural level, this does not bode well for a future government which might wish to establish a different policing practice. The occupational subculture of the police is, in most countries, resistant to change; and in South Africa, the particular 'Christian National' features of this subculture have a greater potential to limit the effectiveness of police reform.

However, the recent decentralisation of

active policing and managerial functions do have the potential to make the police more accessible and accountable to local communities. Also, the division between *line functions* (Crime Combating and Visible Policing) and *staff functions* (Human Resources Management and Supporting Services) should work to the advantage of active policing units, and the consumer, by removing some of the administrative burdens from the line functionaries. The outcome of the merger between the *political* (Security Branch and Operational Branch) and the *non-political* (Detective and Uniform Branch) police functions remains unclear.

The national political climate, the progress of negotiations, and the extent of political reform will ultimately determine the extent to which more normal policing will be possible in South Africa. Effective reform of the police force needs to include a bottom-up approach and the opening up of the police force to real community participation at a variety of levels.

The draft peace accord recommends that a number of new structures be set up to address precisely these problems (see diagram: 13). However, its recommendations - including the formation of local dispute resolution structures, special units to investigate complaints against the police, and a Police Board to advise the Minister - are still subject to negotiation and implementation by the SAP.

To some extent, the new SAP structure has anticipated these developments, and the various structures of the national peace committee will not have a significant impact on the shape of the police organisation. What is important is the extent to which the peace process will shape new police practices. If the principle of police accountability is compromised by party-political trade-offs, or by half-hearted implementation in the SAP, the chances of building effective police-community relations in the future will be minimal.

The public will not be convinced of police reform by new names and expensive media campaigns. If the SAP is to survive these turbulent times and effect the changes to which it is now committed, the public will have to experience a real improvement in the quality of service they receive from all units of the SAP. Perceptions on both sides of police-community relations need to change. The only guarantee of effective police reform is a real commitment by the community to become involved in policing.

**Acknowledgement**  
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# THE DEFENCE DEBATES

By Dr Simon Baynham, Chief Researcher,  
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A prominent security analyst discusses the key policy options to be negotiated which will reshape the armed services under a reconstituted political authority in South Africa in the 1990s. This review focuses on four key areas of debate - manpower policy, the creation of a National Defence Force, homeland military structures, and internal security and accountability.

Future security policy will to some extent depend on the 'balance of power' as negotiations begin between the South African administration, the ANC and other groups.

The South African state retains a near monopoly of military and police power within the Republic's borders. This dominance has been weakened but not yet fundamentally threatened by the mass action and political protest of the 1980s and early 1990s. While the virtual monopoly of organised force has been challenged by the supporters of the ANC and other opposition groups, the Republic's military might has not been significantly eroded.

The security situation in South Africa today is qualitatively different from the balance of power prevailing when a negotiated settlement occurred in Zimbabwe. At that time, the opposition forces and their armed wings, Zanla and Zipra, had a physical and military presence in 50 per cent of the country. They also had sufficient internal bases, cover and weaponry to mount major attacks in the other half of Zimbabwe.

In short, a military stalemate had been achieved in Zimbabwe; that *modus operandi* is patently not the case in South Africa. Nor is there much prospect of such a deadlock coming into being in the immediate or foreseeable future. From the South African perspective, therefore, the conclusion is inescapable: the government and its armed forces are in a much stronger position to dictate terms about a future Defence Force than is the ANC and its military leadership.

On the other hand, it requires little insight to realise that Pretoria cannot sustain indefinitely the political status quo on the strength of its armed might alone. For whilst it is clear that the administration is paramount militarily, it certainly wields no monopoly in political terms. The ANC has been instrumental in fostering and fuelling a spirit of resistance against the *de jure* authority of the South African state. This is one reason, of course, why the process of negotiation has now begun.

At the outset, it would be safe to make a number of general assumptions which will help to shape the SADF's development and deployment in the coming decade:

- The SADF will be home-based and continue to have a limited internal security role.
- It will, nevertheless, continue to possess a capability to operate in the subcontinent.

- It will become increasingly defensive and reactive, rather than offensive and pro-active.
- Its membership will become less white and much more black.
- It will rely on conscripts for some time to come; however, it will eventually become an all-volunteer force.
- Finally, with reduced regional tensions and massive socio-economic expenditure, its size will be reduced through budget cuts.

### Manpower Policy

In societies deeply divided by race, ethnicity or other affiliations, the composition of the security forces is of vital importance to the state and its inhabitants. Minorities or majorities who regard themselves as under-represented in the armed services invariably view such imbalances as inimical to their political power and security.

This is clearly so in the case of South Africa today. But in addition to the social make-up of such forces, the issue of military manpower involves the actual mechanism by which armies can be raised. At present, for instance, the system of recruitment in the Republic (the selective conscription of only one racial group) results in a Defence Force largely populated and dominated by whites.

There are two twin issues here: the type of manpower policy to be utilised for a future National Defence Force and its racial profile. There are three possible manpower permutations: the widely used *all-volunteer system* (the ANC option), the *militia system* (the NP and CP option), as used in South Africa, and the *mixed system* (the DP option). Each system exhibits a mix of advantage and disadvantage.

It would be remiss to ignore the economic costs of competing manpower systems. Expert evidence, in purely financial terms, suggests that the real current cost of manning the SADF - with all its hidden bills in lost taxes, skill shortages and the graduate 'brain drain' - is higher than it would be if South Africa had a smaller, but equally effective, standing army backed up by a volunteer reserve.

But one problem with this proposal is that many in the NP and SADF see the establishment of an all-volunteer non-racial force as leading inevitably to a black force - as happened in Zimbabwe. The SADF argues that a future

army should remain conscript-based with selective national service across the racial spectrum. This, they feel, would help to address the security concerns of minorities, whilst simultaneously helping to break down racial barriers and suspicions.

## National Defence Force

When the former Minister of Defence announced in Parliament in mid-May 1990 that the integration of the ANC's military wing with the SADF was out of the question, a peaceful resolution of this policy issue did not look promising. Privately, of course, the SADF's military chiefs knew that, sooner or later, integration options of some sort would be inevitable.

The process of integration is not just about *terms*, however, but also about the *implementation* of the terms to an agreement. In any power-sharing arrangement one needs conditions, an agreed procedure for executing those terms, and as importantly, a spirit of reconciliation. There must also be a willingness to compromise so that there are no obvious victors and vanquished.

It goes without saying that there are a number of very real obstacles to integration which will have to be addressed in negotiations:

- past bitterness, conflicting political loyalties and racial prejudice;
- Does the ANC have the necessary authority to contain and neutralise violent unrest?
- Does the government have full control over its own security apparatus?
- demands by other political bodies to be represented in a National Defence Force, e.g. the PAC, Inkatha, the homeland armies;
- SADF objections that professional standards will be drastically eroded if Africanisation of the officer corps occurs too quickly;
- the SADF and MK represent totally different military traditions and training - one is a sophisticated conventional army, the other a small guerrilla body;
- integrating the intelligence structures of the separate forces.

## Homeland Militaries

Most of the black soldiers who are employed by the SADF are members of the Cape Corps or of the Defence Force's nine ethnic battalions. Black servicemen also serve in the elite Recce Commandos and in the three smaller services of the SADF. In addition, more than 500 former ex-SWATF 'Bushmen' have been relocated into the Republic.

The four nominally independent TBVC homelands also have relatively sizeable military and police forces whose future status in a post-apartheid South Africa will be open to debate. There are a number of core options in this area of security policy.

Firstly, what constitutional permutations concerning the homelands are on the cards? A highly centralised South Africa in a future non-federated state would affect the homeland forces in quite a different manner than it would in say a highly decentralised polity. Are aspects of the Swiss military variant a possibility?

The unambiguous integration of the ten homelands into a new South Africa would suggest a parallel process of reintegrated defence forces. On the other hand, however, a case can be made for the absorption of these units into a single Defence (or Police) Force while retaining their local character - as, for example, inside the British Army where many regiments retain an exclusively regional identity.

Given the ANC's stated opposition to any form of institutionalised segregation on the basis of race or tribe, would it be politically possible to tolerate ethnic units in practice? One way out of the conundrum might be to recruit on a geographical rather than ethnic basis.

There is also the question of where these units would be deployed if they were to be used internally. Would police personnel be recruited from the communities they work in? And if the army was deployed in aid to the civil power, should these military units be drawn from outside the areas of unrest or from within? Finally, what would be the *lingua franca* of a National Defence Force?

## Security and Accountability

It is quite clear that South Africa is experiencing nothing less than a major security crisis inside its borders.

The scale and intensity of domestic violence since the mid-1980s has pulled the SADF into a major and controversial internal role. These developments have had two major repercussions: first, they have blurred the traditional (but never totally discrete) tasks of the Defence Force and the SAP; secondly, police operations against political dissidents have left little time for 'normal' SAP activity. As a consequence, common crime is at an all-time high with, for instance, 11 750 murders in 1989.

There is also a crisis of unprecedented proportions inside the SAP and its auxiliaries. This is the result of decades of political neglect which has rendered the force understaffed, underpaid and overstretched. How can the task of adapting the police to South Africa's changing political landscape be addressed?

Firstly, the standing strength of the SAP should be doubled as quickly as possible (a stated aim of the government), so that the SADF can concentrate on its proper role of securing the territorial integrity of the state. The division of labour between the police and the military needs to be redressed and redrawn. It takes time to train and deploy new police personnel, but the need to make all South Africa's people feel safe is of vital importance - especially as the country plunges into the political unknown.

Secondly, a great deal of imaginative work needs to be done to ensure that the SAP - which is currently alienated from many of the communities it works in - is identified with the process of reform. A much clearer distinction must be demarcated between, on the one hand, legal political activity and, on the other, criminal behaviour and intent. Ways and means will have to be found to depoliticise the police and sensitise the service to all citizens.

Thirdly, the imperative is not only to attract recruits of the right attitude and calibre, but also to reduce wastage. Fourthly, effective mechanisms need to be found for rewarding or reprimanding police personnel, with the purpose of ensuring that the SAP's reputation becomes synonymous with its motto: *Servamus et servimus* (to protect and to serve). **IPWA**

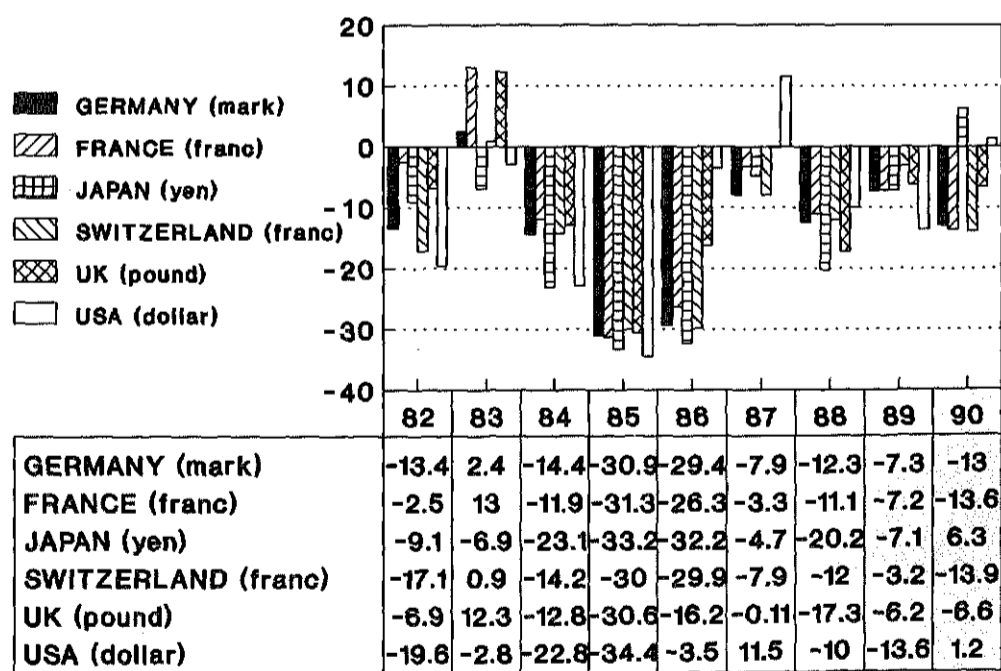


# ECONOMIC

M O N I T O R

## Data Trends: Average value of the Rand, 1982 - 1990

Statistics on the year-to-year percentage change in the average value of the Rand in respect of the basket of currencies of each of South Africa's six most important trading partners between 1982-1990 were announced on 12 June 1991 by Finance Minister Barend du Plessis in Parliament.



SOURCE:  
SA Barometer, Vol5/No15, August 1991,  
using statistics from Hansard No23, 1991.

carlton paper

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- FOR BUSINESSMEN • FOR BUSINESSWOMEN
- FOR HOSPITALS • FOR NURSES
- FOR PATIENTS • FOR CYCLISTS
- FOR MINERS • FOR PLUMBERS • FOR PEOPLE
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DC 1477



By Carolyn Jenkins,  
Economic Research Unit,  
University of Natal

*This review of the changes in South Africa's patterns of trade over the last three decades shows how emerging trends were distorted by sanctions measures. It also highlights the consequences and prospects for foreign trade in the 1990s.*

## THE SANCTIONS LEGACY

During the 1980s South Africa moved from its position in the top twenty trading nations of the world to twenty-fifth. Foreign trade, however, continues to play an important role in the growth of the economy. From 1980-90 imports of goods and non-factor services averaged 25.6 per cent, and exports (including gold) 31.7 per cent, of Gross Domestic Product (GDP). The indications are that, despite 65 years of protectionist trade policy and a decade of increasing isolation, the economy remains open and highly dependent on foreign trade.

This dependence on foreign trade is unlikely to be reduced in the immediate future. The most urgent internal imperatives are economic growth and job creation. Even were continuing import substitution or inward industrialisation to be adopted as the more appropriate strategy to meet these imperatives, it would be necessary to generate sufficient foreign exchange to import the required inputs for this to occur.

In the longer run, vigorous export growth might provide a better stimulus to economic growth than either of the other strategies. Therefore, whatever industrialisation path is chosen, it is imperative that South Africa remain competitive in export markets.

By far the largest share of South Africa's trade occurs with the Western industrialised countries (see table). The USA, which had been the most important trading partner since the late 1970s, lost this position to Japan in 1987 and to (West) Germany in 1988. Germany is easily the country's major supplier, while Italy is the major customer.

The rising importance of the Pacific Rim countries as trading partners in the 1980s is significant. Taiwan is now sixth in importance and Hong Kong tenth. South Korea, omitted from the table because it does not report its South African trade to the IMF, should also be listed amongst the top 15 countries. Markets are also being developed in South America as South

Africa loses some market share with historically important partners: sales to Brazil, Argentina and Chile doubled between 1983 and 1987.

Trade with individual less-developed countries is relatively small. Sanctions imposed by many of these countries in the early 1960s possibly lost South Africa some potential markets although, in aggregate, trade with Africa is important.

One-third of South Africa's manufactured exports, and 20 per cent of non-gold exports, are to African countries. The country runs a substantial trade surplus with the rest of Africa, representing a useful source of foreign exchange. This trade has grown despite both Africa's efforts to reduce dependence on South Africa and its moral support for the sanctions campaign. With the removal of apartheid, Africa will become an even more valuable market for South African exports.

High proportions (44 per cent of exports and 20 per cent of imports in 1988) of South African trade are not allocated by country, resulting in a distorted picture of the direction of trade. Unclassified exports consist of gold as well as arms, uranium and platinum. Unclassified imports are mainly oil and arms, and oil imports are estimated to amount to around \$2 bn a year.

### Export Performance

South African exports have been performing well, and this cannot be attributed exclusively to the weakening of the Rand since the early 1980s. The rapid expansion in world trade experienced during the 1950s and 1960s slowed in the 1970s with the general deceleration in world output from 1973.

Growth rates in world exports fell from an annual average of 6.8 per cent to some 4.0 per cent per year. South African exports, however, grew at an annual average of 7.3

*Whatever industrialisation path is chosen, it is imperative that South Africa remain competitive in export markets*

## Mining Exports in the 1980s

South Africa's net gold exports averaged 44 per cent of total visible exports during the 1980s (equivalent to around 13 per cent of GDP). On an annual basis, however, the proportion has fallen from 51 per cent in 1981 to 33 per cent in 1989. This change represents both a decline in the gold price, especially from 1985, and a significant real average growth in non-gold merchandise exports between 1984-89 of some 11 per cent per year. The lower growth years in this period (1986-88) coincided with the imposition of US and EC sanctions.

*Although the share of gold in total exports has fallen, its continued importance as an earner of foreign exchange cannot be over-emphasised:*

- On the one hand, South Africa produces 44 per cent of the West's gold output, and,
- Exports of gold for jewellery and industrial uses almost doubled between 1983-86, amounting to nearly 16 per cent of merchandise exports. Two-thirds of these went to Italy; most of the remainder being purchased by Japan and West Germany.
- On the other hand, the US systematically cut its initially large purchases to zero by 1987; and,
- the other important form of gold exports, Krugerrands, was virtually wiped out by sanctions, falling from R1523,8m in 1983 to R343,2m in 1985.

*Despite the fall in gold's share, mining as a sector continued to contribute an increasing proportion of exports, accounting for 62,3 per cent of the total in 1985.* The platinum group metals, most of which are bought by the US and Japan, constitute a major source of earnings. Diamonds are the other important precious mineral, and, when in 1987 the traditionally large buyers (the US and UK) cut back on their purchases, Switzerland and Belgium absorbed much of the supply.

*Significant shifts have also occurred in South Africa's coal trade, an industry which, together with iron and steel, has seen growth during the decade.* Originally large buyers of South African coal, France, Denmark and, to a lesser extent, the US, have reduced substantially their purchases (the latter two countries to zero); while countries like Spain, Taiwan, the Netherlands, Turkey, Portugal and Switzerland have increased their purchases. With the exception of Taiwan, exports to these countries constitute an evasion of the 1986 EC restrictions on coal imports from South Africa.

The largest buyers of South African coal, Japan, Italy and South Korea, have maintained their substantial purchases of this commodity. The Far East is now easily the most important destination of exports from the iron and steel industry, although West Germany and Turkey buy significant proportions. The US has reduced its purchases as far as possible, although it is the largest buyer of ferro-alloys. The UK takes most of the chromium.

per cent between 1973 and 1979, with particularly vigorous growth occurring in 1976 and 1977 when real growth rates were 13,6 per cent and 15,8 per cent respectively. The share of manufacturing exports in the total did not, however, change significantly, remaining around 33 per cent throughout the decade (and through most of the 1980s as well).

What is noteworthy is the declining significance of South African exports from agriculture, fishing and forestry, from around 20 per cent in the mid-1950s to 9,6 per cent in 1971 to 7,4 per cent in 1978. Agriculture's declining share was made up by an increasing proportion of mining exports. Gold exports were relatively constant in real value terms, however,

despite sharp increases in the price of gold in 1974, 1978 and 1979. Most of the growth occurred in the export of ores and minerals, especially iron ore and coal.

Even during the turbulence of the 1980s, changes in the composition of trade were less significant than those which occurred in the direction of trade. Mining is still by far the most significant exporting sector (see box). The major development in mining exports is clearly the opening up of markets in the Far East. This move was necessitated by various sanctions resolutions, and made possible by the rapid industrialisation of these countries.

The share of agriculture, fishing and forestry in South Africa's total exports continued to fall during the 1980s, accounting for less than 5 per cent of the total in 1985. The most important market is the EC which, in 1986, took two-thirds of all fruit (fresh, dried and tinned), wool and yarn, and frozen fish. Japan purchases most of the country's maize and sugar exports. South Africa's lost US sugar quota is now shared between Japan and France.

The most spectacular growth in manufactured exports has been in basic metals, which increased their contribution to total exports from around 10 per cent in 1980 to 17,5 per cent in 1985. This amounted to over one-half of manufactured exports. This industry now exports almost 80 per cent of its output, mostly to Taiwan, Hong Kong and the US. Other industries performing well are pulp and paper; chemicals; vehicles and transport equipment; machinery; and scientific and professional equipment.

The contribution of other manufacturing industries to total exports is small. It appears that, unlike other twentieth century industrialisers, the South African manufacturing sector produces for its own market, relying on exports of the primary sector to finance its substantial import requirements.

South Africa's export performance in 1990 was better than might have been anticipated. Exports increased by only 3,1 per cent in nominal Rand terms. However, this was in the context of a slowing in world economic activity from three per cent to 2,5 per cent, which exerted downward pressure on volumes of exports of metals, minerals and other natural resources. Most South African exporters, however, maintained their market share, and some, like coal exporters, even increased it.

International commodity prices for primary products are also depressed, with the gold and wool prices especially problematic for South Africa.

However, industrial exports performed remarkably well, despite the slower international economic activity. Most rapid export expansion was achieved by vehicles and transport equipment (66,1 per cent), professional and scientific equipment (31,8 per cent) and machinery (28,7 per cent), all capital and skilled-labour intensive categories. Prospects for South African industrial exports are believed, in the short term, to be better than for other exports, because of depressed world demand for primary products.

### Import Dependence

Since the discovery of minerals towards the end of the nineteenth century, the country has been dependent on the export of mining output, together with wool exports and vigorous foreign investment. South Africa needs to earn the foreign exchange needed to import capital equipment (both for the mining industry and the manufacturing concerns which were established to provide for the needs of the mines and surrounding urban areas), as well as to import other manufactured goods for the limited domestic market.

A significant change towards a more inward-looking trade strategy occurred after the First World War. One of the first bills passed by the Nationalist-Labour Pact government was the 1925 Customs Tariff Act, which was the earliest South African example of protectionist rather than revenue-oriented tariff policy. The new government was nationalistic and committed to the elimination of white poverty, and a policy of import-substituting industrialisation would address both issues by assisting greater economic independence and creating employment in manufacturing. Considerable diversification of the economy occurred as a consequence of the protection of domestic industry. However, import-substituting industrialisation served to increase the country's dependence on foreign trade by creating a high degree of dependence on imports on the part of the manufacturing sector.

Between 1950 and 1970 the composition of imports changed, with capital goods as a proportion of the total rising from about 32 per cent to 41,5 per cent over the period. A further 10 per cent of imports was made up

of industrial raw materials. Imports during the 1970s fluctuated, rising in 1974 and then falling consistently to below 1973 levels in 1977-1979. The percentage share of imports in local supply fell in almost all subsectors of manufacturing with the exceptions of rubber, transport and professional and scientific equipment.

It is evident that import substitution continued to be effective all through the 1970s. The country continued to make extensive use of protective formula duties in the almost 50 per cent of its imports (by value) not bound by the GATT. These duties served to protect local industry from the potential disruption created by increasing competition from the Far East.

The composition of imports has not changed significantly during the 1980s:

- The largest single category of imports is machinery and mechanical appliances and electrical equipment and parts, accounting for some 30 per cent of the total in 1985.
- Also of major significance are vehicle and aircraft imports (11 per cent) and chemical products (10 per cent).
- Unclassified imports (ranging between 30 per cent (1980) and 15 per cent (1984)) are mostly oil and some arms.

If oil producers were included, they would rank high amongst the country's trading partners. As it is, the top four countries reporting trade with South Africa supply 52 per cent of total imports. West Germany alone provided almost 20 per cent of the total in 1988.

In terms of the cutting of trade links and consequent need to find alternative trading partners, sanctions, with the exception of those imposed by the US, have not had a significant direct effect on South Africa's imports. The reason is obvious: governments and businesses are reluctant to take actions which jeopardise their own industries, and it is generally easier to find an alternative foreign supplier than an alternative foreign market.

South African imports have, however, been affected indirectly by sanctions to a significant degree. Since the debt crisis in 1985, it has been necessary to restrain the growth in imports so as to run current-account surpluses in order to finance continual capital outflows. Large surpluses were recorded from 1985 to 1987, although the economic upswing in 1988 reduced the size of the excess of exports over imports.

*Prospects for South African industrial exports are better because of depressed world demand for primary products*

*The top four countries reporting trade with South Africa supply 52% of our total imports, with West Germany providing 20% alone*

*One of the most concerning effects of the cutback in imports has been reduced access to new foreign capital goods*

*The lifting of EC restrictions on Germany, Italy, Britain and France will remove the pressure they have been under to restrict the growth in their South African purchases*

A comparison of imports by sector for 1984 and 1985 shows substantial real reductions (and even some large nominal reductions) in almost every category in 1985. By 1987 imports were down about 30 per cent from their 1974 peak in volume terms. The pressure placed on the balance of payments by increased imports in 1988 necessitated the imposition of direct import controls to curb foreign purchases. The economic slowdown of the last two years enabled the relaxation of some of these during 1990, especially since exports have continued to perform well helped by the weak Rand.

Countries imposing restrictions on trade with South Africa which resulted directly in reductions in imports (outside of the general embargoes on oil, arms and nuclear technology) were the US, Japan and the Nordic countries. Even then, only specific commodities were affected, like paper from Finland and Sweden; pulp and paper machinery from Finland; non-ferrous metals from Norway; meat and fish from Japan; and a variety of tools, machinery and vehicles and parts from the US.

Other substantial reductions in imports occurred in commodities like fabrics, computers, vehicles, vehicle and electronic components and tools from traditional sources like the US, UK, Japan, Germany, Italy and France. The primary reason for this was a purely market response to shifting comparative advantage:

- the reduction in fabric purchases from the UK, Japan, Germany and Italy, although still important, has been accompanied by meteoric growth in imports of fabrics from Taiwan and Hong Kong;
- the Pacific countries have also become an important source of computers; and,
- declining imports of German passenger cars (a result both of economic recession and the expansion of manufacturing and assembly operations within South Africa) have been accompanied by increasing imports of Japanese passenger cars.

One of the most concerning effects of the cutback in imports has been reduced access to new foreign capital goods. Industrialists report a burgeoning market in second-hand equipment, and engineering and farming machinery is being carefully nursed to lengthen its life. There are fears amongst the users of complex machinery about a future crisis when equipment ceases to function, foreign supplies are unaffordable, production methods outdated, and domestic supplies do not exist.

## Post-Sanctions Scenarios

Many of South Africa's trading partners have shown little support for sanctions, and, with already well-established business links, significant changes in the trend of growing exports are not anticipated. The lifting of EC restrictions on countries like Germany, Italy, Britain and France will remove the pressure these countries have been under to restrict the growth in their South African purchases, especially of commodities like coal, iron and steel and fruit. However, the current depressed state of the world iron and steel market means that Iscor is needing to take a long-term approach with respect to improvements in volumes of sales.

It is not expected that Krugerrands will make a dramatic comeback: market share was lost significantly to substitutes; the gold coin market is depressed; and there is no shortage of Krugerrands in Europe.

The surge in growth in trade with Britain in 1990 suggests that the UK is a ready market for South African products which has been acting under some restraint, but will now take advantage of the lifting of sanctions. South African businesspeople are familiar with British conditions, have strong economic links with the UK and are confident of British goodwill. They will, no doubt, actively try to capture further market share in the UK.

There are reports of strong French interest both in opportunities for investment and in obtaining contracts to purchase food, timber and steel. Once the united Germany is functioning normally, and an even larger German market has been created, South African exporters are expecting a sharp increase in demand for most products. Since the lifting of EC restrictions in April 1991, Germany has been lobbying for special EC privileges for South Africa. Currently, only Black Africa receives preference with respect to EC trade under the Lome Convention. Despite this, about 88 per cent of EC trade with Africa is undertaken with South Africa.

Countries in which stringent sanctions measures were imposed, like the US, Canada, the Nordic States, Japan and India, are seen as offering fairly good prospects for future trade, especially the US, where the market is very broad. It is extremely difficult for manufactured goods to break into Japanese markets, although raw materials and beneficiated raw materials are in high demand. Trade with India,

**Table 1. Main Trading Partners**  
(US\$m, current prices, selected years)

		1980	1985	1987	1988	1989
West Germany	X	1 797	1 085	1 248	1 727	768
	M	2 525	1 690	2 548	3 332	2 835
Japan	X	1 799	1 878	2 436	1 995	1 732
	M	1 811	1 029	1 882	2 047	1 686
UK	X	1 758	1 262	1 073	1 434	1 312
	M	2 329	1 300	1 556	1 911	2 059
USA	X	3 428	2 180	1 399	1 589	1 861
	M	2 463	1 205	1 281	1 691	2 343
Italy	X	1 463	1 845	1 788	2 163	626
	M	588	330	456	501	536
Africa	X	1 412	721	970	1 164	976
	M	371	208	291	349	340
Taiwan	X	NA	129	437	827	174
	M	NA	144	435	626	236
France	X	1 204	645	583	702	373
	M	964	385	467	575	791
Belgium-Lux	X	444	348	385	559	384
	M	253	184	285	365	308
Switzerland	X	127	72	268	521	805
	M	298	199	272	320	353
Hong Kong	X	239	294	325	449	384
	M	149	94	248	342	118
Netherlands	X	187	158	189	216	827
	M	262	209	289	336	339
Spain	X	216	209	320	386	193
	M	95	95	99	146	134
Israel	X	117	175	214	207	162
	M	79	63	77	99	84
Brazil	X	227	22	71	87	22
	M	103	53	90	178	94

**FOOTNOTES**

\* Values as reported by trading partners.  
\* Arranged in order of importance in 1988.

X = exports from SA (cif value at country of arrival, except Africa)  
M = imports into SA (fob)

The discontinuities in the series between 1988 and 1989 arise from corrections in the statistics reported. Countries have been under-reporting trade. If this is politically expedient, or adding the value of rerouted trade in with the national data. This issue is not dealt with in this article for reasons of space.

SOURCES: IMF, *Direction of Trade Statistics Yearbooks*.

which has been rerouted through Singapore, is also expected to increase, because of the links that exist with the large Indian population in Natal.

While Eastern European markets have officially been closed to South Africa, it has emerged that covert trade has been occurring. Liberalisation of these economies and the swift consequent signing of trade agreements will lead to increasing trade, especially with Hungary. Raw material exports to Eastern Europe are seen as important. Despite the growth in these markets, however, they represent only a small percentage of South Africa's foreign trade, and foreign exchange constraints may pose problems in the short term. There may be a further limit to growth imposed by the fact that these countries produce similar manufactures to those exported by South Africa.

### African Gateway

South Africa has the potential to act as the EC's gateway to Africa. European governments are increasingly seeing their future involvement in South Africa as part of a regional strategy in their review of their relations with Africa, especially if this country achieves a sustainable democracy and does not make the same mistakes as the rest of Africa.

South Africa's close cultural and economic links with both Africa and Europe enable it to be seen as a vital link for cooperation between the two continents in the post-apartheid era. Its status as the most developed country in Africa would reinforce this perception, and places it in a unique position to connect African development needs with European investment projects.

*South Africa is placed in a unique position to connect African development needs with European investment projects*

European private sector disillusionment with its investments in Africa and its recognition that South African know-how would be valuable in executing development projects also open up opportunities for South African firms to tender for and contract to do work in African states. Of immediate interest is the achievement of peace in Angola, which would open up opportunities in the reconstruction of that economy.

Authorities on African trade suggest that countries north of the Limpopo experience financing rather than political problems when it comes to trading with South Africa. Political problems have, however, undoubtedly played a role, and trade links will increase and strengthen as a solution is found to South Africa's problems.

The range of exports to Africa, which collectively ranks high on the list of trading partners, is virtually as wide as the range of South African products. Most important amongst African countries purchasing from the Republic are Zimbabwe, Malawi, Zambia, Mozambique and Zaire. The statistics understate the significance of African trade, since Namibia, Botswana, Lesotho and Swaziland, which are valuable markets for manufactures and food, are part of the SA Customs Union and do not appear separately in the records. South Africa's trade with the rest of Africa stands substantially in surplus and represents a useful source of foreign exchange.

African countries are increasingly having difficulties finding the foreign exchange to pay for their imports. Export earnings are dependent on agricultural seasons, and foreign aid is less readily forthcoming. It is questionable as to how rapidly South Africa's trade with Africa can increase and how this trade will be paid for.

### Critical Issues

To some extent South African companies have managed to overcome the problem of payments: through offshore accounts, links with aid projects, and links with corporations which receive foreign exchange allocations in their respective countries. South African participation in capital projects could increase and there seem to be prospects for cooperation with industrialised countries, with the developed countries providing the funds and South Africa the materials and expertise.

The critical issue in South Africa's foreign

trade will not be in finding markets, but rather in finding the products to export. The government is encouraging local firms to enter the export market, realising that the country has not been sufficiently export-orientated in the past. Foreign investment will be very important in determining the growth of productive capacity to supply export markets.

The lifting of sanctions will benefit South Africa's access to imports in several ways. Firstly, importers will be able to shop around for better prices. Secondly, if renewed and vigorous foreign direct investment occurs, new foreign capital goods embodying recent technological developments will undoubtedly enter the country. Thirdly, access to offshore loans will ease the foreign-exchange constraint on foreign purchases, as will the opening up of new export markets. Finally, trade is by and large a two-way process, and the opening up of import opportunities with countries previously closed to penetration by South African goods may create further export potential.

The continuing dependence of secondary industry on the importing of capital equipment, industrial raw materials and final output remains very heavy. The easing of pressures on the capital account of South Africa's balance of payments is likely to result in a surge in imports, especially if this is accompanied by an economic upswing. The reasons for this are:

- the country is desperately in need of inventory replacement;
- the long-term erosion of the capital base during the 1980s has generated a pent-up demand for capital;
- manufacturers are replacing unskilled labour with machinery; and,
- the currency is temporarily stronger with expectations of further depreciation.

The financing requirements of South African importers, especially of capital, are, therefore, likely to be very high over the next few years. Despite the considerable interest shown by the overseas community in South Africa in the last year, there remains a degree of caution engendered by the uncertain political and economic future of the country. Furthermore, companies that left under sanctions pressures and countries that dissolved their trade links may find themselves in a weaker position than those that remained or forged new links. Even under the most favourable conditions, it is most likely that existing trends will continue, with new opportunities being exploited over time. **DDA**

*The critical issue in South Africa's foreign trade will not be in finding markets, but in finding the products to export*



# INVESTMENT PATTERNS

## Monetary Policy Reconsidered

By Conrad van Gass and Gordon Smith,  
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*This article explores the cyclical nature of investment behaviour in South Africa for the period 1960 to 1990. The authors attempt to explain historical changes in the nature of the relationship between investment and the interest rate, and postulate on the implications that their findings have for the effectiveness of monetary policy as a tool of stabilisation.*

**A** grounding in received macro-economic theory informs us that the relationship between real investment and the real interest rate is important in determining the effectiveness of monetary policy as a tool of stabilisation. More particularly, the Reserve Bank is supposed to be able to influence interest rates in both the money and capital markets through its purported capacity to control the money supply.

It would be rational for investors in physical plant and equipment to compare their expected rate of return with the interest rates being offered in alternative financial investments. One might, therefore, expect a negative relationship between real investment and the real interest rate. The weaker that relationship, the more important are factors such as business confidence in determining investment behaviour and the less effective monetary policy is in stabilising the business cycle.

### The Empirical Evidence

According to van Duijn (1988) there are at least three distinct investment cycles which vary in length according to the decision, gestation and depreciation lags inherent in different types of investment. The shortest of these cycles is the 2-4 year Kitchin cycle discernible in the accumulation and decumulation of retailer and manufacturer inventories. Net additions to and depreciation of machinery and transport equipment form the basis of a 7-11 year Juglar cycle.

The third cycle is the 15-21 year Kuznets or construction cycle reflected in the supposedly higher sunk costs and longer periods of cost recovery characteristic of this sector.

Given that the South African Reserve Bank *Quarterly Bulletins* disaggregate their gross investment statistics into its residential, non-residential, construction, machinery, transport equipment, inventory and depreciation components; it was possible to test van Duijn's hypothesis for the South African economy.

With respect to the Kitchin cycle, the evidence indicates a clear and seemingly regular pattern of

alternating two and four year inventory cycles for the period 1960 to 1990. There is however no evidence of a very long-run construction cycle. Indeed, with the possible exception of investment in transport equipment, there are few obvious differences in the patterns of cyclical behaviour between the different components of investment. Presumably, this reflects the capacity of the South African financial system to cross-equilibrate the differential rates of return on different types of investment.

It is this coincidence of investment behaviours which allowed the authors to construct a stylised investment cycle (see diagram). The findings suggest that investment behaviour seems to follow a pattern of successive approximately five-year cycles which might legitimately be grouped together into either eight- or ten-year cycles (depending on whether the duration of the cycle is taken to last between upper or lower turning points respectively).

By comparing fluctuations in the real interest rate (taken here to be the prime rate deflated by the appropriate producer price index) with the stylised investment cycle, it became evident that the relationship between investment and the interest rate is not consistent. Between 1960 and 1965, the relationship is negative. The relationship turns positive for the period 1965 to 1973, negative again between 1973 and mid-1981 and positive again for the post-1981 period.

If indeed it is changes in the interest rate that impact on investment levels (rather than vice versa), one would not necessarily expect the impact to be immediate because of decision and implementation lags. The relationship between investment and the rate of interest for the same quarter would, therefore, not necessarily be negative. However, one might expect the relationship, and hence the lag variable, to be consistent. This is clearly not the case.

What is noteworthy is that periodic changes in the relationship between real investment and the real interest rate roughly correspond with the upper turning points of the approximately eight-year Juglar cycles. Whether this coincidence is significant or not

remains to be seen in the following explanations for the observed changes in the relationship between investment and the interest rate.

### Alternative Explanations

Assuming that the line of causality lies from changes in the interest rate to changes in the level of investment, it becomes necessary to explain why decision and implementation lags have varied over the period 1960 to 1990 if we are to understand the periodic changes in the relationship between investment and the interest rate.

By superimposing the data on interest rates on that of investment, it was found that by leading the interest rate data by two years for the period 1960 to 1965, three years for the period 1965 to 1973, four years for 1973 to 1981, and one year for 1981 to 1990; a reasonable fit was obtained between rising/falling investment and falling/rising interest rates. Following the historiographical debate on structural change in the South African economy, the following explanations are posited for the fluctuating implementation lags:

- The period 1960 to 1965 was one in which new investments were almost exclusively of a capital-widening nature in which the basic technological parameters of the capital stock (ie. the capital:labour and capital:output ratios) remained virtually unchanged.
- Between 1965 and 1973, investment, though primarily of a capital widening nature, was increasingly characterised by capital-deepening in which the capital:output ratio might be expected to have declined and the capital:labour ratio to have been raised. Since re-equipment of plant is a bold move for investors, one might expect more thorough forward planning and hence a longer decision and implementation lag.
- Following the oil shock of 1973, one might expect investment to have been primarily capital-deepening in nature. Under such circumstances, a longer four-year lag seems reasonable for the period 1973 to 1981.
- Finally, it is suggested here that the short one-year lag post-1981 is the result of investment taking the form of the purchase of existing physical assets, rather than that of new ones. The political instability characteristic of this period, coupled with a depreciating domestic currency, would make investment in new assets both risky and expensive relative to the potential returns from 'secondary' market trading. The purchase of existing assets involves less risk and forward planning and one might therefore expect a short implementation lag.

If the above hypothesis seems plausible, there are

some clear implications for the effectiveness of monetary policy. At best, it is a rather blunt instrument for stabilisation policy. Implementation lags mean that the effects of monetary intervention are felt some years after its imposition. The task is made considerably more difficult, and intervention increasingly imprecise, once lag structures start changing. Monetary policy-makers therefore need to take account of the type of investment taking place, be it capital-widening, capital-deepening or 'secondary' market trading.

### Investor Risk

The second explanation rests on the assumption that factors other than changes in the interest rate primarily affect investment behaviour. These factors include investor and saver perceptions of risk and uncertainty as well as rational calculations on expected future revenues and operating costs. As such, it is investment behaviour which strongly influences the demand for loanable funds and hence the range of interest rates being charged (including the prime rate). How exactly interest rates change depends on the willingness of suppliers of loanable funds to accommodate the demand.

If the relationship between investment and the interest rate is positive, the implication is that loanable fund suppliers are relatively unwilling to accommodate changes in the demand for those capital funds induced by fluctuations in investor confidence. In other words, if investors demand more capital funds, they will have to offer financial institutions and corporate savers a higher rate of interest to encourage them to part with their funds. Axiomatically, institutional savers will have to accept a lower rate of return if investment levels drop. Under such circumstances, it is investors who determine the interest rate and savers who respond *passively*.

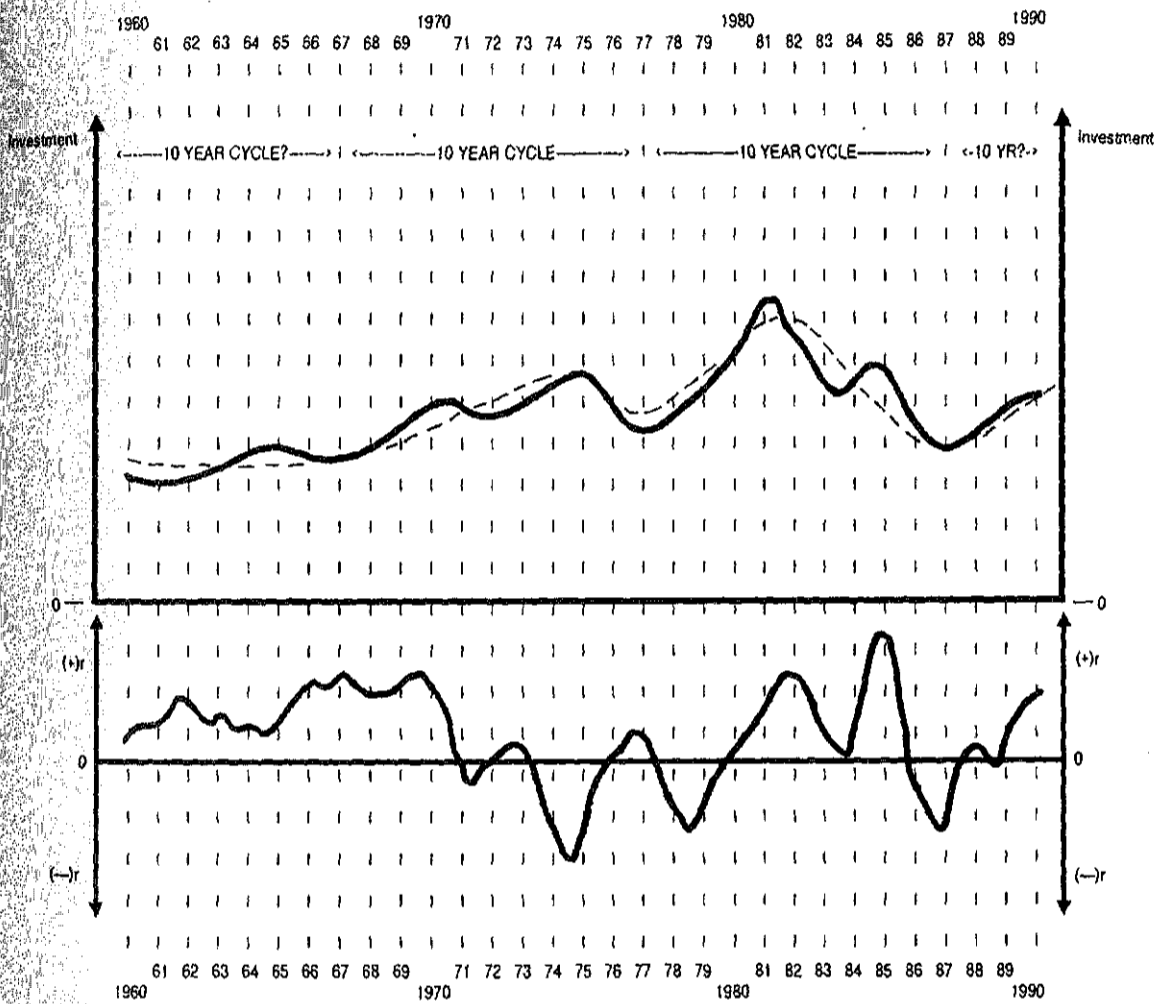
If however the relationship is a negative one, it can be presumed that institutional savers *actively* accommodate investor demand for funds by 'supplying more when demand increases (thereby lowering or stabilising the interest rate) or supplying less when demand falls (thereby raising or stabilising the interest rate). In short, institutional savers actively encourage investment or disinvestment by sharing the perceptions of investors, rather than resisting them.

If then the relationship between investment and the interest rate was negative between 1960 and 1965, we can expect that institutional savers willingly accommodated investor expectations. This was a period in which continued economic growth and acceptable profit rates seemed assured within the import-substituting industrialisation regime. According to Gelb (1986), recessions during this period were induced by temporary skills and foreign exchange shortages and resolved through the subsequent downturn. In his words, recessions were 'reproductive' of the existent growth path.

By the mid-1960s however, structural constraints on economic growth in both domestic and foreign markets must have become apparent, at least to the suppliers of loanable funds. In particular, the macro-economy began to bump up against effective demand constraints due to the narrow profile of the domestic consumer market. Furthermore, instability began to be experienced in foreign exchange markets

with the disintegration of the established international monetary system. While investment patterns showed little apparent deviation from established patterns, it is postulated that institutional savers became notably more reticent in accommodating investor demands; hence the observed positive relationship between investment and the interest rate.

STYLISED BUSINESS CYCLE (1960 - 1990)



Year	Correlation r:I	Ms endogenous	Ms exogenous
1960	(-)	24 year lag capital widening	'Loose' monetary policy
1965	(+)	3 year lag capital widening	'Tight' monetary policy (maintenance of fixed exchange rate against slipping gold std.)
1973	(-)	4 year lag capital deepening	'Loose' monetary policy (following oil shock)
mid 1981	(+)	1 year lag 'secondary' market trading	'Tight' monetary policy (attempt to control stagflation)
1990	correlation r:I r → I	S1 non-accommodatory Saver perceptions stable at risk averse level	I = C → Dm → r (r set in money market)

Given that the mining and finance houses represent the primary conduit for the flow of foreign funds, it is suggested here that these institutional savers were more acutely aware of impending exogenous shocks to the domestic economy. This made them both less willing to finance established investment patterns of import-substitution and capital widening and more willing to resist recessionary impulses which did not lead to technological restructuring.

The period following the oil price hikes of 1973 and lasting until 1981 was one in which investors were effectively 'shocked' into technological restructuring through capital-deepening. Enabled by a rising gold price and ready to let investors undertake the task of restructuring for which they were better qualified, the major mining and finance houses became more accommodatory in their willingness to lend funds to investors.

While capital-deepening seemingly served to raise labour productivity and strengthen the bargaining power of the semi-skilled labour force (thereby raising real wage rates and partially overcoming the constraints imposed by the narrow consumer market), it also had the effect of raising unemployment especially amongst the youth. Unemployability amongst the youth should be seen as one of the factors fuelling the political instability in this and subsequent periods. It is suggested here that political instability, coupled with rising bankruptcy levels induced by over-borrowing especially by the parastatals, led to a progressive stabilisation of saver perceptions at a more risk-averse level in the period following the gold boom of 1979-1981.

Investor expectations quickly adapted to those of their foreign and domestic funders. Subsequent recoveries of investor confidence in 1984 and 1988 might have been partially choked off by rising interest rates imposed by reticent institutional savers. Despite cyclical variations, the overall trend has been one of declining investment which can be attributed directly or indirectly to the severe risk-aversity displayed in the attitudes of investors and institutional savers respectively.

### Perceptions of the Players

The first explanation for the observation that South African investment behaviour alternates between positive and negative relationships between investment in all sectors and the interest rate was attributed to implementation lags which changed according to the type of investment taking place (e.g. capital widening or deepening).

The conclusion was that monetary policy was at best, a blunt and imprecise method of cyclical stabilisation. Indeed, it is reasonable to suggest that monetary policy may operate to destabilise the economy further. Implicit in this explanation, however, is the assumption that interest rates are set in the money

market and that money market impulses are transmitted to the capital markets through shifts in portfolio choice by wealth holders. Furthermore, it was assumed that the money supply is exogenous in the sense that the Reserve Bank is both able and willing to control the money supply.

The second explanation seeks to avoid such rigid assumptions. It is not clear whether the Reserve Bank is able (or, if so, willing) to exercise control over the money supply. Nor is it clear that interest rate changes originate in the money market. Interest rate changes may be transmitted from the capital to the money markets, or indeed be separately determined in both markets.

The use of the such general terms as 'institutional savers' or 'suppliers of loanable funds' is deliberate since it does not specify whether we are dealing with equity, bond or money markets. Suppliers of loanable funds are not simply corporate savers and insurance and pension funds in the capital markets but also commercial banks and the Reserve Bank in the money markets. It is assumed here though that the various institutional savers share similar expectations regarding the advisability of investment. (Further research may suggest institutional segmentation of financial markets and saver perceptions.)

As such, it matters little to the second explanation whether interest rates are determined in the money or capital markets, nor does it matter particularly whether the money supply is exogenous or endogenous. The motivations of Reserve Bank policy-makers to implement loose or tight monetary regimes still needs to be explained even if the money supply is exogenous.

Regardless of the power one attributes to the Reserve Bank, it is but a player in the financial markets, capable perhaps of fine-tuning growth patterns but not able to either significantly stabilise or destabilise the economy (as implied in the first explanation). It is investor confidence (that omnibus term for all factors affecting expectations of future profits), rather than specifically the interest rate that drives the economy in cyclical patterns. The perceptions of institutional savers may lead those of investors but their impact on the cost of finance is but one of many factors affecting the decision to invest or not. **IPJA**

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**“We are committed  
to democratic principles,  
individual freedom  
and a socially  
responsible  
free enterprise economy.”**

An extract from  
AECI “TOWARDS 2002”

Sustained growth through diversification



# Economic Outlook

By Professor Mike McGrath and Professor Merle Holden,  
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## RETROSPECT

*The current downswing is the longest in the South African economy since the Second World War. The economy has now been in a cyclical downswing for nearly 30 months.*

The South African Reserve Bank dates the start of the recession at March 1989, reporting more recently a fall in the Gross Domestic Product of 1% annualised for the first quarter of 1991. The question uppermost in most people's minds is whether the South African economy is now due for an upswing, and if so, which of the economic forces will drive the recovery.

An examination of growth rates over the 1980s reveals an extraordinary pattern of variability. Table one shows the real Gross Domestic Product, growth and the London price of gold from 1980 to 1990.

	Real Gross Domestic Product (at 1985 Prices)	Growth (%)	London Gold Price (US\$)
1980	115 881	10,4	613
1981	116 806	0,8	460
1982	112 434	-3,7	376
1983	111 781	-0,6	424
1984	117 835	5,4	360
1985	116 608	-1,0	317
1986	116 811	0,2	367
1987	119 947	2,6	447
1988	126 225	5,2	437
1989	125 378	-0,7	382
1990	123 237	-1,7	383

Source: South African Reserve Bank, Supplement to Quarterly Bulletin, June 1991.

*The data show that variations in the rate of growth in South Africa has been closely linked to changes in the price of gold.*

The high price of gold in 1980 led to an unprecedented rise in growth to 10,4%. The mini-boom of 1984 was driven by the rise in the price of gold in 1983/84. The higher growth of 1987 and 1988 is also associated with higher prices of gold in excess of \$400 an ounce. In similar fashion lower and negative growth has been associated with a falling and lower gold price.

Given that the price of gold averaged \$384 in 1980 and at present is hovering below \$360 an ounce, the prognosis for economic growth is poor until the gold price improves. In the recessionary conditions being experienced globally, the potential for any short-term improvement in the gold price is not favourable.

Positive real interest rates have made other investments more attractive. Neither the conflict in the Gulf in 1990 nor the failed coup in the USSR had

any marked impact on the gold price. Gold appears to have lost its attraction as a store of value in times of political uncertainty. Any improvement in the dollar gold price will therefore have to come from increases in excess demand, and this requires higher rates of global economic growth or global inflation rates.

The Reserve Bank of South Africa attributes the 'mildness' of the present downswing to two factors namely, the buoyancy of private consumption and investment expenditures and the 'vigorous' increase in the volume of exports arising from positive world economic growth. In our view, negative growth of 1,7% in 1990 can hardly be termed mild. Furthermore, without the increases in real fixed investment on the part of public corporations, namely Mossgas, real fixed investment would have declined more rapidly than the 1% from the upper turning point of the cycle to the first quarter of 1991.

The buoyancy of consumption expenditures has been attributed to the rate of wage increases, a redistribution of income to lower income groups with higher marginal propensities to consume, consumers attempting to maintain the standards of living by drawing on savings, and replacement demand for durable consumer goods. The rate of increase in the real wage power of workers in the non-agricultural sectors was 2,9% in 1989 and 2% in 1990. Real unit labour costs, on the other hand, which had decreased over the period 1985 to 1988 rose by 2,1% in 1989 and 1,7% in 1990.

### Unemployment and Inflation

In the *Quarterly Bulletin* of June 1991, the Reserve Bank implies that because consumer spending had been so buoyant and income had been redistributed towards the lower income groups, the poor had not been disadvantaged by the recession. Yet the number of registered unemployed increased markedly.

It is difficult to ascertain the full extent of the rise in unemployment as there have been changes in the method of measuring the number of unemployed. Nevertheless, the Reserve Bank does indicate a sharp rise in unemployment over the period. The Minister for Economic Co-ordination and Public Enterprises estimates that the open unemployment rate increased from about 10% in 1983 to 17% in 1991, indicating that more than 2,5 million people are currently unemployed in South Africa.

Some segments of the population have benefited from higher real wages while others bore the brunt of the recession through unemployment and deepening poverty. The rate of increase in the real wage per worker in the non-agricultural sectors was 2,9% in

1989 and 2% in 1990. Real unit labour costs, on the other hand, which had decreased over the period 1985 to 1988 rose by 2,1% in 1989 and 1,7% in 1990.

Despite the application of a consistently stringent monetary policy, the rate of inflation has failed to respond. From July to November 1990 the consumer price index accelerated from 13,3 to 15,3% measured over periods of twelve months. This increase has been attributed largely to the increase in the price of oil arising from the Gulf crisis.

Reductions in the prices of liquid fuels were then reflected in a decrease in the rate of inflation to 14,6% in April. However, this good news on the inflation front was followed by an acceleration in the inflation rate to 14,6% in April, 15,2% in May and 15,8% in June.

#### □ Revised Food Price Index

Central Statistical Services (CSS) has reported that their Agricultural Food Price Index has been revised, significantly lowering the rate of increase in this index of producer prices since January 1990. This revision does not affect the rate at which the Consumer Price Index (CPI) reflects increases in the retail prices of food.

In the past quarter, according to the CPI, retail food prices have been rising at annualised rates of approximately 17%, and have contributed between 20 and 30% of the monthly inflation rate. The effect of the downward revision of the producer Food Price Index by CSS has been to lower the average annual rate of increase of producer prices for food from 35,9 to 7,6% for the quarter ending in June 1991. The question which now has to be answered is what has been driving the higher rate of increase of retail food prices?

Increased exports of food stuffs stimulated by the favourable exchange rate, the effects of the drought, and even the inefficiencies of Control Boards will be reflected in the trend of producer food prices, and thus cannot be used to explain the widening

differential between the rates of increase of the wholesale and the retail prices of food.

Fortunately, concern over the rise in food prices has led to an investigation on the part of the Board of Trade and Industry. This concern is well founded as increases in food prices do have a profound effect on the formation of inflationary expectation as well as the high weight in the CPI itself.

#### □ Balance of Payments

As far as the balance of payments is concerned, in the first quarter of 1991 the inflow of capital together with the surplus on the current account of R973m led to an increase of R1,8 bn in the total net gold and other foreign reserves. This net inflow of capital occurred despite debt repayments in terms of the Third Interim Debt Arrangements of US\$ 200m. The inflow was largely on short term in the form of trade financing as a result of increased imports and the ability as well as incentive to borrow abroad.

Since the first quarter of 1991, South Africa's cumulative trade surplus has fallen by 5,1% on a year on year basis. Unfavourable commodity prices and slower world growth meant that exports only increased by 6,3% year on year. Imports on the other hand increased 10,7% on the same basis. This growth has been attributed to special factors such as the higher value of oil imports, the purchase of two Boeing aircraft and the drought which necessitated greater imports of vegetable products.

From January to May 1991, the effective exchange was allowed to depreciate by 3,3%, reflecting the changes on the current account rather than the overall balance of payments. In real terms, however, the effective exchange rate appreciated by 2,2% from January to May 1991. The nominal depreciation was unable to compensate for the higher rate of inflation in South Africa and represents a decline in the competitiveness of exporters and producers of import substituting goods. This appreciation combined with slower growth world wide explains the decrease in the trade surplus for 1991.

## POLICY DEBATE: VALUE ADDED TAX

In 1987, the Margo Commission reported that it would recommend the abolition of General Sales Tax (GST) and the adoption of Value Added Tax (VAT) if the options were a simple choice between GST (at its rate in 1987 of 12%) and an invoice-type VAT at a similar or even slightly higher rate. This choice was based on evidence of extensive evasion of GST, and the argument that a new tax like VAT would make it easier to remove exemptions on foodstuffs.

For 1985 the Margo Commission estimated that 72% of food consumption was exempt from GST, with 79% of food consumption of the poorest third of the population exempt from GST, compared to exemptions on 73% and 66% of food consumption of the middle and highest income groups. The CSS

estimated at that time that only 20% of 'exempted' foodstuffs were consumed by the poor. The total cost of exemption on food in 1985 was estimated at R1,5 bn, but only R300m reached the target group. *The motivation for the exemption of foodstuffs from GST had been to relieve hardship on the poor, but the bulk of the exemptions benefited persons in other income groups.*

The effect of including capital goods in the base of GST has also been regressive. The Margo Commission estimated that food products which are ostensibly exempt from GST in effect bear tax at a rate of approximately 4,8%, because of the indirect taxation on capital equipment and other intermediate inputs.

In March 1990, the Minister of Finance announced that GST of 13% would be replaced from 30 September 1991 with VAT at a rate of 12%. All food products would be subject to VAT, with the exception of maize meal and brown bread.

Since that time, spokespersons of business, trade unions, parliamentary opposition parties, and the non-parliamentary groups have argued strongly against many aspects of the proposal to introduce VAT. Against the rising groundswell of opposition the Minister of Finance announced in August 1991 that the rate at which VAT is to be implemented will be lowered to 10%. The expected loss of revenue will be partially offset by an increase in the petrol price, and by increases in excise duties on motor vehicles, liquor, tobacco, and TV sets. Additional financing of R150m for social assistance schemes was announced.

The economic logic of the government's revisions is not entirely clear, if its purpose was to lower the burden of VAT on the poorest households. The proposed change in taxes does redistribute some of the additional burden towards the spectrum of higher incomes, through increasing the petrol price and by increasing excises on certain luxury goods.

## PROSPECTS

In the current recession, inventories have been run down to very low levels. The ratio of commercial and industrial inventories to non-agricultural GDP has declined from 21% in the second quarter of 1989 to a record low of 18,5% in the first half of 1991, compared with 25% in the early 1980s. The need to replenish the level of inventory holdings will soon begin to provide an upward acceleration in effective demand and halt the cyclical downswing.

Other factors also indicate that South Africa's recession will soon bottom out. The Reserve Bank leading indicator series of the business cycle has moved upwards for four months in succession from January to April 1991. Public sector expenditure has also been expansionary as the deficit before borrowing in the first four months of the current fiscal year has amounted to 55% of the deficit budgeted for the entire fiscal year, by comparison with only 35,7% for the corresponding period in the 1990/91 year.

Financing the deficit thus far largely through an increase in the net claims on the banking sector on the government has also contributed to potential increases in liquidity in the economy. The implementation of VAT at the revised rate of 10%, and additional poverty relief measures, will increase the budget deficit before borrowing for 1991/92 from 3,2% to 3,8% of GDP, and will thus also have an expansionary effect on total demand.

The OECD economies are expected to move into an upturn during the second half of 1991, with real economic growth rates rising from an expected 1,1% for 1991 to 2,8% for 1992. South Africa's

The government's response also acknowledges the increased bargaining power of those black workers in the middle ranges of South Africa's income distribution, who for the first time in history - by the threat of industrial and political action - have also been able to reduce some of the burden of these tax proposals for themselves.

In the short term, before benefits associated with exempting investment from sales taxation accrue to consumers, the introduction of the broad based VAT at a rate of 10%, (notwithstanding the additional R150m announced for social assistance schemes) will cause a reduction in the real incomes of a great number of poor households. Higher transport costs following on the increased price of petrol will also have the effect of intensifying the economic hardship being experienced by the poorest households.

*On economic grounds, ignoring considerations of equity, the arguments in favour of VAT in preference to GST are convincing. However, the timing of the introduction of VAT is unfortunate as it comes after a period in which poverty has been intensified in the South African economy.*

merchandise exports are expected to benefit from this increased demand and from the lifting of sanctions, and the United Bank's *Economic Monitor* forecasts a growth of the value of exports for 1992 of 5,6%.

The South African economy's foreign exchange reserve had been built up to R8,7 bn by March 1991, but there are still only 76% of the value of imports for one quarter. An upswing will lead to an increase in inventory investment, and the implementation of VAT with its credits for capital equipment will immediately release some new investment. Thus imports may rise sharply even if the general upswing in the economy in 1992 is mild. Without access to the IMF, the balance of payments alone will force the Reserve Bank to adopt a cautious policy stance.

However, the upswing is not expected to be rapid. The Governor of the Reserve Bank indicated in his annual address on 27 August 1991 that monetary policy will remain restrictive and that the Reserve Bank has no intention of lowering interest rates to stimulate the economy at the present time. In his view, economic issues such as the continuing high rate of inflation and rising levels of real unit labour cost, and the unresolved issues relating to the political situation internally and South Africa's relations with the IMF and the Reserve Bank, all impose constraints that will severely limit the extent of the upswing which is expected in 1992. **IPQA**

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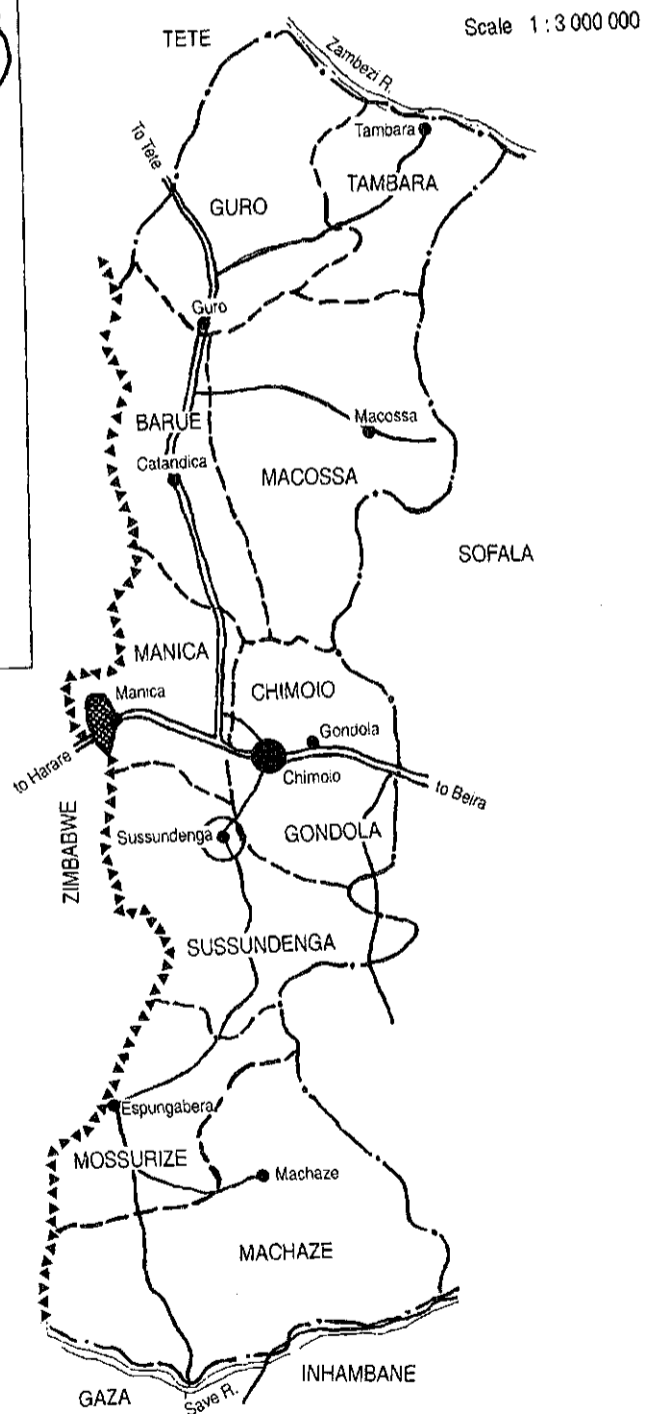
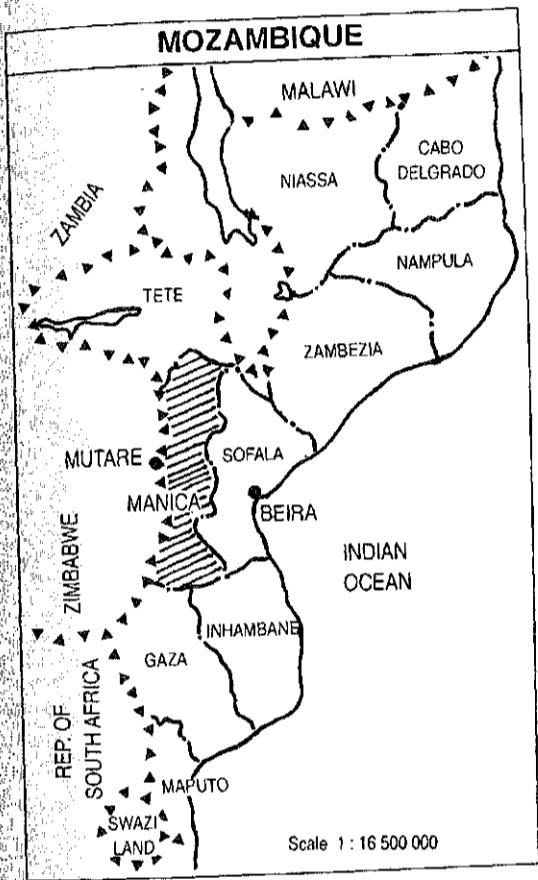
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# RURAL & REGIONAL


M O N I T O R

## MANICA PROVINCE, MOZAMBIQUE A Field Report on Development Projects



- LEGEND**
- International Boundary
  - Provincial Boundary
  - District Boundary
  - Main Road
  - Secondary Road
  - Project Area N° 1
  - Project Area N° 2





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# MOZAMBIQUE TODAY

## Towards Rural Reconstruction

By Professor Simon Bekker,  
Director, Centre for Social & Development Studies,  
University of Natal

Now that the civil war is subsiding in Mozambique, the difficult tasks of socio-economic reconstruction lie ahead. On his return from a fieldtrip into rural Mozambique in mid-1991, Simon Bekker describes life in peasant communities in the devastated Manica province. A development programme is being implemented in these impoverished areas which is designed to realise a number of the aims of the new Mozambican policy on peasants.



Mozambique has been ravaged by continual wars over the past twenty years. First, popular forces waged a war of independence against Portuguese colonial rule and, subsequently, the Frelimo socialist government became locked in conflict with internal insurgents supported by foreign interests and intent upon rural revolt.

Peasant families who make up a large majority of the some 15 million inhabitants of the country, have suffered deeply - from the loss of sources of subsistence, of the delivery of basic services, and, in many cases, of their native homes and land. Mozambique today is one of the poorest and most devastated countries in the world.

The glimmering of hope for peasant communities - for the *family sector*, as it is called in the country - arises from new government policy on the peasantry, announced in 1989. The decision to implement this policy coincided with a number of peace accords struck between the Frelimo government and Renamo dissidents. These have led, in certain parts of the country, to a noticeable shift toward the normalisation of peasant life.

### Still-life Sketch

Mozambicans are largely rural dwellers, peasants who cultivate communal land for subsistence and, when possible, for the sale of surplus they have produced. In the country as a whole, a diverse range of

grains, nuts, vegetables, and other potential commodities from land and sea have been produced in the past.

Life in peasant communities in Manica province may be described in terms of household production, consumption and organisation (see box).

*Production* in a peasant household centres on growing food for subsistence throughout the year, and to market any surplus produced. Maize and sorghum are the main types of grain cultivated, and a range of vegetables (tomatoes, cabbages, and so on) supplement these staples. Sugar cane and deciduous fruit are also grown for household consumption. Cattle are used for draught power, as well as to accumulate wealth. Arable land is communal and often cultivated during both summer and winter seasons.

*Consumption* can be defined in terms of meeting the basic felt needs of peasant households. It includes, as priorities, sufficient nutritious food for members of the family throughout the year, potable water, and sources of fuel - especially wood. In addition, access to primary education, access to health services, and improved local transport networks have emerged as major felt needs in the family sector.

*Organisation* in a peasant household is based on the resident family. It is the household which produces and consumes,

*Peasant families have suffered deeply from the war, losing sources of subsistence, basic services, homes and their land*

## MANICA PROFILE

In the province of Manica, the western-central province of the People's Republic of Mozambique (see map on monitor cover), peasant families comprise an estimated 80% of the 750 000 inhabitants.

Stretching some 500km from the northern Tete province to Gaza province in the south, Manica province is located between Zimbabwe and the coastal province of Sofala. With an average width of 120km, it resembles a broad ribbon of land outlined by the northern Zambeze and southern Save rivers. The international boundary runs along the Chimoi mountain range, and the province enjoys high rainfall and rich soils with a terrain sloping down towards the Indian Ocean.

The Beira corridor linking the port of Beira to the Zimbabwean town of Mutare (formerly Umtali) cuts the province in half. It comprises a tarred main road, a railway link, and the petroleum pipeline from Beira to Zimbabwe. The two main towns of the province - Chimoi and Manica - are located within this corridor which varies in width from some 5 to 10kms.

The corridor is currently guarded by a number of Frelimo and 8 000 Zimbabwean soldiers. With the exception of the protected town of Sussendenga, some 40 km south of Chimoi, areas falling outside the corridor are regarded as contested by Frelimo and Renamo forces. The areas are unsafe for settled communities and for development interventions.

As a result of the war, some 550 000 of the 750 000 residents of Manica province live inside the corridor and the protected environment of Sussendenga, a sub-region comprising less than ten percent of the land-area of the province as a whole. Some two-thirds to three-quarters of the households living in these protected areas are *deslocados* - dislocated families - often living in settlement villages.

and so the typical division of labour along lines of age and gender applies to the resident family. A series of clearly defined tasks are carried out by adult men and women and by children.

Men with the support of older boys undertake the management of cultivation and stock-farming activities as well as homestead maintenance; women with the support of older girls undertake much of the manual labour involved in cultivation of arable land and gardens as well as the preparation of household food and the collection of water and fuel.

Accordingly, adult women in particular are burdened with demanding routine tasks, a major drain on their ability effectively to reallocate their time flexibly when circumstances change. This is especially the case when the peasant family is faced with hardship, such as during periods of community disruption or of drought.

At community level, traditional authority had been common and widely respected in the past. Since independence in 1975, this authority has been superseded by party-appointed state officials at community level.

## Political Currents

The brief description above of peasant life is idealised, a still-life sketch. Peasants in the family sector, however, have not escaped from the political and economic currents which have surged through Mozambican society.

During Portuguese colonial rule, the family sector in Manica was viewed by Portuguese private farmers as a source of permanent and seasonal farm labour. Peasant surpluses were purchased by Portuguese traders who enjoyed a near monopoly in regional and national markets, and the colonial government induced peasant families to grow those commodities (such as cotton) which were most in demand for export.

Migrant labour to South African gold-mines, a widespread occupation in the southern provinces, was not as prevalent in Manica and was prohibited in the province during the 1980s. A measure of migrant labour to Zimbabwe, however, persisted during that decade.

After independence in 1975, the Frelimo government, having little choice in the matter, turned to Eastern Europe for material support and for ideological and policy inspiration. As a consequence, Eastern Europeans established large collectivised state farming in the rural areas of Manica, exported the lion's share of production, and urged Frelimo strictly to control prices of surplus commodities. The socialist government, moreover, appointed party officials in peasant villages, and promoted both state-controlled peasant producer cooperatives and a much-resented programme of villagisation.

Simultaneously, first the Rhodesian and subsequently the South African governments, employing an American-style 'contra'-strategy, encouraged and materially supported an insurgent force within the country. Renamo, as this force of dissidents are known, has over the past decade waged a sustained rural offensive aimed at rural revolt through the disruption of state security and of the delivery of state services. Manica and the Beira corridor have been centrally involved in this low-level war throughout this period.

As a result of these foreign and internally divisive influences (from both Frelimo and Renamo), the family sector in Manica province has suffered tremendous hardship:

- agricultural production has dropped to near starvation levels, and cattle have

*The family sector in Manica province has suffered tremendous hardship as a result of foreign and internally divisive instances*

- virtually disappeared in many peasant communities;
- rural marketing has collapsed;
- the road network and rural commercial infrastructure (stores, shops, etc) is in serious disrepair;
- educational, health and administrative state infrastructure has virtually disappeared; and
- a majority of peasant families in the province have had to move from their native rural areas to protected areas within or close to the corridor.

During the late 1980s, after the Nkomati accord between the Mozambican and South African governments, peace talks between Frelimo and Renamo were launched, and large numbers of Zimbabwean troops were positioned in a number of strategically selected sub-regions of the country. As a result, residents in these sub-regions of Mozambique have been able to return to a semblance of normal life. The Beira corridor within Manica province and the town of Sussendenga comprise one such sub-region.

### Priority District Programme

In 1989, the Frelimo government announced its Priority District Programme (PDP), a policy aimed at rehabilitating the family sector by addressing the basic needs of peasant households and by stimulating household production.

The PDP policy emphasises the strengthening of the rural peasantry by providing appropriate community infrastructure and by developing local and regional marketing networks. Most importantly, the programme has a poverty orientation, aimed at addressing, in particular, the basic needs of poorer households in the family sector. For the first time in the history of modern government in Mozambique, peasant

interests have been given priority attention at central level.

Since 1989, a flood of European and American aid agencies have established a presence in the protected sub-region of Manica and have been distributing goods and services identified as essential. Until the beginning of 1990, their activities were intended to address basic needs through donations and the delivery of essential services. Over the past eighteen months, a number of these agencies have started to plan and implement development programmes intended to realise some of the aims of the PDP policy.

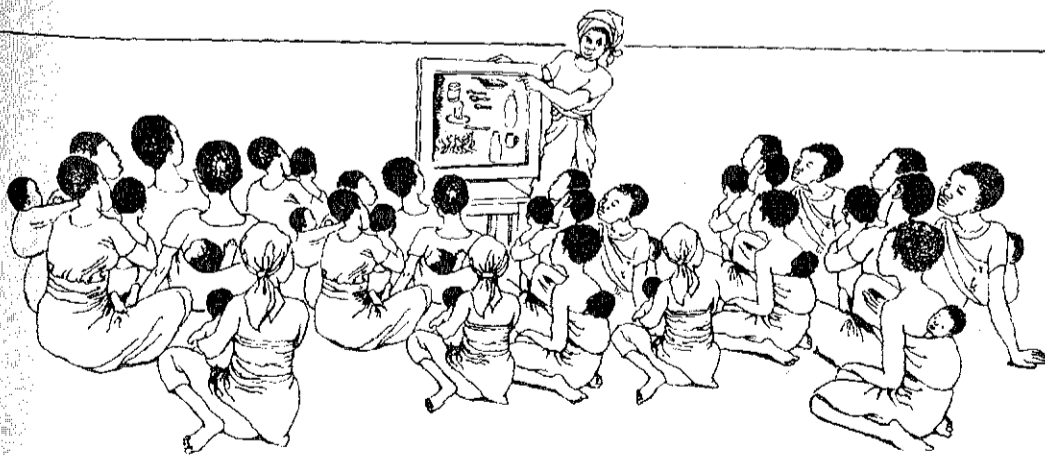
As a result, the general quality of peasant life in this protected sub-region of Manica is said to have improved dramatically over the past eighteen months:

Some primary schools and one secondary school are operating (though teachers are not being paid regularly). The main Chimoio hospital is open and a number of clinics are operating. The national currency has developed some real exchange value, and a few rural traders have started to do business. There are two formal markets in Chimoio, and a number of informal markets and shops have opened in the town as well as at strategic locations along the main road. Goods (including fish railed up from Beira) are traded both by cash sale and by barter. A few buses operate on the main road, and people travel without fear within the corridor. Transport from the corridor to Sussendenga, however, is often accompanied by a military escort.

Agricultural production in the family sector has improved and the number of cattle owned by peasant households is increasing. Notwithstanding exceptionally low rainfall during the last year, the gap between peasant subsistence needs and peasant production is closing.

*A new Frelimo policy aims at rehabilitating the family sector by addressing the basic needs of peasant households and by stimulating household production*

*For the first time in the history of Mozambique, peasant interests have been given priority attention at central level*



## Reconstructing the Family Sector

By the middle of 1991, a number of projects had been planned and launched as part of the GZT's Mozambique Agricultural Rural Reconstruction Programme (see text). It is useful to group them into two categories:

In the *agricultural category*, there are a number of projects which aim:

- to improve access to appropriate cultivation inputs and to community agricultural infrastructure. For example, locally grown grain and vegetable seeds are provided, school-gardens promoted, and village storage facilities improved;
- to re-introduce cattle into the family sector. It is worth noting that tsetse fly has become a major livestock problem in the sub-region;
- to introduce sturdy ox-carts into peasant communities with a view to improving family and community transport capacities;
- to train state agricultural extensionists and to promote the formation of voluntary farmer associations on a village basis;
- to stimulate local marketing systems by providing support to emergent traders.

In the *infrastructure category*, there are a number of projects which aim:

- to introduce sanitary homestead toilets so as to minimise the risk of water-borne disease in the community.
- to introduce more efficient kitchen stoves and chimneys so as to conserve local sources of communal wood.
- to improve homestead cribs and granaries in which grain is sun-dried and then stored after the harvesting season.
- to promote the rehabilitation and maintenance of local community roads by using community labour wherever possible.
- to improve and cater for the maintenance of community water provision.
- to improve and extend school buildings and local accommodation for school teachers, again by using community labour wherever possible.

The range and focus of these project aims reflect a number of the felt needs and constraints of peasant households. These felt needs and constraints were identified and prioritised by MARRP staff during the planning phases which preceded project selection and project implementation.

## The Family Sector

As part of Frelimo's PDP, the German state agency for technical cooperation (GTZ) launched a development programme in the sub-region in 1989. It is known as MARRP (Mozambique Agricultural Rural Reconstruction Programme), and focuses on ways of addressing basic needs and on household production in the family sector (see box). Programme staff are located in Chimoio, and the programme plans to continue operations for a further five years. It supersedes an earlier emergency agricultural relief programme which was managed from Zimbabwe.

MARRP staff employ a participative approach to identify felt needs and constraints in peasant households, and subsequently to develop with representatives of selected target groups, projects intended to address these identified needs and constraints. Target groups are selected with two criteria in mind: the PDP's poverty orientation, and the stimulation of agricultural markets. A sophisticated planning process which includes phases of problem identification and problem solving is completed before projects are implemented.

Simultaneously, each senior MARRP staff member has a 'counterpart' in the civil service of Manica province. This twinning is intended to achieve individual project sustainability by transferring to the state sector, during the duration of a project, managerial and administrative expertise together with project information.

The MARRP initiative is well-managed and ambitious. The fact that it has defined as its point of departure the PDP policy brings it in line with recent central government thinking. Its commitment to participative intervention and continuous cooperative problem-solving is intended to keep it in line with the felt needs and constraints of its target community, the peasant households of Manica province. Such a programme and the lasting impact it may have in the family sector, nevertheless, need to be assessed in the light of frequent challenges and threats, some unforeseen and others falling outside the area of influence of MARRP staff.

At *national level*, the spectre of the war continues, and it is probable that foreign (non-African) aid and support will soon begin to wind down. Either process may well severely damage, if not halt, the fragile advances made in the family sector.

At *programme level*, the MARRP intervention revolves around two divergent aims. The first aim is to facilitate universal access by peasant households to those basic needs and resources identified as priorities. The purpose is to address community needs, and the needs of poor households in particular. The underlying principle is that of equity. The second aim is to stimulate a market system in the sub-region by enabling peasants with surplus production (as well as local traders) to sell commodities locally. The purpose is to stimulate the cash economy within the family sector.

*A current initiative aims to stimulate a market system in the sub-region by enabling peasants with surplus production to sell commodities locally*

The second aim will undoubtedly promote social and economic differentiation within the family sector and seems, in fact, to have already started to do so. The underlying principle is that of economic growth in a cash economy, a principle which inevitably causes differentiation. Accordingly, it would seem that the programme needs to decide on an acceptable trade-off between these two principles of equity and of growth.

At the *state/agency interface* between the state sector and the programme, the transfer of project expertise to state officials may well prove to be difficult. Not only are there major language problems, but these officials tend to be newcomers - young men who are largely oriented toward, and motivated by, urban interests. The transfer of skills, accordingly, will probably be a slow process, interrupted by periodic staff turnover. A commitment by the intervening agency to continue operations for a substantial period is vital.

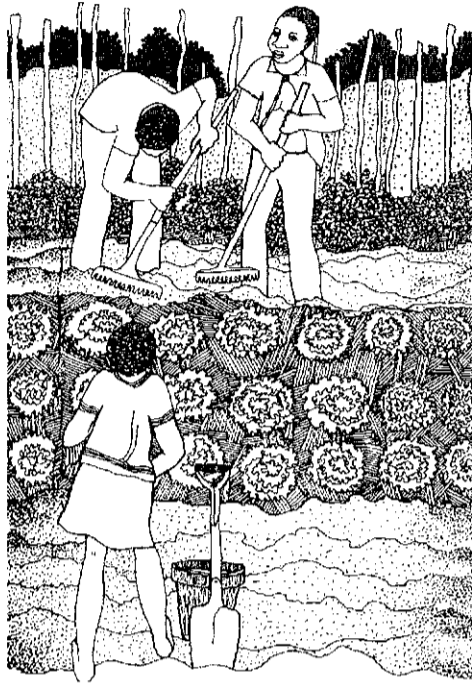
Finally, *surplus production* which may be sold on a market is the cornerstone of a viable peasantry. The bedrock of this cornerstone is secure access to arable land. Everyone residing in the protected sub-region of Manica province believes at present that arable land is plentiful since there are large parcels of such land lying fallow outside the corridor. It is the current common wisdom that the bedrock is secure.

### Resettlement Problems

Within the Manica province, the scale of dislocated peasant households and communities is huge and there often seems to be little clarity among cultivators regarding whose land is being cultivated. Though access to arable land is not presently perceived to be a problem, *secure access* often seems absent.

If peace does return to the province in the near future, it is not self-evident that most dislocated families will return to their native rural areas. Two reasons may be suggested to support this view.

In the first place, many dislocated families in the peri-urban areas of the towns of Manica and of Chimoio are developing strategies for survival which embrace the participation by some family members in urban-based money-earning activities. For such families, it is probable that only some members will return to their native lands



*Surplus production which may be sold on a market is the cornerstone of a viable peasantry*

whilst others will remain in their present households and will stick with their present urban-based activities.

The number of households presently situated in the corridor will probably not decrease (though household size may drop significantly). Rather, when the large numbers of families living as refugees in Zimbabwe are added to the equation, household counts may rise when peace returns to the province. In short, the dense settlements strung out within the corridor may well reflect a process of irreversible urbanisation.

In the second place, peace in the region will signal opportunities to establish commercial agricultural enterprises in the rich, rural areas of the province. It is well-known that there are a number of foreign agricultural interest groups who intend to stake a claim to these natural resources. Central and provincial state policy and practice on this issue, accordingly, becomes critical and needs to remain consistent with PDP policy and practice.

In conclusion, though not perceived to be a problem at present, secure access by peasant households to arable land may well become a major concern in the future, an issue over which peasants all over the world have continuously had to struggle. **IPAA**

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*Peace in the region will signal opportunities to establish commercial agricultural enterprises in the rich, rural areas*

# MUTI MURDERS



## Ritual Responses to Stress

By Jeremy Evans, Centre for Social & Development Studies, assisted by IPSA Researcher Pravin Singh

*In 1990, a muti murder that bears much similarity to many others in recent years occurred in KwaNgqobeni. A group of people led by Ntambo decided to gain the upper hand in a conflict that threatened to break out with the local group of comrades. During a meeting, it was decided that one of the comrades should quickly be killed to provide ingredients for a powerful medicine that would strengthen Ntambo's group. A young comrade, about fourteen years old, was caught and mutilated. **Intelezi** was made with his head, left arm and foot and his genitals, and the concoction was cooked over a slow fire. Each member of Ntambo's group took his turn to hold a blanket over his head and absorb the steam from the muti. After they had been strengthened, the group was attacked by the comrades who were superior in numbers and in weapons. Ntambo's group won the battle.*

South Africa is experiencing a bizarre phenomenon that many of its inhabitants must find difficult to reconcile with the more sophisticated images of western civilisation that the country tries to portray to the outside world. Public responses to *witchcraft* and *muti murder* probably reflect one of the most extreme examples of perceived cultural difference and incompatibility which can be found in this divided society.

Revelations about the practice of witchcraft in the two homelands of Lebowa and Venda have attracted widespread attention, with witch killings and muti murders reported to be on the increase since the mid-1980s. Less visible than witch killings, however, are the murders committed throughout the country by people who desire to make powerful medicine from the body parts of their victims. Muti murders characteristically involve a much greater degree of secrecy and rumour.

Unable to penetrate this veil of secrecy, press reports on muti murder draw mostly from police comment. Sensational reports based on unsubstantiated rumour and grisly snippets contribute to morbid public fascination and speculation. Reports of Satanism and occult human sacrifices

provoke similar public reactions, and for the same reasons: ritualistic murders are seen to reflect anti-social beliefs which defy general western notions of human morality and rationality.

As with all such phenomena, however, muti murder stems from complex systems of thought that are perceived by their adherents to be more or less commonplace, rational, and moral. The intention here is to describe the social contexts in which 'medicine' is made from human flesh, and to illustrate the rationality underlying the users' motivations for using this particular type of muti.

Muti murder, shrouded in a network of conspiracy, is a difficult subject to analyse or quantify with any reasonable measure of objectivity. Ritual killings to obtain parts of the human body for muti appear to occur fairly regularly in most areas of Natal/KwaZulu. Very often, the muti murders are not reported to the police, or when they are, there is too little solid information to warrant a formal inquiry.

However, muti killings and witchcraft accusations appear to be on the increase amidst the social turmoil in the region:

- an upsurge is reported in places such as Elandskop near Pietermaritzburg, and in rural areas near Port Shepstone;
- a similar increase of witchcraft accusation is reported further north, near Kosi Bay;
- in Umlazi (Durban), intense conflict resulted at one stage in the discovery at least every two weeks of dismembered bodies missing (typically) genitals, internal organs and hands or feet - and, in some cases, heads;
- cases of bodily mutilation from Umbumbulu on the south coast currently number six per month, an increase of about ten per cent over the past year.

On average, twelve to fifteen mutilated corpses from Umlazi are received in Durban's morgues each year. All the officials involved in the judicial process agree on one thing: that the number of cases reported to them is probably far less than the number of incidents that actually occur. Interestingly, the estimates for urban



and peri-urban areas are high compared to unofficial figures for some of the rural areas. People can only recall two or three rural muti murders each year at most, and in some areas like Nkandla (near Melmoth) none at all during the past three years.

### Community Scrutiny

Some types of muti (mixtures of herbs and other ingredients) increase the *isithunzi* - the personality and presence - of the individual using muti. People needing to reinforce their social and financial positions use these sorts of medicines, which are reputed to be very powerful. As with many similar sorts of devices, the moral virtue of increasing one's *isithunzi* lies both in the character of the user and the intentions for which it is used.

Historically, in Lesotho, muti made from human flesh was officially used only by the more important chiefs. Earlier this century, in Swaziland, the king was the only person permitted to use this most powerful muti. In these instances, the intention was to create strong leaders who would use their strength for the benefit of the people they ruled. The users of human muti were restricted to persons of high social status in order to avoid challenges to authority.

In other words, until relatively recently, muti murders were typically instigated by individuals holding high political rank, such as chiefs or indunas. In this social context, the killings were committed either to bolster the prestige and status of the instigator, or to benefit the community as a whole. If muti murder in these select cases is actually supported unanimously by the affected community, it has important social and moral implications.

There are diverse opinions, however, about whether a muti murder might be considered acceptable by all the members of a community in which it happens. It was acknowledged in interviews with the author that a 'common cause' such as using muti to increase a community's agricultural yield does not always generate unanimous support for the means to this end.

Of course, one way to bypass criticism is to shroud a muti killing in as much secrecy as possible. Obviously, if a murder were to be committed for purposes that would only benefit a small number of people, or even an individual, the instigator would wish the operation to be as covert as possible, for fear of being accused of witchcraft.

Both muti murders and witchcraft accusations (such as found at Kosi Bay and Port Shepstone) stem from the same set of basic principles: 'misfortune', either in the form of accidents or slighted social and financial position, which could be remedied by acceptable means (such as consulting a diviner or herbalist) that are designed to correct the balance of things.

The sort of person likely to be accused of witchcraft, for instance, is often someone who has gained wealth or power via ways that cannot be determined by public scrutiny. In accusing someone of practising witchcraft, a challenge is made that the person has used selfish and immoral means to bring about personal success. The same challenge is sometimes made to those who use body parts for their medicines - taking matters into one's own hands purely to promote individual success can only mean that the killer has discarded his responsibility to the rest of society.

Muti murderers are labelled by communities as witches, as are those *inyangas* (witchdoctors) who prescribe human flesh for muti, and others who betray selfish inclinations. Witchcraft accusations act as a check on socially incorrect human behaviour, but obviously do not halt either selfish desires or the belief in human flesh as a powerful medicinal ingredient.

Witchcraft has two aims which operate by virtue of each other. A witch does not merely wish to increase his or her own prestige or success. 'Success' is relative to the station of other people both inside and outside of one's community. As a witch's fortune waxes, so that of others wanes - and it is an important aspect of witchcraft that the failure of others is believed by people to be something that the witch actively desires.

When muti draws followers to a witch's leadership, the witch is thought to enjoy the spectacle of other people losing what they have gained through legitimate means. At the same time the witch works to increase his or her *isithunzi*, and becomes more able to manipulate further devious aims each time an act of witchcraft succeeds.

A common feature in muti murders is the participation of *inyangas*. *Inyangas*, specialists in making all kinds of muti, are approached by people who wish to overcome personal problems or fulfil their ambitions. It has been generally recognised that *inyangas* hold potentially powerful and manipulative positions in their

*Ritualistic murders reflect anti-social beliefs which defy general western notions of human morality and rationality*

*Muti killings and witchcraft appear to be on the increase amidst the social turmoil in Natal/KwaZulu*

*Muti murder is a covert way in which people attempt to overcome stresses that are common throughout South Africa today*

communities. The fact that inyangas can use their sanctioned power for either the common good or for detrimental supernatural ends means, however, that their position in the community is precarious. Traditional healers associations have acknowledged this dilemma in public statements and interviews.

What is the role of an inyanga in a 'typical' medicine murder and how are acts of witchcraft instigated? An example from KwaNgqobeni mixes known facts and public rumour into a plausible story:

*A woman was running a small, informal business, but her customers were leaving her and going somewhere else. What she needed was muti that would bring her customers back, and so she went to see an inyanga in another district. She was told that she would need to get a young male child so that muti could be made. When she returned home, she stole a neighbour's baby, and soon afterwards her shop became a more profitable enterprise. This was noticed by the community, and when it was found out that she had visited the inyanga, a report was made to the police. Due to a lack of evidence, she was jailed for a short time, but banished from the area when she returned, as she was believed to be a witch.*

Perceptions about the extent to which an inyanga may stretch his ethical boundaries vary. From one point of view a 'real' inyanga (i.e. one who is not a witch) would never tolerate the use of human flesh in the medicine that is made, while from another point of view, an inyanga would be morally and ethically obliged to cater to the client's needs, whatever means are necessary to achieve the desired end.

### Racial Bloodletting

Instances are reported of whites and Indians falling victim to muti murderers, and some cases have been officially investigated and the culprits brought to trial. In one case in Pietermaritzburg in 1984, the murderer's overt motive was simply to use very powerful medicine to prevent people from recognising him as an escaped convict. The selection of a *white* victim stems from a perception that whites and other more affluent people have achieved more than their fair share of success, and that muti will ensure a more equal distribution of good fortune. Human muti is supposed to enable the 'power' in other people's blood to be absorbed, in the same way that a

witch drains a community to satisfy selfish needs. A particular victim is selected for murder either to obtain some of the characteristics of the victim, or often in the context of political violence, to make medicine from someone who is a representative of a group of people. Choosing a group-representative entails the dual desires common in witchcraft, to uplift the group benefitting from the muti and to savour the imminent downfall of the muti's victim.

Witchcraft accusations and witch-hunts abound in times of political and economic stress. In the much publicised 'Pietermaritzburg Scare' of mid-1990, inyangas were alleged to have approached a domestic servant in order to purchase a white child and so 'end the violence in Natal'. While much of the story was doubtless embellished by rumour, the alleged motive points to certain attitudes and beliefs about muti that are not commonly recognised by whites. The apparent choice of the victim - both as a white and as a child who has not yet gained enviable personal characteristics - would seem to indicate that the murder was to be of a group-representative, and the motive appears to show witchcraft at work.

The similarities between most instances of muti murder show that the users of muti share notions about how society operates in terms of the supernatural forces that govern the world as they know it. Ironically, discoveries of mutilated corpses merely provide evidence to believers that witches do exist and are to be feared in today's modern society.

Legal restrictions on muti murder and witchcraft have been thoroughly ineffective to date, both in South Africa and in neighbouring countries. To think that medicine made from human parts is simply 'savage' and 'uncivilised' is to ignore the very real rationality in the motivation of the muti maker. Public condemnation also ignores the fact that practices and definitions of morality shift from community to community.

In the pattern of belief, motivation and behaviour surrounding muti murders, the participants are operating on a moral level that is as complex as any other worldview. Muti murder is a covert way in which people attempt to overcome stresses that are common throughout South Africa today - a package of poverty, uncertain politics, deteriorating urban and rural conditions, unrealised ambitions and so forth. **IPWA**

### Acknowledgement

The principal author investigated muti murders in Swaziland for an honours thesis in Social Anthropology (Wits 1989). A larger version of this article, entitled 'Where can we find a beast without hair?', is to be published in *African Studies* (Wits University Press, 1991).

# PALACE COUP ON LAND REFORM

By Dr Tessa Marcus, Department of Sociology, University of Natal

*'Palace coups usually involve a change in governing personnel while leaving basic institutions untouched'*  
(M Mann: *The Macmillan Encyclopaedia of Sociology*)

Tessa Marcus contributes to an ongoing series in *Indicator SA* which focuses on the key contemporary debates about land issues in South Africa (see Auerbach in Vol8/No1 and Bekker, Cross & Evans in Vol8/No3). Her review evaluates the proposals contained in the White Paper on Land Reform (March 1991) and the impact of the subsequent repeal of major land legislation. It also contemplates what this shift in government policy may signify for the majority of South Africans.

There are two noticeable features about the presentation of the government White Paper on Land Reform. Firstly, strongly held, contentious ideological positions about the social structure of South African life are presented in *pseudo-scientific terms* as 'facts'. Many contestable assertions are made, for instance, about 'private property, free market protection of individual rights' and 'ethnic, traditional, tribal, natural communities'. It is important to recognise the extent to which these assertions are at variance with an extensive scientific literature about land relations in South Africa.

The second, related feature of the White Paper is the couching of solutions to land issues in terms of *the language of development*. This, in part, represents an attempt to cast land policy and legislation in an internationally acceptable mould. The limitations of this approach are illustrated by Ferguson's comment on the development apparatus as 'an anti-politics machine, depoliticising everything it touches, everywhere whisking political realities out of sight, all the while performing, almost unnoticed, its own pre-eminently political operations of expanding bureaucratic state power' (1990:xv).

## Pre-empting Negotiations

The problems of presentation are closely linked to those of process. How was this policy formulated? In the preface to the White Paper, President de Klerk is at pains to stress the amount of work that has gone into creating the policy and legislation by 'a team of knowledgeable officials'. He also states that it is the result of 'extensive consultation, deliberation and negotiation'. What are the real facts?

The African National Congress, a major actor in the present preparations for negotiations in South Africa,

was never consulted (ANC Statement, 12/3/91). Nor were the people and communities who were dispossessed of their land given any hearing (National Land Committee Statement (12/3/91). In submitting its objections to the proposals, the South African Council of Churches also concluded that 'there has been no prior consultation with the organisations and institutions which represent the interests of Africans'.

The people of South Africa are faced with a *fait accompli*: the policy has already been determined by the White Paper and it has been translated into parliamentary Bills which, in turn, are in the process of being enacted. To compound matters, the government tried to restrict public debate of its published proposals by initially imposing a tight timetable of about two weeks in which representations were to be made to its Joint Parliamentary Committee on Land Reform Legislation. (Following intense pressure, the deadline for submissions was extended subsequently by a further three weeks.)

*On a matter which affects the rights of millions of people, there is no evidence of even a commitment to consultation, let alone its practice.*

In fact, the problem is even more profound. It centres on the legitimacy of continued white minority rule. Claasen and Budlender point out in their insightful analysis of the White Paper that 'the package of Bills which the government has attached to the repeal of existing apartheid laws ... repeats the apartheid practice of white government making laws which determine black rights, with no opportunity for effective participation or even consultation' (1991).

Clearly, the White Paper and the Bills are *responsive*, arising from the longstanding call for the repeal of the

### Legislative Land Reform

The five land reform bills:

- The Abolition of Racially Based Land Measures Bill (since amended/enacted)
- The Upgrading of Land Tenure Rights Bill (published a month after the other four bills)
- The Residential Environment Bill (since withdrawn)
- The Less Formal Township Establishment Bill
- The Rural Development Bill

The four repealed land acts (5 June 1991):

- the 1913 Black Land Act
- the 1936 Development Trust and Land Act
- the 1966 Group Areas Act
- the 1984 Black Communities Development Act
- outstanding racist laws and regulations related to land issues will be subject to presidential review or repeal over the next three years.

Land and Group Areas Acts, the struggles over land in rural and urban areas, and the constitutional debate launched by the ANC. But they are also *preemptive*, trying to establish the terms in which the land question is to be negotiated and trying to further a broader strategy of establishing the present minority government as a legitimate interim authority in the negotiating process.

Over the past century a particular colonial vision has been carved out by successive white minority governments, with the backing of 189 Acts (or parts thereof) and more than 15 000 regulations and proclamations defining land relations. This barrage of legislation has made it impossible 'for black people to acquire legal rights to land in most of the country' (Claasens & Budlender, 1991). It has generated social dislocation and impoverishment on an awesome scale for the majority of South Africans (see box).

Proscription of access, occupation, use and movement over land, coupled with a bloody history of land alienation, has seen millions of people forcibly removed and their homes, communities and livelihoods destroyed (Platzky & Walker, 1985). Between 1960 and 1982, over 614 000 people were removed from 'black spots' in 'white' South Africa (National Land Committee, May 1991). Given these facts, it is not surprising that many commentators have questioned the seriousness of the land reforms proposed by the state. It is not enough to argue that the reform package is an 'historic' about-turn by the government.

*The measure of the relevance of the reform must be its ability to redress recognised national problems and issues.*

In this respect, the White Paper and Bills represent a minimal ameliorative reform package to remove legal structures which either have become obsolete or

which impede present policy and structural socio-economic trends. They are also designed to 'protect and entrench white privilege and rights which were built up through systematic discrimination' (Claasens & Budlender, 1991). They certainly do not begin to live up to the explicitly stated promise that 'land reform should be dealt with fundamentally and comprehensively' (White Paper, 1991).

### Tenure Myopia

*Provision is made for the continued use of land as a multi-purpose commodity and a productive asset, but without the racial restrictions. Private ownership is broadened and also extended to land in respect of which it was previously not available. (White Paper, 1991:1)*

These two sentences concisely express the underlying assumptions and focus of the government's land reform package. All land relations are reduced to an obtuse economism which places the free market at the centre of distribution. The inequalities that are meted out by this allegedly neutral or objective force are held to be just, unavoidable and inherently fair.

In keeping with past practice, the new arrangements are put in place by what Claasens and Budlender describe as 'unchallengeable administrative rule' which makes 'black people objects of administrative decision', one of the classic hallmarks of apartheid and colonial rule'. Land may be a 'multi-purpose commodity' and 'a productive asset' but it is also a source of security against the ravages of the policies and practices of apartheid and the 'free market' which generate successive, increasing waves of destitution and impoverishment.

The outstanding feature of the White Paper is the concentration on land tenure. Very specifically, the focus is centred exclusively on the absence of private, individual, freehold tenure. Freehold title, which predominates throughout the white-owned commercial agricultural sector, favours whites in the urban/industrial complex and disadvantages (the formerly excluded) 80 per cent of the population by law. However, it is now presented as the ideal and only acceptable form of land tenure. The policymakers' concern, therefore, 'naturally' gravitates to the homelands.

In other words, defining land reform as land tenure reform, and the issue of tenure as the absence of private property in a particular form inevitably confines the problem to land relations in the 'homelands'. This is consistent with a long established legislative approach which acts distinctly, differentially and partially against the land interests of Africans and in favour of whites.

The proposals represent a major assault on the multi-faceted tenure systems which have developed

out of a desperate struggle by Africans to retain access to land, despite the structural and physical constraints imposed on them by the Land Acts and apartheid policies. Instead of being broadened, African land-holding rights are further emasculated as the tenure landscape is moulded into a vacuous caricature of either 'individual freehold title' (preferred), or tightly regulated and strictly defined 'traditional communal tenure' (which is to be discouraged, anyway).

Claasens and Budlender (1991:15) comment:

*Very many tribally based groups will no doubt want to club together and buy land on which they can live. It will be the only way in which they can afford to buy land. Despite the Government's stated commitment to a free market and freedom of contract, they can only do so if they have the permission of the Administrator. White people do not - and do not need to buy land on this basis. For them the free market will apply. Once the administrator has given permission, he retains control.*

This approach is quite in keeping with the framework of reform that the state has been operationalising over the past decade and which identifies 'traditional' land tenure in the reserves as being at the root of their 'underdevelopment'. It also immutably sanctifies the terms which have established the white land holding monopoly. Not least of all, it precludes any consideration of the land claims of labour tenants, so-called 'squatters' and farmworkers.



### A New Order?

*The new policy has the definite objective of ensuring the existing security and existing patterns of community order will be maintained. The primary objective is to offer equal opportunities for the acquisition, use and enjoyment of land to all people within the social and economic realities of the country. (White Paper, 1991:1)*

Succour for the white farming establishment is pervasive throughout the land reform package. It hinges on explicit state commitment to the frame of reference set out in submissions by the South African Agricultural Union, which not surprisingly, strongly argue for the maintenance of existing ownership and production relations on white-owned land (SAAU President Kotze, *Natal Witness*, 16/3/91).

In the rural areas, only a tiny group of blacks will be able to afford to buy their way into the 'new order' on the land. This is especially so in the case of rural land, where the average investment in a commercial farming unit in 1985 was in excess of R650 000, of which freehold title accounted for about 75% (UF 1990:29), and for middle and upper income urban property.

In the urban areas, the 'new order' euphemism of 'standards' replaces the 'old order' of Group Areas. Although the outcry over the Residential Environment Bill (part of the original five bill package) led to its subsequent withdrawal, similar provisions were subsequently included in the amended Abolition Bill. These measures are designed to allay white fears and to maintain a status quo built on Group Areas barriers. Existing 'occupiers and owners' are to be empowered to enforce their 'norms and standards' with draconian sanction.

'Deracialisation' will also mean creating easier conditions for the expansion of white-owned capital into urban and rural land formerly reserved for Africans. It is reasonable to anticipate that the capacity of whites to mobilise capital will see a further transfer of land into their hands and the stimulation of land speculation. Homeland-style 'self-governance' or 'independence' will provide little protection for the majority of South Africans.

### Reform without Redistribution

*Private ownership of land, including agricultural land, is a cornerstone of the Government's land policy. This is in keeping with the Government's opposition to any form of redistribution of agricultural land, whether by confiscation, nationalisation or expropriation ... a programme for the restoration of land to individuals and communities who were forced to give up their land on account of past policies or other historical reasons would not be feasible. (White Paper, 1991:1, A2.11(f))*

This statement is in line with current thinking which opposes any serious state measures to redress social inequalities. It also reinforces the *ahistoricism* of the reform package which allows the government to deny culpability for establishing the present status quo and, therefore, to deny redress for past wrongs.

The cursory rejection of restitution measures to compensate for the dispossession of more than three

## Legacy of Land Alienation

compiled by Dr Tessa Marcus

- Of the overall rural population of 12,4m, 92% are African and 65% live in the 'homeland' areas, of whom only 1% are not African (1985 figures - Urban Foundation, 1990:7).
- The average arable holding in the homelands is 1,0 ha compared to an average farm size in the white-owned commercial sector of 1 280 ha (Christodoulou and Vink suggest that the real size of the latter is 500 ha, which 'narrows' the ratio to 500:1!)
- Approximately 17% of the EAP in the homelands are employed in agriculture, but less than 0,2% make a living out of farming and 30% have absolutely no access to land or stock (UF:22).
- The average monthly household income in the homelands from all sources was R198,50 in 1985. In 1990, 84% of households in the homeland rural and dense settlement areas lived below the Minimum Living Level (MLL); 54% and 55% respectively in homeland urban and metropolitan areas lived below the MLL (UF:II).
- Only 10% of rural income came from agricultural activities (UF:19), the remainder being eeked primarily from state pensions, and secondarily, from urban worker remittances'. (This fact contradicts the contentious assertion in the White Paper (para C3.3) that 'up to 80% of the income of subsistence areas is derived from the sale of labour through the migrant labour and commuting systems'.)
- The average monthly cash wage for workers employed in white commercial agriculture outside the homelands was R79 (CSS Agricultural Survey 1988: Tables 4.1, 3.2). (This average conceals vast discrepancies in income between full-time and part-time, skilled and unskilled, and male and female workers in agriculture.) Black farm worker households are becoming increasingly dependent on income from off-farm sources (UF:28).

million people (which has all but destroyed the remnants of peasant communities in South Africa) has evoked extensive condemnation inside the country as well as abroad. The deadlock generated by this controversy in parliament was sufficient to force the government to reconsider its position in order to ensure the passage of at least part of its land reform package.

Subsequently, a government statement released on 4 May 1991 has accepted the need to compensate for the wrongs of forced removals 'in principle' and has expressed an intention to set up an advisory land commission to consider land restoration (*Daily News* 4/5/91). Although this decision was welcomed, widespread reservations have been expressed about the composition, brief and duration of the commission's investigations.

Concerns remain as to whether redress will be so narrowly defined as to exclude rights to compensation for losses incurred through expropriation, rights to mineral wealth below the land, and developmental needs for more land and extensive servicing (see Natal Freehold Communities Statement, May 1991). The stance against redistribution protects hard material interests, not only of the landed establishment but of the state itself.

*Land reform within this framework is a face saving measure, a cover for the failure, at enormous financial and human cost, of past apartheid-style 'distributive' policies.*

## SADT Constraints

*The Government has decided that full ownership of land which is held in trust for tribal communities, or which has been or may be allocated to communities by the SADT should where practicable, be transferred direct to the tribes. The granting of ownership to tribes will give them the full right to dispose of their land. (1991:83.4)*

The White Paper identifies some 1 250 000 ha in the possession of the state South African Development Trust (SADT). The land reform package provides for the privatisation of this land in several ways. The stipulations of the Abolition of Racially Based Land Measures Bill are overarching. They empower the State President to transfer any asset of the SADT, including the land on which it is the nominal owner, to 'any person, State Department or institution established by or under the law' (Clause 11.2).

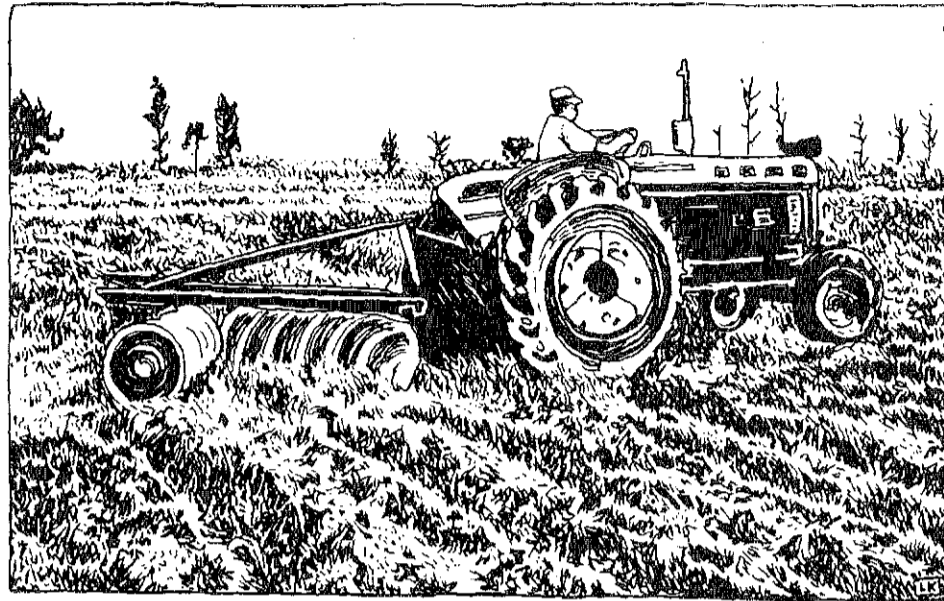
This blanket provision takes specific form in the 'homelands' where self-construed paternalism in a particular garb is shed as the state reclothes its authority. While existing white rights in land are held as almost 'holy', the formal and informal rights of occupation enjoyed by Africans are to be desecrated at the altar of freehold title.

The policy objectives are to be achieved in a highly authoritarian and arbitrary way not only because of the power that is vested in the State President, but also because of the way that 'tribal communities' have been construed under apartheid. They are far from the idealised, socially harmonious system which submits to chiefly authority, not least of all because of the very illegitimacy of much of this state derived authority.

Within the framework of territorial apartheid, the state is forced to construct its 'rural development' strategy within the confines of the homelands. The SADT, for instance, spent more than R500m on land purchases for homeland 'consolidation' in the period 1985-1990. This brings us to the developmental component of the state's land reform initiative ...

## Development Framework

*Equal opportunities irrespective of race ... and subject to the uniform application (are to be provided) regarding not only access to land but also access to the agricultural services structure as a whole ... the Government cannot prescribe to voluntary associations in organised agriculture, co-operatives and other institutions in the private sector in this regard. (1991:C2.6)*



The present terms of white ownership, access and use of land are construed as optimal and ideal despite major restructuring efforts designed to overcome evident major policy failures. The reform package argues that these terms must be preserved and enhanced, and if black people are to enter this terrain they must do so in accordance with 'prevailing norms and standards', i.e. on 'the white man's' terms.

The framework for 'socio-economic upliftment of rural communities and the creation of opportunities to promote their entry into the mainstream of the country's development' (1991:C3.2) is constructed on the shallow foundations of privatising land access within the reserves and the promotion of 'freehold farmer' settlement schemes'.

The structure of the land market, the operation and direction of credit, technical, training and research servicing provisions, the way the marketing of produce is organised, the accessibility of markets, etc, are not brought under review. In short, no account is taken of the social consequences that a century of prohibition and deprivation has generated for the African majority.

Simultaneously, prohibitions on other than idealised forms of land access are to be tightened. Already, 'anti-squatting' and anti-trespass legislation undermines farm worker, labour tenant and other routes of access to white-owned land. Moreover, the Less Formal Township Establishment Bill tightly regulates and actively constricts 'traditional communal tenure' access to residential land.

Ultimately, the package offers only two developmental proposals:

- The first proposal is confined to the promotion of limited *freehold farmer settlement schemes*, the main content of which is specified only in procedural and tenure terms. These schemes would be laid out, divided into farming units and developed under ministerial supervision and allocated 'on the advice of a committee of experts' (1991: D4.4.1, D5.4.2). When the envisaged three

year probationary period of the selected farmer expired, 'full ownership in the individual farming units is contemplated' (C3.9).

This clone of models constructed for Bophuthatswana and elsewhere was initially to be operationalised on some 400 000ha of SADT land. However, now that 'in principle' some form of land restoration has been accepted and the *claims of communities forcibly removed* are to be considered, it would seem that much of this land will no longer be available for the scheme. In the face of its categorical opposition to accessing white-owned land, exactly where the state proposes to realise these schemes remains an open question.

The programme for development rests on the self-declared intention to tackle 'rural development on an integrated basis', to which end 'a national rural development strategy' is to be devised, 'in close consultation with the communities concerned' (1991:C3.5). Laudable if abstracted from South Africa, these ideas are rendered empty and meaningless, not least of all, by the other concrete 'rural development' proposal:

- The second proposal for development envisages the creation of a *Rural Development Corporation (RDC)*. It is to be reconstructed from the wreckage of the multitude of development corporations spawned by old-style apartheid. The 'national, operationally orientated development arm' will be required to assist 'in coordinating and implementing the Government's rural development programmes' and in competition with the Development Bank 'in mobilising funds and expertise from the private sector and foreign sources'.

Moreover, 'the nucleus of the proposed corporation will be created by drawing people from the ranks of, *inter alia*, the SADT' (1991:C3.7). Although streamlined and new in name, the content and personnel of the RDC remains unchanged. It comes with a history of interventions which has systematically robbed people of their land, their

possessions and even their lives. Its 'new' brief, which will certainly lead to further dispossession, will do little to change its image or practice.

### Twelve-Point Summary

From the above discussion, certain conclusions are inescapable. Firstly, the White Paper on Land Reform and the attendant draft legislation advocate an unfettered free market with minimal state intervention to redress the inequalities these generate. Secondly, this policy approach will have far reaching consequences quite opposite to the 'new South Africa' propaganda, consequences which furthermore, are detrimental to the growth and developmental needs of the country:

- It preserves the status quo with regard to white landholding and further removes land from Africans.
- It entrenches racial inequalities and the structural white bias of the political economy.
- It forces a change in the social composition of African landholders away from the poor to the rich and powerful.
- It robs access to land of its social security function. In the absence of an expanding economy and state provision of welfare, it will increase African destitution and attendant social havoc.
- It does not resolve problems of land hunger because it ignores the inter-relation between commercial agriculture and petty commodity production, white monopoly and black dispossession, monopoly production and small-scale production.
- It first caricatures and then rides roughshod over black landholding rights that are described as less than 'lower order' rights.
- It denies black historical land grievances and divests itself of responsibility for generating them.
- It reduces a commitment to 'integrated rural development' to little more than vacuous rhetoric.
- It assigns the present government the authority to act on behalf of people it does not represent and has not consulted.
- It ignores a scientific consensus across a broad political spectrum which regards the issue of diverse forms of tenure as relatively secondary to successful rural development but which regards some form of land redistribution as crucial.
- It ignores popular grievances and demands.
- It is moulded on past land-related reforms in its formulation and envisaged operationalisation.

The appropriateness of this intervention is highly questionable, particularly at a moment in our history when conditions are being created for meaningful redress of the land question in the national interest rather than in favour of racially sectional interests. By its commissions and omissions, it will inevitably stimulate greater social strife and conflict. The desperation generated by the government's failure to redress grievances or address development needs,

cannot be easily contained. This is already evidenced by the proliferation of flashpoints over land issues.

In north-western Transvaal, for example, farms bordering on Lebowa are being annexed by landhungry black farmers for stock-grazing purposes. The response in the region has been to form para-military 'quick reaction' units comprised of well-armed white farmers with two-way radios (*Sunday Times*, 5/5/91). The first mobilisation of these 'self-defence' units was directed against the residents of Goedgevonden, victims of the state's forced removals who reclaimed their land in May. An armed convoy of an estimated 1 000 farmers attempted to evict them, attacking people and destroying property. When police intervened to protect the Goedgevonden residents, the attackers vented their anger on residents of Tshing township outside Ventersdorp (*SABC News*, 11/5/91, *Sunday Star*, 12/5/91).

The present proposals will also seriously impede a more just and relevant land reform which could address the complex diversity of land needs. Without a massive mobilisation of public opinion, it is unlikely that the state will respond to calls to desist from any reforms other than the enactment of repealing legislation. Their short-sighted approach will have far-reaching consequences for national reconciliation and development in South Africa.

In the interim, the declaration signed *inter alia* by the ANC Land Commission, Planact, Lawyers for Human Rights and the National Land Committee (19/3/91) calls for 'the repealing legislation to be separated from the other bills, and for a holding process to be applied in the interim, so that real consultation can take place and care can be applied in proposing alternatives which will build a just and lasting land system'. Seven principles are put forward - restitution and redistribution of land, protection of rights in, diversity of and security of tenure, conflict resolution mechanisms and a commitment to the right to shelter - as the terms of reference for any meaningful consultation in future. IDASA

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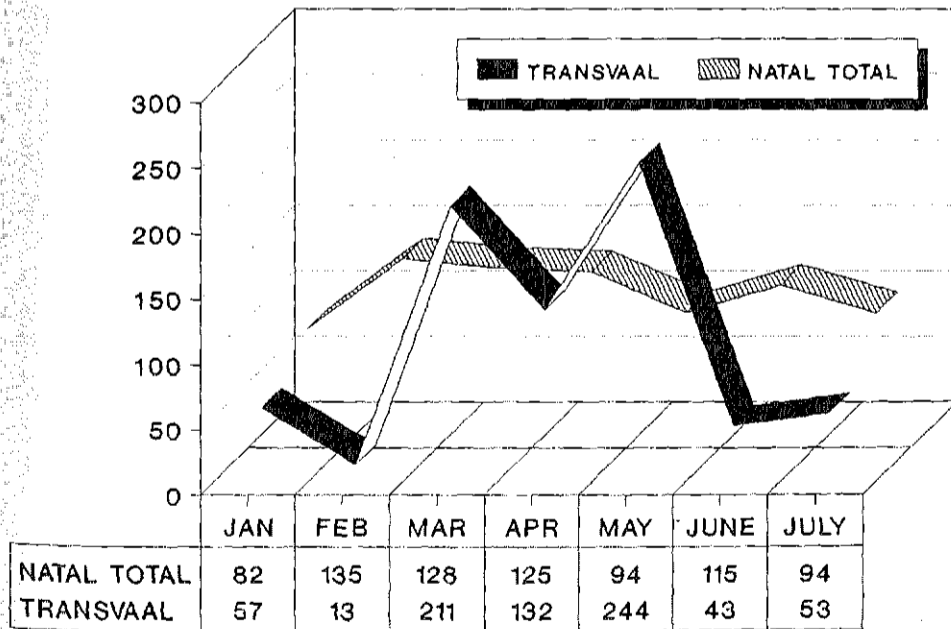
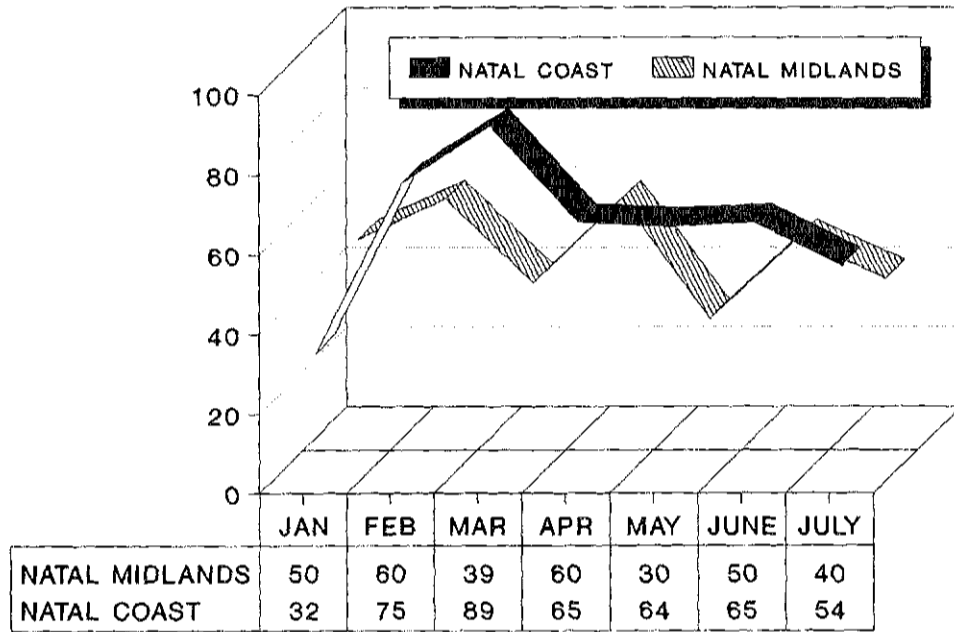
# URBAN

M O N I T O R

## CONFLICT TRENDS: JANUARY - JULY 1991

### Fatalities in Political Violence

Compiled by Antoinette Louw, Conflict Trends in Natal, a joint CSDS/Indicator SA project

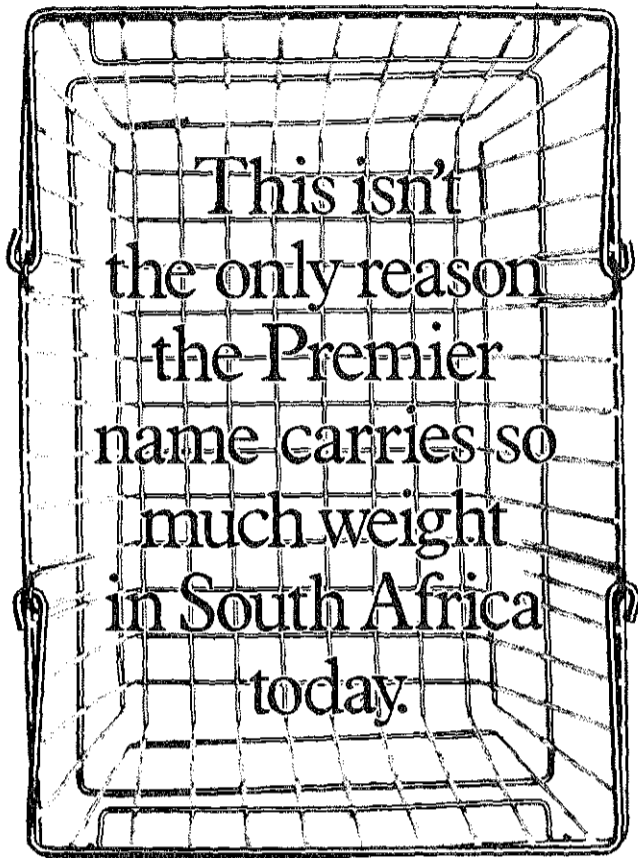


#### MONITORING NOTE

Death tolls are not always an accurate reflection of violence levels. Activities such as intimidation, which are hard to measure, may prevail in seemingly 'calm' areas. The fact that there are still thousands of refugees in Natal also indicates that peace is a long way off in many communities.

#### SOURCE

Human Rights Commission, Centre for Adult Education (UNP), Black Sash Repression Monitoring Group



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# THE POLICY DILEMMA

## NP & ANC DEBATES

By Monica Bot, Indicator SA Education Correspondent

Major policy documents on education reforms were released by the government and the ANC in the first half of 1991. Both sets of proposals stress the need for further discussion, negotiation and research across a variety of topics. At this interim stage, Monica Bot compares the differing views and policies of the major actors and ponders on whether there is any common ground between them.

Forthcoming constitutional negotiations and the proposed establishment of one education system have prompted widespread debate as well as several investigations into the aims and structure of education in South Africa. During the first half of 1991, two education policy documents were published: the Discussion Paper on Education Policy (DPEP) by the African National Congress, and the Education Renewal Strategy (ERS) by the Department of National Education.

Both documents are intended to stimulate debate and comment, although the ANC's DPEP is clearly at a less advanced stage and could be regarded as a broad framework for policy discussion. The state's ERS makes numerous recommendations on the basis of investigations by 20 working committees. Once comments have been received, a final report is to be submitted to the Committee of Education Ministers. Nevertheless, until the financial or time implications have been worked out the feasibility of implementing the recommendations cannot be determined.

### Defining Problems

While both policy documents identify a number of similar issues facing education, particularly in respect of backlogs, inefficient administration, training problems and the imbalance between academic and technical education, their interpretation of the causes of these problems differs somewhat.

The DPEP, on the one hand, focuses on the illegitimacy of educational provision and ascribes the education crisis to 'a racist system in which a small minority control the bulk of the funding and other resources in education'. It therefore sees the role of the state as one of redistributing educational resources and ensuring the rights of the population as a whole.

The ERS, on the other hand, focuses more on the financial inability of the state to provide education for all based on the present system of provision, although it also mentions the rejection of segregation as a factor necessitating the restructuring of education. It discusses joint responsibility by the state and parents for formal education, and by the state and the private sector for non-formal education.

These differing emphases are to some extent reflected in their educational aims and principles: the DPEP stresses such aims as democracy and participatory decision-making, whereas the ERS includes principles such as equal opportunities, a balance between commonality and diversity, and linking formal and non-formal education.

The ERS proposed by the Department of National Education contains some 68 recommendations, the most important of which are summarised below (see also Bot, 1991). On issues where the ANC's Discussion Paper on Education Policy (DPEP) also makes suggestions, these have been added below:

The ERS states that *race* should not feature in structuring the provision of education, and justice in educational opportunities must be ensured - the new education model should promote national unity, but also accommodate freedom of association and diversity of language, religion of culture. The DPEP also stresses the need to immediately establish a non-racial system and to make a fundamental shift away from apartheid education.

#### □ financial provision

The ERS, makes the following financial recommendations:

- state expenditure on education should be linked to a minimum period of compulsory schooling which should be extended as soon as circumstances permit;

- a national strategy for preprimary education should be developed, which could possibly be integrated as a first bridging year of the seven compulsory school years;
- after this period, users of education must bear an increasing share of the costs;
- schools are to be given greater financial autonomy and responsibility, both in respect of state funding and the generation of funds by the school itself;
- contributions to formal education should be determined, and more cost-effective classrooms and schools built;
- guarantee funds should be established for university and technikon students to address the need for loans particularly among the disadvantaged.

Other ERS measures include the quantification of building backlogs and the provision of ad hoc funding to eliminate these (e.g. through the release of strategic reserve funds as announced in late August); the prevention of uneconomic classroom/teacher ratios; and the optimal use of facilities for education.

Further, the possibility of salary structures reflecting market forces in terms of supply and demand should be investigated. So too should the possibility of teachers' supplementing their income through education-related activities or community contributions.

*The DPEP, on the other hand, proposes that the state should bear the responsibility to provide at least 12-14 years of compulsory pre-primary, primary and secondary education for all. It sees the state as the only institution which can guarantee and make available the necessary resources for this provision: it must be responsible for the funding of the schooling system as a whole. This includes salaries, buildings and equipment, transport costs, textbooks and learning aids, and sport and recreation facilities.*

Other DPEP proposals include a free meal system for children in rural schools, the use of available funding for the purchase of textbooks, science equipment and electricity generators, the improvement of facilities including furniture, libraries, sporting material and transport. Also, it recommends the daily use of facilities which are used for only a small part of the day or certain months.

#### □ *decentralisation*

*The ERS proposes a central education authority which would be responsible for policy on norms and standards, coherence and ensuring equal treatment of all in the system. In addition, regional education authorities could accommodate diversity and specific needs.*

Further, educational institutions should have greater management autonomy regarding the provision and financing of certain services; the use of their facilities by outside organisations; the subvention of teachers' salaries; recommendations on staff appointments; and

admissions policy (subject to a broad framework determined by the regional authority). Parent communities should be educated as to the role and responsibilities of management councils.

#### □ *certification*

*The ERS proposes the certification of non-formal education within the framework of a qualification structure. Specific attention should be given to criteria for standards of competence as they relate to employers' requirements. Also, increasing mobility between non-formal and formal education is envisaged.*

*The DPEP proposes that the state must be responsible for providing the framework for training, and make it the duty of employers to negotiate and establish worker education programmes. However, it warns against the creation of a training system which 'simply does the job of capital more efficiently, increases the power of private capital, widens the divisions between rich and poor'. Instead, discussion focuses on questions such as the purpose of training in relation to the wider goals of society, etc.*

#### □ *distance education*

*The ERS suggests that the use of distance education is particularly suited in the case of teacher training, pre-school programmes, adult literacy training and secondary school education. The important role of the teacher in this regard is emphasised. Community learning centres should be established where people can familiarise themselves with educational technologies, applied to their situation.*

*The DPEP recommends the increased use of radio and television time in order to take education into the factories and the communities. It places particular emphasis on literacy training: it feels that the state must be responsible for a mass literacy programme, and that it must provide the framework and access to the necessary facilities. Also, the state must make available the media space, and funds for relevant materials and for the training of literacy workers.*

#### □ *tertiary quality*

*The ERS proposes that not only should study programmes be rationalised across institutions, but 'centres of excellence' in specific study fields should be established at particular institutions. Also, study programmes should be more closely aligned to manpower needs.*

Further, the introduction of a somewhat restricted but responsible growth pattern at tertiary institutions should be investigated. Methods should include improving student quality and phasing out students who are likely to fail, as well as introducing additional entrance requirements for specific study fields.

#### □ *new 'Edukons'*

Academic support or bridging could be provided at a new type of institution, 'Edukons', in order to reduce

the difference in academic standards. To cater for existing needs and positively affect standards at tertiary institutions, it is further recommended that statutory monopolies in tertiary education be relaxed, thereby allowing others to offer education of a comparable standard.

In addition to providing academic support, the 'Edukons' would provide further or advanced education and recognise programmes successfully completed in the non-formal education sector. Part of their function could be to promote greater mobility not only between tertiary institutions, but also between tertiary institutions and technical colleges.

#### □ *teacher training*

The ERS suggests that the role of universities, technikons and teacher training colleges in respect of teacher training and student mobility between these institutions needs to be investigated and regulated.

Colleges should concentrate on training primary school teachers. Present programmes should be reviewed, and the possibility of remunerating teacher trainees for internships investigated. In addition, experienced teachers without a standard 10 certificate should be allowed into further studies for qualification which stipulate this certificate as an entrance requirement.

The DPEP also mentions that bursaries could be provided for teacher training which could be linked to a period of service as a teacher.

#### □ *four school phases*

The ERS provides an overview of the most important recommendations contained in a report by the Committee for Pre-Tertiary Academic Policy, which is to be published in the near future.

Four school phases are proposed. The compulsory school period would comprise junior and senior primary education (grades 1-3 and 4-7 respectively). Pupils are able to exit from the system at this point and receive further education in the non-formal education sector. These primary phases as well as the junior secondary phase (grades 8-9) would be generally formative education, although a limited choice of subjects would be possible in the third phase. In the senior secondary phase (grades 10-12), subject packages could be constructed with a broad emphasis on either general education or on vocational education.

#### Comment

While there are thus a number of areas of agreement between the two documents, the ANC's DPEP places much greater emphasis on the role of the state, both in respect of providing education as well as finance. In addition, it envisages a longer compulsory schooling period, and places greater emphasis on worker education and training.



It is unfortunate that the reports of the ERS' working committees are not made available, as it is difficult to know whether they considered, for example in respect of finance, such things as the provision of tax relief to parents for educational contributions, and education tax, or the provision of additional financial support to poor communities.

Only once the financial and time implications of the ERS proposals have been worked out, will a clearer picture emerge of what is intended to be achieved, when and how. Also, there is little clarity on issues such as the responsibilities of regional education departments, political authorities and stake-holders. Further, there is hardly any mention of the role of non-governmental organisations (NGOs) or the private sector, other than in general terms.

#### Community Responses

The responses to the ERS will be dealt with only, as there has been little publicised reaction to the DPEP. Most public reaction to the ERS was forthcoming on its public release. Since then, many organisations have been studying the proposals and some have prepared more detailed comments for the Department of National Education.

Compulsory primary education has been welcomed; certainly as a point of departure, although some, such as the Azanian Students' Convention, argue for free and compulsory education at all levels. Concern has been expressed, however, about the fact that so little attention is paid in the ERS to pre-primary education.

The ERS' increased emphasis on vocational education is also regarded as positive, although some doubt whether the proposals go far enough to address issues such as the academic bias in South African education. Possibly, such issues can be examined in more depth once the full report on school and technical college curricula is published.

While the principle that race will no longer feature in structuring education has been received positively by most, concern remains that freedom of association may result in the continued existence of whites-only schools, thereby perpetuating inequality. Others have argued, however, that it might be important to 'allow parents to define the sort of value system they want to expose their children to' (*Citizen*, 6/6/91). The *Federasie van Afrikaanse Kultuurverenigings* restated as its point of departure that mother tongue, Christian, and the broad national character of education must take account of the recognition of 'own culture, language and religion' (*Rapport*, 9/6/91).

In respect of the devolution of control and decentralisation, concern has been expressed as to whether community participation and local control could lead to a perpetuation of inequality as well as segregation; as one black newspaper commented, if education is put into the hands of local authorities, 'that means that in "white" areas "white education" will remain mainly white' (*Sowetan*, 3/6/91).

The National Education Coordinating Committee (NECC) felt that these recommendations 'in no way reflect the people's demands for empowerment and democratic control' (*Weekly Mail*, 7/6/91). The SA Federation of Parents' Associations, which represents white parents and is the only national statutory body for parents, 'strongly deplored' the fact that while it is proposed that parents are to accept greater financial and managerial responsibility, it had not been consulted at all (*Citizen*, 6/6/91).

With regard to the ERS financial proposals, one concern raised is that in order to address backlogs, unequal funding is needed in order to improve black facilities. Furthermore, if communities are expected to contribute to finance, it would perpetuate inequality. The NECC commented that the rich would get general education and continue to dominate the economic sphere, while the poor would enter the vocationally-oriented streams paid for by the private sector or underfunded by the state (*Weekly Mail*, 7/6/91).

At the same time, whites will also have to pay more to educate their children than they have been accustomed to, a proposal which may meet with resistance. The Conservative Party, for example, described the proposals as a 'socialist redistribution of white taxpayers' money' (*Citizen*, 3/6/91).

Most other recommendations, such as the link between non-formal and formal education, the new 'Edukons', community learning centres and adult literacy received a positive reaction. More generally, however, many commentators have raised the question of legitimacy: who is going to make the decisions? how will they be made; and who will control the process? In short, the government is both player and referee (*Weekly Mail*, 7/6/91), and many of the other players have not been consulted.

The ANC's DPEP document, on the other hand, extensively deals with such issues. In respect of participation in decision-making, for instance, it raises the following policy issues for discussion:

- the role of the state and the extent of regional and local autonomy;
- the relationship between the state and the community;
- the relationship between trade unions, employer organisations and the state in relation to a role in educational issues; and,
- the relationship between the state, professional and other bodies engaged in education.

### Building Consensus

The ERS undoubtedly contains some important principles and suggestions, and in many ways represents a major shift in thinking among education officials. While many recommendations may have merit from an educational point of view, there are however several underlying problems with the report *per se*.

Whereas the ANC's document makes few recommendations, aiming rather to widen the debate about policy issues in respect of education, the ERS puts forward actual proposals for comment. In a sense, it puts the proverbial cart before the horse. This dilemma has made it difficult for some organisations to offer comment, either because this is seen as politically too sensitive or because they are themselves involved in developing policies. The NECC, for example, has initiated its own National Education Policy Investigation (NEPI). Undoubtedly, alternative suggestions which warrant merit will flow from these and other initiatives.

Acceptance and commitment to many of the recommendations will be difficult until there is an acceptable national administration, something which is to result from the broader constitutional negotiations. Unless the ERS document is intended as one input in the education debate, and the implementation of its recommendations postponed until other investigations are completed, the winning of support for the ERS is likely to be problematic.

This is not to say that some issues may not be tackled sooner, especially where agreement is reached by the government and education spokesmen, such as those represented in the Joint Working Group on Education. In respect of the more far-reaching proposals, however, debate may have to be postponed. Consensus building will be crucial, especially as it concerns an area which has long been a focus of conflict. **DPQA**

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# MULTICULTURAL CLASSROOMS

## *The New Kid in Town*

By Joan Squelch,

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*Since the beginning of 1991, over two hundred white schools have opened their doors to children of all race groups. The opening of these schools raises important questions about the relevance of current educational policies and practices. What measures can be taken to make improvements which will contribute to the success of open schooling?*

The recent education reforms which allow for the opening of white state schools to all race groups represents an attempt to address some of the problems created by the policy of separatism. Furthermore, it signifies a move away from segregated education to multiracial education.

The policy of multiculturalism is one of many alternative education policies that can be implemented in an open school. Multiculturalism recognises the reality of cultural diversity and accepts it as a positive and enriching component of society. It advocates a learning environment that fosters mutual respect, co-operation and understanding between different cultural groups.

Multiculturalism also seeks to promote equal educational opportunities, the preservation of cultural identity, the value of human dignity and self-esteem and the peaceful co-existence of diverse lifestyles. In education, the policy of multiculturalism is operationalised in practice through multicultural education.

During the last few decades there has been much debate regarding the strengths and weaknesses of multicultural education. The numerous definitions of multicultural education and the variety of interpretations have added to the lack of clarity in meaning. In spite of the differences of opinion between educationists, however, the underlying principles of multicultural education and the desired results are the same.

In essence, multicultural education aims at:

- preparing *all children* for life in a culturally diverse society;
- deepening one's awareness of one's own cultural heritage and identity;
- developing positive attitudes towards other cultural groups;
- understanding and appreciating their valuable contribution to society;
- reducing cultural and racial prejudice and stereotyping;
- enhancing language diversity and cross-cultural communication;
- fostering respect for diverse lifestyles;
- promoting a realistic awareness of contemporary society;
- developing a wide variety of the skills necessary for meaningful participation in a culturally diverse society; and
- developing a just and democratic society.

*Multiculturalism advocates a learning environment that fosters mutual respect, co-operation and understanding between different cultural groups*

### Practical Reforms

The implementation of the policy of multiculturalism has significant implications for the entire school environment. Educators who want their schools to reflect a multicultural policy must examine the whole school environment to determine to what extent it is monocultural, and then take the necessary steps to create and sustain a multicultural environment.

Initial reform may focus on one of several factors such as school policy, curricula, instructional material, teaching methods and assessment techniques.

*White, ethnocentric curricula should be reformed to reflect the learning styles of children from diverse cultures*

*The history of the different cultural and racial groups should be given an equal place in our history books*

- **new school policy**

The formulation of clear policy goals which recognise cultural diversity and ensure equal educational opportunities for all, regardless of race, is crucial. School policies should be adapted to enhance mutual understanding among pupils and teachers. They should also accommodate individual and group cultural, linguistic and religious differences while protecting culturally different pupils from discriminatory procedures and practices.

In this regard, it is recommended that schools introduce policy statements dealing with issues such as, the school's commitment to the aims of multicultural education, the ethos of the school, admission requirements, multilingualism and second language teaching, combating racism in the school, the provision of a compensatory education programme for disadvantaged pupils, traditional dress and holidays.

- **multicultural curricula**

Traditional curricula are often filled with inaccuracies and omissions concerning the contributions of other major ethnic groups to society. Advocates of multicultural education agree that existing white, ethnocentric curricula should be reformed to reflect the cultures and learning styles of children from diverse cultural backgrounds. The arts and humanities are likely to require more change than the sciences, although many teachers have shown that multicultural education can be developed and promoted through science and mathematics.

Mathematics can be presented in an exciting and interesting way by including contributions of other cultures. Multicultural activities in mathematics could include work on scale using maps of different countries, mathematical problems relating to travel, commerce and foreign exchange, charts with data on different cultural groups, area projects on different regions and countries, and studying various number systems.

The teaching of language and literature should also be expanded to include the rich diversity of language, poetry and prose of the various cultural groups. The many languages spoken in South Africa form an important part of each child's heritage. Interesting lessons could be offered on the origin of language, the development of writing, different writing systems, spelling

forms, languages spoken around the world, sign language and dialects. This will help promote an understanding and appreciation of the diversity of language and the importance of language as a system of communication.

Changing the various curricula to reflect cultural diversity should not be in the form of a one-off lesson or project because that has the potential of reducing multicultural education to a series of token lessons. Multiculturalism must form an integral and continuous part of the whole curriculum throughout the child's schooling career.

- **instructional material**

Amongst these reforms is the need to select appropriate and relevant instructional material. Most instructional materials contain racial and cultural bias, stereotyping and omissions. Moreover, instructional materials often do not reflect the culturally diverse nature of society and are at variance with the aims of multicultural education.

Teachers must be able to evaluate and select instructional material to determine whether it meets the criteria for a multicultural society. Comprehensive criteria for evaluation can help the teacher meet this goal. Such criteria will also help teachers become aware of their own subjectiveness, biases and prejudices.

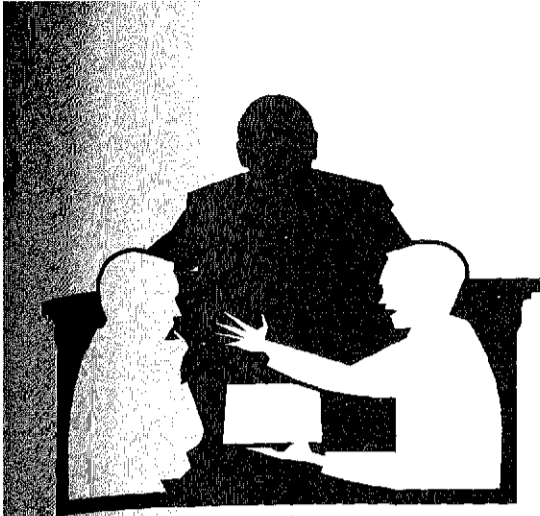
In this regard, Bass de Martinez (1981) states that when evaluating and selecting appropriate material, consideration should be given to the accuracy of the content, the points of view of the author(s), the positive representation of different cultural groups, the images portrayed by characters, language, vocabulary and illustration.

- **textbooks bias**

In South Africa the voice of history books seems to be a particularly thorny issue. Barron (1990) provides an in-depth view of the problems surrounding the standard nine and ten history textbooks used in South African schools. From the responses of educators it appears that many of our history books are still fraught with historical bias, omissions and inaccuracies.

Teachers should evaluate history textbooks and make radical alterations to ensure that the history of the different cultural and racial groups in South Africa is given an equal place in our history books and taught in a balanced and objective way. A topic





such as 'the discovery of gold' should be studied from a variety of perspectives, not just from the white perspective. Issues such as the hardships suffered by migrant labourers, the psychological and social effects of family separation, the hostel system, segregation, labour strikes, the role of trade unions and job reservation should be discussed.

The evaluation of instructional material is important to ensure a balanced multicultural approach to teaching. However, teachers may choose to continue using some material precisely because *it is biased*, in order to focus on the prejudices that lie behind the words and to deal with controversial issues such as 'racism'. In this case, teachers must deal with the material in a responsible and sensitive manner.

#### • *teaching methods*

Multicultural education requires a broad repertoire of instructional methods and techniques. Because teaching methods are to some degree culturally influenced, certain methods work more effectively with some students than others. Teachers who assume that the same method will work effectively with all pupils ignore the influence of culture as well as other factors in the educational process.

When selecting and applying particular teaching methods, teachers should consider whether the methods are suitable for all the children or only for certain groups. For example, the 'enquiry method' which is widely used and which involves questioning and problem-solving is not appropriate for all pupils, especially pupils who are accustomed to rote learning. It is recommended that teachers apply a variety of teaching methods, be flexible in their approach, know the learning styles of their pupils and match their methods to pupils' learning styles.

#### • *pupil assessment*

A major difficulty for pupil assessment in multicultural schools is that most traditional tests are culturally biased against minority children because of the language barrier or the lack of familiarity with subject matter. Minority groups are often perceived to be poor achievers and are thus blamed for declining standards. Moreover, Sims (1981) is of the opinion that many disciplinary problems in multicultural schools are the result of the intense hostility experienced by culturally different children because of improper assessment techniques and teachers' low expectations.

Multicultural education thus implies using assessment techniques which are non-discriminatory. This, however, presents a problem in that there is little consensus on what constitutes non-discriminatory evaluation and there is a scarcity of non-discriminatory, commercially prepared standardised tests suitable for all children.

The 'General Scholastic Aptitude Test' is a broadly-based test which measures a variety of non-verbal and verbal abilities and can be used for all pupils. However, a test of this nature must be administered by a registered psychologist. Cultural bias can be reduced, during the testing and interpretation stages, by ensuring that the tester is a competent professional who is familiar with the language, culture and academic background of the individual being assessed.

Often, informal class tests constructed by individual teachers also contain discriminatory language and content. To minimise bias, teachers must be sensitive to and have sufficient information about the languages and cultures of the pupils.

McLoughlin and Lewis (1986) list four basic questions which teachers should consider when constructing and selecting tests:

- Is the standard of comparison appropriate for the student in terms of race, culture and gender?
- Are test items free from cultural bias?
- Is the language appropriate for the student?
- Does the measure bypass the limitations imposed by the handicapping condition?

### Tasks for Teacher

Implementing multicultural education and changing educational policies and practices

*Multicultural education requires a broad repertoire of instructional methods and techniques*

*There is a scarcity of non-discriminatory, commercially prepared standardised tests suitable for all children*

*Multicultural education can succeed if teachers are adequately trained and committed to its aims and principles*

to reflect the culturally diverse nature of open schools will be a challenging and demanding task. Questions concerning the feasibility of implementing multicultural education are often raised. Nevertheless, research and experience in other societies shows that multicultural education can be successful, provided teachers are adequately trained and committed to the aims and principles of multicultural education.

The successful implementation of multicultural education will depend on the knowledge, skills, attitudes and behaviour of the teacher. In Britain, the Swann Report (1985) called for the pre-service and in-service training of teachers for multicultural education. Since then, many British universities and polytechnics have implemented teacher education courses in multicultural education.

Likewise, the acceptance of the policy of multiculturalism by the US National Council for the Accreditation of Teacher Education in 1977, required the provision of multicultural education courses in teacher education programmes in the USA (Goodey, 1989). Similar trends are also evident in Australia and Canada.

In South Africa, teacher training for multicultural education is urgently needed because the large majority of teachers are trained in segregated institutions and they have little or no experience of multicultural education. Coutts (1990) states that South African teachers will require a comprehensive vocabulary of skills and that considerable introspection will be needed if staff are to avoid ethnocentric perspectives. This requires specialised teacher education and training for multicultural education.

Whilst it is important for universities and colleges to introduce courses for pre-service teacher training, greater attention must be given to teachers who are already teaching in open schools or who are about to, as more and more schools are opened to all race groups. In-service training can be implemented through practically oriented workshops aimed at enriching teachers' knowledge and broadening their professional skills in order that they may create a suitable learning environment for children of diverse cultural backgrounds.

The success of open schooling in the new South Africa will largely depend on the nature of the education policy that is

implemented, on the changes made to existing white ethnocentric educational practices to reflect the multicultural nature of the school environment, and on the training of well-qualified teachers in the field of multicultural education.

Research and experience abroad show that the policy of multiculturalism is a widely accepted education policy in multicultural communities. But its successful implementation in South Africa will require school personnel to re-evaluate existing educational policies and practices, so that fundamental changes can be made which will truly reflect the culturally diverse nature of the school and meet the educational needs of all children. IDPA

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#### PUBLICATION ANNOUNCEMENT

##### A TEACHER TRAINING MANUAL FOR MULTICULTURAL EDUCATION

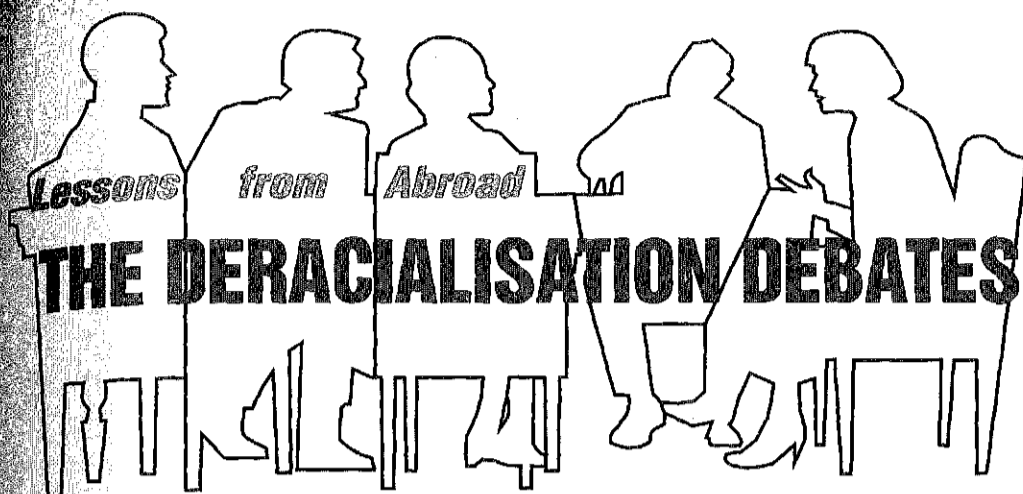
This new manual presents a variety of workshop activities which will help teachers gain insight into the nature of multicultural education. It will enable teachers to prepare children for their role in a culturally diverse society by creating a suitable learning environment for children from different backgrounds.

The manual has a practical hands-on approach and is comprised of six modules. Each module contains self-assessment activities, group activities and classroom activities which the individual teacher can implement in the classroom. The modules include suggested reading lists, and cover topics such as:

- cross-cultural communication
- diverse learning and teaching styles
- dealing with racism
- preparing lessons for a multicultural class.

The writers, Eleanor Lemmer and Joan Squelch, are both lecturers at the University of South Africa in the Department of Comparative Education and Educational Management where they are involved in post-graduate teacher training. The manual costs R30 and can be ordered from: Eljon Educational Consultants, PO Box 70115, The Willows, Pretoria, 0041.

*The large majority of teachers are trained in segregated institutions and they have little or no experience of multicultural education*



By Robert Morrell,  
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The move from racially segregated to integrated education has accelerated since the government has permitted white schools to accept a limited number of black students. But apartheid has left a legacy of racist practices and severe inequalities. For example, it is estimated that a staggering R6,7 billion is needed to reduce the teacher:pupil ratio in black schools to 1:30, the present norm in white schools. Drawing on the British experience of multicultural models, this article suggests ways to promote anti-racist schooling.

One has to go back a long way in South African history to find a scene of white and black children learning together in a classroom. The earliest Dutch schools in the seventeenth century Cape initially allowed children of different colours to share the same school desks. Now in 1991, after centuries of segregated education, white children are once again sharing the classrooms with black schoolmates as the doors slowly creak open to the new South Africa.

National political developments have, for the moment, taken the spotlight off education and the issue of deracialisation. Nevertheless, when the Clase models for open schools were introduced in late 1990 they provoked a sharp division of opinion across the ideological spectrum.

On the Left, the models were regarded as tokenist, reformist and therefore irrelevant. On the Right, the criticism was phrased in terms of the betrayal of apartheid ideals and the fear of *beswaring* (Africanisation). What was apparent was that nobody had a clear idea about how to develop an education system which tackled the issue of race head-on.

Criticism emanating from the Left contained two major and valid arguments. Firstly, the Clase models would not solve the education crisis. After all, only a fraction of the black schoolgoing population would ever get into white schools. Up to February 1991, only 5 360 black pupils had entered white schools, less than 1% of total white schoolgoers or less than 0,01% of African schoolgoers. (Furthermore, per capita expenditure in 1989 was R3 739 on white schoolchildren and R930 on Africans.)

Secondly, it was argued that the Clase models would, at best, promote a mixed middle class. At worst, the models could be used by white parents to *slow down* integration (Bot, 1991:132). But how does one get beyond these objections and begin to effect integration? The Left had few answers here.

Since 1976 there has been a powerful adherence by anti-apartheid activists to the principle of 'non-racialism'. While the great strength of the non-racial position was to downplay the divisive nature of racial difference, its failing was to neglect real differences which are associated with race. No theory of how to create a non-racial South Africa was produced. It was simply assumed that people would associate on the basis of their South Africanness. What this position also generated was criticism of any position which suggested that cultural and social divisions corresponding to race *did exist* and needed addressing.

### The British Experience

There is no model that will magically solve the problems associated with an integrative educational process. But there are examples from other countries which can and should be used. In both the United States and Britain, the policy of multicultural education has been developed over the last three or four decades to deal with the problems experienced by black minority groups in school.

There are important differences between the British and South African situations. Apart from obvious cultural, historical and industrial differences, Britain has in place a well-developed education system in which

Up to February 1991, only 5 360 black pupils had entered white schools, less than 1% of total white schoolgoers or less than 0,01% of African schoolgoers

*In the UK, concern is directed at the quality of education in schools rather than the provision of education per se*

every child can find a place. Concern presently is directed at the quality of education provided in schools rather than the provision of education per se. In South Africa, basic provision of a non-discriminatory education remains the top priority.

In Britain, multicultural education was created to cope with black immigration after the Second World War. Initially, it was designed to provide social survival skills (language and cultural adaptation). In the subsequent development of multicultural education there have been two differing and competing models.

*Assimilationists* have argued that to use race as a basis for different types of education is discriminatory. They argue that for blacks to become integrated into British society requires an education policy which de-emphasises their racial and cultural differences and stresses a British identity.

*Affirmative action* proponents observe that blacks in Britain are not just racially different but politically and economically marginal. They argue that race issues should be taken seriously and that specific measures should be taken to address the disadvantages associated with racial identity.

*In South Africa, the basic provision of a non-discriminatory education remains the top priority at present*

In the 1960s, the first phase of multicultural education was assimilationist and efforts were made to 'bring blacks up to the level of whites'. The policy failed, not least because black people in Britain occupied the worst-paid jobs and suffered official and social discrimination. By the 1970s the disillusionment of Britain's newest citizens was undeniable. Reports of 'racial violence' and 'race riots' appeared regularly in the media.

The next phase of multicultural education in the 1960s and early 1970s stressed cultural difference. In an effort to combat racism, policymakers used education to explain racial and cultural differences. Reason and empathy, they believed would triumph over illogical, racial bigotry. In this phase, efforts were made to change the curriculum to give a place to the history, geography and language of racial minorities.

*Anti-racist* critics pointed out that to teach about racial and cultural difference was just as likely to produce enmity as empathy. In the 1980s these radical critics of multicultural education pointed out that it could not prevent racism and that its prime

function was to render Britain's blacks politically, socially and culturally compliant, while cementing their economic subordination.

These criticisms prompted a shift towards anti-racist teaching, where the focus was not on racial difference but on the way in which society justifies inequalities in terms of race. In this, most recent phase, *all* pupils are given a multicultural education so that all will accept one another's rights, responsibilities and status.

## Two Challenges

The British multicultural experience has important lessons for South Africa. It warns of the resistance which is likely to be encountered in South Africa's white schools (Tomlinson, 1990). It points also to the need for central government to initiate changes via curriculum development, funding and the establishment of units and governing structures to assist in the implementation of the programme.

These lessons also show that without the democratic participation of parents and teachers at the local level, the multicultural policy will fail. The Clase models for open schools offer white parents the opportunity of gaining a greater influence in decision-making and the running of school affairs. The shift away from the centralised, bureaucratised control of white schooling in the 1980s is an important first step.

However, the teaching of cultural difference without teaching the political context is shown to be pointless. In South Africa, for instance, it is the relationship between addressing problems of racial discrimination and attempting to ensure equality of opportunity which deserves the most attention. 'Cultural difference implies not being given a fair chance to compete' (Rex, 1986:15).

Black people in South Africa face social and economic discrimination. The challenge before educators is therefore: how to educate people to be anti-racist, and how to give them job skills:

### • *teaching anti-racism*

It is impossible to create equality of opportunity in education or in the wider society. Nevertheless it is imperative for educators to act in the immediate interests of black students 'within a very competitive credentialling system of education and

'social selection' (ibid:206). This involves accepting the inequities of the existing system and, within these constraints, attempting to improve the life chances of students.

Multicultural research has shown that cultural differences tend to be suppressed in predominantly white schools with small numbers of black students. In short, black students become 'white'. To ensure that the superior facilities of white schools become available to more black students (which will solve the problems associated with small cultural minorities), a policy which allocates more school places to black students might be considered.

Efforts should be made to permit, particularly at the lower levels, instruction in the mother tongue. It has been shown that second language English-speakers benefit by the gradual phasing in of English. In this process, 'language acquisition takes place within the learning process not in opposition to it' (ibid:210). Students should be able to sit examinations in their own language until they reach the higher levels of the education system.

There should be courses (or parts of courses) for all students which specifically address the issue of racism. The content of such courses should not be shorn of their political context and should ideally be taught by teachers familiar and comfortable with the subject. In Britain, it has been recommended that such courses be taught by 'community' figures.

#### • *teaching for employment*

An undeniable predicament for black youth in both Britain and South Africa is that they have poor job prospects. It is imperative that any educational strategy should attempt to tackle this problem. Black youths have to be given usable skills if they are going to be employed at all or at the least if unemployed youth are to have some prospect of eventually getting a relatively attractive job (Dunn, 1983:20). Unless the effects of multicultural education go beyond the classroom, however, the aims of the policy will not have been met.

In schools, teachers should assist the black youth in choosing an educational direction which will not lead inevitably into the cul-de-sac of unemployment. Working and unemployed people retain a faith in an orthodox, academic education which is to the detriment of their job prospects. Teachers should channel their students into

courses where there is some prospect of work. This involves being realistic about what kind of work is available while disabusing students of the idea that matriculation leads inevitably into the prestige professions like engineering, law and medicine.

In South Africa, teaching for employment requires that the educational system be remoulded to make such educational options available. In Britain and many other industrialised countries, various types of youth training schemes exist which offer pupils the chance to gain industrial skills. In South Africa such a system has yet to be devised or elaborated. The need is clearly very pressing.

### Culture of Tolerance

The deracialisation of South African education will, in the short term at least, affect the urban middle-classes only. The entry of a limited number of black children into white schools will 'darken the middle class'. It will not be the *open sesame* for a new, egalitarian educational dispensation. Even so, it is important that we take the challenges raised by deracialisation seriously. Anti-racist teaching and a culture of tolerance will have to be developed.

If deracialisation is regarded as something only affecting the middle class, as a case of healthy racial cross-pollination, then a major mistake will be made. South Africa's historical realities of gross educational disparities determined along racial and class lines have to be addressed.

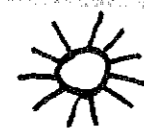
For anti-racist or multicultural education to become the foundation for a new South African education system requires that it promote the economic prospects of students as well as their cultural and social awareness. Most black students have little interest in 'non-racial' education because it is not part of their reality (McKay, 1990:324). If a new education system cannot demonstrably improve their life prospects, no matter how much the content of the new education system improves, it will not gain their respect or cooperation. **IPJA**

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*Multicultural research shows that cultural differences tend to be suppressed in white schools with small numbers of black students*

*The entry of a limited number of black children into white schools will not be the open sesame for a new, egalitarian educational dispensation*



### The United Nations Declaration of Childrens Rights

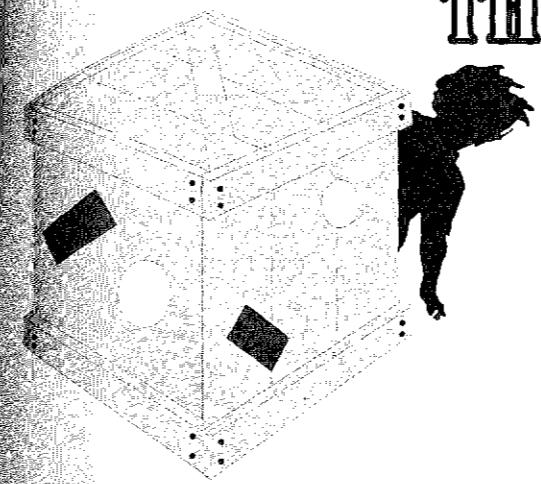
- All children, no matter what their race, colour, sex, language or religion, are entitled to these rights.
- Children have a right to special protection and opportunities and facilities so they can develop in a normal and healthy way in freedom and dignity.
- Children have a right to a name and nationality from birth.
- Children have a right to be given enough to eat, to have a decent place to live as well as to play, and to receive good medical care when they are sick.
- Handicapped children have a right to special treatment and education.
- Children have a right to grow up with love, affection and security. Babies should not be separated from their mothers. Children should be brought up by their parents wherever possible. Children without parents should be looked after by the state.
- Children have a right to free education. They have a right to be among the first to be protected in time of disaster.
- They have a right to be protected from all forms of neglect, cruelty and exploitation.
- Children should not be made to work before a certain age or do work which is dangerous to their health or which harms their education or physical or moral development.
- They should be protected from anything that causes racial, religious or other forms of discrimination. They should be brought up in a spirit of understanding, friendship, peace and universal brotherhood.
- Children should be brought up to understand that their energy and talents should be devoted to the service of their brothers and sisters.



# THE STREET CHILDREN

## Survival Strategies

By Catherine Ross,  
Street Child Care Worker



family or community and gravitates to the streets, the child's needs - physical, emotional, educational - are not met. The first social casualties are the children themselves.

Poverty, unemployment, violence, homelessness, school disruptions and rapid urbanisation distort family and community life

The reality that many South African children do not have the rights enshrined in the landmark UN Declaration is cause for concern. With their basic needs not met, street children are compelled to try and skim off a very small share of the wealth found in white urban areas - through car washing and parking, begging, odd-jobbing, scavenging, and in some cases, through prostitution and petty crime - to simply survive from day to day. They become children of the streets by necessity, not choice.

*The international definition of a street child is 'any girl or boy who has not reached adulthood, for whom the street (in the widest sense of the word, including unoccupied dwellings, wasteland, etc.) has become her or his habitual abode and/or sources of livelihood, and who is inadequately protected, supervised or directed by responsible adults'. (Inter-Non Governmental Organisations, Geneva, 1983)*

Inevitably, the survival strategies of the street children soon brings them into conflict with a broad cross-section of urban interest groups, including residents, business enterprises and the police:

- *Urban residents* feel that the presence of street children may cause their quality of life to deteriorate, as they worry that hygiene levels drop and the crime rate increases.
- *Business people* feel they are adversely affected where, for instance, restaurant customers are put off by hungry, dirty children who beg on the pavements outside.
- *Commerce* as a whole may be affected too. On the Durban beachfront, hotel managers, city councillors and police spokespersons attribute a decline in tourism, at least partially, to the presence of carwashers, carparkers and begging children.
- *The police* become involved when the children's survival techniques are at odds with the city by-laws, which provide for the arrest and prosecution of anyone perceived to be loitering, molesting or obstructing, or even washing vehicles in public places.

South Africa, like many countries in the world today, has thousands of children living and working on its streets. It is unlikely that the street children will simply disappear back from whence they came; their omniscient presence in the cities is sustained by other social processes at work - poverty, unemployment, violence, homelessness, school disruptions, rapid urbanisation and the resultant distortions of family and community life.

The causes of the street child phenomenon are many and complex. If we are to work towards consensus on an acceptable social solution, we need to accept firstly the fact that the children *are* on our streets. Then we need to ask, how does this affect society, and where do we go from here?

### Survival Strategies

The fact that South Africa is not a signatory to the UN Declaration of Children's Rights (see box) does not abdicate us from the moral responsibility to ensure that all South African children enjoy the maximum protection that society can provide. When a child abandons or is abandoned by his

At present, the Durban City Police have a special patrol unit which operates day and night at the exclusive task of apprehending street children. The children are held in

*While white children in need of social care in South Africa have been adequately provided for, black children have been sorely neglected*

*It is obvious why there are an estimated 9 000 black street children in South Africa's cities*

police cells if arrested on criminal charges or taken directly to the NPA's Bayhead Place of Safety if they are considered to be in need of care. All the major city centres in South Africa now have a place of safety which attempts to absorb the growing street child presence.

Whether we look at street children from the point of view of the policeman, ratepayer, city councillor, social worker, irate trader, tourist, or a compassionate individual concerned about children's welfare, it is in all of our interests to seriously address this phenomenon. While it would be naive to presume we can resolve the problem or imagine that we can heal one aspect of this country without healing the whole, *prevention and control are possible.*

Appropriate solutions to the street child dilemma will be argued through revealing the shortcomings of current responses. At the outset, it is worth recalling Alan Paton's words, written in 1949 when he was principal of Diepkloof reformatory for boys. He makes a passionate plea for:

*recognition of the profound truth that a law-breaking child is a child, that he has closer affinities to the child than to the law-breaker, and that as a child he has to be helped and protected, not judged and punished.*

### Apartheid's Victims

According to Unisa's Institute of Behavioural Studies there are an estimated 9 000 street children in South Africa, including the homelands (Race Relations Survey, 1989/90). The vast majority of these children are black. There are no white street children in South Africa, but there are 10 000 white children in 160 state-registered, subsidised children's homes.

In contrast, there are no state-administered children's homes for African children in the white urban areas - the 12 private children's homes accommodate just under 1 000 African children. There are only 11 places of safety for African children, which presently hold some 700 children but can accommodate over 1 400 children (*Ibid*).

Given that the relatively affluent white community produces 10 000 children in need of care, and that the ratio of African to white in this country is 5:1, one would expect statistically to find at least 50 000 children in need of social care among the country's black population. (This is probably an undercount if one considers

exacerbating influences such as the much higher levels of poverty and violence in African communities.)

We know of an estimated 10 660 black children in homes, places of safety and on the streets who are in need of care (*Ibid*), one-fifth of the anticipated projection. These calculations point firstly, to a dramatic capacity on behalf of black communities to nurture and sustain their children. Secondly, if the state and the private sector jointly provide places for roughly 2 500 African children while an estimated 10 660 to 50 000 African children need care, are not the 'street children' simply attempting to survive in circumstances where our society has made no alternate provision for them?

If it is self-evident why there are no white street children, it is also obvious why there are so many black street children. White children in need of social care in South Africa have been adequately provided for by the community and by the state. Black children in need of social care have been sorely neglected.

The political context of this truth is overwhelming: the present government, sanctioned by the white electorate, has not seen fit to provide sufficient children's homes or adequate social care for black children. The welfare or private concerns who do try to fill the gaping shortage of black children's homes find the R200 monthly per capita grant for African children inadequate; the equivalent state subsidy in homes for coloured, Indian and white children in 1989 was R422, R346 and R540, respectively (*Ibid*).

In short, past and present government policy has been largely instrumental in creating and sustaining the street child phenomenon. City authorities, the police and the public need to be educated about the circumstances surrounding black street children. They are not miscreants, neither will they disappear. They have nowhere else to go. South Africa's street children are an uncomfortable reminder of this country's racial legacy: they are yet more of apartheid's victims.

### Mean Streets

International research points to some one-third of street children as being children *on the streets*, i.e. children who earn their families' living from the streets but do not live on the streets: 'In a valiant

and admirable struggle to improve their situation, the poor turn to various alternatives, one of which is to have their children work or beg to supplement the family income' (Sanders, 1987).

Children on the streets are a manifestation of family solidarity and unity in the face of extreme poverty and hardship. The blanket arrest of all street children and placement in institutions, as occurs in the case of Durban, could act to forcibly disintegrate the families of children on the streets and to deprive them of what must be their last resort of acquiring income.

Children of the streets, on the other hand, are those children who have abandoned or who have been abandoned by their families and communities - these are the children who have no option but to live permanently on the streets. This important distinction must be taken into account when the authorities formulate policies to contain the presence of the children on our streets.

Street shelters, a temporary haven for homeless street children, have proven to be an effective measure pending the implementation of a longer term solution. In February 1990, the Minister of Planning and Provincial Affairs said that street children were being dealt with in terms of the Child Care Act of 1983 or the Criminal Procedure Act of 1977. The provisions of the Child Care Act disallows practically the establishment of street shelters - if a shelter is not registered, it is in contravention of the same Act.

But to date, official registration of a street shelter has implied meeting the following restrictive criteria: facilities must be fairly sophisticated, registration can be with one of the tricameral departments only (i.e. for a single race group, though the House of Representatives does allow children other than coloured to be accommodated), and the numbers of children in a shelter are limited to the number for which the home was initially registered.

In short, the Child Care Act demands that the same number of children, of the same colour, should be housed in a fairly sophisticated shelter in order for the shelter to be legal. Practically speaking, this is impossible. The dynamic nature of street life means that even if the majority of the children at a shelter are stable, there will be a constant stream of some children through the shelter at any point in time.

Furthermore, in Cape Town, Johannesburg

and Durban there are both African and coloured children on the streets. To meet their needs separately through the provision of differential ethnic services and institutions would be prohibitively costly, administratively impossible and unwanted by the colour-blind recipients - the street children themselves.

The Child Care Act does not assist welfare bodies and private child concerns to legitimately set up shelters. In addition, the government has stated that 'no special facilities or funds had been made available for street children' (Race Relations Survey, 1989/90). If the government is not going to confront the reality that South Africa has a street child problem and, therefore, provide the necessary funding, let it at least amend the Child Care Act to *facilitate* rather than *prevent* the registration of shelters.

International experience clearly reveals that shelters for street children are the appropriate low-cost means of meeting the children on their own territory, a third world response to a third world phenomenon (Baizerman, 1988).

### Whose Responsibility?

The UN Declaration of Children's Rights says unequivocally, 'Children without parents should be looked after by the state'.

The State President, Mr FW de Klerk, on opening Parliament on 2 February 1990 said, 'The state cannot possibly deal alone with all of the social advancement our circumstances demand. The community at large, and especially the private sector, also have a major responsibility towards the welfare of our country and its people'. If the contents of this statement are accepted, who will care for these children and who will keep the streets 'clean'?

There are many private welfare bodies and agencies throughout South Africa who are caring for the street children, but they need a cloak of legitimacy and financial support from the state. Local authorities also have an important role to play, depending on their attitudes. They can assist welfare bodies through the provision of land, buildings and funding; alternatively, they can retard the rehabilitative process by pretending that the problem does not exist or by using the police to sweep the streets clean.

The latter strategy is short-sighted in the extreme, given the political context of their

*The restrictive provisions of the Child Care Act disallow practically the establishment of street shelters*

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*There is an urgent need to formulate new policy and practices which do not institutionalise and imprison street children*

*In providing compassionate alternatives for the street children, we will also be investing in an improved urban environment.*

presence on the streets, that one-third of them support their families and that up to 50% of street children are second order runaways, i.e. formal institutional facilities have failed to hold street children who have a specific sociological profile and need to be catered for by services targeted to meet their specific needs.

### **Making Criminals**

Durban has no street shelter at present. The authorities believe the problem is best dealt with by the round-the-clock arrest of street children and their placement in the Bayhead Place of Safety. The fact that Bayhead has recorded levels of absconcion exceeding 50% in some months seems to have gone unnoticed. On one weekend alone, 31 street children allegedly ran away. A member of the special police unit said as he loaded six runaways into his van, 'They will most probably run away again, but what can I do? My job is to keep them off the streets' (*Daily News*, 29/8/90).

Prohibitions or over-regulation of the running of informal shelters forces the street children into a vicious cycle of rearrest and absconcion. Criminalisation, in turn, drives the children further out of reach and encourages them to use illegal means of survival. Carwashing or begging means far too high a profile on the street which lays them open to arrest or harassment. Thus they are driven underground.

In this debilitating scenario, the street children become street adults, vagrants or hardened criminals. If during their formative years they have had no access to the informal education and rehabilitative programmes that street shelters offer, the chances of some street children turning to crime for a living are substantial. A twenty year old street beggar probably will not elicit the same kind of compassionate response he/she may have elicited when begging as a street child.

The children are not inherently criminal - 'It would appear, from assessing discussions about criminality in general, that the morals of the street children are not totally antithetical to those of the wider society, including the local South African community' (Swart, 1987). The responses of society to their plight will determine this

outcome, depending on the adequacy and relevance of our plan of action. 'Unicef has found in projects abroad, which take the special needs of street children into consideration, that there is .... a success rate of 90 percent!' (Swart, 1990).

The cost of caring for a child in a children's home is roughly R10 000; the annual cost of keeping an inmate in a state prison is R150 000! In other words, it is cheaper to care for a child and provide him/her with the skills to legally earn an income than it is to criminalise the child.

What is called for, therefore, is official awareness and public awareness of the underlying causes of the street child presence, of the racially skewed welfare policies and of the social dislocation in black communities. There is an urgent need to formulate new policy and practices which do not institutionalise and imprison street children. Street children need specialised treatment on the streets before they can be removed from their environment. If the phenomenon is handled correctly, it is containable.

With a new awareness, it would be possible for the various provincial authorities to meet with local authorities, police, welfare bodies and the private sector to institute a proactive policy. Co-ordination of resources, expertise and objectives is essential to all concerned interest groups.

The time has come for South Africa's spirit of reconciliation to be reflected on a microcosmic level. The relationship between society and the street children presents a crucial test of the new moral fabric. In providing compassionate alternatives for South Africa's street children, we will also be investing in an improved urban environment. **JPOA**

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# INDUSTRIAL

M O N I T O R

## STOP PRESS: LABOUR LAW RETRENCHMENT & SELECTIVE RE-EMPLOYMENT

### Background

The Labour Appeal Court recently overturned former rulings by the Industrial Court on the selective re-employment of retrenched workers (see cover article in this monitor). The final outcome in the case of Borg-Warner SA versus the National Automobile and Allied Workers Union (now NUMSA) would appear to set an important new precedent.

In terms of a rehiring agreement reached with the union, the company had undertaken to consider for re-employment, as and when the need arose, workers it had formerly retrenched.

It was common cause that the company breached the agreement, and the union alleged that this was an unfair labour practice. In defence, the company held that the Industrial Court did not have jurisdiction. The Industrial Court rejected this finding and ordered the company to comply with the agreement.

The company pursued the matter in the Labour Appeal Court. It maintained that the dispute did not concern an employment relationship because the employees concerned were in fact no longer employees. The Labour Appeal Court upheld the company's argument on the following grounds:

### New Principles

- ❑ An ex-employee is not an employee in terms of the Labour Relations Act, except where he/she would have been employed but for the unfair labour practice being complained of - if, for instance, the original retrenchment had been unfair.
- ❑ There is no common-law basis for an extended or continued employment relationship. An employment relationship can, therefore, exist only in the context of the employment contract.
- ❑ There is no clear provision in the Labour Relations Act compelling an employer, where all or part of the workforce has been dismissed, to rehire *all* if it rehires *one*.
- ❑ The many Industrial Court decisions that selective rehiring can be unfair are wrong. The Industrial Court's assumption of such jurisdiction has no visible support in the Labour Relations Act.
- ❑ The part of the definition of unfair labour practice dealing with the creation or promotion of labour unrest refers to more than 'unhappiness' being created by some act of the employer.

Thus, provided the termination of employment itself is not unfair, the decision holds that it would not be unfair to re-employ dismissed workers selectively. According to lawyers, however, employers who wish to re-employ selectively should do so with extreme caution because of the many legal decisions to the contrary.

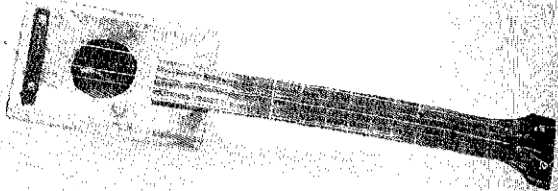
#### SOURCE:

Webber, Shepstone & Findlay  
*Financial Mail*, 9 August 1991.

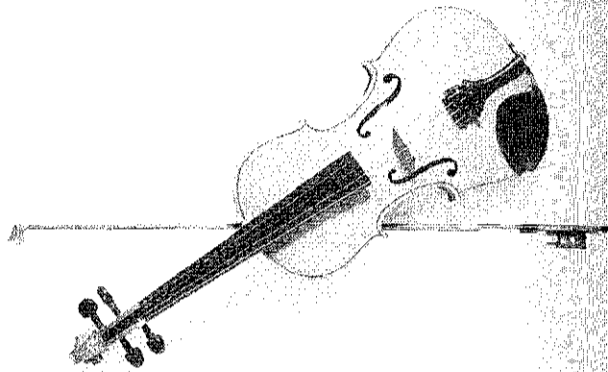


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# RETRENCHMENT

## Guidelines for the Recession



By Dr Christo de Wet van Wyk,  
Department of Industrial Sociology  
Potchefstroom University for CHE

Up to the early 1980s, the terms 'retrenchment' and 'redundancy' were relatively unknown in South African industrial relations. More recently, however, they have become common knowledge to parties in the IR field who are developing practical guidelines to cope with these dilemmas. For the recession has made large-scale retrenchments a contentious issue for the employer, trade union and employee.

**E**mployers and labour relations specialists are confronted with managing a difficult situation where employee services are to be terminated due to mainly economic factors. The practitioners do not always have the necessary knowledge and skills to manage retrenchments sensitively, taking into account the psychological and social effects as well as the implications of decisions made by the Industrial Court.

For their part, trade unions are reluctant to agree to retrenchment and redundancy, although, inevitably, they often have to accept it. To them retrenchment and redundancy is a complete negation of the concepts of *job security* and the *right to work*. In this field, the union's primary objective is to resist, or at the very least, minimise the extent of any reduction in the organisation's labour force.

Most retrenched employees experience feelings of shock, bitterness, depression, low self-esteem and insecurity. It is difficult for the individual to accept the fact of being unemployed, especially in a context where other job opportunities are scarce. Estimates of current unemployment levels in South Africa (see data base) range from a conservative 1,5m individuals (12,5% of the estimated active population of 12m) to a high 4m (33% of the EAP). Generally, the unskilled (mainly black employees) are the most affected by labour cut-backs, a trend which exacerbates social problems.

### Defining Principles

The general principles or guidelines developed by the Industrial Court before the 1988 and 1991 amendments of the Labour Relations Act (Act No 28 of 1956 as amended) can be summarised as follows, according to Cameron et al (1989:120/21):

- the employer should seek ways to avoid or minimise retrenchments;
- the employer should give sufficient prior warning to the employee or recognised union;
- the employer should first consult with the recognised union or representative on the motivation for the retrenchment, alternatives, selection criteria, a timetable and special circumstances;
- the employer should apply fair and objective criteria where no selection criteria are agreed upon;
- the employer should take steps to assist retrenched employees by helping them find alternative employment and offering them re-employment in the event of future vacancies; and
- the employer should pay reasonable severance pay.

*For unions and workers, retrenchment and redundancy is a complete negation of the concepts of job security and the right to work.*

In the South African labour context, there is no statutory definition of retrenchment or redundancy. Writers differ in their interpretations, with some using the two terms interchangeably and synonymously, and others only using one of the terms to accommodate both concepts. Slabbert et al (1990:22-109) define the two terms as:

- *Retrenchment*: the decision to retrench is taken by the employer, but the intention is that should work become available again, the employee will be re-engaged.
- *Redundancy*: the employee's services are terminated by the employer and this separation is intended to be 'final' in nature. The reasons for redundancy are usually found in factors such as reorganisation, relocation, insolvency and technological change.

Thus it can be argued that there is an important distinction between these terms, and that they can be defined as follows:

*Retrenchment means termination of employment due to economic circumstances, when certain jobs within a company are reduced.*

*Retrenchment* means both the collective and/or individual termination of employment where, due to mainly economic circumstances, certain jobs within a company are reduced. The employment contract is not terminated and if any vacancies arise, these former employees will be considered for re-employment. Separation under these circumstances is not considered to be 'final'. However, the reduction in the number of employees may be for an indefinite period.

*Redundancy* refers to any situation where changes in the organisation's operational or technological position results in a reduced manpower level. The termination of the employment contract in this instance is therefore considered to be 'final'.

### Terminating Contracts

A contract of employment comes into existence when both parties agree that the employee will enter into employment with the employer. This presupposes agreement on the period for which the employee will perform work for the employer, the kind of work he/she will do and the nature of the remuneration he/she will receive.

Once a contract of employment has been entered into, whether in writing, verbally or tacitly, it is accepted that the parties have, by implication, agreed to certain rights and duties at common law.

According to Bendix (1989:381), the common law duties of the employer are *inter alia* to pay the employee, to provide safe and healthy working conditions, to provide work for the employee, and not to make the employee undertake work which is not in accordance with the status of his/her position. In return, the employee will perform the work faithfully and diligently, obey reasonable orders given in the normal course of employment, not deal dishonestly with the property of the employer and not compete, in a private capacity, with the business of the employer.

Usually, the above view is far too narrow an interpretation of the relationship that exists between the employer and the employee. The interaction between the employer and an individual employee or a group of employees is not primarily a legal interaction. The dynamics of the relationship operate across a broader field, and many other disciplines besides the law are needed before one can even begin to

understand the interplay between the two parties.

Although it is formulated in a contract, the relationship between an employer and an employee is not a relationship of equals. It is the employee who has the right and the ability to specify the manner in which the task forming the basis of the contract of employment should be carried out.

The contract of employment is concerned with the supply of personal services by the employee which are to be rendered in return for a salary or wages. The rights and duties of the employer and employee in this employment situation are not often recorded in a single document or even in writing. Furthermore, the employment relationship is governed not only by the contract of employment, but also by the various labour statutes.

### Retrenchment Procedure

It is generally accepted that employees are entitled to job security and that, in the event of imminent retrenchments, employees or their representatives have the right to be consulted and to question the retrenchments; also that a consistent retrenchment policy and procedure should exist. All in all, the consistency achieved by generally applicable procedures ensures the equal and fair treatment of all employees and prevents overhasty actions or reactions on the part of management.

Perhaps the most important decision to be made by both management and trade unions is whether to agree on a retrenchment policy and procedure in advance. The trade union may, irrespective of the organisational climate at the time, regard any management proposal for such an advance agreement as a clear indication that management is positively planning for some future retrenchment. Management may feel that they will be equally constrained if they agree to levels of compensation which may prove subsequently to be greater than they can realistically afford.

#### • *alternatives to retrenchment*

It is suggested that, wherever possible, companies utilise measures to avoid retrenchment. These may include such measures as a stop on recruitment, the reduction or removal of overtime, a stop on subcontracting work out of the organisation and possibly, an increase in subcontracting

work in, moving to short time or worksharing schemes, and lay-offs.

Management should be certain, before seeking to establish the need for retrenchment with trade union representatives, that the use of such measures will, on their own, be insufficient to generate the required labour cost reductions. Some of these considerations deserve fuller comment:

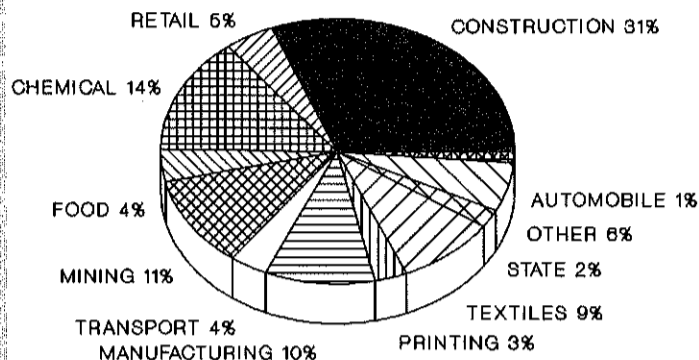
*Short-time* is the process of reducing working hours to enable a general redistribution of diminished work loads and thus prevent retrenchment of part of the work force. In effect, existing work is shared amongst existing labour and as such reduces distributional inequities of unemployment. Abroad, more formalised worksharing or job partnership schemes have been utilised, whereby, for instance, two employees share a work contract, each completing 2,5 days work per week.

*Lay-offs* are used to describe a situation of a temporary reduction in the work force and may or may not be accompanied by a specific date or event when the employee laid off will return to work. The essential difference between lay-off and retrenchment is that, in the former case, the employee usually has the right to return to work, whereas in the latter, there is only the expectation of returning to work.

*Natural attrition* is another way of dealing with retrenchments. In this case, the workforce is reduced by simply not replacing those workers whose contracts expire, who resign or are dismissed, or who retire. Further, when considering a *transfer* of workers within a company, reference should be made to relevant legislation or agreements governing conditions of work and wages. Alternative jobs might have a higher minimum rate, workers might not be allowed to engage in certain jobs without qualifications, etc.

*Early or voluntary retirement* of senior employees is a final alternative to retrenchment. This can be offered only if the pension and retrenchment package is such that it makes retirement viable for the employee concerned. In South Africa, it may be a viable option for higher level employees, and also for employees who are close to retirement age, but it is not a solution for many unskilled workers (Bendix, 1989:269-270).

RETRENCHMENT FIGURES PER SECTOR 1990



NOTE: These figures were derived from a survey covering over 200 companies and 26 000 retrenchments.

SOURCE: Levy & Associates survey: 1989/1990.

- *selection criteria*

Once it becomes plain that retrenchment is unavoidable, the employer must seek the agreement of the union upon the criteria which will be used in the selection process. If the employer is not able to get agreement on the criteria, he/she should, as far as possible, adopt fair and objective criteria.

The first step in selecting employees to be retrenched involves determining the boundary of the units within which the selection criteria are to be applied. This is particularly important where management is seeking to implement a proportionate reduction across all or part of its labour force.

Secondly, the indiscriminate application of any selection criterion can result in a workforce incapable of producing anything. Therefore, most managers will seek to ensure they maintain a balanced workforce. One, or a combination, of the following approaches may be applied in selecting the particular employees to be retrenched:

The principle underlying *voluntary severance* is that the employee rather than management, should decide on whether he/she is to be retrenched. However, the right to volunteer is generally restricted to

*Companies should use measures to avoid retrenchment, such as stopping recruitment, overtime, or subcontracting*

*The favoured LIFO approach rewards length of service and prevents discrimination against union members*

employees in those grades or departments where a surplus has been identified. Furthermore, management may reserve the right to refuse retrenchment to those employees whom it considers to be essential to its future operations by virtue of their skill, work performance or experience within the specified categories.

The older workers are least likely to be able to regain employment, and voluntary severance (with full pension entitlement and payments) might prove to be more in their favour. In South Africa, some companies have reduced the normal retirement age from 65 years to 63 years and lower.

The *Last In, First Out (LIFO)* approach has traditionally been favoured by most trade unions, including Cosatu. It has been the most common selection criterion applied in retrenchments and redundancies.

The principle underlying this approach is that the longer an employee's service with the employer, the greater the employee's implied right to a job. Therefore retrenched employees should be selected on the basis of their seniority of service. The unions argue that the LIFO principle rewards length of service, that it is the most easily applicable and objective criterion, and that it prevents any type of favouritism or discrimination against union members.

*Trade unions generally resist the efficiency test, because they feel it is open to abuse by management*

The main advantages to management are that firstly, the organisation is able to retain its longer service and, by implication, its more skilled and experienced employees. Secondly, it is a relatively low-cost option in that, irrespective of whether or not management offers compensation terms, shorter service employees receive less compensation than longer service employees. The main disadvantage to management stems from the fact that short service employees are generally the younger employees, and this approach may result in an unbalanced age profile for the workforce remaining in service (Salamon, 1987:553).

Lastly, many employers, given a free hand, would select their retrenched employees from amongst those employees they consider to be least efficient by reason of their absence, timekeeping, work performance or disciplinary record. However, trade unions generally resist the *efficiency* test, because they feel it is open to abuse by management.

In the Fodens case (Industrial Law Journal

Vol4, 1983:231), the Industrial Court seemed to consider LIFO as the only fair objective standard. In the Shedi case (ILJ Vol5/No3, 1984:3), where the supervisors and foreman had been asked to draw up a list of people whom they considered the least efficient, who were to be retrenched, the Court adopted a more flexible approach, requiring:

*The establishment of criteria for selection which as far as possible do not depend solely upon the opinion of the person making the selection, but can be objectively checked against such things as attendance record, efficiency at the job, experience or length of service.*

The two decisions can be reconciled if they are read together. They are stating that the LIFO principle will generally be accepted as the fair and objective criterion and, if the employer should adopt other criteria, he/she will have to show that the criteria are objective and fair.

• **level of compensation**

It is now accepted practice that retrenched workers should be financially compensated, over and above the normal leave payout and wages in lieu of notice (Bendix, 1989:272).

Although no specific guidelines on severance pay exists, it is recommended that employers pay out two weeks' pay in respect of weekly-paid employees, and one month's pay in respect of monthly paid employees, calculated on the date of termination of every completed year of service (Slabbert, 1990:22-119).

In the Ntuli case (Labour Law Briefs, 1988:88), the first known case where a duty to pay retrenchment benefits was imposed (other than in terms of a collective or individual agreement), the Industrial Court judged that:

*An employer who does not offer reasonable severance pay to an employee, taking into account such considerations as his period of service with the employer, is guilty of an unfair labour practice ... It is worth nothing that the usual practice, seems to be to offer employees severance pay of one or two weeks' pay calculated at the date of dismissal for every completed year of service.*

• **assistance to employees**

It is essential that all the necessary assistance be given to employees in

claiming unemployment insurance (UIF) and other benefits. Managerial assistance generally centres on aiding the employee's search for alternative employment.

In the Gumede case (ILJ Vol5 1984:84), the Industrial Court approved of the British Code of IR Practice, which requires employers to help employees find other work and allow them reasonable time off to do so. It could be said that employers do not need codes of practice to assist retrenched employees, that they only have to follow normal business ethics to be just and fair. An employer who acts conscientiously and in good faith towards the employee and the union need have no reason to fear an unfair labour practice charge arising out of retrenchment.

#### • *duty to consult*

The purpose of all communication and consultation in labour relations is to avoid or at least minimise industrial conflict. The principle is enshrined in the Labour Relations Act and specifically entrenched in the new definition of unfair labour practice for the purposes of retrenchment.

Of the vast majority of retrenchment cases that have come before the Industrial Court, the failure to consult has been of central concern. Controversy as to whether or not consult meant bargain or negotiate has been laid to rest by the explicit use of the term 'consultation' in the definition. Some writers argue that the full understanding of the term should be found in the manner in which it is used in retrenchment procedures and practices.

While seeking information is certainly one element of consultation, it is wrong to state that consultation does not imply arriving at some form of agreement.

The first purpose of consultation is to explain the reasons for the proposed retrenchment and to consider alternatives to retrenchment. Secondly, it is to endeavour to agree upon criteria for the selection of employees to be retrenched if such criteria have not already been agreed upon. The third purpose of consultation is to hear representations where the implementation of selective criteria will work particular hardship - instances which would include the case of an employee who might be close to retiring age and would accordingly lose pension rights.

The employer is also required to consult and communicate with the employee(s) to

be retrenched. The Court has stated that by consulting with the employee to be retrenched, the employer will be able to find out what steps can be taken to find the employee alternative employment, either within the operation or outside.

### Enhancing Job Security

Management objectives in any retrenchment situation are to reduce the labour force whilst maintaining the morale and goodwill of the remaining employees. Union objectives are to resist, or minimise the extent of the retrenchment whilst securing the best possible financial compensation for those who are being retrenched. This basic conflict of interests over retrenchment will remain despite the development of proper procedures.

In South Africa's current economic climate, employers must bear in mind that more than ever before, retrenchment will be fought, resisted and negotiated by the trade unions. A recent survey showed that a 10 per cent cutback by a major employer resulted in a much greater proportion of all employees becoming active job seekers in this sector of the labour market.

If there is a need to cut back it should be done only once, left to the last moment and the cut should be as deep as possible (Levy, 1991:57). To employees, job security means much more than the majority of employers would imagine. Employers who provide job security are building a sound basis for future labour relations and IR negotiations, especially in the context of a new South Africa. **IPWA**

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*In most retrenchment cases that come before the Industrial Court, the failure to consult is of central concern*

*Employers who provide job security are building a sound basis for future labour relations*





# THE REPUBLIC OF RUMOURS

## Corporate Targets

By Gary Alan Fine, Department of Sociology,  
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Rumours thrive in industry and society when we question the legitimacy of our institutions in times of dislocation and social change. After a recent visit to South Africa, a member of that rare breed of academics, a rumourologist, makes some intriguing observations about the role of modern legends in our transitional society. He suggests innovative marketing strategies to contain the possible damage done to corporations by popular rumours about consumer products.

Many who do battle with corporate rumours worry too much about how the rumour started or whether it is true

In September 1987, Barclays Bank, the largest financial institution in South Africa changed its name to First National Bank after the British parent company had disinvested. The bank, reflecting its changed identity, selected a new, South African logo: a thorn tree, silhouetted against a rising sun. It was a 'symbol of life, strength, hope'.

Alas, the branches of the tree formed the shape of the African continent, and in that tree some could see the shape of a leaping rabbit - a symbol of the African National Congress. Others saw a rifle aimed into the heart of Africa. The bank, which for a brief period had been called the 'ANC bank' by some critics because of a controversial overdraft, caved in and changed their logo, after having spent R4,5m on their beautiful new design. Rumour matters.

Societies facing massive transformations are societies that must cope with a surge of rumour. Rumours, when strong enough, shape or limit the effectiveness of political, economic, and cultural institutions. They are markers of public attitudes and concerns. Consider when food is sent to a land of famine, only to be rejected because starving natives believe that the food has been poisoned or contains tabooed products, such as pork in Islamic nations.

Rumours are claims about the nature of the world. The *truth or falsity* of a particular claim is only one aspect; another important aspect is the *credibility* of the claim.

Many who do battle with rumours, particularly corporate or market rumours, get trapped by worrying too much about how the rumour started and whether there is any truth to it. They try to present the 'real facts'. But rumours are notoriously

difficult to trace to their original source. Even when one can expose the truth, there is no certainty that the public will believe what they are told. Some wrong information makes more social sense than the truth.

It is dangerous and unproductive to assume that rumours must be false. Dead mice have been found in softdrink bottles, as discomfiting as that fact might be! A better way of coping with rumours is to ask what features make the actual content of rumours seem plausible. In the simplest sense a narrative makes a claim for attention - it tells us something that we are supposed to accept as true.

At this point, the issue of unverified and suspect information becomes relevant. Who is seen as being able to provide legitimate information? Who will the public accept as an authoritative voice? This involves a social and political choice.

### Brave New World

Rumour researchers have learned about the effects of the class structure; about demographic divisions, including race and ethnicity; about the effects of institutional structures, including the state and economic institutions; and about the role of social networks. In this analysis, I shall rely heavily to two sources of data: Arthur Goldstuck's *The Rabbit in the Thorn Tree: Modern Myths and Legends of South Africa*, and Professor Patricia Turner, a brilliant African-American folklorist, who has collected rumours among black communities in the US.

A simple framework for the analysis of rumour is what I would call a *folklore*

*diamond* [see figure]. It represents four classes of variables which are central to the analysis of the dynamics of rumour:

- *social structure*: the larger societal, institutional, or communal context in which the narrative is set.
- *personal imperatives*: the internal state of the narrator, including memory, self-image, mood, and personality.
- *performance dynamics*: the immediate setting for interaction in which the narrative is transmitted and the expectations of the recipients.
- *narrative content*: the text of the narration, as selected, altered, or ignored.

In this model, social structural forces are the bedrock variables, which provide a grounding for the rest of the model. In the face of significant and real structural changes, for instance, the key assumptions of South African citizens will be shaken. They will come to reside in a society in which their upbringing and schooling have not prepared them. Their brave new world will generate scary assumptions, some of which will find their expression in rumour.

South Africans should expect a set of rumours to emerge about business and political leaders that relate specifically to the changes that the nation faces, and these leaders' personal orientation to that change. Often, these rumours paint leaders in a hostile and surprising way, with leaders associated with change being defined as part of a conspiracy to prevent that change, and others opposed to change secretly planning for more radical change. Who knows what lies in the hearts and minds of men and women?

### Welfare Cadillac

Rumours, if not explicitly political, develop from orientations to the political order. Rumours about wealthy and well-known citizens reflect an indirect, if unknowing, political critique.

Consider the archetypal rumours that Beatle Paul McCartney is dead, that a children's television celebrity uttered an obscenity on the air, that numerous political leaders have had affairs with numerous starlets; or, in a story that Goldstuck finds in South Africa, that a black sports or entertainment star, frightened several elderly white ladies in a hotel elevator, when ordering his huge dog, 'Sit!', they thought he meant them! (He subsequently secretly buys them dinner.)

One of the fascinations of gossip about

celebrities is that this talk reflects divisions in social class and status, and in the latter case reveals a racial tension that is connected to an inversion of the class structure. Significantly it is the black celebrity who apologises for his white audience's fear by buying them dinner, but not eating with them.

The concern with class is also evident in texts depicting the other end of the class continuum. In most Western nations, the majority of citizens define themselves as middle-class. They wish they were richer, but know they could be poorer. They are set in the great, bulging middle - the core of the community. Their attitude toward the wealthy, to which they aspire, is a stew of envy, admiration, and condescending pity. Their attitude toward the poor, towards whom they fear they may slip, blends anxiety, revulsion, charity, and, also, condescending pity.

Rumours about the *welfare cadillac* - a welfare recipient who drives up to pick up his government assistance cheque driving a fancy, late-model cadillac - implicitly reflect the frustration that the middle-class has with their own work life, and pose the question whether they might do better striving less and being sharper. The persistent fear of the middle class is that both the upper and lower class are happier than they are and have an easier life!

The protagonist of the *welfare cadillac* rumour melds upper and lower class: the person who lives off the sweat of others. This narrative is complex in how its themes reflect social order. That the car is a cadillac suggests to some in the US that the welfare cheat is a black man, perhaps a pimp or drug dealer. The South African story about the maid who is paying a monthly 'rent' to the ANC, in payment for her employer's house after the revolution taps similar themes.

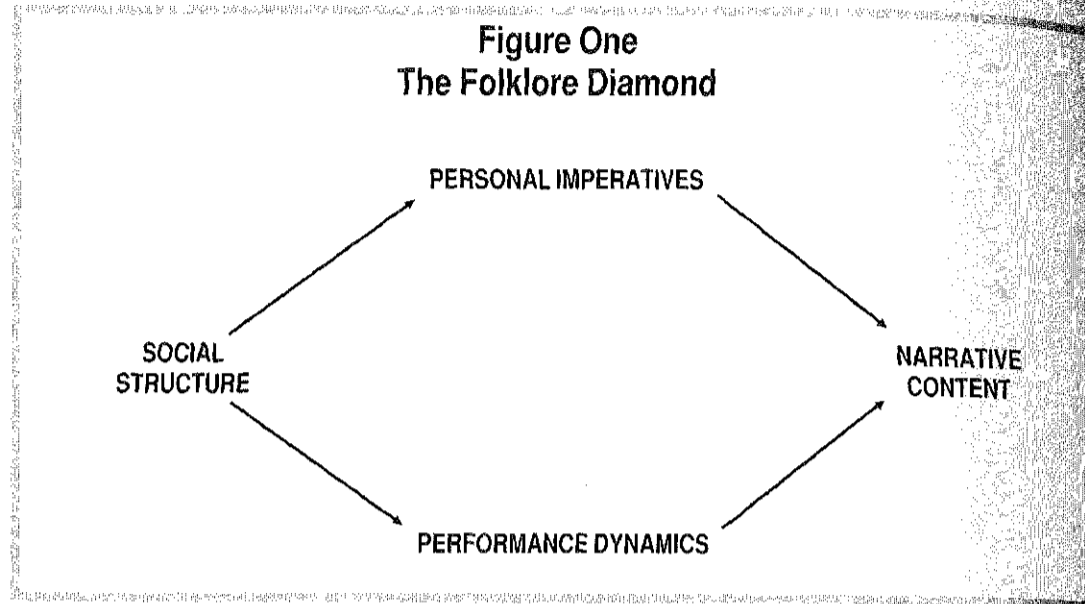
These narratives constitute a conservative, sometimes racist, critique of relationships between social classes. If this is false consciousness, it is quite real in the emotions that audiences feel.

The depiction of class and status differences is a regular feature of contemporary rumours. The texts are structured as 'realistic', and they reflect the class structure - both the way that it is and, implicitly, the way that it should be. The proliferation of such rumours as Goldstuck describes will no doubt continue. When class structures are seen as changing, one's

*One rumour tells of the welfare recipient who picks up his government assistance cheque driving a fancy cadillac!*

*The middle class fear that both the upper and lower class are happier than they are and have an easier life!*

Rumour researchers study the effects of class structure, race and ethnic divisions, and institutional structures, including the state and economic institutions



social placement becomes uncertain, leading to anxiety, a correlate of rumour.

### Race Rumours

All large, heterogeneous societies are socially segmented. Race and ethnicity are often unthinkingly taken for granted as 'real' and eternal divisions, rather than ones that we humans create. Individuals are born into these statuses, and have little or no control over them; such statuses are seen as impermeable.

Within both the US and South Africa, the demographic divisions that most dramatically affect rumours are racial. Patricia Turner argues that what black populations find credible differs markedly from what white populations believe.

Few white Americans would accept as plausible that the AIDS epidemic is linked to a US government experiment in biological warfare in Africa that got out of control, or that the Ku Klux Klan owns a major fast-food establishment, a sportswear company or a large manufacturer of cigarettes. Black Americans are afraid that these companies are putting chemicals in their products to kill or sterilise them, noting that it is primarily blacks who purchase the products or that the stores which sell the products are located in black communities. In South Africa this same rumour targeted a wine popular among the black population.

Often the products that these stories target are ones which blacks are believed to consume. Such conspiracy beliefs seem paranoid to white Americans who have not experienced racial oppression and

malevolent social control, but among segments of the black community the possibility seems only too real. These stories can be traced to previous generations when folklore was used to manipulate black fears by suggesting that they could be kidnapped if they disobeyed white social control.

Goldstuck's analysis focuses on white tales, but he does note that many black South Africans, like black Americans, believe that the AIDS virus was created to wipe them out. One anonymous pamphlet (possibly written by malevolent whites) screams: 'Did you know that FW de Klerk and his racist white government chose the AIDS virus to chase us out of our Azania?'

In turn, white South Africans have been warned to avoid multiracial hotels, restaurants, salad bars, swimming pools, spa baths and public toilets, leading some integrated resorts to suffer financial losses. The HIV virus provides a charter for either violent revolution or reinforced apartheid. It represents a modern medical version of the medieval blood libel story in which members of one race (or religion) kill the children of the other. A well-known example of this blood libel story is the boy found castrated in a shopping centre toilet by a gang of boys of another race.

It is in dealing with rumours of race and ethnicity that the real opportunity for corporate citizens to do good in the new South Africa will occur. One cannot expect that decades of mistrust will be washed away overnight. In fact, the jockeying for status and control in the new South Africa may inflame the situation for some years. Indeed, such rumours are circulating now.

Race rumours often target corporate products which blacks are believed to consume

## Rumour Networks

All complex social systems require powerful institutions that compel and constrain behavior. These institutions constitute the building blocks of society; examples include the economy, religion, and educational systems. Institutions translate socially held values and norms into behaviour through socialisation and social control. Layers of organisations operate within an institution.

The connection between institutions and rumours is self-evident. The welfare cadillac story has as one theme the failure of the welfare bureaucracy. In South Africa, death row prisoners are allegedly never killed, but the government makes them slaves working in the mint.

Many market rumours challenge industrial society by criticising the shift to anonymous, mass capitalist enterprise and state-directed bureaucracy. The diversity of narratives about McDonalds (that worms are used in their hamburgers), the emotional impact of stories about Kentucky Fried Chicken (that an employee fried up a rat instead of chicken), and the longevity of rumours about large corporations, such as Procter and Gamble (that the corporation is owned by the Church of Satan), reveal the centrality of economic organisations.

The political economy influences the issues that are central to the spread of rumour. To understand rumour, one must examine the underlying attitudes toward corporations. Even though these stories may be impotent in leading to revolutionary fervour, many reflect a distrust of large, anonymous corporations. People spread rumours and legends about the institutions that are most symbolically central. Rumour is a mechanism of social control which punishes persons or institutions that stray too far from communal expectations.

Social systems are characterised by webs of relationships. The diffusion of contemporary legends depends on the structure of both personal and organisational networks. People communicate rumours to acquaintances whom they believe will be receptive. Once narrated, a rumour can spread wildly within a tight-knit group or in an organisation in which there is sustained interaction.

How do rumours flow so widely and rapidly? Some 'juicy' texts that are both dramatic and symbolically important can spread throughout a nation in days or weeks

without benefit of the mass media. What interlocks exist among tightly-knit groups?

One's placement within a social network affects the likelihood of knowing or spreading a story. While outsiders may be early narrators, once diffusion begins, high status individuals are more likely to be narrators. Spreading a rumour is a means for gaining audience attention, for capturing the floor, and for receiving esteem.

Rumours move with their narrators. Individuals move from group to group, such as invited speakers who address many groups or those direct sale entrepreneurs who sell kitchenware, toys or negligees to groups of local housewives. Finally, acquaintance relations or *weak ties* allow for efficient communication. While not as robust as the intimate ties of a small group, these ties generate verbal entertainment. Pen pals, distant cousins, business contacts, or friends living apart spread legends.

Weak ties are of particular importance for social action and information transfer. With the advent of new information technologies, including copiers, computer networks, long-distance telephones and, most recently, fax machines, adults have a powerful diffusion network. Computer bulletin boards with their informal, chatty, and humorous notes are particularly efficient in transmitting rumours. For children, the network is less extensive, but diffusion is more rapid because of residential mobility, phone calls, vacations and gatherings, such as summer camps.

Finally, the mass media are the most dramatic specialised networks, operating as independent sources of diffusion and in conjunction with interpersonal communication. Television, radio and mass circulation magazines can be conceived as a node of an enormous network which is a major source for many kinds of rumour. The mass media is indiscriminating in selecting who learns what. As a result, much of the mass media attempts to avoid offending, particularly avoiding explicit sexual gossip or treading gently with texts that attack businesses, emphasising the falsity or absurdity of the claim.

More specialised media may revel in sexual material or may give prominence to those tales that attack large, mistrusted institutions. They know their audience, and like all narrators pitch their discourse so it will be seen as entertaining, informative, and appropriate.

*Rumour is a mechanism of social control which punishes persons or institutions that stray too far from communal expectations*

*Market rumours often reflect popular distrust of large, anonymous corporations*

*Corporations that have established relationships of trust with their customers will be best able to respond to rumours*

*The challenge in a changing society is that some rumours may be credible to a public which mistrusts those in power*

### Counter-Strategy

With the dismantling of the system of apartheid, institutional networks have changed. There is an increasing openness between black and white South Africans, and greater opportunities for them to meet and befriend each other. It is an easy prediction that this trend will increase in the future, and that communication networks in South Africa will change accordingly. There will be greater opportunities for a spread of information, although if the situation in the US is any example, there will still be many racial barriers.

For those involved in marketing products, this means that the diffusion of their message may be expanded, but conversely it may be more difficult to target one's response to a rumour. The more open a communications network, the greater the challenge for stopping a rumour. Specialised racial media will slowly fade, as South Africa develops a single communication network.

Rumours are no fun - for anyone but their audiences and those of us who study them. But what can be done to control the spread of these reports? Several elements might cause us to limit our confidence in our ability to stop rumour :

- first, rumours will always be with us in some form;
- second, as South Africa goes through the process of major change, the relations between ethnic groups will shift, a perfect breeding ground for rumours;
- third, just as rumours are very difficult to start deliberately, they are not easy to control - at times a rumour target may change from one company to another; and,
- fourth, many rumours do not do companies much harm although corporate fears are quite real.

However, there is some need for those who specialise in marketing to pay attention to rumours and to attempt to control them, always insuring that one makes the situation better, not worse. This process can be depicted by suggesting that one needs to *learn, evaluate, and respond*. First, develop means by which to learn what rumours or claims are being spread about one's company: an early warning system. Collect as much detail about the rumour as possible: its source, location and wording.

At this point, evaluate the effect of the rumours: has the rumour caused a drop in

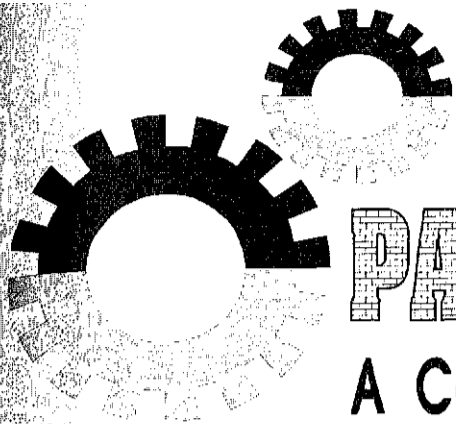
sales, is it taking significant time for workers to cope with mail or phone calls related to the rumour, has it affected morale, does the public believe that the rumour is plausible as measured by surveys, and finally, does the rumour pose a threat to profit? If it does not, the best thing to do is just to keep track of the rumour, respond when necessary, but otherwise do nothing. Few companies have been killed by rumour.

The last resort is a media campaign or significant change in corporate policy: such as Procter & Gamble's decision to retire their logo that had been associated with Satanism, or First National Bank's decision to redesign their Thorn Tree logo which had been associated with the African National Congress. In such a situation, first present the facts to co-workers throughout the company, and convince them that some action is needed. Then target the appropriate demographic area for response.

Within South Africa, this is complex in that rumours may also spread within racial or ethnic groups, and so information must be targeted to these groups through whatever media are most credible, including word-of-mouth. Those corporations that have established relationships of trust and confidence with their customers will be best able to respond effectively. In responding, provide credible and respected spokespersons, and select credible media. These choices are not always easy within a changing society. Finally, tie the corporate response to basic societal values, such as fairness and truth.

Such efforts at control do not always work, but they often diminish the power of rumour, and this coupled with the reality that public attention wavers, is usually sufficient to protect companies. The challenge in a changing society is that some of these rumours may be seen as credible to a public which may mistrust those with whom they have new relations.

As South Africa moves toward a more egalitarian, multi-racial, just society, the impact of these changes will spill into all arenas, including marketing. It is a challenge from which companies should not shrink. In the corporate realm, connections with consumers can have as beneficial an effect as more overt and conscious political changes. Heed rumours for what they say about the present; respond to rumours for what they mean about the future. This is the politics of the republic of rumour. **IPQA**



# WORKER PARTICIPATION

## A Case for Co-determination

By Professor Johann Maree, Industrial Relations Project,  
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As South Africa enters an era of unprecedented transformation, a debate has opened on the appropriate economic and production policies that should be pursued in the post-apartheid economy. In this article, Johann Maree argues the case for greater worker participation in South Africa on economic grounds. He does so by examining the system of worker participation which has existed in the Federal Republic of Germany (formerly West Germany) for more than four decades.

The black trade union movement that re-emerged in the 1970s and grew rapidly in the 1980s has become a significant force in South African society with large and powerful unions. These unions are generally based on the shopfloor with shop steward committees that actively represent their members in the workplace. Over time these unions have developed a say in areas that used to be the exclusive domain of managerial prerogative.

However, the demands of unions for participation at higher levels of the enterprise and in the economy are on the increase. For instance, John Copelyn, general secretary of Sactwu, has argued that independent unions should negotiate at national level in each industry on issues such as 'industrial restructuring, developing a growth strategy for South African industry which is not based on a low-wage policy, and on import and export tariffs' (Copelyn, 1991:32).

What is worker participation in theory? Carole Pateman (1970:68) has identified the essence of the concept as participation in *decision-making* in economic organisations.

A very important aspect of worker participation concerns the actual objectives of worker participation. There is a wide range of objectives which have been classified in three broad categories, namely ethical-philosophical, socio-political and economic objectives (Espinosa and Zimbalist, 1978:2, ILO, 1981:9-19):

- The *ethical* approach is concerned with the individual's human rights at the workplace and is designed to promote human development and self-fulfilment.

- The *socio-political* approach views participation in terms of the desirable distribution of economic and political power among social classes in society.
- The *economic* approach stresses the attainment of greater productivity and economic efficiency in enterprises.

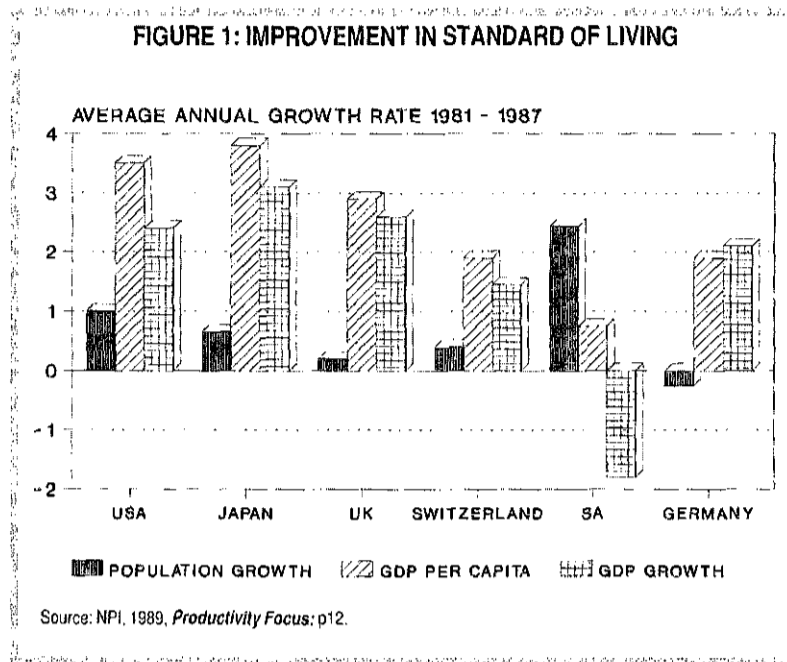
All three approaches to worker participation are worthwhile objectives from both a managerial as well as a labour perspective. Furthermore, it is of the utmost importance that both labour and management should take the economic objective of worker participation very seriously. Labour should assume co-responsibility with management for improving productivity and efficiency, while management should accept worker participation in areas of *decision-making* previously regarded as a management prerogative.

### Economic Trends

The desperate economic conditions in South Africa at present reflect a drastic need for greatly improved economic performance. The need for improved productivity, rapid economic growth and increased worker participation are highlighted by the stagnating economy, commensurate high levels of unemployment, the country's poor productivity performance, and the growing demand for worker participation by the burgeoning trade union movement.

If the alarming trends displayed by the South African economy continue for long in the 1990s, they will create an economic and political crisis of such major

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dimensions that the country could become ungovernable regardless of who is in power.

The first disturbing feature of the South African economy is the slowdown of the economy in the 1980s to a virtual standstill. This is starkly reflected in the growth rate of the Gross Domestic Product (GDP) over the past three decades. From a peak of 5,8% per annum in the 1960s, the growth rate declined to an average of 3,9% in the 1970s and slumped to a mere 0,7% per annum in the 1980s (T Moll, 1990:76; SA Reserve Bank, 1988 and 1990).

A low growth rate combined with a high population growth rate has resulted in a steady decline in the per capita GDP during the 1980s. Between 1981 and 1987, the average annual growth rate was only 0,7% whereas South Africa's population growth was 2,5% per annum, thereby giving rise to an annual *decline* of per capita income of 1,8% (NPI, 1989:12-13). This contrasts starkly with West Germany's annual *increase* in per capita income of 2,1% over the same period (see Figure 1).

Although estimates of unemployment in South Africa vary immensely, the President's Council has estimated that in 1980 the unemployment rate was 30% (Archer et al, 1990:164-8). In some depressed areas, including Port Elizabeth, it has been found to be in the order of 50% (Wilson and Ramphelc, 1989:88-93).

The situation is steadily worsening as the stagnating economy is not creating new jobs at anywhere near the rate which new jobseekers are entering the labour market.

According to the May 1991 Economic Survey of Sanlam, the country has reached a situation where only one out of ten persons entering the workforce is assured of a job in the formal sector (*Sunday Times Business Section*, 19/05/91).

Productivity is defined by the National Productivity Institute (NPI) as a measure of the efficiency with which labour, capital, material and other inputs are combined and used to produce goods and services of a specific quality. It is thus important to realise that productivity refers not only to labour, but also to capital and all other inputs used in production.

Surprisingly, it is the productivity of capital that has been declining in the private non-agricultural sector of the South African economy between 1970 and 1987. It has been doing so at a rate of 2,6% per annum, while labour productivity actually rose by 1,4% per annum (NPI, 1989:30-33).

However, a major matter of concern for the manufacturing sector is the fact that the increase in wage earnings between 1975 and 1987 has far outstripped the rise in labour productivity (Ibid:18-19). The alarming result is that unit labour cost in manufacturing in South Africa has risen much faster than that of the major industrial countries in the world (see Figure 2).

From the above, it is clear that the South African economy requires rapid economic growth based on higher productivity and extensive employment creation. At the same time the independent trade unions are demanding a meaningful say in economic decision-making. Valuable lessons on how these objectives may be achieved can be learned from the (West) German system of co-determination.

### Co-determination Model

The origins of co-determination in Germany are to be found in the social democratic trade union movement which was destroyed by Hitler and resurfaced remarkably rapidly after the Second World War (Markowits, 1986:63). The unions were anti-fascist and anti-capitalist and they wanted to prevent a situation wherein German capital could ever again collaborate with a fascist regime as did sectors in steel and iron, chemicals and leading banks with Hitler.

The objective was to enhance democracy and equality in a new Germany by means

of economic democracy. In order to achieve this, the trade unions demanded full labour participation on a basis of parity in virtually every aspect of the German economy (Ibid:66).

The unions faced both local and geo-political opposition and had to make compromises in the ensuing struggles. However, they did achieve their objective of parity co-determination in the steel, iron and coal industries. By 1947, virtually all German steel plants, iron works and coal mines had adopted a form of co-determination known as *Montanmitbestimmung* (Ibid:67-9).

The provisions of this new concept were embodied in the Co-Determination Act of 1951 of West Germany which provided for parity representation, i.e. an equal number of workforce and shareholder representatives, on the supervisory board of companies in the coal and steel industries with more than 1 000 employees. The chairperson was to be neutral and could not be elected against union opposition. Workers therefore have *real parity* on the supervisory board (Streeck, 1984:393; Lane, 1989:226).

In addition to this form of co-determination there are two other variants in existence in Germany at the board level. The one, for smaller joint-stock companies, gives worker representatives only a third of the seats on the supervisory board. The other, for large joint-stock companies, gives employees equal representation on the board of supervisors, but requires that one of their representatives be of managerial status (Streeck, 1984:397).

An independent study examined the social and economic consequences of parity co-determination in the (West) German coal and steel industry. In 1970 it reported gains for both labour and management.

On the labour side, companies under parity co-determination paid much more attention to human resources policy and planning than other companies (Ibid:398). On the management side, board decisions were being made in a spirit of co-operativeness, and as a consequence, economic effectiveness was not impaired. Labour representatives were interested in increasing the efficiency of their establishments not least because it improved their opportunity for higher wages (Ibid:397).

### Workplace Co-determination:

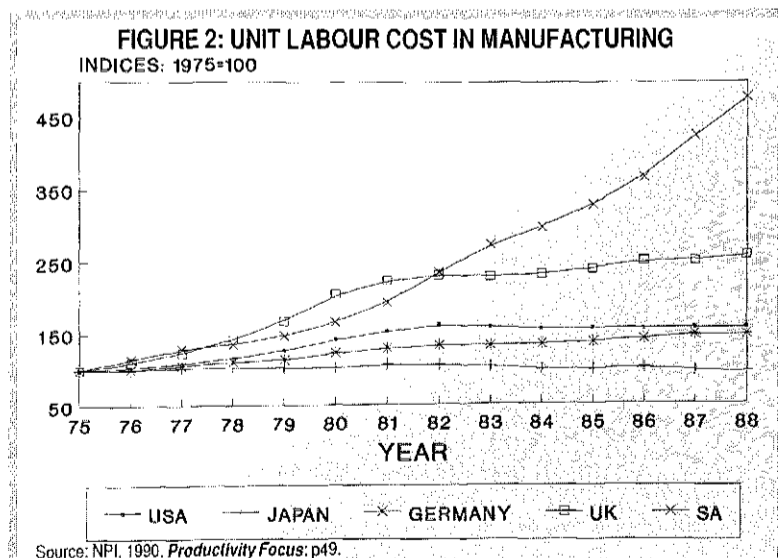
Co-determination at the workplace was instituted by the Works Constitution Act of 1952 of West Germany and subsequently extended by the 1972 Works Constitution Act. The initial Act gave workers in establishments with more than five employees the legal right to elect a works council to represent their interests to their employer.

These rights were extended in 1972 to grant the works councils certain co-determination rights, and certain consultation and information rights. The most important co-determination rights include all matters relating to working time, the design of payment systems, and the design of work organisation and workplaces. The councils have veto rights on a number of grounds with regard to the recruitment, dismissal, grading, regrading and transfer of employees. Employers have to consult and inform the works council about accident prevention, major business plans or changes in the firm, and changes in the work process (Streeck, 1984:392,400; Lane, 1989:230).

Co-determination functions best in large joint-stock companies while they are either ignored or completely isolated in small to medium sized firms and in family owned and managed enterprises (Lane, 1989:232-3).

Evaluation of works councils found that an overwhelming proportion of German workers regard co-determination highly positively and that there is a high degree of active participation in decision-making by works councils. The unions have also made use of works councils to increase their organisational and bargaining effectiveness at the work place (Streeck, 1984:405-6).

*The objective of co-determination was to enhance democracy and equality in a new Germany by means of economic democracy*





*German co-determination has shown that trade unions do not lose their independence when they co-operate with management on selective issues*

Works councils are also supported by a majority of employers in larger firms because workers assume considerable responsibilities (Lane, 1989:234-5). But the system also carries considerable costs for employers. According to Lane, 'They complain about the increasing bureaucratisation and legalisation of personnel work, and the impairment of organisation flexibility through a much more drawn-out decision-making process' (Ibid:236). What impact has this had on the performance of the German economy?

### Impact on Economy

The economy of West Germany has been the most efficient one in Europe for many years. Like other industrialised countries, it was hard-hit by the worldwide economic recession in the early 1980s (Maddison, 1989:85-90). In spite of being challenged by competition from Japan, it recovered and sustained an economic upswing with an annual average growth rate of 2,5% from 1983 to 1988 (Leithauser, 1988:172, 187; Jacobi and Muller-Jentsch, 1990:128-9).

The question arises as to how the economic recovery was achieved at the level of production. How did enterprises adapt to rise to the challenge and, in particular, did co-determination help or hinder the process of adaptation?

The most fundamental restructuring of work organisation in the German economy was the switch to flexible specialisation in certain sectors of the economy. According to Lane (1989:169), works councils and unions in industry have been active and influential in shaping the new forms of work organisation.

The most extensive change took place in the motor industry, particularly at Volkswagen, starting in the 1970s. At Volkswagen the direction of change was towards task integration. An upskilling of production work was achieved with an increase of worker discretion. In components production, repetitive detail work declined from 90% in 1960 to 15% in 1981 (Lane, 1989:168).

### Lessons for South Africa

The West German system of co-determination thus provides an example of economic organisation that enables

workers to participate meaningfully and manages to perform very efficiently. The main lesson for management and trade unions in South Africa is the benefit of co-operative worker participation and an acceptance of the economic objective of worker participation.

German co-determination has demonstrated that the trade union movement does not lose its independence or its right to act militantly even when it does co-operate with management on selective issues. Management has benefited from greater worker co-operativeness and the willingness of works councils to assume co-responsibility for improving companies' efficiency.

There have also been distinct economic advantages for labour in co-determination. The system has helped ensure that labour productivity is high enough to provide West German workers with one of the highest living standards in the world. **IPQA**

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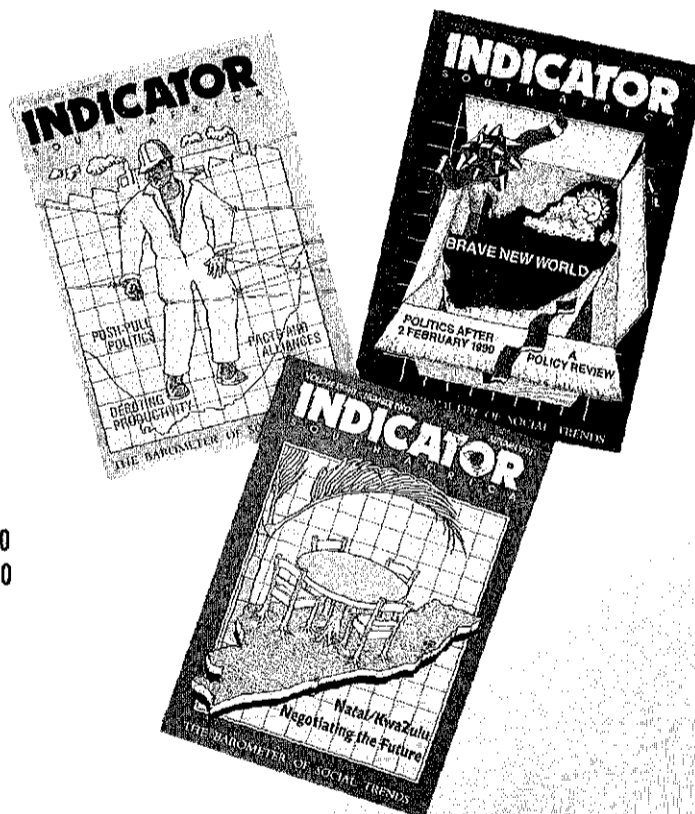
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