
'Homeland' Development? Planning in the Ciskei

Michael Ward

Within South Africa, clearly defined (and administratively distinct) geographical zones exist for which a centrally organised and separate policy of regional development has been devised. These are referred to as 'homelands'.

The 'homelands' plan introduced in the late 1950s as perhaps the most characteristic (and controversial) feature of a more precisely defined apartheid policy, envisioned the establishment of a number of essentially tribally based 'independent' Black states within South Africa. Originally, the intention was to settle the majority of the blacks in the country (comprising some four-fifths of the total population) into these separate locations which, in all, make up little more than 15 per cent of the total land area. Apart from the problem that many of the homelands are fragmented (making their administration particularly difficult in a country preserving 'pass laws') most will never possess more than a nominal autonomy and none will receive true international recognition of their independent status.

To many people both within South Africa and outside, these nominally independent entities do not exist; they are regarded merely as a political creation of the ruling regime and a manifestation of national ideology and official philosophy. Any acceptance of their existence would, it is felt, imply the need to accord some recognition to apartheid. This paper, whilst recognising the fact of apartheid (and the widespread implications of such an approach) in no way condones it.¹ It simply tries to analyse the socio-economic conditions and regional policy strategy implied by such a philosophy, and questions whether 'homeland' policy can achieve the declared primary objective to promote the development of the indigenous Africans.

The stated intention of the South African government's apartheid policy and its associated 'homeland' philosophy is that as non-Europeans establish their own residential areas, they will also develop

their own economic strategy and staff the offices, schools, police force, hospitals, etc under their control. It is alleged – or hoped – there will be opportunities for individual economic advancement (as well as social development) not hitherto open to blacks. A policy with similar objectives, carried out elsewhere in Africa and not based on any discriminatory political philosophy, would contain certain economic aspects which probably would have been favourably regarded and in so far as the policy is directed towards the promotion of economic development and employment and employment opportunities for the poor, there is little to quarrel with. But as part of the general ideology of apartheid, no aspect of this strategy can be regarded as acceptable. This is because the strategy has been evolved within the context of ultimate objectives which are contrary to the true meaning of development.

In any 'homeland' area, the very nature of the development process, quite apart from the rate of economic progress, is constrained by the dominance of the South African economy – not only in market operations but in the utilisation of all factors of production. This all-pervading dependency constrains policy options. Thus it renders quite irrelevant any development planning based on the evaluation and exploitation of regional physical resources. This process involves investment in expensive capital intensive projects which, by their very nature, restrict employment opportunities. Such projects, in drawing on scarce resources, tend to jeopardise other programmes directed towards raising general levels of agricultural production and rural living standards. Moreover, much of current 'homeland' development accentuates dependence on outside finance and institutions. This external sovereign power makes all the key decisions on behalf of the regional authorities, despite the apparent administrative and political independence of the local ministerial councils.

Some of the basic problems associated with any attempt to implement 'independent' economic and social policies within a 'homeland' area are described below in relation to the Ciskei. Geographically, this is a narrow corridor of land mainly comprising the Keiskamma River catchment area. This strip lies roughly north-south and is bounded on the south and south-east by the Indian Ocean

¹ Since most development problems are essentially concerned with questions of redistribution and structural change to help alleviate poverty and pauperisation amongst the least privileged, any policy of separate development is, *prima facie*, inappropriate.

and to the north by the Winterburg and Hogsback mountain ranges. In the west the country is hemmed in by the Great Fish River and its tributary, the Kat. The whole corridor lies due west of the main communications route from East London through King Williams Town up to Cathcart and Queenstown. The region has no port, and no town of any significance. It is estimated that, in 1980, the total population will reach around 475,000, of whom two-thirds will be rural.

Most of the urban population lives either in Mdantsane, a dormitory town serving the industrial centre of East London, or in Zwelitsha, another black township serving the needs of King Williams Town. The area as a whole is isolated and lacks both technology and investment capital as well as independent access to either. Furthermore, many of the original Xhosa inhabitants have migrated to the Witwatersrand, Durban and Cape Town areas. When strict influx control was introduced, limiting labour movements, many of those remaining entered into employment contracts in the monetary sector and obtained temporary residential permits to live outside the Ciskei.

The internal land settlement pattern in the Ciskei still largely reflects a traditional pastoral subsistence economy. In addition, most of the arable production is destined for own household consumption. Within the Ciskei there has been little industrialisation and consequent urbanisation. Except where dormitory urban areas have been specifically created (both by deliberate policy and by automatic default through the operation of the 'pass laws') people do not live in large densely populated areas. The peripheral dormitory towns merely serve the needs of neighbouring South African industrial complexes by providing a cheap and ready supply of mainly unskilled labour. No independent and efficient indigenous commercial agricultural activities have yet been established to serve the needs of the local population.

With this lack of commercial manufacturing and agriculture, there has been virtually no internally generated economic growth. Most regional cash income arises from local labour employed either on a contract basis in the mines or, perhaps more commonly, in those manufacturing industries located in the nearby industrial centres. It has recently been estimated that 70 per cent of the total 'national income' of the Ciskei is derived from the wage payments made by border industries to labour commuters, most of whom cross the 'border' daily.

It is assumed in this paper that the principal objective of any development programme should

be to improve the conditions of the poor. But one of the problems limiting any development strategy is the lack of relevant data. Nevertheless, two basic facts would be generally accepted: first, there is a scarcity of resources; second, because of the low level of development, there are many competing demands on these resources.

These issues can be examined through three questions:

– what is development and who benefits most from it?

Development can be viewed as a) the maximisation of (monetary) growth through rapid industrialisation; or b) as sharing equally in the process of growth (which seems superficially to be somewhat more equitable but actually implies growing real disparities); or c) as a policy geared primarily towards providing more goods and services to those in most need – that is, the redistribution of resources and public services in favour of the poor. The problem, of course, is that the first two objectives outlined (and particularly the first because it is implicit in current 'homeland' policy) lead to growing inequality and an increasing maldistribution of resources. This aggravates an already skew distribution of income and wealth associated with the existing imbalance of social and economic power;

– what are the objectives of development in a low income country?

If attention has to be directed towards specific projects, it is important to be able to exercise some degree of independent choice. But this is not conceivable when development is restricted by the type of project a donor is prepared to support, by budgetary constraints, or by dependence on external finance within a rigid institutional framework. This applies not only to the Ciskei but to any poor dependent territory which relies heavily on external resources and markets.

Thus the development objectives that poor regions themselves would identify are usually defined in terms of poverty alleviation, of better nutrition, clean water, improved housing conditions, better health and education, etc. These are often at variance with other development objectives, starting from different premises, and inheriting more from the techniques and methods of planning. They have to do with, for example, land settlement or the development of human (labour) resources and thus reflect means rather than ends. Development objectives need to be defined in terms of trying to identify choices and available resources.

The internal 'government' must establish a set of objectives which it conceives as being the most important for the Ciskei. These objectives should be concerned with improving the lot of the poorest 60, 70 or 80 per cent of the population. Establishing such objectives rather than simply implementing glossy physical planning proposals is necessary because it is only against the definition of the real problems that it is possible to assess whether progress is being made. There is nothing here which is at variance with a physical development plan; but conflicts will arise if the objectives defined for each sector and programme reflect the implied objective that industrialisation is the specific solution (as opposed, for example, to the improvement of basic arable or pastoral farming that would directly benefit many small, poor rural landholders);

– what development model should be used in order to achieve the objectives defined?

Every policy strategy implicitly assumes a model of economic structure and the way a system operates. In many cases, such as in 'homeland' policy, the model is fairly explicit but it is not one that might be chosen by the local government.²

Various explanations have been given for low levels of savings and local investment – eg a poor resource base, or limited local markets. But the Ciskei is not independent and, particularly because there is potentially a large local market for consumer goods, other reasons for the lack of investment must be found. A more profound explanation for the lack of any real internal development must lie in structural and institutional factors common to the whole South African economy and its international relations. Policy solutions which treat the development problems of the Ciskei in isolation seem bound to fail – and primarily for the same reasons that gave rise to its creation in the first place. Efforts to solve the resource related issues of agricultural and industrial development on the assumption that such a regional economy is an enclosed watertight system will undoubtedly prove inappropriate. More fundamental core-periphery dynamic relationships must be taken into account. It is not relevant to apply regional network analysis to try and identify possible growth points as appropriate centres on which to concentrate the main development effort. Although the methods and procedures themselves are plausible the basic assumptions on which the application of the techniques rest are clearly misplaced.

² Thus a Marxist approach, for example, would not even have the chance to get off the ground.

Regional models of controlled imbalance aim to establish urban growth centres to encourage migration from the rural hinterland for employment in the towns. To concentrate, for reasons primarily of cost efficiency (although rarely, in practice, of cost effectiveness or comparative benefit) economic nodes, social amenities and related public services in the towns can serve only to aggravate existing problems of poverty and income distribution. The closely related objective of effecting large savings in the provision of public amenities and social services can hardly be regarded as a priority. Taken to its extreme, it would simply imply the cutting out of all official services.

The logic of the growth centre approach, with its emphasis on promoting dynamic internal economic change, is fundamentally inconsistent. It is in conflict with the necessity to meet the needs of those left behind in the economic growth process. Indeed it may well be that growth centres succeed only when they evolve without direct government intervention. If an area has failed to develop without outside help or official support then there would appear to be little reason for assuming that it will ever succeed as a growth centre as a result of deliberate government action. There is even less reason for believing – especially in a 'homeland' context – that there will be desirable 'spread' effects.

In the case of the Ciskei the almost 'ghost' town of Middledrift, with little other merit than being located virtually in the centre of the region, emerges clearly (and not unexpectedly) as the primary regional 'growth point' on the basis of the analytical 'centralising' techniques of physical planning. Despite incorporating a variety of different physical, social, economic and cultural variables, the technical investigatory procedure adopted provides only a single (although admittedly complex and multifaceted) dimension of the development problem. The theoretical isolation of the region as a separate entity must lead to incongruous results, such as the identification of growth centres (like Middledrift) that bear no relation to socio-economic reality and are out of phase with the dynamic forces at work.³ Moreover, the use of sophisticated statistical techniques such as factor analysis and the method of principal components provides no justification for this approach. Indeed,

³ D. Page in *A National Plan for the Ciskei*, Ciskei Development Conference May 1978 (Report published by Conference Associates Pretoria and printed by Cape and Transvaal Printers, Parow, S. Africa) notes: '... although Middledrift is the local choice for the national industrial centre from the surveys of potential, no development has yet taken place in spite of urgent pleas to initiate development at this point. . . . The testimony speaks for itself.'

the concept of the nodal analysis may assume principles that are the antithesis of development objectives as commonly recognised.

What significant economic development that has taken place within the Ciskei has been almost entirely with the support of white expertise and capital (mostly of an official nature). Many of these schemes⁴ involve technologically efficient but capital intensive choices of technique and depend heavily on the continued supply of high level skill inputs as well as on the easy availability of repairs, servicing and spare parts, ie on supplies of white labour and technology and imported goods and services. This is particularly true of the dairy farming project which – probably because the bulk of the output is sold in distant urban centres outside the region – insists on levels of hygiene and sterilisation that are probably superfluous to the needs of nearby local consumers. This puts the cost of production, and hence the price, well above the level which most local people can pay.

A regional planning approach that seems to make sense is to conduct a general social cost-benefit appraisal of each type of project proposed. Such an analysis, however, should be dependent not so much on criteria of economic efficiency as on the broader development aims established. If the motivation for production is profit, then conventional techniques (suitably adjusted) would be appropriate. But if the objective of production is to meet a perceived need, then there is no place for such a methodology. In assessing a self-help programme in the Ciskei it should be necessary first to judge whether dependence will be increased. Do the projects have their own internal momentum? Or, if outside skills and foreign capital are withdrawn, will the project survive with local resources?

It is also important to examine the possible links both between project activities and between projects and the local economy. Who will benefit from a project in a region where there are few internal inter-industry links? And who is going to benefit from the expenditure generated by the project? As far as existing development projects in most 'homeland' areas are concerned, it is the

powerful economic centres outside the region which stand to benefit most.

In setting such broad questions, it is possible to review agricultural or industrial project proposals in the context of wider socio-economic development aims. If the goal is regional self-help, industrial and agricultural projects will have to be analysed in terms of conventional 'import' substitution policies or 'export' promotion policies.

Import substitution policies may merely imply the replacement of imports from neighbouring areas through more efficient methods of domestic production. But what about an import displacement strategy? Import displacement arises when a need is identified, and met with a locally produced good⁵ satisfying a similar consumption requirement to that met previously by imports. Import displacement probably has more chance in the Ciskei, where price, income and product substitution elasticities favour the manufacture of simple products with high transport costs.

There is much less opportunity for export promotion, given the fierce competition from industrialised areas in South Africa which have greater access to communications and marketing facilities and possess cheap labour and supporting industrial structure. Moreover, other 'homeland' areas closer to the main markets and the neighbouring independent African countries can offer far more than the Ciskei in this respect.

But a central ambiguity remains. Those evaluating projects must do so in the context of the objectives of the authority concerned. Is it possible in any real sense to talk about the 'objectives' of the Ciskei when the authority will be only the South African Government under a different name? If this is so, we must concern ourselves with the local objectives of the South African Government. If these are to keep the Ciskei as a labour reserve for white enterprise outside the area, or to provide a cover for excluding Xhosa from any rights in the Republic, then any assessment of projects on the basis of their contribution to the welfare of the poor will be at best irrelevant and at worst a deliberate falsification.

⁴ Such as the Keiskammahoek migration settlements and Tyefu scheme on the Fish River.

⁵ and not the normal package of branded goods.